

# FY2009 First Nine Months Consolidated Financial Results

## For the Nine Months Ended December 31, 2009

English Translation from the Original Japanese-Language Document



February 5, 2010

Company Name : **Mazda Motor Corporation** (Tokyo Stock Exchange/Code No. 7261)  
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Filing of *Shihanki Houkokusho*, statutory interim business and financial report : Scheduled for February 12, 2010  
 Payment of Dividends : -

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

### 1. Consolidated Financial Highlights (April 1, 2009 through December 31, 2009)

#### (1) Consolidated Financial Results

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

	Net Sales		Operating Income/(Loss)		Ordinary Income/(Loss)		Net Income/(Loss)	
	million yen	%	million yen	%	million yen	%	million yen	%
<b>FY2009 First 9 Months</b>	<b>1,547,881</b>	<b>(25.9)</b>	<b>(10,969)</b>	-	<b>(18,855)</b>	-	<b>(16,387)</b>	-
FY2008 First 9 Months	2,087,875	-	36,520	-	52,137	-	28,857	-

	Net Income/(Loss) Per Share		Net Income Per Share (Diluted)	
	yen		yen	
<b>FY2009 First 9 Months</b>	<b>(11.34)</b>		-	
FY2008 First 9 Months	20.77		20.77	

#### (2) Consolidated Financial Position

	Total Assets	Equity	Equity Ratio	Equity Per Share
	million yen	million yen	%	yen
<b>FY2009 First 9 Months</b>	<b>1,856,577</b>	<b>498,777</b>	<b>26.8</b>	<b>280.81</b>
FY2008 Full Year	1,800,981	414,731	22.9	314.98

Notes on equity, equity ratio and equity per share:

- 1) Equity for calculation of equity ratio and equity per share: **FY2009 First 9 Months 497,096 million yen**  
 FY2008 Full Year 413,119 million yen
- 2) 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.
- 3) 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
FY2008	-	3.00	-	0.00	3.00
<b>FY2009</b>	-	<b>0.00</b>	-		
<b>FY2009 (Forecast)</b>				<b>3.00</b>	<b>3.00</b>

Note: The dividend forecast for FY2009 remains unchanged from the prior forecast.

### 3. FY2009 Consolidated Financial Forecast (April 1, 2009 through March 31, 2010)

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

	Net Sales		Operating Income/(Loss)		Ordinary Income/(Loss)		Net Income/(Loss) Per Share		
	million yen	%	million yen	%	million yen	%	yen		
<b>Full Year</b>	<b>2,150,000</b>	<b>(15.2)</b>	<b>5,000</b>	-	<b>0</b>	-	<b>(9,000)</b>	-	<b>(5.92)</b>

Note: The financial forecast for FY2009 has been changed from the prior forecast.

#### 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 Interim Consolidated Financial Statements with Footnotes" on page 5.

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

- 1) Adoption of new accounting standards None
- 2) Other None

(4) Common Stock

1) Shares issued (including treasury shares)	<b>FY2009 First 9 Months</b>	<b>1,780,377,399</b> shares
	FY2008 Full Year	1,418,509,399 shares
2) Treasury shares	<b>FY2009 First 9 Months</b>	<b>10,161,263</b> shares
	FY2008 Full Year	106,954,832 shares
3) The average number of outstanding shares over period	<b>FY2009 First 9 Months</b>	<b>1,444,484,595</b> shares
	FY2008 First 9 Months	1,389,426,565 shares

#### 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. For further information on the above financial forecast, refer to pages 4 and 5.

2) In the three months ended December 31, 2009, Mazda Motor Corporation ("Mazda") issued new shares of common stock by public offering; the payment date was October 21, 2009. As a result of this offering, the number of shares issued increased by 315,198 thousand shares. Concurrently with this offering, Mazda re-issued 96,802 thousand shares of treasury stock. In addition, Mazda issued new shares of common stock by third-party allotment; the payment date was November 12, 2009. As a result of this allotment, the number of shares issued increased by 46,670 thousand shares.

The Net Income/(Loss) per Share calculation in the FY2009 Consolidated Financial Forecast reflects the increase in the number of shares issued as a consequence of these transactions.

# Qualitative Discussions on Financial Information and Interim Consolidated Financial Statements with Footnotes

## 1. Consolidated Financial Results

Economic and business environment for the first nine months of FY2009 (nine months ended December 31, 2009) remained challenging amid global and severe economic crisis that started in the second half of the last fiscal year. While automotive industry demand shows signs of upturn, owing to federal economic stimulus programs by various countries, it has not fully recovered yet. In addition, yen remained appreciated over other currencies. Under the challenging environment, however, the new Mazda3 (Axela in Japan) maintained robust sales performance, and Mazda strengthened measures to improve profitability, including Cost Innovation initiatives and fixed cost reduction. As a result, while Mazda's consolidated results of operations remained at a loss for the first nine months, Mazda's financial performance is steadily recovering. Mazda's consolidated financial performance turned profitable at all levels in the second quarter (three months ended September 30, 2009), and improved to even higher profit levels in the third quarter (three months ended December 31, 2009).

Year-to-year financial performance for the first nine months of FY2009 was as follows. Since retail volume decreased, except for China, where a growing trend in sales continues, and yen further appreciated over other major currencies, Mazda's consolidated sales for the first nine months decreased by ¥540.0 billion (down 25.9%) year on year to ¥1,547.9 billion. Consolidated operating results amounted to a loss of ¥11.0 billion, down ¥47.5 billion from the profit level of the last year. Consolidated ordinary loss was ¥18.9 billion, a decrease in profit level of ¥71.0 billion year to year. Consolidated net results amounted to a loss of ¥16.4 billion, down ¥45.2 billion from the profit level of the last year. On the other hand, for the third quarter (three-month period) of FY2009, a profit larger than the second quarter was reported at all levels: operating income, ordinary income, and net income for the third quarter amounted to ¥11.1 billion, ¥10.7 billion, and ¥4.4 billion, respectively.

Also, year-on-year performance in retail volume by primary markets for the first nine months of FY2009 was as follows. In Japan, retail volume decreased by 9% year over year to 150 thousand units. Strong sale of the new Axela that was introduced in June of 2009 was more than offset by weaker sale of other models. In North America, retail volume was down 16% to 228 thousand units. In Europe, retail volume was down 27% to 176 thousand units, primarily due to lower sale in Russia. In China, retail volume increased by 46% to 142 thousand units; strong sale of Mazda6 (Atenza in Japan) and Mazda3 was the main factor. In other areas, retail volume was down 12% to 168 thousand units. As a result of these varying performances by market, the global retail volume was 864 thousand units, down 10% from the same period of the prior fiscal year.

## **2. Consolidated Financial Position**

(Assets, Liabilities and Equity)

As of December 31, 2009, total assets amounted to ¥1,856.6 billion, an increase of ¥55.6 billion compared to the end of the last fiscal year. Total liabilities amounted to ¥1,357.8 billion, a decrease of ¥28.5 billion from the end of the last fiscal year.

Equity as of December 31, 2009 increased by ¥84.0 billion to ¥498.8 billion from the end of the prior fiscal year. While net loss led to reduced retained earnings, this was more than offset by increases in common stock and capital surplus through issuance of new shares, as well as by decrease in treasury stock through re-issuance. Equity ratio increased by 3.9 percentage points to 26.8% from the end of the prior fiscal year.

(Cash Flows)

For the first nine months of FY2009, net cash provided by operating activities was ¥46.7 billion, reflecting loss before income taxes of ¥21.4 billion, improvement in working capital through recovery in domestic factories' utilization rate, and other factors. Net cash used in investing activities amounted to ¥21.3 billion, mainly reflecting ¥16.4 billion capital investments in tangible fixed assets. As a result, consolidated free cash flow (net of operating and investing activities) was positive ¥25.4 billion. Also, net cash provided by financing activities amounted to ¥45.2 billion. This mainly reflected issuance of new shares and re-issuance of treasury stock partially offset by repayment of loans.

As of December 31, 2009, after deducting cash and cash equivalents of ¥292.0 billion from financial debt, net financial debt totaled ¥418.4 billion, a decrease of ¥114.2 billion from the end of the last fiscal year, and net debt-to-equity ratio was at 84%.

## **3. Qualitative Discussions on Consolidated Financial Forecast**

In the light of recent trends in Mazda's financial performance, Mazda has revised the financial forecast for the full year of FY2009, as shown below. The prior forecast was announced on October 29, 2009.

Mazda will continue to steadily implement measures to improve profitability, including those to strengthen the cost structure. Through these measures, for the full year of FY2009, Mazda expects to deliver an operating profit, and will strive to achieve a positive free cash flow (net of operating and investing activities).

The exchange rate assumptions for the full year forecast are ¥92 to the dollar and ¥132 to the Euro. (The assumptions for the fourth quarter are ¥88 to the dollar and ¥127 to the Euro.)

## FY2009 Consolidated Financial Forecast

	Full Year	vs. Prior Year	Breakdown of Full Year		
			1st Half	3rd Quarter	4th Quarter
Net Sales	¥ 2,150.0 billion	(15.2) %	¥ 990.3 billion	¥ 557.6 billion	¥ 602.1 billion
Operating income/(loss)	5.0	-	(22.1)	11.1	16.0
Ordinary income/(loss)	0.0	-	(29.6)	10.7	18.9
Net income/(loss)	(9.0)	-	(20.8)	4.4	7.4

## FY2009 Global Retail Volume Forecast

	Full Year	vs. Prior Year	Breakdown of Full Year		
			1st Half	3rd Quarter	4th Quarter
Domestic	218 thousand units	(0.3) %	105 thousand units	45 thousand units	68 thousand units
North America	301	(13.3)	158	70	73
Europe	238	(26.0)	123	53	62
China	194	44.2	85	57	52
Other	229	(4.1)	106	62	61
Global	<u>1,180</u> thousand units	(6.4) %	<u>577</u> thousand units	<u>287</u> thousand units	<u>316</u> thousand units

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 for / Unique to Preparing Interim Consolidated Financial Statements:

#### 1) Simplified accounting methods

##### Omission of physical inventory

As of December 31, 2009, physical inventory was omitted. Instead, the balance of inventory as of December 31, 2009 was determined by a rational method to reasonably estimate it based on the information from physical inventory as of September 30, 2009.

#### 2) Unique accounting methods

None

(3) Accounting Changes in Preparing Interim Consolidated Financial Statements: None

## 5. Consolidated Financial Statements

### (1) Consolidated Balance Sheet

December 31 and March 31, 2009

		(Millions of Yen)	
		FY2009	FY2008
As of		December 31, 2009	March 31, 2009
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and time deposits		185,180	181,428
Trade notes and accounts receivable		133,717	132,355
Securities		106,865	39,318
Inventories		238,209	214,388
Other		147,751	161,924
Allowance for doubtful receivables		(2,326)	(2,736)
Total current assets		<u>809,396</u>	<u>726,677</u>
<b>Fixed Assets:</b>			
Tangible fixed assets:			
Buildings and structures (net)		144,931	151,975
Machinery and vehicles (net)		186,029	204,680
Land		434,847	441,265
Leased assets (net)		31,855	36,536
Other (net)		37,369	42,945
Total tangible fixed assets		<u>835,031</u>	<u>877,401</u>
Intangible fixed assets		23,953	27,078
Investments and other fixed assets			
Investment securities		80,238	73,854
Other		113,847	101,890
Allowance for doubtful receivables		(4,372)	(4,346)
Investment valuation allowance		(1,516)	(1,573)
Total investments and other fixed assets		<u>188,197</u>	<u>169,825</u>
Total fixed assets		<u>1,047,181</u>	<u>1,074,304</u>
<b>Total Assets</b>		<u><b>1,856,577</b></u>	<u><b>1,800,981</b></u>

(Millions of Yen)

	FY2009	FY2008
As of	December 31, 2009	March 31, 2009
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Trade notes and accounts payable	237,291	176,504
Short-term loans payable	83,288	127,219
Long-term loans payable due within one year	61,938	44,258
Bonds due within one year	100	-
Lease obligations	14,793	17,355
Income taxes payable	3,506	10,328
Accrued expenses	136,207	158,575
Reserve for warranty expenses	34,733	37,989
Other	35,965	44,334
Total current liabilities	607,821	616,562
<b>Fixed Liabilities:</b>		
Bonds	95,900	95,000
Long-term loans payable	420,354	429,654
Lease obligations	34,079	39,869
Deferred tax liability related to land revaluation	93,696	93,729
Employees' and executive officers' severance and retirement benefits	86,075	90,921
Other reserves	499	545
Other	19,376	19,970
Total fixed liabilities	749,979	769,688
<b>Total Liabilities</b>	1,357,800	1,386,250
<b>EQUITY</b>		
<b>Capital and Retained Earnings:</b>		
Common stock	186,500	150,068
Capital surplus	170,192	133,760
Retained earnings	70,535	86,874
Treasury stock	(2,181)	(22,976)
Total capital and retained earnings	425,046	347,726
<b>Valuation and Translation Adjustments:</b>		
Net unrealized (loss)/gain on available-for-sale securities	(102)	160
Net loss on derivative instruments	(1,147)	(1,230)
Land revaluation	135,984	136,032
Foreign currency translation adjustments	(62,589)	(69,483)
Pension adjustments recognized by a foreign consolidated subsidiary	(96)	(86)
Total valuation and translation adjustments	72,050	65,393
<b>Stock Acquisition Rights</b>	421	340
<b>Minority Interests in Consolidated Subsidiaries</b>	1,260	1,272
<b>Total Equity</b>	498,777	414,731
<b>Total Liabilities and Equity</b>	1,856,577	1,800,981

## (2) Consolidated Statement of Operations

For the first nine months ended December 31, 2008 and 2009

	(Millions of Yen)	
	FY2008 December 31, 2008	FY2009 December 31, 2009
	For the first nine months ended	
Net sales	2,087,875	1,547,881
Costs of sales	1,594,060	1,225,717
Gross profit on sales	493,815	322,164
Selling, general and administrative expenses	457,295	333,133
<b>Operating income/(loss)</b>	36,520	<b>(10,969)</b>
Non-operating income		
Interest income	2,738	1,419
Equity in net income of affiliated companies	4,816	5,206
Foreign exchange gain	22,709	-
Other	3,846	3,633
Total	34,109	10,258
Non-operating expenses		
Interest expense	11,181	10,772
Foreign exchange loss	-	2,190
Other	7,311	5,182
Total	18,492	18,144
<b>Ordinary income/(loss)</b>	52,137	<b>(18,855)</b>
Extraordinary profits		
Profit on sale of tangible fixed assets	266	227
Gain on sale of investment securities	77	10
Gain on sale of investments in affiliates	-	513
Compensation for the exercise of eminent domain	251	224
Other	16	11
Total	610	985
Extraordinary losses		
Loss on retirement and sale of tangible fixed assets	1,663	1,630
Loss on impairment of fixed assets	1,160	1,870
Other	10	60
Total	2,833	3,560
<b>Income/(loss) before income taxes</b>	49,914	<b>(21,430)</b>
Income taxes		
Current	7,312	7,220
Release of provision for income taxes by a foreign subsidiary	-	(6,216)
Deferred	13,737	(6,040)
Total	21,049	(5,036)
Minority interests in consolidated subsidiaries	8	(7)
<b>Net income/(loss)</b>	28,857	<b>(16,387)</b>



**Consolidated Statement of Operations**  
**For the three months ended December 31, 2008 and 2009**

	(Millions of Yen)	
	FY2008 December 31, 2008	FY2009 December 31, 2009
For the three months ended		
Net sales	512,333	557,549
Costs of sales	410,758	433,878
Gross profit on sales	<u>101,575</u>	<u>123,671</u>
Selling, general and administrative expenses	125,786	112,582
<b>Operating (loss)/income</b>	<u>(24,211)</u>	<u>11,089</u>
Non-operating income		
Interest income	663	375
Equity in net income of affiliated companies	-	2,488
Foreign exchange gain	33,315	1,084
Other	1,177	1,007
Total	<u>35,155</u>	<u>4,954</u>
Non-operating expenses		
Interest expense	3,714	3,337
Equity in net loss of affiliated companies	1,472	-
Other	2,164	1,971
Total	<u>7,350</u>	<u>5,308</u>
<b>Ordinary income</b>	<u>3,594</u>	<u>10,735</u>
Extraordinary profits		
Profit on sale of tangible fixed assets	152	28
Gain on sale of investment securities	60	6
Compensation for the exercise of eminent domain	-	100
Other	9	2
Total	<u>221</u>	<u>136</u>
Extraordinary losses		
Loss on retirement and sale of tangible fixed assets	542	609
Loss on impairment of fixed assets	152	4
Other	10	51
Total	<u>704</u>	<u>664</u>
<b>Income before income taxes</b>	<u>3,111</u>	<u>10,207</u>
Income taxes		
Current	(4,013)	1,798
Release of provision for income taxes by a foreign subsidiary	-	128
Deferred	7,849	3,782
Total	<u>3,836</u>	<u>5,708</u>
Minority interests in consolidated subsidiaries	(49)	77
<b>Net (loss)/income</b>	<u>(676)</u>	<u>4,422</u>

### (3) Consolidated Statement of Cash Flows

For the first nine months ended December 31, 2008 and 2009

	(Millions of Yen)	
	FY2008	FY2009
For the first nine months ended	December 31, 2008	December 31, 2009
<b>Cash flows from operating activities:</b>		
Income/(loss) before income taxes	49,914	(21,430)
Adjustments to reconcile income/(loss) before income taxes to net cash (used in)/provided by operating activities:		
Depreciation (FY2008) / Depreciation and amortization (FY2009) *	57,354	57,434
Amortization of intangible fixed assets (FY2008) *	6,429	-
Loss on impairment of fixed assets	1,160	1,870
Allowance for doubtful receivables	(95)	(378)
Reserve for warranty expenses	3,126	(3,256)
Employees' and executive officers' severance and retirement benefits	(6,798)	(4,295)
Interest and dividend income	(2,902)	(1,525)
Interest expense	11,181	10,772
Equity in net loss/(income) of affiliated companies	(4,816)	(5,206)
Loss/(gain) on retirement and sale of tangible fixed assets	1,146	1,303
Loss/(gain) on sale of investment securities	(77)	(9)
Loss/(gain) on sale of investments in affiliates	-	(513)
Decrease/(increase) in trade notes and accounts receivable	49,574	8,266
Decrease/(increase) in inventories	(91,302)	(10,257)
Increase/(decrease) in trade notes and accounts payable	(110,456)	59,853
Increase/(decrease) in other current liabilities	(55,743)	(26,085)
Other	(24,473)	(9,495)
Subtotal	(116,778)	57,049
Interest and dividends received	7,400	3,408
Interest paid	(10,830)	(10,273)
Income taxes refunded/(paid)	(28,794)	(3,499)
<b>Net cash (used in)/provided by operating activities</b>	<b>(149,002)</b>	<b>46,685</b>
<b>Cash flows from investing activities:</b>		
Purchase of investment securities	(7,110)	(4,750)
Sale of investment securities	124	32
Acquisition of tangible fixed assets	(41,106)	(16,413)
Proceeds from sale of tangible fixed assets	5,347	3,739
Acquisition of intangible fixed assets	(4,869)	(2,828)
Decrease/(increase) in short-term loans receivable	(2)	(1,402)
Long-term loans receivable made	(200)	(140)
Collections of long-term loans receivable	67	229
Sale of investments in subsidiaries affecting scope of consolidation	-	277
Other	18	(7)
<b>Net cash used in investing activities</b>	<b>(47,731)</b>	<b>(21,263)</b>

	(Millions of Yen)	
	FY2008	FY2009
For the first nine months ended	December 31, 2008	December 31, 2009
<b>Cash flows from financing activities:</b>		
Increase/(decrease) in short-term loans payable	41,195	(47,739)
Proceeds from long-term loans payable	138,400	57,400
Repayment of long-term loans payable	(32,383)	(47,225)
Proceeds from issuance of bonds	10,000	1,000
Proceeds from issuance of common stock	-	73,537
Proceeds from sale and leaseback transactions	5,936	1,379
Payment of lease obligations	(14,804)	(12,900)
Cash dividends paid	(8,453)	-
Cash dividends paid to minority shareholders	(27)	(2)
Treasury stock transactions	(18,505)	19,766
Other	(985)	(64)
<b>Net cash provided by financing activities</b>	<b>120,374</b>	<b>45,152</b>
<b>Effects of exchange rate fluctuations on cash and cash equivalents</b>	<b>(8,991)</b>	<b>722</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(85,350)</b>	<b>71,296</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>223,894</b>	<b>220,724</b>
<b>Increase in cash and cash equivalents due to additional subsidiaries newly consolidated</b>	<b>5,438</b>	<b>-</b>
<b>Cash and cash equivalents at end of the period</b>	<b>143,982</b>	<b>292,020</b>

\* Note: See "6. Other Information (1) Changes in Financial Statement Presentation" in "Qualitative Discussions on Financial Information and Interim Consolidated Financial Statements with Footnotes" on page 14.

#### (4) Note on the Assumption as a 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)						Elimination or corporate Consolidated
	Japan	North America	Europe	Other areas	Total		
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 (loss)/income	(29,153)	23,714	16,355	9,036	19,952	16,568	36,520

FY2009 First Nine Months Ended December 31, 2009	(Millions of Yen)						Elimination or corporate Consolidated
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside Customers	636,176	402,758	350,965	157,982	1,547,881	-	1,547,881
Inter-area	719,343	4,515	6,971	1,231	732,060	(732,060)	-
Total	1,355,519	407,273	357,936	159,213	2,279,941	(732,060)	1,547,881
Operating income/(loss)	3,435	(8,112)	5,286	2,677	3,286	(14,255)	(10,969)

Note:

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: Germany, Belgium and UK
  - Other areas: Australia and Colombia

### 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

FY2009 First Nine Months Ended December 31, 2009	(Millions of Yen)			
	North America	Europe	Other areas	Total
Overseas sales	409,892	349,094	381,750	1,140,736
Consolidated sales	-	-	-	1,547,881
Percentage of overseas sales to consolidated sales	%	%	%	%
	26.5	22.5	24.7	73.7

Notes:

- Overseas sales include exports by the Mazda Motor Corporation and its consolidated domestic subsidiaries as well as sales (other than exports to Japan) by foreign consolidated subsidiaries.
- Method of segmentation and principal countries or regions belonging to each segment
  - Method: Segmentation by geographic adjacency
  - Principal countries or regions belonging to each segment

North America:	U.S.A. and Canada
Europe:	Germany, UK and Russia
Other areas:	Australia, China and Thailand

### (6) Significant Changes in the Amount of Equity

In the three months ended December 31, 2009, Mazda issued new shares of common stock by public offering; the payment date was October 21, 2009. As a result of this offering, the number of shares issued increased by 315,198 thousand shares, and the amounts of common stock and capital surplus increased by ¥31,667 million each. Concurrently with this offering, Mazda re-issued 96,802 thousand shares of treasury stock; accordingly, the amount of treasury stock decreased by ¥20,797 million.

Also in the three months ended December 31, 2009, Mazda issued new shares of common stock by third-party allotment; the payment date was November 12, 2009. As a result of this allotment, the number of shares issued increased by 46,670 thousand shares, and the amounts of common stock and capital surplus increased by ¥4,765 million each.

As a consequence of these transactions, in the three months ended December 31, 2009, the amounts of common stock and capital surplus increased by ¥36,432 million each, and the amount of treasury stock decreased by ¥20,797 million. Also, as of December 31, 2009, the outstanding balances of common stock, capital surplus, and treasury stock amounted to ¥186,500 million, ¥170,192 million, and ¥2,181 million, respectively.

## **6. Other Information**

### **(1) Changes in Financial Statement Presentation**

(Consolidated Statement of Cash Flows)

In preparing first nine-month financial statements, prior to FY2009, in adjusting income before income taxes to net cash flows from operating activities, amortization expense of intangible fixed assets was presented separately as "amortization of intangible fixed assets". Commencing in FY2009, however, the amortization expense (that amounted to ¥5,866 million in the first nine months of FY2009) is aggregated with depreciation expense of tangible fixed assets and presented as "depreciation and amortization".

(The consolidated statement of cash flows for the first nine months of FY2008 presented in this material has not been reclassified; it is presented as originally disclosed in FY2008.)

## (2) Production and Sales Information

### 1) Production Volume

Type	FY2008 First Nine Months Ended December 31, 2008	FY2009 First Nine Months Ended December 31, 2009	Increase/ (Decrease)
	units	units	units
Passenger cars	757,403	586,297	(171,106)
Trucks	27,780	16,613	(11,167)
Vehicles Total	785,183	602,910	(182,273)

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):

	FY2008 First Nine Months	FY2009 First Nine Months	Increase/ (Decrease)
AutoAlliance International, Inc.	50,331 units	18,304 units	(32,027) units
AutoAlliance (Thailand) Co., Ltd.	41,918	18,168	(23,750)

### 2) Sales Volume and Revenue

Type	FY2008 First Nine Months Ended December 31, 2008		FY2009 First Nine Months Ended December 31, 2009		Increase/ (Decrease)	
	Volume	Revenue	Volume	Revenue	Volume	Revenue
	units	million yen	units	million yen	units	million yen
Vehicles	891,049	1,582,915	673,720	1,110,522	(217,329)	(472,393)
Knockdown Parts (Overseas)	-	69,816	-	94,089	-	24,273
Parts	-	210,539	-	169,388	-	(41,151)
Other	-	224,605	-	173,882	-	(50,723)
Total	-	2,087,875	-	1,547,881	-	(539,994)

#### Wholesales Volume by Market

Type	FY2008 First Nine Months Ended December 31, 2008	FY2009 First Nine Months Ended December 31, 2009	Increase/ (Decrease)
	units	units	units
Japan	165,594	149,753	(15,841)
North America	277,446	213,217	(64,229)
Europe	233,097	162,792	(70,305)
Other	214,912	147,958	(66,954)
Overseas Total	725,455	523,967	(201,488)
Total	891,049	673,720	(217,329)

# FY2009 First Nine Months Financial Summary (Consolidated)

February 5, 2010

Mazda Motor Corporation

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

		FY2008		FY2009						FY2008		FY2009	
		First 9 Months (Apr.08-Dec.08)		1st. Qtr.	2nd. Qtr.	3rd. Qtr.		First 9 Months (Apr.09-Dec.09)		(Apr.08-Mar.09)		Projection (Apr.09-Mar.10)	
			%				%		%		%		%
Domestic	1	4,720	(24.1)	1,204	1,597	1,271	(4.6)	4,072	(13.7)	6,203	(29.5)	5,800	(6.5)
Overseas	2	16,159	(14.2)	3,078	4,024	4,305	13.6	11,407	(29.4)	19,156	(26.2)	15,700	(18.0)
Net sales	3	20,879	(16.7)	4,282	5,621	5,576	8.8	15,479	(25.9)	25,359	(27.0)	21,500	(15.2)
Operating income/(loss)	4	365	(66.3)	(280)	59	111	-	(110)	-	(284)	-	50	-
Ordinary income/(loss)	5	521	(41.9)	(327)	31	107	198.7	(189)	-	(187)	-	0	-
Income/(loss) before income taxes	6	499	(42.2)	(335)	19	102	228.1	(214)	-	(513)	-	(60)	-
Net income/(loss)	7	289	(35.9)	(215)	7	44	-	(164)	-	(715)	-	(90)	-
Operating income/(loss) by geographic area													
Japan	8	(292)		(271)	200	105		34		(950)			
North America	9	237		(14)	(43)	(24)		(81)		255			
Europe	10	164		22	1	30		53		86			
Other	11	90		26	7	(6)		27		97			
Operating profit change													
Volume & mix	12			(688)	(539)	154		(1,073)				(630)	
Exchange rate	13			(293)	(267)	(220)		(780)				(780)	
Cost reduction	14			108	183	184		475				680	
Marketing expense	15			112	81	29		222				250	
Other	16			198	277	206		681				814	
Total	17			(563)	(265)	353		(475)				334	
Average rate for the period													
Yen / US\$	18	103		97	94	90		94		101		92	
Yen / EUR		151		133	134	133		133		144		132	
Transaction rate													
Yen / US\$	19	103		98	96	93		96		104		94	
Yen / EUR		157		134	133	134		133		159		133	
Capital investment	20	704		50	109	52		211		818		300	
Depreciation & amortization	21	574		192	192	190		574		752		770	
R & D cost	22	812		188	209	204		601		960		890	
Total assets	23	19,308		17,934	18,116			18,566		18,010			
Equity	24	5,224		4,010	4,063			4,988		4,147			
Financial debt	25	7,136		7,367	7,310			7,105		7,534			
Net financial debt	26	5,696		5,469	5,216			4,184		5,326			
Free cash flow (Operating & Investing)	27	(1,967)		(98)	200	152		254		(1,292)			
Domestic	28	164	(6.4)	41	64	45	9.5	150	(8.7)	219	(14.5)	218	(0.3)
North America	29	271	(10.3)	74	84	70	(3.0)	228	(16.2)	347	(14.4)	301	(13.3)
Europe	30	242	5.9	59	64	53	(15.2)	176	(26.9)	322	(1.5)	238	(26.0)
China	31	97	38.1	41	44	57	68.0	142	46.3	135	33.2	194	44.2
Other	32	190	(4.8)	48	58	62	16.6	168	(11.5)	238	(12.8)	229	(4.1)
Overseas	33	800	(0.0)	222	250	242	9.2	714	(10.7)	1,042	(5.9)	962	(7.7)
Global retail volume	34	964	(1.2)	263	314	287	9.2	864	(10.4)	1,261	(7.5)	1,180	(6.4)
Domestic production volume	35	785	4.2	166	219	218	(3.4)	603	(23.2)	899	(14.1)	819	(8.9)

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