

FY 2005 Unconsolidated Financial Results

For the year Ended March 31, 2006

English Translation from the Original Japanese-Language Document



April 28, 2006

Company Name : **Mazda Motor Corporation** (Headquartered in Hiroshima, Japan / Tokyo Stock Exchange / Code No. 7261)
 URL : <http://www.mazda.co.jp>
 Representative Person : Hisakazu Imaki, Representative Director, President and CEO
 Contact Person : Tetsuya Fujimoto, General Manager, Accounting Department, Phone (082) 282-1111
 BOD Meeting : Meeting of the board of directors for account settlement held on April 28, 2006
 General Meeting : Meeting of Stock Holders held on June 27, 2006
 Dividend pay day : Dividend is started to pay from June 28, 2006
 Interim dividend : Adopted
 Unit stock system : Adopted (One lot: 1,000stock)

1. Financial Highlights (April 1, 2005 through March 31, 2006)

(1) Financial Results

(in Japanese yen rounded to millions)

	Sales		Operating Income/ (Loss)		Ordinary Income/ (Loss)	
	Million yen	%	Million yen	%	Million yen	%
FY2005	2,032,115	9.8	66,961	165.8	60,177	253.8
FY2004	1,851,170	11.4	25,192	23.3	17,010	42.3

	Net Income/(Loss)		Net Income/(Loss) per share	Net Income/(Loss) per share (Diluted)	Return on Equity	Ordinary Income to Total assets	Ordinary Income to Sales
	Million Yen	%	Yen	Yen	%	%	%
FY2005	10,984	78.7	8.48	7.78	2.5	4.3	3.0
FY2004	6,146	101.4	5.05	4.35	1.5	1.2	0.9

Notes:

- Average number of shares of common stock issued:

FY2005	1,294,567,771 shares
FY2004	1,216,279,068 shares
- Accounting policy changes : No.
- Changes in sales, operating income, ordinary income, and net income from the previous period are shown in percentage.

(2) Dividends

(in Japanese yen rounded to millions)

	Dividends per share			Amount of Annual Dividends	Dividends Payout Ratio	Annual Dividends per equity
	Interim	Year-end				
	Yen	Yen	Yen	Million Yen	%	%
FY2005	5.00	0.00	5.00	7,001	63.7	1.5
FY2004	3.00	0.00	3.00	3,648	59.4	0.9

(3) Financial Position

(in Japanese yen rounded to millions)

	Total assets	Shareholders' Equity	Equity Ratio	Equity per share
	Million yen	Million yen	%	Yen
FY2005	1,395,553	465,460	33.4	332.44
FY2004	1,408,598	401,516	28.5	330.15

Notes:

Number of issued stock	Mar.31,2006	1,400,127,955 shares	Mar.31,2005	1,216,164,604 shares
Number of treasury stock	Mar.31,2006	7,214,999 shares	Mar.31,2005	7,747,078 shares

2. FY2006 Financial forecast (April 1, 2006 through March 31, 2007)

	Sales	Operating Income /(Loss)	Ordinary Income /(Loss)	Net Income /(Loss)	Dividends per share		
					Interim	Year-end	
	Million Yen	Million Yen	Million Yen	Million Yen	Yen	Yen	Yen
Full Year	2,290,000	70,000	80,000	50,000	0.00	5.00	5.00

Reference: Net income per share for the full year: 35.71 yen

The financial projection is the judgement of our management based on the information presently available. By nature, such financial projection is subject to uncertainty and risks. Therefore, we advise against making an investment decision by solely relying on this projection. Variables that could affect the actual financial results include, but are not limited to, economic environments related to our business areas and fluctuations in yen-to-dollar and other exchange rates. For further information on the above financial projection, please refer to page 6 to 8 of Supplementary Information to Consolidated Financial Results for FY 2005.

Unconsolidated Statement of Income

For the Years Ended March 31, 2006 and 2005

(in Japanese yen rounded to millions)

		FY2005 (Apr.2005-Mar.2006)	FY2004 (Apr.2004-Mar.2005)	Increase/ (Decrease)
Net sales	1	2,032,115	1,851,170	180,945
Cost of sales	2	1,675,976	1,539,633	136,343
Gross profit on sales	3	356,139	311,536	44,602
Selling, general and administrative expenses	4	289,178	286,344	2,834
Operating income	5	66,961	25,192	41,768
Non-operating income				
Interest and dividend income	6	12,506	3,778	8,728
Other	7	5,345	5,352	(7)
Total	8	17,851	9,130	8,721
Non-operating expenses				
Interest expense	9	5,453	6,686	(1,233)
Other	10	19,181	10,626	8,555
Total	11	24,635	17,312	7,322
Ordinary income	12	60,177	17,010	43,167
Extraordinary profits				
Profit on sale of tangible fixed assets	13	22	55	(33)
Profit on sale of investment securities for affiliates	14	920	-	920
Compensation received for the exercise of eminent domain	15	472	1,415	(943)
Insurance proceeds	16	996	27,942	(26,946)
Gain on the transfer to the Government of the substitutional portion of employee pension fund liabilities	17	55,191	-	55,191
Other	18	225	-	225
Total	19	57,826	29,411	28,415
Extraordinary losses				
Loss on sale of tangible fixed assets	20	46	178	(132)
Loss on retirement of tangible fixed assets	21	4,917	4,936	(19)
Loss on impairment of fixed assets	22	19,375	-	19,375
Loss on sale of investment securities	23	-	835	(835)
Valuation loss on investment securities	24	255	0	255
Valuation loss on investment securities for affiliates	25	556	160	396
Valuation loss on investments	26	268	1	267
Loss on investment for affiliates	27	-	7,272	(7,272)
Loss on restructuring of affiliates	28	3,013	-	3,013
Reserve for loss on restructuring of affiliates	29	584	-	584
Investment valuation allowance	30	30,005	265	29,740
Loss on liquidation of aTokumei-kumiai	31	-	2,226	(2,226)
Loss on disasters	32	-	14,831	(14,831)
Other	33	133	541	(407)
Total	34	59,151	31,244	27,907
Income before income taxes	35	58,852	15,178	43,675
Income taxes				
Current	36	14,867	3,530	11,336
Prior year	37	10,166	-	10,166
Refund	38	-	(2,103)	2,103
Deferred	39	22,835	7,604	15,231
Net income	40	10,984	6,146	4,838
Retained earnings/(deficit) brought forward	41	15,099	15,981	(882)
Reversal of land revaluation	42	(4,477)	331	(4,808)
Reversal of earned surplus reserve	43	15,752	-	15,752
Unappropriated retained earnings/(deficit)	44	37,357	22,458	14,899

Unconsolidated Balance Sheet

As of March 31, 2006 and 2005

(in Japanese yen rounded to millions)

		FY2005	FY2004	Increase/ Decrease)
		(Mar. 31, 2006)	(Mar. 31, 2005)	(Decrease)
Assets				
Current assets				
Cash and time deposits	1	138,331	147,852	(9,520)
Trade notes	2	-	1	(1)
Accounts receivable	3	161,574	122,229	39,345
Finished products	4	36,797	31,799	4,998
Raw materials	5	2,683	1,951	733
Work in process	6	25,106	26,795	(1,689)
Supplies	7	2,151	1,649	502
Advanced payment	8	0	2,784	(2,784)
Prepaid expenses	9	1,226	1,071	154
Deferred taxes	10	35,728	31,028	4,700
Accrued revenue	11	41,529	50,305	(8,775)
Short-term loans receivable	12	32,902	25,351	7,551
Other	13	6,591	10,383	(3,792)
Allowance for doubtful receivables	14	(5,780)	(6,784)	1,004
Total current assets	15	<u>478,839</u>	<u>446,413</u>	<u>32,425</u>
Fixed assets				
Tangible fixed assets:				
Buildings	16	80,788	78,763	2,026
Structures	17	16,229	17,170	(941)
Machinery and equipment	18	165,182	140,623	24,559
Transportation equipment	19	2,106	2,014	92
Tools, furniture and fixtures	20	14,745	22,339	(7,594)
Land	21	316,046	318,086	(2,040)
Construction in progress	22	25,699	39,528	(13,829)
Total tangible fixed assets	23	<u>620,796</u>	<u>618,523</u>	<u>2,272</u>
Intangible fixed assets:				
Software	24	16,237	15,196	1,040
Investments and other fixed assets:				
Investment securities	25	4,433	3,790	642
Investment securities for affiliates	26	240,757	240,407	350
Investments	27	12	373	(361)
Investment for affiliates	28	13,780	5,341	8,439
Long-term loans receivable	29	1,467	1,467	-
Long-term loans receivable for affiliates	30	2,700	3,095	(395)
Bad and doubtful receivables	31	3,590	4,606	(1,016)
Long-term prepaid expenses	32	4,782	5,401	(619)
Deferred taxes	33	38,854	64,172	(25,319)
Other	34	5,500	7,282	(1,782)
Allowance for doubtful receivables	35	(5,677)	(6,695)	1,018
Investment valuation allowance	36	(30,516)	(776)	(29,740)
Total investments and other fixed assets	37	<u>279,682</u>	<u>328,465</u>	<u>(48,782)</u>
Total fixed assets	38	<u>916,715</u>	<u>962,184</u>	<u>(45,470)</u>
Total assets	39	<u>1,395,553</u>	<u>1,408,598</u>	<u>(13,045)</u>

(in Japanese yen rounded to millions)

		FY2005	FY2004	Increase/ (Decrease)
		(Mar. 31, 2006)	(Mar. 31, 2005)	
Liabilities				
Current liabilities				
Trade notes	1	941	860	81
Accounts payable	2	228,491	188,929	39,562
Short-term loans payable	3	1,640	15,640	(14,000)
Long-term loans payable due within one year	4	45,243	75,373	(30,130)
Bonds due within one year	5	-	30,000	(30,000)
Other accounts payable	6	13,727	19,925	(6,199)
Accrued income tax	7	21,196	3,448	17,748
Accrued expenses	8	75,982	73,804	2,178
Sales deposits	9	1,672	99	1,573
Deposit received	10	15,970	20,431	(4,461)
Reserve for warranty expenses	11	26,671	21,980	4,691
Reserve for loss on restructuring of affiliates	12	584	-	584
Other	13	4,324	5,115	(792)
Total current liabilities	14	436,441	455,605	(19,165)
Fixed liabilities				
Bonds	15	65,000	40,000	25,000
Bonds with stock acquisition rights	16	3,437	59,567	(56,130)
Long-term loans payable	17	226,907	196,790	30,117
Deferred tax liability related to land revaluation	18	93,713	91,132	2,581
Employees' and executive officers' severance and retirement benefits	19	100,036	160,160	(60,124)
Directors' and corporate auditors' retirement benefits	20	837	765	72
Guaranty money received	21	2,324	1,809	515
Other	22	1,398	1,254	145
Total fixed liabilities	23	493,652	551,477	(57,825)
Total liabilities	24	930,093	1,007,082	(76,989)
Shareholders' equity				
Common stock	25	148,360	120,295	28,065
Capital surplus				
Capital reserve	26	58,250	104,433	(46,183)
Other capital surplus	27	74,135	2	74,133
Surplus from decrease in Capital reserve	28	74,135	-	74,135
Surplus from disposal in treasury stock	29	-	2	(2)
Total Capital surplus	30	132,385	104,435	27,950
Earned surplus				
Earned surplus reserve	31	-	15,752	(15,752)
Reserve for optional purpose	32	13,274	9,563	3,711
Reserve for advanced depreciation deduction of fixed assets	33	12,442	8,554	3,887
Reserve for special depreciation	34	796	987	(191)
Reserve for World Exposition	35	36	22	14
Unappropriated retained earnings/(deficit)	36	37,357	22,458	14,899
Total earned surplus	37	50,631	47,773	2,859
Land revaluation	38	135,372	130,895	4,477
Net unrealized gain/(loss) on available-for-sale securities				
	39	1,018	309	709
Treasury stock	40	(2,306)	(2,192)	(115)
Total shareholders' equity	41	465,460	401,516	63,945
Total liabilities and shareholders' Equity	42	1,395,553	1,408,598	(13,045)

Appropriation of retained earnings (Draft)

For the Years Ended March 31, 2006 and 2005

(in Japanese yen rounded to millions)

	FY 2005	FY 2004
	Mar. 31, 2006	Mar. 31, 2005
Unappropriated retained earnings/(deficit)	37,357	22,458
Reversal of reserve for advanced depreciation deduction of fixed assets	856	796
Reversal of reserve for special depreciation	205	203
Reversal of reserve for World Exposition	36	-
Total	38,455	23,457
They will be appropriated as follows:		
Dividends	7,001	3,648
	(5 yen per share)	(3 yen per share)
Reserve for advanced depreciation deduction of fixed assets	258	4,683
Reserve for special depreciation	33	12
Reserve for the World Exposition	-	14
Retained earnings/(deficit) carried forward	31,163	15,099

Significant Accounting Policies

1. Asset valuation standards and method

- (1) Securities: Investment securities for affiliates: Historical cost basis based on moving average method
Other Securities
Marketable Securities:
Market value method based on the market price at the end of this fiscal year.
(The variances are all booked as "Net unrealized loss on available-for-sale securities" in "Shareholder's equity" whether they are profit or loss, and its cost of sales is calculated on moving average method)
Non-marketable Securities:
Historical cost basis based on moving average method
- (2) Derivatives instruments: Mainly market value method
- (3) Inventories: Historical cost basis based on an average method

2. Depreciation method of fixed assets

- (1) Tangible fixed assets: Straight-line method is used.
The useful lives and residual value are booked on the same standard as the method prescribed in the Corporate Tax Law.
- (2) Intangible fixed assets: Software is amortized on straight-line method over the available useful lives (5years).

3. Accounting of deferred assets

The bond issue cost is recognized as the one-time cost at the payment timing.

4. Standards for Recognition of reserves

- (1) Reserve for warranty expenses:
Reserve for warranty expenses provides for after-sales service expenses of products. The amount is estimated per Product warranty provisions and actual costs incurred in the past, taking future prospects into consideration.
- (2) Reserve for loss on restructuring of affiliates:
Reserve for loss on restructuring of affiliates provides for losses related to restructuring of affiliates.
The amount is estimated in light of the financial positions and other conditions of the affiliates.
- (3) Employees' and executive officers' severance and retirement benefits:
Employees' and executive officers' severance and retirement benefits provide for the costs of severance and retirement benefits to employees and executive officers. For employees' severance and retirement benefits, the amount estimated to have been incurred as of the end of the current year is recognized based on the estimated amount of liabilities for severance and retirement benefits and the estimated fair value of the pension plan assets at the end of the current fiscal year. The recognition of prior service cost is deferred on a straight-line basis over a period equal to or less than the average remaining service period of employees at the time such cost is incurred, i.e., in 12 years. The recognition of actuarial differences is also deferred on a straight-line basis over a period equal to or less than the average remaining service period of employees at the time such gains or losses are realized, i.e., in 13 years. The amortization of net gains or losses starts from the fiscal year immediately following the year in which such gains or losses are realized.
For executive officers' retirement benefits, the liability is provided for the amount that would be required if all eligible executive officers retired at the balance sheet date.

<Additional Information>

Commencing with the enforcement of law of defined benefit corporate pension plan, Mazda Motor Corporation (the "Company") was authorized for the exemption of the past obligation by Minister of Health, Labor and Welfare on July 31, 2005. On March 28, 2006, the transfer of the plan assets attributable to the substitutional portion to the government was completed.
The effect for the current first half is to increase Extraordinary profits by 55,191 million yen.

(4) Directors' and corporate auditors' retirement benefits:

Directors' and corporate auditors' retirement benefits provide for the payment of retirement benefits to directors and corporate auditors. The equivalent of the amount that would be required by the internal corporate policy if all the directors and corporate auditors retired at the end of this fiscal year is recognized.

(5) Allowance for doubtful receivables:

Allowance for doubtful receivables provides for the losses from bad debt. The amount estimated to be uncollectible is recognized. For receivables at an ordinary risk, the amount is estimated based on the past default ratio. For receivables at a high risk and receivables from debtors under bankruptcy proceedings, the amount is estimated based on the financial standing of the debtor.

(6) Investment valuation allowance:

Investment valuation allowance provides for losses from investments. The amount is estimated in light of the financial standings of the investee companies.

5. Accounting for lease

Finance lease transactions other than those with an unconditional title transfer clause to lessee are processed according to the accounting standard of ordinary rent transaction.

6. Accounting for hedging activities

Full-deferral hedge accounting is applied.

Also, for certain interest swap contracts that are used as hedges and meet certain hedging criteria, the net amount to be paid or received under the interest swap contract is added to or deducted from the interest on the assets or liabilities for which the swap contract was executed.

7. Accounting of consumption tax, etc.

Tax-excluding method is applied.

Adoption of New Accounting Standards

Impairment of fixed assets

Commencing in the one year ended March 31, 2006, the Company adopted the new accounting standard for impairment of fixed assets ("Opinion Concerning Establishment of Accounting Standard for Impairment of Fixed assets" issued by the Business Accounting Deliberation Council on August 9, 2002) and the implementation guidance for the accounting standard for impairment of fixed assets (the Financial Accounting Standard Implementation Guidance No.6 issued by the Accounting Standards Board of Japan on October 31, 2003.)

The effect of adopting the new accounting standard on the statement of income was to decrease income before Income taxes by 19,375 million yen.

Also, the impaired fixed assets are presented in the balance sheet net of accumulated impairment in accordance with the revised standard for preparation of financial statements.

Footnotes

Notes to Balance Sheet

	FY2005 (Mar.31,2006)	(in millions of yen) FY2004 (Mar.31,2005)
1. Accumulated depreciation on tangible fixed assets	887,381	908,309
2. Assets offered as collateral	352,473	332,364
Collateralized loans	51,865	96,454
3. Subordinate loans receivable	1,610	2,109
4. Contingent liabilities for guarantee and similar agreements	123,999	152,920
5. Factoring of receivables with recourse	24,920	8,590

6. In accordance with the Law to Partially Revise the Land Revaluation Law (Law No. 19, enacted on March 31, 2001), land owned by the Company for business uses was revalued. The deferred taxes on the unrealized gains are included in the liabilities as "Deferred Tax Liability Related to Land Revaluation". The unrealized gains on the revaluation are included in the shareholders' equity as "Land Revaluation" for the amount net of deferred taxes.

The date of revaluation: March 31, 2001

Method of revaluation:

The fair value of land is determined based on the method that are promulgated and published by the Secretary of the National Tax Agency, as stipulated in Article 2-4 of the Ordinance Implementing the Law Concerning Land Revaluation (Article 119 of 1998 Cabinet Order, promulgated on March 31, 1998). The method includes the revaluation of land for land-holding tax and reasonable adjustments including those for the timing of assessment.

At the end of this period, the difference between the total amount of fair value of the revaluated land and the total amount of revaluated book value of land for business based on the Article 10 of the Land Revaluation Law is 83,721 Mil. yen.

7. Restriction of Financial Activity

- (1) In the bond issue contract of unsecured bonds No. 18 (including negative pledge which ranks pari passu solely with other series of unsecured debenture or bonds), as long as the balance of the bonds exist, the company must maintain the net worth more than 289.3 Bil. yen on the balance sheet as of the end of the fiscal period after the payment date of the bonds.

In the bond issue contract of unsecured bonds (with subscription clause) No.4 and No.19 (including negative pledge which ranks pari passu solely with other series of unsecured debenture or bonds), as long as the outstanding balance of this bond exists, the Company must maintain the net worth more than 129.7 Bil. yen on the consolidated balance sheet of the end of each fiscal year.

In the bond issue contract of unsecured bonds No.20 (including negative pledge which ranks pari passu solely with other series of unsecured debenture or bonds), as long as the outstanding balance of this bond exists, the Company must maintain the net worth more than 145.6 Bil. yen on the consolidated balance sheet of the end of each fiscal year.

- (2) Regarding the Variance of land revaluation, according to the Law of land re-valuation No.7 of the clause2-1, it is prohibited to be paid as dividends.
- (3) The increase in net worth by the valuation stipulated in the Commercial Code Enforcement Regulation is 1,018 million yen.

8. Decrease of Capital reserve and Earned surplus reserve

In this fiscal year, We transferred Capital reserve and Earned surplus based of the law of commerce. Therefore, the decrease amount of Capital reserve is 74,248 Mil. yen, the decrease amount of Earned surplus reserve is 15,752 Mil. yen, the increase amount of Surplus from disposal in Other capital surplus is 74,248 Mil. yen, and the increase amount of Net income is 15,752 Mil. yen.

Notes to Statement of Income

	(in millions of yen)	
	FY2005 (Apr., 05 -Mar., 06)	FY2004 (Apr.,04-Mar., 05)
1. Total amount of research and development costs	79,995	82,364
2. Breakdown of profit on sale of fixed assets		
Transportation equipment	11	6
Machinery and equipment	6	4
Tools, furniture and fixtures	4	-
Land	-	45
3. Breakdown of loss on sales of tangible fixed assets		
Machinery and equipment	22	-
Buildings	-	88
Land	-	66
Others	24	24
4. Breakdown of loss on retirement of tangible fixed assets		
Machinery and equipment	4,604	3,595
Tools, furniture and fixtures	209	837
Others	104	504

5. Loss on Impairment of Fixed Assets (FY2005)

(1) Asset groups for which an impairment loss was recognized in the one year ended March 31, 2006

<u>Usage</u>	<u>Location</u>	<u>Type</u>	<u>(in millions of yen)</u>
-Idle assets: (distribution centers, etc.)	20 locations, including Higashi Nada-ku, Kobe-city	Buildings and structures	2,485
		Machinery and equipment	663
		Tools, furniture and fixtures	5
		Land	1,874
		Sub-total	5,028
-Idle assets: (production equipment, etc.)	3 locations, including Aki-gun, Hiroshima-prefecture	Machinery and equipment	3,321
		Tools, furniture and fixtures	11,026
		Sub-total	14,347
		Total	19,375

(2) Grouping of assets

Assets were grouped into assets held for use, idle assets, and assets held for rent. Furthermore, idle assets and assets held for rent were individually grouped by each item.

(3) Recognition of an Impairment Loss

For the idle assets without a plan to use in operation in the future, the carrying amount was reduced to the amount recoverable. The reduction in the carrying amount was recognized as an impairment loss. The impairment loss (11,026 million yen) on tools, furniture and fixtures under the production equipment category included long-lived tooling for the production of parts to be sold individually.

(4) Estimation of an Amount Recoverable

The recoverable amount of an idle asset group was estimated based on the net amount that the asset could be sold (net selling amount). For land, the net selling amount was estimated based on a third-party appraisal. For other idle assets, the net selling amount is nominal.

6. Investment valuation allowance

Investment valuation allowance 30,005 Mil. yen is for overseas subsidiary.

7. Prior year income taxes

Prior year income taxes are primarily for the taxes reassessed on transactions between the Company and its overseas subsidiary.

(Additional Information)

The Company has been subject to a tax audit by the Hiroshima Regional Taxation Bureau. The Company expects that the tax audit is likely to conclude in the near future. As a result of the tax audit, the Company had conclusive reassessment and recognized expected tax payment with respect to the transactions between the Company and its overseas subsidiary as prior year income taxes in the unconsolidated statement of income for the year ended March 31, 2006.

The Company plans to formally request for bilateral consultations between the two countries as transfer pricing matter to obtain relief from double taxation under the applicable tax treaties.

Lease

Lease was omitted in exchange for release on EDINET.

Marketable Securities

Stocks for subsidiaries and affiliates that have the market value.

(in million of yen)

Stock for affiliates	FY2005 (As of Mar. 31, 2006)	FY2004 (As of Mar. 31, 2005)
Book Value	-	331
Market Value	-	1,406
Difference	-	1,075

Deferred Tax

Deferred Tax was released as a "Additional report" after the final arrangement.

Increase of number of outstanding shares in this fiscal year

Style of issue	Use the right of acquisition of Bond with stock acquisition right
Number of shares increased	183,431,272 shares
Issue price	306 yen per share
Capitalization price	153 yen per share
The amount capitalized	28,065 Mil. yen

Personnel Changes for Officers (scheduled on June 27, 2006)

1. Change of Representative Directors

(1) Change of Representative Directors and Candidates for Representative Directors to be newly appointed

Hisakazu Imaki
Representative Director and Chairman of the Board, President and CEO
Presently Representative Director, President and CEO

John G. Parker
Representative Director and Vice Chairman of the Board, Senior Executive Vice President
Presently Representative Director and Senior Executive Vice President

Mutsumi Fujiwara
Representative Director and Executive Vice President
Presently Director and Executive Vice President

David E. Friedman
Representative Director, Senior Managing Executive Officer and CFO
Presently Senior Managing Executive Officer and CFO

(2) Personnel leaving the position of Representative Director

Kazuhide Watanabe
Presently Representative Director and Chairman of the Board

Gideon Wolthers
Presently Representative Director

2. Changes of other officers

(1) Candidates for the BOD members to be newly appointed

David E. Friedman
Presently Senior Managing Executive Officer and CFO, In charge of Corporate Planning

Seita Kanai
Presently Senior Managing Executive Officer, In charge of R&D

(2) Personnel leaving the BOD

Kazuhide Watanabe
Presently Representative Director and Chairman of the Board

Gideon Wolthers
Presently Representative Director

(3) Candidates for Corporate Auditor to be newly appointed

None

(4) Personnel leaving the position of Corporate Auditor

None

3. Brief Personnel Record of New Appointees of the BOD members

David E. Friedman		
Birth Date	March 13, 1962	
Career	December 1998	Vice President, Ford India Ltd.
	September 2001	President, Ford India Ltd.
	August 2005	Managing Executive Officer, Mazda Motor Corporation
	April 2006	Senior Managing Executive Officer and CFO of the company
	-Present	

Seita Kanai

Birth Date	January 17, 1950
Career	April 1974 Joined Mazda Motor Corporation
	October 2000 Platform General Manager, Platform & Program Management Office No. 2 of the company
	August 2002 General Manager, Vehicle Engineering Div. of the Company
	June 2003 Executive Officer of the Company
	June 2004 Managing Executive Officer of the Company
	April 2006 Senior Managing Executive Officer of the Company
	-Present

4. Changes of Executive Officers (Effective on April 28, 2006)

(1) Candidates for the Executive Officers to be newly appointed

Hiroshi Yamamoto
Presently General Manager, Regional Sales Dept. No2, Domestic Sales Div., Mazda Motor Corporation

Tatsuji Ikeda
Presently General Manager, Powertrain Development Div., Mazda Motor Corporation

Minoru Mitsuda
Presently General Manager, Human Resources Dept. Personnel & Human Development Div., Mazda Motor Corporation

Masafumi Nakano
Presently Deputy General Manager, Hofu Plant, Mazda Motor Corporation

(2) Personnel Leaving the position of Executive Officers

Masao Furuta
Presently Managing Executive Officer, In charge of Domestic Marketing, Domestic Sales and Domestic Customer Service

Hiroshi Hosaka
Presently Executive Officer, General Manager, Domestic Sales Div.

Kazuhiko Tanaka
Presently Executive Officer, General Manager, Corporate Affairs Div.

Kazuyuki Okada
Presently Executive Officer, General Manager, Vehicle Development Div.

Moray S. Callum
Presently Executive Officer, General Manager, Design Div.

Directors and Auditors as well as Executive Officers after the Ordinary General Meeting of Shareholders and the Board of Directors are as follows:

<Directors and Auditors>

Representative Director and Chairman of the Board	Hisakazu Imaki
Representative Director and Vice Chairman of the Board	John G. Parker
Representative Director	Mutsumi Fujiwara
Representative Director	David E. Friedman
Director	Daniel T. Morris
Director	Takashi Yamanouchi
Director	Ryoichi Hasegawa

Director	Kiyoshi Ozaki
Director	Seita Kanai
Corporate Auditor (Full time)	Koji Kurosawa
Corporate Auditor (Full time)	Junichi Yamamoto
Corporate Auditor	Takaharu Dohi
Corporate Auditor	Kenichi Komatsu
Corporate Auditor	Shigeo Shirakura

<Executive Officers>

* President and CEO	Hisakazu Imaki	
* Senior Executive Vice President	John G. Parker	Assistant to President; In charge of China Business, R&D, Purchasing, Quality Assurance, Marketing, Sales, IT Solutions and Environment
* Executive Vice President	Mutsumi Fujiwara	In charge of Corporate Liaison and Purchasing
* Senior Managing Executive Officer and CFO	David E. Friedman	In charge of Corporate Planning
* Senior Managing Executive Officer	Daniel T. Morris	In charge of Marketing, Sales and Customer Service
* Senior Managing Executive Officer	Takashi Yamanouchi	In charge of Corporate Affairs, Secretariat, Personnel & Human Development, Internal Auditing
* Senior Managing Executive Officer	Ryoichi Hasegawa	In charge of Corporate Communications & Liaison and IT Solution; Assistant to the CFO
* Senior Managing Executive Officer	Kiyoshi Ozaki	In charge of China Business
* Senior Managing Executive Officer	Seita Kanai	In charge of R&D
Senior Managing Executive Officer	Masaharu Yamaki	In charge of Production and Business Logistics
Managing Executive Officer	Masazumi Wakayama	In charge of Domestic Marketing, Domestic Sales and Domestic Customer Service
Managing Executive Officer	Nobuhiro Hayama	In charge of R&D Quality and Powertrain Development
Managing Executive Officer	James J. O'Sullivan	President and CEO, Mazda Motor of America, Inc. (Mazda North American Operations)
Managing Executive Officer	Masaki Kanda	In charge of Corporate Affairs, Risk Management, CSR and Mazda Hospital
Managing Executive Officer	Akira Marumoto	In charge of Product Planning, Program Management
Managing Executive Officer	Keishi Egawa	In charge of Corporate Planning and Financial Services
Managing Executive Officer	Toru Oka	In charge of Purchasing
Managing Executive Officer	Malcolm D. Gough	In charge of Overseas Sales and Customer Service
Managing Executive Officer	James M. Muir	President and CEO, Mazda Motor Europe GmbH

Executive Officer	Nobuhide Inamoto	General Manager, Quality Div.
Executive Officer	Satoshi Tachikake	President, Mazda Motor (Shanghai) Business Management & Consulting Co., Ltd. and General Manager, China Business Div.
Executive Officer	Yasuto Tatsuta	General Manager, Production Engineering Div.
Executive Officer	Hiroataka Kanazawa	In charge of Vehicle Development and Technical Research Center
Executive Officer	Masamichi Kogai	President, AutoAlliance (Thailand) Co.,Ltd.
Executive Officer	Shiro Mikami	General Manager, Domestic Marketing Div.
Executive Officer	Kozo Kawakami	General Manager, Purchasing Div.
Executive Officer	Noriaki Yamada	President, FAW Mazda Motor Sales Co., Ltd.
Executive Officer	Toshinori Kusuhashi	General Manager, Hiroshima Plant
Executive Officer	Yuji Nakamine	General Manager, Overseas Sales Div.
Executive Officer	A. Kumar Galhotra	General Manager, Program Management Div.
Executive Officer	Hiroshi Yamamoto	General Manager, Domestic Sales Div.
Executive Officer	Tatsuji Ikeda	General Manager, Powertrain Development Div.
Executive Officer	Minoru Mitsuda	General Manager, Personnel & Human Development Div.
Executive Officer	Masafumi Nakano	General Manager, Hofu Plant

Note: Mark of “*” stands for the Executive Officers who also hold the post of Director.

FY 2005 Financial Summary (Unconsolidated)

Apr.28, 2006
Mazda Motor Corporation

		(in 100 millions of yen)		FY2004		FY2005		FY2006			
		(in thousands of units)		(Apr.04-Mar.05)		(Apr.05-Mar.06)		(Apr.06-Mar.07)			
		(Upper left: ratio on sales)						Projection			
					%		%		%		
Net Sales	Domestic	1	6,300	+1.3		6,708	+6.5	7,200	+7.3		
	Export	2	12,212	+17.5		13,613	+11.5	15,700	+15.3		
	Total	3	18,512	+11.4		20,321	+9.8	22,900	+12.7		
Operating income/(loss)		4	1.4%	252	23.3	3.3%	670	+165.8	3.1%	700	+4.5
Ordinary income/(loss)		5	0.9%	170	42.3	3.0%	602	+253.8	3.5%	800	+32.9
Income/(loss) before tax		6	0.8%	152	+169.4	2.9%	589	+287.8	3.3%	750	+27.4
Net income/(loss)		7	0.3%	61	+101.4	0.5%	110	+78.7	2.2%	500	+355.2
Average rate for the period		8	108Yen/US\$ 135Yen/EUR			113Yen/US\$ 138Yen/EUR			110Yen/US\$ 135Yen/EUR		
Transaction rate		9	108Yen/US\$ 134Yen/EUR			110Yen/US\$ 137Yen/EUR			110Yen/US\$ 136Yen/EUR		
Capital investment		10	586			567		670			
Depreciation and amortization		11	275			308		320			
R & D cost		12	824			800		930			
Total assets		13	14,086			13,956					
Net worth		14	4,015			4,655					
Financial debts		15	4,359			3,485					
Net financial debts		16	2,880			2,101					
	Domestic total	17	308	+1.8		311	+0.7	311	+0.1		
	Export total	18	686	+16.2		752	+9.7	847	+12.6		
Wholesales		19	994	+11.3		1,063	+6.9	1,158	+8.9		
Domestic production units		20	813	+0.2		904	+11.3	998	+10.4		
Number of employees (Excluding dispatchees)		21	18,359			18,995					