

## Mazda Motor Corporation

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## Revision of Financial Forecast, Impairment of Fixed Assets, and Reduction in Deferred Tax Assets by a Valuation Allowance

Mazda Motor Corporation ("Mazda") has revised the previous financial forecast for FY2008 (year ended March 31, 2009) that was previously released on February 4, 2009. Also, Mazda has recognized impairment of fixed assets and has reduced deferred tax assets by a valuation allowance.

### 1. Revision of Financial Forecast for FY2008 (Year Ended March 31, 2009)

#### 1) Consolidated

	Net Sales	Operating Income/(Loss)	Ordinary Income/(Loss)	Net Income/(Loss)	Net Income/(Loss) per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	yen
Previous Forecast (A)	2,550,000	(25,000)	(15,000)	(13,000)	(9.91)
Actual Results (B)	2,535,902	(28,381)	(18,680)	(71,489)	(52.13)
Variance in amount (B-A)	(14,098)	(3,381)	(3,680)	(58,489)	
Variance in percentage (%)	(0.6)	-	-	-	
(Ref.) FY2007 Full Year Results	3,475,789	162,147	148,461	91,835	65.21

#### 2) Unconsolidated

	Net Sales	Operating Income/(Loss)	Ordinary Income/(Loss)	Net Income/(Loss)	Net Income/(Loss) per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	yen
Previous Forecast (A)	1,840,000	(98,000)	(63,000)	(35,000)	(26.69)
Actual Results (B)	1,820,781	(97,949)	(57,457)	(71,793)	(52.35)
Variance in amount (B-A)	(19,219)	51	5,543	(36,793)	
Variance in percentage (%)	(1.0)	-	-	-	
(Ref.) FY2007 Full Year Results	2,464,229	83,085	84,830	54,945	39.01

### 2. Reasons for the Revision

As released today, the financial results (consolidated and unconsolidated) for the year ended March 31, 2009 became lower than the last forecast that was released on February 4, 2009 due to the recognition of extraordinary losses (impairment of fixed assets, valuation loss on investment securities of affiliates and other), reduction in deferred tax assets (those recognized in both prior years and the current year) by a valuation allowance, and other. Please refer to the following for more details.

### 3. Impairment of Fixed Assets (Consolidated)

In the consolidated results of operations for the year ended March 31, 2009, Mazda has recognized a total impairment loss of ¥28,262 million. The main factor was an impairment loss of ¥23,678 million on production equipment held by a foreign subsidiary that was recognized as an extraordinary loss in the consolidated statement of operations for the year ended March 31, 2009 in consideration of the recoverability of the carrying value of the assets.

### 4. Reduction in Deferred Tax Assets by a Valuation Allowance (Consolidated)

In light of prolonged economic downturn, a foreign subsidiary recognized a valuation allowance of ¥17,137 million on deferred tax assets that was recognized in prior years to reduce the carrying value, which was included in income taxes deferred in the consolidated statement of operations for the year ended March 31, 2009.

### 5. Valuation Loss on Investment Securities of Affiliates and Other (Unconsolidated)

In the unconsolidated statement of operations for the year ended March 31, 2009, among the investment securities of affiliates Mazda holds, for those securities whose values severely had deteriorated, Mazda recognized a valuation loss of ¥19,274 million as an extraordinary loss. Furthermore, in the unconsolidated statement of operations for the year ended March 31, 2009, for certain subsidiaries, Mazda recognized a loss of ¥16,659 million on operations of affiliates in consideration of their financial standings. Please refer to Valuation Loss on Investment Securities of Affiliates and Other (Unconsolidated) that was separately released today for more details.