Financial Information as of March 31, 2008

(The English translation of the
"Yukashoken-Houkokusho" for
the year ended March 31, 2008)

Nissan Motor Co., Ltd.

Table of Contents

【Cover】

【Document Submitted】	Securities Report (“Yukashoken-Houkokusho”)
【Article of the Applicable Law Requiring Submission of This Document】	Article 24, Paragraph 1, of the Financial Instruments and Exchange Law
【Filed to】	Director, Kanto Local Finance Bureau
【Date of Submission】	June 26, 2008
【Business Year】	109th Fiscal Term (from April 1, 2007, to March 31, 2008)
【Company Name】	Nissan Jidosha Kabushiki-Kaisha
【Company Name (in English)】	Nissan Motor Co., Ltd.
【Position and Name of Representative】	Carlos Ghosn, President
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Part I Information on the Company

1. Overview of the Company

1. Key financial data and trends

(1) Consolidated financial data

Fiscal year		105th	106th	107th	108th	109th
Year ended		March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007	March 31, 2008
Net sales	Millions of yen	7,429,219	8,576,277	9,428,292	10,468,583	10,824,238
Ordinary income	Millions of yen	809,692	855,700	845,872	761,051	766,400
Net income	Millions of yen	503,667	512,281	518,050	460,796	482,261
Net assets	Millions of yen	2,023,994	2,465,750	3,087,983	3,876,994	3,849,443
Total assets	Millions of yen	7,859,856	9,848,523	11,481,426	12,402,208	11,939,482
Net assets per share	Yen	493.85	604.49	753.40	862.29	860.17
Basic net income per share	Yen	122.02	125.16	126.94	112.33	117.76
Diluted net income per share	Yen	120.74	124.01	125.96	111.71	117.56
Net assets as a percentage of total assets	%	25.8	25.0	26.9	28.6	29.4
Return on equity	%	26.29	22.82	18.66	13.89	13.68
Price earnings ratio	Times	9.55	8.78	11.01	11.24	7.00
Cash flows from operating activities	Millions of yen	797,417	369,415	757,869	1,042,827	1,342,284
Cash flows from investing activities	Millions of yen	(756,126)	(865,035)	(1,112,755)	(1,114,587)	(867,623)
Cash flows from financing activities	Millions of yen	(113,740)	521,046	457,919	106,912	(307,002)
Cash and cash equivalents at end of year	Millions of yen	194,164	289,784	404,212	469,388	584,102
Employees ( ) represents the number of part-time employees not included in the above numbers as of the fiscal year end	Number	119,350 (4,398) 124,606 (6,295)	169,644 (13,963) 174,647 (14,802)	162,099 (21,257) 165,397 (21,564)	165,729 (20,607) 169,299 (21,177)	159,227 (21,308) 163,099 (21,686)

Notes: 1. Net sales are presented exclusive of consumption tax.

2. Staff numbers, which are presented as the lower numbers in the “Employees” line, include those of unconsolidated subsidiaries accounted for by the equity method.

3. Effective since the 108th fiscal year, the Company has adopted the Accounting Standard for Presentation of Net Assets in the Balance Sheet (ASBJ Statement No. 5) and the Implementation Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet (ASBJ Guidance No. 8) in the calculation of net assets.

(2) Non-consolidated financial data

Fiscal year		105th	106th	107th	108th	109th
Year ended		March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007	March 31, 2008
Net sales	Millions of yen	3,480,290	3,718,720	3,895,553	3,608,934	3,923,280
Ordinary income	Millions of yen	228,098	203,711	337,156	169,958	276,821
Net income	Millions of yen	80,713	102,415	240,593	79,481	219,855
Common stock	Millions of yen	605,813	605,813	605,813	605,813	605,813
Number of shares issued	Thousands	4,520,715	4,520,715	4,520,715	4,520,715	4,520,715
Net assets	Millions of yen	1,709,705	1,685,893	1,827,030	1,775,413	1,781,612
Total assets	Millions of yen	4,055,579	3,981,914	3,845,041	3,804,369	3,936,336
Net assets per share	Yen	388.60	384.86	415.28	401.03	406.04
Cash dividends per share (Interim cash dividends included herein)	Yen (Yen)	19 (8)	24 (12)	29 (14)	34 (17)	40 (20)
Basic net income per share	Yen	18.15	23.24	54.88	18.01	49.92
Diluted net income per share	Yen	17.97	23.04	54.48	17.92	49.84
Net assets as a percentage of total assets	%	42.2	42.3	47.5	46.6	45.2
Return on equity	%	4.60	6.03	13.70	4.42	12.38
Price earnings ratio	Times	64.19	47.29	25.47	70.13	16.51
Cash dividends as a percentage of net income	%	103.7	102.8	52.9	188.9	80.1
Employees ( ) represents the number of part-time employees not included in the above numbers as of the fiscal year end	Number	31,389 (463)	32,177 (578)	32,180 (845)	32,489 (257)	31,081 (372)

Notes: 1. Net sales are presented exclusive of consumption tax.

2. Effective since the 108th fiscal year, the Company has adopted the Accounting Standard for Presentation of Net Assets in the Balance Sheet (ASBJ Statement No. 5) and the Implementation Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet (ASBJ Guidance No. 8) in the calculation of net assets.

2. History

December 1933	Jidosha Seizo Co., Ltd., predecessor of Nissan Motor Co., Ltd. was established in Takaracho, Kanagawa-ku, Yokohama, through the joint capital investment of Nippon Sangyo K.K. and Tobata Imono K.K.
May 1934	Construction of the Yokohama Plant was completed.
June 1934	The Company changed its name to Nissan Motor Co., Ltd.
April 1935	First vehicle was manufactured off the production line through the integrated production at the Yokohama Plant.
August 1943	Construction of the Fuji Plant (formerly the Yoshiwara Plant) was completed.
September 1944	The head office was moved to Nihonbashi, Tokyo, and the Company changed its name to Nissan Heavy Industries, Ltd.
January 1946	The headquarters moved to Takaracho, Kanagawa-ku,Yohohama.
August 1949	The Company changed its name to Nissan Motor Co., Ltd..
January 1951	The Company’s stock was listed on the Tokyo Stock Exchange.
May 1951	The Company acquired an interest in Shin-Nikkoku Kogyo Co., Ltd. (currently Nissan Shatai Co., Ltd.; a consolidated subsidiary).
May 1958	Exportation of passenger cars to the United States was commenced.
September 1960	Nissan Motor Corporation in U.S.A. was established.
September 1961	Nissan Mexicana, S.A. de C.V. (currently a consolidated subsidiary), a joint venture with Marubeni-Iida Co., Ltd. (currently Marubeni Corporation) was established in Mexico City, Mexico.
March 1962	Construction of the Oppama Plant was completed.
March 1965	The Company acquired an interest in Aichi Machine Industry Co., Ltd. (currently a consolidated subsidiary).
May 1965	Construction of the Zama Plant was completed.
August 1966	The Company merged Prince Motor Company and, accordingly, the Murayama Plant became a part of the Company.
July 1967	Construction of the Honmoku Wharf (a base for exporting) was completed.
January 1968	The headquarters moved to the Company’s new building in the Ginza area of Tokyo.
March 1970	The Company commenced the marine engine business.
March 1971	Construction of the Tochigi Plant was completed.
October 1973	Construction of the Sagamihara Parts Center was completed.
June 1977	Construction of the Kyushu Plant was completed.
January 1980	The Company acquired an interest in Motor Iberica, S.A. (currently Nissan Motor Iberica, S.A.; a consolidated subsidiary) in Spain.
July 1980	Nissan Motor Manufacturing Corporation U.S.A. was established.
November 1981	The Nissan Technical Center was completed.
November 1981	Nissan Motor Acceptance Corporation (currently a consolidated subsidiary) was established.
January 1983	Nissan Gakuen (car mechanics’ school) was opened.
February 1984	Nissan Motor Manufacturing (UK) Ltd. (currently a consolidated subsidiary) was established.
November 1984	Construction of the Oppama Wharf was completed.
April 1989	Nissan Europe N. V. was established in the Netherlands.
January 1990	Former Nissan North America, Inc. was established in the United States.
January 1994	Construction of the Iwaki Plant was completed.
April 1994	The business in the North America region was reorganized and Nissan North America, Inc. (currently a consolidated subsidiary) was newly established.
March 1995	Production of vehicles was discontinued at the Zama Plant.
December 1998	Nissan North America, Inc. merged with Nissan Motor Corporation in U.S.A.
March 1999	The Company and Renault signed an agreement for a global alliance, including equity participation.
July 1999	The Company sold its business related to the Fuji Plant to TransTechnology Ltd., which merged with JATCO Co., Ltd. into JATCO TransTechnology (currently JATCO Ltd.) in 1999.
April 2000	Nissan North America, Inc. merged with Nissan Motor Manufacturing Corporation U.S.A.
July 2000	The Company sold its aerospace-related business to I.H.I. Aerospace Co., Ltd.
March 2001	Production of vehicles was discontinued at the Murayama Plant.
March 2002	Renault increased its stake in the Company to 44.4%.
March 2002	The Company acquired Renault’s shares through Nissan Finance Co., Ltd. (currently a consolidated subsidiary).
March 2002	The Company established Renault Nissan BV, a management organization.
August 2002	Nissan Europe SAS (currently a consolidated subsidiary) was established to reorganize business in Europe.
March 2003	The Company liquidated Nissan Europe N.V.
May 2003	The Company established a new plant in Canton, Mississippi.
July 2003	Dongfeng Motor Co., Ltd. commenced its operations in China.
January 2008	Nissan International SA began managing sales and manufacturing operations in Europe.

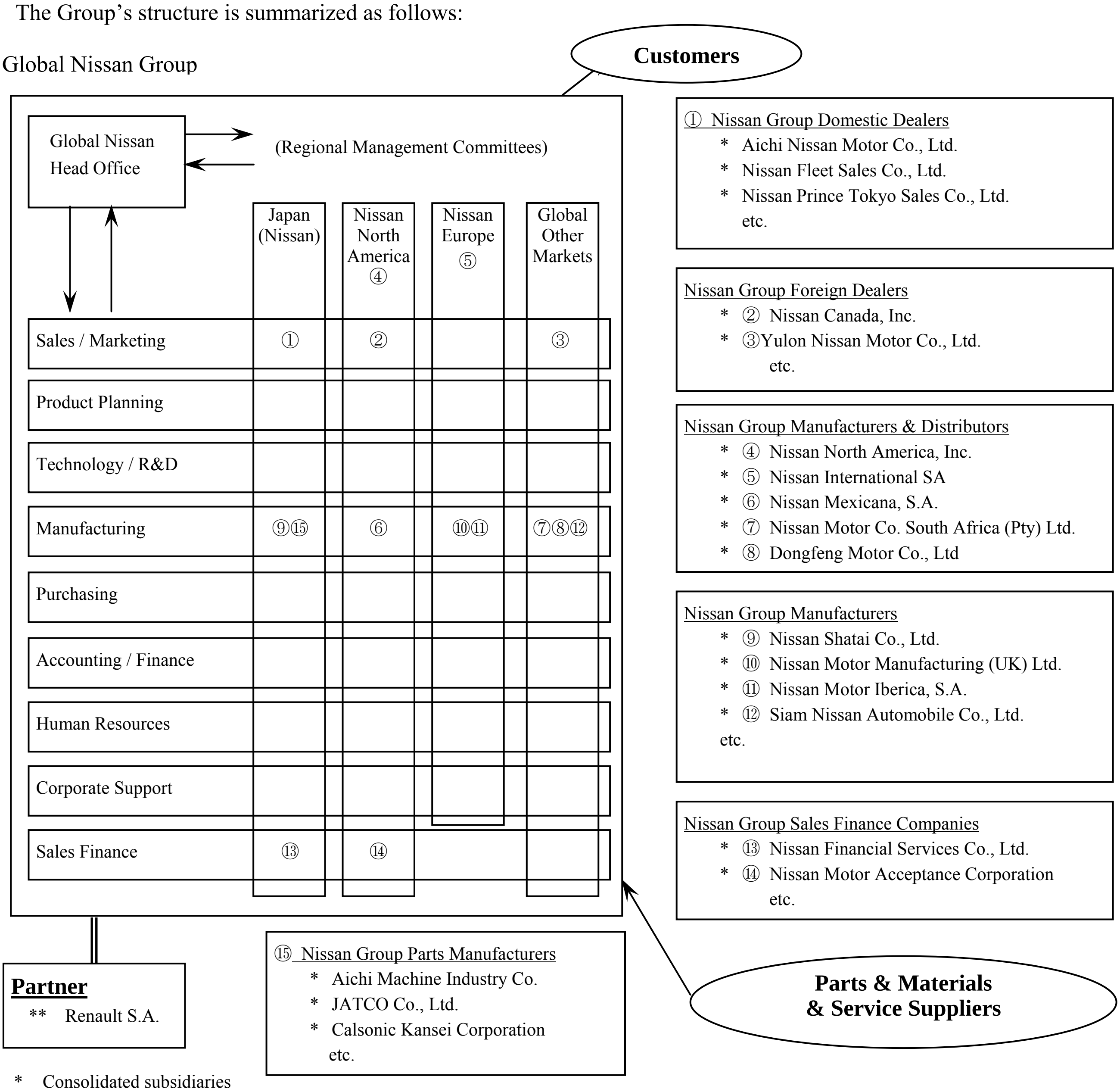
3. Description of business

The Nissan Group (the “Group” or “Nissan”) consists of Nissan Motor Co., Ltd. (“the Company” or “NML”), subsidiaries, affiliates, and other associated companies. Its main businesses include manufacturing and sales of vehicles, forklifts, marine products and related parts. In addition, the Group provides various types of services related to the above businesses such as logistics and sales finance services.

The Group established the Global Nissan Head Office to function as its global headquarters and to monitor various operations through the Global Nissan Group, which is a combination of four Regional Management Committees. The Global Nissan Group also handles cross-regional matters such as research & development, purchasing, manufacturing, and so forth.

Effective from January 2008, Nissan International SA is responsible for managing sales and manufacturing operations in Europe.

The Group’s structure is summarized as follows:



* Consolidated subsidiaries
** Companies accounted for by the equity method

- In addition to the above companies, *Nissan Trading Co., Ltd., *Nissan Networks Holdings Co., Ltd., and others are included in the Group.
- The Group’s consolidated subsidiaries listed on the domestic stock exchanges are as follows:
  Nissan Shatai Co., Ltd. – Tokyo, Aichi Machine Industry Co., Ltd. – Tokyo, Nagoya, Calsonic Kansei Corporation – Tokyo

4. Information on subsidiaries and affiliates

(1) Consolidated subsidiaries

Name of company	Location	Capital	Description of principal business	Percentage of voting rights held by NML		Relationship with NML					
				Percentage	(Indirect holdings)	Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
						Transferred	Concurrent	Dispatched			
		Millions of yen		%	%	Number	Number	Number			
＃☆※ Nissan Shatai Co., Ltd.	Hiratsuka-shi, Kanagawa	7,905	Manufacturing and selling automobiles and parts	42.95	(0.03)	6	1	—	None	Manufacturing certain products on behalf of NML	Mutually leasing land and buildings with NML
＃※ Aichi Machine Industry Co., Ltd.	Atsuta-ku, Nagoya-shi	8,518	Manufacturing and selling automotive parts	41.68	—	2	1	—	None	Selling certain automotive parts to NML	None
☆ JATCO Co., Ltd.	Fuji-shi, Shizuoka	29,935	Manufacturing and selling automotive parts	74.96	—	2	2	—	None	Selling certain automotive parts to NML	Leasing of certain land, buildings and production facilities owned by NML
Nissan Kohki Co., Ltd.	Samukawa-machi, Koza-gun, Kanagawa	2,020	Manufacturing and selling automotive parts	97.73	—	1	—	—	None	Selling certain automotive parts to NML	Leasing of production facilities owned by NML
＃※(Note 11) Calsonic Kansei Corporation	Nakano-ku, Tokyo	41,456	Manufacturing and selling automotive parts	41.61	—	6	1	—	None	Selling certain automotive parts to NML	None
Nissan Motor Car Carrier Co., Ltd.	Chuo-ku, Tokyo	640	International transportation of automobiles	60.00	—	1	—	—	None	Marine transportation of automobiles exported	None
Nissan Trading Co., Ltd.	Nishi-ku, Yokohama-shi	320	Importing, exporting and selling automotive parts and other	100.00	—	6	1	—	None	Importing automotive parts on behalf of NML	None
＃ Nissan Financial Services Co., Ltd.	Mihama-ku, Chiba-shi	16,388	Arranging installment sales and automobile leases	100.00	—	7	5	2	None	Automobile leases on behalf of NML	Leasing company vehicles to NML
Autech Japan, Inc.	Chigasaki-shi, Kanagawa	480	Developing, manufacturing and selling limited edition automobiles	100.00	—	9	2	1	None	Purchasing limited edition automobiles from NML	Leasing of certain land and buildings for business owned by NML
Nissan Network Holdings Co., Ltd.	Chuo-ku, Tokyo	90	Business management of the domestic sales network, as well as selling, purchasing, leasing and entrusted management of real estate	100.00	(7.68)	4	3	—	None	Leasing and entrusted management of real estate	Leasing certain land and buildings for employees' welfare facilities to NML
Nissan Finance Co., Ltd.	Minato-ku, Tokyo	2,491	Finance and accounting support	100.00	—	—	6	—	¥557,954 million as the source of working capital loans made to Group companies	Making loans to domestic subsidiaries	None
Aichi Nissan Motor Co., Ltd.	Atsuta-ku, Nagoya-shi	90	Selling automobiles and parts	100.00	(100.00)	2	2	—	None	Purchasing products manufactured by NML	None
(Note 12) Nissan Fleet Sales Co., Ltd.	Minato-ku, Tokyo	480	Selling automobiles and parts	100.00	—	5	1	—	None	Purchasing products manufactured by NML	None
Nissan Prince Tokyo Motor Sales Co., Ltd.	Shinagawa-ku, Tokyo	95	Selling automobiles and parts	100.00	(100.00)	5	2	—	None	Purchasing products manufactured by NML	None
Nissan Parts Chuo Sales Co., Ltd.	Isogo-ku, Yokohama-shi	545	Selling parts for automobile repairs	80.61	(34.37)	6	2	1	None	Purchasing parts for repairs from NML	None
Other domestic consolidated subsidiaries		65 companies									
Total domestic consolidated subsidiaries		80 companies									

- 6 -

Name of company	Location	Capital	Description of principal business	Percentage of voting rights held by NML		Relationship with NML					
						Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
				Percentage	(Indirect holdings)	Transferred	Concurrent	Dispatched			
				%	%	Number	Number	Number			
☆ Nissan Europe S.A.S.	Trappes, Cedex, France	Millions of Euro 1,626	Managing manufacturing and sales in Europe	100.00	—	—	2	—	None	None	None
Nissan International Finance (Netherlands) B.V.	Amsterdam, The Netherlands	Millions of Euro 14	Financing for group companies	100.00	(100.00)	—	1	—	None	Extending loans to NML's European subsidiaries	None
☆ Nissan International Holdings B.V.	Amsterdam, The Netherlands	Millions of Euro 2,795	Holding company for subsidiaries	100.00	—	—	—	—	None	None	None
Nissan West Europe S.A.	Trappes, Cedex France	Millions of Euro 4	Selling automobiles and parts	100.00	(100.00)	—	—	—	None	Purchasing products manufactured by NML	None
Nissan Motor (GB) Ltd.	Rickmansworth, Hertfordshire, United Kingdom	Millions of £ stg. 136	Selling automobiles and parts	100.00	(100.00)	—	—	—	None	Purchasing products manufactured by NML	None
☆ Nissan Holding (UK) Ltd.	Washington Road, Tyne & Wear, United Kingdom	Millions of Euro 871	Holding company for English subsidiaries	100.00	(100.00)	—	—	—	None	None	None
Nissan Italia S.p.A.	Rome, Italy	Millions of Euro 6	Selling automobiles and parts	100.00	(100.00)	—	—	—	None	Purchasing products manufactured by NML	None
Nissan Motor Manufacturing (UK) Ltd.	Washington Road, Tyne & Wear, United Kingdom	Millions of £ stg. 250	Manufacturing and selling automobiles and parts	100.00	(100.00)	—	—	1	None	Purchasing products manufactured by NML	None
(Note 7) Nissan International SA	Rolle, Vaud, Switzerland	Thousands of Euro 62	Managing sales and manufacturing operations in Europe	100.00	(100.00)	—	1	1	None	Purchasing products manufactured by NML	None
Nissan Forklift Europe B.V.	Amsterdam, The Netherlands	Millions of Euro 7	Selling forklifts and parts	100.00	—	—	2	1	None	Purchasing products manufactured by NML	None
☆ Nissan Motor Iberica, S.A.	Barcelona, Spain	Millions of Euro 726	Manufacturing and selling automobiles and parts	99.79	(93.23)	—	—	1	None	Purchasing products manufactured by NML	None
Nissan Iberia, S.A.	Barcelona, Spain	Millions of Euro 12	Selling automobiles and parts	100.00	(100.00)	—	—	—	None	Purchasing products manufactured by NML	None
Nissan Forklift Espana, S.A.	Noain, Spain	Millions of Euro 9	Manufacturing and selling forklifts and parts	100.00	(100.00)	—	1	—	None	Purchasing products manufactured by NML	None
☆◎ Nissan North America, Inc.	Nashville, Tennessee, USA	Millions of US$ 1,792	Managing subsidiaries in North America and manufacturing and selling automobiles and parts	100.00	—	—	3	—	None	Purchasing products manufactured by NML	None
Nissan Motor Acceptance Corporation	Nashville, Tennessee, USA	Millions of US$ 500	Financing wholesale and retail sales of automobiles in the United States	100.00	(100.00)	—	2	—	None	Financing sales of products manufactured by NML	None

- 7 -

Name of company	Location	Capital	Description of principal business	Percentage of voting rights held by NML		Relationship with NML					
						Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
				Percentage	(Indirect holdings)	Transferred	Concurrent	Dispatched			
				%	%	Number	Number	Number			
Nissan Technical Center North America, Inc.	Farmington Hills, Michigan, USA	Millions of US$ 16	Conducting research and development activities, and testing and assessing various automobiles in the United States	100.00	(100.00)	—	2	2	None	Designing and developing automobiles on behalf of NML	None
Nissan Motor Insurance Corporation	Honolulu, Hawaii, USA	Millions of US$ 10	Casualty insurance	100.00	(100.00)	—	—	—	None	None	None
Nissan Forklift Co., North America	Marengo, Illinois, USA	Millions of US$ 34	Manufacturing and selling forklifts and selling parts for forklifts	100.00	(88.00)	—	2	2	None	Purchasing products manufactured by NML	None
Nissan Canada, Inc.	Mississauga, Ontario, Canada	Millions of Can$ 68	Selling automobiles and parts	100.00	(61.66)	—	1	—	None	Purchasing products manufactured by NML	None
☆ Nissan Mexicana, S.A. de C.V.	Mexico D.F., Mexico	Millions of MX Peso 17,056	Manufacturing and selling automobiles and parts	100.00	(100.00)	—	4	2	None	Purchasing products manufactured by NML	None
Nissan Motor Co. (Australia) Pty. Ltd.	Dandenong, Victoria, Australia	Millions of A$ 290	Selling automobiles and parts	100.00	(100.00)	—	2	—	None	Purchasing products manufactured by NML	None
Nissan Motor Company South Africa (Pty) Ltd.	Rosslyn, South Africa	Millions of Rand 40	Managing subsidiaries in Africa and manufacturing and selling automobiles	100.00	—	—	—	1	None	Purchasing products manufactured by NML	None
Nissan New Zealand Ltd.	Auckland, New Zealand	Millions of NZ$ 51	Managing subsidiaries in New Zealand and selling automobiles	100.00	—	—	1	—	None	Purchasing products manufactured by NML	None
Nissan Middle East F.Z.E.	Dubai, UAE	Millions of Dh. 2	Selling automobiles	100.00	—	—	—	1	None	Purchasing products manufactured by NML	None
(Note 5) Dongfeng Motor Co., Ltd.[*5]	Wuhan, Hubei, China	Millions of CNY 16,700	Manufacturing and selling automobiles and parts	50.00	(50.00)	—	3	3	None	Purchasing products manufactured by NML	None
Siam Nissan Automobile Co., Ltd.	Bangsaothong, Samutpraken, Thailand	Millions of THB 1,931	Manufacturing and selling automobiles and parts	75.00	—	—	2	2	¥31,579 million funded as working capital	Purchasing products manufactured by NML	None
※ Yulon Nissan Motor Co., Ltd	Miaoli, Republic of China	Millions of TWD 3,000	Manufacturing and selling automobiles and parts	40.00	—	—	2	2	None	Purchasing products manufactured by NML	None
☆ NISSAN (CHINA) INVESTMENT CO., LTD.	Beijing, China	Millions of CNY 8,476	Managing subsidiaries of China and selling automobiles	100.00	—	—	4	—	None	Purchasing products manufactured by NML	None
Other foreign consolidated subsidiaries		86 companies									
Total foreign consolidated subsidiaries		114 companies									
Total consolidated subsidiaries		194 companies									

- 8 -

(2) Affiliates accounted for by the equity method

Name of company	Location	Capital	Description of principal business	Percentage of voting rights held by NML		Relationship with NML					
						Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
				Percentage	(Indirect holdings)	Transferred	Concurrent	Dispatched			
		Millions of Yen		%	%	Number	Number	Number			
＃ Kinugawa Rubber Industrial Co., Ltd.	Inage-ku, Chiba-shi, Chiba	5,655	Manufacturing and selling parts for automobiles	20.42	(0.00)	4	—	—	None	Selling certain automotive parts to NML	None
＃(Note 10) Tonichi Carlife Group Corporation	Shinagawa-ku, Tokyo	13,752	Selling automobiles and parts for automobiles	34.66	(34.66)	—	—	—	None	Purchasing products manufactured by NML	None
(Note 6) Renault	Billancourt, France	Millions of Euro 1,086	Manufacturing and selling automobiles and parts for automobiles	15.41	(15.41)	—	3	—	None	Joint development	None
Other affiliates accounted for by the equity method	13 companies										
Total affiliates accounted for by the equity method	16 companies										

Notes: 1. Companies marked ☆ are specified subsidiaries.

2. Companies marked ＃ have filed their securities registration statements or securities reports.

3. Net sales (excluding intercompany sales within the Group) of the company marked ◎ (Nissan North America, Inc.) exceeded 10% of consolidated net sales for the year ended March 31, 2008. Therefore, the key financial data for Nissan North America, which consolidates the financial data for its 29 subsidiaries, are shown below.

(1) Net sales	¥4,008,080 million
(2) Ordinary income	¥238,983 million
(3) Net income	¥154,087 million
(4) Net assets	¥1,224,274 million
(5) Total assets	¥4,865,463 million

4. Although the percentage of their voting rights held directly and indirectly by NML is equal to, or less than, 50%, the companies marked ※ have been consolidated because they are substantially controlled by NML.

5. Although Dongfeng Motor Co., Ltd. is a joint venture, this company is consolidated because Dongfeng Motor Co., Ltd. has been consolidated proportionately to NISSAN (CHINA) INVESTMENT CO., LTD. in accordance with local accounting standards.

6. Although the exercise of voting rights of the shares in Renault directly and indirectly held by the Company is restricted in accordance with the Commercial Code of France, the Company has accounted for its investment in Renault by the equity method as the Company exercises significant influence over Renault's financial and operating policies through its participation in a jointly and equally owned management company (Renault-Nissan BV) and through its Board members (comprising 50% of Renault-Nissan BV's Board of Directions). This joint venture company has the power to decide business issues of importance to both Renault and Nissan based on the Articles of Incorporation of each company or on a mutual agreement.

7. Effective from January 2008, Nissan International SA is responsible for managing sales and manufacturing business operations in Europe.

8. Nissan Technical Center Europe Ltd. previously conducted vehicle development, technology research, vehicle assessment and certification in Europe. However, the responsibility of these operations has been transferred to Nissan Motor Manufacturing (UK) Ltd. Due to the resulting decline in its importance, Nissan Technical Center Europe Ltd. is included in other foreign consolidated subsidiaries for the fiscal year ended March 31, 2008.

9. Nissan Motor (China) Ltd. previously sold automobiles in China. However, the responsibility of this operation has been transferred to NISSAN (CHINA) INVESTMENT CO., LTD. Due to the resulting decline in its importance, Nissan Motor (China) Ltd. is included in other foreign consolidated subsidiaries for the fiscal year ended March 31,

- 9 -

2008.

10. Tonichi Carlife Group Corporation fully allocated new shares to a third party, Nissan Network Holdings Co., Ltd., a consolidated subsidiary of the Company, on February 4, 2008 and has become an equity-method affiliate of the Company.

11. Calsonic Kansei Corporation, which manufactures and sells automotive parts, relocated its headquarters to Saitama City, Saitama Prefecture, on May 6, 2008.

12. Nissan Fleet Sales Co.,Ltd. changed its trade name to Nissan Fleet Co.,Ltd. Effective April 1, 2008.

5. Employees

(1) Consolidated companies

(At March 31, 2008)

Geographical segment	Number of employees	
Japan	80,689	(7,724)
North America	28,929	(14)
Europe	14,517	(563)
Other overseas countries	35,092	(13,007)
Total	159,227	(21,308)

Notes:

1. The number of employees presented above represents full-time employees. The figures in parentheses represent part-time employees at March 31, 2008 and are not included in the number of full-time employees.
2. The number of employees engaged in sales finance services was 2,185 (1,815).

(2) The Company

(At March 31, 2008)

Number of employees		Average age (Years)	Average years of service (Years)	Average annual salary (Yen)
31,081	(372)	41.4	19.9	7,138,692

Notes: 1. The number of employees presented above represents full-time employees. The figures in parentheses represent part-time employees at March 31, 2008 and are not included in the number of full-time employees.

2. The average annual salary represents the average salary for employees who are not in material positions and includes bonuses and overtime pay.

(3) Trade union

Most of the Company’s employees are affiliated with the ALL NISSAN MOTOR WORKERS’ UNION, for which the governing body is the ALL NISSAN AND GENERAL WORKERS UNIONS, and the Japanese Trade Union Confederation (RENGO) through the CONFEDERATION OF JAPAN AUTOMOBILE WORKERS’ UNIONS. The labor-management relations of the Company are stable, and the number of union members was 29,025 as of March 31, 2008. In addition, the Nissan Motor branch of the All Japan Metal and Information Machinery Workers Union (JMIU), another trade union, had one affiliated employee as of the same date.

At most domestic Group companies, employees are affiliated with their respective trade unions on a company basis, and the governing body is the ALL NISSAN AND GENERAL WORKERS UNIONS.

At foreign Group companies, employees are affiliated with their respective trade unions. In Mexico, for example, workers are affiliated with a domestic trade union for which the governing body is the Confederation of Mexican Workers (CTM: Confederación de Trabajadores de México) or independent trade unions, whereas most employees in the United Kingdom are affiliated with the Amalgamated Engineering and Electrical Union (AEEU). Local employees of other Group companies are affiliated with different types of trade unions according to the labor environment in each country.

2. Business Overview

1. Overview of business results

(1) Operating results

Net sales for the year ended March 31, 2008 totaled ¥10,824.2 billion, which represents an increase of ¥355.7 billion (3.4%) over net sales for the prior year. Operating income increased to ¥790.8 billion, an increase of ¥13.9 billion (1.8%) from the prior year. The operating income as a percentage of net sales for the current fiscal year was 7.3%.
Net non-operating expenses for the year ended March 31, 2008 amounted to ¥24.4 billion, a decline of ¥8.5 billion from the prior year. This decrease was primarily attributed to the recording of an exchange loss for the current fiscal year despite improvement of equity in earnings of affiliates compared with an exchange gain for the prior year. As a result, ordinary income for the current year increased by ¥5.3 billion (0.7%) from the prior year to ¥766.4 billion. Net special gains for the year ended March 31, 2008 totaled ¥1.6 billion, an improvement of ¥65.2 billion from the prior year. This was primarily due to an increase in the gain on sales of fixed assets, a decrease in impairment loss and a special addition to retirement benefits compared with the prior year. Finally, income before income taxes and minority interests and net income for the year ended March 31, 2008 increased by ¥70.5 billion (10.1%) and ¥21.5 billion (4.7%) to ¥768.0 billion and ¥482.3 billion, respectively, from the previous year.

The operating results by business segment are summarized as follows:

a. Automobiles

The Group's worldwide automobile sales (on a retail basis) for the year ended March 31, 2008 increased by 287 thousand units (8.2%) to 3,770 thousand units from the prior year. The number of vehicles sold in Japan decreased by 2.5% to 721 thousand units. Vehicles sold in the United States increased by 3.0% to 1,059 thousand units, whereas those sold in Europe increased by 17.9% to 636 thousand units and vehicle sales in other overseas countries increased 15.8% to 1,354 thousand units.

Net sales in the automobile segment (including intersegment sales) for the current year rose by ¥285.0 billion (2.9%) from the prior year to ¥10,104.2 billion.

Operating income for the year ended March 31, 2008 increased by ¥14.5 billion (2.2%) to ¥662.5 billion. This was primarily due to positive factors such as favorable car pricing and sales mix, an increase in the number of vehicles sold and a reduction in purchase costs despite the rising costs of raw materials and energy and costs related to the improvement of marketability including expenses to comply with regulations.

b. Sales finance

Net sales (including intersegment sales) for the current year increased by ¥67.7 billion (9.7%) to ¥762.4 billion. Operating income for the current year increased by ¥1.2 billion (1.6%) from that of the prior year to ¥76.9 billion.

Operating results by geographic segment are summarized as follows:

a. Japan

- Net sales (including intersegment sales) for the current year increased by ¥314.7 billion (6.7%) from the prior year to ¥4,998.7 billion.

- Operating income for the current year increased by ¥4.5 billion (1.7%) from the prior year to ¥276.7 billion, primarily due to an increase in the number of vehicles sold for export and a reduction in selling expenses despite a decrease in the number of vehicles sold for domestic use.

b. North America

- Net sales (including intersegment sales) for the current year decreased by ¥39.2 billion (0.8%) to ¥4,650.3 billion.

- Operating income for the current year decreased by ¥42.1 billion (11.7%) from the prior year to ¥317.9 billion, primarily due to an unfavorable sales mix and an increase in selling expenses despite an increase in the number of vehicles sold.

c. Europe

- Net sales (including intersegment sales) for the current year were ¥2,380.2 billion, an increase of ¥213.7 billion (9.9%) from the prior fiscal year.

- Operating income for the current year increased by ¥38.4 billion (46.6%) from the prior year to ¥120.7 billion, primarily due to the increase in the number of vehicles sold.

d. Other overseas countries

- Net sales (including intersegment sales) for the current year increased by ¥381.3 billion (26.7%) from the prior year to ¥1,810.3 billion.

- Operating income for the current year was ¥81.1 billion, an increase of ¥22.9 billion (39.3%) over from the prior year, primarily due to an increase in the number of vehicles sold.

(2) Cash flows

Cash and cash equivalents amounted to ¥584.1 billion at the end of this fiscal year, with an increase of ¥114.7 billion (24.4%) from the balance at the end of the prior fiscal year. This primarily represents the net cash result of an increase in cash flows provided by operating activities and a reduction of cash flows used in investing activities, although cash flows used in financing activities were decreased for this fiscal year compared to the net cash result from cash flows provided by financing activities for the prior fiscal year.

(Cash flows from operating activities)

Cash and cash equivalents provided by operating activities amounted to ¥1,342.3 billion for the current fiscal year and increased by ¥299.5 billion from ¥1,042.8 billion in the prior fiscal year. This primarily reflects an increase in net income before income taxes and minority interests and the reduction of income taxes paid.

(Cash flows from investing activities)

Cash and cash equivalents used in investing activities amounted to ¥867.6 billion for the current fiscal year, which declined by ¥247.0 billion from ¥1,114.6 billion in the prior fiscal year. This was primarily attributable to an increase in proceeds from sales of property, plant and equipment and a decrease due to the purchase of leased vehicles.

(Cash flows from financing activities)

Cash and cash equivalents used in financing activities totaled ¥307.0 billion for the current fiscal year and decreased by ¥413.9 billion from ¥106.9 billion provided by financing activities in the prior fiscal year. This was mainly due to a reduction of the net increase in short-term borrowings.

2. Production, orders received and sales

(1) Actual production

Location of manufacturers	Number of vehicles produced (units)		Change (units)	Change (%)
	Prior fiscal year	Current fiscal year		
Japan	1,191,937	1,263,333	71,396	6.0
The United States	716,211	687,032	(29,179)	(4.1)
Mexico	534,841	464,257	(70,584)	(13.2)
The United Kingdom	384,669	374,076	(10,593)	(2.8)
Spain	266,295	219,607	(46,688)	(17.5)
South Africa	55,456	43,792	(11,664)	(21.0)
Indonesia	4,765	24,530	19,765	414.8
Thailand	43,363	72,122	28,759	66.3
China	231,444	299,064	67,620	29.2
Brazil	—	8,217	8,217	—
Total	3,428,981	3,456,030	27,049	0.8

Notes: 1. The figures for the current fiscal year in China represent the production figures for the 12-month period from January 1 to December 31, 2007. Those in the nine other countries represent the production figures for the 12-month period from April 1, 2007 to March 31, 2008.

2. The above figures do not include forklift production data.

(2) Orders received

Information on orders received has been omitted as the products manufactured after the related orders are received are immaterial to the Group.

(3) Actual sales

Sales to	Number of vehicles sold (on a consolidated basis)		Change (units)	Change (%)
	Prior fiscal year	Current fiscal year		
Japan	716,405	684,404	(32,001)	(4.5)
North America	1,444,039	1,370,489	(73,550)	(5.1)
Europe	741,701	705,224	(36,477)	(4.9)
Other overseas countries	797,602	937,650	140,048	17.6
Total	3,699,747	3,697,767	(1,980)	(0.1)

Notes: 1. The figures for the current fiscal year in China and Taiwan, which are included in "Other overseas countries," represent the sales figures for the 12-month period from January 1 to December 31, 2007. Those sold in Japan, North America, Europe and the other overseas countries (excluding China and Taiwan) represent vehicles sold for the 12-month period from April 1, 2007 to March 31, 2008.

2. The above figures do not include forklift sales data.

3. Issues and outlook for the fiscal year ahead

For fiscal 2008, the Group projects that the number of vehicles sold globally will increase 3.5% year over year to 3.9 million units and that sales in other overseas countries and Eastern Europe including Russia will increase. The Group intends to launch nine new models globally in the fiscal year ending March 31, 2009. Major risk factors are projected to be the hike in raw material prices, the depreciation of the U.S. dollar and anticipated sluggish automotive sales in mature markets such as the United States. The Group will ensure opportunities by solidifying its well-balanced earnings structure and carrying out “NISSAN GT 2012,” the new medium-term business plan described below.

NISSAN GT 2012, the new medium-term business plan

NISSAN GT 2012 is the Group’s new business plan covering the five years from 2008 through 2012, which includes the following three key commitments with a major focus on solidifying growth and trust.

The first commitment of the Group is to realize the world’s highest standard of quality, which is essential for maintaining trust in the Nissan brand as a prevailing global automaker.
The Group intends to achieve excellent results comparable to those of the leading competitors in all domains including not only automobile products but also in service, brand value, business management and overall corporate quality.
The second commitment is to be a global leader in addressing zero emissions. To this end, the Group is scheduled to launch electric vehicle (EV) models in 2010 in the U.S. and Japanese markets, and start their wider sales on a global basis in 2012. Moreover, the Group entered into an innovative agreement to start the mass production of EVs in Israel and Denmark in 2011 through the Alliance with Renault.
The Company plans to offer a lineup of high-quality EVs that offer safe and excellent designs and are attractive and enjoyable to drivers. The Company believes that this approach will be a breakthrough among global automakers.
The final commitment is to increase consolidated net sales at an average annual rate of 5% for the five years covered by this plan. The 60 or more new vehicle models to be released during the period until 2012 will support this ambitious target.

The Alliance with Renault contributes to raising the Company’s competitive edge and provides valuable benchmarks for all the departments of the Company. Both corporations can swiftly take advantage of diverse opportunities for improvement through methodical comparisons of similar processes to ensure synergies through the Alliance in specific projects.
As the partnership with Renault matures, both companies are pursuing more active and strategic cooperation.
For example, both companies have addressed the development of ultra low-cost vehicles for the Indian market, and the Chennai Plant with an annual production capacity of 400 thousand units is under joint construction.
In Morocco, the Alliance plans to construct a complex of production facilities that will have an annual production capacity of 400 thousand units for the two companies.
In Russia, the possibility of a business venture with AvtoVAZ, a Russian automaker, is under consideration.
As a first step toward achieving a zero emission strategy, the Group intends to start the mass production of EVs in Israel and Denmark through the Alliance with Renault.
The Alliance with Renault is a strategic partnership that has stimulated radical reforms within the Company and will continue to remain highly functional as a key framework for sustainable development of the Company.
The Group is determined to consistently endeavor to achieve long-term growth via profitability and create value for stakeholders.

4. Business and other risks

With regard to disclosure in the Business Overview, Financial Information and other parts of this Securities Report, the significant items which may affect the decisions of our investors can be grouped under the following risk factors.

Any future forecasts included in the following descriptions are based on the estimates or judgment of Nissan as of June 26, 2008.

(1) Economic Factors

The demand for products manufactured by the Group is affected by the economic conditions in each country or market in which they are offered for sale. The Group conducts operations all over the world particularly in the major markets of North America, Europe, the general overseas regions and Japan. While the Group strives to develop a comprehensive and integrated projection of the global economic outlook, any greater-than-anticipated downturn in one of these markets may have a significant effect on the Group’s financial position and results of operations.

(2) Risks Involved in International Activities and Overseas Expansion

The Group's manufacturing and marketing activities outside Japan are conducted in the United States, Europe, and general overseas regions. The Group forecasts and evaluates a wide variety of risks inherent in conducting business in overseas markets including the factors noted below. Each of these factors could entail a greater-than-anticipated level of risk, which could have significant effects on the Group's financial position and results of operations:

- Unfavorable political or economic factors
- Legal or regulatory changes
- Potentially adverse tax consequences
- Labor disputes including strikes
- Difficulties in recruiting and retaining personnel
- Social turmoil due to terrorism, war, or other destabilizing factors.

(3) Research and Development

The Group's technology must be useful, pragmatic and easy to use. The Group anticipates the nature and scope of the market demand, and then prioritizes and invests in new technologies. However, any sudden and greater-than-anticipated changes in its business environment or in customer preferences may impact negatively on customer satisfaction with these new technologies.

(4) Product Defects

The Group places a high priority on safety and endeavors to enhance safety from the standpoint of research and development, manufacturing and sales. Although the Group has insurance policies to cover product liability, this does not necessarily mean that all potential defects and the related liabilities are fully covered. If the Group were to implement significant recalls in volume and amount for the benefit of customers' safety, the Group would incur significant additional expenses which could adversely affect its financial position and results of operations.

(5) Fluctuation in Foreign Currency Exchange Rates

The Group's Japanese operations export vehicles to various countries around the world. In general, the appreciation of the yen against other currencies adversely affects the Group's financial results of operations. In contrast, the depreciation of the yen against other currencies favorably affects the Group's financial results of operations. Any sharp appreciation of the currencies of countries where the Group manufactures vehicles against the yen could lead to increases in both procurement and production costs which would adversely affect the Group's competitiveness.

(6) Derivatives

The Group utilizes derivative transactions for the purpose of hedging its exposure to risks such as fluctuations in the foreign exchange rates of its receivables and payables denominated in foreign currencies, the interest rates of interest-bearing debt and fluctuations in commodity prices. While the Group can hedge against these risks by using derivatives transactions, the Group, may miss potential gains which could result from seizing the market opportunities to profit from such fluctuation in exchange rates and interest rates. In addition, the Group manages its exposure to credit risk by limiting its counterparties to financial institutions with high credit ratings. However, a default by any one of these counterparties could have an adverse effect on the Group's financial position and operating results.

(7) Lawsuits and Claims

With respect to various lawsuits and claims which the Company and the Group encounters, the possibility exists that the position defended by the Company will not be accepted and that the outcome may be significantly different from that anticipated. As a result, any such verdict or settlement could adversely affect the Group's financial position and operating results.

(8) Government Regulations

The automobile industry worldwide is influenced by a broad spectrum of regulations governing the emission levels of exhaust fumes, fuel economy guidelines, noise level limitations and safety standards. The Group expects these regulations to become increasingly stringent. In order to ensure compliance, it may be necessary for the Group to make significant ongoing investments in these areas which would have an impact on its financial position and results of operations.

(9) Intellectual Property Rights

The Group owns a wide variety of proprietary technologies and has the expertise to differentiate the Group's products making them unique from those of its competitors. These assets have proven their value in the growth of the Group's business and will continue to be of value in the future. The Group strives to protect its intellectual property assets. However, in certain markets, the Group may encounter difficulty in fully protecting the proprietary rights to its own technologies.

The Company established the Intellectual Property Rights Management Department in April 2004 to protect intellectual property rights in specific areas, strengthen activities to protect Nissan's intellectual property rights, abstract new intellectual property rights and perform various activities to protect and create the Nissan and Infiniti Brands. However, cases may arise where the Group finds itself unable to prohibit others from infringing on its intellectual property rights.

(10) Natural Disasters

The Group's corporate headquarters and many of its manufacturing facilities are located in Japan, where the statistically proven probability of earthquakes is higher than in many other countries. The Group has developed risk management guidelines relating to earthquake damage and the COO has organized a global task force to direct disaster prevention and recovery activities. In addition, the Group has been strengthening its manufacturing facilities with anti-seismic reinforcement. However, if a severe earthquake were to hit one of the Group's key facilities causing a halt in production, this would adversely affect the Group's financial position and results of operations.

(11) Sales Financing Business Risk

Sales financing is an integral part of the Group's core business, providing strong support to its automotive sales, while maintaining high profitability and a sound and stable financial condition through strict risk management policies. The Global Sales Financing Business Unit was established at the Company to further enhance risk management. However, the sales financing companies have a high exposure to interest-rate risk, residual value risk and credit risk, which may adversely affect the Group's financial position and results of operations.

(12) Counterparty Credit Risk

The Group does business with a variety of counterparties and manages its counterparty credit risk by conducting a comprehensive annual assessment of its customers' financial condition based on their financial information. Nonetheless, any significant default by a counterparty would adversely affect the Group's financial position and results of operations.

(13) Employee Retirement Benefit Expenses and Obligations

The amounts of retirement benefit obligation and related expenses of the Group are calculated using various actuarial assumptions including the discount rate applied, the projected rate of return on plan assets, and other factors. If the Group's actual results differ from those assumptions or if the assumptions change, the resulting effects will be accumulated and recognized systematically over future periods. The cumulative effect could adversely impact the recognition of expenses and liabilities recorded in future periods.

(14) Purchase of Raw Materials and Parts

The Group purchases raw materials and parts from many suppliers. Market conditions beyond the Group's control and the risk that suppliers are unable to procure raw materials and parts continuously may adversely affect the Group's financial position and results of operations.

5. Important business contracts

Company which entered into agreement	Counterparty	Country	Agreement	Date on which agreement entered into
Nissan Motor Co., Ltd. (Filer of this Securities Report)	Renault	France	Overall alliance in the automobile business including equity participation	March 27, 1999

6. Research and development activities

The Group has been conducting research and development activities to offer vehicles which meet its customers' expectations and to create technologies which promote safety as well as global environmental protection.

The research and development costs of the Group amounted to ¥457.5 billion for this fiscal year.
The Group's research and development organization and the results of its activities are summarized as follows:

(1) Reserch and development organization

The Group's domestic research and development organization includes the Nissan Technical Center (Atsugi-shi, Kanagawa), which takes a leading role in planning, designing and developing new products; the Nissan Research Center (Yokosuka-shi, Kanagawa), which conducts fundamental and application research activities; and the Nissan Advanced Technology Center, which was completed in May 2007. Based on the NISSAN GREEN PROGRAM 2010, Nissan's medium-term environmental action program released in December 2006, the Company intends to launch technologies and vehicles that can be truly effective in reducing CO_2 emissions. The recently opened Nissan Advanced Technology Center mainly develops environmental technologies such as electrical powertrains under the PROGRAM and advanced safety technologies and safety-oriented vehicles based on the "SKY PROJECT."

The Group has proving grounds in Hokkaido (Rikubetsu), Tochigi and Kanagawa (Oppama). The improvement works that started in May 2006 at the Oppama proving ground were completed and the proving ground, which is nicknamed the GRANDRIVE, newly started operation in September 2007.
The GRANDRIVE supplies employees of Nissan and its sales companies with opportunities to feel the charm of Nissan cars so that they can communicate the fun of driving to customers through their experience in trial rides, apart from the conventional experiments and evaluation tests. The Company has the most up-to-date Nissan Collision Experimental Grounds at Oppama, Kanagawa, to mainly research how we can improve the safety in auto collisions and how we can enhance safety in accidents with overturned vehicles. In addition, the Field Quality Center was established in the Technical Center as an onsite research and development base for quality improvement of Nissan vehicles and the Center started its full-fledged operation in June 2007.

The Company renewed the Design Center, a design development facility located in the Technical Center, in November 2006. Since then, several extensions and improvements of the Engineering Center followed for more efficient and effective collaboration in manufacturing (*monozukuri*) among other design-related organizational members including the product planning department, the development department, the production department, the purchase department and suppliers. The extensions and improvements were completed in September 2007, and the Engineering Center started operation in October.

Major domestic subsidiaries also conduct research and development activities: Nissan Shatai Co., Ltd., Nissan Techno Co., Ltd., and Nissan Light Truck Co., Ltd. are in charge of the development of certain models of passenger cars and commercial vehicles, and Aichi Machine Industry Co., Ltd. and JATCO Co., Ltd. are in charge of the development of certain engines and transmission trains. In January 2008, a development department of small diesel engines for light commercial vehicles (LCVs) was established at Nissan Light Truck Co., Ltd., with the aim of expanding the LCV business.

In the Western countries, Nissan Technical Center North America, Inc. and Nissan Design America, Inc. in the United States, Nissan Motor Manufacturing (UK) Ltd. with its manufacturing facilities in the United Kingdom and Belgium, and Nissan Motor Iberica, S.A., in Spain, design and develop several vehicle models.

In Asia, Dongfeng Motor Co., Ltd., a joint venture in China with Dongfeng Motor Group Co., Ltd., Yulon Nissan Motor Co., Ltd., a joint venture in Taiwan with Yulon Motor Co., Ltd., and Nissan South East Asia Co., Ltd., in Thailand are in charge of the design and development of several vehicle models. In April 2007, Nissan South East Asia Co., Ltd., changed its trade name to Nissan Technical Center South East Asia Co., Ltd., with the intent of specializing in resrach and development functions. In India, the Company established Renault Nissan Technology & Business Center India Pvt. Ltd. a joint venture with Renault, in September 2007. This center plans to have about 1,500 employees to engage in vehicle design, manufacturing technology, purchase, design, cost control and information system development by 2010.

As for the LCV business, in October 2007, the Company entered into a comprehensive joint venture agreement with a commercial vehicle manufacturer, Ashok Leyland Ltd., in India regarding the establishment of a new reserch and development corporation to develop LCV vehicles and powertrains for domestic use and exports.

In addition, Nissan and Renault, partners in the Business Alliance since 1999, are proceeding jointly to unify their platforms and powertrains and to develop advanced technologies and research technologies so that both companies can dramatically improve their research and development potential.

(2) New vehicles launched

Research and development activities conducted in Japan during this fiscal year resulted in the launch of the "DUALIS," "MICRA C+C" and "CLIPPER RIO"; full model changes to the "X-TRAIL," "ATLAS," "SKYLINE COUPE" and "GT-R"; and minor enhancements to the "LAFESTA," "MARCH," "SERENA," "FUGA," "NOTE," "TIIDA" and "TIIDA LATIO." Overseas, the Group launched the "ROGUE," "Altima Coupe" and "EX" and introduced full model changes to the "MURANO" and "G37 Coupe" in North America; introduced "TEANA" in India; launched the "Aprio" and "Cabstar" in Mexico; launched the "Qashqai," "G35 Sedan" and the Infinity model of "FX" in China; and launched the "Cabstar" in Taiwan.

(3) Development of new technologies

In the field of global environmental conservation, the Nissan Group addresses technology development tasks with three priorities: "Initiatives to reduce CO_2 emissions," "Cleaner emissions to preserve the atmosphere, water and soil" and "Recycling resources" under the NISSAN GREEN PROGRAM 2010, Nissan's medium-term environmental action program.
As for "Initiatives to reduce CO_2 emissions," the Group announced that it would release in the autumn of 2008 a new vehicle model that uses an "M9R" clean diesel engine model compliant with the new exhaust gas restrictions in Japan. As for gasoline engines, the Group has mounted the "Variable Valve Event & Lift (VVEL)" system, which allows us to reduce CO_2 emissions with low fuel consumption, as well as achieve high output and excellent response, onboard the SKYLINE COUPE and to be onboard the new Infinity FX model. The Group plans to launch new EV models through the Alliance with Renault in 2011 in the markets of Israel and Denmark.

The Group has released a high-performance lithium ion battery for use in the EVs of the aforementioned project through a joint venture with NEC Corporation. As a comprehensive initiative to reduce CO_2 emissions in actual traffic environments with pedestrians and cars, the Company has acquired Japan's first permit from the Ministry of Land, Infrastructure, Transport and Tourism for vehicles compliant with the E10 bio-ethanol fuel mixture toward the enhanced use of bio fuel. Thereafter, the Company began participating in the "Tokachi E10 project," which is a demonstration experiment. Furthermore, the Company started the "*Anatamo* Eco-Drive" service to support eco-friendly driving by customers with a navigation screen and an information service on traffic jams using probe-based data. In China, we set up STAR WINGS, a traffic jam mitigation project, jointly with the Beijing Transportation Information Center (BTIC) to become operational by the end of fiscal 2008.
As for "Cleaner emissions to preserve the atmosphere, water and soil," the Company has developed a new technology to reduce by half the volume of precious metal used in catalysts and will start its use during fiscal 2008. Moreover, for diesel engines, the Company released clean diesel technologies such as HC·NOx trap catalysts, which will allow us to surpass the SU-LEV level, an exhaust emission restriction level of the State of California in the United States (with approximate reductions of 90% for HC and 70% for NOx relative to the Tier2Bin5 restrictions).
For "Recycling resources," the Company's actual recycling efficiency reached 95.2% in fiscal 2006, thereby reaching the target set out in the NISSAN GREEN PROGRAM 2010 four years ahead of schedule.
The Group will continue to be active in promoting activities toward the ultimate goal of a 100% recycling rate.

Regarding safety, the Group intends to produce safer automobiles to achieve the goal of reducing by half the number of auto-related deaths and serious injuries by 2015 via the analysis of actual accidents. Since fiscal year 2004, with a perspective of reducing the number of traffic accidents and creating a "stay away from danger" mind-set, the Group has promoted "Safety Shields," which is a sophisticated and positive approach to safety issues. Through this approach, a barrier is created for each identified risk factor. A "vehicle distance maintenance support system" was developed based on this concept so that various barrier functions onboard vehicles can work in a short time in response to a collision.
During the year under review, the Group was the first in the world to introduce four novel concepts: the "Around View Monitor," "Distance Control Assist (Intelligent Pedal)," "Lane Departure Prevention" and "Intelligent Highway Cruise Control with navigation functions." Moreover, we first mounted the Pop-Up Engine Hood, which mitigates the impact to the head of a pedestrian during a collision, onboard the SKYLINE COUPE and GT-R models. As an application of the Intelligent Transport System (ITS), the Group started the "SKY PROJECT" to reduce traffic accidents at intersections and mitigate traffic jams. As part of the project, which the Group started jointly with NTT DoCoMo, Inc.,a demonstrative experiment was designed with a signal-synchronized ITS system using mobile phones to reduce traffic accidents via the oversight of signals at intersections, secure the safety of road-crossing pedestrians and mitigate traffic jams caused by signals that disturb the traffic flow or the movement of cars turning across traffic. Moreover, the Group developed the "NISSAN ASV-4," a fourth-generation safety vehicle equipped with an awareness-raising system using car-to-car communications. Our initiatives to eradicate drunken driving include an anti-drinking message (via an HDD system) in the CARWINGS navigation system, holding test runs on vehicles featuring alcohol-interlocked shutdown jointly with local municipalities and the development of a concept car to prevent drinking and driving.

The Company is committed to making cars that focus on the fun of driving. Cars are not only a means of transport but should also meet diversified customer expectations for convenience and comfort. In this context, the Company developed the Premium, which is a Midship Package that includes the world's first "independent transaxle 4WD," in which the clutch, transmission and transfer are shifted to the rear portion of the vehicle and unified with the Rear Final Drive, and adopted it onboard the "NISSAN GT-R" together with the 3.8-liter V6 twin-turbo engine "VR38DETT" and GR6 dual clutch transmission. This innovation has materialized the concept of "anybody can enjoy the uttermost car life wherever and whenever." The "Pivo 2" concept car realizes the notion of "whenever pleasant and wherever comfortable" by adopting onboard the following advanced technologies: the "Metamo System (variable geometry chassis)," which enables the four wheels to be independently controlled and dynamically positioned to optimize stability and permit new maneuvers using bi-wire technology; the Robotic Interface, which establishes the driver's frame of mind by monitoring facial expressions and voice patterns and interacts with the driver using speech and gestures to help encourage him/her into a more positive mental state for safer driving; and the compactness and high-performance of in-wheel 3-D motors. The CARWINGS navigation system was begun during the year with various services to support more comfortable and enjoyable driving, including an iPod-connectable function via the Bluetooth standard, reservation of accommodations and leisure facilities, and improved sightseeing information.

The Group's initiatives in research and development have been highly recognized in Japan and overseas, and these efforts have resulted in various awards and prizes.
The eco-drive support system supplied by Nissan's CARWINGS navigation system was awarded the 18th Energy-Saving Grand Prix "Agency for Natural Resources and Energy Director-General's Award" and the Minister's Prize from the Ministry of Land, Infrastructure, Transport and Tourism at the eco products awards in 2007.

The hydrogen-free DLC-Coated Valve Lifter that delivers improved fuel efficiency received the Society's Award at the 57th annual Society of Automotive Engineers of Japan, The Japan Society of Mechanical Engineers Prize and Excellence Award in the 2nd Monozukuri Nippon Grand Awards. The four-wheel active steering system received the Car Technology of the Year Award of the 2007-2008 JAPAN AUTOMOTIVE HALL OF FAME. The "VQ37VHR" engine, which adopts the VVEL system, was included in the list of "Ward's 10 Best Engines" in the United States, which refers to the VQ engine that is awarded solely in the world for 14 consecutive years. The "Lane Departure Prevention," the "Scratch Shield" clear paint and the "Around View Monitor" received several awards such as the top three positions in the Top 10 New Features of 2007 at "Cars. com," the largest U.S. online automotive advertising site for car trading.

The Nissan Group will always be actively involved in research and development activities designed to launch new and highly competitive products on the market and to pioneer advanced technologies for the future.

7. Analysis of financial position and operating results

The following analysis and discussions of the Group's financial position and operating results are, in principle, based on the consolidated financial statements.

Any future forecasts included in the following descriptions are based on the best estimates or judgment of Nissan as of June 26, 2008.

(1) Significant accounting policies and estimates

The Group's consolidated financial statements are prepared in accordance with accounting principles generally accepted in Japan. The preparation of consolidated financial statements requires management to select and apply the accounting policies and to make certain estimates which affect the amounts of the assets, liabilities, revenues and expenses reported in the consolidated financial statements and accompanying notes. Although management believes that the estimates made reasonably reflect past experience as well as present circumstances, the actual results could differ substantially because of the uncertainty inherent in those estimates.

The significant accounting policies applied by the Nissan Group in the preparation of the consolidated financial statements are explained in "**5. Financial Information** Significant accounting policies". In management's opinion, the following significant accounting policies could materially affect the estimates made in the consolidated financial statements:

i) Allowance for doubtful receivables

The allowance for doubtful receivables is provided to cover losses on bad debts based on an estimate of the collectibility of receivables. The Group may need to increase the allowance or incur losses on bad debts if the financial circumstances of its customers were to deteriorate and if their ability to pay their debts was thus impaired.

ii) Accrual for warranty costs

The accrual for warranty costs is provided to cover the cost of all services anticipated to be incurred during the entire warranty period in accordance with the warranty contracts and based on historical experience. The Group places a high priority on safety and does its best to enhance safety from the standpoint of research and development, manufacturing and sales. However, if the estimates of future warranty costs were significantly different from the actual costs incurred due to product defects and other variables, the Group could incur a loss on the provision of additional accrual for warranty costs.

iii) Retirement benefit expenses

Retirement benefit expenses and the related obligations are calculated based on various actuarial assumptions to cover the retirement benefits to be paid to eligible employees upon retirement. The assumptions include the discount rate applied, future levels of compensation, the projected rate of return on pension plan assets, retirement rates, and other factors. If the actual results were to differ from those assumptions or if the assumptions were changed, the resulting effects would be accumulated and recognized systematically over future periods. Accordingly, the cumulative effect could impact the recognition of expenses and liabilities recorded in future periods.

(2) Analysis of operating results

(Sales)

Despite the decline in general demand for automobiles in Japan, the United States and Europe, the Group's automobile sales on a global basis for the year ended March 31, 2008 increased 8.2% year over year to 3,770 thousand units. The Group launched 11 new vehicle models on a global basis: "Livina" "X-TRAIL," "Altima Coupe," "ATLAS (Single Cab/Double Cab)," "Aprio," "Infinity G37 Coupe," "ROGUE," "GT-R," luxury cross-over "Infinity EX," "MURANO" and "Frontier Navara (Single Cab)."

The overall demand for vehicles in Japan decreased by 5.3% year over year. The number of vehicles sold by the Group amounted to 721 thousand units, a decrease of 2.5% from the prior fiscal year. The Group's market share increased to 13.6%.

The number of vehicles sold throughout the United States decreased by 3.5% year over year. The number of vehicles sold by the Nissan Group increased 3.0% to 1,059 thousand units, and the Group's full-year market share improved to a record 6.7%.

In Europe, the number of vehicles sold by the Group increased by 17.9% to 636 thousand units, and the Group's market share increased to 2.9%.

Compared with the prior year's results, the number of vehicles sold in other overseas countries including Mexico and Canada increased by 15.8%, reaching 1,354 thousand units of which 198 thousand units were sold in the Middle East with an increase of 36%. The number of vehicles sold in China increased 26% year over year to 458 thousand units, compared to a rise in total demand of 22%.

(Operating results)

i) Net sales

Consolidated net sales for the year under review rose to ¥10,824.2 billion, an increase of ¥355.7 billion, or 3.4%, over net sales of the prior fiscal year.

ii) Operating income

Consolidated operating income for the current fiscal year increased by ¥13.9 billion (1.8%) to ¥790.8 billion from ¥776.9 billion for the previous fiscal year. The consolidated operating income as a percentage of consolidated net sales was 7.3% for the current fiscal year.

Major change factors in consolidated operating income from the prior fiscal year to the current fiscal year are outlined as follows (In comparison to last year's consolidated operating income of ¥755.2 billion, which is restated by excluding the impact of harmonization in fiscal year 2006 to be consistent in subsidiaries' fiscal period from April to March with fiscal year 2007):

- Purchasing-cost reductions generated a positive contribution of ¥172.9 billion.
- The selling prices, volume and the sales mix had a positive impact of ¥75.0 billion.
- Warranty expenses decreased by ¥7.6 billion.
- Raw material and energy costs increased by ¥84.7 billion.
- Product enrichment, including regulatory costs, had a negative impact of ¥52.2 billion.
- Selling expenses had a negative impact of ¥38.1 billion.
- General and administrative expenses and other expenses increased by ¥18.0 billion.
- Foreign exchange rates movements resulted in a negative impact of ¥16.2 billion. This was mainly due to unfavorable movements in the U.S. dollar rate averaged 114.4 yen compared to 117.0 yen the previous year. The Euro moved to 161.6 yen from 146.2 yen.
- Manufacturing and logistics expenses increased by ¥9.2 billion.
- Research and development costs rose by ¥1.5 billion.

By region, consolidated operating income in Japan was ¥276.7 billion, up ¥4.5 billion from ¥272.2 billion for the prior fiscal year. This rise in operating income was mainly due to an increase in the number of vehicles sold for export and a reduction in selling expenses despite a decrease in the number of vehicles sold for domestic use and the deteriorated sales mix.

In North America (including Canada and Mexico), consolidated operating income decreased by ¥42.1 billion to ¥317.9 billion from ¥360.0 billion for the prior year. This decline in operating income was mainly due to the deteriorated sales mix and an increase in selling expenses despite a rise in the number of vehicles sold.

Consolidated operating income increased by ¥38.4 billion to ¥120.7 billion from ¥82.3 billion for the prior year in Europe, mainly due to a rise in the number of vehicles sold.

Consolidated operating income increased by ¥22.9 billion to 81.1 billion from ¥58.2 billion for the prior year in other overseas countries, mainly due to a rise in the number of vehicles sold.

iii) Non-operating income and expenses

Net non-operating expenses for the current fiscal year amounted to ¥24.4 billion, a deterioration of ¥8.5 billion from net non-operating expenses of ¥15.9 billion in the prior fiscal year. This was primarily attributed to adverse factors such as a ¥29.0 billion exchange loss recorded for the current fiscal year, a decline of ¥34.8 billion from the ¥5.8 billion exchange gain recorded for the prior fiscal year, and ¥7.9 billion in net financial costs recorded for the current fiscal year, which was an increase of ¥2.8 billion from ¥5.1 billion for the prior fiscal year, despite an increase in equity in earnings of ¥17.0 billion. Consequently, consolidated ordinary income increased by ¥5.3 billion from ¥761.1 billion for the prior fiscal year to ¥766.4 billion for the current fiscal year.

iv) Special gains and losses

Net special gains for the current fiscal year amounted to ¥1.6 billion, an improvement of ¥65.2 billion from the net special losses of ¥63.6 billion in the prior fiscal year. A major contributor to the improvement in special gains, which rose by ¥14.5 billion, was an increase in the gain on sales of fixed assets, whereas net special losses decreased by ¥50.7 billion mainly due to a reduction in the impairment loss and a special addition to retirement benefits.

v) Income taxes—current

Income taxes for the current fiscal year increased by ¥50.5 billion to ¥262.7 billion from the prior fiscal year. The effective tax rate after applying tax-effect accounting for the current fiscal year increased to 34.2% from 30.4% for the prior fiscal year.

vi) Income attributable to minority interests

Income attributable to minority interests for the current fiscal year was ¥23.0 billion, an decrease of ¥1.5 billion from the prior fiscal year.

vii) Net income

Consolidated net income for the current fiscal year increased by ¥21.5 billion to ¥482.3 billion from the prior fiscal year.

viii) Net interest-bearing debt in the automobile business

The Group had net cash of ¥180.3 billion at the end of the current fiscal year, a decrease of ¥74.4billion from the prior fiscal year.

ix）Return on invested capital (ROIC)

An average return on invested capital (ROIC) of 16% was achieved for the current fiscal year under review.

(3) Progress of Nissan Value-Up

Nissan Value-Up, the previous medium-term business plan, set up three important commitments.

1. To maintain top level consolidated operating income as a percentage of net sales among global automakers during every fiscal year from 2005 to 2007;
2. To achieve the Group's global sales of 4,200 thousand units by the end of fiscal year 2008; and
3. To achieve a 20% return on invested capital (ROIC) on average over the course of the plan.

The Group pursued four major breakthroughs with the implementation of "Nissan Value-Up." The four major breakthroughs are described as follows:

1. Introduction of Infiniti brand globally as a Tier-1 luxury brand
2. Strengthen the presence of Light Commercial Vehicles, or LCVs, globally
3. Focus on establishing new sources for parts, machines, equipment, vendor tooling and services from Leading Competitive Countries, or LCCs and other competitive countries
4. Significant geographic expansion focused in China, India, Thailand, Russia, Eastern Europe, the Gulf countries and Egypt.

In the final fiscal year of the Nissan Value-Up, the Group achieved the following relative to the respective commitments.
The first commitment was to maintain the top level of consolidated operating income as a percentage of net sales among global automakers. Although the Company failed to meet the initial expectation, the Group maintained the top level of profitability during the period.
The second commitment was to achieve global Group sales of 4,200 thousand units by the end of fiscal 2008. The Group postponed reaching this target until the end of fiscal 2009, the year ending March 31, 2010, and have included it as a benchmark target in the next business plan.
The third commitment was to achieve an average ROIC of 17% for the three years of the plan. Although the Group failed to surpass the target of 20% in any year, the figures that they did achieve are at the top level among the global automakers.

(4) Analysis of sources of capital and liquidity

1. Cash flows

Cash and cash equivalents amounted to ¥584.1 billion at the end of the year under review, resulting in an increase of ¥114.7 billion (24.4%) over the prior fiscal year. This resulted from ¥1,342.3 billion in net cash provided by operating activities, ¥867.6 billion in net cash used in investing activities, ¥307.0 billion in net cash used in financing activities and a decrease of ¥53.0 billion in the effect of exchange rate changes on cash and cash equivalents.

(Cash flows from operating activities)
Cash and cash equivalents provided by operating activities, which amounted to ¥1,342.3 billion for the fiscal year under review, increased by ¥299.5 billion from the ¥1,042.8 billion in the prior fiscal year. This primarily reflects an increase in income before income taxes and minority interests and a reduction of income taxes paid.

(Cash flows from investing activities)
Cash and cash equivalents used in investing activities totaled ¥867.6 billion for the fiscal year under review, decreasing by ¥247.0 billion from the ¥1,114.6 billion used in the prior fiscal year. This is primarily due to an increase of proceeds from sales of property, plant and equipment and a decrease due to the purchase of leased vehicles.

(Cash flows from financing activities)
Cash and cash equivalents used in financing activities, which amounted to ¥307.0 billion for the fiscal year under review, decreased by ¥413.9 billion from the ¥106.9 billion provided by financing activities in the prior fiscal year, mainly due to a reduction of the net increase in short-term borrowings.

2. Financial policies

Financial activities within the Nissan Group are managed centrally by the Treasury Department of the Company, which functions as the global treasurer. Several activities are underway within the Group to improve funding efficiency through the implementation of a global cash management system.

The Nissan Group has developed a basic financial strategy under which the Group raises funds from appropriate sources and maintains an appropriate level of liquidity and a sound financial position so that the Group can make investments in research and development activities, capital expenditures and its finance business on a timely basis.

In addition to the cash and cash equivalents held by the Group, the Group has entered into loan commitment agreements with major international banks and believes that a level of liquidity sufficient to meet the Group’s funding requirements is being maintained.

Whether or not the Company and its finance subsidiaries can raise funds without collateral and the related costs depends upon the credit rating of the Company. Currently, the Company’s credit rating is investment grade; however, this favorable rating is not presented herein with the intention of inviting the purchase or holding of the Company’s debt securities.

3. Equipment and Facilities

1. Overview of capital expenditures

The Nissan Group (the Company and its consolidated subsidiaries) invested ¥428.9 billion during this fiscal year, in particular, to accelerate the development of new products and new technologies and to rationalize and improve productivity and quality.

2. Major equipment and facilities

The Group's major equipment and facilities are summarized as follows:

Notes: 1. "Other" in net book value consists of tools, furniture and fixtures and construction in progress.
2. "Number of employees" indicates the number of full-time employees. The number of part-time employees as of March 31, 2008 is stated in parentheses.

(1) The Company

(At March 31, 2008)

Location	Address	Description	Net book value: Land Area (m^2)	Land Amount (Millions of yen)	Buildings & structures (Millions of yen)	Machinery & vehicles (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	Number of employees (Persons)
Yokohama Plant	Kanagawa-ku and Tsurumi-ku, Yokohama-shi, Kanagawa	Automobile parts production facilities	577,642	374	20,336	48,190	11,541	80,442	3,911 (60)
Oppama Plant (including the Research Center)	Yokosuka-shi, Kanagawa	Vehicle production facilities	1,852,370	29,203	29,241	44,437	7,403	110,285	3,490 (21)
Tochigi Plant	Kaminokawa-cho, Tochigi	Vehicle production facilities	2,926,049	4,443	27,458	68,520	19,890	120,314	5,526 (10)
Kyushu Plant	Kanda-machi, Fukuoka	Vehicle production facilities	2,355,196	29,849	32,998	51,973	10,739	125,560	4,034 (32)
Iwaki Plant	Iwaki-shi, Fukushima	Automobile parts production facilities	207,493	3,862	8,470	17,100	1,439	30,871	573 (58)
Head Office departments and other	Atsugi-shi and Isehara-shi, Kanagawa	R&D facilities	1,357,950	25,424	84,795	51,738	43,236	205,194	9,159 (57)
	Chuo-ku, Tokyo	Head office and other	—	—	5,200	296	1,713	7,210	1,784 (71)

Notes: 1. The above table has been prepared based on the location of the equipment.
2. The figures for each plant include those at adjoining facilities for employees' social welfare, warehouses and laboratories and the related full-time employees.

(2) Domestic subsidiaries

(At March 31, 2008)

Company	Location	Address	Description	Net book value: Land Area (m^2)	Land Amount (Millions of yen)	Buildings & structures (Millions of yen)	Machinery & vehicles (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	Number of employees (Persons)
JATCO Co., Ltd.	Fuji Office and other	Fuji-shi, Shizuoka, etc.	Automobile parts production facilities	1,132,651	17,796	32,978	107,157	11,964	169,895	7,178 (127)
Nissan Shatai Co., Ltd.	Shonan Plant and other	Hiratsuka-shi, Kanagawa, etc.	Vehicle production facilities	844,935	14,976	19,300	19,541	20,826	74,643	3,238 (410)
Aichi Machine Industry Co., Ltd.	Atsuta Plant and other	Atsuta-ku, Nagoya-shi, Aichi, etc.	Automobile parts production facilities	406,013	27,725	7,622	33,271	5,863	74,481	2,215 (19)
Calsonic Kansei Corporation	Gunma Plant and other	Ora-cho, Gunma, etc.	Automobile parts production facilities	795,124	21,492	8,314	16,754	14,276	60,836	4,215 (20)
Nissan Network Holdings Co., Ltd.	Head office and other	Chuo-ku, Tokyo, etc.	Facilities for automobile sales, etc.	3,667,837	437,356	115,716	345	2,482	555,899	19 (—)

(3) Foreign subsidiaries

(At March 31, 2008)

Company	Location	Address	Description	Net book value						Number of employees (Persons)
				Land		Buildings & structures	Machinery & vehicles	Other	Total	
				Area (m^2)	Amount (Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	
Nissan North America, Inc.	Production plant for vehicles and parts and other facilities	Smyrna, Tennessee, Canton, Mississippi, USA	Production facilities for vehicles and parts	12,405,842	3,752	63,226	154,842	120,784	342,604	12,360 (1)
Nissan Mexicana, S.A. de C.V.	Production plant for vehicles and parts and other facilities	Morelos, Mexico, and Aguascalientes, Mexico	Production facilities for vehicles and parts	3,042,033	5,715	33,818	38,127	43,582	121,242	9,268 (—)
Nissan Motor Iberica S.A.	Production plant for vehicles and parts	Barcelona, Madrid and other, Spain	Production facilities for vehicles and parts	719,139	708	33,462	28,632	48,937	111,739	6,018 (15)
Nissan Motor Manufacturing (UK) Ltd.	Production plant for vehicles and parts	Sunderland, Tyne & Wear, United Kingdom	Production facilities for vehicles and parts	2,876,667	7,192	20,531	19,468	41,421	88,612	4,514 (360)

Note: In addition to the above, other major leased assets are presented as follows:

Major leased assets

Company	Location	Address	Lessor	Description	Area (m^2)	Lease Fees (Thousands of yen/month)
Nissan Motor Co., Ltd.	New building for Head office	Chuo-ku, Tokyo	Mori Trust Co., Ltd.	Building	23,614	79,081
Nissan Motor Co., Ltd.	Main building for Head office	Chuo-ku, Tokyo	Kobikikan Co., Ltd.	Land	5,157	16,749
Nissan Trading Co., Ltd.	Head office	Nishi-ku, Yokohama-shi, Kanagawa	Bilnet Co., Ltd.	Building	3,855	17,807
Nissan Motor Iberica S.A.	Part of the plant site	Barcelona, Spain	Zona Franca Association of Industrial Area	Land	517,687	17,875

Notes: 1. Lease fees are presented exclusive of consumption tax.
2. Employees working in or with the leased assets are included in “Major equipment and facilities” above.

Information by business segment

Business segment	Net book value						Number of employees
	Land		Buildings & structures	Machinery & vehicles	Other	Total	
	Area (m^2)	Amount (Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	Persons
Sales finance	50,084	1,244	992	1,594,302	1,511	1,598,049	2,185 (1,815)

Note: There was no major idle equipment, at present.

3. Plans for new additions or disposals

(1) New additions and renovations

During the fiscal year ending March 31, 2009, the Group plans to invest ¥470.0 billion in capital expenditures, which will be financed out of its own funds.

(2) Disposals and sales

Except for disposals and sales conducted in the course of the Group’s routine renewal of its equipment and facilities, there is no plan for significant disposals or sales.

4. Corporate Information

1. Information on the Company's shares

(1) Number of shares and other

① Number of shares

Type	Number of shares authorized to be issued
Common stock	6,000,000,000

② Number of shares issued

Type	Number of shares issued		Stock exchanges on which the Company is listed	Description
	As of March 31, 2008	As of June 26, 2008 (filing date of the securities report)		
Common stock	4,520,715,112	4,520,715,112	First Section of the Tokyo Stock Exchange NASDAQ (United States)	—

Note: The number of shares issued as of the filing date of the securities report does not include those issued upon the exercise of the share subscription rights (including bonds with warrants for the purchase of shares of common stock issued under the former Commercial Code of Japan) during the period from June 1, 2008, through the filing date of this report.

(2) Status of the share subscription rights

The Company has issued share subscription rights in accordance with Articles 280-20 and 280-21 of the former Commercial Code of Japan before its revision in 2001.

First share subscription rights (issued on May 7, 2003)

	March 31, 2008	May 31, 2008
Number of share subscription rights	65,191 units	65,091 units
Number of share subscription rights held by the Company included in the share subscription rights	—	—
Type of shares to be issued upon the exercise of the share subscription rights	Common stock	Common stock
Number of shares to be issued upon the exercise of the share subscription rights	6,519,100 shares	6,509,100 shares
Amount to be subscribed upon the exercise of the share subscription rights (Yen)	¥93,200 (¥932 per share)	¥93,200 (¥932 per share)
Exercise period	From May 8, 2005 to May 8, 2010	From May 8, 2005 to May 8, 2010
Upon the exercise of the share subscription rights, issue price and amount per share to be credited to common stock (Yen)	Issue price: ¥932 Amount per share to be credited to common stock: ¥466	Issue price: ¥932 Amount per share to be credited to common stock: ¥466
Conditions for the exercise of the share subscription rights	※	※
Transfer of the share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—	—

※ ① Individuals to whom share subscription rights are granted (the "Holders") must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable.

② The Company's operating results must meet certain predetermined targets.

③ The Holders shall achieve their own predetermined performance targets.

The details concerning conditions ① to ③ above and certain other conditions shall be as set forth in the "Share Subscription Rights Allocation Agreement" executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.

Second share subscription rights (issued on April 16, 2004)

	March 31, 2008	May 31, 2008
Number of share subscription rights	91,889 units	91,799 units
Number of share subscription rights held by the Company included in the share subscription rights	—	—
Type of shares to be issued upon the exercise of the share subscription rights	Common stock	Common stock
Number of shares to be issued upon the exercise of the share subscription rights	9,188,900 shares	9,179,900 shares
Amount to be subscribed upon the exercise of the share subscription rights (Yen)	¥120,200 (¥1,202 per share)	¥120,200 (¥1,202 per share)
Exercise period	From April 17, 2006 to June 19, 2013	From April 17, 2006 to June 19, 2013
Upon the exercise of the share subscription rights, issue price and amount per share to be credited to common stock (Yen)	Issue price: ¥1,202 Amount per share to be credited to common stock ¥601	Issue price: ¥1,202 Amount per share to be credited to common stock: ¥601
Conditions for the exercise of the share subscription rights	※	※
Transfer of the share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—	—

※ ① Partial exercise of the share subscription rights is not allowed.

② Individuals to whom the share subscription rights are granted (the "Holders") must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable.

③ The Company's operating results must meet certain predetermined targets.

④ The Holders shall achieve their own predetermined performance targets.

The details concerning conditions ② to ④ above and certain other conditions shall be as set forth in the "Share Subscription Rights Allocation Agreement" executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.

Third share subscription rights (issued on April 25, 2005)

	March 31, 2008	May 31, 2008
Number of share subscription rights	80,885 units	80,885 units
Number of share subscription rights held by the Company included in the share subscription rights	—	—
Type of shares to be issued upon the exercise of the share subscription rights	Common stock	Common stock
Number of shares to be issued upon the exercise of the share subscription rights	8,088,500 shares	8,088,500 shares
Amount to be subscribed upon the exercise of the share subscription rights (Yen)	¥111,900 (¥1,119 per share)	¥111,900 (¥1,119 per share)
Exercise period	From April 26, 2007 to June 23, 2014	From April 26, 2007 to June 23, 2014
Upon the exercise of the share subscription rights, issue price and amount per share to be credited to common stock (Yen)	Issue price: ¥1,119 Amount per share to be credited to common stock: ¥560	Issue price: ¥1,119 Amount per share to be credited to common stock: ¥560
Conditions for the exercise of the share subscription rights	※	※
Transfer of the share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—	—

※ ① Partial exercise of the share subscription rights is not allowed.

② Individuals to whom the share subscription rights are granted (the “Holders”) must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable.

③ The Company’s operating results must meet certain predetermined targets.

④ The Holders shall achieve their own predetermined performance targets.

The details concerning conditions ② to ④ above and certain other conditions shall be as set forth in the “Share Subscription Rights Allocation Agreement” executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.

Fourth share subscription rights (issued on May 8, 2006)

	March 31, 2008	May 31, 2008
Number of share subscription rights	79,368 units	79,068 units
Number of share subscription rights held by the Company included in the share subscription rights	—	—
Type of shares to be issued upon the exercise of the share subscription rights	Common stock	Common stock
Number of shares to be issued upon the exercise of the share subscription rights	7,936,800 shares	7,906,800 shares
Amount to be subscribed upon the exercise of the share subscription rights (Yen)	¥152,600 (¥1,526 per share)	¥152,600 (¥1,526 per share)
Exercise period	From May 9, 2008 to June 20, 2015	From May 9, 2008 to June 20, 2015
Upon the exercise of the share subscription rights, issue price and amount per share to be credited to common stock (Yen)	Issue price: ¥1,526 Amount per share to be credited to common stock: ¥763	Issue price: ¥1,526 Amount per share to be credited to common stock: ¥763
Conditions for the exercise of the share subscription rights	※	※
Transfer of the share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—	—

※ ① Partial exercise of the share subscription rights is not allowed.
② Individuals to whom the share subscription rights are granted (the "Holders") must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable.
③ The Company's operating results must meet certain predetermined targets.
④ The Holders shall achieve their own predetermined performance targets.

The details concerning conditions ② to ④ above and certain other conditions shall be as set forth in the "Share Subscription Rights Allocation Agreement" executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.

The Company has issued share subscription rights in accordance with Articles 236, 238 and 239 of the Company law.

Fifth share subscription rights (issued on May 8, 2007)

	March 31, 2008	May 31, 2008
Number of share subscription rights	6,800 units	6,800 units
Number of share subscription rights held by the Company included in the share subscription rights	—	—
Type of shares to be issued upon the exercise of the share subscription rights	Common stock	Common stock
Number of shares to be issued upon the exercise of the share subscription rights	680,000 shares	680,000 shares
Amount to be subscribed upon the exercise of the share subscription rights (Yen)	¥133,300 (¥1,333 per share)	¥133,300 (¥1,333 per share)
Exercise period	From May 9, 2009 to June 26, 2016	From May 9, 2009 to June 26, 2016
Upon the exercise of the share subscription rights, issue price and amount per share to be credited to common stock (Yen)	Issue price: ¥1,333 Amount per share to be credited to common stock: ¥667	Issue price: ¥1,333 Amount per share to be credited to common stock: ¥667
Conditions for the exercise of the share subscription rights	※	※
Transfer of the share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—	—

※ ① Partial exercise of the share subscription rights is not allowed.
② The Holders must continue their service with the Company or its subsidiaries or affiliates (“the Company, etc.”) in the state of being employed or entrusted.
③ The Company’s operating results must meet certain predetermined targets.
④ The Holders shall achieve their own predetermined performance targets.
⑤ A Holder shall be unable to exercise his/her share subscription rights if he/she violates any applicable laws or various internal rules of the Company, etc.
⑥ A Holder shall be unable to exercise his/her share subscription rights if he/she is subject to a disciplinary action equivalent to or more serious than a suspension of attendance, which is stipulated in the Working Regulations of the Company, etc.
⑦ A Holder shall be unable to exercise his/her share subscription rights if he/she abandons the share subscription rights.

The details concerning conditions ② to ⑦ above and certain other conditions shall be as set forth in the “Share subscription rights Allocation Agreement” executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.

Sixth share subscription rights (issued on December 21, 2007)

	March 31, 2008	May 31, 2008
Number of share subscription rights	3,600 units	3,600 units
Number of share subscription rights held by the Company included in the share subscription rights	—	—
Type of shares to be issued upon the exercise of the share subscription rights	Common stock	Common stock
Number of shares to be issued upon the exercise of the share subscription rights	360,000 shares	360,000 shares
Amount to be subscribed upon the exercise of the share subscription rights (Yen)	¥120,500 (¥1,205 per share)	¥120,500 (¥1,205 per share)
Exercise period	From April 1, 2010 to June 19, 2017	From April 1, 2010 to June 19, 2017
Upon the exercise of the share subscription rights, issue price and amount per share to be credited to common stock (Yen)	Issue price: ¥1,205 Amount per share to be credited to common stock: ¥603	Issue price: ¥1,205 Amount per share to be credited to common stock: ¥603
Conditions for the exercise of the share subscription rights	※	※
Transfer of the share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—	—

※ ① Partial exercise of the share subscription rights is not allowed.

② The Holders must continue their service with the Company or its subsidiaries or affiliates (“the Company, etc.”) in the state of being employed or entrusted.

③ The Company’s operating results must meet certain predetermined targets.

④ The Holders shall achieve their own predetermined performance targets.

⑤ A Holder shall be unable to exercise his/her share subscription rights if he/she violates any applicable laws or various internal rules of the Company, etc.

⑥ A Holder shall be unable to exercise his/her share subscription rights if he/she is subject to a disciplinary action equivalent to or more serious than a suspension of attendance, which is stipulated in the Working Regulations of the Company, etc.

⑦ A Holder shall be unable to exercise his/her share subscription rights if he/she abandons the share subscription rights.

The details concerning conditions ② to ⑦ above and certain other conditions shall be as set forth in the “Share subscription rights Allocation Agreement” executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.

Seventh share subscription rights (issued on May 16, 2008)

	March 31, 2008	May 31, 2008
Number of share subscription rights	—	36,200 units
Number of share subscription rights held by the Company included in the share subscription rights	—	—
Type of shares to be issued upon the exercise of the share subscription rights	—	Common stock
Number of shares to be issued upon the exercise of the share subscription rights	—	3,,620,000 shares
Amount to be subscribed upon the exercise of the share subscription rights (Yen)	—	¥97,500 (¥975 per share)
Exercise period	—	From May 17, 2010 to April 23, 2018
Upon the exercise of the share subscription rights, issue price and amount per share to be credited to common stock (Yen)	—	Issue price: ¥975 Amount per share to be credited to common stock: ¥488
Conditions for the exercise of the share subscription rights	—	※
Transfer of the share subscription rights	—	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—	—

※ ① Partial exercise of the share subscription rights is not allowed.

② The Holders must continue their service with the Company or its subsidiaries or affiliates ("the Company, etc.") in the state of being employed or entrusted.

③ The Holders shall achieve their own predetermined performance targets.

④ A Holder shall be unable to exercise his/her share subscription rights if he/she violates any applicable laws or various internal rules of the Company, etc.

⑤ A Holder shall be unable to exercise his/her share subscription rights if he/she is subject to a disciplinary action equivalent to or more serious than a suspension of attendance, which is stipulated in the Working Regulations of the Company, etc.

⑥ A Holder shall be unable to exercise his/her share subscription rights if he/she abandons the share subscription rights.

The details concerning conditions ② to ⑥ above and certain other conditions shall be as set forth in the "Share subscription rights Allocation Agreement" executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.

(3) Right plans
Not applicable

(4) Changes in the number of shares issued and the amount of common stock and other

Period	Changes in the number of shares issued (Thousands)	Balance of the number of shares issued (Thousands)	Changes in common stock (Millions of yen)	Balance of common stock (Millions of yen)	Changes in additional paid -in capital (Millions of yen)	Balance of additional paid -in capital (Millions of yen)
From April 1, 2002 to March 31, 2003 (Note)	3,670	4,520,715	1,257	605,813	1,257	804,470

Note: Increase due to conversion of convertible bonds.

(5) Details of shareholders

(At March 31, 2008)

Classification	Status of shares (1 unit = 100 shares)								Shares under 1 unit
	National and local governments	Financial institutions	Securities companies	Other corporations	Foreign shareholders (other than individuals)	Foreign shareholders (individuals only)	Individuals and other	Total	
Number of shareholders (persons)	—	240	107	1,465	757	141	237,278	239,988	—
Number of shares held (units)	—	7,829,053	553,197	881,152	31,074,941	1,745	4,858,462	45,198,550	860,112
Ratio (%)	—	17.32	1.23	1.95	68.75	0.00	10.75	100.00	—

Notes: 1. Treasury stock of 137,134,814 shares are included in "Individuals and other" at 1,371,348 units, and in "Shares under 1 unit" at 14 shares. The number 137,134,814 is based on the shareholders' register, and the effective number as of March 31, 2008 was 137,133,814 shares.

2. Included in "Other corporations" are 208 units held under the name of Japan Securities Depository, Inc.

(6) Principal shareholders

(At March 31, 2008)

Name	Address	Number of shares held (Thousands)	Number of shares held as a percentage of total shares issued (%)
Renault (Standing agent: The Bank of Tokyo-Mitsubishi UFJ, Ltd.)	13/15 Quai Le Gorot, 92100 Boulogne, Billancourt, France (2-7-1 Marunouchi Chiyoda-ku, Tokyo)	2,004,000	44.33
Japan Trustee Services Bank Ltd. (Trust account)	1-8-11 Harumi, Chuo-ku, Tokyo	107,831	2.39
Moxley & Co. (Standing agent: Sumitomo Mitsui Banking Corporation)	23 Wall Street, New York, NY 10015, USA (1-3-2 Marunouchi, Chiyoda-ku, Tokyo)	107,351	2.38
The Master Trust Bank of Japan Ltd. (Trust account)	2-11-3 Hamamatsu-cho, Minato-ku, Tokyo	99,679	2.21
Nippon Life Insurance Company	1-6-6 Marunouchi, Chiyoda-ku, Tokyo	93,000	2.06
The Dai-ichi Mutual Life Insurance Company (Standing agent: Trust & Custody Service Bank, Ltd.)	1-13-1 Yuraku-cho, Chiyoda-ku, Tokyo (1-8-12 Harumi, Chuo-ku, Tokyo, Harumi Island Triton Square, Office Tower Z)	89,000	1.97
The State Street Bank & Trust Company (Standing agent: Mizuho Corporate Bank, Ltd.)	P.O. Box 351, Boston, Massachusetts, 02101, USA (6-7 Kabuto-cho, Nihonbashi, Chuo-ku, Tokyo)	73,346	1.62
Tokio Marin & Nichido Fire Insurance Co., Ltd.	1-2-1 Marunouchi, Chiyoda-ku, Tokyo	70,076	1.55
Sompo Japan Insurance Inc.	1-26-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo	63,528	1.41
The State Street Bank & Trust Company 505103 (Standing agent: Mizuho Corporate Bank, Ltd.)	P.O. Box 351, Boston, Massachusetts, 02101, USA (6-7 Kabuto-cho, Nihonbashi, Chuo-ku, Tokyo)	42,693	0.94
Total		2,750,505	60.84

Notes: 1. In addition to those shareholdings described above, the Company has 137,134 thousand shares of treasury stock, and there are 1,000 shares under the Company's name on the shareholders' register that are not effectively held by the Company.

2. The Company received a copy of the Significant Share Holdings Report and other documents, which purport that Alliance Bernstein L.P. and others held the following numbers of Nissan shares as of January 31, 2008. However, as the Company could not confirm the number of shares effectively held by Alliance Bernstein and other corporations, their names were not included in the list of principal shareholders above.

The substance of the Significant Share Holdings Report is as follows:

Name	Address	Number of shares held (Thousands)	Number of shares held as a percentage of total shares issued (%)
Alliance Bernstein L.P.	1345 Avenue of the Americas, New York, NY 10105 USA	355,612	7.87
Alliance Bernstein Japan Ltd.	1-5-1, Otemachi, Chiyoda-ku, Tokyo	9,385	0.21
AXA Rosenberg Investment Management Ltd.	1-17-3, Shirogane, Minato-ku, Tokyo	5,012	0.11
Total	—	370,009	8.18

(7) Status of voting rights

① Shares issued

(At March 31, 2008)

Classification	Number of shares (Shares)	Number of voting rights (Units)	Description
Shares with full voting rights (Treasury stock, etc.)	(Treasury stock) Common stock 137,133,800	—	—
	(Crossholding stock) Common stock 176,400	—	—
Shares with full voting rights (Others)	Common stock 4,382,544,800	43,825,448	—
Shares under one unit	Common stock 860,112	—	—
Total shares issued	4,520,715,112	—	—
Total voting rights held by all shareholders	—	43,825,448	—

Notes: 1. Included in "Shares with full voting rights (Others)" are 20,800 shares (208 units of voting rights) held under the name of Japan Securities Depository Center, Inc. and 1,000 shares (10 units of voting rights) held under the name of Nissan Motor Co., Ltd., that are not effectively held by the Company.

2. "Shares under one unit" include 14 shares of treasury stock and 30 crossholding shares.

Crossholding shares under one unit

Shareholder	Number of shares
Kai Nissan Motor Co., Ltd.	30

② Treasury stock, etc.

(At March 31, 2008)

Shareholders	Addresses of shareholders	Number of shares held under own name	Number of shares held under the names of others	Total	% of interest
		Shares	Shares	Shares	%
Treasury stock: Nissan Motor Co., Ltd.	2 Takara-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	137,133,800	—	137,133,800	3.03
Crossholding stock:					
Kochi Nissan Prince Motor Sales Co., Ltd.	2-21 Asahi-cho, Kochi-shi, Kochi	28,600	60,300	88,900	0.00
Kai Nissan Motor Co., Ltd.	706 Kamiimai-cho, Kofu-shi, Yamanashi	37,800	28,100	65,900	0.00
Nissan Prince Kagawa Sales Co., Ltd.	1037 Ikuno-cho, Zentsuji-shi, Kagawa	—	16,600	16,600	0.00
Kagawa Nissan Motor Co., Ltd.	1-1-8 Hanazono-cho, Takamatsu-shi, Kagawa	4,800	—	4,800	0.00
Total		137,205,000	105,200	137,310,200	3.04

Notes: 1. The shares included in "Number of shares held under the names of others" represents those held by Nissan's crossholding share association (address: 6-17-1 Ginza, Chuo-ku, Tokyo). (Fractional numbers under 100 have been omitted.)

2. Apart from the above, there are 1,000 shares (10 units of voting rights) held by the Company in the register of shareholders that the Company does not effectively own. These shares are included in "Shares with full voting rights (Others)" in the above table ① of "Shares issued."

(8) Stock option plans

The Company has adopted a stock option plan (the "Plan") under which share subscription rights are granted to directors and employees of the Company and its subsidiaries and affiliates in accordance with the former Commercial Code of Japan before its revision in 2001 and the Company law.
The details of the Plan which were approved at the annual general meetings of the shareholders are summarized as follows:

The Plan under Articles 280-20 and 280-21 of the former Commercial Code of Japan before its revision in 2001

Resolution at 103rd annual general meeting of the shareholders:

Date for resolution	June 20, 2002
Individuals covered by the Plan	Employees of the Company 548 Directors of the Company's subsidiaries 101 Employees of the Company's subsidiaries 5 Total 654
Type of shares to be issued upon the exercise of the share subscription rights	Common stock
Number of share subscription rights	124,050 units
Number of shares to be issued upon the exercise of the share subscription rights	12,405,000 shares
Amount to be subscribed upon the exercise of the share subscription rights	¥93,200 (¥932 per share) *
Exercise period	From May 8, 2005 to May 8, 2010
Conditions for the exercise of the share subscription rights	① Individuals to whom the share subscription rights are granted (the "Holders") must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable. ② The Company's operating results must meet certain predetermined targets. ③ The Holders shall achieve their own predetermined performance targets. The details concerning conditions ① to ③ above and certain other conditions shall be as set forth in the "Share subscription rights Allocation Agreement" executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—

* If either of the cases 1) or 2) below takes place on or after the date for issuance, the exercise price shall be adjusted by applying the following formula (hereinafter the "Exercise Price Adjustment Formula"), respectively, with the resulting fractions less than one yen to be rounded up.

1) If the Company conducts a stock split or a reverse stock split for the Company shares of common stock:

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

2) If the Company issues shares of common stock or disposes of its treasury stock at prices less than the then-current market price (excluding cases of the exercise of share subscription rights and the exercise of warrants for the purchase of shares of common stock under the Commercial Code of Japan before the enforcement of the Law Regarding Partial Revision of the Commercial Code, etc. (Law No. 128, 2001)).

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \dfrac{\text{Number of shares to be issued} \times \text{Exercise price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

Resolution at 104th annual general meeting of the shareholders:

Date for resolution	June 19, 2003
Individuals covered by the Plan	Employees of the Company 590 Directors of the Company's subsidiaries 96 Employees of the Company's subsidiaries 4 Total 690
Type of shares to be issued upon the exercise of the share subscription rights	Common stock
Number of share subscription rights	127,700 units
Number of shares to be issued upon the exercise of the share subscription rights	12,770,000 shares
Amount to be subscribed upon the exercise of the share subscription rights	¥120,200 (¥1,202 per share) *
Exercise period	From April 17, 2006 to June 19, 2013
Conditions for the exercise of the share subscription rights	① Partial exercise of each share subscription right is not allowed. ② Individuals to whom the share subscription rights are granted (the "Holders") must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable. ③ The Company's operating results must meet certain predetermined targets. ④ The Holders shall achieve their own predetermined performance targets. The details concerning conditions ② to ④ above and certain other conditions shall be as set forth in the "Share subscription rights Allocation Agreement" executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—

* If either of the cases 1) or 2) below takes place on or after the date for issuance, the exercise price shall be adjusted by applying the following formula (hereinafter the "Exercise Price Adjustment Formula"), respectively, with the resulting fractions less than one yen to be rounded up.

1) If the Company conducts a stock split or a reverse stock split for the Company shares of common stock:

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

2) If the Company issues shares of common stock or disposes of its treasury stock at prices less than the then-current market price (excluding cases of the exercise of share subscription rights and the exercise of warrants for the purchase of shares of common stock under the Commercial Code of Japan before the enforcement of the Law Regarding Partial Revision of the Commercial Code, etc. (Law No. 128, 2001)).

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \dfrac{\text{Number of shares to be issued} \times \text{Exercise price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

Resolution at 105th annual general meeting of the shareholders:

Date for resolution	June 23, 2004
Individuals covered by the Plan	Employees of the Company 620 Directors of the Company's subsidiaries 88 Employees of the Company's subsidiaries 4 Total 712
Type of shares to be issued upon the exercise of the share subscription rights	Common stock
Number of share subscription rights	131,500 units
Number of shares to be issued upon the exercise of the share subscription rights	13,150,000 shares
Amount to be subscribed upon the exercise of the share subscription rights	¥111,900 (¥1,119 per share) *
Exercise period	From April 26, 2007 to June 23, 2014
Conditions for the exercise of the share subscription rights	① Partial exercise of each share subscription right is not allowed. ② Individuals to whom the share subscription rights are granted (the "Holders") must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable. ③ The Company's operating results must meet certain predetermined targets. ④ The Holders shall achieve their own predetermined performance targets. The details concerning conditions ② to ④ above and certain other conditions shall be as set forth in the "Share subscription rights Allocation Agreement" executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—

* If either of the cases 1) or 2) below takes place on or after the date for issuance, the exercise price shall be adjusted by applying the following formula (hereinafter the "Exercise Price Adjustment Formula"), respectively, with the resulting fractions less than one yen to be rounded up.

1) If the Company conducts a stock split or a reverse stock split for the Company shares of common stock:

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

2) If the Company issues shares of common stock or disposes of its treasury stock at prices less than the then-current market price (excluding cases of the exercise of share subscription rights and the exercise of warrants for the purchase of shares of common stock under the Commercial Code of Japan before the enforcement of the Law Regarding Partial Revision of the Commercial Code, etc. (Law No. 128, 2001)).

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \dfrac{\text{Number of shares to be issued} \times \text{Exercise price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

Resolution at 106th annual general meeting of the shareholders:

Date for resolution	June 21, 2005
Individuals covered by the Plan	Employees of the Company 456 Directors of the Company's subsidiaries 72 Total 528
Type of shares to be issued upon the exercise of the share subscription rights	Common stock
Number of share subscription rights	130,750 units
Number of shares to be issued upon the exercise of the share subscription rights	13,075,000 shares
Amount to be subscribed upon the exercise of the share subscription rights	¥152,600 (¥1,526 per share) *
Exercise period	From May 9, 2008 to June 20, 2015
Conditions for the exercise of the share subscription rights	① Partial exercise of each share subscription right is not allowed. ② Individuals to whom the share subscription rights are granted (the "Holders") must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable. ③ The Company's operating results must meet certain predetermined targets. ④ The Holders shall achieve their own predetermined performance targets. The details concerning conditions ② to ④ above and certain other conditions shall be as set forth in the "Share subscription rights Allocation Agreement" executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—

* If either of the cases 1) or 2) below takes place on or after the date for issuance, the exercise price shall be adjusted by applying the following formula (hereinafter the "Exercise Price Adjustment Formula"), respectively, with the resulting fractions less than one yen to be rounded up.

1) If the Company conducts a stock split or a reverse stock split for the Company shares of common stock:

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

2) If the Company issues shares of common stock or disposes of its treasury stock at prices less than the then-current market price (excluding cases of the exercise of share subscription rights and the exercise of warrants for the purchase of shares of common stock under the Commercial Code of Japan before the enforcement of the Law Regarding Partial Revision of the Commercial Code, etc. (Law No. 128, 2001)).

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \dfrac{\text{Number of shares to be issued} \times \text{Exercise price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

The Plan under Articles 236, 238 and 239 of the Company law

Resolution at 107th annual general meeting of the shareholders:

Date for resolution	June 27, 2006
Individuals covered by the Plan	Employees of the Company 23
Type of shares to be issued upon the exercise of the share subscription rights	Common stock
Number of share subscription rights	6,800 units
Number of shares to be issued upon the exercise of the share subscription rights	680,000 shares
Amount to be subscribed upon the exercise of the share subscription rights	¥133,300 (¥1,333 per share)*
Exercise period	From May 9, 2009 to June 26, 2016
Conditions for the exercise of the share subscription rights	① Partial exercise of each share subscription right is not allowed. ② Individuals to whom the share subscription rights are granted (the "Holders") must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable. ③ The Company's operating results must meet certain predetermined targets. ④ The Holders shall achieve their own predetermined performance targets. ⑤ A Holder shall not be able to exercise his/her share subscription rights in case he/she violates any applicable laws or various internal rules of the Company, etc. ⑥ A Holder shall not be able to exercise his/her share subscription rights in case he/she is subject to a disciplinary action equivalent to or more serious than a suspension of attendance, which is stipulated in the Working Regulations of the Company, etc. ⑦ A Holder shall not be able to exercise his/her share subscription rights in case he/she abandons the share subscription rights. The details concerning conditions ② to ⑦ above and certain other conditions shall be as set forth in the "Share subscription rights Allocation Agreement" executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—

* If either of the cases 1) or 2) below takes place on or after the date for issuance, the exercise price shall be adjusted by applying the following formula (hereinafter the "Exercise Price Adjustment Formula"), respectively, with the resulting fractions less than one yen to be rounded up.

1) If the Company conducts a stock split or a reverse stock split for the Company shares of common stock:

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

2) If the Company issues shares of common stock or disposes of its treasury stock at prices less than the then-current market price (excluding cases of i) the purchase of treasury stock of shares under Article 194 (Request from shareholders who own shares under one unit against the Company to sell shares so that such shareholder's shares become one unit of shares) of the Company law, ii) conversion of securities to be converted or convertible to the Company's shares of common stock or iii) share subscription rights with which the holder can request issuance of the Company's shares of common stock) (including those attached to the bonds with warrants for the purchase of shares of common stock)).

$$\begin{array}{c}\text{Adjusted}\\ \text{exercise}\\ \text{price}\end{array} = \begin{array}{c}\text{Exercise}\\ \text{price before}\\ \text{adjustment}\end{array} \times \frac{\begin{array}{c}\text{Number of shares}\\ \text{already issued}\end{array} + \dfrac{\text{Number of shares to be issued} \times \text{Exercise price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

Resolution at 108th annual general meeting of the shareholders:

Date for resolution	June 20, 2007
Individuals covered by the Plan	Employees of the Company 12
Type of shares to be issued upon the exercise of the share subscription rights	Common stock
Number of share subscription rights	3,600 units
Number of shares to be issued upon the exercise of the share subscription rights	360,000 shares
Amount to be subscribed upon the exercise of the share subscription rights	¥120,500 (¥1,205 per share)*
Exercise period	From April 1, 2010 to June 19, 2017
Conditions for the exercise of the share subscription rights	① Partial exercise of each share subscription right is not allowed. ② Individuals to whom the share subscription rights are granted (the "Holders") must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable. ③ The Company's operating results must meet certain predetermined targets. ④ The Holders shall achieve their own predetermined performance targets. ⑤ A Holder shall not be able to exercise his/her share subscription rights in case he/she violates any applicable laws or various internal rules of the Company, etc. ⑥ A Holder shall not be able to exercise his/her share subscription rights in case he/she is subject to a disciplinary action equivalent to or more serious than a suspension of attendance, which is stipulated in the Working Regulations of the Company, etc. ⑦ A Holder shall not be able to exercise his/her share subscription rights in case he/she abandons the share subscription rights. The details concerning conditions ② to ⑦ above and certain other conditions shall be as set forth in the "Share subscription rights Allocation Agreement" executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—

* If either of the cases 1) or 2) below takes place on or after the date for issuance, the exercise price shall be adjusted by applying the following formula (hereinafter the "Exercise Price Adjustment Formula"), respectively, with the resulting fractions less than one yen to be rounded up.

1) If the Company conducts a stock split or a reverse stock split for the Company shares of common stock:

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

2) If the Company issues shares of common stock or disposes of its treasury stock at prices less than the then-current market price (excluding cases of i) the purchase of treasury stock of shares under Article 194 (Request from shareholders who own shares under one unit against the Company to sell shares so that such shareholder's shares become one unit of shares) of the Company law, ii) conversion of securities to be converted or convertible to the Company's shares of common stock or iii) share subscription rights with which the holder can request issuance of the Company's shares of common stock) (including those attached to the bonds with warrants for the purchase of shares of common stock)).

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \dfrac{\text{Number of shares to be issued} \times \text{Exercise price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

Resolution at 108th annual general meeting of the shareholders:

Date for resolution	June 20, 2007
Individuals covered by the Plan	Employees of the Company 121
Type of shares to be issued upon the exercise of the share subscription rights	Common stock
Number of share subscription rights	36,200 units
Number of shares to be issued upon the exercise of the share subscription rights	3,620,000 shares
Amount to be subscribed upon the exercise of the share subscription rights	¥97,500 (¥975 per share)*
Exercise period	From May 17, 2010 to April 23, 2018
Conditions for the exercise of the share subscription rights	① Partial exercise of each share subscription right is not allowed. ② Individuals to whom the share subscription rights are granted (the "Holders") must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable. ③ The Holders shall achieve their own predetermined performance targets. ④ A Holder shall not be able to exercise his/her share subscription rights in case he/she violates any applicable laws or various internal rules of the Company, etc. ⑤ A Holder shall not be able to exercise his/her share subscription rights in case he/she is subject to a disciplinary action equivalent to or more serious than a suspension of attendance, which is stipulated in the Working Regulations of the Company, etc. ⑥ A Holder shall not be able to exercise his/her share subscription rights in case he/she abandons the share subscription rights. The details concerning conditions ② to ⑥ above and certain other conditions shall be as set forth in the "Share subscription rights Allocation Agreement" executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—

* If either of the cases 1) or 2) below takes place on or after the date for issuance, the exercise price shall be adjusted by applying the following formula (hereinafter the "Exercise Price Adjustment Formula"), respectively, with the resulting fractions less than one yen to be rounded up.

1) If the Company conducts a stock split or a reverse stock split for the Company shares of common stock:

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

2) If the Company issues shares of common stock or disposes of its treasury stock at prices less than the then-current market price (excluding cases of i) the purchase of treasury stock of shares under Article 194 (Request from shareholders who own shares under one unit against the Company to sell shares so that such shareholder's shares become one unit of shares) of the Company law, ii) conversion of securities to be converted or convertible to the Company's shares of common stock or iii) share subscription rights with which the holder can request issuance of the Company's shares of common stock) (including those attached to the bonds with warrants for the purchase of shares of common stock)).

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \dfrac{\text{Number of shares to be issued} \times \text{Exercise price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

Resolution at the 109th annual general meeting of the shareholders:

Date for resolution	June 25, 2008
Individuals covered by the Plan	Employees of the Company, and directors and employees of the Company's subsidiaries and affiliates
Type of shares to be issued upon the exercise of the share subscription rights	Common stock
Number of share subscription rights	80,000 units at maximum
Number of shares to be issued upon the exercise of the share subscription rights	8,000,000 shares at maximum
Amount to be subscribed upon the exercise of the share subscription rights	Note*
Exercise period	To be determined by the Board of Directors for a period within the range of 10 years from the date for resolution
Conditions for the exercise of the share subscription rights	① Partial exercise of each share subscription right is not allowed. ② Other conditions for the exercise of the share subscription rights shall be determined by the Board of Directors.
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—

* The amount to be paid by the Holders upon the exercise of each share subscription right shall be the amount calculated by multiplying the amount to be subscribed per share (hereinafter the "Exercise Price") for the Company's shares of common stock that may be issued upon the exercise of share subscription rights by the number of shares granted.

The initial Exercise Price shall be the amount (with fractions less than one yen to be rounded up) calculated by multiplying the average of the closing prices (hereinafter the "Closing Price") of the Company's common stock in the course of ordinary transactions at the Tokyo Stock Exchange during a predetermined period before the date for allotment of the share subscription rights (hereinafter the "Allotment Date") by a factor (which shall be not less than 1.025 to be determined by the Board of Directors of the Company). Provided, however, that if said amount is below the Closing Price of the Company's common stock on the Allotment Date (the closing price of the closest business day of transactions prior to that day if no transactions were made on that day), the Closing Price on the Allotment Date shall be the Exercise Price as per the determination of the Board of Directors.

If the Company conducts a stock split or a reverse stock split for the Company's shares of common stock after the Allotment Date, the Exercise Price shall be adjusted by applying the following formula, with the resulting fractions less than one yen to be rounded up.

$$\text{Adjusted Exercise Price} = \text{Exercise Price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

If the Company issues shares of common stock or disposes of its treasury stock after the Allotment Date at prices less than the then-current market price (excluding cases of i) the purchase of treasury stock of shares under Article 194 (Request from shareholders who own shares under one unit against the Company to sell shares so that such shareholders' shares become one unit of shares) of the Company law, ii) the conversion of securities to be converted or convertible to the Company's shares of common stock or iii) the exercise of share subscription rights (including those attached to the bonds with warrants for the purchase of shares of common stock) with which the shareholder can request issuance of the Company's shares of common stock), the Exercise Price shall be adjusted by applying the following formula, with the resulting fractions less than one yen to be rounded up:

$$\text{Adjusted Exercise Price} = \text{Exercise Price before adjustment} \times \frac{\text{Number of shares already issued} + \dfrac{\text{Number of shares to be issued} \times \text{Exercise Price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

2. Acquisition of treasury stock

Type of shares
Acquisition of shares of common stock under Article 155, Item 3, of the Company law, and Article 155, Paragraph 7, of the Company law

(1) Acquisition of treasury stock based on a resolution approved at the annual general meeting of the shareholders

Not applicable

(2) Acquisition of treasury stock based on a resolution approved by the Board of Directors

Acquisition of treasury stock under Article 155, Item 3, of the Company law

Classification	Number of shares (Thousands)	Total amount (Millions of yen)
Resolution by the Board of Directors (held on April 26, 2007) (Period for acquisition: from May 9, 2007 to June 29, 2007)	19,000	25,000
Treasury stock acquired before the current fiscal year	—	—
Treasury stock acquired during the current fiscal year	16,192	21,324
The remaining number of shares and total amount of authorized treasury stock	2,808	3,675
Ratio of unexercised portion as of March 31, 2008 (%)	14.78	14.70
Treasury stock acquired during the period for acquisition	—	—
Ratio of unexercised portion as of the filing date of this Securities Report (%)	—	—

Classification	Number of shares (Thousands)	Total amount (Millions of yen)
Resolution by the Board of Directors (held on July 24, 2007) (Period for acquisition: from August 1, 2007 to September 20, 2007)	18,000	26,000
Treasury stock acquired before the current fiscal year	—	—
Treasury stock acquired during the current fiscal year	18,000	20,587
The remaining number of shares and total amount of authorized treasury stock	—	5,412
Ratio of unexercised portion as of March 31, 2008 (%)	—	20.82
Treasury stock acquired during the period for acquisition	—	—
Ratio of unexercised portion as of the filing date of this Securities Report (%)	—	—

Classification	Number of shares (Thousands)	Total amount (Millions of yen)
Resolution by the Board of Directors (held on October 26, 2007) (Period for acquisition: from November 1, 2007 to December 28, 2007)	20,000	27,000
Treasury stock acquired before the current fiscal year	—	—
Treasury stock acquired during the current fiscal year	19,500	23,592
The remaining number of shares and total amount of authorized treasury stock	500	3,407
Ratio of unexercised portion as of March 31, 2008 (%)	2.50	12.62
Treasury stock acquired during the period for acquisition	—	—
Ratio of unexercised portion as of the filing date of this Securities Report (%)	—	—

Classification	Number of shares (Thousands)	Total amount (Millions of yen)
Resolution by the Board of Directors (held on February 1, 2008) (Period for acquisition: from February 4, 2008 to March 24, 2008)	17,000	23,000
Treasury stock acquired before the current fiscal year	—	—
Treasury stock acquired during the current fiscal year	17,000	15,775
The remaining number of shares and total amount of authorized treasury stock	—	7,224
Ratio of unexercised portion as of March 31, 2008 (%)	—	31.41
Treasury stock acquired during the period for acquisition	—	—
Ratio of unexercised portion as of the filing date of this Securities Report (%)	—	—

Notes: 1. The purpose of acquisition of treasury stock is to prevent the dilution of shares upon the exercise of the share subscription rights.

2. The total amount is presented net of the handling charges related to the acquisition of the shares.

3. “Treasury stock acquired during the period for acquisition” and “Ratio of unexercised portion as of the filing date of this Securities Report” above do not include the acquisition(s) of treasury stock during the period from June 1, 2008 to the filing date of this Securities Report.

(3) Acquisition of treasury stock not based on a resolution approved at the annual general meeting of the shareholders or on a resolution approved by the Board of Directors

Acquisition of treasury stock under Article 155, Paragraph 7, of the Company law

Classification	Number of shares (Thousands)	Total amount (Millions of yen)
Treasury stock acquired during the current fiscal year	51	61
Treasury stock acquired during the period for acquisition	4	3

Note: "Treasury stock acquired during the period for acquisition" does not include the number of shares under 1 unit purchased during the period from June 1, 2008 to the filing date of this Securities Report.

(4) Current status of the disposition and holding of acquired treasury stock

Classification	Current fiscal year		Period for acquisition	
	Number of shares (Thousands)	Total disposition amount (Millions of yen)	Number of shares (Thousands)	Total disposition amount (Millions of yen)
Acquired treasury stock for which subscribers were solicited	—	—	—	—
Acquired treasury stock that was disposed of	—	—	—	—
Acquired treasury stock for which transfer of shares was conducted in association with merger/stock exchange/corporate separation	—	—	—	—
Other (treasury stock acquired by applying the provisions for stock issuance through the exercise of share subscription rights)	33,908	38,639	—	—
Number of shares of treasury stock held	137,134	—	137,138	—

Note: "Number of shares" and "Total disposition amount" during the "Period for acquisition" does not include the shares of treasury stock acquired during the period from June 1, 2008 to the filing date of this Securities Report, nor the number and acquisition value of the shares of treasury stock acquired instead of the issuance of shares through exercise of share subscription rights, etc.

3. Dividend policy

The Company intends to adhere to its attractive dividend policy. In preparing NISSAN GT 2012, the Company reviewed the expected free cash flow for the covered period, checked the trends in the dividend policies of competitive carmakers and referred to opinions from the capital market.

As a result, the Company has concluded that presenting the per share dividend amount would be the best way to make the distribution of dividends to shareholders the most transparent.

Specifically, we plan to propose an annual dividend target of ¥42 per share for the year ending March 31, 2009, ¥44 for the year ending March 31, 2010, and ¥46 for the year ending March 31, 2011. We will later review the target amounts for the fiscal years ending March 31, 2012 and 2013.

The Company's basic policy on the distribution of dividends from surplus is twice annually, that is, an interim dividend and a year-end dividend, as the Company has determined in its Articles of Incorporation that the Company may distribute interim dividends as stipulated in Article 454, Paragraph 5, of the Company law. The final decision-making organization is the Board of Directors for the interim dividend, and a general meeting of the shareholders for the year-end dividend.

The Company intends to apply its internal reserve to preparations for future business development and R&D expenditures.

Note: The dividends from surplus for which the record date belongs to the current fiscal year (year ended March 31, 2008) are as follows:

Date of resolution	Total dividend amounts (Millions of yen)	Dividend per share (Yen)
Resolution of the Board of Directors meeting held on October 26, 2007	87,952	20
Resolution of the annual general meeting of the shareholders held on June 25, 2008	87,671	20

4. Changes in the market price of the Company's shares

(1) Highest and lowest prices during the past five years

	105th fiscal year	106th fiscal year	107th fiscal year	108th fiscal year	109th fiscal year
Year-end	March 2004	March 2005	March 2006	March 2007	March 2008
Highest	1,455	1,284	1,427	1,557	1,388
Lowest	776	1,060	1,025	1,133	786

Note: The above prices are those quoted on the First Section of the Tokyo Stock Exchange.

(2) Highest and lowest prices during the past six months

Month	October 2007	November	December	January 2008	February	March
Highest	1,336	1,388	1,281	1,149	1,041	945
Lowest	1,070	1,073	1,149	921	912	786

Note: The above prices are those quoted on the First Section of the Tokyo Stock Exchange.

5. Members of the Board of Directors and Statutory auditors

Function	Position	Name (Date of birth)	Career Profile			Term of office (period)	Number of shares owned (Thousands)
Representative Director Director Co-Chairman President	CEO	Carlos Ghosn (March 9, 1954)	1996 1996 1999 2000 2001 2002 2003 2004 2005 2007	October December June June June February June April April May	Joined Renault Executive Vice President of Renault COO of the Company President and COO of the Company President and CEO of the Company Director of Alcoa Inc. (Current position) Co-Chairman, President and CEO of the Company (Current position) President and Chairman of Nissan North America Inc. President and CEO of Renault (Current position) Representative Director and Chairman of RNBV (Current position) Chairman of Nissan North America Inc. (Current position)	Two years from June 2007	3,065
Representative Director	COO	Toshiyuki Shiga (September 16, 1953)	1976 1999 2000 2005 2005	April July April April June	Joined the Company General Manager of Corporate Planning Dept. and Alliance Coordination Office Senior Vice President of the Company COO of the Company Representative Director and COO of the Company (Current position)	Two years from June 2007	30
Director	Executive Vice President	Hiroto Saikawa (November 14, 1953)	1977 2000 2003 2005 2005 2006 2007	April October April April June May May	Joined the Company General Manager of Purchasing Strategy Dept. Senior Vice President of the Company Executive Vice President of the Company Executive Vice President and Director of the Company (Current position) Director of Renault (Current position) President of Nissan North America Inc. (Current position)	Two years from June 2007	4
Director	Executive Vice President	Mitsuhiko Yamashita (April 17, 1953)	1979 2001 2002 2004 2005 2005	April February April April April June	Joined the Company General Manager of Vehicle Design Engineering Dept. No.1 President of Nissan Technical Center North America Inc. Senior Vice President of the Company Executive Vice President of the Company Executive Vice President and Director of the Company (Current position)	Two years from June 2007	37
Director	Executive Vice President	Carlos Tavares (August 14, 1958)	1981 1996 1999 2004 2004 2005 2005	October July April April December April June	Joined Renault General Manager of Layout in Advanced Engineering, Renault Director of C-Segment Program, Renault Joined the Company Program Director in charge of C platform projects Vice President of the Company, Product Strategy and Product Planning Div. Executive Vice President of the Company Executive Vice President and Director of the Company (Current position)	Two years from June 2007	1
Director	Executive Vice President	Hidetoshi Imazu (May 15, 1949)	1972 1998 2002 2007 2007	April April April April June	Joined the Company General Manager, Chassis Engineering Div. of the Company Senior Vice President of the Company Executive Vice President of the Company Executive Vice President and Director of the Company (Current position)	Two years from June 2007	40
Director	Vice-Chairman	Tadao Takahashi (January 10, 1945)	1968 1996 1998 1999 2002 2002 2007	April May June June April June April	Joined the Company General Manager of Engineering Dept. No.1 Director of the Company Senior Vice President of the Company Executive Vice President of the Company Executive Vice President and Director of the Company Vice-Chairman and Director of the Company (Current position)	Two years from June 2007	53

Function	Position	Name (Date of birth)	Career Profile		Term of office (period)	Number of shares owned (Thousands)
Director		Shemaya Levy (November 11, 1947)	1972 January 1994 March 1998 October 2002 March 2002 June	Joined Renault Chairman and CEO of Renault VI Executive Vice President of Renault, Chairman of Companie Financière Renault Executive Vice President of Renault S.A.S., Chairman of Companie Financière Renault Director of the Company (Current position)	Two years from June 2007	—
Director		Patrick Pelata (August 24, 1955)	1984 July 1996 July 1999 January 1999 June 1999 July 2005 April 2005 July	Joined Renault Vice President in charge of Chassis Engineering of Renault Executive Vice President in charge of Vehicle Development of Renault Executive Vice President and Director of the Company Chairman of Nissan Design America, Inc. Director of the Company (Current position) Senior Executive Vice President of Renault (Current position)	Two years from June 2007	40
Statutory auditor	Standing	Masahiko Aoki (October 14, 1944)	1969 July 1992 July 1998 June 1999 June 2002 April 2008 April 2008 June 2008 June	Joined the Company General Manager (Human Resources Development Dept.) of the Company Director of the Company Senior Vice President of the Company President of Nissan Koei Co., Ltd. (currently NISSAN CREATIVE SERVICES CO., LTD.) Director and Advisor of NISSAN CREATIVE SERVICES CO., LTD. Advisor of NISSAN CREATIVE SERVICES CO., LTD. (Current position) Statutory Auditor of the Company (Current position)	Four years from June 2008	33
Statutory auditor	Standing	Takeo Otsubo (July 2, 1948)	1971 April 1996 May 1997 November 1998 February 1999 June 2000 May 2002 June 2004 April 2006 June	Joined The Industrial Bank of Japan Co., Ltd. Director (Finance Office) of The Asian Development Bank Vice Manager, General Planning Division, of The Industrial Bank of Japan Co., Ltd. General Manager, Accounting Dept., of The Industrial Bank of Japan Co., Ltd. Corporate Officer and Chairman, Southeast Asia Committee of The Industrial Bank of Japan Co., Ltd. Managing Director and General Manager (Treasury Dept.), Kowa Real Estate Co., Ltd. Senior Managing Director, Mizuho Research Institute Ltd. Director, Environmental Restoration and Conservation Agency Statutory Auditor of the Company (Current position)	Four years from June 2006	2
Statutory auditor	Standing	Toshiyuki Nakamura (July 26, 1951)	1974 April 1998 June 2002 April 2003 April 2004 June 2005 June 2006 April 2006 June	Joined The Bank of Yokohama, Ltd. General Manager (Finance Dept.) of The Bank of Yokohama, Ltd. Corporate Officer and General Manager, Kawasaki Branch of The Bank of Yokohama, Ltd. Senior Corporate Officer, General Manager, Kawasaki Branch and General Manager, Sales Division at the Kawasaki and Yokohama-kita Block of The Bank of Yokohama, Ltd. Representative Director and COO of The Bank of Yokohama, Ltd. Representative Director and General Manager, Sales Promotion Dept. and CS Promotion Dept., of The Bank of Yokohama, Ltd. Director of The Bank of Yokohama, Ltd. Statutory Auditor of the Company (Current position)	Four years from June 2006	5

Function	Position	Name (Date of birth)	Career Profile		Term of office (period)	Number of shares owned (Thousands)
Statutory auditor	Part-time	Takemoto Ohto (January 3, 1945)	1968 April	Joined Nippon Reizo Co., Ltd. (currently Nichirei Corporation)	Four years from June 2008	2
			1995 January	General Manager (Secretariat Office) of Nichirei Corporation		
			1997 June	Director, General Manager (Personnel Dept.) and General Manager (Secretariat Office) of Nichirei Corporation		
			2001 June	Chairman of Nichirei Corporation		
			2007 June	Advisor of Nichirei Corporation (Current position)		
			2008 June	Statutory Auditor of the Company (Current position)		
Total						3,310

Notes:

1. Shemaya Levy fulfills the criteria to be qualified as an external director of the Company as set forth in Article 2, Item 15, of the Company law.
2. Takeo Otsubo, Toshiyuki Nakamura and Takemoto Ohto are external statutory auditors as stipulated in Article 2, Item 16, of the Company law.
3. The Company set up a Corporate Officer system in order to revitalize the Board of Directors by segregating decision-making and control functions from the executive functions and to enable capable individuals to be appointed based solely on their ability.

   The number of Corporate Officers is 50 including the directors listed above (Carlos Ghosn, Toshiyuki Shiga, Hiroto Saikawa, Mitsuhiko Yamashita, Carlos Tavares, Hidetoshi Imazu and Tadao Takahashi,). The other 43 members are as follows; Shiro Nakamura, Kazuhiko Toida, Junichi Endo, Hitoshi Kawaguchi, Minoru Shinohara, Yo Usuba, Yoshiaki Watanabe, Colin Dodge, Kazumasa Katoh, Philippe Klein Toshiharu Sakai, Alain Dassas, Atsushi Shizuta, Yasuhiro Yamauchi (Senior Vice Presidents) and Asako Hoshino, Akira Kaetsu, Akira Sato, Toshio Aoki, Shoichi Miyatani, Shuichi Otani, Simon Sproule, Celso Guiotoku, Shigeaki Kato, Haruyoshi Kumura, Akihiro Otomo, Andrew Palmer, Emmanuel Delay, Akihiro Ishiwatari, Thomas Lane, Gilles Normand, Joji Tagawa, Thierry Viadieu, Toshifumi Hirai, Atsushi Hirose, Takao Katagiri, Masaaki Nishizawa, Shinya Hannya, Greg Kelly, Hideyuki Sakamoto, Shunichi Toyomasu, Takeshi Yamaguchi, Makoto Yoshimoto (Corporate Vice Presidents) and Kimio Tomita (Fellow).

6. Corporate governance

Basic corporate governance policy

Corporate governance is one of the important responsibilities of the Company's management, and its most important role is to clarify the duties and responsibilities of the members of the management team. At the Company, clear management objectives and policies are published for the benefit of the shareholders and investors, and achievements and results are announced early and with as much transparency as possible. The enhancement of corporate governance by full and fair disclosure is the responsibility of management.

1. The Company's organization and the status of its internal control systems

(1) The Company's organization

The Company's Board of Directors makes decisions on important business operations and supervises the execution of duties by the respective Directors. Pursuant to a resolution at the 109th annual meeting of shareholders held on June 25, 2008, the number of Directors has been decreased from ten to nine, of which one is an external Director. The structure of Board of Directors is simplified in the pursuit of more efficient and flexible management, and the authority for business execution is clearly delegated wherever possible to corporate officers and employees. Furthermore, the Executive Committee deliberates important corporate matters.

The Company adopts a Statutory Auditor system. The Board of Statutory Auditors consists of four Statutory Auditors, including three external Statutory Auditors. Three of the four Statutory Auditors are standing auditors. The Statutory Auditors conduct audits of the Directors' business execution in accordance with the auditing standards and policies determined by the Board of Statutory Auditors. In addition, the Company has set up the Statutory Auditors' Office, the staff of which assists the Statutory Auditors in conducting their duties.

(2) Status of the Company's internal control systems

The Company focuses on highly transparent management internally and externally, and aims to conduct consistent and efficient management to firmly achieve its specific commitments. Under this basic policy, the Company's Board of Directors has determined "systems to ensure proper and appropriate corporate operations" in accordance with the Company law and the Company law Enforcement Regulations, and appointed a Director in charge of general internal control. The summary and status of such systems are as follows.

i) Systems to ensure efficient execution and management of business activities by the directors

a. The Company has the Board of Directors, which decides material business activities of the company and checks on the activities of the individual directors. In addition, statutory auditors who comprise the board of auditors, audit the activities of the directors.
b. The Company's Board of Directors is relatively small, so it is structured with a transparent and logical system of delegation is implemented, by which the authority to perform business activities are properly delegated to corporate officers and other employees.
c. The Company uses a proven system of Executive Committee where key business issues are reviewed and discussed.
d. For review and discussion of the regional and specific business area operations, the Company utilizes Management Committees.
e. In order to promote cross functional activities, cross functional teams - CFTs - are organized. CFTs detect problems and challenges and propose solutions to line organizations.
f. The Company implements an objective and transparent Delegation of Authority procedure for the purpose of speeding up and clarifying the decision making processes as well as ensuring consistent decisions.
g. The Company ensures an efficient and effective management of its business by determining and sharing management policy and business direction through establishment of the mid-term management plan and the annual business plan.

ii) Systems to ensure compliance of employees' and directors' activities with laws and articles of associations

a. The Company implements "Global Code of Conduct", which explains acceptable behaviors of all employees working at the company group companies worldwide and promotes understanding by them.
b. In order to ensure rigorous and strict compliance with the code of conduct, the Company and its group companies offer education programs such as the e-learning system.
c. With regard to members of the Board of Directors as well as corporate officers of the Company, the Company establishes "Guidance for Directors and Corporate Officers regarding Compliance", which explains the acceptable behaviors of the members of the Board of Directors and the corporate officers.
d. The Company stands firm and take appropriate actions against anti-social forces or groups. If any

director, officer or employee is approached by such forces or groups, the said individual shall promptly report such matter to his/her superiors and specific committee, and shall follow their instructions.

e. If any director, officer or employee is, directly or indirectly, exposed or threatened to commit an illegal or criminal action such as fraud or blackmail during the course of business activities, the said individual shall act resolutely against it, and he/she shall promptly report such matter to his/her superiors and specific committee, and shall follow their instructions.

f. For the purpose of monitoring and ensuring compliance with the code of conduct, the Company establishes the "Global Compliance Committee".

g. The Company implements the "Easy Voice System" by which the employees are able to submit their opinions, questions and requests freely and directly to the Company management.

h. The Company is committed to continually implementing relevant company rules. Examples include "Global Rules for the Prevention of Insider Trading" and the "Rules for the Protection of Personal Information". The company continually offers education programs to employees as part of its program to promote the understanding and compliance with such corporate rules.

i. The Company is committed to improve and enhance the internal control systems to ensure accuracy and reliability of its financial reports in accordance with the Financial Instruments and Exchange Law together with its related rules and standards.

j. The Company establishes a department specialized in internal audit for the purpose of regularly monitoring the Company and group companies' business and their compliance with laws, articles of associations and corporate ethics.

iii) Rules and systems for proper management of risk and loss

a. The Company minimizes the possibility of occurrence of risks and, if they occur, mitigate the magnitude of losses by sensing such risks as early as possible and implementing appropriate countermeasures. In order to achieve such objective, the Company and its group companies implement the Global Risk Management Policy.

b. Management of material company-wide risks are assigned mainly to each of the members of the Executive Committee, who are responsible to monitor, manage and implement necessary measures such as preparing relevant risk management manuals.

c. Concerning the management of other specific business risks beyond those supervised directly by the Executive Committee, they are handled by each manager in the business function who will evaluate, prepare and implement the necessary measures to minimize such risks.

iv) Systems to ensure accurate records and the retention of information of directors' execution of business

a. The Company prepares full and accurate minutes of meetings of the Board of Directors in accordance with laws and the board regulations and ensures they are retained and managed in a secure environment.

b. In performing business activities by various divisions and departments, matters to be decided pursuant to Delegation of Authority are decided by either electronic system or written documents, and are stored and retained either electronically or in writing.

c. While the departments in charge are responsible for proper and strict retention and management of such information, directors, statutory auditors and others have access to any records as required for the purpose of performing their business activities.

d. In line with the Information Security Policy, the Company endeavors to enhance proper and strict retention and management of information and to prevent improper use of information and unintended disclosure of such information.

v) Systems to ensure proper and legitimate business activities of the Group companies

a. The Company establishes various Management Committees which are trans-group organizations in order to ensure proper, efficient and consistent group management.

b. In Management Committee meetings, the Company provides group companies with important information and shares with them management policies; this ensures that the business decisions of all group companies are made efficiently and effectively.

c. The group companies implement an objective and transparent Delegation of Authority procedures.

d. The group companies implement each company's code of conduct in line with the Global Code of Conduct and establish compliance committee of each company and ensure full compliance with all laws and our corporate code of conduct. The Global Compliance Committee regularly monitors these companies and works to ensure further strict compliance with laws, articles of association and corporate behavior. In addition, group companies implement the easy voice system which ensures that employees are able to directly communicate to the group company or to the Company directly their opinions, questions, and requests.

e. The internal audit department of the Company periodically carries out local audits on the business of group companies for the purpose of monitoring and confirming legal compliance, relevant articles of association as well as management of business risks. Major group companies establishes their own internal audit departments and perform internal audits under the supervision of the Company's internal audit department.

f. The Company's statutory auditors and group companies' statutory auditors have periodic meetings to share information and exchange opinions from the viewpoint of consolidated management for the purpose of ensuring effective auditing of group companies.

vi) Organization of employee(s) supporting statutory auditors, and systems showing their independence from the directors

a. The Company has an auditors office to support the activities of the statutory auditors. Dedicated manager(s) is assigned and performs his/her duties under the supervision and responsibility of the statutory auditors.
b. The statutory auditors make appraisal of dedicated manager's performance, and his/her move to another department and his/her disciplinary action are subject to prior approval of the board of auditors.

vii) Systems by which directors and employee report business issues to the statutory auditors

a. The statutory auditors determine their annual audit plan and perform their audit activities in accordance with that plan. The annual audit plan includes schedules of reports by various divisions. Directors and employees make reports in accordance with the annual audit plan.
b. When directors and employees detect any incidents which gives or could give a materially negative impact to the Company, they are required to immediately report such incidents to the statutory auditors.
c. In addition, directors and employees are required to make an ad-hoc report to the statutory auditors regarding the situation of business activities when so requested.
d. The internal audit department periodically reports to the statutory auditors its internal audit plan and the results of the internal audits performed.

viii) System to ensure effective and valid auditing by the statutory auditors

a. At least 50% of the statutory auditors are external auditors to ensure effective and independent auditing. The statutory auditors hold periodical meetings in order to exchange and share information and their respective opinions. Ad-hoc meetings are also held whenever deemed necessary.
b. The statutory auditors have periodical meetings with representative directors (including the President) and exchange views and opinions.

(3) Status of internal and corporate audits

In Japan, the Domestic Internal Audit Office, which is independent from other departments/sections and comprises 11 staff, conducts internal audits of the Company's and its domestic consolidated subsidiaries' operations, under the direct control of the COO. With respect to foreign subsidiaries, an effective, efficient and global internal audit is conducted by the internal audit teams established in the management companies in each region, all of which are controlled by the Chief Internal Audit Officer (CIAO).
The Statutory Auditors oversee the business execution of the Directors by attending the Board of Directors' meetings and other significant meetings and hearing from the Directors on business activities regularly and whenever necessary. The Statutory Auditors also meet regularly with the Representative Directors to exchange opinions on an extensive range of issues. The Board of Statutory Auditors tries to enhance audit efficiency by sharing information among the Statutory Auditors. The Statutory Auditors also receive regular reports on the results of inspections and plans for future audits from, and exchange opinions with, the internal audit teams throughout the Company's organization, making use of this data as they craft their approaches. In addition, the Statutory Auditors receive such reports from the independent auditors, as well as reports on the status of the quality control of internal audits, to confirm whether their oversight is at a suitable level.

(4) Audit of financial statements

The Company appoints Ernst & Young ShinNihon as its independent auditors. The Certified Public Accountants engaged in the audits of financial statements are as follows:

The name of the Certified Public Accountants engaged in the financial statement audit	
Designated and Engagement Partner	Yasunobu Furukawa
Designated and Engagement Partner	Kenji Ota
Designated and Engagement Partner	Yoji Murohashi
Designated and Engagement Partner	Takeshi Hori

※ As the years of continuous service in audit are less than seven years for all the Certified Public Accountants, the relevant statement is omitted.

※ Ernst & Young ShinNihon has taken its own autonomous measures so that each Engagement Partner is not involved in the audit of the Company's accounting for a period over a predetermined tenure.

Assistants to the audit of the financial statements include 17 Certified Public Accountants and 46 others, including junior accountants, successful applicants who have passed the

Certified Public Accountants examination and system specialists.

(5) Relationships between external Directors and external Statutory Auditors and the Company

Shemaya Levy, the Company's external Director, had served as Senior Vice President of Renault from March 2002 to March 2004, and Renault held 44.3% of the shares of the Company's common stock as of March 31, 2008.

Takeo Otsubo and Toshiyuki Nakamura—the Company's external Statutory Auditors—have no particular business relationship with the Company.

Haruo Murakami, the Company's external Statutory Auditor, retired from office as of the close of the 109th annual shareholders' meeting held on June 25, 2008, and Takemoto Ohto was newly elected as an outside statutory auditor by a resolution thereat. Although Takemoto Ohto assumed the position of Advisor of Nichirei Corporation, he had no particular business relationship with the Company during the year ended March 31, 2008.

(6) Fixed number of directors

The Company stipulates in its Articles of Incorporation that not less than six directors shall be elected.

(7) Requirement of a resolution for electing directors

The Company stipulates in its Articles of Incorporation that a resolution for the election of directors shall be adopted by a majority vote of shareholders present holding not less than one-third (1/3) of the shares with voting rights held by shareholders entitled to exercise their voting rights, with regard to the requirement of a resolution for electing directors.

(8) Decision-making organization for payment of interim dividends

The Company has determined in its Articles of Incorporation that the Company may distribute interim dividends so that the Company may flexibly distribute profits to shareholders.

(9) Decision-making organization for acquisition of the Company's shares

The Company has determined in its Articles of Incorporation that the Company may acquire its own shares through market transactions by a resolution of the Board of Directors as stipulated in Article 165, Paragraph 2, of the Company law, so that the Company can conduct flexible and agile capital policies.

(10) Exemption from liabilities of the Directors and the Statutory Auditors

The Company has determined in its Articles of Incorporation that the Company may, by a resolution of the Board of Directors, release Directors (including ex-Directors) and Corporate Auditors (including ex-Statutory Auditors) from liabilities for damages arising from negligence in the performance of their duties, to the extent permitted by laws and regulations, as stipulated in Article 426, Paragraph 1 of the Company law, so that they can fully demonstrate their roles expected in executing their duties.

2. Compensation paid to Directors and Statutory Auditors

Compensation paid to the Company's Directors consists of a fixed amount of remuneration in cash and share appreciation rights as resolved at the 104th annual shareholders' meeting held on June 19, 2003. The cash remuneration is limited to a maximum of ¥2,990 million per annum as resolved at the 109th annual shareholders' meeting held on June 25, 2008, and the amount to be paid to each Director is determined within this range based on the business results and reflecting the firm's global competitiveness.

On the other hand, the share appreciation rights are given as incentives to the Directors to stimulate their motivation to the sustainable and profitable growth of the Company. This incentive is linked to the Company's medium- or long-term business results and is limited to the equivalent of 6 million shares of the Company's common stock per annum.

The remuneration paid to the Statutory Auditors is limited to a yearly amount of ¥120 million as resolved at the 106th annual shareholders' meeting held on June 21, 2005. This compensation is designed to promote stable and transparent auditing within this range.

For the current fiscal year, the amounts disbursed to the Directors and the Statutory Auditors were ¥2,231 million to 10 Directors and ¥92 million to four Statutory Auditors. These amounts include a total of ¥67 million disbursed to an external Director and three external Statutory Auditors. In addition, share appreciation rights equivalent to 6 million shares were separately granted to nine Directors on two occasions (corresponding to 3.5 million shares of common stock on the first occasion and corresponding to 2.5 million shares of common stock on the second occasion). (For reference, the fair value of these shares calculated using the share prices at the time the rights were granted would be ¥136 per share for the former and ¥205 per share for the latter.) The number of share appreciation rights authorized to be exercised will be finalized in response to the predetermined achievement of each Director's operating performance targets, with the upper limit corresponding to the aforementioned 6 million shares.

Furthermore, apart from the compensation for the current fiscal year, the Company intends to pay bonuses to nine directors totaling ¥390 million pursuant to a resolution adopted by the 109th annual general meeting of shareholders.

3. Remuneration to independent auditors

Remuneration paid to the independent auditors is summarized as follows:

- Remuneration for services stipulated by the Certified Public Accountant Law, Article 2, Paragraph 1 (Law No. 103, 1948), for the current fiscal year: ¥525 million

- Remuneration for other services for the current fiscal year: ¥78 million

4. Outline of the limited liability contract with external Directors and Statutory auditors

The Company's external Directors and Statutory Auditors hold a limited liability contract with the Company as stipulated by Article 423, Paragraph 1, of the Company law. The contract prescribes that the maximum amount for which the external directors and auditors are liable shall be the higher of ¥5 million or the lowest limit specified by statute.

5. Financial Information

1. Basis of preparation of the consolidated financial statements and the non-consolidated financial statements

(1) The consolidated financial statements of the Company are prepared in accordance with the Ministry of Finance Ordinance No. 28, 1976 "Regulations Concerning the Terminology, Forms and Preparation Methods of Consolidated Financial Statements" ("Regulations for Consolidated Financial Statements").

However, the consolidated financial statements for the prior fiscal year (from April 1, 2006, to March 31, 2007) have been prepared in accordance with the "Regulations for Consolidated Financial Statements" before amendment, whereas the consolidated financial statements for the current fiscal year (from April 1, 2007, to March 31, 2008) have been prepared in accordance with the "Regulations for Consolidated Financial Statements" after amendment.

(2) The non-consolidated financial statements of the Company are prepared in accordance with the "Regulations Concerning the Terminology, Forms and Preparation Methods of Non-Consolidated Financial Statements" ("Regulations for Non-Consolidated Financial Statements") (Ministry of Finance Ordinance No. 59, 1963).

However, the non-consolidated financial statements for the prior fiscal year (from April 1, 2006, to March 31, 2007) have been prepared in accordance with the "Regulations for Non-Consolidated Financial Statements" before amendment, whereas the non-consolidated financial statements for the current fiscal year (from April 1, 2007, to March 31, 2008) have been prepared in accordance with the "Regulations for Non-Consolidated Financial Statements" after amendment.

2. Audit reports

The consolidated and the non-consolidated financial statements for the prior fiscal year (from April 1, 2006, to March 31, 2007) were audited by Ernst & Young ShinNihon pursuant to Article 193-2 of "The Securities and Exchange Law," whereas those for the current fiscal year (from April 1, 2007, to March 31, 2008) were audited by Ernst & Young ShinNihon pursuant to Article 193-2, Section 1, of the "Financial Instruments and Exchange Law".

1. Consolidated Financial Statements

(1) Consolidated financial statements

① Consolidated balance sheets

Accounts	Notes	Prior Fiscal Year (As of March 31, 2007) Amounts (Millions of yen)		Ratio (%)	Current Fiscal Year (As of March 31, 2008) Amounts (Millions of yen)		Ratio (%)
Assets							
I. Current assets							
1. Cash on hand and in banks	※3		457,925			570,225	
2. Trade notes and accounts receivable	※3 ※6		679,119			688,300	
3. Sales finance receivables	※3		3,557,223			3,234,433	
4. Securities			28,255			24,643	
5. Finished goods			712,696			709,798	
6. Other inventories			291,975			295,367	
7. Deferred tax assets			324,979			299,306	
8. Other			536,797			552,061	
9. Allowance for doubtful accounts			(96,083)			(79,909)	
Total current assets			6,492,886	52.4		6,294,224	52.7
II. Fixed assets							
1. Property, plant and equipment	※1 ※3						
(1) Buildings and structures		713,159			709,149		
(2) Machinery, equipment and vehicles	※2	2,726,338			2,517,838		
(3) Land		733,651			720,370		
(4) Construction in progress		152,829			153,909		
(5) Other		551,211	4,877,188	39.3	525,286	4,626,552	38.7
2. Intangible fixed assets	※3 ※4		185,313	1.5		186,346	1.6
3. Investments and other assets							
(1) Investment securities	※5	386,212			452,169		
(2) Long-term loans receivable		26,322			24,555		
(3) Deferred tax assets		157,495			94,420		
(4) Other		281,204			266,009		
(5) Allowance for doubtful accounts		(4,412)	846,821	6.8	(4,793)	832,360	7.0
Total fixed assets			5,909,322	47.6		5,645,258	47.3
Total assets			12,402,208	100.0		11,939,482	100.0

Accounts	Notes	Prior Fiscal Year (As of March 31, 2007) Amounts (Millions of yen)		Ratio (%)	Current Fiscal Year (As of March 31, 2008) Amounts (Millions of yen)		Ratio (%)
Liabilities							
I. Current liabilities							
1. Trade notes and accounts payable	※6		1,103,186			1,119,430	
2. Short-term borrowings	※3		1,056,319			988,342	
3. Current portion of long-term borrowings	※3		974,695			666,844	
4. Commercial paper			965,238			951,843	
5. Current portion of bonds			101,159			149,998	
6. Lease obligations			50,421			75,554	
7. Accrued expenses			589,337			563,672	
8. Deferred tax liabilities			9,064			1,501	
9. Accrued warranty costs			92,279			91,151	
10. Other			633,621			634,281	
Total current liabilities			5,575,319	44.9		5,242,616	43.9
II. Long-term liabilities							
1. Bonds			729,707			772,725	
2. Long-term borrowings	※3		1,167,814			1,050,889	
3. Lease obligations			59,140			85,389	
4. Deferred tax liabilities			507,600			461,792	
5. Accrued warranty costs			130,111			112,522	
6. Accrued retirement benefits			194,494			177,485	
7. Accrued directors’ retirement benefits			—			3,883	
8. Other			161,029			182,738	
Total long-term liabilities			2,949,895	23.8		2,847,423	23.9
Total liabilities			8,525,214	68.7		8,090,039	67.8

Accounts	Notes	Prior Fiscal Year (As of March 31, 2007) Amounts (Millions of yen)	Ratio (%)	Current Fiscal Year (As of March 31, 2008) Amounts (Millions of yen)	Ratio (%)
Net assets					
I. Shareholders' equity					
1. Common stock		605,814	4.9	605,814	5.1
2. Capital surplus		804,470	6.5	804,470	6.7
3. Retained earnings		2,402,726	19.4	2,726,859	22.8
4. Treasury stock		(226,394)	(1.9)	(269,003)	(2.2)
Total shareholders' equity		3,586,616	28.9	3,868,140	32.4
II. Valuation, translation adjustments and others					
1. Unrealized holding gain on securities		5,826	0.1	5,750	0.0
2. Unrealized gain and loss from hedging instruments		1,817	0.0	(8,471)	(0.1)
3. Adjustments for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting		68,923	0.6	79,417	0.7
4. Land revaluation of foreign subsidiaries		5,095	0.0	6,238	0.1
5. Unfunded retirement benefit obligation of foreign subsidiaries		(13,826)	(0.1)	(4,290)	0.0
6. Translation adjustments		(109,214)	(0.9)	(441,820)	(3.7)
Total valuation, translation adjustments and others		(41,379)	(0.3)	(363,176)	(3.0)
III. Share subscription rights		2,711	0.0	1,714	0.0
IV. Minority interests		329,046	2.7	342,765	2.8
Total net assets		3,876,994	31.3	3,849,443	32.2
Total liabilities and net assets		12,402,208	100.0	11,939,482	100.0

② Consolidated statements of income

Accounts	Notes	Prior Fiscal Year (From April 1, 2006 To March 31, 2007) Amounts (Millions of yen)		Ratio (%)	Current Fiscal Year (From April 1, 2007 To March 31, 2008) Amounts (Millions of yen)		Ratio (%)
I. Net sales			10,468,583	100.0		10,824,238	100.0
II. Cost of sales	※1		8,027,186	76.7		8,407,398	77.7
Gross profit			2,441,397	23.3		2,416,840	22.3
III. Selling, general and administrative expenses	※1						
1. Advertising expenses		274,833			275,857		
2. Service costs		76,481			73,236		
3. Provision for warranty costs		115,490			95,408		
4. Other selling expenses		415,269			395,095		
5. Salaries and wages		381,284			381,673		
6. Retirement benefit expenses		33,491			35,719		
7. Supplies		8,395			7,527		
8. Depreciation and amortization		73,045			75,742		
9. Provision for doubtful accounts		38,282			43,776		
10. Amortization of goodwill		6,337			7,565		
11. Other		241,551	1,664,458	15.9	234,412	1,626,010	15.0
Operating income			776,939	7.4		790,830	7.3
IV. Non-operating income							
1. Interest income		24,313			25,343		
2. Dividend income		1,233			2,862		
3. Equity in earnings of affiliates		20,187			37,217		
4. Exchange gain		5,796			—		
5. Miscellaneous income		14,385	65,914	0.7	16,405	81,827	0.8
V. Non-operating expenses							
1. Interest expense		30,664			36,118		
2. Amortization of net retirement benefit obligation at transition		10,928			11,009		
3. Loss on the net monetary position due to restatement		12,211			6,902		
4 Exchange loss		—			28,991		
5. Miscellaneous expenses		27,999	81,802	0.8	23,237	106,257	1.0
Ordinary income			761,051	7.3		766,400	7.1

Accounts	Notes	Prior Fiscal Year (From April 1, 2006 To March 31, 2007) Amounts (Millions of yen)		Ratio (%)	Current Fiscal Year (From April 1, 2007 To March 31, 2008) Amounts (Millions of yen)		Ratio (%)
VI. Special gains							
1. Gain on sales of fixed assets	※2	31,973			80,089		
2. Gain on sales of investment securities		15,714			3,715		
3. Prior period adjustments		5,193			—		
4. Gain on implementation of a defined contribution plans		19,285			1,076		
5. Other		1,522	73,687	0.7	3,258	88,138	0.8
VII. Special losses							
1. Loss on sales of fixed assets	※2	3,475			1,538		
2. Loss on disposal of fixed assets		25,402			21,754		
3. Impairment loss	※3	22,673			8,878		
4. Loss on sales of investment securities		6,234			240		
5. Write-down of investments and receivables		2,252			2,934		
6. Loss on dilution resulting from restructuring of domestic dealers		5,914			—		
7. Prior period adjustments		4,689			—		
8. Loss on business restructuring of consolidated subsidiaries		3,824			5,414		
9. Loss on implementation of a defined contribution plans		503			220		
10. Loss on relocation of the headquarters of a subsidiary in North America		10,827			1,895		
11. Special addition to retirement benefits		31,933			14,350		
12. Directors' retirement benefits payable due to discontinuance of the benefits system		—			6,533		
13. Other		19,580	137,306	1.3	22,824	86,580	0.8
Income before income taxes and minority interests			697,432	6.7		767,958	7.1
Corporate, inhabitants' and enterprise taxes		202,328			190,690		
Income taxes deferred		9,834	212,162	2.0	72,018	262,708	2.4
Income attributable to minority interests			24,474	0.3		22,989	0.2
Net income			460,796	4.4		482,261	4.5

③ Consolidated statement of changes in net assets

Prior fiscal year (from April 1, 2006 to March 31, 2007)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2006 (Millions of yen)	605,814	804,470	2,116,825	(249,153)	3,277,956
Changes during the period:					
Cash dividends paid	—	—	(131,064)	—	(131,064)
Bonuses to directors and statutory auditors	—	—	(560)	—	(560)
Net income for the period	—	—	460,796	—	460,796
Disposal of treasury stock	—	—	(3,477)	33,134	29,657
Purchases of treasury stock	—	—	—	(10,375)	(10,375)
Changes due to merger	—	—	361	—	361
Change in the scope of consolidation	—	—	(3,728)	—	(3,728)
Change in the scope of equity method	—	—	(763)	—	(763)
Net changes in items other than those in shareholders' equity (Note)	—	—	(35,664)	—	(35,664)
Total changes during the period (Millions of yen)	—	—	285,901	22,759	308,660
Balance as of March 31, 2007 (Millions of yen)	605,814	804,470	2,402,726	(226,394)	3,586,616

	Valuation, translation adjustments and others									
	Unrealized holding gain on securities	Unrealized gain from hedging instruments	Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	Land revaluation of foreign subsidiaries	Unfunded retirement benefit obligation of foreign subsidiaries	Translation adjustments	Total valuation, translation adjustments and others	Share subscription rights	Minority interests	Total net assets
Balance at March 31, 2006 (Millions of yen)	14,340	—	—	—	—	(204,313)	(189,973)	3,144	285,893	3,377,020
Changes during the period:										
Cash dividends paid	—	—	—	—	—	—	—	—	—	(131,064)
Bonuses to directors and statutory auditors	—	—	—	—	—	—	—	—	—	(560)
Net income for the period	—	—	—	—	—	—	—	—	—	460,796
Disposal of treasury stock	—	—	—	—	—	—	—	—	—	29,657
Purchases of treasury stock	—	—	—	—	—	—	—	—	—	(10,375)
Changes due to merger	—	—	—	—	—	—	—	—	—	361
Change in the scope of consolidation	—	—	—	—	—	—	—	—	—	(3,728)
Change in the scope of equity method	—	—	—	—	—	—	—	—	—	(763)
Net changes in items other than those in shareholders' equity (Note)	(8,514)	1,817	68,923	5,095	(13,826)	95,099	148,594	(433)	43,153	155,650
Total changes during the period (Millions of yen)	(8,514)	1,817	68,923	5,095	(13,826)	95,099	148,594	(433)	43,153	499,974
Balance as of March 31, 2007 (Millions of yen)	5,826	1,817	68,923	5,095	(13,826)	(109,214)	(41,379)	2,711	329,046	3,876,994

Note: As a result of the adoption of the Accounting Standard for Presentation of Net Assets in the Balance Sheet and the Accounting Standard for Statement of Changes in Net Assets, ¥35,664 million, which had been included in Retained earnings at the end of the fiscal year ended March 31, 2006, has been reclassified to Valuation, translation adjustments and others.

	(Millions of yen)
Adjustments for revaluation of accounts of consolidated subsidiaries based on general price level accounting	49,915
Revaluation of land of foreign subsidiaries	5,134
Unfunded retirement benefit obligation of foreign subsidiaries	(19,385)
Total amount reclassified from Retained earnings to Valuation, translation adjustments and others	35,664

Current fiscal year (from April 1, 2007 to March 31, 2008)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2007 (Millions of yen)	605,814	804,470	2,402,726	(226,394)	3,586,616
Changes during the period:					
Cash dividends paid	—	—	(151,725)	—	(151,725)
Net income for the period	—	—	482,261	—	482,261
Disposal of treasury stock	—	—	(6,033)	38,732	32,699
Purchases of treasury stock	—	—	—	(81,341)	(81,341)
Changes due to merger	—	—	21	—	21
Change in the scope of consolidation	—	—	(391)	—	(391)
Net changes in items other than those in shareholders' equity	—	—	—	—	—
Total changes during the period (Millions of yen)	—	—	324,133	(42,609)	281,524
Balance as of March 31, 2008 (Millions of yen)	605,814	804,470	2,726,859	(269,003)	3,868,140

	Valuation, translation adjustments and others							Share subscription rights	Minority interests	Total net assets
	Unrealized holding gain on securities	Unrealized gain and loss from hedging instruments	Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	Land revaluation of foreign subsidiaries	Unfunded retirement benefit obligation of foreign subsidiaries	Translation adjustments	Total valuation, translation adjustments and others			
Balance at March 31, 2007 (Millions of yen)	5,826	1,817	68,923	5,095	(13,826)	(109,214)	(41,379)	2,711	329,046	3,876,994
Changes during the period:										
Cash dividends paid	—	—	—	—	—	—	—	—	—	(151,725)
Net income for the period	—	—	—	—	—	—	—	—	—	482,261
Disposal of treasury stock	—	—	—	—	—	—	—	—	—	32,699
Purchases of treasury stock	—	—	—	—	—	—	—	—	—	(81,341)
Changes due to merger	—	—	—	—	—	—	—	—	—	21
Change in the scope of consolidation	—	—	—	—	—	—	—	—	—	(391)
Net changes in items other than those in shareholders' equity	(76)	(10,288)	10,494	1,143	9,536	(332,606)	(321,797)	(997)	13,719	(309,075)
Total changes during the period (Millions of yen)	(76)	(10,288)	10,494	1,143	9,536	(332,606)	(321,797)	(997)	13,719	(27,551)
Balance as of March 31, 2008 (Millions of yen)	5,750	(8,471)	79,417	6,238	(4,290)	(441,820)	(363,176)	1,714	342,765	3,849,443

④ Consolidated statements of cash flows

Accounts	Notes	Prior Fiscal Year (From April 1, 2006 To March 31, 2007) Amounts (Millions of yen)	Current Fiscal Year (From April 1, 2007 To March 31, 2008) Amounts (Millions of yen)
I. Cash flows from operating activities			
Income before income taxes and minority interests		697,432	767,958
Depreciation and amortization (for fixed assets excluding leased vehicles)		441,703	463,730
Depreciation and amortization (for other assets)		24,118	24,744
Depreciation and amortization (for leased vehicles)		305,402	340,698
Impairment loss		22,673	8,878
(Decrease) increase in allowance for doubtful receivables		9,996	(2,552)
Unrealized loss on investments		459	1,597
Interest and dividend income		(25,546)	(28,205)
Interest expense		145,547	159,285
Gain on sales of property, plant and equipment		(28,485)	(78,551)
Loss on disposal of fixed assets		25,403	21,754
Gain on sales of investment securities		(3,566)	(3,475)
Increase in trade notes and accounts receivable		(114,960)	(44,245)
(Increase) decrease in sales finance receivables		44,341	(78,851)
Increase in inventories		(88,765)	(40,581)
Increase in trade notes and accounts payable		54,368	103,123
Amortization of net retirement benefit obligation at transition		10,928	11,009
Retirement benefit expenses		55,438	52,260
Retirement benefit payments made against related accrual		(157,821)	(53,303)
Other		12,118	12,108
Subtotal		1,430,783	1,637,381
Interest and dividends received		24,622	27,770
Interest paid		(143,650)	(157,974)
Income taxes paid		(268,928)	(164,893)
Net cash provided by operating activities		1,042,827	1,342,284
II. Cash flows from investing activities			
Net decrease in short-term investments		7,210	6,311
Purchases of fixed assets		(546,848)	(469,236)
Proceeds from sales of property, plant and equipment		72,308	131,183
Purchase of leased vehicles		(957,356)	(862,066)
Proceeds from sales of leased vehicles		304,912	393,418
Increase in long-term loans receivable		(12,625)	(13,900)
Decrease in long-term loans receivable		4,211	10,561
Purchase of investment securities		(17,117)	(35,820)
Proceeds from sales of investment securities		36,486	7,272
Purchase of subsidiaries' stock resulting in changes in the scope of consolidation	※2	(1,391)	(16,032)
Proceeds from sales of subsidiaries' stock resulting in changes in the scope of consolidation		1,308	1,664
Other		(5,685)	(20,978)
Net cash used in investing activities		(1,114,587)	(867,623)
III. Cash flows from financing activities			
Net increase in short-term borrowings		492,538	25,397
Increase in long-term borrowings		969,461	834,160
Increase in bonds		123,730	236,875
Repayment of long-term borrowings		(1,102,015)	(1,023,072)
Redemption of bonds		(190,515)	(101,888)
Proceeds from minority shareholders		260	47
Purchase of treasury stock		(10,375)	(81,341)
Proceeds from sales of treasury stock		29,087	33,203
Repayment of lease obligations		(66,775)	(72,762)
Cash dividends paid		(131,064)	(151,725)
Cash dividends paid to minority shareholders		(7,453)	(6,291)
Other		33	395
Net cash provided by (used in) financing activities		106,912	(307,002)
IV. Effects of exchange rate changes on cash and cash equivalents		16,640	(52,978)
V. Increase in cash and cash equivalents		51,792	114,681
VI. Cash and cash equivalents at beginning of the year		404,212	469,388
VII. Increase due to inclusion in consolidation		13,384	33
VIII. Cash and cash equivalents at end of the year	※1	469,388	584,102

Significant accounting policies

Prior fiscal year From April 1, 2006 To March 31, 2007	Current fiscal year From April 1, 2007 To March 31, 2008
1. Scope of consolidation	1. Scope of consolidation
(1) Number of consolidated companies 188	(1) Number of consolidated companies 194
• Domestic companies 94	• Domestic companies 80
Sales companies for vehicles and parts Aichi Nissan Motor, Nissan Fleet Sales, Nissan Prince Tokyo Motor Sales, Nissan Parts Chuo Sales and 71 other sales companies	Sales companies for vehicles and parts Aichi Nissan Motor, Nissan Fleet Sales, Nissan Prince Tokyo Motor Sales, Nissan Parts Chuo Sales and 57 other sales companies
Manufacturing companies for vehicles and parts Nissan Shatai Co., Ltd., Aichi Machine Industry Co., Ltd., JATCO Ltd., Calsonic Kansei Corporation and 4 other companies	Manufacturing companies for vehicles and parts Nissan Shatai Co., Ltd., Aichi Machine Industry Co., Ltd., JATCO Ltd., Calsonic Kansei Corporation and 4 other companies
Logistics and services companies Nissan Trading Co., Ltd., Nissan Financial Services Co., Ltd., Autech Japan Co., Ltd., and 8 other companies	Logistics and services companies Nissan Trading Co., Ltd., Nissan Financial Services Co., Ltd., Autech Japan Co., Ltd., and 8 other companies
• Foreign companies 94	• Foreign companies 114
Nissan North America, Inc., Nissan Europe S.A.S., Nissan Motor Manufacturing (UK) Ltd., Nissan Mexicana, S.A. de C.V., and 90 other companies	Nissan North America, Inc., Nissan International SA, Nissan Motor Manufacturing (UK) Ltd., Nissan Mexicana, S.A. de C.V., and 110 other companies
The newly established Nissan Business Service has been consolidated. Nissan Center Europe and another company have been consolidated through the acquisition of their stocks. Nissan Nordic Europe and 8 other companies, which were unconsolidated subsidiaries in the prior year, have been consolidated since their importance has increased. In addition, Tokyo Nissan Motor and 4 other companies have been dissolved following their mergers. Nissan Swaziland (Pty) Ltd. and 3 other companies were liquidated. Reicomsa, S. A. and another company have been excluded from consolidation following the sale of their shares. As a result of the reorganization of domestic dealers during the year ended March 31, 2007, 52 consolidated subsidiaries have been split into 52 companies each for sales and asset management. The 52 asset management companies were then dissolved following their merger with Nissan Real Estate Development Co., Ltd., which was then renamed Nissan Network Holdings Co., Ltd.	The newly established Tokai Nissan Motor Co., Ltd., and 3 other companies have been consolidated. Atlet AB and another company have been consolidated through the acquisition of their stocks. Due to the consolidation of Atlet AB, its 16 subsidiaries have also been consolidated. Nissan International SA and 2 other companies, which were unconsolidated subsidiaries in the prior year, have been consolidated since their importance has increased. Meanwhile, NR Wholesales Mexico, S.A. De C.V., and 10 other companies ceased to exist due to mergers. Sunny Osaka Service Co., Ltd., and 6 other companies were dissolved. Bocho Nissan Motor Co., Ltd., has been excluded from consolidation following the sale of its shares.
(2) Unconsolidated subsidiaries 174	(2) Unconsolidated subsidiaries 167
• Domestic companies 115	• Domestic companies 106
Nissan Marine Co., Ltd., Nissan Human Resources Development Center Inc. and others	Nissan Marine Co., Ltd., Shinwa Kogyo Co., Ltd. and others
• Foreign companies 59	• Foreign companies 61
Nissan Industrial Equipment Co. and others	Nissan Industrial Equipment Co. and others
These unconsolidated subsidiaries are small in terms of their total assets, sales, net income or loss, retained earnings and others, and do not have a significant effect on the consolidated financial statements. As a result, they have been excluded from consolidation.	These unconsolidated subsidiaries are small in terms of their total assets, sales, net income or loss, retained earnings and others, and do not have a significant effect on the consolidated financial statements. As a result, they have been excluded from consolidation.

<table>
<tr><th>Prior fiscal year
From April 1, 2006
To March 31, 2007</th><th>Current fiscal year
From April 1, 2007
To March 31, 2008</th></tr>
<tr><td>
2. Equity method

(1) Companies accounted for by the equity method 47

• Unconsolidated subsidiaries 32
(20 domestic and 12 foreign companies)

Nissan Marine Co., Ltd., Nissan Industrial Equipment Co. and others

Alliance Inspection Management Holdings and 5 other companies, which were subsidiaries not accounted for by the equity method in the prior year, have become unconsolidated subsidiaries accounted for by the equity method because their importance has increased. Meanwhile, Nissan Hanshin Service Center Co., Ltd. and 2 other companies have been dissolved following their mergers.

• Affiliates 15
(14 domestic and 1 foreign companies)

Kinugawa Rubber Industrial Co., Ltd. and others

Siam Metal Technologies and another company have been excluded from the scope of the equity method, following the sale of their shares. Nissan Vehicle Distributors has been liquidated.

(2) Companies not accounted for by the equity method 182

• Unconsolidated subsidiaries 142

Nissan Human Resources Development Center Inc. and others

• Affiliates 40

Tonox Co., Ltd. and others

These companies are not accounted for by the equity method, as their impact is not significant on the consolidated net income or loss, consolidated retained earnings and others.

(3) No adjustments are made to the financial statements of the companies accounted for by the equity method even if their accounting period is different from that of the Company.
</td><td>
2. Equity method

(1) Companies accounted for by the equity method 47

• Unconsolidated subsidiaries 31
(19 domestic and 12 foreign companies)

Nissan Marine Co., Ltd., Nissan Industrial Equipment Co. and others

Nissan Fukuoka Service Center Co., Ltd., which was an unconsolidated subsidiary and accounted for by the equity method in the prior year, ceased to exist due to a merger.

• Affiliates 16
(15 domestic and 1 foreign companies)

Kinugawa Rubber Industrial Co., Ltd., Tonichi Carlife Group Corporation and others

Tonichi Carlife Group Corporation has been included in the scope of the equity method after it became an affiliate through the purchase of its shares.

(2) Companies not accounted for by the equity method 180

• Unconsolidated subsidiaries 136

Shinwa Kogyo Co., Ltd. and others

• Affiliates 44

Tonox Co., Ltd. and others

These companies are not accounted for by the equity method, as their impact is not significant on the consolidated net income or loss, consolidated retained earnings and others.

(3) Same as the prior fiscal year.
</td></tr>
</table>

Prior fiscal year From April 1, 2006 To March 31, 2007	Current fiscal year From April 1, 2007 To March 31, 2008
3. Accounting period of consolidated subsidiaries (1) The following consolidated companies close their books of account at: December 31: Nissan Mexicana, S.A. de C.A. NR Finance Mexico, S.A. de C.V. NR Wholesales Mexico, S.A. de C.V. ESARA, S.A. De C.V Nissan Europe S.A.S. and its 14 subsidiaries Nissan Forklift Europe B.V. Nissan do Brasil Automoveis Ltda JATCO Mexico, S.A. de C.V Yulon Nissan Motor Co., Ltd. NISSAN (CHINA) INVESTMENT CO., LTD. Dongfeng Motor Co., Ltd. Calsonic Kansei Mexicana, S.A. de R.L. de C.V., and its 2 subsidiaries Calsonic Kansei (Thailand) Co., Ltd. Calsonic Kansei (Shanghai) Corp. Calsonic Kansei (China) Holding Company (2) Of these 31 companies, the financial statements of Nissan Europe S.A.S., Nissan Mexicana, S.A. de C.A., and 20 other subsidiaries are consolidated by using their financial statements as of the parent fiscal year end which are prepared solely for consolidation purposes. For Dongfeng Motor Co., Ltd., Yulon Nissan Motor Co., Ltd., and 7 other subsidiaries are consolidated by using their financial statements as of their respective fiscal year end, and necessary adjustments are made to their financial statements to reflect any significant transactions from January 1 to March 31.	3. Accounting period of consolidated subsidiaries (1) The following consolidated companies close their books of account at: December 31: Nissan Mexicana, S.A. de C.A. NR Finance Mexico, S.A. de C.V. NR Finance Service S.A. de C.V. Nissan Motor (GB) Ltd. Nissan Motor Manufacturing (UK) Ltd. Aprite (Gb) Ltd. Nissan Design Europe Ltd. Nissan Motor RUS Ltd. Nissan Motor Ukraine Company Nissan Kaz Limited Liability Partnership Nissan International SA Nissan do Brasil Automoveis Ltda JATCO Mexico, S.A. de C.V Yulon Nissan Motor Co., Ltd. NISSAN (CHINA) INVESTMENT CO., LTD. Dongfeng Motor Co., Ltd. Calsonic Kansei Mexicana, S.A. de R.L. de C.V., Calsonic Kansei (Thailand) Co., Ltd. Calsonic Kansei (Shanghai) Corp. Calsonic Kansei (China) Holding Company Calsonic Kansei (Guangzhou) Corp. Atlet AB and its 16 subsidiaries (2) Of these 38 companies, the financial statements of Nissan Mexicana, S.A. de C.A., and 12 other subsidiaries are consolidated by using their financial statements as of the parent fiscal year end which are prepared solely for consolidation purposes. For Dongfeng Motor Co., Ltd., Yulon Nissan Motor Co., Ltd., and 23 other subsidiaries are consolidated by using their financial statements as of their respective fiscal year end, and necessary adjustments are made to their financial statements to reflect any significant transactions from January 1 to March 31.
4. Significant accounting policies (1) Valuation methods for assets ① Securities Held-to-maturity securities: Held-to maturity securities are stated at amortized cost Other securities: Marketable securities: Marketable securities classified as other securities are carried at fair value with any changes in unrealized holding gain or loss, net of the applicable income taxes, directly included in net assets. Costs of securities sold are calculated by the moving average method. Non-marketable securities: Non-marketable securities classified as other securities are carried at cost determined by the moving average method. ②Derivatives Derivatives financial instruments are stated at fair value. ③Inventories Inventories are stated principally at the lower of cost or market, cost being determined by the first-in, first-out method. (2) Depreciation of property, plant and equipment Depreciation of property, plant and equipment is calculated principally by the straight-line method based on the estimated useful lives and the residual value determined by the Company.	4. Significant accounting policies (1) Valuation methods for assets ① Securities Held-to-maturity securities: Same as the prior fiscal year. Other securities: Marketable securities: Same as the prior fiscal year. Non-marketable securities: Same as the prior fiscal year. ②Derivatives Same as the prior fiscal year. ③Inventories Same as the prior fiscal year. (2) Depreciation of property, plant and equipment Same as the prior fiscal year.

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
(3) Basis for significant reserves ①Allowance for doubtful accounts Allowance for doubtful accounts is provided based on past experience for normal receivables and on an estimate of the collectibility of receivables from companies in financial difficulty. ②Accrued warranty costs Accrued warranty costs are provided to cover the cost of all services anticipated to be incurred during the entire warranty period in accordance with the warranty contracts and based on past experience. ③Accrued retirement benefits Accrued retirement benefits or prepaid pension costs are recorded principally at an amount calculated based on the retirement benefit obligation and the fair value of the pension plan assets at the end of the current fiscal year. The net retirement benefit obligation at transition is being amortized over a period of 15 years by the straight-line method. Prior 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. Actuarial gain or loss is amortized in the year following the year in which the gain or loss is recognized primarily by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees. ――――――――	(3) Basis for significant reserves ①Allowance for doubtful accounts Same as the prior fiscal year. ②Accrued warranty costs Same as the prior fiscal year. ③Accrued retirement benefits Same as the prior fiscal year. ④Accrued directors' retirement benefits Accrued directors' retirement benefits are provided at an amount to be required at the year-end according to internal regulations.
(4) Foreign currency translation Receivables and payables denominated in foreign currencies are translated into yen at the rates of exchange in effect at the balance sheet date, and differences arising from the translation are included in the statement of operations. The balance sheet accounts of the foreign consolidated subsidiaries are translated into yen at the rates of exchange in effect at the balance sheet date. Revenue and expense accounts are translated at the average rate of exchange in effect during the year. Differences arising from the translation are presented as translation adjustments and minority interests in net assets.	(4) Foreign currency translation Same as the prior fiscal year.
(5) Lease accounting Noncancellable lease transactions that transfer substantially all risks and rewards associated with the ownership of assets are accounted for as finance leases.	(5) Lease accounting Same as the prior fiscal year.

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
(6) Hedge accounting ①Hedge accounting Deferral hedge accounting is adopted for derivatives which qualify as hedges, under which unrealized gain or loss is deferred. ②Hedging instruments and hedged items · Hedging instruments.....Derivative transactions · Hedged items.....Hedged items are primarily forecast sales denominated in foreign currencies. ③Hedging policy It is the Company's policy that all transactions denominated in foreign currencies are to be hedged. ④Assessment of hedge effectiveness Hedge effectiveness is not assessed if the substantial terms and conditions of the hedging instruments and the hedged forecasted transactions are the same. ⑤Risk management policy with respect to hedge accounting The Company manages its derivative transactions in accordance with its internal "Policies and Procedures for Risk Management." (7) Accounting for consumption tax Transactions subject to consumption tax are recorded at amounts exclusive of consumption tax. ――――――― (8) Accounting policies adopted by foreign consolidated subsidiaries The financial statements of the Company's subsidiaries in Mexico and other countries have been prepared based on general price-level accounting. The related revaluation adjustments made to reflect the effect of inflation in those countries in the accompanying consolidated financial statements have been charged or credited to operations and are directly reflected in valuation, translation adjustments and others.	(6) Hedge accounting ①Hedge accounting Same as the prior fiscal year. ②Hedging instruments and hedged items · Hedging instruments.....Derivative transactions · Hedged items.....Hedged items are primarily forecast sales denominated in foreign currencies, and receivables and payables denominated in foreign currencies. ③Hedging policy Same as the prior fiscal year. ④Assessment of hedge effectiveness Same as the prior fiscal year. ⑤Risk management policy with respect to hedge accounting Same as the prior fiscal year. (7) Accounting for consumption tax Same as the prior fiscal year. (8) Adoption of consolidated taxation system The Company and some of its subsidiaries adopted the consolidated taxation system effective from the fiscal year ended March 31, 2008. (9) Accounting policies adopted by foreign consolidated subsidiaries The financial statements of the Company's consolidated subsidiaries in Mexico have been prepared based on general price-level accounting. The related revaluation adjustments made to reflect the effect of inflation in Mexico in the accompanying consolidated financial statements have been charged or credited to operations and are directly reflected in valuation, translation adjustments and others.
5. Valuation of assets and liabilities of consolidated subsidiaries Assets and liabilities of consolidated subsidiaries acquired through business combinations are carried at fair value at the time of acquisition.	5. Valuation of assets and liabilities of consolidated subsidiaries Same as the prior fiscal year.
6. Amortization of goodwill and negative goodwill Goodwill and negative goodwill have been amortized evenly over periods not exceeding 20 years, determined based on their materiality. However, immaterial goodwill and negative goodwill are charged or credited to income in the year of acquisition.	6. Amortization of goodwill and negative goodwill Goodwill and negative goodwill have been amortized evenly over periods not exceeding 20 years, during which their effect can be recognized, determined based on their materiality. However, immaterial goodwill and negative goodwill are charged or credited to income in the year of acquisition.
7. Cash and cash equivalents in the consolidated statements of cash flows Cash and cash equivalents consist of cash on hand, cash in banks which can be withdrawn at any time and short-term investments with a maturity of three months or less when purchased which can easily be converted to cash and are subject to little risk of change in value.	7. Cash and cash equivalents in the consolidated statements of cash flows Same as the prior fiscal year.

Changes in accounting policies

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
Accounting standard for share-based payment Effective April 1, 2006, the Company adopted the Accounting Standard for Share-based Payment (ASBJ Statement No. 8 issued on December 27, 2005) and the Implementation Guidance on Accounting Standard for Share-based Payment (ASBJ Guidance No. 11 issued on May 31, 2006). The effect of this change was to decrease operating income, ordinary income, and income before income taxes and minority interests by ¥1,037 million for the year ended March 31, 2007, compared with the corresponding amounts which would have been recorded if the previous method had been followed. The effect of this change on Segment Information is explained in the applicable notes.	Accounting for Directors' Retirement Benefits Until the year ended March 31, certain subsidiaries expensed retirement benefits for directors and statutory auditors to income when general shareholders' meetings approved resolutions for the payment of those benefits. In April 2007, a new position paper was issued by the Japanese Institute of Certified Public Accountants to clarify the accounting treatment for retirement benefits for directors and statutory auditors. In this connection, certain subsidiaries began to record an accrual for the retirement benefits for the directors and statutory auditors at the amount which would have been required to be paid in accordance with their respective internal rules if those directors and statutory auditors had resigned their offices as of the balance sheet date in order to establish a sound financial position. The effect of this change was to increase selling, general and administrative expenses by ¥441 million, to decrease operating income and ordinary income each by ¥441 million, and to decrease income before income taxes and minority interests by ¥1,569 million for the year ended March 31, 2008, compared with the corresponding amounts that would have been recorded under the previous method. The effect of this change on Segment Information is explained in the applicable notes. "Accrued directors' retirement benefits" recognized on balance sheets by some of the Company's consolidated subsidiaries were previously included in "Accrued retirement benefits." Following the aforementioned change, however, they are separately reported effective from the fiscal year ended March 31, 2008.
Accounting standard for presentation of net assets in the balance sheet Effective April 1, 2006, the Company adopted the Accounting Standard for Presentation of Net Assets in the Balance Sheet (ASBJ Statement No. 5 issued on December 9, 2005) and the Implementation Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet (ASBJ Guidance No. 8 issued on December 9, 2005). Shareholders' equity under the previous presentation method amounted to ¥3,543,420 million as of March 31, 2007. Net assets in the consolidated balance sheet as of March 31, 2007 have been presented in accordance with the revised "Regulations for Consolidated Financial Statements."	
Change of Closing Dates of Consolidated Subsidiaries Until the year ended March 31, 2006, since the difference between the fiscal year end of the parent company and those of 55 consolidated subsidiaries was within three months, the operating results of those subsidiaries were consolidated by using their financial statements as of their respective fiscal year ends. Effective the year ended March 31, 2007, 22 consolidated subsidiaries have been consolidated by using their financial statements as of the parent's fiscal year end prepared solely for consolidation purposes instead of those as of their respective fiscal year end. This change was made, upon the completion of the internal reporting systems which allow those subsidiaries to accelerate their financial statement closing process, in order to make the disclosures of the consolidated financial statements more meaningful by unifying the fiscal year. In addition, 33 consolidated subsidiaries have also changed their fiscal year end to March 31 for the same reason. As a result, the financial statements of the 55 consolidated subsidiaries described above were prepared for the 15-month period from January 1, 2006 to March 31, 2007. The effect of this change was to increase consolidated net sales by ¥767,606 million, operating income by ¥21,443 million, ordinary income by ¥18,483 million, net income before income taxes and minority interests by ¥15,661 million, and net income by ¥11,589 million compared with the corresponding amounts which would have been recorded if the previous method had been followed. This change was made during the second half of the fiscal year, because the subsidiaries' internal systems to accelerate their financial statements closing processes were completed during that period. The effect of this change on Segment Information is explained in the applicable notes.	

Changes in presentation

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
Consolidated balance sheets In the presentation of "Current liabilities," "Commercial paper" has been presented separately from "Short-term borrowings" due to its increased materiality. "Commercial paper" in the amount of ¥366,998 million is included in "Short-term borrowings" for the prior fiscal year. Consolidated statements of income Beginning with the year ended March 31, 2007, the Company has combined "amortization of goodwill"—a component of the "Other" account—and "Amortization of excess of cost over net assets acquired" and has presented these as "Amortization of goodwill" in accordance with the revised Regulations for Consolidated Financial Statements. "Amortization of goodwill" for the year ended March 31, 2007 includes "Amortization of excess of cost over net assets acquired" in the amount of ¥5,663 million and "amortization of goodwill" in the amount of ¥674 million.	Consolidated statements of income (1) A gain on prior period adjustments was presented as a separate account until the prior fiscal year. Due to its minor importance, however, this account, in the amount of ¥1,383 million for the current fiscal year, has been included in "Other" under "Special gains." (2) A loss on prior period adjustments was presented as a separate account until the prior fiscal year. Due to its minor importance, however, this account, in the amount of ¥1,637 million for the current fiscal year, has been included in "Other" under "Special losses."

Additional information

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
―――――――	Accrued Retirement Benefits for Directors and Statutory auditors Until the year ended March 31, 2007, the Company expensed retirement benefits for directors and statutory auditors to income when general shareholders' meetings approved resolutions for the payments of those benefits. However, a resolution was approved at the general shareholders' meeting held on June 20, 2007 that retirement benefits for directors and statutory auditors in response to the discontinuation of such system to be paid to the relevant directors and statutory auditors when they retire. Accordingly, the Company recognized the amount of expected payments for this purpose as a special loss and included the outstanding balance in "Other long-term liabilities" for the fiscal year ended March 31, 2008

Notes to consolidated financial statements

(For consolidated balance sheets)

(Millions of yen)

<table>
<tr><th>Prior fiscal year
(As of March 31, 2007)</th><th>Current fiscal year
(As of March 31, 2008)</th></tr>
<tr><td>
1. ※1 Accumulated depreciation of property, plant and equipment ¥4,349,349
The above amount includes accumulated depreciation of leased assets in the amount of ¥160,851 million.
2. ※2 Machinery, equipment and vehicles included certain items in the amount of ¥1,796,072 million leased to others under lease agreements.
3. ※3 These assets included the following assets pledged as collateral:
(1) Assets pledged as collateral:
Trade notes and accounts receivable ¥ 741
Sales finance receivables 1,378,045
Property, plant and equipment 1,057,988
Intangible fixed assets 445
Total ¥2,437,219
(2) Liabilities secured by the above collateral:
Short-term borrowings ¥ 612,193
Long-term borrowings (including the current portion) 1,422,841
Total ¥2,035,034
In addition to the above, sales finance receivables totaling ¥55,066 million, which were eliminated in consolidation, were pledged as collateral for short-term borrowings of ¥54,957 million.
4. Notes receivable discounted with banks outstanding as of March 31, 2007 ¥5,229
5. Guarantees and others
(1) Guarantees
<table>
<tr><th>Guarantees</th><th>Balance of liabilities guaranteed</th><th>Description of liabilities guaranteed</th></tr>
<tr><td>Employees</td><td>※ ¥160,182</td><td>Guarantees for employees' housing loans and others</td></tr>
<tr><td>593 foreign dealers and 6 other companies</td><td>51,403</td><td>Guarantees for loans</td></tr>
<tr><td>Total</td><td>¥211,585</td><td></td></tr>
</table>
※ Allowance for doubtful accounts is provided for these loans mainly based on past experience.
(2) Commitments to provide guarantees
<table>
<tr><th>Guarantees</th><th>Balance of commitments to provide guarantees</th><th>Description of liabilities guaranteed</th></tr>
<tr><td>Hibikinada Development Co., Ltd.</td><td>¥1,064</td><td>Commitments to provide guarantees for loans</td></tr>
</table>
</td><td>
1. ※1 Accumulated depreciation of property, plant and equipment ¥4,355,940
The above amount includes accumulated depreciation of leased assets in the amount of ¥197,954 million.
2. ※2 Machinery, equipment and vehicles included certain items in the amount of ¥1,598,643 million leased to others under lease agreements.
3. ※3 These assets included the following assets pledged as collateral:
(1) Assets pledged as collateral:
Cash on hand and in banks ¥ 1,993
Trade notes and accounts receivable 2,662
Sales finance receivables 1,230,097
Property, plant and equipment 851,998
Intangible fixed assets 200
Total ¥2,086,950
(2) Liabilities secured by the above collateral:
Short-term borrowings ¥ 602,105
Long-term borrowings (including the current portion) 1,073,726
Total ¥1,675,831
4. Notes receivable discounted with banks outstanding as of March 31, 2008 ¥5,473
5. Guarantees and others
(1) Guarantees
<table>
<tr><th>Guarantees</th><th>Balance of liabilities guaranteed</th><th>Description of liabilities guaranteed</th></tr>
<tr><td>Employees</td><td>※ ¥142,926</td><td>Guarantees for employees' housing loans and others</td></tr>
<tr><td>196 foreign dealers and 10 other companies</td><td>36,948</td><td>Guarantees for loans and others</td></tr>
<tr><td>Total</td><td>¥179,874</td><td></td></tr>
</table>
※ Allowance for doubtful accounts is provided for these loans mainly based on past experience.
(2) Commitments to provide guarantees
<table>
<tr><th>Guarantees</th><th>Balance of commitments to provide guarantees</th><th>Description of liabilities guaranteed</th></tr>
<tr><td>Hibikinada Development Co., Ltd.</td><td>¥847</td><td>Commitments to provide guarantees for loans</td></tr>
</table>
</td></tr>
</table>

(Millions of yen)

Prior fiscal year (As of March 31, 2007)	Current fiscal year (As of March 31, 2008)
(3) Outstanding balance of installment receivables sold with recourse ¥6,076 6. ※4 ¥83,705 million of goodwill is included in "Intangible fixed assets." 7. ※5 Investments in unconsolidated subsidiaries and affiliates Investments in stock of unconsolidated subsidiaries and affiliates ¥362,407 8. ※6 Notes maturing at the end of the Company's current fiscal year Notes maturing at the end of the Company's current fiscal year have been eliminated at the date of clearing. The end of the Company's current fiscal year was a holiday for financial institutions, so the following notes are included in the consolidated balance sheet. Notes receivable ¥2,534 Notes payable 163 9. The amount of unused balances of overdrafts and loan commitment agreements entered into by consolidated subsidiaries are as follows: Total credit lines of overdrafts and loans ¥229,767 Loans receivable outstanding 63,039 Unused credit lines ¥166,728 Since many of these facilities expire without being utilized and the related borrowings are sometimes subject to a review of the borrowers' credibility, any unused amount will not necessarily be utilized at the full amount.	(3) Outstanding balance of installment receivables sold with recourse ¥3,470 6. ※4 ¥83,466 million of goodwill is included in "Intangible fixed assets." 7. ※5 Investments in unconsolidated subsidiaries and affiliates Investments in stock of unconsolidated subsidiaries and affiliates ¥430,064 (Investments in stock of joint ventures included:) ¥784 ――――――――― 8. The amount of unused balances of overdrafts and loan commitment agreements entered into by consolidated subsidiaries are as follows: Total credit lines of overdrafts and loans ¥226,375 Loans receivable outstanding 70,756 Unused credit lines ¥155,619 Since many of these facilities expire without being utilized and the related borrowings are sometimes subject to a review of the borrowers' credibility, any unused amount will not necessarily be utilized at the full amount.

(For consolidated statements of income)

(Millions of yen)

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
1. ※1 Total research and development costs Research and development costs included in manufacturing costs and selling, general and administrative expenses ¥464,839	1. ※1 Total research and development costs Research and development costs included in manufacturing costs and selling, general and administrative expenses ¥457,482
2. ※2 Gain and loss on sales of property, plant and equipment primarily resulted from the sale of land and buildings in the amount of ¥30,536 million and ¥1,753 million, respectively.	2. ※2 Gain and loss on sales of property, plant and equipment primarily resulted from the sale of land and buildings in the amount of ¥78,742 million and ¥1,013 million, respectively.
3. ※3 The following loss on impairment of fixed assets was recorded for the current fiscal year.	3. ※3 The following loss on impairment of fixed assets was recorded for the current fiscal year.

Prior fiscal year:

Usage	Type	Location	Amount
Idle assets	Land Buildings Structures Machinery and equipment	Yatsuo-city, Osaka Prefecture, and 93 other locations	¥9,298
Assets to be sold	Land Buildings and Structures	Kita-ku, Tokyo, and 14 other locations	¥1,078
Assets to be disposed of	Land Buildings Structures	Kyoto-city, Kyoto Prefecture, and 106 other locations	¥12,297

The Group bases its grouping for assessing the impairment loss on fixed assets on its business segments (automobiles and sales finance) and geographical segments. However, the Group determines whether an asset is impaired on an individual asset basis if the asset is considered idle or if it is to be disposed of.

The Company and some of its domestic consolidated subsidiaries have recognized an impairment loss on idle assets and assets to be disposed of due to a significant decline in their market value by reducing their net book value to the respective recoverable value of each asset. Such loss amounted to ¥22,673 million has been recorded as a special loss in the accompanying consolidated statements of income. This impairment loss consisted of losses of ¥9,298 million on idle assets (land - ¥6,907 million and building and structures - ¥2,305 million, and machinery and equipment - ¥86 million) and losses of ¥1,078 million on assets to be sold (land - ¥467 million and buildings and structures - ¥611million), and losses of ¥12,297 million on assets to be disposed of (land - ¥7,476 million and buildings and structures - ¥4,821 million).

The recoverable value of these assets was measured with their net sale value, which was estimated based on an appraisal value for the idle assets and those to be disposed of, or a sales contract for the assets to be sold.

Current fiscal year:

Usage	Type	Location	Amount
Idle assets	Land Buildings Structures Machinery and equipment and others	Ota-ku, Tokyo, and 65 other locations	¥4,274
Assets to be sold	Land Buildings and Structures	Brandenburg, Germany, and 5 other location	¥263
Assets to be disposed of	Land Buildings Structures Machinery and equipment and others	Numazu-city, Shizuoka Prefecture, and 51 other locations	¥4,341

The Group bases its grouping for assessing the impairment loss on fixed assets on its business segments (automobiles and sales finance) and geographical segments. However, the Group determines whether an asset is impaired on an individual asset basis if the asset is considered idle or if it is to be disposed of.

The Company and some of its consolidated subsidiaries have recognized an impairment loss on idle assets and assets to be disposed of due to a significant decline in their market value by reducing their net book value to the respective recoverable value of each asset. Such loss amounted to ¥8,878 million has been recorded as a special loss in the accompanying consolidated statements of income. This impairment loss consisted of losses of ¥4,274 million on idle assets (land - ¥1,628 million, building and structures - ¥1,450 million, machinery and equipment - ¥666 million, and others - ¥530 million) and losses of ¥263 million on assets to be sold (land - ¥34 million and buildings and structures - ¥229 million), and losses of ¥4,341 million on assets to be disposed of (land - ¥2,554 million, buildings and structures - ¥1,146 million, machinery and equipment - ¥147 million, and others - ¥494 million).

The recoverable value of these assets was measured with their net sale value, which was estimated based on an appraisal value for the idle assets and those to be disposed of, or a sales contract for the assets to be sold.

(For consolidated statement of changes in net assets)
For the year ended March 31, 2007

1. Shares issued and outstanding / Treasury stock

(Thousands of shares)

Types of share	Number of shares at the end of the prior fiscal year	Increase	Decrease	Number of shares at the end of the current fiscal year
Shares issued: Common stock	4,520,715	—	—	4,520,715
Treasury stock: Common stock	422,763	16,193	29,659	409,297

Notes: 1. Details of the increase are as follows: (Thousands of shares)

Increase in stocks held by affiliates accounted for by the equity method	8,337
Increase due to purchase of the stocks	7,810
Increase due to purchase of the stocks of less than standard unit	46

2. Details of the decrease are as follows:

Decrease due to exercising share subscription rights	29,657
Decrease in stocks held by affiliates accounted for by the equity method	2

2. Share subscription rights

Company	Description	Type of shares to be issued	Number of shares to be issued (in thousands)				Balance at the end of the current fiscal year (Millions of yen)
			At the end of the prior fiscal year	Increase	Decrease	At the end of the current fiscal year	
Parent company	Euro-yen bonds with warrants due 2007	Common stock	15,937	—	15,937	—	—
	Euro-yen bonds with warrants due 2008	Common stock	44,703	—	11,625	33,078	1,674
	Subscription rights as stock options	—					1,037
Total		—					2,711

Notes: 1. The decrease of Euro-yen bonds with warrants due 2007 reflects the exercise of the warrants.
2. The decrease of Euro-yen bonds with warrants due 2008 reflects the exercise of some of the warrants.

3. Dividends
(1) Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Cut-off date	Effective date
Annual general meeting of the shareholders on June 27, 2006	Common stock	61,329	15	March 31, 2006	June 28, 2006
Meeting of the Board of Directors on October 26, 2006	Common stock	69,735	17	September 30, 2006	November 28, 2006

Note: Total dividends have been adjusted by the portion of dividends paid to Renault.

(2) Dividends, which the cutoff date was in the year ended March 31, 2007, and the effective date of which will be in the year ending March 31, 2008

Resolution	Type of shares	Total dividends (Millions of yen)	Resources of dividends	Dividends per share (Yen)	Cut-off date	Effective date
Annual general meeting of the shareholders on June 20, 2007	Common stock	69,894	Retained earnings	17	March 31, 2007	June 21, 2007

Note: Total dividends have been adjusted by the portion of dividends paid to Renault.

For the year ended March 31, 2008

1. Shares issued and outstanding / Treasury stock

(Thousands of shares)

Types of share	Number of shares at the end of the prior fiscal year	Increase	Decrease	Number of shares at the end of the current fiscal year
Shares issued: Common stock	4,520,715	—	—	4,520,715
Treasury stock: Common stock	409,297	70,746	34,048	445,995

Notes: 1. Details of the increase are as follows: (Thousands of shares)

Increase due to purchase of the stocks	70,692
Increase due to purchase of the stocks of less than standard unit	51
Increase in stocks held by affiliates accounted for by the equity method	3

2. Details of the decrease are as follows:

Decrease due to exercising share subscription rights	33,908
Decrease in stocks held by affiliates accounted for by the equity method	140

2. Share subscription rights

Company	Description	Type of shares to be issued	Number of shares to be issued (in thousands)				Balance at the end of the current fiscal year (Millions of yen)
			At the end of the prior fiscal year	Increase	Decrease	At the end of the current fiscal year	
Parent company	Euro-yen bonds with warrants due 2008	Common stock	33,078	—	33,078	—	—
	Subscription rights as stock options	—					1,714
Total		—					1,714

Note: The decrease of Euro-yen bonds with warrants due 2008 reflects the exercise of the warrants and the forfeit of unexercised warrants.

3. Dividends

(1) Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Cut-off date	Effective date
Annual general meeting of the shareholders on June 20, 2007	Common stock	69,921	17	March 31, 2007	June 21, 2007
Meeting of the Board of Directors on October 26, 2007	Common stock	81,804	20	September 30, 2007	November 27, 2007

Note: Total dividends have been adjusted by the portion of dividends paid to Renault.

(2) Dividends, which the cutoff date was in the year ended March 31, 2008, and the effective date of which will be in the year ending March 31, 2009

Resolution	Type of shares	Total dividends (Millions of yen)	Resources of dividends	Dividends per share (Yen)	Cut-off date	Effective date
Annual general meeting of the shareholders on June 25, 2008	Common stock	81,496	Retained earnings	20	March 31, 2008	June 26, 2008

Note: Total dividends have been adjusted by the portion of dividends paid to Renault.

(For consolidated statements of cash flows)

(Millions of yen)

<table>
<tr><th>Prior fiscal year
From April 1, 2006
To March 31, 2007</th><th>Current fiscal year
From April 1, 2007
To March 31, 2008</th></tr>
<tr><td>※1 Cash and cash equivalents as of the year end are reconciled to the accounts reported in the consolidated balance sheet as follows:

As of March 31, 2007:

Cash on hand and in banks ¥457,925
Time deposits with maturities of more than three months (14,356)
Cash equivalents included in securities (*) 25,819
Cash and cash equivalents ¥469,388

* This represents short-term, highly liquid investments readily convertible into cash held by foreign subsidiaries.

―――――</td><td>1. ※1 Cash and cash equivalents as of the year end are reconciled to the accounts reported in the consolidated balance sheet as follows:

As of March 31, 2008:

Cash on hand and in banks ¥570,225
Time deposits with maturities of more than three months (10,394)
Cash equivalents included in securities (*) 24,271
Cash and cash equivalents ¥584,102

* This represents short-term, highly liquid investments readily convertible into cash held by foreign subsidiaries.

2. ※2 Major components of the assets and liabilities of the companies that have been consolidated by acquiring their shares

The following assets and liabilities have been consolidated as a result of consolidating Atlet AB and its 16 subsidiaries through the acquisition of their shares. The relation between the acquisition value of these shares and the net disbursement due to the acquisition is as follows.

Current assets ¥26,596
Fixed assets 14,158
Goodwill 5,063
Current liabilities (12,186)
Long-term liabilities (17,634)
Minority interests 0
Acquisition value of shares 15,997
Cash and cash equivalents (1,642)
Net disbursement due to the acquisition ¥14,355</td></tr>
</table>

(For lease transactions)

(Millions of yen)

<table>
<tr><th>Prior fiscal year
From April 1, 2006
To March 31, 2007</th><th>Current fiscal year
From April 1, 2007
To March 31, 2008</th></tr>
<tr><td>(Lessees' accounting)

Operating lease transactions

Future minimum lease payments subsequent to March 31, 2007 are summarized as follows:

Due in one year or less ¥7,098
Due after one year 25,470
Total ¥32,568

(Lessors' accounting)

Operating lease transactions

Future minimum lease income subsequent to March 31, 2007 is summarized as follows:
Due in one year or less ¥382,028
Due after one year 418,280
Total ¥800,308</td><td>(Lessees' accounting)

Operating lease transactions

Future minimum lease payments subsequent to March 31, 2008 are summarized as follows:

Due in one year or less ¥7,109
Due after one year 19,985
Total ¥27,094

(Lessors' accounting)

Operating lease transactions

Future minimum lease income subsequent to March 31, 2008 is summarized as follows:
Due in one year or less ¥343,764
Due after one year 349,479
Total ¥693,243</td></tr>
</table>

(For securities)

(Millions of yen)

Prior fiscal year

Securities

1. Marketable held-to-maturity debt securities

(As of March 31, 2007)

Types of securities	Carrying value	Estimated fair value	Unrealized gain (loss)
(Securities whose fair value does not exceed their carrying value)			
Government bonds	¥294	¥294	—
Corporate bonds	59	59	—
Total	¥353	¥353	—

2. Marketable other securities

(As of March 31, 2007)

Types of securities	Acquisition cost	Carrying value	Unrealized gain (loss)
(Securities whose carrying value exceed their acquisition cost)			
Stock	¥3,508	¥14,613	¥11,105
Bonds:			
Government bonds	—	—	—
Others	2,704	2,751	47
Subtotal	6,212	17,364	11,152
(Securities whose carrying value does not exceed their acquisition cost)			
Stock	926	708	(218)
Bonds:			
Government bonds	20	20	—
Others	1,869	1,868	(1)
Subtotal	2,815	2,596	(219)
Total	¥9,027	¥19,960	¥10,933

3. Other securities sold during the current fiscal year

(From April 1, 2006 to March 31, 2007)

Sales proceeds	Total gain	Total loss
25,700	11,996	—

4. Carrying value of major securities whose fair value is not available is as follows:

(As of March 31, 2007)

Other securities:	
Unlisted domestic stocks (excluding those traded on the over-the-counter market)	¥8,170
Unlisted foreign stocks	2,357
Unlisted foreign investment trusts	21,199

5. The redemption schedule for securities with maturity dates which are classified as other securities and held-to-maturity debt securities

(As of March 31, 2007)

Types of securities	Due within one year	Due after one year but within five years	Due after five years but within ten years	Due after ten years
Bonds:				
Government bonds	¥314	—	—	—
Corporate bonds	—	—	59	—
Total	¥314	—	¥59	—

Current fiscal year

Securities

1. Marketable held-to-maturity debt securities

(As of March 31, 2008)

Types of securities	Carrying value	Estimated fair value	Unrealized gain (loss)
(Securities whose fair value does not exceed their carrying value)			
Government bonds	¥77	¥77	—
Corporate bonds	—	—	—
Total	¥77	¥77	—

2. Marketable other securities

(As of March 31, 2008)

Types of securities	Acquisition cost	Carrying value	Unrealized gain (loss)
(Securities whose carrying value exceed their acquisition cost)			
Stock	¥4,464	¥16,226	¥11,762
Bonds:			
Government bonds	—	—	—
Others	—	—	—
Subtotal	4,464	16,226	11,762
(Securities whose carrying value does not exceed their acquisition cost)			
Stock	1,834	1,049	(785)
Bonds:			
Government bonds	—	—	—
Others	4,902	4,846	(56)
Subtotal	6,736	5,895	(841)
Total	¥11,200	¥22,121	¥10,921

3. Other securities sold during the current fiscal year

(From April 1, 2007 to March 31, 2008)

Sales proceeds	Total gain	Total loss
4,823	801	(2)

4. Carrying value of major securities whose fair value is not available is as follows:

(As of March 31, 2008)

Other securities:	
Unlisted domestic stocks (excluding those traded on the over-the-counter market)	¥3,915
Unlisted foreign stocks	1,209
Unlisted foreign investment trusts	19,425

5. The redemption schedule for securities with maturity dates which are classified as other securities and held-to-maturity debt securities

(As of March 31, 2008)

Types of securities	Due within one year	Due after one year but within five years	Due after five years but within ten years	Due after ten years
Bonds:				
Government bonds	¥77	—	—	—
Corporate bonds	—	179	4	—
Total	¥77	¥179	¥4	—

(For derivative transactions)

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
1. Derivative transactions	1. Derivative transactions
(1) Policies	(1) Policies
The Company utilizes derivative financial instruments for the purpose of hedging its exposure to adverse fluctuations in foreign currency exchange rates on receivables and payables denominated in foreign currencies, interest rates on interest-bearing debt and market prices on commodity, but does not enter into such transactions for speculative or trading purposes. An internal management rule on financial market risk (the "Rule") prescribes that the Group's financial market risk is to be controlled by the Company in a centralized manner, and that no individual subsidiary can initiate a hedge position without the prior approval of, and regular reporting back to the Company.	Same as the prior fiscal year.
(2) Types and purpose of transactions:	(2) Types and purpose of transactions:
① Forward foreign exchange contracts	① Forward foreign exchange contracts
Forward foreign exchange contracts are utilized in order to hedge against the adverse impact of fluctuations in foreign currency exchange rates on foreign currency denominated receivables and payables arising from importing and exporting products and others.	Same as the prior fiscal year.
② Currency option	② Currency option
In the same manner as forward foreign exchange contracts, currency options are utilized in order to hedge against the adverse impact of fluctuations in foreign currency exchange rates on foreign currency denominated receivables and payables.	Same as the prior fiscal year.
③ Interest rate swaps	③ Interest rate swaps
Interest rate swaps are utilized primarily to hedge against the adverse impact of fluctuations in interest rates on interest-bearing debt.	Same as the prior fiscal year.
④ Currency swaps	④ Currency swaps
Currency swaps are used to hedge against the adverse impact of fluctuations in foreign currency exchange rates and interest rates on foreign currency denominated receivables and payables.	Same as the prior fiscal year.
⑤ Interest rate options	⑤ Interest rate options
Interest rate options are used primarily to hedge against the adverse impact of fluctuations in interest rates on interest-bearing debt.	Same as the prior fiscal year.
⑥ Stock option	⑥ Stock option
Stock options are used primarily to hedge against the adverse impact of fluctuations in the share prices.	Same as the prior fiscal year.
⑦ Commodity futures contracts	⑦ Commodity futures contracts
Commodity futures contracts are used primarily to hedge against the adverse impact of fluctuations in the market prices of precious metal (used as catalyst for emission gas purifier of automobiles).	Commodity futures contracts are used primarily to hedge against the adverse impact of fluctuations in the market prices of precious metal (used as catalyst for emission gas purifier of automobiles) and base metal (automobile material).

Prior fiscal year From April 1, 2006 To March 31, 2007	Current fiscal year From April 1, 2007 To March 31, 2008
(3) Description of risks relating to derivative transactions ① Market risk Although derivative transactions are used for the purpose of hedging risks on assets and liabilities recorded in the consolidated balance sheet, there remain the risk of foreign currency exchange fluctuations on currency transactions, the risk of interest rate fluctuations on interest rate transactions and the risk of market price fluctuations on commodity transactions. ② Credit risk The Group is exposed to the risk that a counterparty to its financial transactions could default and jeopardize future profits. We believe that this risk is insignificant as the Group enters into derivative transactions only with financial institutions which have a sound credit profile. The Group enters into these transactions also with Renault Finance S.A. ("RF"), a specialized financial subsidiary of the Renault Group which, the Company believes, is not subject to any such material risk. This is because RF enters into derivative transactions to cover such derivative transactions with the Group only with financial institutions of the highest caliber carefully selected by RF based on its own rating system. ③ Legal risk The Group is exposed to the risk of entering into a financial agreement which may contain inappropriate terms and conditions as well as the risk that an existing contract may be affected by revisions to the relevant laws and regulations. The Group's Legal Department and Finance Department make every effort to minimize legal risk by reviewing any new agreements of significance and by reviewing the related documents which are retained on file in a central location.	(3) Description of risks relating to derivative transactions ① Market risk Same as the prior fiscal year. ② Credit risk Same as the prior fiscal year. ③ Legal risk Same as the prior fiscal year.

Prior fiscal year From April 1, 2006 To March 31, 2007	Current fiscal year From April 1, 2007 To March 31, 2008
(4) Risk management for derivative transactions All risk hedge operations of the Group are carried out pursuant to the Rule which stipulates the Group's basic policies for derivative transactions, management policies, management items, procedures, criteria for the selection of counterparties, and the reporting system, and so forth. The Rule prescribes that the Group's financial market risk is to be controlled by the Company in a centralized manner, and that no individual subsidiary is permitted to initiate a hedging operation without the prior approval of, and regular reporting back to the Company. The basic hedge policy is subject to the approval of the Monthly Hedge Policy Meeting attended by the corporate officer in charge of the Treasury Department. Execution and management of all deals are to be conducted pursuant to the Rule. Derivative transactions are conducted by a special section of the Finance Department and monitoring of the balance of all open positions and confirming balances are the responsibility of the Accounting Section and the Risk Management Section. Commodity futures contracts are to be handled by Finance Department under guidelines which are to be drawn up by the MRMC (Materials Risk Management Committee). The MRMC is chaired by the corporate officer in charge of the Purchasing Department and the CFO and it will meet approximately once every six months. The status of derivative transactions is reported on a daily basis to the corporate officer in charge of Finance Department and on an annual basis to the Board of Directors. Credit risk is monitored quantitatively using RF's rating system based principally on the counterparties' long-term credit ratings and on their shareholders' equity. The Finance Department sets a maximum upper limit on positions with each of the counterparties for the Group and monitors the balances of open positions every day.	(4) Risk management for derivative transactions All risk hedge operations of the Group are carried out pursuant to the Rule which stipulates the Group's basic policies for derivative transactions, management policies, management items, procedures, criteria for the selection of counterparties, and the reporting system, and so forth. The Rule prescribes that the Group's financial market risk is to be controlled by the Company in a centralized manner, and that no individual subsidiary is permitted to initiate a hedging operation without the prior approval of, and regular reporting back to the Company. The basic hedge policy is subject to the approval of the Monthly Hedge Policy Meeting attended by the corporate officer in charge of the Treasury Department. Execution and management of all deals are to be conducted pursuant to the Rule. Derivative transactions are conducted by a special section of the Finance Department and monitoring of the balance of all open positions and confirming balances are the responsibility of the Accounting Section and the Risk Management Section. Commodity futures contracts are to be handled by Finance Department under guidelines which are to be drawn up by the RMC (Raw Material Committee). The RMC is chaired by the corporate officer in charge of the Purchasing Department and the CFO and it will meet approximately once every six months. The status of derivative transactions is reported on a daily basis to the corporate officer in charge of Finance Department and on an annual basis to the Board of Directors. Credit risk is monitored quantitatively using RF's rating system based principally on the counterparties' long-term credit ratings and on their shareholders' equity. The Finance Department sets a maximum upper limit on positions with each of the counterparties for the Group and monitors the balances of open positions every day.
(5) Supplemental explanation on quantitative information ① The fair value and unrealized gain or loss on derivative transactions are estimates which are considered appropriate based on the market at the balance sheet date and, thus, fair value is not necessarily indicative of the actual amounts which may be realized or settled in the future. ② The notional amounts of the swaps are not a direct measure of the Company's risk exposure in connection with its swap transactions.	(5) Supplemental explanation on quantitative information ① Same as the prior fiscal year. ② Same as the prior fiscal year.

2. Fair value of derivative transactions

Notional amounts, fair value and unrealized gain or loss

(1) Currency-related transactions

(Millions of yen)

Classification	Type	Prior fiscal year (As of March 31, 2007)				Current fiscal year (As of March 31, 2008)			
		Notional amounts	Portion due after one year included herein	Fair value	Unrealized gain (loss)	Notional amounts	Portion due after one year included herein	Fair value	Unrealized gain (loss)
Non-market transactions	Forward foreign exchange contracts:								
	Sell:								
	USD	¥ 12,849	—	¥ 12,928	¥ (79)	¥ 7,895	—	¥ 7,521	¥ 374
	EUR	1,064	—	1,080	(16)	1,100	—	1,104	(4)
	ZAR	695	—	694	1	—	—	—	—
	GBP	22	—	22	0	9	—	8	1
	THB	—	—	—	—	8,937	—	8,878	59
	Others	12	—	12	0	—	—	—	—
	Buy:								
	EUR	757	—	763	6	1,172	—	1,183	11
	USD	3,483	—	3,477	(6)	2,104	—	2,040	(64)
	Others	10	—	10	0	403	—	388	(15)
	Swaps:								
	EUR	¥ 59,657	—	¥ (269)	¥ (269)	¥ 66,854	—	¥ (39)	¥ (39)
	USD	20,816	10,064	424	424	9,000	8,541	1,491	1,491
	AUD	1,291	—	(29)	(29)	—	—	—	—
	CAD	4,353	4,353	(42)	(42)	3,694	3,694	(380)	(380)
	ZAR	—	—	—	—	4,631	—	268	268
	THB	25,513	—	(81)	(81)	37,378	—	146	146
Total		—	—	—	¥ (91)	—	—	—	¥ 1,848

Notes: 1. Calculation of fair value
Calculation of fair value is based on the discounted cash flows and others.

2. The notional amounts of the derivative transactions presented above exclude those for which hedge accounting has been adopted.

(2) Interest-related transactions

(Millions of yen)

Classification	Type	Prior fiscal year (As of March 31, 2007)				Current fiscal year (As of March 31, 2008)			
		Notional amounts	Portion due after one year included herein	Fair value	Unrealized gain (loss)	Notional amounts	Portion due after one year included herein	Fair value	Unrealized gain (loss)
Non-market transactions	Swaps:								
	Receive floating/ pay fixed	¥ 203,495	¥188,583	¥ 108	¥ 108	¥ 198,869	¥198,869	¥ (2,787)	¥ (2,787)
	Receive fixed/pay floating	251,648	195,483	280	280	202,060	202,060	2,288	2,288
	Options								
	Caps sold	¥ 460,851	¥ 286,928			¥ 546,622	¥ 183,007		
	(Premium)	(—)	(—)	¥ (1,558)	¥ (1,558)	(—)	(—)	¥ (2,923)	¥ (2,923)
	Caps purchased	460,851	286,928			546,622	183,007		
	(Premium)	(—)	(—)	1,558	1,558	(—)	(—)	2,923	2,923
Total		—	—	—	¥ 388	—	—	—	¥ (499)

Notes: 1. Calculation of fair value
Calculation of fair value is based on the discounted cash flows and others.

2. The notional amounts of the derivative transactions presented above exclude those for which hedge accounting has been adopted.

(3) Commodity-related transactions

(Millions of yen)

Classification	Type	Prior fiscal year (As of March 31, 2007)				Current fiscal year (As of March 31, 2008)			
		Notional amounts	Portion due after one year included herein	Fair value	Unrealized gain (loss)	Notional amounts	Portion due after one year included herein	Fair value	Unrealized gain (loss)
Non-market transactions	Forward contract								
	Buy:								
	Aluminum	—	—	—	—	¥49,563	—	¥55,375	¥5,812
Total		—	—	—	—	—	—	—	¥5,812

Notes: 1. Calculation of fair value
Calculation of fair value is based on the discounted cash flows and others.

2. The notional amounts of the derivative transactions presented above exclude those for which hedge accounting has been adopted.

(For retirement benefits)

1. Description of retirement benefit plans

The Nissan Group (consisting of the Company and its consolidated subsidiaries) has several defined-benefit and defined-contribution pension plans. The Company and certain consolidated subsidiaries have adopted both defined-benefit and defined-contribution pension plans, whereas certain other consolidated subsidiaries have either defined-benefit or defined-contribution pension plans. The defined-benefit pension plans adopted by the Company and certain domestic subsidiaries include lump-sum payment plans, defined-benefit corporate pension plans, welfare pension fund plans and tax-qualified plans. Certain employees may be entitled to additional special retirement benefits, depending on the conditions for the termination of their employment. Certain consolidated subsidiaries have transferred a part of their previous defined-benefit pension plans to defined-contribution ones during the current fiscal year.

2. The following table sets forth the funded status of retirement benefit plans:

(Millions of yen)

	Prior fiscal year (As of March 31, 2007)	Current fiscal year (As of March 31, 2008)
a. Retirement benefit obligation	¥ (1,273,725)	¥ (1,174,330)
b. Plan assets at fair value	1,008,771	905,475
c. Unfunded retirement benefit obligation (a+b)	(264,954)	(268,855)
d. Unrecognized net retirement benefit obligation at transition	89,822	78,297
e. Unrecognized actuarial gain or loss	81,493	106,478
f. Unrecognized prior service cost (a reduction of liability)	(54,049) (Note 2)	(47,523) (Note 2)
g. Net retirement benefit obligation recognized in the consolidated balance sheet (c+d+e+f)	(147,688)	(131,603)
h. Prepaid pension costs	46,806	45,882
i. Accrued retirement benefits (g–h)	¥ (194,494)	¥ (177,485)

Prior fiscal year (As of March 31, 2007)

Notes:
1. The government-sponsored portion of the benefits under the welfare pension fund plans has been included in the amounts shown in the above table.
2. Effective April 1, 2001, the Company discontinued to provide certain benefits under the welfare pension fund plan for future services. As a result, prior service cost (a reduction of liability) was incurred.
3. Certain subsidiaries adopted a simplified method in the calculation of their retirement benefit obligation.
4. In addition to the accrued retirement benefits explained above, an accrual for additional retirement benefits is recognized and has been included in "Accrued expenses" in the accompanying consolidated balance sheet.
5. The effects of a partial transition from the tax-qualified and lump-sum payment plans to defined contribution plans are as follows.

(Millions of yen)

Decrease in retirement benefit obligation	¥ 29,285
Decrease in plan assets at fair value	(4,493)
Unrecognized net retirement benefit obligation at transition	718
Unrecognized actuarial gain or loss	(6,202)
Unrecognized prior service cost	(526)
Decrease in accrued retirement benefits	18,782

The amount of plan assets transferred to defined contribution plans amounted to ¥4,493 million, which was fully transferred in the current fiscal year.

Current fiscal year (As of March 31, 2008)

Notes:
1. The government-sponsored portion of the benefits under the welfare pension fund plans has been included in the amounts shown in the above table.
2. Effective April 1, 2001, the Company discontinued to provide certain benefits under the welfare pension fund plan for future services. As a result, prior service cost (a reduction of liability) was incurred.
3. Certain subsidiaries adopted a simplified method in the calculation of their retirement benefit obligation.
4. In addition to the accrued retirement benefits explained above, an accrual for additional retirement benefits is recognized and has been included in "Accrued expenses" in the accompanying consolidated balance sheet.
5. The effects of a partial transition from the tax-qualified, lump-sum payment and welfare pension fund plans to defined contribution plans are as follows.

(Millions of yen)

Decrease in retirement benefit obligation	¥7,715
Decrease in plan assets at fair value	(7,352)
Unrecognized net retirement benefit obligation at transition	(32)
Unrecognized actuarial gain or loss	322
Unrecognized prior service cost	203
Decrease in accrued retirement benefits	856

The amount of plan assets transferred to defined contribution plans amounted to ¥7,352 million, which was fully transferred in the current fiscal year.

3. The components of retirement benefit expenses were as follows:

(Millions of yen)

		Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
a.	Service cost	¥ 51,696 (Note 2)	¥ 50,119 (Note 2)
b.	Interest cost	41,209	41,855
c.	Expected return on plan assets	(39,625)	(42,332)
d.	Amortization of net retirement benefit obligation at transition	11,147	11,244
e.	Amortization of actuarial gain or loss	9,031	9,006
f.	Amortization of prior service cost	(6,925) (Note 3)	(7,377) (Note 3)
g.	Other	3,732	6,511
h.	Retirement benefit expenses (a+b+c+d+e+f+g)	¥ 70,265	¥ 69,026
i.	Gain (Loss) on implementation of defined contribution plans	(18,782)	(856)
	Total	¥ 51,483	¥ 68,170

Prior fiscal year
From April 1, 2006
To March 31, 2007

Notes:
1. In addition to the retirement benefit expenses referred to above, additional retirement benefit expenses of ¥34,297 million were accounted for as a special loss for the year ended March 31, 2007.
2. Service cost does not include the amounts contributed by employees with respect to welfare pension fund plans.
3. Amortization of prior service cost represents the amount to be recognized for this fiscal year with respect to prior service cost explained in Note 2 to the table setting forth the fund status.
4. Retirement benefit expenses for consolidated subsidiaries adopting the simplified method are included in a. “Service cost.”
5. The pension assets in the multi-employer welfare pension fund plans allocated to the Company and the domestic consolidated subsidiaries based on their share of the contributions amounted to ¥39,703 million.

Current fiscal year
From April 1, 2007
To March 31, 2008

Notes:
1. In addition to the retirement benefit expenses referred to above, additional retirement benefit expenses of ¥17,575 million were accounted for as a special loss for the year ended March 31, 2008.
2. Service cost does not include the amounts contributed by employees with respect to welfare pension fund plans.
3. Amortization of prior service cost represents the amount to be recognized for this fiscal year with respect to prior service cost explained in Note 2 to the table setting forth the fund status.
4. Retirement benefit expenses for consolidated subsidiaries adopting the simplified method are included in a. “Service cost.”

4. Assumptions used in accounting for the retirement benefit obligation

	Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
a. Attribution of retirement benefit obligation	The straight-line method over the estimated years of service of the eligible employees	Same as the prior fiscal year.
b. Discount rates	Domestic companies: 2.1% – 2.3% Foreign companies: 2.8% – 6.2%	Same as the prior fiscal year.
c. Expected rate of return on plan assets	Domestic companies: mainly 3.0% Foreign companies: 2.8% – 9.0%	Same as the prior fiscal year.
d. Amortization period of prior service cost	Prior service cost is being amortized as incurred by the straight-line method over periods (principally 9 years through 15 years) which are shorter than the average remaining years of service of the eligible employees.	Same as the prior fiscal year.
e. Amortization period of actuarial gain or loss	Actuarial gain or loss is amortized in the year following the year in which the gain or loss is recognized primarily by the straight-line method over periods (principally 9 years through 18 years) which are shorter than the average remaining years of service of the eligible employees. Certain foreign consolidated subsidiaries have adopted the corridor approach for the amortization of actuarial gain and loss.	Same as the prior fiscal year.
f. Amortization period of net retirement benefit obligation at transition	Mainly 15 years	Same as the prior fiscal year.

(For share-based payments)

For the year ended March 31, 2007 (from April 1, 2006 to March 31, 2007)

1. The account and the amount of stock options charged as expenses for the year:

Salaries and wages in Selling, general and administrative expenses ¥1,037 million

2. Description of stock options/Changes in the size of stock options

(1) Description of stock options

Company name	The Company	The Company	The Company	The Company
	2003 Stock Options	2004 Stock Options	2005 Stock Options	2006 Stock Options
Category and number of people to whom stock options are granted	The Company's employees: 548 Directors of the Company's subsidiaries: 101 Employees of the Company's subsidiaries: 5 Total: 654	The Company's employees: 590 Directors of the Company's subsidiaries: 96 Employees of the Company's subsidiaries: 4 Total: 690	The Company's employees: 620 Directors of the Company's subsidiaries: 88 Employees of the Company's subsidiaries: 4 Total: 712	The Company's employees: 456 Directors of the Company's subsidiaries: 72 Total: 528
Type and number of shares	Common stock 12,405,000 shares	Common stock 12,770,000 shares	Common stock 13,150,000 shares	Common stock 13,075,000 shares
Grant date	May 7, 2003	April 16, 2004	April 25, 2005	May 8, 2006
Vesting conditions	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.
Vesting period	From May 7, 2003 to May 7, 2005	From April 16, 2004 to April 16, 2006	From April 25, 2005 to April 25, 2007	From May 8, 2006 to May 8, 2008
Exercise period	From May 8, 2005 to May 8, 2010	From April 17, 2006 to June 19, 2013	From April 26, 2007 to June 23, 2014	From May 9, 2008 to June 20, 2015

Company name	Nissan Shatai Co., Ltd.	Nissan Shatai Co., Ltd.	Nissan Shatai Co., Ltd.
	2002 Stock Options	2003 Stock Options	2004 Stock Options
Category and number of people to whom stock options are granted	The company's directors: 9 The company's employees: 37 Directors of the company's affiliates: 24 Total: 70	The company's directors: 10 The company's employees: 35 Directors of the company's affiliates: 26 Person specially designated by the company: 1 Total: 72	The company's directors: 3 The company's employees: 53 Directors of the company's affiliates: 21 Person specially designated by the company: 1 Total: 78
Type and number of shares	Common stock 1,500,000 shares	Common stock 1,780,000 shares	Common stock 1,700,000 shares
Grant date	August 1, 2002	August 18, 2003	August 31, 2004
Vesting conditions	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The company must achieve its targeted results. (3) The holders must achieve their respective targets.
Vesting period	From August 1, 2002 to June 30, 2004	From August 18, 2003 to June 30, 2005	From August 31, 2004 to June 30, 2006
Exercise period	From July 1, 2004 to June 30, 2007	From July 1, 2005 to June 30, 2008	From July 1, 2006 to June 30, 2009

Company name	Calsonic Kansei Corporation	Calsonic Kansei Corporation	Calsonic Kansei Corporation
	2003 Stock Options	2004 Stock Options	2005 Stock Options
Category and number of people to whom stock options are granted	The company's directors: 9 The company's employees: 103 Directors of the company's subsidiaries: 14 Total: 126	The company's directors: 9 The company's employees: 148 Directors of the company's subsidiaries: 15 Employee of the company's subsidiaries: 1 Total: 173	The company's directors: 9 The company's employees: 164 Directors of the company's subsidiaries: 15 Employee of the company's subsidiaries: 1 Total: 189
Type and number of shares	Common stock 1,304,000 shares	Common stock 1,954,000 shares	Common stock 1,985,000 shares
Grant date	August 6, 2003	October 6, 2004	December 5, 2005
Vesting conditions	Those who hold share subscription rights must remain employees or directors of the company, its subsidiaries, or affiliates until the beginning of the exercise period.	Those who hold share subscription rights must remain employees or directors of the company, its subsidiaries, or affiliates until the beginning of the exercise period.	Those who hold share subscription rights must remain employees or directors of the company, its subsidiaries, or affiliates until the beginning of the exercise period.
Vesting period	From August 6, 2003 to June 30, 2005	From October 6, 2004 to June 30, 2006	From December 5, 2005 to June 30, 2007
Exercise period	From July 1, 2005 to June 30, 2010	From July 1, 2006 to June 30, 2011	From July 1, 2007 to June 30, 2012

(2) Changes in the size of stock options

The following describes changes in the size of stock options that existed during the year ended March 31, 2007. The number of stock options is translated into the number of shares.

① Number of stock options

Company name	The Company	The Company	The Company	The Company
	2003 Stock Options	2004 Stock Options	2005 Stock Options	2006 Stock Options
Share subscription rights which are not yet vested (shares):				
As of March 31, 2006	—	10,078,000	13,150,000	—
Granted	—	—	—	13,075,000
Forfeited	—	—	4,728,000	75,000
Vested	—	10,078,000	—	—
Balance of options not vested	—	—	8,422,000	13,000,000
Share subscription rights which have already been vested (shares):				
As of March 31, 2006	8,655,500	—	—	—
Vested	—	10,078,000	—	—
Exercised	1,434,100	690,400	—	—
Forfeited	20,000	109,500	—	—
Balance of options not exercised	7,201,400	9,278,100	—	—

Company name	Nissan Shatai Co., Ltd.	Nissan Shatai Co., Ltd.	Nissan Shatai Co., Ltd.
	2002 Stock Options	2003 Stock Options	2004 Stock Options
Share subscription rights which are not yet vested (shares):			
As of March 31, 2006	—	—	1,336,000
Granted	—	—	—
Forfeited	—	—	—
Vested	—	—	1,336,000
Balance of options not vested	—	—	—
Share subscription rights which have already been vested (shares):			
As of March 31, 2006	10,000	184,000	—
Vested	—	—	1,336,000
Exercised	—	74,000	—
Forfeited	—	—	—
Balance of options not exercised	10,000	110,000	1,336,000

Company name	Calsonic Kansei Corporation	Calsonic Kansei Corporation	Calsonic Kansei Corporation
	2003 Stock Options	2004 Stock Options	2005 Stock Options
Share subscription rights which are not yet vested (shares):			
As of March 31, 2006	—	1,940,000	1,977,000
Granted	—	—	—
Forfeited	—	—	30,000
Vested	—	1,940,000	—
Balance of options not vested	—	—	1,947,000
Share subscription rights which have already been vested (shares):			
As of March 31, 2006	1,254,000	—	—
Vested	—	1,940,000	—
Exercised	45,000	1,000	—
Forfeited	48,000	81,000	—
Balance of options not exercised	1,161,000	1,858,000	—

② Per share prices

Company name	The Company	The Company	The Company	The Company
	2003 Stock Options	2004 Stock Options	2005 Stock Options	2006 Stock Options
Exercise price (Yen)	932	1,202	1,119	1,526
Average price per share upon exercise (Yen)	1,386	1,403	—	—
Fair value per share at grant date (Yen)	—	—	—	222.30

Company name	Nissan Shatai Co., Ltd.	Nissan Shatai Co., Ltd.	Nissan Shatai Co., Ltd.
	2002 Stock Options	2003 Stock Options	2004 Stock Options
Exercise price (Yen)	317	421	759
Average price per share upon exercise (Yen)	—	665	—
Fair value per share at grant date (Yen)	—	—	—

Company name	Calsonic Kansei Corporation	Calsonic Kansei Corporation	Calsonic Kansei Corporation
	2003 Stock Options	2004 Stock Options	2005 Stock Options
Exercise price (Yen)	737	844	759
Average price per share upon exercise (Yen)	856	770	—
Fair value per share at grant date (Yen)	—	—	—

3. Method for estimating per share fair value of stock options

The per share fair value of the 2006 stock options granted during the fiscal year ended March 31, 2007 was estimated as follows.

① Technique of estimation used: Binomial model

② Basic factors taken into account for the estimation:

	2006 Stock Options
Expected volatility of the share price (Note 1)	21.00%
Expected life of the option (Note 2)	5 years and 6 months
Expected dividend (Note 3)	¥40
Risk-free interest rate (Note 4)	1.50%

Notes: 1. The volatility of the share price for the expected life of the option is estimated by taking into account the volatility of the entire stock market, the characteristics of the Company's stock and the fair value of the stock options, while drawing upon the actual share prices in the past.

2. Because there is not enough data to make a reasonable estimation, Expected life of the option is based on the assumption that the options are evenly exercised on every March 1, June 1, September 1 and December 1 during the exercise period.

3. According to the estimation for the year ending March 31, 2008 of the Nissan Value Up dividend policy.

4. Risk-free interest rate is the yield on government bonds for the period that corresponds to the remaining life of the option.

4. Estimation of the number of stock options vested

Because it is difficult to reasonably estimate the number of options that will expire in the future, historical data is reflected for the options that have not yet been vested, and the number of options that have actually forfeited is reflected for the options that have already been vested.

For the year ended March 31, 2008 (from April 1, 2007 to March 31, 2008)

1. The account and the amount of stock options charged as expenses for the year:

Salaries and wages in Selling, general and administrative expenses ¥676 million

2. Description of stock options/Changes in the size of stock options

(1) Description of stock options

Company name	The Company	The Company	The Company
	2003 Stock Options	2004 Stock Options	2005 Stock Options
Category and number of people to whom stock options are granted	The Company's employees: 548 Directors of the Company's subsidiaries: 101 Employees of the Company's subsidiaries: 5 Total: 654	The Company's employees: 590 Directors of the Company's subsidiaries: 96 Employees of the Company's subsidiaries: 4 Total: 690	The Company's employees: 620 Directors of the Company's subsidiaries: 88 Employees of the Company's subsidiaries: 4 Total: 712
Type and number of shares	Common stock 12,405,000 shares	Common stock 12,770,000 shares	Common stock 13,150,000 shares
Grant date	May 7, 2003	April 16, 2004	April 25, 2005
Vesting conditions	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.
Vesting period	From May 7, 2003 to May 7, 2005	From April 16, 2004 to April 16, 2006	From April 25, 2005 to April 25, 2007
Exercise period	From May 8, 2005 to May 8, 2010	From April 17, 2006 to June 19, 2013	From April 26, 2007 to June 23, 2014

Company name	The Company	The Company	The Company
	2006 Stock Options	2007 Stock Options [1st]	2007 Stock Options [2nd]
Category and number of people to whom stock options are granted	The Company's employees: 456 Directors of the Company's subsidiaries: 72 Total: 528	The Company's employees: 23	The Company's employees: 12
Type and number of shares	Common stock 13,075,000 shares	Common stock 680,000 shares	Common stock 360,000 shares
Grant date	May 8, 2006	May 8, 2007	December 21, 2007
Vesting conditions	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.
Vesting period	From May 8, 2006 to May 8, 2008	From May 8, 2007 to May 8, 2009	From December 21, 2007 to March 31, 2010
Exercise period	From May 9, 2008 to June 20, 2015	From May 9, 2009 to June 26, 2016	From April 1, 2010 to June 19, 2017

Company name	Nissan Shatai Co., Ltd.	Nissan Shatai Co., Ltd.	Nissan Shatai Co., Ltd.
	2002 Stock Options	2003 Stock Options	2004 Stock Options
Category and number of people to whom stock options are granted	The company's directors: 9 The company's employees: 37 Directors of the company's affiliates: 24 Total: 70	The company's directors: 10 The company's employees: 35 Directors of the company's affiliates: 26 Person specially designated by the company: 1 Total: 72	The company's directors: 3 The company's employees: 53 Directors of the company's affiliates: 21 Person specially designated by the company: 1 Total: 78
Type and number of shares	Common stock 1,500,000 shares	Common stock 1,780,000 shares	Common stock 1,700,000 shares
Grant date	August 1, 2002	August 18, 2003	August 31, 2004
Vesting conditions	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The company must achieve its targeted results. (3) The holders must achieve their respective targets.
Vesting period	From August 1, 2002 to June 30, 2004	From August 18, 2003 to June 30, 2005	From August 31, 2004 to June 30, 2006
Exercise period	From July 1, 2004 to June 30, 2007	From July 1, 2005 to June 30, 2008	From July 1, 2006 to June 30, 2009

Company name	Calsonic Kansei Corporation	Calsonic Kansei Corporation	Calsonic Kansei Corporation
	2003 Stock Options	2004 Stock Options	2005 Stock Options
Category and number of people to whom stock options are granted	The company's directors: 9 The company's employees: 103 Directors of the company's subsidiaries: 14 Total: 126	The company's directors: 9 The company's employees: 148 Directors of the company's subsidiaries: 15 Employee of the company's subsidiaries: 1 Total: 173	The company's directors: 9 The company's employees: 164 Directors of the company's subsidiaries: 15 Employee of the company's subsidiaries: 1 Total: 189
Type and number of shares	Common stock 1,304,000 shares	Common stock 1,954,000 shares	Common stock 1,985,000 shares
Grant date	August 6, 2003	October 6, 2004	December 5, 2005
Vesting conditions	Those who hold share subscription rights must remain employees or directors of the company, its subsidiaries, or affiliates until the beginning of the exercise period.	Those who hold share subscription rights must remain employees or directors of the company, its subsidiaries, or affiliates until the beginning of the exercise period.	Those who hold share subscription rights must remain employees or directors of the company, its subsidiaries, or affiliates until the beginning of the exercise period.
Vesting period	From August 6, 2003 to June 30, 2005	From October 6, 2004 to June 30, 2006	From December 5, 2005 to June 30, 2007
Exercise period	From July 1, 2005 to June 30, 2010	From July 1, 2006 to June 30, 2011	From July 1, 2007 to June 30, 2012

(2) Changes in the size of stock options

The following describes changes in the size of stock options that existed during the year ended March 31, 2008. The number of stock options is translated into the number of shares.

① Number of stock options

Company name	The Company	The Company	The Company
	2003 Stock Options	2004 Stock Options	2005 Stock Options
Share subscription rights which are not yet vested (shares):			
As of March 31, 2007	—	—	8,422,000
Granted	—	—	—
Forfeited	—	—	—
Vested	—	—	8,422,000
Balance of options not vested	—	—	—
Share subscription rights which have already been vested (shares):			
As of March 31, 2007	7,201,400	9,278,100	—
Vested	—	—	8,422,000
Exercised	646,300	38,200	273,500
Forfeited	36,000	51,000	60,000
Balance of options not exercised	6,519,100	9,188,900	8,088,500

Company name	The Company	The Company	The Company
	2006 Stock Options	2007 Stock Options [1st]	2007 Stock Options [2nd]
Share subscription rights which are not yet vested (shares):			
As of March 31, 2007	13,000,000	—	—
Granted	—	680,000	360,000
Forfeited	5,063,200	—	—
Vested	—	—	—
Balance of options not vested	7,936,800	680,000	360,000
Share subscription rights which have already been vested (shares):			
As of March 31, 2007	—	—	—
Vested	—	—	—
Exercised	—	—	—
Forfeited	—	—	—
Balance of options not exercised	—	—	—

Company name	Nissan Shatai Co., Ltd.	Nissan Shatai Co., Ltd.	Nissan Shatai Co., Ltd.
	2002 Stock Options	2003 Stock Options	2004 Stock Options
Share subscription rights which are not yet vested (shares):			
As of March 31, 2007	—	—	—
Granted	—	—	—
Forfeited	—	—	—
Vested	—	—	—
Balance of options not vested	—	—	—
Share subscription rights which have already been vested (shares):			
As of March 31, 2007	10,000	110,000	1,336,000
Vested	—	—	—
Exercised	10,000	91,000	869,000
Forfeited	—	—	—
Balance of options not exercised	—	19,000	467,000

Company name	Calsonic Kansei Corporation	Calsonic Kansei Corporation	Calsonic Kansei Corporation
	2003 Stock Options	2004 Stock Options	2005 Stock Options
Share subscription rights which are not yet vested (shares):			
As of March 31, 2007	—	—	1,947,000
Granted	—	—	—
Forfeited	—	—	13,000
Vested	—	—	1,934,000
Balance of options not vested	—	—	—
Share subscription rights which have already been vested (shares):			
As of March 31, 2007	1,161,000	1,858,000	—
Vested	—	—	1,934,000
Exercised	—	—	—
Forfeited	60,000	136,000	140,000
Balance of options not exercised	1,101,000	1,722,000	1,794,000

② Per share prices

Company name	The Company	The Company	The Company	The Company	The Company	The Company
	2003 Stock Options	2004 Stock Options	2005 Stock Options	2006 Stock Options	2007 Stock Options [1st]	2007 Stock Options[2nd]
Exercise price (Yen)	932	1,202	1,119	1,526	1,333	1,205
Average price per share upon exercise (Yen)	1,258	1,288	1,284	—	—	—
Fair value per share at grant date (Yen)	—	—	—	222.30	136.29	205.43

Company name	Nissan Shatai Co., Ltd.	Nissan Shatai Co., Ltd.	Nissan Shatai Co., Ltd.
	2002 Stock Options	2003 Stock Options	2004 Stock Options
Exercise price (Yen)	317	421	759
Average price per share upon exercise (Yen)	615	786	887
Fair value per share at grant date (Yen)	—	—	—

Company name	Calsonic Kansei Corporation	Calsonic Kansei Corporation	Calsonic Kansei Corporation
	2003 Stock Options	2004 Stock Options	2005 Stock Options
Exercise price (Yen)	737	844	759
Average price per share upon exercise (Yen)	—	—	—
Fair value per share at grant date (Yen)	—	—	—

3. Method for estimating per share fair value of stock options

The per share fair value of the 2007 stock options granted during the fiscal year ended March 31, 2008 was estimated as follows.

① Technique of estimation used: Binomial model

② Basic factors taken into account for the estimation:

	2007 Stock Options [1st]	2007 Stock Options [2nd]
Expected volatility of the share price (Note 1)	22.80%	28.50%
Expected life of the option (Note 2)	5 years and 6 months	5 years and 10 months
Expected dividend (Note 3)	¥40	¥40
Risk-free interest rate (Note 4)	1.30%	1.14%

Notes: 1. The volatility of the share price for the expected life of the option is estimated by taking into account the volatility of the entire stock market, the characteristics of the Company’s stock and the fair value of the stock options, while drawing upon the actual share prices in the past.

2. Because there is not enough data to make a reasonable estimation, Expected life of the option is based on the assumption that the options are evenly exercised on every March 1, June 1, September 1 and December 1 during the exercise period.

3. According to the Nissan Value Up dividend policy.

4. Risk-free interest rate is the yield on government bonds for the period that corresponds to the remaining life of the option.

4. Estimation of the number of stock options vested

Because it is difficult to reasonably estimate the number of options that will expire in the future, historical data is reflected for the options that have not yet been vested, and the number of options that have actually forfeited is reflected for the options that have already been vested.

(For income taxes)

1. Significant components of deferred tax assets and liabilities

(Millions of yen)

	Prior fiscal year (As of March 31, 2007)	Current fiscal year (As of March 31, 2008)
Deferred tax assets:		
Net operating loss carry forwards	¥ 56,141	¥ 54,802
Accrued retirement benefits	128,515	102,744
Accrued warranty costs	70,364	62,511
Other	499,960	460,939
Total gross deferred tax assets	754,980	680,996
Valuation allowance	(72,601)	(83,519)
Total deferred tax assets	682,379	597,477
Deferred tax liabilities:		
Reserves under Special Taxation Measures Law, etc.	(451,404)	(401,535)
Difference between cost of investments and their underlying net equity at fair value	(78,917)	(79,241)
Unrealized holding gain on securities	(4,166)	(4,562)
Other	(182,082)	(181,706)
Total deferred tax liabilities	(716,569)	(667,044)
Net deferred tax assets	¥ (34,190)	¥ (69,567)

Note: Net deferred tax assets as of March 31, 2007 and 2008 are reflected in the following accounts in the consolidated balance sheets:

	Prior fiscal year (As of March 31, 2007)	Current fiscal year (As of March 31, 2008)
	(Millions of yen)	
Current assets—deferred tax assets	¥ 324,979	¥ 299,306
Fixed assets—deferred tax assets	157,495	94,420
Current liabilities—deferred tax liabilities	9,064	1,501
Long-term liabilities—deferred tax liabilities	507,600	461,792

2. The reconciliation between the effective tax rates reflected in the consolidated financial statements and the statutory tax rate is summarized as follows:

	Prior fiscal year (As of March 31, 2007)	Current fiscal year (As of March 31, 2008)
Statutory tax rate of the Company	40.6%	40.6%
(Reconciliation)		
・ Different tax rates applied to foreign subsidiaries	(5.4)%	(5.9)%
・ Tax credits	(2.8)%	(1.6)%
・ Change in valuation allowance	(0.0)%	1.6%
・ Equity in earnings of affiliates	(1.2)%	(2.0)%
・ Other	(0.8)%	1.5%
Effective tax rates after adoption of tax-effect accounting	30.4%	34.2%

(Segment Information)

Business segment information
Prior fiscal year (from April 1, 2006 to March 31, 2007)

(Millions of yen)

	Automobile	Sales financing	Total	Eliminations	Consolidated
I. Sales and operating income					
(1) Sales to third parties	9,790,484	678,099	10,468,583	—	10,468,583
(2) Inter-segment sales and transfers	28,767	16,613	45,380	(45,380)	—
Total sales	9,819,251	694,712	10,513,963	(45,380)	10,468,583
Operating expenses	9,171,272	618,959	9,790,231	(98,587)	9,691,644
Operating income	647,979	75,753	723,732	53,207	776,939
II. Assets, depreciation, impairment loss, and capital expenditures					
Total assets	7,910,116	5,910,380	13,820,496	(1,418,288)	12,402,208
Depreciation	447,924	323,299	771,223	—	771,223
Impairment loss	22,673	—	22,673	—	22,673
Capital Expenditure	578,363	925,841	1,504,204	—	1,504,204

Notes: 1. Businesses are segmented based on their proximity in terms of the type, nature and markets of their products.

2. Main products of each business segment

(1) Automobile .... passenger cars, trucks, buses, forklifts, manufacturing parts for oversea production, etc.

(2) Sales financing........ credit, lease, etc.

3. Changes in accounting policies
(1) Accounting standard for share-based payments
Effective April 1, 2006, the Company adopted the Accounting Standard for Share-Based Payment (ASBJ Statement No. 8 issued on December 27, 2005) and the Implementation Guidance on Accounting Standard for Share-Based Payment (ASBJ Guidance No. 11 issued on May 31, 2006). The effect of this change was to decrease the operating income of the Automobile segment by ¥1,037 million.

(2) Change of closing dates of consolidated subsidiaries
As described in "Changes in Accounting Policies," effective this fiscal year, 22 subsidiaries have been consolidated by using their financial statements as of the parent's fiscal year end which were prepared solely for consolidation purposes. In addition, 33 consolidated subsidiaries have changed their fiscal year end to March 31.
The effect of this change was to increase net sales by ¥759,391 million for the Automobile segment, ¥9,586 million for the Sales financing segment and ¥1,371 million for Eliminations, compared to the results that would have been obtained under the former method of consolidation. This change also brought increases in operating income of ¥18,785 million for the Automobile segment, ¥1,796 million for the Sales financing segment, and ¥862 million for Eliminations.

Note 4. Consolidated financial statements by business segment

- The sales financing segment consists of Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Corporation (USA), NR Finance Mexico (Mexico), NR Wholesale Mexico (Mexico), ESARA, S.A. De C.V. (Mexico), Nissan Leasing (Thailand) Co., Ltd. (Thailand) and the sales finance operations of Nissan Canada Inc. (Canada).
- The financial data on Automobile & Eliminations represent the differences between the consolidated figures and those for the Sales Financing segment.

(1) Summarized consolidated balance sheets by business segment

(Millions of yen)

	Prior fiscal year (As of March 31, 2007)		
Accounts	Automobile & Eliminations	Sales financing	Consolidated total
Assets			
I. Current assets			
Cash on hand and in banks	450,916	7,009	457,925
Notes and accounts receivable	679,087	32	679,119
Sales finance receivables	(209,718)	3,766,941	3,557,223
Inventories	986,150	18,521	1,004,671
Other current assets	588,138	205,810	793,948
Total current assets	2,494,573	3,998,313	6,492,886
II. Fixed assets			
Property, plant and equipment, net	3,097,369	1,779,819	4,877,188
Investment securities	384,337	1,875	386,212
Other fixed assets	515,549	130,373	645,922
Total fixed assets	3,997,255	1,912,067	5,909,322
Total assets	6,491,828	5,910,380	12,402,208
Liabilities			
I. Current liabilities			
Notes and accounts payable	1,076,607	26,579	1,103,186
Short-term borrowings	(295,103)	3,392,514	3,097,411
Lease obligations	49,819	602	50,421
Other current liabilities	1,187,862	136,439	1,324,301
Total current liabilities	2,019,185	3,556,134	5,575,319
II. Long-term liabilities			
Bonds	349,689	380,018	729,707
Long-term borrowings	39,863	1,127,951	1,167,814
Lease obligations	59,140	—	59,140
Other long-term liabilities	612,435	380,799	993,234
Total long-term liabilities	1,061,127	1,888,768	2,949,895
Total liabilities	3,080,312	5,444,902	8,525,214
Net assets			
I. Shareholders' equity			
Common stock	513,167	92,647	605,814
Capital surplus	773,623	30,847	804,470
Retained earnings	2,092,036	310,690	2,402,726
Treasury stock	(226,394)	—	(226,394)
Total shareholders' equity	3,152,432	434,184	3,586,616
II. Valuation, translation adjustments and others			
Adjustments for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	68,887	36	68,923
Translation adjustments	(137,380)	28,166	(109,214)
Other	(1,486)	398	(1,088)
Total valuation, translation adjustments and others	(69,979)	28,600	(41,379)
III. Share subscription rights	2,711	—	2,711
IV. Minority interests	326,352	2,694	329,046
Total net assets	3,411,516	465,478	3,876,994
Total liabilities and net assets	6,491,828	5,910,380	12,402,208

Notes: 1. The sales finance receivables of Automobile & Eliminations represents the amount eliminated for intercompany transactions related to wholesale finance made by the Sales financing segment.

2. The borrowings of Automobile & Eliminations represent the amount after deducting internal loans receivable from the Sales financing segment amounting to ¥1,013,908 million.

(2) Summarized consolidated statements of income by business segment

(Millions of yen)

Accounts	Prior fiscal year (From April 1, 2006 to March 31, 2007)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	9,773,871	694,712	10,468,583
Cost of sales	7,498,350	528,836	8,027,186
Gross profit	2,275,521	165,876	2,441,397
Operating income as a percentage of net sales	7.2%	10.9%	7.4%
Operating income	701,186	75,753	776,939
Financial income/expenses—net	(5,664)	546	(5,118)
Other non-operating income/expenses—net	(11,520)	750	(10,770)
Ordinary income	684,002	77,049	761,051
Income before income taxes and minority interests	621,236	76,196	697,432
Net income	413,529	47,267	460,796

(3) Summarized consolidated statements of cash flows by business segment

(Millions of yen)

Accounts	Prior fiscal year (From April 1, 2006 to March 31, 2007)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income before income taxes and minority interests	621,236	76,196	697,432
Depreciation and amortization	447,924	323,299	771,223
Decrease (increase) in finance receivables	(22,914)	67,255	44,341
Others	(528,386)	58,217	(470,169)
Net cash provided by operating activities	517,860	524,967	1,042,827
II. Cash flows from investing activities			
Proceeds from sales of investment securities	37,794	—	37,794
Proceeds from sales of property, plant and equipment	72,308	0	72,308
Purchases of fixed assets	(537,129)	(9,719)	(546,848)
Purchases of leased vehicles	(41,234)	(916,122)	(957,356)
Proceeds from sales of leased vehicles	7,253	297,659	304,912
Others	(35,804)	10,407	(25,397)
Net cash used in investing activities	(496,812)	(617,775)	(1,114,587)
III. Cash flows from financing activities			
Net increase in short-term borrowings	418,824	73,714	492,538
Net change in long-term borrowings and redemption of bonds	(215,299)	(107,770)	(323,069)
Increase in bonds	—	123,730	123,730
Others	(186,460)	173	(186,287)
Net cash provided by financing activities	17,065	89,847	106,912
IV. Effect of exchange rate changes on cash and cash equivalents	16,775	(135)	16,640
V. Increase (decrease) in cash and cash equivalents	54,888	(3,096)	51,792
VI. Cash and cash equivalents at beginning of the year	392,505	11,707	404,212
VII. Increase due to inclusion in consolidation	12,571	813	13,384
VIII. Cash and cash equivalents at end of the year	459,964	9,424	469,388

Notes 1. The net increase in short-term borrowings of Automobile & Eliminations includes the amount of ¥16,522 million eliminated for increase in internal loans receivable from the Sales financing segment.

2. The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥25,073 million eliminated for increase in internal loans receivable from the Sales financing segment.

Current fiscal year (from April 1, 2007 to March 31, 2008)

(Millions of yen)

	Automobile	Sales financing	Total	Eliminations	Consolidated
I. Sales and operating income					
(1) Sales to third parties	10,070,983	753,255	10,824,238	—	10,824,238
(2) Inter-segment sales and transfers	33,264	9,163	42,427	(42,427)	—
Total sales	10,104,247	762,418	10,866,665	(42,427)	10,824,238
Operating expenses	9,441,785	685,481	10,127,266	(93,858)	10,033,408
Operating income	662,462	76,937	739,399	51,431	790,830
II. Assets, depreciation, impairment loss, and capital expenditures					
Total assets	7,815,997	5,337,998	13,153,995	(1,214,513)	11,939,482
Depreciation	471,565	357,607	829,172	—	829,172
Impairment loss	8,878	—	8,878	—	8,878
Capital Expenditure	488,288	843,014	1,331,302	—	1,331,302

Notes: 1. Businesses are segmented based on their proximity in terms of the type, nature and markets of their products.

2. Main products of each business segment

(1) Automobile .... passenger cars, trucks, buses, forklifts, manufacturing parts for oversea production, etc.

(2) Sales financing........ credit, lease, etc.

3. Until the prior fiscal year, some of the Company's consolidated subsidiaries charged directors' retirement benefits to expense when so approved at the annual general meetings of shareholders. As stated in "Changes in accounting policies," however, they adopted the method of reporting an amount of directors' retirement benefits to be required at the year-end in accordance with the relevant internal regulations as accrued directors' retirement benefits, effective from the year ended March 31, 2008.
The effect of this change was to increase operating expenses by ¥441 million and to decrease operating income by ¥441 million for the Automobile segment, compared with the results that would have been obtained under the former method.

Note 4. Consolidated financial statements by business segment

- The Sales financing segment consists of Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Corporation (USA), NR Finance Mexico (Mexico) and 5 other companies and the sales finance operations of Nissan Canada Inc. (Canada).
- The financial data on Automobile & Eliminations represent the differences between the consolidated figures and those for the Sales financing segment.

(1) Summarized consolidated balance sheets by business segment

(Millions of yen)

	Current fiscal year (As of March 31, 2008)		
Accounts	Automobile & Eliminations	Sales financing	Consolidated total
Assets			
I. Current assets			
Cash on hand and in banks	561,900	8,325	570,225
Notes and accounts receivable	688,104	196	688,300
Sales finance receivables	(136,871)	3,371,304	3,234,433
Inventories	978,472	26,693	1,005,165
Other current assets	582,973	213,128	796,101
Total current assets	2,674,578	3,619,646	6,294,224
II. Fixed assets			
Property, plant and equipment, net	3,028,503	1,598,049	4,626,552
Investment securities	450,776	1,393	452,169
Other fixed assets	447,627	118,910	566,537
Total fixed assets	3,926,906	1,718,352	5,645,258
Total assets	6,601,484	5,337,998	11,939,482
Liabilities			
I. Current liabilities			
Notes and accounts payable	1,083,524	35,906	1,119,430
Short-term borrowings	(170,345)	2,927,372	2,757,027
Lease obligations	74,827	727	75,554
Other current liabilities	1,174,600	116,005	1,290,605
Total current liabilities	2,162,606	3,080,010	5,242,616
II. Long-term liabilities			
Bonds	348,208	424,517	772,725
Long-term borrowings	54,903	995,986	1,050,889
Lease obligations	85,203	186	85,389
Other long-term liabilities	565,439	372,981	938,420
Total long-term liabilities	1,053,753	1,793,670	2,847,423
Total liabilities	3,216,359	4,873,680	8,090,039
Net assets			
I. Shareholders' equity			
Common stock	511,543	94,271	605,814
Capital surplus	773,623	30,847	804,470
Retained earnings	2,352,336	374,523	2,726,859
Treasury stock	(269,003)	—	(269,003)
Total shareholders' equity	3,368,499	499,641	3,868,140
II. Valuation, translation adjustments and others			
Adjustments for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	79,374	43	79,417
Translation adjustments	(412,364)	(29,456)	(441,820)
Other	8,550	(9,323)	(773)
Total valuation, translation adjustments and others	(324,440)	(38,736)	(363,176)
III. Share subscription rights	1,714	—	1,714
IV. Minority interests	339,352	3,413	342,765
Total net assets	3,385,125	464,318	3,849,443
Total liabilities and net assets	6,601,484	5,337,998	11,939,482

Notes: 1. The sales finance receivables of Automobile & Eliminations represents the amount eliminated for intercompany transactions related to wholesale finance made by the Sales financing segment.

2. The borrowings of Automobile & Eliminations represent the amount after deducting internal loans receivable from the Sales financing segment amounting to ¥900,614 million.

(2) Summarized consolidated statements of income by business segment

(Millions of yen)

Accounts	Current fiscal year (From April 1, 2007 to March 31, 2008) Automobile & Eliminations	Sales financing	Consolidated total
Net sales	10,061,820	762,418	10,824,238
Cost of sales	7,820,372	587,026	8,407,398
Gross profit	2,241,448	175,392	2,416,840
Operating income as a percentage of net sales	7.1%	10.1%	7.3%
Operating income	713,893	76,937	790,830
Financial income/expenses—net	(8,190)	277	(7,913)
Other non-operating income/expenses—net	(16,169)	(348)	(16,517)
Ordinary income	689,534	76,866	766,400
Income before income taxes and minority interests	691,996	75,962	767,958
Net income	418,524	63,737	482,261

(3) Summarized consolidated statements of cash flows by business segment

(Millions of yen)

Accounts	Current fiscal year (From April 1, 2007 to March 31, 2008) Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income before income taxes and minority interests	691,996	75,962	767,958
Depreciation and amortization	471,565	357,607	829,172
Increase in finance receivables	(72,550)	(6,301)	(78,851)
Others	(209,086)	33,091	(175,995)
Net cash provided by operating activities	881,925	460,359	1,342,284
II. Cash flows from investing activities			
Proceeds from sales of investment securities	8,936	—	8,936
Proceeds from sales of property, plant and equipment	131,169	14	131,183
Purchases of fixed assets	(456,876)	(12,360)	(469,236)
Purchases of leased vehicles	(31,412)	(830,654)	(862,066)
Proceeds from sales of leased vehicles	3,253	390,165	393,418
Others	(80,282)	10,424	(69,858)
Net cash used in investing activities	(425,212)	(442,411)	(867,623)
III. Cash flows from financing activities			
Net increase in short-term borrowings	20,489	4,908	25,397
Net change in long-term borrowings and redemption of bonds	(131,805)	(158,995)	(290,800)
Increase in bonds	99,759	137,116	236,875
Others	(278,663)	189	(278,474)
Net cash used in financing activities	(290,220)	(16,782)	(307,002)
IV. Effect of exchange rate changes on cash and cash equivalents	(51,527)	(1,451)	(52,978)
V. Increase(decrease) in cash and cash equivalents	114,966	(285)	114,681
VI. Cash and cash equivalents at beginning of the year	459,964	9,424	469,388
VII. Increase due to inclusion in consolidation	33	—	33
VIII. Cash and cash equivalents at end of the year	574,963	9,139	584,102

Notes 1. The net increase in short-term borrowings of Automobile & Eliminations includes the amount of ¥5,747 million eliminated for increase in internal loans receivable from the Sales financing segment.

2. The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥34,113 million eliminated for increase in internal loans receivable from the Sales financing segment.

Geographical segment information

Prior fiscal year (from April 1, 2006 to March 31, 2007)

(Millions of yen)

	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
I. Sales and operating income:							
Sales:							
1. Sales to third parties	2,478,549	4,550,498	2,038,026	1,401,510	10,468,583	—	10,468,583
2. Inter-segment sales and transfers	2,205,469	138,945	128,388	27,528	2,500,330	(2,500,330)	—
Total	4,684,018	4,689,443	2,166,414	1,429,038	12,968,913	(2,500,330)	10,468,583
Operating expenses	4,411,824	4,329,427	2,084,112	1,370,801	12,196,164	(2,504,520)	9,691,644
Operating income	272,194	360,016	82,302	58,237	772,749	4,190	776,939
II. Total assets	6,031,316	6,085,485	1,482,333	1,070,801	14,669,935	(2,267,727)	12,402,208

Notes: 1. Countries and areas are segmented based on their geographical proximity and their mutual operational relationship.

2. Major countries and areas which belong to segments other than Japan are as follows:
   (1) North America............ The United States, Canada, and Mexico
   (2) Europe .... France, The United Kingdom, Spain and other European countries
   (3) Other .... Asia, Oceania, the Middle East, Central and South America excluding Mexico, and South Africa

3. Changes in accounting policies
   (1) Accounting standard for share-based payments
   Beginning with the year ended March 31, 2007, the Company adopts the Accounting Standard for Share-Based Payment (ASBJ Statement No. 8 issued on December 27, 2005) and the Implementation Guidance on Accounting Standard for Share-Based Payment (ASBJ Guidance No. 11 issued on May 31, 2006).
   The effect of this change was to decrease the operating income for Japan by ¥1,037 million.

   (2) Change of closing dates of consolidated subsidiaries
   As described in “Changes in Accounting Policies,” effective the fiscal year ended March 31, 2007, 22 subsidiaries have been consolidated by using their financial statements as of the parent’s fiscal year end which were prepared solely for consolidation purposes. In addition, 33 consolidated subsidiaries have changed their fiscal year end to March 31.
   The effect of this change was to increase net sales by ¥62,479 million for Japan, ¥219,878 million for North America, ¥454,769 million for Europe, ¥87,087 million for other foreign countries and ¥56,607 million for Eliminations, compared to the results that would have been obtained under the former method of consolidation. This change also brought increases in operating income of ¥1,586 million for Japan, ¥21,403 million for North America, ¥2,744 million for Europe and ¥210 million for other foreign countries, and a decrease in operating income of ¥4,500 million for Eliminations.

Current fiscal year (from April 1, 2007 to March 31, 2008)

(Millions of yen)

	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
I. Sales and operating income:							
Sales:							
1. Sales to third parties	2,507,145	4,414,509	2,157,015	1,745,569	10,824,238	—	10,824,238
2. Inter-segment sales and transfers	2,491,594	235,760	223,142	64,777	3,015,273	(3,015,273)	—
Total	4,998,739	4,650,269	2,380,157	1,810,346	13,839,511	(3,015,273)	10,824,238
Operating expenses	4,722,036	4,332,404	2,259,486	1,729,236	13,043,162	(3,009,754)	10,033,408
Operating income	276,703	317,865	120,671	81,110	796,349	(5,519)	790,830
II. Total assets	6,171,415	5,345,010	1,553,029	1,201,330	14,270,784	(2,331,302)	11,939,482

Notes: 1. Countries and areas are segmented based on their geographical proximity and their mutual operational relationship.

2. Major countries and areas which belong to segments other than Japan are as follows:
   (1) North America............ The United States, Canada, and Mexico
   (2) Europe........................ France, The United Kingdom, Spain and other European countries
   (3) Other .... Asia, Oceania, the Middle East, Central and South America excluding Mexico, and South Africa

3. Until the prior fiscal year, some of the Company's consolidated subsidiaries charged directors' retirement benefits to expense when so approved at the annual general meetings of shareholders. As stated in "Changes in accounting policies," however, they adopted the method of reporting an amount of directors' retirement benefits to be required at the year-end in accordance with the relevant internal regulations as accrued directors' retirement benefits, effective from the year ended March 31, 2008.
   The effect of this change was to increase operating expenses by ¥441 million and to decrease operating income by ¥441 million for the Japan segment, compared with the results that would have been obtained under the former method.

Overseas sales

Prior fiscal year (from April 1, 2006 to March 31, 2007)

(Millions of yen)

	North America	Europe	Other foreign countries	Total
I. Overseas net sales	4,410,531	2,023,772	1,829,617	8,263,920
II. Consolidated net sales				10,468,583
III. Overseas net sales as a percentage of consolidated net sales	42.1%	19.3%	17.5%	78.9%

Notes: 1. Overseas net sales include export sales of the Company and its domestic consolidated subsidiaries and sales (other than exports to Japan) of its foreign consolidated subsidiaries.

2. Countries and areas are segmented based on their geographical proximity and their mutual operational relationship.

3. Major countries and areas which belong to segments other than Japan are as follows:
   (1) North America............ The United States, Canada, and Mexico
   (2) Europe........................ France, the United Kingdom, Spain and other European countries
   (3) Other .... Asia, Oceania, the Middle East, Central and South America excluding Mexico, and South Africa

4. Change in accounting policies

Change of closing dates of consolidated subsidiaries

As described in “Changes in Accounting Policies,” effective the year ended March 31, 2007, 22 subsidiaries have been consolidated by using their financial statements as of the parent’s fiscal year end which were prepared solely for consolidation purposes. In addition, 33 consolidated subsidiaries have changed their fiscal year end to March 31.

This change brought increases in overseas net sales of ¥177,178 million for North America, ¥402,598 million for Europe and ¥138,990 million for Other foreign countries, compared to the results that would have been obtained under the former method of consolidation.

Current fiscal year (from April 1, 2007 to March 31, 2008)

(Millions of yen)

	North America	Europe	Other foreign countries	Total
I. Overseas net sales	4,319,665	2,168,427	2,148,343	8,636,435
II. Consolidated net sales				10,824,238
III. Overseas net sales as a percentage of consolidated net sales	39.9%	20.0%	19.9%	79.8%

Notes: 1. Overseas net sales include export sales of the Company and its domestic consolidated subsidiaries and sales (other than exports to Japan) of its foreign consolidated subsidiaries.

2. Countries and areas are segmented based on their geographical proximity and their mutual operational relationship.

3. Major countries and areas which belong to segments other than Japan are as follows:
   (1) North America............ The United States, Canada, and Mexico
   (2) Europe........................ France, the United Kingdom, Spain and other European countries
   (3) Other .... Asia, Oceania, the Middle East, Central and South America excluding Mexico, and South Africa

(Transactions with related parties)

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
There are no significant transactions to be disclosed.	Same as the prior fiscal year.

(Amounts per share)

(Yen)

Prior fiscal year (From April 1, 2006 To March 31, 2007)		Current fiscal year (From April 1, 2007 To March 31, 2008)	
Net assets per share	¥862.29	Net assets per share	¥860.17
Basic net income per share	¥112.33	Basic net income per share	¥117.76
Diluted net income per share	¥111.71	Diluted net income per share	¥117.56

Note: The bases for calculation are as follows:

1. Net assets per share

	Prior fiscal year (As of March 31, 2007)	Current fiscal year (As of March 31, 2008)
Total net assets (Millions of yen)	3,876,994	3,849,443
Amounts deducted from total net assets (Millions of yen)	331,757	344,479
(Share subscription rights)	2,711	1,714
(Minority interests)	329,046	342,765
Net assets attributable to shares of common stock at year end (Millions of yen)	3,545,237	3,504,964
The year-end number of common stock used for the calculation of net assets per share (Thousands)	4,111,418	4,074,721

2. Basic net income per share and diluted net income per share

	Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
Basic net income per share: Net income (Millions of yen)	460,796	482,261
Net income attributable to shares of common stock (Millions of yen)	460,796	482,261
Average number of shares of common stock during the fiscal year (Thousands)	4,102,114	4,095,407
Diluted net income per share: Increase in shares of common stock (Thousands)	22,736	6,921
(Exercise of warrants) (Exercise of share subscription rights)	17,446 5,290	5,228 1,693
Securities excluded from the computation of diluted net income per share, because they do not have dilutive effects.	4th share subscription rights (the number of share subscription rights is 130,000 units) Refer to “Status of share subscription rights” for a summary.	2nd share subscription rights (the number of share subscription rights is 91,889 units) 4th share subscription rights (the number of share subscription rights is 79,368 units) 5th share subscription rights (the number of share subscription rights is 6,800 units) 6th share subscription rights (the number of share subscription rights is 3,600 units) Refer to “Status of share subscription rights” for a summary.

(Significant subsequent events)

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
On June 19, 2007, the Company issued unsecured bonds. The terms and conditions of these bonds are summarized as follows: 1 Name: 46th unsecured bonds Principal: ¥65,000 million Interest rate: 1.76% per annum Issue price: ¥99.99 for a par value of ¥100 Maturity date: June 20, 2012 Payment due date: June 19, 2007 Use of proceeds: Working capital 2 Name: 47th unsecured bonds Principal: ¥35,000 million Interest rate: 1.95% per annum Issue price: ¥99.97 for a par value of ¥100 Maturity date: June 20, 2014 Payment due date: June 19, 2007 Use of proceeds: Working capital	————

⑤ Consolidated supplemental schedules

Schedule of bonds payable

Company	Description	Date of Issuance	Balance at end of prior year (Millions of yen)	Balance at end of current year (Millions of yen)	Interest rate (%)	Collateral	Maturity
*1	28th unsecured bonds	October 29, 1997	30,000	—	2.40	NONE	October 29, 2007
*1	41st unsecured bonds	July 29, 2003	70,000	70,000	1.00	"	July 29, 2010
*1	42nd unsecured bonds (Note 2)	February 19, 2004	50,000	(50,000) 50,000	0.74	"	March 19, 2009
*1	43rd unsecured bonds (Note 2)	June 2, 2005	49,998	(50,000) 50,000	0.40	"	June 20, 2008
*1	44th unsecured bonds	June 2, 2005	127,967	127,977	0.71	"	June 21, 2010
*1	45th unsecured bonds	June 15, 2005	50,000	50,000	0.62	"	October 15, 2009
*1	46th unsecured bonds	June 19, 2007	—	64,995	1.76	"	June 20, 2012
*1	47th unsecured bonds	June 19, 2007	—	34,990	1.95	"	June 20, 2014
*1	Euro-yen bonds with warrants due 2008 (Note 3)	March 14, 2002	52,317	—	1.27	"	March 14, 2008
*2	Bonds issued by subsidiaries (Note 2)	2005 - 2007	180,012	(49,998) 214,973	0.4 - 1.4	"	2008 – 2011
*2	1st unsecured convertible bonds with share subscription rights issued by subsidiaries (Note 4)	April 30, 2003	260	247	—	"	March 31, 2010
*2	Yen convertible bonds with share subscription rights due 2008 issued by subsidiaries (Note 4)	April 30, 2003	1,429	—	—	"	March 31, 2008
*3	Bonds issued by subsidiaries	2005 - 2006	206,391 [$1,748,338 thousand]	175,211 [$1,748,787 thousand]	4.6 – 5.6	"	2010 - 2011
*3	Bonds issued by subsidiaries	2006 - 2007	53,650 [MXN 5,000,000 thousand]	84,330 [MXN 9,000,000 thousand]	7.4 – 8.2	"	2009 - 2012
*3	Mid-term notes issued by subsidiaries	1996 - 2003	11,159 [$94,529 thousand]	—	5.4 – 5.6	"	2007 – 2008
Subtotal (Note 2)		—	883,183	(149,998) 922,723	—		—
Elimination of intercompany transactions		—	(52,317)	—	—		—
Total (Note 2)		—	830,866	(149,998) 922,723	—		—

Notes: 1. *1 The Company *2 Domestic subsidiaries *3 Foreign subsidiaries

2. The amounts in parentheses presented under “Balance at end of current year” represent the amounts scheduled to be redeemed within one year.

3. The following table shows the details of bonds with warrants.

Description	Exercise period	Amount to be subscribed upon exercise (Yen)	The total amount of stock issued (Millions of yen)	Stock to be issued	Ratio of grant
Euro-yen bonds with warrants due 2008	From March 14, 2004 To March 7, 2008	880	52,800	Common stock	100%

4. The following table shows the details of bonds with share subscription rights:

Description	1st unsecured convertible bonds with share subscription rights issued by subsidiaries	Yen convertible bonds with share subscription rights due 2008 issued by subsidiaries
Type of shares to be issued upon exercise of share subscription rights	Common stock	Common stock
Issue price (Yen)	—	—
Exercise price (Yen)	499	509
Total exercise price (Millions of yen)	10,000	10,000
Upon exercise of the share subscription rights, total exercise price to be credited to common stock (Millions of yen)	9,753	8,571
Ratio (%)	100	100
Exercise period	From June 2, 2003 To March 30, 2010	From June 2, 2003 To March 14, 2008
Substitutive deposits	Note	Note

Note: When the Holders request for exercise of the share subscription rights, the exercise price is deemed to be paid from maturity payment. Also, if the share subscription rights are exercised, it is treated that such request is made.

5. The redemption schedule of bonds for 5 years subsequent to March 31, 2008 is summarized as follows:

(Millions of yen)

Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years
149,998	232,004	419,316	11,244	75,171

Schedule of borrowings

(Millions of yen)

Category	Balance at end of prior year	Balance at end of current year	Average interest rate (%)	Maturity
Short-term borrowings	1,056,319	988,342	2.7	—
Current portion of long-term borrowings	974,695	666,844	3.7	—
Commercial paper	965,238	951,843	1.3	—
Current portion of lease obligations	50,421	75,554	1.6	—
Long-term borrowings (excluding current portion)	1,167,814	1,050,889	3.3	April 2009 to October 2027
Lease obligations (excluding current portion)	59,140	85,389	2.6	April 2009 to March 2021
Total	4,273,627	3,818,861	—	—

Notes: 1. The average interest rate represents the weighted-average rate applicable to the year-end balance.

2. The following table shows the aggregate annual maturities of long-term borrowings (excluding the current portion) and lease obligations (excluding the current portion) for 5 years subsequent to March 31, 2008.

(Millions of yen)

	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years
Long-term borrowings	462,693	311,056	124,669	105,302
Lease obligations	36,597	16,969	12,052	4,835

(2) Other

Not applicable

2. Non-consolidated financial statements

(1) Non-consolidated financial statements

① Non-consolidated balance sheets

Accounts	Notes	Prior fiscal year (As of March 31, 2007) Amounts (Millions of yen)		Ratio (%)	Current fiscal year (As of March 31, 2008) Amounts (Millions of yen)		Ratio (%)
Assets							
I. Current assets							
1. Cash on hand and in banks			39,949			21,841	
2. Trade notes receivable			393			385	
3. Trade accounts receivable	※2		286,975			297,492	
4. Finished products			71,682			77,937	
5. Raw materials			39,846			57,608	
6. Work in process			24,515			24,635	
7. Supplies			20,718			21,924	
8. Advances paid	※2		23,693			29,818	
9. Prepaid expenses			23,332			23,360	
10. Deferred tax assets			108,148			68,511	
11. Short-term loans receivable from subsidiaries and affiliates			548,590			599,832	
12. Other accounts receivable	※2		117,378			124,323	
13. Other			2,137			7,699	
14. Allowance for doubtful accounts			(5,832)			(4,440)	
Total current assets			1,301,528	34.2		1,350,930	34.3
II. Fixed assets							
1. Property, plant and equipment	※1						
(1) Buildings			192,856			219,304	
(2) Structures			39,216			40,671	
(3) Machinery and equipment			245,462			274,802	
(4) Vehicles			25,403			26,348	
(5) Tools, furniture and fixtures			132,256			191,898	
(6) Land			139,001			137,467	
(7) Construction in progress			72,026			56,847	
Total property, plant and equipment			846,222	22.2		947,341	24.1
2. Intangible fixed assets							
(1) Patents			117			99	
(2) Leaseholds			773			773	
(3) Trademark rights			147			131	
(4) Software			47,630			43,154	
(5) Utility rights			151			144	
Total intangible fixed assets			48,821	1.3		44,303	1.1

		Prior fiscal year (As of March 31, 2007)		Current fiscal year (As of March 31, 2008)	
Accounts	Notes	Amounts (Millions of yen)	Ratio (%)	Amounts (Millions of yen)	Ratio (%)
3. Investments and other assets					
(1) Investment securities		16,714		16,747	
(2) Investments in subsidiaries and affiliates		1,473,858		1,501,566	
(3) Long-term loans receivable		687		600	
(4) Long-term loans receivable from employees		255		141	
(5) Long-term prepaid expenses		20,155		28,712	
(6) Prepaid pension costs		39,804		27,104	
(7) Deferred tax assets		52,167		15,396	
(8) Other		6,235		5,218	
(9) Allowance for doubtful accounts		(2,082)		(1,726)	
Total investments and other assets		1,607,797	42.3	1,593,761	40.5
Total fixed assets		2,502,841	65.8	2,585,406	65.7
Total assets		3,804,369	100.0	3,936,336	100.0

Accounts	Notes	Prior fiscal year (As of March 31, 2007) Amounts (Millions of yen)		Ratio (%)	Current fiscal year (As of March 31, 2008) Amounts (Millions of yen)		Ratio (%)
Liabilities							
I. Current liabilities							
1. Trade notes payable			457			206	
2. Trade accounts payable	※2		444,355			528,308	
3. Short-term borrowings			77,000			52,000	
4. Current portion of long-term borrowings			9,390			6,900	
5. Commercial paper			450,000			500,000	
6. Current portion of bonds			30,000			100,000	
7. Current portion of bonds with warrants			52,316			―	
8. Lease obligations			26,741			59,534	
9. Other accounts payable			63,572			60,003	
10. Accrued expenses	※2		281,565			237,771	
11. Income taxes payable			7,889			12,882	
12. Advances received			4,010			2,083	
13. Deposits received			16,670			24,647	
14. Deposits from employees			66,422			64,174	
15. Deferred revenue			1,022			926	
16. Accrued warranty costs			30,842			25,318	
17. Other			341			244	
Total current liabilities			1,562,599	41.0		1,675,003	42.5
II. Long-term liabilities							
1. Bonds			347,965			347,961	
2. Long-term borrowings			41,400			34,500	
3. Lease obligations			27,855			49,470	
4. Accrued warranty costs			48,213			40,364	
5. Long-term deposits received			922			957	
6. Other			―			6,466	
Total long-term liabilities			466,356	12.3		479,720	12.2
Total liabilities			2,028,955	53.3		2,154,724	54.7

Accounts	Notes	Prior fiscal year (As of March 31, 2007) Amounts (Millions of yen)		Ratio (%)	Current fiscal year (As of March 31, 2008) Amounts (Millions of yen)		Ratio (%)
Net assets							
I. Shareholders' equity							
1. Common stock			605,813	15.9		605,813	15.4
2. Capital surplus							
Additional paid-in capital		804,470			804,470		
Total capital surplus			804,470	21.1		804,470	20.4
3. Retained earnings							
(1) Legal reserve		53,838			53,838		
(2) Other retained earnings							
Reserve for reduction of replacement cost of specified properties		69,206			84,875		
Reserve for losses on overseas investments		479			—		
Reserve for special depreciation		884			892		
Unappropriated retained earnings		343,469			378,006		
Total retained earnings			467,878	12.3		517,613	13.1
4. Treasury stock			(111,323)	(2.9)		(154,024)	(3.9)
Total shareholders' equity			1,766,839	46.4		1,773,872	45.0
II. Valuation, translation adjustments and others							
Unrealized holding gain on securities			5,863	0.2		6,026	0.2
Total valuation, translation adjustments and others			5,863	0.2		6,026	0.2
III. Share subscription rights			2,711	0.1		1,714	0.1
Total net assets			1,775,413	46.7		1,781,612	45.3
Total liabilities and net assets			3,804,369	100.0		3,936,336	100.0

② Non-consolidated statements of income

Accounts	Notes	Prior fiscal year (From April 1, 2006 To March 31, 2007) Amounts (Millions of yen)		Ratio (%)	Current fiscal year (From April 1, 2007 To March 31, 2008) Amounts (Millions of yen)		Ratio (%)
I. Net sales	※2		3,608,934	100.0		3,923,280	100.0
II. Cost of sales	※2						
1. Finished products at beginning of period		73,001			71,682		
2. Manufacturing costs	※1	3,029,128			3,392,519		
Total		3,102,129			3,464,201		
3. Finished products at end of period		71,682	3,030,447	84.0	77,937	3,386,264	86.3
Gross profit			578,487	16.0		537,016	13.7
Ⅲ. Selling, general and administrative expenses	※1 ※3		392,926	10.9		388,592	9.9
Operating income			185,561	5.1		148,423	3.8
Ⅳ. Non-operating income							
1. Interest income	※2	3,965			7,238		
2. Dividend income	※2	5,597			159,516		
3. Rental income		1,097			1,607		
4. Miscellaneous income		3,587	14,249	0.4	6,959	175,321	4.5
Ⅴ. Non-operating expenses							
1. Interest expense		2,420			3,807		
2. Interest on bonds		4,134			4,726		
3. Interest on commercial paper		1,674			3,377		
4. Interest on lease obligations		997			1,272		
5. Exchange loss		23			14,878		
6. Amortization of net retirement benefit obligation at transition		8,054			8,054		
7. Miscellaneous expenses		12,547	29,852	0.8	10,806	46,923	1.2
Ordinary income			169,958	4.7		276,821	7.1

Accounts	Notes	Prior fiscal year (From April 1, 2006 To March 31, 2007) Amounts (Millions of yen)		Ratio (%)	Current fiscal year (From April 1, 2007 To March 31, 2008) Amounts (Millions of yen)		Ratio (%)
VI. Special gains							
1. Gain on sales of fixed assets	※4	8,511			46,218		
2. Gain on sales of investments in subsidiaries and affiliates		5,465			30		
3. Gain on sales of investment securities		11,551			151		
4. Prior period adjustments		1,604			—		
5. Gain on reversal of allowance for doubtful accounts		25,789			3,035		
6. Other		121	53,043	1.5	1,426	50,861	1.3
VII. Special losses							
1. Loss on sales of fixed assets	※4	608			237		
2. Loss on disposal of fixed assets	※5	17,464			12,300		
3. Impairment loss	※6	228			27		
4. Loss on sales of investments in subsidiaries and affiliates		10			0		
5. Write-down of investments and receivables	※7	52,909			235		
6. Prior period adjustments		4,039			—		
7. Directors' retirement benefits payable due to discontinuance of the benefits system		—			6,533		
8. Special additional retirement benefits		22,600			652		
9. Other		11,251	109,112	3.0	3,442	23,429	0.6
Income before income taxes			113,889	3.2		304,253	7.8
Corporate, inhabitants' and enterprise taxes		4,476			8,102		
Income taxes-deferred		29,931	34,408	1.0	76,295	84,398	2.2
Net income			79,481	2.2		219,855	5.6

Statements of manufacturing costs

Accounts	Notes	Prior fiscal year (From April 1, 2006 To March 31, 2007) Amounts (Millions of yen)		Ratio (%)	Current fiscal year (From April 1, 2007 To March 31, 2008) Amounts (Millions of yen)		Ratio (%)
Ⅰ. Material costs			2,384,371	78.7		2,719,993	80.0
Ⅱ. Labor costs			251,257	8.3		248,600	7.3
Ⅲ. Overhead costs							
Depreciation expense		96,327			106,911		
Others		299,384	395,712	13.0	324,730	431,641	12.7
Total manufacturing costs			3,031,341	100.0		3,400,236	100.0
Work in process at beginning of period			26,316			24,515	
Total			3,057,657			3,424,751	
Work in process at end of period			24,515			24,635	
Transfer to other accounts	※		4,014			7,597	
Manufacturing costs for finished products			3,029,128			3,392,519	

[Note]

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
1. “Transfer to other accounts” of ¥4,014 million represented those transferred to “Construction in progress” and other accounts.	1. “Transfer to other accounts” of ¥7,597 million represented those transferred to “Construction in progress” and other accounts.
2. Method of cost accounting For automobiles and forklifts, the Company adopts the comprehensive standard costing under which standard costs are calculated for each product and manufacturing process and cost variances are allocated at the end of fiscal year.	2. Method of cost accounting Same as the prior fiscal year.

③ Non-consolidated statement of changes in net assets

Prior fiscal year (from April 1, 2006 to March 31, 2007)

	Shareholders' equity							
		Capital surplus		Retained earnings				
	Common stock	Additional paid-in capital	Total capital surplus	Legal reserve	Other retained earnings (Note)	Total retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2006 (Millions of yen)	605,813	804,470	804,470	53,838	482,326	536,165	(133,351)	1,813,097
Changes during the year: Appropriations of retained earnings in accordance with a resolution approved at the annual general meeting of shareholders								
Reserve provided	—	—	—	—	—	—	—	—
Reserve reversed	—	—	—	—	—	—	—	—
Cash dividends paid	—	—	—	—	(65,979)	(65,979)	—	(65,979)
Bonuses to directors	—	—	—	—	(390)	(390)	—	(390)
Reserve provided in accordance with the tax regulations	—	—	—	—	—	—	—	—
Reserve reversed in accordance with the tax regulations	—	—	—	—	—	—	—	—
Cash dividends paid	—	—	—	—	(75,014)	(75,014)	—	(75,014)
Net income	—	—	—	—	79,481	79,481	—	79,481
Purchases of treasury stock	—	—	—	—	—	—	(10,374)	(10,374)
Disposal of treasury stock	—	—	—	—	(6,384)	(6,384)	32,402	26,018
Net changes in items other than those in shareholders' equity	—	—	—	—	—	—	—	—
Total changes during the year (Millions of yen)	—	—	—	—	(68,286)	(68,286)	22,028	(46,258)
Balance as of March 31, 2007 (Millions of yen)	605,813	804,470	804,470	53,838	414,039	467,878	(111,323)	1,766,839

	Valuation, translation adjustments and others		Share subscription rights	Total net assets
	Unrealized holding gain on securities	Total valuation, translation adjustments and others		
Balance as of March 31, 2006 (Millions of yen)	13,932	13,932	3,143	1,830,173
Changes during the year: Appropriations of retained earnings in accordance with a resolution approved at the annual general meeting of shareholders				
Reserve provided	—	—	—	—
Reserve reversed	—	—	—	—
Cash dividends paid	—	—	—	(65,979)
Bonuses to directors	—	—	—	(390)
Reserve provided in accordance with the tax regulations	—	—	—	—
Reserve reversed in accordance with the tax regulations	—	—	—	—
Cash dividends paid	—	—	—	(75,014)
Net income	—	—	—	79,481
Purchases of treasury stock	—	—	—	(10,374)
Disposal of treasury stock	—	—	—	26,018
Net changes in items other than those in shareholders' equity	(8,069)	(8,069)	(432)	(8,501)
Total changes during the year (Millions of yen)	(8,069)	(8,069)	(432)	(54,760)
Balance as of March 31, 2007 (Millions of yen)	5,863	5,863	2,711	1,775,413

Note: Details of other retained earnings

	Reserve for reduction of replacement cost of specified properties	Reserve for losses on overseas investments	Reserve for special depreciation	Unappropriated retained earnings	Total other retained earnings
Balance as of March 31, 2006 (Millions of yen)	77,175	1,471	687	402,990	482,326
Changes during the year: Appropriations of retained earnings in accordance with a resolution approved at the annual general meeting of shareholders					
Reserve provided	1,769	—	286	(2,055)	—
Reserve reversed	(7,176)	(499)	(139)	7,814	—
Cash dividends paid	—	—	—	(65,979)	(65,979)
Bonuses to directors	—	—	—	(390)	(390)
Reserve provided in accordance with the tax regulations	4,094	—	224	(4,318)	—
Reserve reversed in accordance with the tax regulations	(6,657)	(493)	(175)	7,325	—
Cash dividends paid	—	—	—	(75,014)	(75,014)
Net income	—	—	—	79,481	79,481
Purchases of treasury stock	—	—	—	—	—
Disposal of treasury stock	—	—	—	(6,384)	(6,384)
Total changes during the year (Millions of yen)	(7,969)	(992)	197	(59,521)	(68,286)
Balance as of March 31, 2007 (Millions of yen)	69,206	479	884	343,469	414,039

Current fiscal year (from April 1, 2007 to March 31, 2008)

	Shareholders' equity							
		Capital surplus		Retained earnings				
	Common stock	Additional paid-in capital	Total capital surplus	Legal reserve	Other retained earnings (Note)	Total retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2007 (Millions of yen)	605,813	804,470	804,470	53,838	414,039	467,878	(111,323)	1,766,839
Changes during the year: Cash dividends paid	—	—	—	—	(163,099)	(163,099)	—	(163,099)
Reserve provided in accordance with the tax regulations	—	—	—	—	—	—	—	—
Reserve reversed in accordance with the tax regulations	—	—	—	—	—	—	—	—
Net income	—	—	—	—	219,855	219,855	—	219,855
Purchases of treasury stock	—	—	—	—	—	—	(81,340)	(81,340)
Disposal of treasury stock	—	—	—	—	(7,021)	(7,021)	38,639	31,618
Net changes in items other than those in shareholders' equity	—	—	—	—	—	—	—	—
Total changes during the year (Millions of yen)	—	—	—	—	49,734	49,734	(42,701)	7,033
Balance as of March 31, 2008 (Millions of yen)	605,813	804,470	804,470	53,838	463,774	517,613	(154,024)	1,773,872

	Valuation, translation adjustments and others		Share subscription rights	Total net assets
	Unrealized holding gain on securities	Total valuation, translation adjustments and others		
Balance as of March 31, 2007 (Millions of yen)	5,863	5,863	2,711	1,775,413
Changes during the year: Cash dividends paid	—	—	—	(163,099)
Reserve provided in accordance with the tax regulations	—	—	—	—
Reserve reversed in accordance with the tax regulations	—	—	—	—
Net income	—	—	—	219,855
Purchases of treasury stock	—	—	—	(81,340)
Disposal of treasury stock	—	—	—	31,618
Net changes in items other than those in shareholders' equity	162	162	(996)	(833)
Total changes during the year (Millions of yen)	162	162	(996)	6,199
Balance as of March 31, 2008 (Millions of yen)	6,026	6,026	1,714	1,781,612

Note: Details of other retained earnings

	Reserve for reduction of replacement cost of specified properties	Reserve for losses on overseas investments	Reserve for special depreciation	Unappropriated retained earnings	Total other retained earnings
Balance as of March 31, 2007 (Millions of yen)	69,206	479	884	343,469	414,039
Changes during the year:					
Cash dividends paid	—	—	—	(163,099)	(163,099)
Reserve provided in accordance with the tax regulations	21,489	—	184	(21,674)	—
Reserve reversed in accordance with the tax regulations	(5,820)	(479)	(177)	6,476	—
Net income	—	—	—	219,855	219,855
Purchases of treasury stock	—	—	—	—	—
Disposal of treasury stock	—	—	—	(7,021)	(7,021)
Total changes during the year (Millions of yen)	15,669	(479)	7	34,537	49,734
Balance as of March 31, 2008 (Millions of yen)	84,875	—	892	378,006	463,774

Significant accounting policies

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
1. Valuation methods for securities (1) Held-to-maturity securities Held-to maturity securities are stated at amortized cost (Straight-line method). (2) Equity securities issued by subsidiaries and affiliates Equity securities issued by subsidiaries and affiliates are carried at cost determined by the moving average method. (3) Other securities ① Marketable securities: Marketable securities classified as other securities are carried at fair value with any changes in unrealized holding gain or loss, net of the applicable income taxes, directly included in net assets. Cost of securities sold is calculated by the moving average method. ② Non-marketable securities: Non-marketable securities classified as other securities are carried at cost determined by the moving average method.	1. Valuation methods for securities (1) Held-to-maturity securities Same as the prior fiscal year. (2) Equity securities issued by subsidiaries and affiliates Same as the prior fiscal year. (3) Other securities ① Marketable securities: Same as the prior fiscal year. ② Non-marketable securities: Same as the prior fiscal year.
2. Valuation methods for derivatives Derivatives are carried at fair value.	2. Valuation methods for derivatives Same as the prior fiscal year.
3. Valuation methods for inventories Inventories are stated at the lower of cost or market, cost being determined by the first-in, first-out method.	3. Valuation methods for inventories Same as the prior fiscal year.
4. Depreciation and amortization of fixed assets (1) Property, plant and equipment Depreciation of property, plant and equipment is calculated by the straight-line method based on the estimated useful lives and the residual value determined by the Company. (Immaterial depreciable assets) Assets whose acquisition costs range from ¥100 thousand to ¥200 thousand are depreciated evenly for 3 years based on the Corporation Tax Law of Japan. (2) Intangible fixed assets Amortization of intangible fixed assets is calculated by the straight-line method. Amortization of software for internal use is calculated by the straight-line method over the estimated useful lives (5 years). (3) Long-term prepaid expenses Amortization of long-term prepaid expenses is calculated by the straight-line method.	4. Depreciation and amortization of fixed assets (1) Property, plant and equipment Same as the prior fiscal year. (Immaterial depreciable assets) Same as the prior fiscal year. (2) Intangible fixed assets Same as the prior fiscal year. (3) Long-term prepaid expenses Same as the prior fiscal year.

Prior fiscal year From April 1, 2006 To March 31, 2007	Current fiscal year From April 1, 2007 To March 31, 2008
________________	5. Accounting for deferred charges Bond issuance costs are fully charged to income when they are paid.
5. Foreign currency translation Receivables and payables denominated in foreign currencies are translated into yen at the rates of exchange in effect at the balance sheet date, and differences arising from the translation are charged or credited to income.	6. Foreign currency translation Same as the prior fiscal year.
6. Basis for reserves (1) Allowance for doubtful accounts Allowance for doubtful accounts is provided based on past experience for normal receivables and on an estimate of the collectibility of receivables from companies in financial difficulty. (2) Accrued warranty costs Accrued warranty costs are provided to cover the cost of all services anticipated to be incurred during the entire warranty period in accordance with the warranty contracts and 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 the pension plan assets at the end of the current fiscal year. The net retirement benefit obligation at transition is being amortized over a period of 15 years by the straight-line method. Prior 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. Actuarial gain or loss is amortized in the year following the year in which the gain or loss is recognized by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees.	7. Basis for reserves (1) Allowance for doubtful accounts Same as the prior fiscal year. (2) Accrued warranty costs Same as the prior fiscal year. (3) Accrued retirement benefits Same as the prior fiscal year.
7. Lease accounting Noncancellable lease transactions that transfer substantially all risks and rewards associated with the ownership of assets are accounted for as finance leases.	8. Lease accounting Same as the prior fiscal year.

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
8. Hedge accounting ① Hedge accounting Deferral hedge accounting is adopted for derivatives which qualify as hedges, under which unrealized gain or loss is deferred. ② Hedging instruments and hedged items · Hedging instruments.....Derivative transactions · Hedged items.....Hedged items are primarily forecasted sales denominated in foreign currencies. ③ Hedging policy It is the Company's policy that all transactions denominated in foreign currencies are to be hedged. ④ Assessment of hedge effectiveness Hedge effectiveness is not assessed if the substantial terms and conditions of the hedging instruments and the hedged forecasted transactions are the same. ⑤ Risk management policy with respect to hedge accounting The Company manages its derivative transactions in accordance with its internal "Policies and Procedures for Risk Management."	9. Hedge accounting ① Hedge accounting Same as the prior fiscal year. ② Hedging instruments and hedged items · Hedging instruments.....Same as the prior fiscal year. · Hedged items.....Hedged items are primarily forecasted sales denominated in foreign currencies and receivables and payables denominated in foreign currencies. ③ Hedging policy Same as the prior fiscal year. ④ Assessment of hedge effectiveness Same as the prior fiscal year. ⑤ Risk management policy with respect to hedge accounting Same as the prior fiscal year.
9. Other significant accounting policies Accounting for the consumption tax Transactions subject to the consumption tax are recorded at amounts exclusive of the consumption tax. ―――――――	10. Other significant accounting policies (1) Accounting for the consumption tax Same as the prior fiscal year. (2) Adoption of consolidated taxation system The Company adopted consolidated taxation system, beginning with the current fiscal year.

Changes in accounting policies

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
Accounting Standard for Share-based Payment Effective April 1, 2006, the Company adopted the Accounting Standard for Share-based Payment (ASBJ Statement No. 8 issued on December 27, 2005) and the Implementation Guidance on Accounting Standard for Share-based Payment (ASBJ Guidance No. 11 issued on May 31, 2006). The effect of this change was to decrease operating income, ordinary income, and income before income taxes by ¥1,037 million for the year ended March 31, 2007, compared with the corresponding amounts which would have been recorded if the previous method had been followed. Accounting Standard for Presentation of Net Assets in the Balance Sheet Effective April 1, 2006, the Company adopted the Accounting Standard for Presentation of Net Assets in the Balance Sheet (ASBJ Statement No. 5 issued on December 9, 2005) and the Implementation Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet (ASBJ Guidance No. 8 issued on December 9, 2005). Shareholders' equity under the previous presentation method amounted to ¥1,772,702 million as of March 31, 2007. The section of Net Assets in the non-consolidated balance sheets has been prepared in accordance with the revised "Regulations for Non-Consolidated Financial Statements."	―――

Changes in presentation

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
―――	Non-consolidated statements of income (1) A gain on prior period adjustments was presented as a separate account until the prior fiscal year. Due to its minor importance, however, this account, in the amount of ¥1,091 million for the current fiscal year, has been included in "Other" under "Special gains." (2) A loss on prior period adjustments was presented as a separate account until the prior fiscal year. Due to its minor importance, however, this account, in the amount of ¥1,541 million for the current fiscal year, has been included in "Other" under "Special losses."

Additional information

Prior fiscal year From April 1, 2006 To March 31, 2007	Current fiscal year From April 1, 2007 To March 31, 2008
――――――――	Directors’ retirement benefits Until the year ended March 31, 2007, the Company expensed retirement benefits for directors and statutory auditors to income when the general shareholders’ meetings approved resolutions for the payment of those benefits. However, a resolution was approved at the general shareholders’ meeting held on June 20, 2007 that required retirement benefits for directors and statutory auditors in response to the discontinuation of such system to be paid to the relevant directors and statutory auditors when they retire. Accordingly, the Company recognized the amount of expected payments for this purpose as a special loss and included the outstanding balance in “Other long-term liabilities” for the fiscal year ended March 31, 2008

Notes to non-consolidated financial statements

(For non-consolidated balance sheets)

(Millions of yen)

Prior fiscal year (As of March 31, 2007)

1. ※1 Accumulated depreciation of property, plant and equipment ¥1,264,472

The above amount includes accumulated depreciation of leased assets in the amount of ¥91,651 million.

2. ※2 The Company has the following major assets and liabilities related to its subsidiaries and affiliates.

(Assets)

Trade accounts receivable	¥ 234,997
Other	53,140

(Liabilities)

Trade accounts payable	¥ 198,578
Accrued expenses	71,768

3. Documentary export bills of exchange discounted with banks outstanding ¥5,229

4. Guarantees and others

(1) Guarantees

Guarantees	Balance of liabilities guaranteed	Description of liabilities guaranteed
Employees	※ ¥146,101	Guarantees for employees' housing loans
Nissan North America, Inc.	86,985	Guarantees for loans to purchase fixed assets
Nissan Motor Manufacturing, UK Limited	10,682	Guarantees for loans to purchase fixed assets
Nissan Mexicana S. A. de C. V.	2,213	Guarantees for loans to purchase fixed assets
Nissan International Finance (Netherlands) B.V.	2,157	Guarantees for loans
49 domestic subsidiaries	9,202	Notes and accounts payable etc.
Total	¥257,342	※ Allowance for doubtful accounts is provided based on past experience.

Current fiscal year (As of March 31, 2008)

1. ※1 Accumulated depreciation of property, plant and equipment ¥1,282,626

The above amount includes accumulated depreciation of leased assets in the amount of ¥106,513 million.

2. ※2 The Company has the following major assets and liabilities related to its subsidiaries and affiliates.

(Assets)

Trade accounts receivable	¥ 242,976
Other	82,947

(Liabilities)

Trade accounts payable	¥ 231,479
Accrued expenses	77,660

3. Documentary export bills of exchange discounted with banks outstanding ¥7,168

4. Guarantees and others

(1) Guarantees

Guarantees	Balance of liabilities guaranteed	Description of liabilities guaranteed
Employees	※ ¥130,600	Guarantees for employees' housing loans
Nissan North America, Inc.	44,440	Guarantees for loans to purchase fixed assets
Nissan Motor Manufacturing, UK Limited	9,225	Guarantees for loans to purchase fixed assets
52 domestic subsidiaries	9,623	Notes and accounts payable etc.
Total	¥193,889	※ Allowance for doubtful accounts is provided based on past experience.

(Millions of yen)

Prior fiscal year (As of March 31, 2007)	Current fiscal year (As of March 31, 2008)
(2) Commitments to provide guarantees	(2) Commitments to provide guarantees

Prior fiscal year (As of March 31, 2007)

(2) Commitments to provide guarantees

Guarantees	Balance of commitments to provide guarantees	Description of liabilities guaranteed
Hibikinada Development Co., Ltd.	¥1,063	Commitments to provide guarantees for loans

(3) Keepwell Agreements

In addition to the above, the Company entered into keepwell agreements with the following financial subsidiaries to enhance their credit worthiness.

Their balances of liabilities at the end of March 2007 were as follows.

Company name	Balance of liabilities
Nissan Motor Acceptance Corporation	¥ 2,360,683
Nissan Financial Services Co., Ltd.	1,148,431
Nissan International Finance (Netherlands) B.V.	2,157
Total	¥ 3,511,272

Current fiscal year (As of March 31, 2008)

(2) Commitments to provide guarantees

Guarantees	Balance of commitments to provide guarantees	Description of liabilities guaranteed
Hibikinada Development Co., Ltd.	¥846	Commitments to provide guarantees for loans

(3) Keepwell Agreements

In addition to the above, the Company entered into keepwell agreements with the following financial subsidiaries to enhance their credit worthiness.

Their balances of liabilities at the end of March 2008 were as follows.

Company name	Balance of liabilities
Nissan Motor Acceptance Corporation	¥2,080,115
Nissan Financial Services Co., Ltd.	1,066,133
Total	¥3,146,248

(For non-consolidated statements of income)

(Millions of yen)

Prior fiscal year From April 1, 2006 To March 31, 2007	Current fiscal year From April 1, 2007 To March 31, 2008
1. ※1 Total research and development costs Research and development costs included in manufacturing costs and selling, general and administrative expenses ¥393,176	1. ※1 Total research and development costs Research and development costs included in manufacturing costs and selling, general and administrative expenses ¥401,519
2. ※2 Major transactions with subsidiaries and affiliates Sales ¥3,007,142 Purchase of materials 1,347,185 Interest income 3,833 Dividend income 5,012	2. ※2 Major transactions with subsidiaries and affiliates Sales ¥3,337,888 Purchase of materials 1,473,921 Interest income 971 Dividend income 159,136
3. ※3 Major components of selling, general and administrative expenses are as follows: Advertising expenses ¥ 48,069 Service costs 33,133 Provision for accrued warranty costs 29,574 Other selling expenses 87,005 Salaries and wages 63,174 Retirement benefit expenses 4,093 Lease and storage costs 14,300 Transportation and communication expenses 12,359 Depreciation and amortization 28,850 Allowance for doubtful accounts 1,891 Selling expenses account for approximately 80% of the selling, general and administrative expenses.	3. ※3 Major components of selling, general and administrative expenses are as follows: Advertising expenses ¥ 39,631 Service costs 38,247 Provision for accrued warranty costs 22,926 Other selling expenses 83,491 Salaries and wages 66,891 Retirement benefit expenses 4,953 Outsourcing expenses 32,914 Lease and storage costs 14,742 Transportation and communication expenses 12,096 Depreciation and amortization 29,824 Allowance for doubtful accounts 18 Selling expenses account for approximately 50% of the selling, general and administrative expenses.
4. ※4 Gain on sales of property, plant and equipment consisted primarily of gain on sales of land and buildings of ¥8,216 million. Loss on sales of property, plant and equipment consisted primarily of loss on sales of tools, furniture and fixtures of ¥251 million and machinery and equipment of ¥192 million.	4. ※4 Gain on sales of property, plant and equipment consisted primarily of gain on sales of land and buildings of ¥46,109 million. Loss on sales of property, plant and equipment consisted primarily of loss on sales of tools, furniture and fixtures of ¥122 million and machinery and equipment of ¥110 million.
5. ※5 Loss on disposal of fixed assets Buildings ¥3,689 Machinery and equipment 8,702 Tools, furniture and fixtures 2,832 Other 2,240 Total ¥17,464 The loss on disposal of fixed assets arises from improvements and modifications of products and the renewal of equipment.	5. ※5 Loss on disposal of fixed assets Buildings ¥3,640 Machinery and equipment 6,302 Tools, furniture and fixtures 1,890 Other 465 Total ¥12,300 The loss on disposal of fixed assets arises from improvements and modifications of products and the renewal of equipment.

(Millions of yen)

<table>
<tr><th>Prior fiscal year
From April 1, 2006
To March 31, 2007</th><th>Current fiscal year
From April 1, 2007
To March 31, 2008</th></tr>
<tr><td>6. ※6 The following loss on impairment of fixed assets was recorded for the year ended March 31, 2007:

<table><tr><th>Usage</th><th>Type</th><th>Location</th><th>Losses</th></tr><tr><td>Idle assets</td><td>Land and others</td><td>Zama City, Kanagawa Pref., and one other location</td><td>228</td></tr></table>

The Company determined that the Company, taken as whole, constituted a single group of assets because the Company’s automobile business, mainly consisting of manufacturing and sales of vehicles, generates cash flows as a group. However, the Company determines whether an asset is impaired on an individual asset basis if the asset is either considered idle or is to be disposed of.

The Company has recognized an impairment loss on certain idle assets due to a significant decline in their market value by reducing their net book value to the respective recoverable value of each asset. The resulting loss amounted to ¥228 million and has been recorded as a special loss in the accompanying non-consolidated statement of income. This special loss consisted primarily of an impairment loss on land.

The recoverable value of each idle asset was measured with its net sale value based on its appraisal value.

7. ※7 The write-down of investments and receivables amounting to ¥52,909 million includes a write-down of investments in subsidiaries and affiliates in the amount of ¥52,829 million.</td>
<td>6. ※6 The following loss on impairment of fixed assets was recorded for the year ended March 31, 2008:

<table><tr><th>Usage</th><th>Type</th><th>Location</th><th>Losses</th></tr><tr><td>Idle assets</td><td>Machinery and equipment</td><td>Zama City, Kanagawa Pref.,</td><td>27</td></tr></table>

The Company determined that the Company, taken as whole, constituted a single group of assets because the Company’s automobile business, mainly consisting of manufacturing and sales of vehicles, generates cash flows as a group. However, the Company determines whether an asset is impaired on an individual asset basis if the asset is either considered idle or is to be disposed of.

The Company has recognized an impairment loss on certain idle assets by reducing their net book value to the respective recoverable value of each asset. The resulting loss amounted to ¥27 million and has been recorded as a special loss in the accompanying non-consolidated statement of income. This special loss consisted of an impairment loss on machinery and equipment.

The recoverable value of each idle asset was measured with its net sale value based on its appraisal value.

__________________</td></tr>
</table>

(For non-consolidated statement of changes in net assets)
For the year ended March 31, 2007 (April 1, 2006 to March 31, 2007)

Type and number of treasury stock

Type	As of March 31, 2006	Increase	Decrease	As of March 31, 2007
Common stock (thousands of shares)	122,101	7,856	29,657	100,299

Description of the changes:
Major reasons for the changes are as follows:
Increase due to acquisition of treasury stock according to a resolution of the Board of Directors: 7,810 thousand shares
Increase due to purchase of the stocks of a less than standard unit: 46 thousand shares
Decrease due to exercise of share subscription rights: 29,657 thousand shares

For the year ended March 31, 2008 (April 1, 2007 to March 31, 2008)

Type and number of treasury stock

Type	As of March 31, 2007	Increase	Decrease	As of March 31, 2008
Common stock (thousands of shares)	100,299	70,743	33,908	137,134

Description of the changes:
Major reasons for the changes are as follows:
Increase due to acquisition of treasury stock according to a resolution of the Board of Directors: 70,692 thousand shares
Increase due to purchase of the stocks of a less than standard unit: 51 thousand shares
Decrease due to exercise of share subscription rights: 33,908 thousand shares

(For lease transactions)

(Millions of yen)

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
(Lessees' accounting) Operating lease transactions Future minimum lease payments subsequent to March 31, 2007 are summarized as follows: Due in one year or less ¥264 Due after one year 535 Total ¥800	(Lessees' accounting) Operating lease transactions Future minimum lease payments subsequent to March 31, 2008 are summarized as follows: Due in one year or less ¥766 Due after one year 722 Total ¥1,488

(For securities)
Investments in subsidiaries and affiliates whose fair value is determinable

(Millions of yen)

	Prior fiscal year (As of March 31, 2007)			Current fiscal year (As of March 31, 2008)		
	Carrying value	Estimated fair value	Difference	Carrying value	Estimated fair value	Difference
① Subsidiaries' shares	91,267	153,058	61,791	91,267	120,447	29,180
② Affiliates' shares	1,090	2,888	1,798	1,090	2,221	1,130
Total	92,357	155,947	63,590	92,357	122,668	30,311

(Accounting for income taxes)

1. Significant components of deferred tax assets and liabilities

(Millions of yen)

	Prior fiscal year (As of March 31, 2007)	Current fiscal year (As of March 31, 2008)
Deferred tax assets:		
Accrued retirement benefits	¥64,158	¥43,629
Accrued warranty costs	32,126	26,691
Other	181,322	157,582
Total gross deferred tax assets	277,607	227,904
Valuation allowance	(32,693)	(50,380)
Total deferred tax assets	244,914	177,523
Deferred tax liabilities:		
Reserves under Special Taxation Measures Law	(48,308)	(58,714)
Unrealized holding gain on securities	(4,076)	(4,475)
Other	(32,213)	(30,425)
Total deferred tax liabilities	(84,599)	(93,615)
Net deferred tax assets	¥ 160,315	¥ 83,908

2. The reconciliation between the effective tax rates reflected in the non-consolidated financial statements and the statutory tax rate is summarized as follows:

	Prior fiscal year (As of March 31, 2007)	Current fiscal year (As of March 31, 2008)
Statutory tax rate	40.6%	40.6%
(Reconciliation)		
・ Tax credits	(0.2)%	(12.2)%
・ Change in valuation allowance	(6.4)%	5.8%
・ Dividend income excluded from gross income	—	(8.0)%
・ Other	(3.8) %	1.5 %
Effective tax rates after adoption of tax-effect accounting	30.2 %	27.7 %

(Amounts per share)

(Yen)

Prior fiscal year (From April 1, 2006 To March 31, 2007)		Current fiscal year (From April 1, 2007 To March 31, 2008)	
Net assets per share	¥401.03	Net assets per share	¥406.04
Basic net income per share	¥18.01	Basic net income per share	¥49.92
Diluted net income per share	¥17.92	Diluted net income per share	¥49.84

Note: The bases for calculation are as follows:

1. Net assets per share

	Prior fiscal year (As of March 31, 2007)	Current fiscal year (As of March 31, 2008)
Total net assets (Millions of yen)	1,775,413	1,781,612
Amounts deducted from total net assets (Millions of yen)	2,711	1,714
(Share subscription rights)	2,711	1,714
Net assets attributable to common shareholders at year end (Millions of yen)	1,772,702	1,779,898
The year-end number of common stock used for the calculation of net assets per share (Thousands)	4,420,416	4,383,581

2. Basic net income per share and diluted net income per share

	Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
Basic net income per share: Net income (Millions of yen)	79,481	219,855
Net income attributable to shares of common stock (Millions of yen)	79,481	219,855
Average number of shares of common stock during the fiscal year (Thousands)	4,412,354	4,403,873
Diluted net income per share: Increase in shares of common stock (Thousands)	22,736	6,921
(Exercise of warrants) (Exercise of share subscription rights)	17,446 5,290	5,228 1,693
Securities excluded from the computation of diluted net income per share, because they do not have dilutive effects.	4th share subscription rights (the number of share subscription rights is 130,000 units) Refer to "Status of share subscription rights" for a summary.	2nd share subscription rights (the number of share subscription rights is 91,889 units) 4th share subscription rights (the number of share subscription rights is 79,368 units) 5th share subscription rights (the number of share subscription rights is 6,800 units) 6th share subscription rights (the number of share subscription rights is 3,600 units) Refer to "Status of share subscription rights" for a summary.

(Significant subsequent events)

Prior fiscal year (From April 1, 2006 To March 31, 2007)	Current fiscal year (From April 1, 2007 To March 31, 2008)
On June 19, 2007, the Company issued unsecured bonds. The terms and conditions of these bonds are summarized as follows: 1 Name: 46th unsecured bonds Principal: ¥65,000 million Interest rate: 1.76% per annum Issue price: ¥99.99 for a par value of ¥100 Maturity date: June 20, 2012 Payment due date: June 19, 2007 Use of proceeds: Working capital 2 Name: 47th unsecured bonds Principal: ¥35,000 million Interest rate: 1.95% per annum Issue price: ¥99.97 for a par value of ¥100 Maturity date: June 20, 2014 Payment due date: June 19, 2007 Use of proceeds: Working capital	―――――――

④ Non-consolidated supplemental schedules

Detailed schedule of securities

Because the amount of securities is less than 1/100th of total assets, a detailed schedule of securities is not disclosed according to the provision of Article 124 of the Regulations for Non-Consolidated Financial Statements.

Detailed schedule of fixed assets

(Millions of yen)

Type of assets	Balance at end of the prior fiscal year	Increase in the current fiscal year	Decrease in the current fiscal year	Balance at the end of the current fiscal year	Accumulated depreciation or amortization at the end of the current fiscal year	Depreciation or amortization for the current fiscal year	Carrying value at the end of the current fiscal year
Property, plant and equipment:							
Buildings	439,268	43,044	17,008	465,303	245,999	8,145	219,304
Structures	102,838	4,487	2,148	105,177	64,505	2,166	40,671
Machinery and equipment	906,765	85,174	52,872 (27)	939,068	664,265	41,195	274,802
Vehicles	40,775	10,567	7,962	43,380	17,031	4,370	26,348
Tools, furniture and fixtures	410,018	144,642	71,938	482,722	290,824	62,538	191,898
Land	139,001	789	2,323	137,467	—	—	137,467
Construction in progress	72,026	85,744	100,922	56,847	—	—	56,847
Total property, plant and equipment	2,110,695	374,450	255,177 (27)	2,229,967	1,282,626	118,416	947,341
Intangible fixed assets							
Patents	239	—	—	239	139	18	99
Leaseholds	773	—	—	773	—	—	773
Trademark rights	215	1	4	212	80	18	131
Software	131,139	15,400	3,233	143,305	100,150	19,261	43,154
Utility rights	2,535	—	86	2,448	2,304	7	144
Total intangible fixed assets	134,902	15,401	3,324	146,979	102,675	19,304	44,303
Long-term prepaid expenses	54,728	16,559	1,072	70,214	41,502	7,200	28,712

Notes: 1. The amounts in parentheses in the “Decrease in the current fiscal year” column represent impairment losses.

2. The major components of the increase/decrease in the current fiscal year are as follows.

Increase by asset type:

		Millions of yen
a) Buildings	Offices and company condominiums	17,873
b) Machinery and equipment	Metalworking machinery	22,081
	Transportation equipment	16,489
	Machine tools	13,417
	Testing machinery	12,991
c) Tools, furniture and fixtures	Leased assets	100,227
	Dies and tooling	18,219
	Office equipment	11,914
d) Construction in progress	Tools, furniture and fixtures	22,417
	Buildings	22,301
	Machinery and equipment	21,710

Decrease by asset type:

		Millions of yen
a) Machinery and equipment	Transportation equipment	11,515
	Metalworking machinery	11,072
	Machine tools	9,324
	Metal cutting machines	7,187
b) Tools, furniture and fixtures	Leased assets	29,706
	Dies and tooling	20,642
	Office equipment	8,847
c) Construction in progress	Machinery and equipment	30,040
	Buildings	27,015
	Tools, furniture and fixtures	20,304

Detailed schedule of allowances

(Millions of yen)

Category	Balance at end of the prior fiscal year	Increase in the current fiscal year	Decrease in the current fiscal year (used for intended purposes)	Decrease in the current fiscal year (others)	Balance at end of the current fiscal year
Allowance for doubtful accounts	7,914	1,643	76	(Note) 3,314	6,166
Accrued warranty costs	79,055	18,054	31,428	—	65,682

Note: This decrease resulted from a decline in the estimated amount required as an allowance for doubtful accounts.

(2) Details of major assets and liabilities

The major components of assets and liabilities at the end of the current fiscal year (March 31, 2008) were as follows.

① Cash on hand and in banks

Category	Amounts (Millions of yen)
Cash on hand	—
Cash in banks	
Savings accounts	21,840
Checking accounts	0
Total cash in banks	21,841
Total	21,841

② Trade notes receivable

Issuer	Amount (Millions of yen)
Nissan Kushiro Sales Co., Ltd.	353
Miyazu Seisakusho Co., Ltd.	32
Total	385

Breakdown by maturity date

Maturity date	Amounts (Millions of yen)
April 2008	126
May 2008	189
June 2008	68
Total	385

③ Trade accounts receivable

Customers	Amounts (Millions of yen)
Nissan North America, Inc.	76,732
Nissan International SA	32,697
Autech Japan, Inc.	18,651
Nissan Mexicana, S.A. de C.V.	16,778
Nissan Middle East F.Z.E.	16,329
Others	136,301
Total	297,492

Generation, collection and retention of trade accounts receivable

Balance brought forward (Millions of yen) (A)	Generation in the current fiscal year (Millions of yen) (B)	Collection in the current fiscal year (Millions of yen) (C)	Balance carried forward (Millions of yen) (D)	Ratio of collection $\frac{(C)}{(A)+(B)}\times 100$	Turnover $\frac{((A)+(D))/2}{(B)/366}$
286,975	3,993,169	3,982,652	297,492	93.05	26.79 days

④ Inventories

Accounts	Components	Amounts (Millions of yen)
Finished products	Automobiles	54,009
	Parts	23,167
	Forklifts, motor engines and others	760
	Total	77,937
Raw materials	Raw materials	37,218
	Purchased parts and others	20,390
	Total	57,608
Work in process	Automobiles and parts	16,081
	Molds and jigs	8,554
	Total	24,635
Supplies	Supplemental materials	1,184
	Consumable tools and equipment	2,166
	Others	18,573
	Total	21,924

⑤ Short-term loans receivable from subsidiaries and affiliates

Borrowers	Amounts (Millions of yen)
Nissan Finance Co., Ltd.	557,954
Siam Nissan Automobile Co., Ltd.	31,579
Siam Motors And Nissan Co., Ltd.	5,809
Nissan South Africa (Pty.) Ltd.	4,329
Nissan Marine Co., Ltd.	160
Total	599,832

⑥ Investments in subsidiaries and affiliates

Investees	Number of shares held	Acquisition cost (Millions of yen)	Carrying value (Millions of yen)
Nissan International Holdings B.V.	6,210,371	388,198	388,198
Nissan North America, Inc.	17,917,472	287,387	287,387
Nissan Europe S.A.S.	16,263,700	202,397	202,397
Nissan Network Holdings Co., Ltd.	4,326,125	462,023	128,217
NISSAN (CHINA) INVESTMENT CO., LTD.	—	115,302	115,302
Others	—	403,970	380,062
Total	—	1,859,280	1,501,566

⑦ Trade notes payable

Vendors	Amounts (Millions of yen)
Veolia Water Solutions & Technologies	78
Sanken Sangyo Co., Ltd.	73
Asahi Rubber Co., Ltd.	19
Asahi Shiko Co., Ltd.	9
Cleanup Co., Ltd.	9
Others	18
Total	206

Breakdown by maturity date

Maturity date	Amounts (Millions of yen)
April 2008	150
May 2008	43
June 2008	13
Total	206

⑧ Trade accounts payable

Vendors	Amounts (Millions of yen)
Nissan Shatai Co., Ltd.	94,583
Calsonic Kansei Corporation	55,981
JATCO Co., Ltd.	27,460
Hitachi, Ltd.	19,873
Aichi Machine Industry Co., Ltd.	16,159
Others	314,251
Total	528,308

⑨ Commercial paper

Repayment term	Amounts (Millions of yen)
April 2008	157,000
May 2008	165,000
June 2008	139,000
July 2008	39,000
Total	500,000

⑩ Accrued expenses

Vendors	Amounts (Millions of yen)
Renault	17,533
JATCO Co., Ltd.	15,268
Nissan Motor Insurance Corporation	14,128
TBWA Hakuhodo	12,102
Nissan Shatai Co., Ltd.	6,098
Others	172,640
Total	237,771

⑪ Bonds

Please refer to the Schedule of bonds payable, which is included in the consolidated supplemental schedules.

(3) Other

Not applicable.

6. Information on Transfer and Repurchase of the Company's Stock

Fiscal year	From April 1 to March 31
General shareholders' meeting	June
Cut-off date for dividend	March 31
Available types of share certificates	Certificates for 100 shares, 500 shares, 1,000 shares, 5,000 shares, 10,000 shares, 100,000 shares and certificates representing number of shares less than 100 are issuable. However, certificates for shares totaling less than one unit are not issued except under certain limited situations such as a replacement of lost shares.
Cut-off dates for dividend of surplus	September 30 and March 31
Number of shares per unit of the Company's stock	100 shares
Transfer of shares	
Address where transfers are processed	3-33-1, Shiba, Minato-ku, Tokyo The head office of The Chuo Mitsui Trust and Banking Co., Ltd.
Name of transfer agent	3-33-1, Shiba, Minato-ku, Tokyo The Chuo Mitsui Trust and Banking Co., Ltd.
Offices available for transfer	Each branch of The Chuo Mitsui Trust and Banking Co., Ltd. The head office and branch offices of Japan Securities Agent Co., Ltd.
Transfer charge	Free
Charge to issue new certificate	Equivalent of stamp duty applicable and the related consumption tax
Repurchase of shares less than one unit	
Address where repurchases are processed	3-33-1, Shiba, Minato-ku, Tokyo The head office of The Chuo Mitsui Trust and Banking Co., Ltd.
Name of transfer agent	3-33-1, Shiba, Minato-ku, Tokyo The Chuo Mitsui Trust and Banking Co., Ltd.
Offices available for repurchase	Each branch of The Chuo Mitsui Trust and Banking Co., Ltd. The head office and branch offices of Japan Securities Agent Co., Ltd.
Charges for repurchase	Handling charges as set by the securities companies designated by the Company for the repurchase plus the related consumption tax
Method of public notice	Public notice of the Company shall be given by electronic means; provided, however, that in the event accidents or other unavoidable reasons prevent public notice by electronic means, the notice can be given in the *Nihon Keizai Shimbun.* The electronic public notice is presented on the Company's Web site at http://www.nissan-global.com/EN/IR/
Special benefits to shareholders	None

Note:
According to the Company's Articles of Incorporation where the rights of shareholders holding less shares than one unit are prescribed, the holder of shares less than one unit (including beneficially shareholders) shall not be entitled to exercise the rights of shareholders in connection with such below-unit shares other than those rights listed below:

1. The rights stipulated in each item of Article 189, Paragraph 2, of the Company law;
2. The right to make a claim in accordance with Article 166, Paragraph 1, of the Company law; and
3. The right to subscribe for new shares or new share subscription rights in proportion to the number of the shares owned by said shareholder.

7. Reference Information on the Company

1. Information on the parent company or equivalent of the Company

The Company has no parent company or equivalent as prescribed in Article 24, Paragraph 7, Item 1, of the Financial Instruments and Exchange Law.

2. Other reference information

The Company filed the following documents between the beginning of the fiscal year ended March 31, 2008 and the date when this Securities Report *(Yukashoken-Hokokusho)* was filed.

(1)	Securities Report and Accompanying Documents	Fiscal Year (the 108th)	From April 1, 2006 To March 31, 2007	Submitted to the director of the Kanto Local Finance Bureau on June 25, 2007.
(2)	Amendment to Securities Report	Fiscal Year (the 108th)	From April 1, 2006 To March 31, 2007	Submitted to the director of the Kanto Local Finance Bureau on September 11, 2007.
(3)	Semi-Annual Securities Report	(During the 109th period)	From April 1, 2007 To September 30, 2007	Submitted to the director of the Kanto Local Finance Bureau on December 17, 2007.
(4)	Extraordinary Report (Certificates of the 5th Share subscription rights) According to the provision of Article 19, Paragraph 2, Item 2-2, “Allotment of Share subscription rights” of the Cabinet Office Regulations regarding the disclosure of corporate information.			Submitted to the director of the Kanto Local Finance Bureau on April 26, 2007.
(5)	Amendment to Extraordinary Report (Certificates of the 5th Share subscription rights) According to the provision of Article 24, Paragraph 5, Item 5, of the Securities Exchange Law, a report was made on the exercise price, which had been determined subsequent to the submittal of the above extraordinary report.			Submitted to the director of the Kanto Local Finance Bureau on May 8, 2007.
(6)	Extraordinary Report (Certificates of the 6th Share subscription rights) According to the provision of Article 19, Paragraph 2, Item 2-2, “Allotment of Share subscription rights” of the Cabinet Office Regulations regarding the disclosure of corporate information.			Submitted to the director of the Kanto Local Finance Bureau on December 14, 2007.
(7)	Amendment to Extraordinary Report (Certificates of the 6th Share subscription rights) According to the provision of Article 24, Paragraph 5, Item 5, of the Financial Instruments and Exchange Law, a report was made on the exercise price, which had been determined subsequent to the submittal of the above extraordinary report.			Submitted to the director of the Kanto Local Finance Bureau on December 21, 2007.
(8)	Extraordinary Report (Certificates of the 7th Share subscription rights) According to the provision of Article 19, Paragraph 2, Item 2-2, “Allotment of Share subscription rights” of the Cabinet Office Regulations regarding the disclosure of corporate information.			Submitted to the director of the Kanto Local Finance Bureau on April 25, 2008.
(9)	Amendment to Extraordinary Report (Certificates of the 7th Share subscription rights) According to the provision of Article 24, Paragraph 5, Item 5, of the Financial Instruments and Exchange Law, a report was made on the exercise price, which had been determined subsequent to the submittal of the above extraordinary report.			Submitted to the director of the Kanto Local Finance Bureau on May 16, 2008.
(10)	Supplemental Document to Shelf Registration Statement and Attachments			Submitted to the director of the Kanto Local Finance Bureau on June 8, 2007.

(11) Shelf Registration Statement and Attachments	Submitted to the director of the Kanto Local Finance Bureau on October 12, 2007.
(12) Amended Shelf Registration Statements	Submitted to the director of the Kanto Local Finance Bureau on April 26, 2007, May 8, 2007, June 25, 2007, September 11, 2007, December 14, 2007, December 17, 2007, December 21, 2007, April 25, 2008, and May 16, 2008.
(13) Reports on Purchase of Treasury Stock	Submitted to the director of the Kanto Local Finance Bureau on April 13, 2007, June 6, 2007, July 13, 2007, August 14, 2007, September 13, 2007, October 9, 2007, November 14, 2007, December 14, 2007, January 15, 2008, March 14, 2008, and April 14, 2008.

Part II Information on Guarantors for the Company

Not applicable

Independent Auditors' Report

June 20, 2007

The Board of Directors
Nissan Motor Co., Ltd.

Ernst & Young ShinNihon

Designated and Engagement Partner	Yasunobu Furukawa
Designated and Engagement Partner	Kenji Ota
Designated and Engagement Partner	Yoji Murohashi
Designated and Engagement Partner	Takeshi Hori

Pursuant to Article 193-2 of the Securities and Exchange Law of Japan, we have audited the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets, the consolidated statement of cash flows and the consolidated supplemental schedules of Nissan Motor Co., Ltd. included in "Financial Information" for the fiscal year from April 1, 2006 to March 31, 2007. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these 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 reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Nissan Motor Co., Ltd. and consolidated subsidiaries at March 31, 2007 and the consolidated results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

Supplementary Information

(1) As described in "Changes in Accounting Policies," effective the current fiscal year, the Company adopted a new accounting standard for presentation of net assets in the balance sheet.

(2) As described in "Changes in Accounting Policies," effective the current fiscal year, 22 consolidated subsidiaries have been consolidated by using their financial statements as of the parent's fiscal year end prepared solely for consolidation purposes instead of those as of their respective fiscal year end. In addition, 33 consolidated subsidiaries have changed their fiscal year end to March 31.

We have no interest in the Company that should be disclosed pursuant to the provisions of the Certified Public Accountants Law.

Independent Auditors' Report

June 25, 2008

The Board of Directors
Nissan Motor Co., Ltd.

Ernst & Young ShinNihon

Designated and Engagement Partner	Yasunobu Furukawa
Designated and Engagement Partner	Kenji Ota
Designated and Engagement Partner	Yoji Murohashi
Designated and Engagement Partner	Takeshi Hori

Pursuant to Article 193-2, Section 1 of the Financial Instruments and Exchange Law of Japan, we have audited the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets, the consolidated statement of cash flows and the consolidated supplemental schedules of Nissan Motor Co., Ltd. included in "Financial Information" for the fiscal year from April 1, 2007 to March 31, 2008. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these 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 reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Nissan Motor Co., Ltd. and consolidated subsidiaries at March 31, 2008 and the consolidated results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

We have no interest in the Company that should be disclosed pursuant to the provisions of the Certified Public Accountants Law.

Independent Auditors' Report

June 20, 2007

The Board of Directors
Nissan Motor Co., Ltd.

Ernst & Young ShinNihon

Designated and Engagement Partner	Yasunobu Furukawa
Designated and Engagement Partner	Kenji Ota
Designated and Engagement Partner	Yoji Murohashi
Designated and Engagement Partner	Takeshi Hori

Pursuant to Article 193-2 of the Securities and Exchange Law of Japan, we have audited the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets and the non-consolidated supplemental schedules of Nissan Motor Co., Ltd. included in "Financial Information" for the fiscal year from April 1, 2006 to March 31, 2007. These non-consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these non-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 reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the non-consolidated financial statements referred to above present fairly, in all material respects, the non-consolidated financial position of Nissan Motor Co., Ltd. at March 31, 2007 and the non-consolidated results of their operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Supplementary Information

As described in "Changes in Accounting Policies," effective the current fiscal year, the Company adopted a new accounting standard for presentation of net assets in the balance sheet.

We have no interest in the Company that should be disclosed pursuant to the provisions of the Certified Public Accountants Law.

Independent Auditors' Report

June 25, 2008

The Board of Directors
Nissan Motor Co., Ltd.

Ernst & Young ShinNihon

Designated and Engagement Partner	Yasunobu Furukawa
Designated and Engagement Partner	Kenji Ota
Designated and Engagement Partner	Yoji Murohashi
Designated and Engagement Partner	Takeshi Hori

Pursuant to Article 193-2, Section 1 of the Financial Instruments and Exchange Law of Japan, we have audited the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets and the non-consolidated supplemental schedules of Nissan Motor Co., Ltd. included in "Financial Information" for the fiscal year from April 1, 2007 to March 31, 2008. These non-consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these non-consolidated financial statements based on our audit.

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In our opinion, the non-consolidated financial statements referred to above present fairly, in all material respects, the non-consolidated financial position of Nissan Motor Co., Ltd. at March 31, 2008 and the non-consolidated results of their operations for the year then ended in conformity with accounting principles generally accepted in Japan.

We have no interest in the Company that should be disclosed pursuant to the provisions of the Certified Public Accountants Law.