

91st Ordinary General Shareholders Meeting: Notice of Convocation

Date and Time: Thursday, June 26, 2014, at 10:00 a.m.

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



NISSAN SHATAI CO., LTD.

Code no.: 7222

June 6, 2014

NISSAN SHATAI CO., LTD.

2-1 Tsutsumicho, Hiratsuka, Kanagawa

Dear shareholders:

91st Ordinary General Shareholders Meeting: Notice of Convocation

Notice is hereby given that the 91st Ordinary General Shareholders Meeting of the Company (the “Meeting”) will be held as described below. You are cordially invited to attend the Meeting.

If you are unable to attend the Meeting in person, you may exercise your voting right in writing. After reviewing the Reference Materials for General Shareholders Meeting below, please indicate your votes for or against the proposal on the enclosed voting form and return it to the Company so that it arrives no later than 5:30 p.m. on Wednesday, June 25, 2014.

Yours sincerely,

Yoshiaki Watanabe
President

Particulars

1. Date and Time

Thursday, June 26, 2014, at 10:00 a.m.

2. Venue

Head Office Main Building

Nissan Shatai Co., Ltd.

2-1 Tsutsumicho, Hiratsuka, Kanagawa

The venue for this year’s meeting is not the same as last year’s. Please see the map below and be sure to come to the correct location.

3. Agenda Items

Matters to be reported:

1. Fiscal 2013 Business Report (April 1, 2013 to March 31, 2014),
Consolidated Financial Statements, and Audit Reports by Accounting Auditor
and the Board of Statutory Auditors
2. Fiscal 2013 Financial Statements (April 1, 2013 to March 31, 2014)

Matters to be resolved:

Proposal : Appropriation of Surplus

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

Reference Materials for General Shareholders Meeting

Proposal and Matters for Reference

Proposal: Appropriation of Surplus

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

Including the interim dividend already paid, this will result in a total dividend for this fiscal year of 9 yen per share, the same amount paid for the previous fiscal year.

Details of Year-End Dividend

- (1) Distribution of year-end dividend to shareholders and total amount:
 - 4.5 yen per share of common stock in the Company
 - Total amount: 665,688,519 yen
- (2) Effective date of distribution of surplus:
 - June 27, 2014

(Attached Documents)

Business Report

(From April 1, 2013 to March 31, 2014)

1. Current State of Corporate Group

(1) Operations and results

In the fiscal year, the Japanese economy showed signs of a recovery mainly due to a correction of the yen's appreciation and stock market rally resulting from monetary easing and to the government's economic initiatives. A rush to make purchases before the April 2014 consumption tax hike was another reason for the recovery. Overseas, the U.S. economy continued to recover but economic growth in emerging countries slowed.

Passenger vehicle orders placed with Nissan Shatai by Nissan Motor Co., Ltd. increased for the Patrol (Y62) for export, the Elgrand and for other vehicles. As a result, sales volume increased by 1.1% year-on-year to 91,402 units and net sales increased by 1.5% to 263.5 billion yen.

For light commercial vehicles, there were declines in production of the AD Van and Patrol Pickup. As a result, sales volume decreased by 4.2% to 81,591 units and net sales decreased by 3.2% to 126.4 billion yen.

In the microbus category, due to higher output of the NV350 Caravan and Civilian, sales volume increased by 64.7% to 19,650 units and net sales increased by 72.7% to 41.5 billion yen.

Overall, compared with the previous fiscal year, vehicle sales volume increased by 2.8% to 192,643 units. Including vehicle parts and other products, consolidated net sales increased by 2.0% to 474.2 billion yen.

Operating income increased by 2.6% to 10.1 billion yen and ordinary income increased by 6.2% to 10.0 billion yen mainly because of the growth in sales volume. Net income increased by 92.1% to 6.7 billion yen. Factors affecting net income included a 1.0 billion yen gain on the sale of Zone 4 of the Shonan Plant in association with the restructuring of this plant and a decline of 3.2 billion yen in the asset impairment loss.

Sales Breakdown

Category	Volume (Units)	Amount (Million yen)	Year-on-year change (%)
Passenger vehicles	91,402	263,532	1.5
Commercial vehicles	81,591	126,453	(3.2)
Microbuses	19,650	41,585	72.7
Vehicle parts, etc.	—	42,669	(15.3)
Total	192,643	474,239	2.0

(2) Funding activities

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

(3) Capital expenditures

Capital expenditures during the fiscal year under review totaled approximately 9.1 billion yen. This was for the improvement of product attractiveness through the minor changes of existing products, as well as for the enhancement of plant and equipment by such means as the rationalization of manufacturing facilities, the improvement of welfare facilities, and environmental improvements.

(4) Issues and outlook for the year ahead

To become more competitive worldwide, Nissan Shatai started the current medium term management plan in fiscal 2011. The plan has four medium-term pillars: “Make this plant global benchmarks for overall capabilities in quality, cost, and time (QCT)” (Nissan Shatai Kyushu), “Create flexible manufacturing facility for high-mix, low-volume production” (Shonan Plant), “Strengthen global light commercial vehicles (LCV) business capability” and “Actively expand production and sales.”

In fiscal 2013, Nissan Shatai Kyushu, which began operations in 2010, recorded its first full fiscal year of full-capacity output. In addition, in the Shonan area, we established a sound foundation to become more competitive by reorganizing manufacturing activities, relocating head office functions and completing the consolidation of Shonan manufacturing activities.

We will continue build an even more powerful base of operations as we look ahead to fiscal 2016, the final year of the medium-term management plan, while taking full advantage of the respective strengths of Nissan Shatai Kyushu and the Shonan Plant.

The globalization of manufacturing continues to advance, we will continue to build on our strengths: integrated manufacturing operations extending from product development to production and the distinctive manufacturing operations of Nissan Shatai Kyushu and the Shonan Plant. Through these activities, we will further boost the confidence of customers, shareholders, business partners, communities, employees, and other stakeholders by continuing to increase corporate value.

(5) Financial performance highlights

Item	Fiscal year	FY2010 (Ended March 31, 2011)	FY2011 (Ended March 31, 2012)	FY2012 (Ended March 31, 2013)	FY2013 (Ended March 31, 2014)
Net sales	(Million yen)	505,997	454,755	464,871	474,239
Ordinary income	(Million yen)	17,686	10,891	9,434	10,020
Net income	(Million yen)	7,192	6,402	3,487	6,701
Earnings per share	(Yen)	46.00	41.18	22.97	45.30
Total assets	(Million yen)	246,903	250,256	239,782	260,368
Net assets	(Million yen)	149,903	152,785	149,132	151,044
Book value per share	(Yen)	958.84	995.24	1,008.09	1,021.05

Note: Earnings per share is calculated on the basis of the average number of shares outstanding during each fiscal year, after deduction of treasury stock.

(6) Principal parent company and subsidiaries

a) Parent company

Nissan Shatai's parent company Nissan Motor Co., Ltd. holds 67,726,000 (45.8% of all voting rights) of the total number of Nissan Shatai's shares outstanding, and accounts for 99.6% of Nissan Shatai's net sales.

b) Principal subsidiaries

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

Notes:

1. Shares of voting rights include those held indirectly.

(7) Principal business operations

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

Its principal products are as follows:

Category	Product names
Passenger vehicles	Elgrand, Quest, Wingroad, Infiniti QX80, Patrol (Y62), Patrol (Y61), Cedric, NV200 Vanette, NV350 Caravan
Commercial vehicles	AD, AD Expert, NV200 Vanette, NV350 Caravan, Patrol Pickup, Atlas F24
Microbuses	NV350Caravan, Civilian
Vehicle parts, etc.	Vehicle parts and other items

(8) Principal offices, facilities, and plants

a) Nissan Shatai

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

b) Subsidiaries

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

Auto Works Kyoto Co., Ltd.	Head Office: Uji, Kyoto Prefecture Plants: Uji, Kyoto Prefecture; Hiratsuka, Kanagawa Prefecture; Kanda-machi, Miyakogun, Fukuoka Prefecture
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(9) Employee information

a) Group employees

Number of employees	Decrease from end of previous fiscal year
4,155	98

b) Nissan Shatai employees

Number of employees	Decrease from end of previous fiscal year
1,977	54

2. Share Data

- (1) Total number of shares authorized to be issued 400,000,000
- (2) Total number of shares issued 157,239,691
(including 9,308,909 shares of treasury stock)
- (3) Number of shareholders at fiscal year-end 2,768
- (4) Ten largest shareholders

Name	Number of shares (Thousands)	Ratio of issued shares (%)
Nissan Motor Co., Ltd.	67,726	45.8
Royal Bank of Canada Trust Company (Cayman) Limited	30,358	20.5
STATE STREET CLIENT OMNIBUS ACCOUNT OM02	20,110	13.6
Nissan Shatai Supplier Stock Ownership Plan	2,798	1.9
Japan Trustee Services Bank, Ltd. (Trust account)	1,781	1.2
The Master Trust Bank of Japan, Ltd. (Trust account)	1,348	0.9
The Master Trust Bank of Japan, Ltd. (Trust account 3)	993	0.7
The Master Trust Bank of Japan, Ltd. (Trust account 6)	964	0.7
The Master Trust Bank of Japan, Ltd. (Trust account 5)	963	0.7
The Master Trust Bank of Japan, Ltd. (Trust account 2)	959	0.7

Note: Nissan Shatai holds 9,308,909 shares of treasury stock, but has been excluded from the above list of ten largest shareholders. The ratios of issued shares have been calculated after excluding treasury stock.

3. Directors and Statutory Auditors

(1) List of directors and statutory auditors (at March 31, 2013)

Title	Name	Responsibilities	Important positions at other companies
President*	Yoshiaki Watanabe	Internal Audit Office	President, Nissan Shatai Kyushu Co., Ltd.
Director	Shuichi Otani	Overall supervision of General & Administration Div.; Corporate IT Promotion Dept.	President, Nissan Shatai Computer Service Co., Ltd.
Director	Masashi Mizunuma	Overall supervision of Production Div.; Safety and Environment Administration Dept.; Production Administration Dept.; Shonan Plant	
Director	Yuzo Sakita	Overall supervision of Development Div.; Product Development Administration Dept.; Body Development Dept.; Vehicle Evaluation & Test Dept.; General Manager, Corporate Quality Assurance Div.	
Director	Toshikatsu Hamaji	Corporate Management Dept.; Finance Dept.: Vehicle Cost Management Dept.: Conversion Business Promotion Office	Director, Nissan Shatai Manufacturing Co., Ltd., Statutory Auditor, Auto Works Kyoto Co., Ltd.
Director	Yoshiyuki Oki		Director; General Manager, Business Planning Dept., Kanagawa Chuo Kotsu Co., Ltd. President, Kanachu Accounting Service Co., Ltd.
Statutory Auditor	Masao Takoshima	Standing	Statutory Auditor, JATCO Ltd.

Statutory Auditor	Yoshimitsu Mitake	Standing	Statutory Auditor, Nissan Shatai Kyushu Co., Ltd.
Statutory Auditor	Toshio Wakui		Managing Director, Kanagawa Association of Corporate Executives Outside Statutory Auditor, Yurindo Co.,
Statutory Auditor	Masahiko Otsuka		Statutory Auditor, Nissan Kohki Co., Ltd.

Notes:

1. * indicates a representative director.
2. Mr. Oki is an outside director.
3. Mr. Wakui and Mr.Otsuka are outside statutory auditors.
4. Mr.Toshio Koyama, resigned as a statutory auditor at the close of the 90th ordinary general shareholders meeting held on June 26, 2013.
5. Mr. Otsuka was newly elected as a statutory auditor at the 90th ordinary general shareholders meeting held on June 26, 2013.
6. Mr. Oki and Mr.Wakui are independent director or statutory auditor as stipulated by Tokyo Stock Exchange, Inc.

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

Office	No. of persons	Payment	Remuneration ceiling stipulated by general shareholders meeting
Directors	6	122,950,000 yen	The ceiling for remuneration of directors is 30 million yen per month (resolution of June 30, 1982), but this does not include employee salaries of directors who are concurrently employees.
Statutory Auditors	5	35,191,000 yen	The ceiling for remuneration of statutory auditors is 5 million yen per month (resolution of June 30, 1982).
Total	11	158,142,000 yen	

Notes:

1. At the end of the fiscal year under review, there were six directors and four statutory auditors.
2. The remuneration paid to the one outside director and three outside statutory auditors during the fiscal year under review totaled 21,532,000 yen.
3. The amount paid to the directors does not include the employee salaries of directors who are concurrently employees.

(3) Information concerning outside directors and outside statutory auditors

Director Yoshiyuki Oki

- 1) Concurrent positions as executive director, etc., of other corporations
Mr. Oki is a director of Kanagawa Chuo Kotsu Co., Ltd. and a president of Kanachu Accounting Service Co., Ltd.
Both Kanagawa Chuo Kotsu Co., Ltd. and Kanachu Accounting Service Co., Ltd. do not have capital ties and business relations with Nissan Shatai.
- 2) Concurrent positions as outside officer, etc., of other corporations
Not applicable
- 3) Relationships with major business partners or other specific business entities
Not applicable
- 4) Principal activities during the fiscal year under review
 - a) Attendance at Board of Directors meetings, etc.
Mr. Oki attended all Board of Directors meetings.
 - b) Verbal contributions at Board of Directors meetings, etc.
At Board of Directors meetings, Mr. Oki stated opinions from a comprehensive perspective and gave advice and recommendations for ensuring the validity and appropriateness of decision-making by the Board of Directors.
 - c) Business policy changed by opinion of Director Yoshiyuki Oki
Not applicable
- 5) Content of contract to limit liability
Pursuant to Article 427, Paragraph 1 of the Companies Act and Article 31, Paragraph 2 of Nissan Shatai's Articles of Incorporation, Mr. Oki has entered into a contract with Nissan Shatai to limit his liability. This limits his liability to the minimum liability amount prescribed in Article 425, Paragraph 1 of the Companies Act, if he is without knowledge and not grossly negligent in performing his duties.
- 6) Amount of remuneration and other financial benefit received as an officer of Nissan Shatai's parent company or subsidiary of the said parent company during the fiscal year under review
Not applicable

Statutory Auditor Toshio Wakui

- 1) Concurrent positions as executive director, etc., of other corporations
Mr. Wakui is a managing director of Kanagawa Association of Corporate Executives.

- 2) Concurrent positions as outside officer, etc., of other corporations
Mr. Wakui is an outside statutory auditor of Yurindo. There are no capital ties and business relations between Nissan Shatai and Yurindo.
- 3) Relationships with major business partners or other specific business entities
Not applicable
- 4) Principal activities during the fiscal year under review
 - a) Attendance at Board of Directors meetings, etc.
He attended all Board of Directors meetings and all Board of Statutory Auditors meetings.
 - b) Verbal contributions to Board of Directors meetings, etc.
At Board of Directors meetings, Mr. Wakui stated opinions from the perspective primarily of compliance with laws, ordinances, and the Articles of Incorporation, and gave advice and recommendations for ensuring the validity and appropriateness of decision-making by the Board of Directors. At Board of Statutory Auditors meetings, Mr. Wakui exchanged opinions concerning audit results, discussed important matters relating to audits, etc.
- 5) Content of contract to limit liability
Pursuant to Article 427, Paragraph 1 of the Companies Act and Article 39, Paragraph 2 of Nissan Shatai's Articles of Incorporation, Mr. Koyama has entered into a contract with Nissan Shatai to limit his liability. This limits his liability to the minimum liability amount prescribed in Article 425, Paragraph 1 of the Companies Act, if he is without knowledge and not grossly negligent in performing his duties.
- 6) Amount of remuneration and other financial benefit received as an officer of Nissan Shatai's parent company or subsidiary of the said parent company during the fiscal year under review
Not applicable

Statutory Auditor Masahiko Otsuka

- 1) Concurrent positions as executive director, etc., of other corporations
Not applicable
- 2) Concurrent positions as outside officer, etc., of other corporations
Mr. Otsuka is an outside statutory auditor of Nissan Kohki Co., Ltd that is a subsidiary of Nissan Motor Co., Ltd., the parent company of Nissan Shatai.
- 3) Relationships with major business partners or other specific business entities
Not applicable
- 4) Principal activities during the fiscal year under review
 - a) Attendance at Board of Directors meetings, etc.

He attended all Board of Directors meetings and all Board of Statutory Auditors meetings.

b) Verbal contributions to Board of Directors meetings, etc.

At Board of Directors meetings, he stated opinions from the perspective primarily of compliance with laws, ordinances, and the Articles of Incorporation, and gave advice and recommendations for ensuring the validity and appropriateness of decision-making by the Board of Directors. At Board of Statutory Auditors meetings, he exchanged opinions concerning audit results, discussed important matters relating to audits, etc.

5) Content of contract to limit liability

Pursuant to Article 427, Paragraph 1 of the Companies Act and Article 39, Paragraph 2 of Nissan Shatai's Articles of Incorporation, Mr. Otsuka has entered into a contract with Nissan Shatai to limit his liability. This limits his liability to the minimum liability amount prescribed in Article 425, Paragraph 1 of the Companies Act, if he is without knowledge and not grossly negligent in performing his duties.

6) Amount of remuneration and other financial benefit received as an officer of Nissan Shatai's parent company or subsidiary of the said parent company during the fiscal year under review

Received 4,500,000 yen from Nissan Kohki Co., Ltd.

4. Accounting Auditor

(1) Name of accounting auditor

Ernst & Young ShinNihon LLC

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

a)	Amount of remuneration as accounting auditor for the fiscal year under review	30 million yen
b)	Total amount of monetary or other property benefits to be paid by Nissan Shatai or its subsidiaries	37 million yen

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

(3) Policies on deciding dismissal and denial of reappointment of accounting auditor

If judged to be necessary, for example in the event of there being obstacles to the performance of the duties of an accounting auditor, the Board of Directors shall, with the agreement of the Board of Statutory Auditors or at the request of the Board of Statutory Auditors, propose the dismissal or denial of reappointment of the accounting auditor to a general shareholders meeting.

In the event that the Board of Statutory Auditors deems that any of the items in Article 340, Paragraph 1 of the Companies Act apply to the accounting auditor, the Board of Statutory Auditors shall, with the unanimous agreement of all the statutory auditors, dismiss the accounting auditor. In that event, a statutory auditor appointed by the Board of Statutory Auditors shall report the dismissal and the reasons therefor to the first general shareholders meeting convened after the dismissal.

5. Outline of Content of Resolution for the Creation of Systems to Ensure Proper Conduct of Business

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

Recognizing the importance of directors and employees acting with sound judgment as members of society, Nissan Shatai developed the “Nissan Shatai Code of Conduct—Our Promise” in the aim of ensuring legal compliance and proper execution of duties. In-house training and other courses promote greater understanding of this code, and all directors and employees are asked to sign it. The Internal Audit Office also conducts audits of divisions within Nissan Shatai primarily to check compliance with laws, ordinances, and the Articles of Incorporation.

The Easy Voice System, a mechanism for whistle-blowing, has been introduced so that employees can easily and directly provide information on compliance issues, and such issues are promptly identified and rectified. If a matter that could contravene the code of conduct is reported, a meeting of the Compliance Committee is immediately convened to promptly discuss and implement a solution. The Compliance Committee provides monthly reports to the Executive Committee on its activities.

Nissan Shatai is resolute in its opposition to antisocial forces. In the event that directors or employees are approached in any way by members of antisocial groups, they quickly report the matter to their superiors and relevant divisions and follow instructions. If directors or employees directly or indirectly encounter dishonest or criminal conduct such as fraud or extortion in the course of their duties, or if they suspect such conduct, they resolutely refrain from involvement, quickly report the matter to their superiors and relevant divisions, and follow instructions.

Furthermore, Nissan Shatai strives to enhance internal control mechanisms to ensure the reliability of financial reporting in accordance with the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control over Financial Reporting published by the Business Accounting Council.

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

Minutes of general shareholders meetings and of Board of Directors meetings, together with records of decisions made pursuant to the authority criteria and documentation on other decisions, are stored and managed in accordance with internal regulations. Directors and statutory auditors have access to such documentation.

(3) Risk management regulations and systems

Nissan Shatai has established a Risk Management Committee chaired by the president to identify risks that could hinder business continuity or threaten stakeholder safety or security and to manage such risks (including crisis management) at a company-wide level.

Key risks for Nissan Shatai include environmental, quality, and safety issues, and to manage and minimize such risks Nissan Shatai regularly convenes meetings of specialist committees including the Environmental Committee, the Quality Committee, and the Safety Council. We develop rules, standards, and manuals and conduct rigorous training programs while also striving to minimize damage in the event that incidents do occur and to prevent their recurrence.

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

A corporate officer system has been introduced in the aim of accelerating decision-making in a streamlined Board of Directors and promoting greater efficiency in the execution of duties by delegating authority to corporate officers who take responsibility for business execution.

Separately from the Board of Directors, the Executive Committee consisting of corporate officers and other key managers meets once a week as a rule to discuss specific management issues associated with business execution. By determining rules for allocating duties and clear, transparent authority criteria, Nissan Shatai aims to make business execution more efficient.

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

To ensure the proper conduct of work in group companies, a code of conduct has been determined for the corporate group, including the parent company, to set out consistent philosophies on matters such as compliance and information security. Internal reporting systems, The Easy Voice System, function as communication tools linking Nissan Shatai with its parent company and subsidiaries when problems occur.

To achieve consistency and efficiency in group management, regular meetings are held with the parent company and subsidiaries to share information. Our statutory auditors and Internal Audit Office conduct audits of subsidiaries, and as necessary our directors and employees are appointed concurrently as directors or auditors in subsidiaries to supervise execution of duties and accounting practices on an ongoing basis.

(6) Matters relating to employees appointed to assist statutory auditors in their duties and the independence of such employees from directors

An Auditors' Office has been established and staffed with managers and other employees to assist the statutory auditors in their duties. Appointment, dismissal, and appraisal of these employees require prior consent from the Board of Statutory Auditors.

(7) Systems for reporting to statutory auditors, including reports from directors and employees

When directors or employees find any issues that may have a material impact on the management of Nissan Shatai or its group companies, they promptly report such issues to the statutory auditors.

To enable statutory auditors to identify important decisions made by Nissan Shatai and its group companies and to ascertain the execution status of such decisions, statutory auditors attend meetings of the Board of Directors and a statutory auditors' representative attends Executive Committee meetings. Progress with implementation and issues under consideration are also reported to statutory auditors during regular on-site audits of divisions. Moreover, the Internal Audit Office provides audit reports to the Board of Statutory Auditors as required.

(8) Other systems to ensure effective audits by statutory auditors

Opportunities are provided for statutory auditors to exchange views with the president on a regular basis, and statutory auditors receive periodic audit reports from the accounting auditor.

Memorandum to Shareholders

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

Notices

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

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

Payment of unpaid dividends

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

Dividend statement

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

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

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

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

Principal Products



Direction for the Meeting

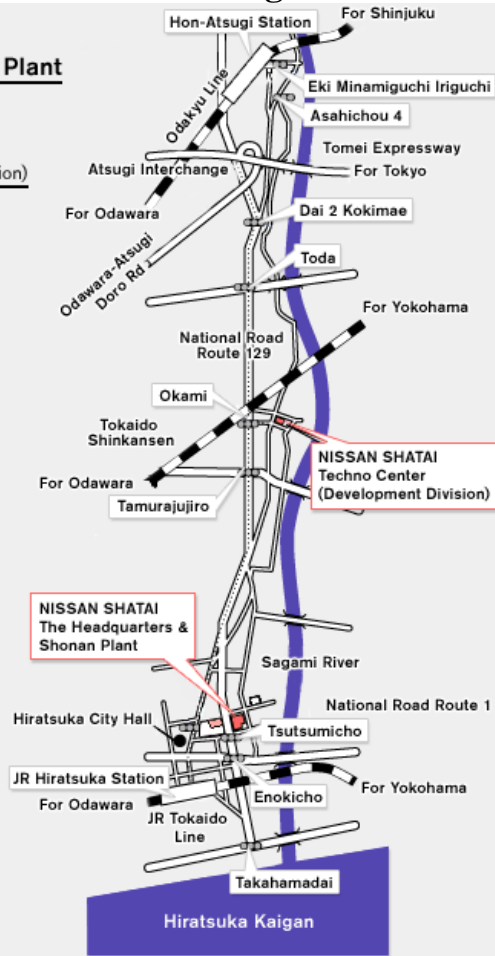
NISSAN SHATAI

The Headquarters & Shonan Plant

2-1, Tsutsumicho, Hiratsuka,
Kanagawa, 254-8610

Techno Center (Development Division)

2909, Okami, Hiratsuka,
Kanagawa, 254-0012



The Headquarters & Shonan Plant

Public transportation:

JR Hiratsuka Station (JR Tokaido Line) $\xrightarrow[\text{about 30 min.}]{\text{on foot}}$ NISSAN SHATAI The Headquarters & Shonan Plant

JR Hiratsuka Station (JR Tokaido Line) $\xrightarrow[\text{about 5 min.}]{\text{Kanachu Bus for Hiratsuka Eki Kitaguchi Iki Junkan}}$ Kogyo Danchi Iriguchi Bus Stop $\xrightarrow[\text{about 3 min.}]{\text{on foot}}$ NISSAN SHATAI The Headquarters & Shonan Plant

By car:

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

Techno Center

Public transportation:

JR Hiratsuka Station (JR Tokaido Line) $\xrightarrow[\text{about 25 min.}]{\text{Kanachu Bus for Hon-Atsugi Minamiguchi}}$ Yanaginouchi Bus stop $\xrightarrow[\text{about 2 min.}]{\text{on foot}}$ Techno Center

Hon-Atsugi Station (Odakyu Line) $\xrightarrow[\text{about 25 min.}]{\text{Kanachu Bus for Hiratsuka Kitaguchi}}$ Yanaginouchi Bus stop $\xrightarrow[\text{about 2 min.}]{\text{on foot}}$ Techno Center

By car:

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

NISSAN SHATAI CO., LTD.