Today, I will first explain the highlights of the results for the first 9 months of FY ending March 2011, then I will take you through the details. At the end, I will summarize the presentation.

1. Highlights
The revenue was up 11% to ¥1 trillion 717.9 billion from the prior year. The operating profit was ¥13.2 billion and net income was ¥2.8 billion. In spite of tough business environment such as continued strong yen and material price hike, we achieved positive operating profit in the 3rd quarter. We are maintaining positive operating results. Global sales volume was up by 93,000 units or 11% to 957,000 units due to sales increase in key markets such as Japan, United States and China. This was achieved by strong performance of our key products such as Mazda2/Demio, Mazda3, Mazda6, and CX-7.

The new Premacy/Mazda5 launched in July in Japan continues to achieve the sales target. As Mazda5 was launched in Europe in October and in North America and China in early this year, we expect this model will further contribute to sales growth. In the United States, we achieved the sales increase while keeping brand value enhancement policy such as holding down incentives. Also we achieved the highest share in the last 10 years in non-fleet sales. In Mexico, we sold more vehicles and gained higher share than ever. In China, because of the strong sales of Mazda6 and Mazda3 whose production transfer to Nanjing Plant was completed, we achieved record-high sales volume. Also, in December we launched Mazda8 (MPV in Japan) to further enhance our product lineup. As AAT-made Mazda2 receives high acclaim, we achieved record-high sales and shares in the last 10 years in ASEAN countries such as Thailand, Indonesia, and Malaysia. In this way, our sales are strong in emerging markets in addition to China. In Australia also, we recorded highest sales and share in the last 10 years because of the good sales of Mazda2, Mazda3, and CX-7. Our residual value
in key markets continues to be at the top level. We maintain and enhance our strategy to improve the brand value.

In terms of environmental technology, in October last year we presented outline of the next generation technology “SKYACTIV” and received high acclaim from the media inside and outside Japan.

In November, Ford sold part of its shares in Mazda, but we maintain the strategic partnership with Ford and cooperate each other in the areas of mutual benefits.

We continue to face tough external environment such as continued strong yen and material price hikes, but as we are keeping strong sales in key markets and steadily improving costs, we do not change our full-year forecast.

2. FY March 2011 First Nine Months Results

Revenue was up 11% year-over-year and all profit categories achieved positive levels. Operating profit was ¥13.2 billion, up by ¥24.2 billion from the prior year. The details of the improvement will be explained later, but main contributing factors are gains in volume and mix due to strong sales, and cost improvements in all areas, which more than offset the deterioration from impact of the yen’s appreciation. Ordinary profit was ¥23.1 billion and net income was ¥2.8 billion.

The free cash flow for the first nine months was negative ¥40 billion mainly due to seasonal factors. However, we project to achieve positive full year cash flow. Net debt was ¥424.4 billion, increased ¥48.6 billion from the end of the prior fiscal year.

The global sales volume was up by 11% from the prior year to 957,000 units. Except for Europe where the demand was significantly declined, our sales volumes were better than the prior year in all major markets. Our main models such as Mazda2/Demio, Mazda3, Mazda6, and CX-7 contributed to the strong sales. Average exchange rates were ¥87 against the dollar and ¥113 against Euro.

Let me go through our sales result by each of our major markets.

Firstly, in Japan, our nine-month sales reached 153,000 units, up 2% from the prior year. Improved product lineup such as successful launch of New Premacy and special edition vehicles contributed to sales growth. We have maintained our share at the same level as the prior year. In CY2010, our sales hit 224,000 units, up by 9.5% from the prior year, leading to a 4.5% share, up by 0.1 point.

In North America, we achieved 257,000 units, up 13% year-over-year, thanks to strong sales
of CX-7 and CX-9 in addition to Mazda3. We maintained our share of 1.9% in the United States, the same level as the prior year. Excluding fleet sales, we obtained the highest share of 1.8% in the last decade. We keep incentives down. Speaking of residual value in the United States, Mazda3 and CX-9 ranked top in their segments for Model Year 2011, which shows we continue our policy of improving brand value. In Mexico, driven by brisk sales of Mazda3, we achieved record high sales volume and share.

In Europe, our sales were down 12% year-over-year to 155,000 units due to the impact of total industry decline especially in Western and Southern European countries. We introduced the New Mazda5 in October. Petrol engine model introduced first has been enjoying good reputation. With a full-scale introduction of the diesel model in January, we expect the Mazda5 will contribute to further sales growth. In Russia, our sales increased 14% year-over-year thanks to the demand recovery in addition to the product supply enhancement and the introduction of special edition versions of the Mazda3 and Mazda6. In Germany, amid declining demand due to the expiry of scrap incentive, our share increased 0.1 point. Strong sales of CX-7 diesel model and 90th anniversary special versions of the Mazda3 and Mazda6 as well as dealer network improvement activities are the main contributors to the share growth.

In China, we achieved 186,000 units, up 31% year-over-year, which is a record high volume thanks to strong sales of key models such as Mazda3 and Mazda6.

Our share increased 0.1 point to 1.4%. With the buoyant sales, we achieved the highest volume for a calendar year of 240,000 units in CY 2010. China is now our biggest single market surpassing Japan and the United States. We introduced Mazda8 in December. The model will enhance our product lineup and contribute to the expansion of our customer segment. Sales network has expanded steadily to 312 outlets at the end of December exceeding our initial target of 300 outlets.

The total sales of other markets were up 23% year-over-year to 206,000 units. Thanks to contribution by AAT-produced Mazda2, sales increased substantially in ASEAN countries and others. In Thailand, Indonesia and Malaysia, we achieved the highest sales volume and share in the last 10 years. Australia also attained the record sales volume and share in the last 10 years thanks to the strong sales of Mazda2, Mazda3 and CX-7. In Israel, we maintained strong sales mainly with Mazda3 and achieved the annual top selling volume for 15 consecutive years.

Next, I would like to explain key factors behind ¥24.2 billion improvement of the consolidated operating profit.

The volume and mix contributed ¥38.0 billion improvement due to strong performance of our
key products in major markets such as Mazda2/Demio, Mazda3, Mazda6, and CX-7. The strong yen impact was ¥13.6 billion by US dollars, and ¥16.2 billion by Euro. Together with the positive impact from other currencies of ¥400 million, total exchange impact was ¥29.4 billion. In the variable cost area, we had ¥6.9 billion improvement. Despite steel price hike and material price rise, cost improvements exceed the impact. The marketing expense increased by ¥6.3 billion to enhance advertisement for launches of the New Premacy and Mazda2 in North America. Other costs improved by ¥15.0 billion by promoting cost improvements in all business areas.

For the 4th quarter and next fiscal year, we will further enhance our efforts in sales and costs. In the sales area, we will maintain our policy of brand value enhancement, and implement “Tsunagari Innovation” globally.

As for the plan by market, first in Japan, we will strengthen our advertisements and communications, and introduce special edition models for sales promotion so that we can accelerate the sales trend that started recovering from late December.

In North America, we will expand sales in volume zone Mazda3 and strong CX-7 and CX-9. In addition, the New Mazda5 should contribute to sales increase, while we will keep our policy to hold down incentives.

In Europe, with strong CX-7 and introduction of New Mazad5, as well as sales growth in Russia with improved product line-up, we expect to achieve the sales in the 4th quarter at the same level as last year.

In China, we will increase sales with key products such as well-selling Mazda6, and Mazda3 which is eligible for government subsidies for fuel efficient vehicles. Also the Mazda8 was launched in December and its sales start has been on track. In addition to individual users, we will try to expand sales to fleet users.

Among the other markets, we will try to achieve incremental sales with AAT-produced Mazda2 in ASEAN region, and key products like Mazda2 and Mazda3 in Australia where we continue strong sales.

In cost area, we will continue and enhance our cost improvement efforts in all business areas.

3. Summary
For the first 9 months, revenue was up 11% year-over-year and all profit categories achieved positive levels. Thanks to the robust sales of key models such as Mazda2/Demio, Mazda3, Mazda6 and CX-7, we achieved sales growth in major markets. In China, Mexico, Thailand, Indonesia and Malaysia, our sales volumes and shares hit record highs, which
shows our performance in emerging markets is going well. In Australia, we also achieved an all-time high sales volume and share, keeping our strong sales going. As I explained, sales remain robust, and cost improvements in all the areas that were published in the 1st half announcement are on track. Though the external environment is still harsh, we won' change our full-year forecast.

We are also continuing to work on our future initiatives. Our next-generation technologies SKYACTIV have been highly acclaimed by the media both inside and outside Japan, making us convinced of our future. First, in the first half of this year, Demio with “SKYACTIV-G”, achieving fuel economy of 30 kilometer per liter without any assistance from a motor and offering Zoom-Zoom driving performance, will be launched in Japan. Then, we plan to globally launch products with SKYACTIV technology in sequence.

Speaking of our strategy for emerging markets, there is nothing we can tell you at present, but we accelerate our study in order to achieve further growth and solve structural issues Mazda has.

The year 2011 marks the first year of SKYACTIV, when the SKYACTIV which we have developed with Mazda’s all-out efforts, will be taken to the market. We will make a success in its launch to build a foundation for our further growth in the future.

Thank you very much for joining us today despite your busy schedule.