

FY2008 First Nine Months Consolidated Financial Results

For the Nine-Month Period Ended December 31, 2008



English Translation from the Original Japanese-Language Document

February 4, 2009

Company Name : **Mazda Motor Corporation** (Tokyo Stock Exchange/Code No. 7261)
 URL : <http://www.mazda.co.jp>
 Representative Person : Takashi Yamanouchi, Representative Director, President and CEO
 Contact Person : Tetsuya Fujimoto, Deputy General Manager, Financial Services Division, Phone (082) 282-1111
 Filing of *Shihanki Houkokusho*, statutory interim business and financial report : Scheduled for February 10, 2009

(In Japanese yen rounded to millions, except amounts per share)

1. Consolidated Financial Highlights (April 1, 2008 through December 31, 2008)

(1) Consolidated Financial Results

	Sales		Operating Income		Ordinary Income		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
FY2008 First 9 Months	2,087,875	-	36,520	-	52,137	-	28,857	-
FY2007 First 9 Months	2,506,253	9.5	108,397	1.1	89,726	7.0	45,000	6.9

Note: Changes in sales, operating income, ordinary income, and net income from the previous period are shown in percentage.

For the changes in percentage from FY2007 First 9 Months to FY2008 First 9 Months, please see FY2008 First Nine Months Financial Summary (Consolidated) that is attached to the end of this material.

	Net Income Per Share	Net Income Per Share (Diluted)
	yen	yen
FY2008 First 9 Months	20.77	20.77
FY2007 First 9 Months	31.96	31.89

(2) Consolidated Financial Position

	Total Assets	Equity	Equity Ratio	Equity Per Share
	million yen	million yen	%	yen
December 31, 2008	1,930,846	522,379	26.9	396.74
March 31, 2008	1,985,566	554,154	27.8	391.82

Notes on equity, equity ratio and equity per share :

- Equity for calculation of equity ratio and equity per share

December 31, 2008	520,343	million yen
March 31, 2008	552,190	million yen
- Presentation of the minority interests in consolidated subsidiaries: The minority interests are presented as a separate component of the equity; however, the minority interests are excluded from the calculation of the equity ratio and the equity per share.
- Recognition of the stock acquisition rights in the equity: The fair value of stock option is recognized, as stock acquisition rights, in the equity as a separate component for the amounts amortized in expense; however, the stock acquisition rights are excluded from the calculation of the equity ratio and the equity per share.

2. Dividends

	Dividends per Share				
	1st. Qtr	2nd. Qtr	3rd. Qtr	Year-End	Full-Year
	yen	yen	yen	yen	yen
FY2007	-	3.00	-	3.00	6.00
FY2008	-	3.00	-	-	-
FY2008 (Forecast)	-	-	-	-	-

Note: The previously released forecast for FY2008 per share dividends has been revised.

The latest forecast for FY2008 year-end per share dividends is undecided and is not available at this time.

3. FY2008 Consolidated Financial Forecast (April 1, 2008 through March 31, 2009)

(Changes in sales, operating income, ordinary income, and net income from the previous period are shown in percentage.)

	Sales		Operating Income/(Loss)		Ordinary Income/(Loss)		Net Income/(Loss)		Net Income/(Loss) Per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full Year	2,550,000	(26.6)	(25,000)	-	(15,000)	-	(13,000)	-	(9.91)

Note: The previously released financial forecast for the year ending March 31, 2009 has been revised.

4. Other

(1) Significant Changes in Consolidation scope: None

(2) Adoption of Accounting Methods Simplified for / Unique to Preparing Interim Consolidated Financial Statements: Yes

Note: See 4. Other in "Qualitative Discussions on Financial Information and Consolidated Financial Statements with Footnotes" on page 5.

(3) Accounting Changes in Preparing Interim Consolidated Financial Statements:

1) Adoption of new accounting standards Yes

2) Other Yes

Note: See 4. Other in "Qualitative Discussions on Financial Information and Consolidated Financial Statements with Footnote" on pages 5 and 6.

(4) Common Stock

1) Shares issued (including treasury shares)	December 31, 2008	1,418,509,399 shares
	March 31, 2008	1,418,509,399 shares
2) Treasury shares	December 31, 2008	106,950,540 shares
	March 31, 2008	9,205,707 shares
3) The average number of outstanding shares over period	FY2008 First 9 Months	1,389,426,565 shares
	FY2007 First 9 Months	1,408,095,205 shares

Supplementary Information:

FY2008 Unconsolidated Financial Forecast (April 1, 2008 through March 31, 2009)

(Changes in sales, operating income, ordinary income, and net income from the previous period are shown in percentage.)

	Sales		Operating Income/(Loss)		Ordinary Income/(Loss)		Net Income/(Loss)		Net Income/(Loss)
	million yen	%	million yen	%	million yen	%	million yen	%	Per Share yen
Full Year	1,840,000	(25.3)	(98,000)	-	(63,000)	-	(35,000)	-	(26.69)

Note: The previously released financial forecast for the year ending March 31, 2009 has been revised.

Cautionary Statements with Respect to Forward-Looking Statements and Other Notes:

1. The financial forecast is the judgment of our management based on the information presently available. By nature, such financial forecast is subject to uncertainty and a risk. Therefore, we advise against making an investment decision by solely relying on this forecast. 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.

Please see 3. Qualitative Discussions on Consolidated Financial Forecasts in Qualitative Discussions on Financial Information and Consolidated Financial Statements with Footnotes on page 4.

2. We have revised the financial forecast for the current year ending March 31, 2009 downward. Also, business environments in the current year remain uncertain. Under the circumstances, the latest forecast for the year-end per share dividends is undecided and is not available at this time. We promptly will disclose the forecast at the time it becomes available by taking the financial results of the current year and the financial forecast of the next year into consideration.

3. Commencing in the fiscal year ending March 31, 2009 (and any interim periods of the fiscal year), the Accounting Standards Board of Japan ("ASBJ") Statement No.12, "Accounting Standard for Quarterly Financial Statements" and the ASBJ Guidance No.14, "Implementation Guidance for Standards for Quarterly Financial Statements" were adopted. Also, interim financial statements are prepared in accordance with the Regulation for Quarterly Consolidated Financial Reporting".

Qualitative Discussions on Financial Information and Consolidated Financial Statements with Footnotes

1. Consolidated Financial Results

Year-to-year performance in retail volume by primary markets for the first nine-month period of FY2008 was as follows. In Japan, in spite of the introduction of the new Biante and the new Atenza, retail volume decreased by 6% year-over-year to 164,000 units under the market environment of lower industry demands for new vehicles. In North America, retail volume was down 10% to 271,000 units amid the overall declining market. In Europe, retail volume increased to 242,000 units or up 6% mainly due to contribution of the sales of the new Mazda2 (Demio in Japan). In China, retail volume increased by 38% to 97,000 units; the positive impacts of the new Mazda2 and Mazda6 (Atenza in Japan) were the main factors. In other areas, retail volume was down 5% to 190,000 units. As a result of these varying performances by market, the global retail volume was 964,000 units, down 1% from the same period of the prior fiscal year.

Consolidated sales for the first nine-month period of FY2008 decreased by ¥418.4 billion (down 17%) year on year to ¥2,087.9 billion; the negative impacts of yen's appreciation and changes in accounting standards were the primary factors. Consolidated operating income was ¥36.5 billion, a decrease of ¥71.9 billion (down 66%) year over year primarily due to negative impacts of stronger yen and material price hikes. Operating ROS was 1.7%. The consolidated ordinary income, which reflects foreign exchange gain, was ¥52.1 billion, down ¥37.6 billion (down 42%). Consolidated net income was down ¥16.1 billion (down 36%) to ¥28.9 billion.

Note: Commencing in the year ending March 31, 2009 (and any interim periods in the year), "Accounting Standard for Quarterly Financial Statements" was adopted. In the above year-over-year comparison, the financial results for the prior period are based on the financial information that was disclosed in FY2007 First Nine Months Consolidated Financial Results released in the prior year.

2. Consolidated Financial Position

As of December 31, 2008, total assets amounted to ¥1,930.8 billion, ¥54.7 billion lower than the end of last fiscal year, due to a decrease in trade notes and accounts receivable and other factors. Also, total liabilities amounted to ¥1,408.5 billion, down ¥22.9 billion from the end of last fiscal year, due to a decrease in trade notes and accounts payable and other factors.

Total equity decreased by ¥31.8 billion to ¥522.4 billion from the end of last fiscal year. Equity ratio decreased by 0.9 of a point from the end of the previous fiscal year to 26.9%.

3. Qualitative Discussions on Consolidated Financial Forecast

The forecast for the year ending March 31, 2009 that was previously released on October 30, 2008 has been revised as follows. Also, the exchange rate assumptions for the year ending March 31, 2009 are ¥100 to the dollar and ¥144 to the Euro.

Consolidated Financial Forecast	Full year	Compared to the prior year
Sales Revenue	¥2,550 billion	down 26.6%
Operating Loss	¥25 billion	-
Ordinary Loss	¥15 billion	-
Net Loss	¥13 billion	-

Global Retail Volume	Full year	Compared to the prior year
Domestic	218,000 units	down 14.8%
North America	342,000 units	down 15.7%
Europe	314,000 units	down 3.9%
China	127,000 units	up 25.7%
Other	239,000 units	down 12.8%
Total	1,240,000 units	down 9.0%

(Reference)

Unconsolidated Financial Forecast	Full year	Compared to the prior year
Sales Revenue	¥1,840 billion	down 25.3%
Operating Loss	¥98 billion	-
Ordinary Loss	¥63 billion	-
Net Loss	¥35 billion	-

The financial forecast is the judgment of our management based on the information presently available. By nature, such financial forecast is subject to uncertainty and a risk. Therefore, we advise against making an investment decision by solely relying on this forecast. 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.

4. Other

1) Significant Changes in Consolidation Scope:

None

2) Adoption of Accounting Methods Simplified / Unique to Preparing Interim Consolidated Financial Statements:

1. Simplified accounting methods

Omission of physical inventory

As of December 31, 2008, physical inventory was omitted. Instead, the balance of inventory as of December 31, 2008 was determined by a rational method to reasonably estimate it based on the information from physical inventory as of September 30, 2008.

2. Unique accounting methods

None

3) Accounting Changes in Preparing Interim Consolidated Financial Statements:

(Accounting Standard for Quarterly Financial Statements)

Commencing in the year ending March 31, 2009 (and any interim periods in the year), the ASBJ Statement No.12 "*Accounting Standard for Quarterly Financial Statements*" and the ASBJ Guidance No.14 "*Implementation Guidance for Accounting Standards for Quarterly Financial Statements*" have been adopted. Also, interim financial statements are prepared in accordance with "*Regulation for Quarterly Consolidated Financial Reporting*".

(Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements)

Commencing in the three months ended June 30, 2008, Mazda Motor Corporation (the "Company") and its consolidated overseas subsidiaries adopted the Practical Issues Task Force ("PITF") No. 18, "*Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements*", issued by the ASBJ on May 17, 2006, and made necessary adjustments in preparing the consolidated financial statements.

As a result of adopting the PITF No. 18, the balance of consolidated retained earnings as of April 1, 2008 was reduced by ¥1,554 million. Also, the effects of adopting the PITF No. 18 on the consolidated statement of income for the nine months ended December 31, 2008 were to increase operating income by ¥319 million, to decrease ordinary income by ¥2,797 million, and to decrease income before income taxes by ¥3,066 million.

Also, in connection with adopting the PITF No. 18, incentive expenses of overseas consolidated subsidiaries that were recognized in selling, general and administrative expenses in the prior periods are now recognized as a reduction to net sales. For the nine months ended December 31, 2008, such incentive expenses amounted to ¥90,951 million, and the effects of this change on the consolidated statement of income for the nine months ended December 31, 2008 were to decrease net sales, gross profit on sales, and selling, general and administrative expenses each by the same amount.

Also, the effects of adopting the PITF No. 18 on segment information are discussed in the applicable section of the notes to the consolidated financial statements.

(Accounting Standards for Measurement of Inventories)

Commencing in the three months ended June 30, 2008, the Company and its consolidated domestic subsidiaries adopted the ASBJ Statement No.9 “*Accounting Standards for Measurement of Inventories*” issued by the ASBJ on July 5, 2006 and changed the inventory valuation method from a cost method to a lower-of-cost-or-market method.

The effects of adopting the new standard on gross profit on sales, operating income, ordinary income and income before income taxes in the consolidated statement of income for the nine months ended December 31, 2008 were immaterial.

(Change in Accounting for Materials Sold to and Purchased Back from Suppliers after Fabrication)

Through the year ended March 31, 2008, in the consolidated statement of income, the Company accounted for materials sold to suppliers for the purpose of purchasing back from them after fabrication in such a manner that the transactions were recognized in both net sales and cost of sales. Commencing in the three months ended June 30, 2008, however, the Company changed accounting for these transactions to exclude the amounts from both net sales and cost of sales. Under the previous accounting, the Company was emphasizing the contractual condition that the ownership title to the materials transfers through the transactions. However, the Company now emphasizes the substance of the transactions that the materials are purchased back after fabrication.

The effects of this accounting change on the consolidated statement of income for the nine months ended December 31, 2008 were to decrease net sales and cost of sales each by ¥131,058 million with no effects on operating income, ordinary income, and income before income taxes.

Also, the effects of this accounting change on segment information are discussed in the applicable section of the notes to the consolidated financial statements.

Additional Information:

(Change in Useful Lives of Tangible Fixed Assets)

On April 30, 2008, the Japanese Income Tax Law was revised to implement certain changes to useful lives of depreciable fixed assets. As a result, commencing in the three months ended June 30, 2008, the Company and its consolidated domestic subsidiaries changed the useful lives of tangible fixed assets in calculating the depreciation expenses of tangible fixed assets in accordance with the revised Japanese Income Tax Law.

The effects of this change on the consolidated statement of income for the nine months ended December 31, 2008 were to decrease operating income by ¥1,719 million and to decrease ordinary income and income before income taxes each by ¥1,727 million.

The effects of this change on the segment information are discussed in the applicable section of the notes to the consolidated financial statements.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheet

December 31, 2008 and March 31, 2008

	(Millions of Yen)	
	FY2008	FY2007
	First Nine Months December 31, 2008	Full Year March 31, 2008
ASSETS		
Current Assets:		
Cash and time deposits	94,865	120,961
Trade notes and accounts receivable	149,785	201,259
Securities	49,207	103,003
Inventories	337,472	287,716
Other	202,268	184,392
Allowance for doubtful receivables	(1,764)	(2,019)
Total current assets	831,833	895,312
Fixed Assets:		
Tangible fixed assets:		
Buildings and structures (net)	152,962	155,056
Machinery and vehicles (net)	208,921	215,657
Land	442,677	442,237
Leased assets (net)	58,500	35,285
Other (net)	43,934	50,133
Total tangible fixed assets	906,994	898,368
Intangible fixed assets	29,722	33,951
Investments and other fixed assets:		
Investment securities	85,708	92,658
Other	81,542	70,214
Allowance for doubtful receivables	(4,360)	(4,329)
Investment valuation allowance	(593)	(608)
Total investments and other fixed assets	162,297	157,935
Total fixed assets	1,099,013	1,090,254
Total Assets	1,930,846	1,985,566

(Millions of Yen)

	As of	FY2008 First Nine Months December 31, 2008	FY2007 Full Year March 31, 2008
LIABILITIES			
Current Liabilities:			
Trade notes and accounts payable		224,578	336,731
Short-term loans payable		139,642	69,851
Long-term loans payable due within one year		43,572	32,935
Bonds due within one year		20,000	20,000
Lease obligations		17,454	13,089
Income taxes payable		3,910	22,321
Accrued expenses		143,101	203,540
Reserve for warranty expenses		54,661	51,535
Other		61,046	94,933
Total current liabilities		707,964	844,935
Fixed Liabilities:			
Bonds		95,000	85,000
Long-term loans payable		356,979	261,599
Lease obligations		40,957	22,505
Deferred tax liability related to land revaluation		93,733	93,740
Employees' and executive officers' severance and retirement benefits		94,490	99,844
Other reserves		544	631
Other		18,800	23,158
Total fixed liabilities		700,503	586,477
Total Liabilities		1,408,467	1,431,412
EQUITY			
Capital and Retained Earnings:			
Common stock		150,068	150,068
Capital surplus		133,760	133,838
Retained earnings		186,189	167,332
Treasury stock		(22,976)	(4,549)
Total capital and retained earnings		447,041	446,689
Valuation and Translation Adjustments:			
Net unrealized gain on available-for-sale securities		219	545
Net gain on derivative instruments		4,602	4,158
Land revaluation		136,039	136,048
Foreign currency translation adjustments		(67,458)	(34,090)
Pension adjustments recognized by an overseas consolidated subsidiary		(100)	(1,160)
Total valuation and translation adjustments		73,302	105,501
Stock Acquisition Rights		303	209
Minority Interests in Consolidated Subsidiaries		1,733	1,755
Total Equity		522,379	554,154
Total Liabilities and Equity		1,930,846	1,985,566

(2) Consolidated Statement of Income
For the first nine months ended December 31, 2008

	(Millions of Yen)
	FY2008
	First Nine Months
	Ended December 31, 2008
Net sales	2,087,875
Costs of sales	1,594,060
Gross profit on sales	493,815
Selling, general and administrative expenses	457,295
Operating income	36,520
Non-operating income	
Interest income	2,738
Equity in net income of unconsolidated subsidiaries and affiliates	4,816
Foreign exchange gain	22,709
Other	3,846
Total	34,109
Non-operating expenses	
Interest expense	11,181
Other	7,311
Total	18,492
Ordinary income	52,137
Extraordinary profits	
Profit on sale of tangible fixed assets	266
Gain on sale of investment securities	77
Compensation for the exercise of eminent domain	251
Other	16
Total	610
Extraordinary losses	
Loss on retirement and sale of tangible fixed assets	1,663
Loss on impairment of fixed assets	1,160
Other	10
Total	2,833
Income before income taxes	49,914
Income taxes	
Current	7,312
Deferred	13,737
Total	21,049
Minority interests of consolidated subsidiaries	8
Net income	28,857

(3) Consolidated Statement of Cash Flows
For the first nine months ended December 31, 2008

(Millions of Yen)
FY2008
First Nine Months
Ended December 31, 2008

Cash flows from operating activities:	
Income before income taxes	49,914
Adjustments to reconcile income before income taxes to net cash used in operating activities:	
Depreciation	57,354
Amortization of intangible fixed assets	6,429
Loss on impairment of fixed assets	1,160
Allowance for doubtful receivables	(95)
Reserve for warranty expenses	3,126
Employees' and executive officers' severance and retirement benefits	(6,798)
Interest and dividend income	(2,902)
Interest expense	11,181
Equity in net income of unconsolidated subsidiaries and affiliates	(4,816)
Loss/(gain) on retirement and sale of tangible fixed assets	1,146
Loss/(gain) on sale of investment securities	(77)
Decrease/(increase) in trade notes and accounts receivable	49,574
Decrease/(increase) in inventories	(91,302)
Increase/(decrease) in trade notes and accounts payable	(110,456)
Increase/(decrease) in other current liabilities	(55,743)
Other	(24,473)
Subtotal	(116,778)
Interest and dividends received	7,400
Interest paid	(10,830)
Income taxes paid	(28,794)
Net cash used in operating activities	(149,002)
Cash flows from investing activities:	
Purchase of investment securities	(7,110)
Sale of investment securities	124
Acquisition of tangible fixed assets	(41,106)
Proceeds from sale of tangible fixed assets	5,347
Acquisition of intangible fixed assets	(4,869)
Decrease/(increase) in short-term loans receivable	(2)
Long-term loans receivable made	(200)
Collections of long-term loans receivable	67
Other	18
Net cash used in investing activities	(47,731)
Cash flows from financing activities:	
Increase/(decrease) in short-term loans payable	41,195
Proceeds from long-term loans payable	138,400
Repayment of long-term loans payable	(32,383)
Proceeds from issuance of bonds	10,000
Proceeds from sale and leaseback transactions	5,936
Payment of lease obligations	(14,804)
Cash dividends paid	(8,453)
Cash dividends paid to minority shareholders	(27)
Acquisition of treasury shares of common stock	(18,505)
Other	(985)
Net cash provided by financing activities	120,374
Effects of exchange rate fluctuations on cash and cash equivalents	(8,991)
Net decrease in cash and cash equivalents	(85,350)
Cash and cash equivalents at beginning of the period	223,894
Increase in cash and cash equivalents due to additional subsidiaries newly consolidated	5,438
Cash and cash equivalents at end of the period	143,982

Commencing in the year ending March 31, 2009 (and any interim periods in the year), the ASBJ Statement No.12, "Accounting Standard for Quarterly Financial Statements", and the ASBJ Guidance No.14, "Implementation Guidance for Accounting Standards for Quarterly Financial statements", have been adopted. Also, interim financial statements are prepared in accordance with "Regulation for Quarterly Consolidated Financial Reporting".

(4) Going Concern

None

(5) Segment Information

1. Information by Industry Segment

Mazda Motor Corporation and its consolidated subsidiaries are primarily engaged in the manufacture and sale of passenger and commercial vehicles. Sales amount related to this industry exceeded 90% of the total sales amount of all the industry segments. Also, operating income (loss) related to this industry exceeded 90% of the larger of the absolute total amount of operating income and that of operating loss of all the industry segments. Accordingly, information by industry segment is not shown.

2. Information by Geographic Area

FY2008 First Nine Months (Ended December 31, 2008)	(Millions of Yen)						Consolidated
	Japan	North America	Europe	Other areas	Total	Elimination or corporate	
Net sales:							
Outside Customers	785,550	570,746	536,737	194,842	2,087,875	-	2,087,875
Inter-area	986,918	5,335	7,430	1,423	1,001,106	(1,001,106)	-
Total	1,772,468	576,081	544,167	196,265	3,088,981	(1,001,106)	2,087,875
Operating income/(loss)	(29,153)	23,714	16,355	9,036	19,952	16,568	36,520

Notes:

1. Method of segmentation and principal countries or regions belonging to each segment:

1) Method: Segmentation by geographic adjacency

2) Principal countries or regions belonging to each segment

North America: U.S.A. and Canada

Europe: Russia, Belgium and Germany

Other areas: Australia and Colombia

2. Practical solution on unification of accounting policies applied to foreign subsidiaries for consolidated financial statements:

As discussed earlier in the accounting changes in preparing interim consolidated financial statements, commencing in the three months ended June 30, 2008, the Company and its consolidated overseas subsidiaries adopted PITF No. 18, "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements", issued by the ASBJ on May 17, 2006.

The effects of adopting PITF No. 18 on the operating income of North America segment for the nine months ended December 31, 2008 were immaterial, but the effects on Europe segment and on Other segment were to decrease operating income by ¥1,986 million and to increase operating income by ¥2,462 million, respectively.

Also, in connection with adopting the PITF No. 18, incentive expenses of consolidated overseas subsidiaries that were recognized in selling, general and administrative expenses in the prior periods are now recognized as a reduction to net sales. The effects of this change on North America segment, Europe segment and Other segment for the nine months ended December 31, 2008 were to decrease net sales by ¥52,586 million, ¥37,138 million and ¥1,227 million, respectively. However, this change had no effects on operating income of any of the segments as the operating expense (selling, general and administrative expenses) of each segment decreased by the amount equal to the amount of decrease in net sales.

3. Change in accounting for materials sold to and purchased back from suppliers after fabrication:

As discussed earlier in the accounting changes in preparing interim consolidated financial statements, commencing in the three months ended June 30, 2008, the Company changed accounting for materials sold to and purchased back from suppliers after fabrication.

The effects of this change on Japan segment for the nine months ended December 31, 2008 were to decrease net sales by ¥131,058 million. However, since operating expense (cost of sales) decreased by the same amount, operating income was not affected.

4. Change in useful lives of tangible fixed assets:

As discussed earlier in the additional information, commencing in the three months ended June 30, 2008, the Company and its consolidated domestic subsidiaries changed the useful lives of tangible fixed assets in calculating their depreciation expenses in accordance with the revised Japanese Income Tax Law. The effects of this change on Japan segment for the nine months ended December 31, 2008 were to decrease operating income by ¥1,719 million.

3. Overseas Sales

FY2008 First Nine Months (Ended December 31, 2008)	(Millions of Yen)			
	North America	Europe	Other areas	Total
Overseas sales	589,175	548,873	477,863	1,615,911
Consolidated sales	-	-	-	2,087,875
Percentage of overseas sales to consolidated sales	28.2	26.3	22.9	77.4

Notes:

1. Overseas sales include exports by the Company and its consolidated domestic subsidiaries as well as sales (other than exports to Japan) by overseas consolidated subsidiaries.

2. Method of segmentation and principal countries or regions belonging to each segment

1) Method: Segmentation by geographic adjacency

2) Principal countries or regions belonging to each segment

North America: U.S.A. and Canada

Europe: Russia, Germany and UK

Other areas: Australia, China and Thailand

3. As discussed earlier in the accounting changes in preparing interim consolidated financial statements, commencing in the three months ended June 30, 2008, the Company and its consolidated overseas subsidiaries adopted PITF No. 18, "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements", issued by the ASBJ on May 17, 2006.

Also, in connection with adopting the PITF No. 18, incentive expenses of consolidated overseas subsidiaries that were recognized in selling, general and administrative expenses in the prior periods are now recognized as a reduction to net sales.

The effects of this change on North America segment, Europe segment and Other segment for the nine months ended December 31, 2008 were to decrease net sales by ¥52,586 million, ¥37,138 million and ¥1,227 million, respectively.

(6) Significant Changes in the Amount of Equity

During the third quarter of this fiscal year ended December 31, 2008, based on the resolution of the board of directors on November 18, 2008, the Company acquired 96,802 shares of its common stock through the off-hours trading system (ToSTNeT-3) of the Tokyo Stock Exchange on November 19, 2008. As a result of this transaction, the Company's treasury shares of common stock increased by ¥17,812 million. Also, the balance of the equity in the consolidated balance sheet as of December 31, 2008 was ¥447,041 million.

(Reference) Financial Information on the Prior Period for Year-to-Year Comparison Purposes

(1) Consolidated Statement of Income

For the first nine months ended December 31, 2008

With comparative figures for the first nine months ended December 31, 2007

		(Millions of Yen)			
		FY2007	FY2008	Increase/ (Decrease)	
		First Nine Months	First Nine Months	Amount	Percentage
		Ended December 31, 2007	Ended December 31, 2008		
Net sales	1	2,506,253	2,087,875	(418,378)	(16.7)
Costs of sales	2	1,790,667	1,594,060	(196,607)	(11.0)
Gross profit on sales	3	715,586	493,815	(221,771)	(31.0)
Selling, general and administrative expenses	4	607,189	457,295	(149,894)	(24.7)
Operating income	5	108,397	36,520	(71,877)	(66.3)
Non-operating income					
Interest income	6	3,240	2,738	(502)	(15.5)
Equity in net income of unconsolidated subsidiaries and affiliates	7	5,549	4,816	(733)	(13.2)
Foreign exchange gain	8	-	22,709	22,709	-
Other	9	4,086	3,846	(240)	(5.9)
Total	10	12,875	34,109	21,234	164.9
Non-operating expenses					
Interest expense	11	14,241	11,181	(3,060)	(21.5)
Foreign exchange loss	12	12,286	-	(12,286)	-
Other	13	5,019	7,311	2,292	45.7
Total	14	31,546	18,492	(13,054)	(41.4)
Ordinary income	15	89,726	52,137	(37,589)	(41.9)
Extraordinary profits					
Profit on sale of tangible fixed assets	16	862	266	(596)	(69.1)
Gain on sale of investment securities	17	28	77	49	175.0
Compensation for the exercise of eminent domain	18	82	251	169	206.1
Other	19	-	16	16	-
Total	20	972	610	(362)	(37.2)
Extraordinary losses					
Loss on retirement and sale of tangible fixed assets	21	2,951	1,663	(1,288)	(43.6)
Loss on impairment of fixed assets	22	313	1,160	847	270.6
Adoption of revised accounting standard for leases	23	1,144	-	(1,144)	-
Other	24	4	10	6	150.0
Total	25	4,412	2,833	(1,579)	(35.8)
Income before income taxes	26	86,286	49,914	(36,372)	(42.2)
Income taxes					
Current	27	27,490	7,312	(20,178)	(73.4)
Prior year	28	6,290	-	(6,290)	-
Deferred	29	6,832	13,737	6,905	101.1
Minority interests of consolidated subsidiaries	30	674	8	(666)	(98.8)
Net income	31	45,000	28,857	(16,143)	(35.9)

Note: Commencing in the year ending March 31, 2009 (and any interim periods in the year), interim financial statements are prepared in accordance with "Accounting Standard for Quarterly Financial Statements". However, the comparative figures presented above for the period ended December 31, 2007 are based on First Nine Months Consolidated Financial Results of the prior year.

(2) Segment Information

1. Information by Industry Segment

Mazda Motor Corporation and its consolidated subsidiaries are primarily engaged in the manufacture and sale of passenger and commercial vehicles. Sales amount related to this industry exceeded 90% of the total sales amount of all the industry segments. Also, operating income (loss) related to this industry exceeded 90% of the larger of the absolute total amount of operating income and that of operating loss of all the industry segments. Accordingly, information by industry segment is not shown.

2. Information by Geographic Area

FY2007 First Nine Months (Ended December 31, 2007)	(Millions of Yen)						Elimination or corporate Consolidated
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside Customers	928,095	724,624	602,349	251,185	2,506,253	-	2,506,253
Inter-area	1,038,109	3,316	16,723	1,721	1,059,869	(1,059,869)	-
Total	<u>1,966,204</u>	<u>727,940</u>	<u>619,072</u>	<u>252,906</u>	<u>3,566,122</u>	<u>(1,059,869)</u>	<u>2,506,253</u>
Operating income	77,533	10,096	13,111	14,991	115,731	(7,334)	108,397

Note:

1. Method of segmentation and principal countries or regions belonging to each segment

1) Method: Segmentation by geographic adjacency

2) Principal countries or regions belonging to each segment

North America: U.S.A. and Canada

Europe: UK, Germany and Belgium

Other areas: Australia and Colombia

3. Overseas Sales

FY2007 First Nine Months (Ended December 31, 2007)	(Millions of Yen)			
	North America	Europe	Other areas	Total
Overseas sales	756,993	614,452	512,937	1,884,382
Consolidated sales	-	-	-	2,506,253
Percentage of overseas sales to consolidated sales	% 30.2	% 24.5	% 20.5	% 75.2

Notes:

1. Overseas sales include exports by the Company and its consolidated domestic subsidiaries as well as sales (other than exports to Japan) by overseas consolidated subsidiaries.

2. Method of segmentation and principal countries or regions belonging to each segment

1) Method: Segmentation by geographic adjacency

2) Principal countries or regions belonging to each segment

North America: U.S.A. and Canada

Europe: UK, Germany, and Russia

Other areas: Australia, China and Colombia

6. Production and Sales Information

1. Production Volume

Type	FY2007 First Nine Months (Ended December 31, 2007)	FY2008 First Nine Months (Ended December 31, 2008)	Increase/ (Decrease)
	units	units	units
Passenger cars	721,915	757,403	35,488
Trucks	31,526	27,780	(3,746)
Vehicles Total	753,441	785,183	31,742

Note: Production volume figures do not include those Mazda-brand vehicles produced by the following joint venture assembly plants with Ford (that are accounted for by the equity method):

	FY2007 First Nine Months	FY2008 First Nine Months	Increase/ (Decrease)
AutoAlliance International, Inc.	38,705 units	50,331 units	11,626 units
AutoAlliance (Thailand) Co., Ltd.	38,801	41,918	3,117

2. Sales Volume and Revenue

Type	FY2007 First Nine Months (Ended December 31, 2007)		FY2008 First Nine Months (Ended December 31, 2008)		Increase/ (Decrease)	
	Volume	Revenue	Volume	Revenue	Volume	Revenue
Vehicles	875,730 units	1,840,952 million yen	891,049 units	1,582,915 million yen	15,319 units	(258,037) million yen
Knockdown Parts (Overseas)	-	84,418	-	69,816	-	(14,602)
Parts	-	213,831	-	210,539	-	(3,292)
Other	-	367,052	-	224,605	-	(142,447)
Total	-	2,506,253	-	2,087,875	-	(418,378)

Wholesales Volume by Market

Type	FY2007 First Nine Months (Ended December 31, 2007)	FY2008 First Nine Months (Ended December 31, 2008)	Increase/ (Decrease)
	units	units	units
Japan	177,263	165,594	(11,669)
North America	279,917	277,446	(2,471)
Europe	217,544	233,097	15,553
Other	201,006	214,912	13,906
Overseas Total	698,467	725,455	26,988
Total	875,730	891,049	15,319

FY2008 First Nine Months Financial Summary (Consolidated)

February 4, 2009
Mazda Motor Corporation

(In 100 millions of yen)
(In thousands of units)
(Upper left: return on sales)

		FY2007		FY2008						FY2007		FY2008		
		First 9 Months		FY2008 1st. HF				First 9 Months		(Apr. 07-Mar. 08)		(Apr. 08-Mar. 09)		
		(Apr. 07 - Dec. 07)		1st. Qtr.	2nd. Qtr.	(Apr. 08-Sep. 08)		3rd. Qtr.	(Apr. 08-Dec. 08)		Projection			
Domestic	1	6,219	(3.6)	1,573	1,814	3,387	(18.4)	1,333	4,720	(24.1)	8,801	(0.8)	6,500	(26.1)
Overseas	2	18,844	14.6	6,145	6,223	12,368	(0.4)	3,791	16,159	(14.2)	25,957	10.0	19,000	(26.8)
Net sales	3	25,063	9.5	7,718	8,037	15,755	(4.9)	5,124	20,879	(16.7)	34,758	7.0	25,500	(26.6)
Operating income/(loss)	4	1,084	1.1	283	324	607	(16.9)	(242)	365	(66.3)	1,621	2.3	(250)	-
Ordinary income/(loss)	5	897	7.0	229	256	485	(15.7)	36	521	(41.9)	1,485	16.2	(150)	-
Income/(loss) before income taxes	6	863	12.5	226	242	468	(13.8)	31	499	(42.2)	1,431	20.8	(200)	-
Net income/(loss)	7	450	6.9	150	145	295	1.7	(6)	289	(35.9)	918	24.5	(130)	-
Operating income/(loss) by geographic area														
Japan	8	775		138	163	301		(593)	(292)		1,076			
North America	9	101		66	117	183		54	237		60			
Europe	10	131		40	86	126		38	164		180			
Other	11	150		52	20	72		18	90		208			
Operating profit change														
Volume & mix	12			263	188	451		(341)	110				(880)	
Exchange rate	13			(170)	(110)	(280)		(420)	(700)				(1,030)	
Product enrichment	14			(32)	(53)	(85)		(36)	(121)				(190)	
Cost reduction	15			94	82	176		137	313				440	
Material price hikes	16			(100)	(136)	(236)		(136)	(372)				(440)	
Marketing expense	17			(51)	(20)	(71)		71	-				45	
Other	18			(44)	(35)	(79)		130	51				184	
Total	19			(40)	(84)	(124)		(595)	(719)				(1,871)	
Average rate for the period														
Yen / US\$	20	117		105	108	106		96	103		114		100	
Yen / EUR		163		163	162	163		127	151		162		144	
Transaction rate														
Yen / US\$	21	117		103	106	104		101	103		115		103	
Yen / EUR		156		155	161	158		155	157		157		156	
Capital investment	22	537		391	208	599		105	704		755		880	
Depreciation	23	493		185	194	379		195	574		665		760	
R & D cost	24	859		289	274	563		249	812		1,144		1,010	
Total assets	25	19,851		20,489	20,406			19,308			19,856			
Equity	26	5,056		5,499	5,722			5,224			5,542			
Financial debt	27	5,615		5,811	5,905			7,136			5,050			
Net financial debt	28	3,461		3,644	3,748			5,696			2,811			
Domestic	29	175	(3.6)	54	69	123	(0.1)	41	164	(6.4)	256	(1.9)	218	(14.8)
North America	30	302	8.6	109	91	200	(6.2)	71	271	(10.3)	406	6.8	342	(15.7)
Europe	31	228	3.2	93	86	179	17.3	63	242	5.9	327	7.4	314	(3.9)
China	32	71	(27.9)	33	30	63	52.6	34	97	38.1	101	(21.8)	127	25.7
Other	33	199	22.1	69	67	136	5.2	54	190	(4.8)	273	20.4	239	(12.8)
Overseas	34	800	5.3	304	274	578	7.8	222	800	(0.0)	1,107	6.4	1,022	(7.7)
Global retail volume	35	975	3.6	358	343	701	6.3	263	964	(1.2)	1,363	4.7	1,240	(9.0)
Domestic production volume	36	753	3.9	273	287	560	18.6	225	785	4.2	1,047	8.2	900	(14.0)

Notes: 1) Global retail volume refers to the total retail units of Mazda-brand vehicles sold on a global basis.

2) Commencing in the year ending March 31, 2009 (and any interim periods in the year) "Accounting Standard for Quarterly Financial Statements" and "Implementation Guidance for Accounting Standards for Quarterly Financial Statements" have been adopted.