



	FY2004	FY2005	FY2006
No. of employees (consolidated)	183,607	183,356	186,336
No. of individual investors	190,770	218,620	195,550
Price-to-earnings ratio	9.7	12.2	13.3
Share price volatility	20.0%	16.5%	22.4%
Corporate tax	¥192.3 billion	¥229.1 billion	¥268.9 billion
R&D expenditures (% of sales)	¥398.1 billion (4.6%)	¥447.6 billion (4.7%)	¥464.8 billion (4.4%)
Capital investment (% of sales)	¥477.5 billion (5.6%)	¥475.0 billion (5.0%)	¥509.0 billion (4.9%)
Monetary donations for disaster relief	¥120.7 million (by Nissan Motor Co., Ltd.)	¥10.0 million (by Nissan Motor Co., Ltd.) ¥62.4 million (for Hurricane Katrina by Nissan North America)	¥10.0 million (by Nissan Motor Co., Ltd.) ¥3.18 million (for Java earthquake by Nissan employees in Japan and Indonesia)
Nissan Motor Co., Ltd. data			
No. of employees	32,755	33,025	32,746
Average age (years)	41.0	41.2	41.5
Average service (years)	19.7	19.9	20.1
Average annual salary*	¥7,309,244	¥7,299,136	¥7,226,628
Disabled employment ratio	approx. 1.9%	approx. 1.9%	approx. 2.0%
No. of employees taking parental leave	61	71	98
No. of employees taking nursing care leave	8	4	4
Training, education time per employee	approx. 35 hours	approx. 35 hours	approx. 35 hours
Employee health ratio**	72.63%	72.22%	70.95%
No. of unionized employees	29,695	29,624	30,521

* Average annual salary for employees not in managerial positions; includes bonuses and overtime pay.

** Percentage of employees receiving a clean bill of health in regular medical checkups.

●No. of Employees
(as of end of March 2007)

Japan	92,401
North America	31,282
Europe	14,167
GOM	48,486
Total (consolidated)	186,336

●Union Information

Nissan Motor Co., Ltd.'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 workers was 30,521 as of March 31, 2007. 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) 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.

- R&D: 11 countries/areas (Japan, USA, U.K., Taiwan, China, Thailand, South Africa, Mexico, Brazil, Spain, Belgium)
- Design: 4 countries/areas (Japan, USA, U.K., Taiwan; total of 6 design centers)
- Automobile Production Plants: 16 countries/areas (Japan, USA, U.K., Spain, Taiwan, China, Thailand, Philippines, Malaysia, Indonesia, Mexico, Brazil, Iran, South Africa, Kenya, Egypt)
- Sales Network: More than 160 countries/areas

●Sales by Model (Top 5)

Japan		(units)
Model	FY2006 (Apr. 2006–Mar. 2007)	
Serena	78,979	
Tiida (includes Latio)	66,585	
Note	65,199	
Cube	55,523	
March	47,267	



Serena

U.S.		(units)
Model	CY2006 (Jan. 2006–Dec. 2006)	
Altima	232,457	
Sentra	117,922	
Murano	81,362	
Frontier	77,510	
Pathfinder	73,124	



Altima

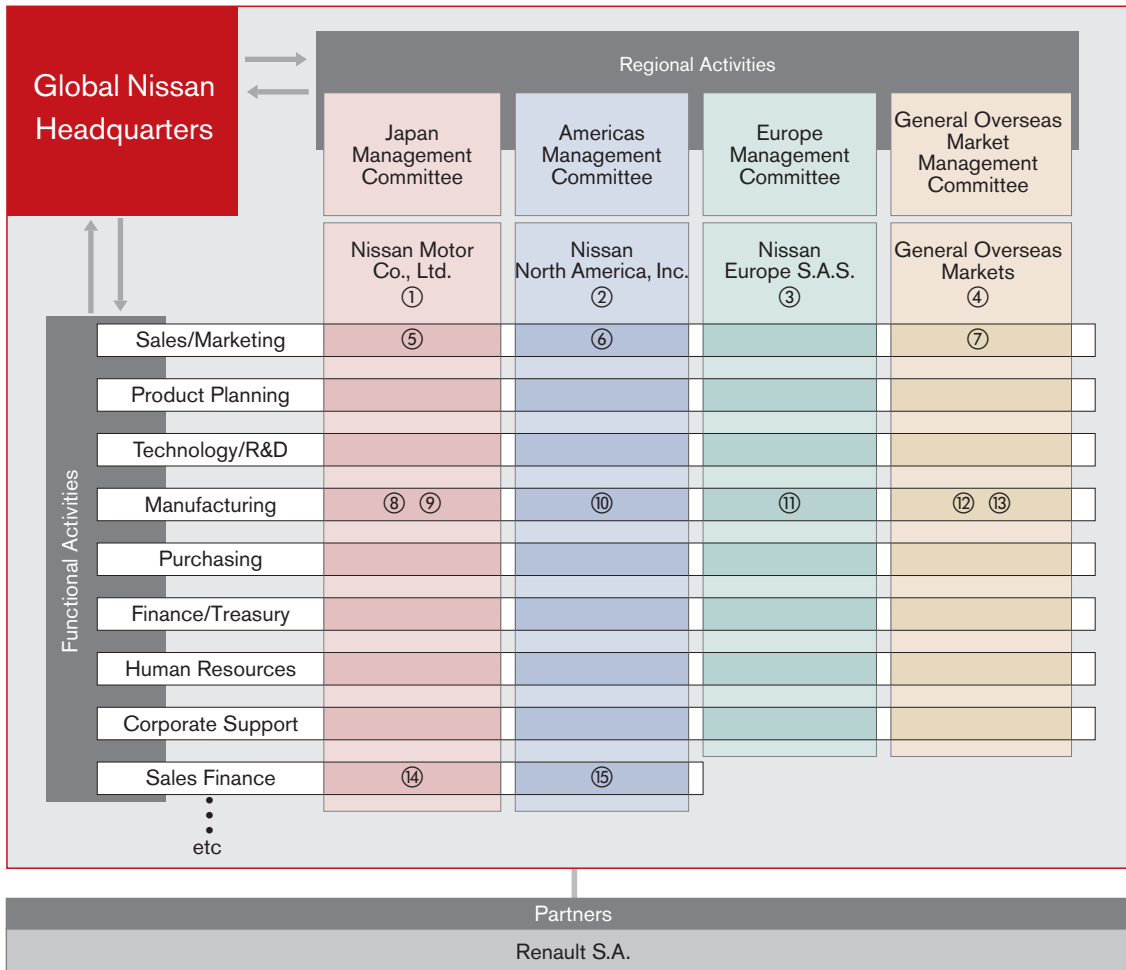
Europe		(units)
Model	CY2006 (Jan. 2006–Dec. 2006)	
Micra (includes C+C)	133,539	
Note	85,250	
X-TRAIL	53,200	
Navara	50,291	
Almera	43,756	



Micra C+C

The Nissan Group's organization aims to integrate regional activities with global functional activities. Four management committees for Japan, the Americas, Europe and the General Overseas Markets supervise regional activities, while each functional department, including research, development, purchasing and production, are in charge of global, functional coordination. Nissan's Global Headquarters takes a cross-organizational approach adding value to regional and functional activities while coordinating our global operations.

Nissan Group Operations



Headquarters/Regional Headquarters/ Regional Companies
① Nissan Motor Co., Ltd. ② Nissan North America, Inc. ③ Nissan Europe S.A.S. ④ Nissan Asia Pacific Pte., Ltd. Nissan Middle East FZE Nissan South East Asia Co., Ltd. etc.

Sales Finance Companies
⑭ Nissan Financial Service Co., Ltd. ⑮ Nissan Motor Acceptance Corporation NR Finance Mexico S.A. de C.V. etc.

Vehicle Manufacturers & Distributors /Distributors
⑥ Nissan Canada, Inc. ⑦ Yulon Nissan Motor Co., Ltd. ⑩ Nissan Mexicana, S.A. de C.V. ⑫ Nissan Motor Company South Africa (Pty) Ltd. Dongfeng Motor Co., Ltd. etc.

Parts Manufacturers
⑨ Aichi Machine Industry Co., Ltd. JATCO Ltd. Calsonic Kansei Corporation etc.

Vehicle Manufacturers
⑧ Nissan Shatai Co., Ltd. ⑪ Nissan Motor Manufacturing (UK) Ltd. Nissan Motor Iberica, S.A. ⑬ Siam Nissan Automobile Co., Ltd. etc.

Dealers in Japan
⑤ Aichi Nissan Motor Co., Ltd. Nissan Fleet Sales Co., Ltd. Nissan Prince Tokyo Sales Co., Ltd. etc.



Information on risks involved in business operations has been disclosed in the Yukashoken-Hokokusho for the year ended March 31, 2006, as follows:

Economic Factors

The demand for products manufactured by Nissan is affected by the economic conditions in each country or market in which they are offered for sale. Nissan conducts its operations all over the world and, in particular, in the major markets of North America, Europe and Asia, to say nothing of Japan. While Nissan 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 Nissan's financial position and results of operations.

Risks Involved in International Activities and Overseas Expansion

Nissan's manufacturing and marketing activities outside Japan are conducted in the United States, in Europe and in the developing and emerging markets of Asia. Nissan forecasts and evaluates a wide variety of risks inherent in doing business in such overseas markets including the following factors, each of which entails a greater-than-anticipated level of risk:

- 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

Research and Development

Nissan's technology must be useful, pragmatic and easy to use. Nissan anticipates the nature and scope of the market demand, and then prioritizes and invests in new technologies. Nonetheless, 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.

Product Defects

Nissan places a high priority on safety and does its best to enhance safety from the standpoint of research and development, manufacturing and sales. Although Nissan takes out insurance policies to cover product liability, this does not necessarily mean that all potential defects and the related liabilities are fully covered. If Nissan were to implement strict product recalls for its customers, it would incur significant additional expenses, which could adversely affect its financial position and results of operations.

Fluctuation in Foreign Currency Exchange Rates

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

Derivatives

Nissan 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 Nissan can hedge against these risks by using derivatives transactions, by so doing, it may miss the potential gains that could result from seizing the market opportunities to profit from such fluctuation in exchange rates and interest rates. In addition, Nissan 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 Nissan's financial position and operating results.

Lawsuits and Claims

With respect to various lawsuits and claims that Nissan encounters, the possibility exists that the position defended by

Nissan 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 Nissan's financial position and operating results.

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, and Nissan expects these regulations to become increasingly stringent. In order to ensure compliance, it may be necessary for Nissan to make significant ongoing investments in these areas, which would have an impact on its financial position and results of operations.

Intellectual Property Rights

Nissan owns a wide variety of proprietary technologies and has the expertise to differentiate its products, making them unique from those of its competitors. These assets have proven their value in the growth of Nissan's business and will, no doubt, continue to be of value in the future. Nissan strives to protect its intellectual property assets; however, in certain markets, Nissan may encounter difficulty in fully protecting the proprietary rights to its own technologies. Although Nissan established an Intellectual Property Rights Management Department in April 2004 for protecting intellectual property rights in specific areas, strengthening activities to protect Nissan's intellectual property rights and abstracting new intellectual property rights, and has been performing various activities to protect and create the Nissan brand, cases may arise where Nissan finds itself unable to prohibit others from infringing on its intellectual property rights.

Natural Disasters

Nissan'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. Nissan has developed risk management guidelines relating to earthquake damage and the CEO has organized a global task force to direct disaster prevention and recovery activities. In addition, Nissan has been strengthening its manufacturing facilities with anti-seismic reinforcement. However, if a severe earthquake were to hit one of Nissan's key facilities causing a halt in production, this would adversely affect Nissan's financial position and results of operations.

Sales Financing Business Risk

Sales financing is an integral part of Nissan'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. However, the sales financing companies have a high exposure to interest-rate risk, residual value risk and credit risk, any one of which may adversely affect Nissan's financial position and results of operations.

Counterparty Credit Risk

Nissan 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 Nissan's financial position and results of operations.

Employee Retirement Benefit Expenses and Obligations

The amounts of Nissan's retirement benefit obligations and related expenses are calculated using various actuarial assumptions including the discount rate applied, the projected rate of return on plan assets and so forth. If Nissan's actual results differ from those assumptions or if the assumptions are changed, 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.

Purchase of Raw Materials and Parts

Nissan purchases raw materials and parts from many suppliers. Market conditions that Nissan cannot control and whether or not the suppliers can procure raw materials and parts continuously may adversely affect Nissan's financial position and results of operations.

■ Introduction	1
■ CEO Statement	2
■ CSR Dialogue	5
■ Nissan's Approach to CSR	10
● Our CSR Development Process	11
● Our Nine Key Areas for CSR	17
● Nissan CSR Scorecard	20
● Stakeholders Engagement 2006	24
■ Performance and Corporate Governance	25
● Nissan Value-Up Update and Fiscal 2006 Financial Review	26
● Corporate Governance	29
■ Enhancing Value for Stakeholders	36
● For Our Customers	37
● With Our Shareholders and Investors	44
● With Our Employees	46
● With Our Business Partners	54
● With Society	60
■ Protecting the Environment	71
■ Improving Safety	100
■ Our Views	110
● Performance Data	116
● Business and Other Risks	118
● Third-Party Evaluation	119

Regarding Nissan's Approach to CSR

Nissan has the ability to accurately understand the company's own uniqueness; there are countless CSR approaches that deserve to be acknowledged. However, out of many outstanding activities, three key, distinguished efforts stand out:

1. Not only have Nissan's executives and management given clear commitments, but the company has intertwined its Nissan Value-Up midterm business plan with the company's approach to CSR.
2. Nissan has established a plan-do-check-act (PDCA) management method that accurately acknowledges the needs of society, in parallel with a vector for the company's growth.
3. The significant reason for the realization of Nissan's unique management method is the establishment of the CSR Steering Committee, allowing the smooth functioning of decision-making mechanisms related to various aspects of CSR.

For the further development of Nissan's approach to CSR, the challenge for the company will be to establish an overall management system that can incorporate CSR-related information, including nonfinancial information. Furthermore, while Nissan continues to adjust effectively to the changes of society, it will be required to understand the risks that may influence the company, and utilize all this in the company's management strategy.

For this to become a reality, Nissan is challenged to continuously work on effective utilization of the CSR Steering Committee, while enthusiastically addressing the following three issues in particular:

1. Establish a system or structure to share information related to CSR with all employees of Nissan.
2. Conduct supply chain management engaging Nissan's suppliers and sales companies.
3. For further development of approaches to CSR, develop a unique CSR method incorporating the general concept of materiality, which is recently being increasingly debated.

Finally, it is hoped that Nissan will continue to be conscious of the huge impact the company has on society as a whole. As a leading company, Nissan is expected to take on the challenges of CSR enthusiastically.



Hiroshi Ishida
Executive Director, Caux Round Table Japan
Associate Professor, Institute of Business
and Accounting, Kwansai Gakuin University

Nissan and Socially Responsible Investment

In recent years investors have paid more attention to the concept of socially responsible investment (SRI), evaluating corporations from environmental and social perspectives in addition to financial fundamentals. Nissan is proud to be listed as part of the FTSE4Good Global 100 index and the Morningstar SRI index (as of June 2007).



FTSE4Good Global 100

This SRI index is managed by the FTSE Group, a British company jointly owned by the Financial Times and the London Stock Exchange.



Morningstar SRI

The MS-SRI index is managed by financial information services firm Morningstar Japan K.K., a joint venture of SBI Holdings, Inc. and Morningstar Inc.

■ Introduction	1
■ CEO Statement	2
■ CSR Dialogue	5
■ Nissan's Approach to CSR	10
● Our CSR Development Process	11
● Our Nine Key Areas for CSR	17
● Nissan CSR Scorecard	20
● Stakeholders Engagement 2006	24
■ Performance and Corporate Governance	25
● Nissan Value-Up Update	
and Fiscal 2006 Financial Review	26
● Corporate Governance	29
■ Enhancing Value for Stakeholders	36
● For Our Customers	37
● With Our Shareholders and Investors	44
● With Our Employees	46
● With Our Business Partners	54
● With Society	60
■ Protecting the Environment	71
■ Improving Safety	100
■ Our Views	110
● Performance Data	116
● Business and Other Risks	118
● Third-Party Evaluation	119

● Scope of the Report

The focus of this report is on introducing Nissan's global policies and our approach to and activities toward sustainable development. Where we are describing regional efforts, we refer to the specific region name in the text.

● Period Covered

The report covers fiscal 2006 (April 2006–March 2007); content that describes efforts before or after this time period is indicated in the respective section.

● Third-Party Certificates

No globally accepted method for third-party certification of sustainability reports has yet been established. Considering this situation, in which a review would not necessarily lead to the intended assurance of credibility, we have decided not to seek third-party certification.

● Referenced Reporting Guidelines

This report uses the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (2002 version and G3) and the Environmental Reporting Guidelines (2003 version) of Japan's Ministry of the Environment as references. We also report on a number of other actions that are not covered by the guidelines.

● Forward-Looking Statements

This Sustainability Report contains forward-looking statements on Nissan's future plans and targets and related operating investment, product planning and production targets. Please note that there can be no assurance that these targets and plans will actually be achieved. Achieving them will depend on many factors, including not only Nissan's activities and development, but also the dynamics of the automobile industry worldwide, the global economy and changes in the global environment.

● Mistakes and Typographical Errors

All errors discovered after the report is published will be corrected and displayed at the URL below.
<http://www.nissan-global.com/EN/COMPANY/CSR>

● For further information, please contact:

Nissan Motor Co., Ltd.
 Global Communications and CSR Division
 Communications and CSR Department
 CSR Group
 17-1, Ginza 6-chome, Chuo-ku, Tokyo 104-8023, Japan
 phone: +81(0)3-5565-2132 fax: +81(0)3-3546-2669
 E-mail: NISSAN_SR@mail.nissan.co.jp