

FY2008 First Quarter Consolidated Financial Results

For the Three Months Ended June 30, 2008

English Translation from the Original Japanese-Language Document



July 31, 2008

Company Name : **Mazda Motor Corporation** (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, Deputy General Manager, Financial Services Division, Phone (082) 282-111
 Filing of *Shihanki Hokokusho*, statutory interim business and financial report : Scheduled for August 8, 2008

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

1. Consolidated Financial Highlights (April 1, 2008 through June 30, 2008)

(1) Consolidated Financial Results

	Sales		Operating Income		Ordinary Income		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
FY2008 1st. Qtr.	771,825	-	28,255	-	22,885	-	14,984	-
FY2007 1st. Qtr.	814,293	10.9	32,261	9.0	21,204	(11.8)	2,481	(62.5)

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

	Net Income per Share	Net Income per Share (Diluted)
	yen	yen
FY2008 1st. Qtr.	10.63	10.63
FY2007 1st. Qtr.	1.76	1.76

(2) Consolidated Financial Position

	Total Assets	Equity	Equity Ratio	Equity Per Share
	million yen	million yen	%	yen
FY2008 1st. Qtr.	2,048,928	549,947	26.7	388.69
FY2007 Full Year	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

FY2008 1st. Qtr.	547,930	million yen
FY2007 Full Year	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	-	-	-	-	-
FY2008 (Forecast)	-	3.00	-	3.00	6.00

Note: The dividend forecast for the year ending March 31, 2009 remains unchanged from the prior forecast that was released on April 25, 2008.

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 periods are shown in percentage.)

	Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Six Months	1,450,000	-	50,000	-	50,000	-	32,000	-	22.70
Full Year	3,000,000	(13.7)	115,000	(29.1)	110,000	(25.9)	70,000	(23.8)	49.66

Note: The financial forecast for the year ending March 31, 2009 remains unchanged from the prior forecast that was released on April 25, 2008.

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 Summarized Consolidated Financial Statements with Footnotes" on page 4 - 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 Summarized Consolidated Financial Statements with Footnotes" on page 4 - 5.

(4) Common Stock

1) Shares issued (including treasury stock)	FY2008 1st. Qtr.	1,418,509,399 shares
	FY2007 Full Year	1,418,509,399 shares
2) Treasury shares	FY2008 1st. Qtr.	8,821,912 shares
	FY2007 Full Year	9,205,707 shares
3) The average number of outstanding shares over period	FY2008 1st. Qtr.	1,409,432,968 shares
	FY2007 Full Year	1,407,418,757 shares

Cautionary Statements with Respect to Forward-Looking Statements

The financial projection is the judgment of our management based on the information presently available. By nature, such financial projection is subject to uncertainty and a risk. 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. Commencing in the fiscal year ending March 31, 2009 (and in 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 Accounting 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 Summarized Consolidated Financial Statements with Footnotes

1. Consolidated Financial Results

Year-to-year performance in retail volume by primary markets for the three months ended June 30, 2008 was as follows. In Japan, retail volume was down 4% year over year to 54,000 units. On the other hand, in North America, retail volume was almost flat year on year at 109,000 units. In Europe, retail volume increased to 93,000 units or up 20% mainly due to contribution of the sales of New Mazda2 (Demio in Japan) and CX-7. In China, retail volume increased by 101% from a year ago to 33,000 units. The positive impact of Mazda3 (Axela in Japan) was the main factor. In other areas, retail volume was up 9% to 69,000 units. As a result of these varying performances by market, the global retail volume was 358,000 units, up 11% from the same period of the prior fiscal year.

Consolidated sales decreased by ¥42.5 billion (down 5%) year on year to ¥771.8 billion. Positive impacts of increases in sales volume were more than offset by the negative impacts of yen's appreciation and changes in accounting standards. Consolidated operating income was ¥28.3 billion, a decrease of ¥ 4 billion (down 12%) year over year. Negative impacts of external factors such as stronger yen and price hikes of raw materials exceeded positive impacts of improvement in sales volume and mix. Operating ROS was 3.7%. The consolidated ordinary profit was up ¥1.7 billion (up 8%) to ¥22.9 billion due to improvement in equity method income and foreign exchange results. Consolidated net income was up ¥12.5 billion (up 504%) to ¥15.0 billion primarily due to the adoption of the accounting standards for quarterly financial statements.

Note: Commencing in the three months ended June 30, 2008, "*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 Quarter Consolidated Financial Results released on July 31, 2007.

2. Consolidated Financial Position

As of June 30, 2008, total assets amounted to ¥2,048.9 billion, ¥63.4 billion more than the end of last fiscal year. Also, total liabilities amounted to ¥1,499.0 billion, up ¥67.6 billion from the end of last fiscal year. These increases were due to the adoption of "*Practical Solution on Unification of Accounting Policies to Foreign Subsidiaries for Consolidated Financial Statements*".

Total equity decreased by ¥4.2 billion to ¥549.9 billion from the end of last fiscal year. Equity ratio was decreased by 1.1 percentage points from the end of previous fiscal year end to 26.7%.

3. Qualitative Discussions on Consolidated Financial Forecasts

Forecasts for the six months ending September 30, 2008 and the year ending March 31, 2009 remain unchanged from the prior forecasts that were released on April 25, 2008.

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 June 30, 2008, physical inventory was omitted. Instead, the balance of inventory as of June 30, 2008 was determined by a rational method to reasonably estimate it based on the information from physical inventory as of March 31, 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), Mazda Motor Corporation (the "Company") and its consolidated subsidiaries adopted 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*". 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, 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. The effects of adopting this standard on operating income, ordinary income, and income before income taxes in the consolidated statement of income for the three months ended June 30, 2008 were immaterial.

Also, as a result of 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 three months ended June 30, 2008, such incentive expenses amounted to ¥34,625 million, and the effects of this change on the consolidated statement of income for the three months ended June 30, 2008 were to decrease net sales, gross profit on sales, and selling, general and administrative expenses by the amount.

(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 for inventory valuation changed from cost method based mainly on average method to lower of cost or market method.

The effects of adopting the new standard on gross profit, operating income, ordinary income and income before income taxes in the consolidated statement of income for the three months ended June 30, 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 three months ended June 30, 2008 were to decrease both net sales and cost of sales by ¥43,833 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 Fixed Assets)

On April 30, 2008, the Japanese Income Tax Law was revised to implement certain changes to useful lives of 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 fixed assets in calculating their depreciation expenses in accordance with the revised Japanese Income Tax Law.

The effects of this change on the consolidated statement of income for the three months ended June 30, 2008 were to decrease operating income by ¥571 million and to decrease ordinary income and income before income taxes by ¥574 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

June 30, 2008 and March 31, 2008

(Millions of Yen)

	FY2008 1st. Quarter As of June 30, 2008	FY2007 Full Year March 31, 2008
ASSETS		
Current Assets:		
Cash and time deposits	111,783	120,961
Trade notes and accounts receivable	214,003	201,259
Securities	105,007	103,003
Merchandises and finished products	249,046	241,552
Work-in-process	36,804	33,309
Raw materials and supplies	15,271	12,855
Other	208,383	184,392
Allowance for doubtful receivables	(1,996)	(2,019)
Total current assets	938,301	895,312
Fixed Assets:		
Tangible fixed assets:		
Buildings and structures (net)	155,550	155,056
Machinery and vehicles (net)	216,416	215,657
Land	443,779	442,237
Leased assets (net)	62,597	35,285
Other (net)	49,645	50,133
Total tangible fixed assets	927,987	898,368
Intangible fixed assets	32,713	33,951
Investments and other fixed assets:		
Investment securities	83,982	92,658
Other	70,887	70,214
Allowance for doubtful receivables	(4,334)	(4,329)
Investment valuation allowance	(608)	(608)
Total investments and other fixed assets	149,927	157,935
Total fixed assets	1,110,627	1,090,254
Total Assets	2,048,928	1,985,566

(Millions of Yen)

	FY2008 1st. Quarter As of June 30, 2008	FY2007 Full Year March 31, 2008
LIABILITIES		
Current Liabilities:		
Trade notes and accounts payable	325,195	336,731
Short-term loans payable	108,436	69,851
Long-term loans payable due within one year	31,460	32,935
Bonds due within one year	20,000	20,000
Lease obligations	18,750	13,089
Income tax payable	13,519	22,321
Accrued expenses	205,709	203,540
Reserve for warranty expenses	55,076	51,535
Other	101,741	94,933
Total current liabilities	879,886	844,935
Fixed Liabilities:		
Bonds	95,000	85,000
Long-term loans payable	263,882	261,599
Lease obligations	43,574	22,505
Deferred tax liability related to land revaluation	93,738	93,740
Employees' and executive officers' severance and retirement benefits	99,246	99,844
Other reserve	602	631
Other	23,053	23,158
Total fixed liabilities	619,095	586,477
Total Liabilities	1,498,981	1,431,412
EQUITY		
Paid-in Capital and Retained Earnings:		
Common stock	150,068	150,068
Capital surplus	133,772	133,838
Retained earnings	176,535	167,332
Treasury stock	(4,359)	(4,549)
Total paid-in capital and retained earnings	456,016	446,689
Valuation and Translation Adjustments:		
Net unrealized gain on available-for-sale securities	689	545
Net (loss)/gain on derivative instruments	(4,920)	4,158
Land revaluation	136,045	136,048
Foreign currency translation adjustments	(39,760)	(34,090)
Pension adjustments recognized by an overseas consolidated subsidiary	(140)	(1,160)
Total valuation and translation adjustments	91,914	105,501
Stock Acquisition Rights	245	209
Minority Interests in Consolidated Subsidiaries	1,772	1,755
Total Equity	549,947	554,154
Total Liabilities and Equity	2,048,928	1,985,566

(2) Consolidated Statement of Income
For the three months ended June 30, 2008

	(Millions of Yen)
	FY2008
	Three Months
	Ended June 30, 2008
Net sales	771,825
Costs of sales	581,956
Gross profit on sales	<u>189,869</u>
Selling, general and administrative expenses	161,614
Operating income	<u>28,255</u>
Non-operating income	
Interest income	1,064
Equity in net income of unconsolidated subsidiaries and affiliates	3,439
Other	1,294
Total	<u>5,797</u>
Non-operating expenses	
Interest expense	3,723
Foreign exchange loss	4,904
Other	2,540
Total	<u>11,167</u>
Ordinary income	<u>22,885</u>
Extraordinary profits	
Profit on sale of tangible fixed assets	109
Compensation for the exercise of eminent domain	178
Total	<u>287</u>
Extraordinary losses	
Loss on retirement and sale of tangible fixed assets	321
Loss on impairment of fixed assets	236
Total	<u>557</u>
Income before income taxes	<u>22,615</u>
Income taxes	
Current	8,638
Deferred	(1,052)
Total	<u>7,586</u>
Minority interests of consolidated subsidiaries	45
Net income	<u><u>14,984</u></u>

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" , were adopted. Also, interim financial statements are prepared in accordance with "Regulation for Quarterly Consolidated Financial Reporting " .

(3) Going Concern

None

(4) 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. Net sales, operating income (loss) and assets related to this industry have exceeded 90% of the respective consolidated amounts. Accordingly, information by industry segment is not shown.

2. Information by Geographic Areas

FY2008 Three Months (Ended June 30, 2008)	(Millions of Yen)						Consolidated
	Japan	North America	Europe	Other areas	Total	Elimination or corporate	
Net sales:							
Outside Customers	271,288	216,485	205,869	78,183	771,825	-	771,825
Inter-area	363,222	788	2,330	414	366,754	(366,754)	-
Total	634,510	217,273	208,199	78,597	1,138,579	(366,754)	771,825
Operating income	13,817	6,566	4,034	5,227	29,644	(1,389)	28,255

Notes:

1. Method of segmentation and principal countries or regions belonging to each segment
 - a) Method: Segmentation by geographic adjacency
 - b) Principal countries or regions belonging to each segment
 - North America: U.S.A. and Canada
 - Europe: Belgium, Russia and Germany
 - Other areas: Australia and Colombia
2. As discussed earlier in the "other" section of Qualitative Discussions on Financial Information and Summarized Consolidated Financial Statements with Footnotes, 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 three months ended June 30, 2008 were to decrease net sales by ¥43,833 million; however, since operating expense (cost of sales) decreased by the same amount, operating income was not affected.
3. As discussed earlier in the Additional Information section, commencing in the three months ended June 30, 2008, the Company and its consolidated domestic subsidiaries changed the useful lives of 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 three months ended June 30, 2008 were to decrease operating income by ¥571 million.

3. Overseas Sales

FY2008 Three Months (Ended June 30, 2008)	(Millions of Yen)			
	North America	Europe	Other areas	Total
Overseas sales	224,344	210,339	179,796	614,479
Consolidated sales	-	-	-	771,825
Percentage of overseas sales to consolidated sales	%	%	%	%
	29.1	27.3	23.3	79.7

Notes:

- 1) Overseas sales include exports by the Domestic Companies 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
 - a) Method: Segmentation by geographic adjacency
 - b) 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 Colombia

(5) Significant Changes in the Amount of Equity

None

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

(1) Consolidated Statement of Income

For the three months ended June 30, 2007 with comparative figures for the three months ended June 30, 2008

		(Millions of Yen)			
		FY2007	FY2008	Increase/ (Decrease)	
For the three months ended		Three Months June 30, 2007	Three Months June 30, 2008	Amount	Percentage
Net sales	1	814,293	771,825	(42,468)	(5.2)
Costs of sales	2	582,147	581,956	(191)	(0.0)
Gross profit on sales	3	232,146	189,869	(42,277)	(18.2)
Selling, general and administrative expenses	4	199,885	161,614	(38,271)	(19.1)
Operating income	5	32,261	28,255	(4,006)	(12.4)
Non-operating income					
Interest income	6	779	1,064	285	36.6
Equity in net income of unconsolidated subsidiaries and affiliates	7	648	3,439	2,791	430.7
Other	8	1,352	1,294	(58)	(4.3)
Total	9	2,779	5,797	3,018	108.6
Non-operating expenses					
Interest expense	10	4,502	3,723	(779)	(17.3)
Foreign exchange loss	11	7,894	4,904	(2,990)	(37.9)
Other	12	1,440	2,540	1,100	76.4
Total	13	13,836	11,167	(2,669)	(19.3)
Ordinary income	14	21,204	22,885	1,681	7.9
Extraordinary profits					
Profit on sale of tangible fixed assets	15	55	109	54	98.2
Profit on sale of investment securities	16	25	-	(25)	-
Compensation for the exercise of eminent domain	17	-	178	178	-
Total	18	80	287	207	258.8
Extraordinary losses					
Loss on retirement and sale of tangible fixed assets	19	704	321	(383)	(54.4)
Loss on impairment of fixed assets	20	32	236	204	637.5
Adoption of revised accounting standard for leases	21	1,129	-	(1,129)	-
Other	22	3	-	(3)	-
Total	23	1,868	557	(1,311)	(70.2)
Income before income taxes	24	19,416	22,615	3,199	16.5
Income taxes					
Current	25	15,090	8,638	(6,452)	(42.8)
Deferred	26	828	(1,052)	(1,880)	(227.1)
Minority interests of consolidated subsidiaries	27	1,017	45	(972)	(95.6)
Net income	28	2,481	14,984	12,503	504.0

(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. Net sales, operating income (loss) and assets related to this industry have exceeded 90% of the respective consolidated amounts. Accordingly, information by industry segment is not shown.

2. Information by Geographic Areas

FY2007 Three Months (Ended June 30, 2007)	(Millions of Yen)					
	Japan	North America	Europe	Other areas	Total	Elimination or corporate Consolidated
Net sales:						
Outside Customers	288,716	251,403	194,429	79,745	814,293	- 814,293
Inter-area	312,791	994	5,209	355	319,349	(319,349) -
Total	601,507	252,397	199,638	80,100	1,133,642	(319,349) 814,293
Operating income	23,628	5,933	4,319	3,533	37,413	(5,152) 32,261

Note:

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

a) Method: Segmentation by geographic adjacency

b) 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

FY2007 Three Months (Ended June 30, 2007)	(Millions of Yen)			
	North America	Europe	Other areas	Total
Overseas sales	261,819	198,232	157,080	617,131
Consolidated sales	-	-	-	814,293
Percentage of overseas sales to consolidated sales	%	%	%	%
	32.2	24.3	19.3	75.8

Notes:

1) Overseas sales include exports by the Domestic Companies

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

a) Method: Segmentation by geographic adjacency

b) 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 Colombia

(3) Production and Sales Information

1. Production Volume

Type	FY2007 Three Months (Ended June 30, 2007)	FY2008 Three Months (Ended June 30, 2008)	Increase/ (Decrease)
	units	units	units
Passenger cars	217,287	263,133	45,846
Trucks	10,249	9,400	(849)
Vehicles Total	227,536	272,533	44,997

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 Three Months	FY2008 Three Months	Increase/ (Decrease)
AutoAlliance International, Inc.	21,514 units	22,962 units	1,448 units
AutoAlliance (Thailand) Co., Ltd.	13,641	14,742	1,101

2. Sales Volume and Revenue

Type	FY2007 Three Months (Ended June 30, 2007)		FY2008 Three Months (Ended June 30, 2008)		Increase/ (Decrease)	
	Volume	Revenue	Volume	Revenue	Volume	Revenue
Vehicles	280,216 units	598,177 million yen	317,753 units	594,250 million yen	37,537 units	(3,927) million yen
Knockdown Parts (Overseas)	-	29,122	-	27,905	-	(1,217)
Parts	-	68,370	-	72,222	-	3,852
Other	-	118,624	-	77,448	-	(41,176)
Total	-	814,293	-	771,825	-	(42,468)

Sales Volume by Market

Type	FY2007 Three Months (Ended June 30, 2007)	FY2008 Three Months (Ended June 30, 2008)	Increase/ (Decrease)
	units	units	units
Japan	57,545	56,030	(1,515)
North America	97,172	102,016	4,844
Europe	67,724	83,192	15,468
Other	57,775	76,515	18,740
Overseas Total	222,671	261,723	39,052
Total	280,216	317,753	37,537

FY2008 Financial Summary (Consolidated)
For the Three Months Ended June 30, 2008

July 31, 2008
Mazda Motor Corporation

		FY2007		FY2008		FY2007		Projection		
		Three Months		Three Months		Full Year		Full Year		
		Ended June 30, 2007		Ended June 30, 2008		Ended March 31, 2008		Ending March 31, 2009		
			%		%		%		%	
(In 100 millions of yen)										
(In thousands of units)										
(Upper left: return on sales)										
Domestic	1	1,972	(8.3)	1,573	(20.2)	8,801	(0.8)	6,700	(23.9)	
Overseas	2	6,171	18.9	6,145	(0.4)	25,957	10.0	23,300	(10.2)	
Net sales	3	8,143	10.9	7,718	(5.2)	34,758	7.0	30,000	(13.7)	
Operating income	4	4.0%	323	9.0	3.7%	283	(12.4)	4.7%	1,621	2.3
Ordinary income	5	2.6%	212	(11.8)	3.0%	229	7.9	4.3%	1,485	16.2
Income before income taxes	6	2.4%	194	(15.1)	2.9%	226	16.5	4.1%	1,431	20.8
Net income	7	0.3%	25	(62.5)	1.9%	150	504.0	2.6%	918	24.5
Operating income by geographic area										
Japan	8	236		138		1,076				
North America	9	59		66		60				
Europe	10	43		40		180				
Other	11	35		52		208				
Operating profit change										
Volume & mix	12			263				460		
Exchange rate	13			(170)				(780)		
Product enrichment	14			(32)				(190)		
Cost reduction	15			(6)				90		
Marketing expense	16			(51)				(50)		
Other	17			(44)				(1)		
Total	18			(40)				(471)		
Average rate for the period	19	121 Yen/US\$		105 Yen/US\$		114 Yen/US\$		100 Yen/US\$		
		163 Yen/EUR		163 Yen/EUR		162 Yen/EUR		150 Yen/EUR		
Transaction rate	20	118 Yen/US\$		103 Yen/US\$		115 Yen/US\$		101 Yen/US\$		
		152 Yen/EUR		155 Yen/EUR		157 Yen/EUR		151 Yen/EUR		
Capital investment	21	129		391		755		850		
Depreciation and amortization	22	175		185		665		730		
R & D cost	23	280		289		1,144		1,150		
Total assets	24	19,389		20,489		19,856				
Equity	25	4,794		5,499		5,542				
Financial debt	26	5,376		5,811		5,050				
Net financial debt	27	3,248		3,644		2,811				
Domestic	28	57	(7.4)	54	(4.4)	256	(1.9)	257	0.5	
North America	29	108	5.9	109	0.4	406	6.8	400	(1.4)	
Europe	30	78	0.2	93	19.8	327	7.4	360	10.2	
China	31	16	(44.0)	33	100.7	101	(21.8)	180	78.2	
Other	32	64	15.0	69	8.9	273	20.4	283	3.3	
Overseas	33	266	0.7	304	14.2	1,107	6.4	1,223	10.5	
Global retail volume	34	323	(0.8)	358	10.9	1,363	4.7	1,480	8.6	

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

- 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" were adopted.