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(For your information)

Mazda Motor Corporation
FISCAL YEAR ENDING MARCH 2011 FULL YEAR FINANCIAL RESULTS
(Speech Outline)

Representative Director and Chairman of the Board
President and CEO
Takashi Yamanouchi

First of all, I would like to offer my sincerest prayer for the victims of the Great Eastern Japan Earthquake and extend my heartfelt concern to all people in the affected area.

For the support of recovery in Tohoku region, Mazda established the “Mazda Group Support Team for the Affected Region” and we are implementing the support to the affected people and region.

Also, to deal with risk of harmful rumor arising from the accident at the nuclear power plant, we started studying the issues from just after the disaster, and are implementing the actions. We will work together as one Mazda group to recover full and stable production, in order to deliver our cars and repair parts to customers all over the world as well as disaster area, as early as possible. And we believe it is the way to support the disaster area, and to meet the expectations of all stakeholders.

1. HIGHLIGHTS

For FY ended March 2011, revenue was ¥2,325.7 billion, exceeding that of prior year.

Operating profit was ¥23.8 billion, 2.5 times higher, and ordinary profit was ¥36.9 billion, 8 times higher than prior year. We achieved increases both in revenue and profit. In spite of the impact of the earthquake, operating profit was almost the same level as February forecast. Ordinary profit exceeded the February forecast. In the extraordinary loss, we have booked loss of ¥8.5 billion as a reserve for business loss in North America and posted loss on disaster of ¥5.2 billion as the damage to some of the dealer outlets and shutdown of plants in Japan due to the earthquake. Also, we have written off a portion of the deferred tax assets. Net loss was ¥60 billion mainly due to those factors. Free cash flow was ¥1.6 billion positive. Besides, it is with deep regret that we plan to forego the year-end dividend for FY ended March 2011, in consideration of our results in this fiscal year.

We continue successful sales result. Although the total industry sales in Japan and Europe reduced, we have achieved the global sales results of 1,273,000 units, which significantly exceeded that of last year, up 80,000 units or 7%. Main carlines such as Mazda2, Mazda3 and Mazda6 are driving the good sales. Furthermore, the new Mazda5 that was introduced globally also received high reputation, contributing to the incremental sales. SUVs are also continuing successful sales. Although it has been more than four years since CX-7 and CX-9 were introduced, they achieved record sales in this fiscal year. The CX-9 won high acclaims and has continued stable sales in North America, as it received "2008 North American truck of the year". The CX-7 sales are expanding after its face-lift in North America and Australia. In addition, newly introduced diesel model has been received well in Europe, contributing to share increase in Germany and other countries.

Sales in Australia and emerging markets continue to grow. We achieved the record sales and share in Australia, Thailand and Mexico. We also achieved the record sales in emerging markets such as China, Thailand, Mexico, Indonesia, Malaysia and Chile.

Next I will explain the highlight for fiscal year ending March 2012. I will take you through the situation of plant operation later, but we are making our utmost efforts to recover full and stable production following the Great Eastern Japan Earthquake together with our suppliers with all our efforts. We project continued sales momentum and strong sales in the key regions in current fiscal year. Our products continue to be competitive, and our sales network and customers we have established are the great assets for us. We are also steadily improving brand value in key countries. We continue measures to cope with sharp yen's appreciation started last year and initiatives for emerging markets. In current fiscal year, as the first year of SKYACTIV, we will introduce SKYACTIV TECHNOLOGY. First, we will introduce Demio with "SKYACTIV-G" in Japan, achieving fuel economy of 30 kilo meter per liter and offering Zoom-Zoom driving performance. In addition, we continue our efforts in environmental measures for the future. Due to the uncertain future business environment, we will not announce financial forecast today. I promise that I will announce it to you as soon as possible at a later date.

Next, I will explain the impact of the earthquake and current production situation.

After the earthquake, we have suspended production from night-shift of March 14th, but from March 22nd, temporarily resumed production of vehicles, replacement parts and parts for overseas production, utilizing "in-process" inventories. As a result, the impact in March production was 46,000 units and our domestic production volume reached 867,000 units. From April 4th, we resumed limited production of vehicles at Hiroshima and Hofu plants,

using parts which can be delivered. From April 13th, we started continuous operations and utilization ratio from April 13th recovered to 50% to 70%.

All overseas plants including AAI are operating at straight time. Production of parts for overseas production resumed where possible at Hiroshima and Hofu plants from March 22nd. We are exerting every effort to maintain operation at overseas plants. We do not think that we have to suspend production immediately at present, but we will continue to carefully watch the future development. Also, we are dealing with supply of repair parts recognizing the stock status globally, not to cause customers' inconvenience. At the present time, the supply system is recovering on a normal basis. As future prospects, we project utilization ratio of about 70% to 80% in Japan in May and June, and to recover full and stable production in Japan and overseas in the 2nd half of current fiscal year. Aiming the early recovery, we will improve utilization ratio as early as possible, to meet customers' demands.

Representative Director

Executive Vice President and CFO

Kiyoshi Ozaki

2. FISCAL YEAR ENDED MARCH 2011 RESULTS

In spite of the impact of the earthquake, revenue for the fiscal year ended March 2011 was up by 7% year-over-year. Operating profit was up by 152% and ordinary profit was up by 694% year-over-year. Moreover, operating and ordinary profits were almost the same level as our February forecast. Operating profit was up by ¥14.3 billion year-over-year in spite of the negative impact of sharp appreciation of the yen and of the earthquake. This was achieved by sales increase in major markets and further cost improvement in all the areas. The free cash flow for the fiscal year was positive ¥1.6 billion. Cash and cash equivalent at the end of the fiscal year was ¥322.8 billion. We maintain enough liquidity on hand. Net debt was ¥370.2 billion, decreased ¥5.6 billion from the end of the prior fiscal year. We maintain equity ratio of 24% even after writing off a portion of the deferred tax assets.

Our global sales volume was up 7% from prior year to 1,273,000 units, and the consolidated wholesale volume was up 14% to 1.1 million units. We achieved better sales than the prior year in major markets except for Japan and Europe. Demand declined substantially after car purchase subsidies ended in Japan and the demand declined significantly in Europe.

Key models such as Mazda2, Mazda3, Mazda6, CX-7, and CX-9 have led the brisk sales.

Average exchange rates were ¥86 against the dollar, and ¥113 against the Euro.

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

Firstly, in Japan, we maintained the same level of share as prior year at 4.5% thanks to the success of new Premacy introduction as well as brisk sales of Demio. New Premacy attained higher sales volume than our objective since its launch in July. Full year sales were 206,000 units due to the fall of demand after the termination of the subsidies, as well as the earthquake impact which hampered the market in otherwise high demand season of March.

In North America, we achieved 342,000 units, up 12% from prior year thanks to the incremental sales generated by Mazda2 introduced during the fiscal year, as well as brisk sales of CX-7 and CX-9. In the US, we achieved sales increase of 13% from prior year, and our share was up 0.1pt to 2%. CX-9 enjoyed high product acclaim and won the Best Residual Value Award of the segment in 2011 by US Automotive Lease Guide, which contributed to our sales growth. We attained a record high volume and share in Mexico as Mazda3 sold well and led our sales.

In Europe, sales were 212,000 units due to industry decline in major countries except for Russia. We launched diesel model of New Mazda5 in January following gasoline models, and the segment share as well as volume increased from prior year in markets such as Germany. German industry has been sluggish since the end of scrap incentive, but well-selling Mazda5 and CX-7 led the sales. Coupled with improved dealer network, our share increased by 0.2 pts to 1.5% from prior year. In Russia, we achieved 29% year-over-year increase thanks to the recovery of industry, improvement of product supply, as well as introduction of special versions of Mazda3 and Mazda6 and so forth.

Sales in China increased by 20% year-over-year and marked a record volume of 236,000 units thanks to excellent sales of key models such as Mazda3 and Mazda6. Share was maintained at 1.3%. We have been on track to strengthen sales network. The outlet count increased to 312, up by 48, compared to the end of the prior fiscal year. In order to enhance sales network, we are going to install stores at open areas in large coastal cities, and accelerate store opening in inland areas at the same time.

Sales in other markets increased by 20% year-over-year to 277,000 units. We achieved the highest volume and share in Australia, where key models such as Mazda2, Mazda3, and CX-7 sold well, as well as in Thailand where we gained incremental sales from Mazda2. Also, Mazda2 made at AAT enjoyed excellent feedback in ASEAN markets, resulting in record volumes in Indonesia and Malaysia. Sales in Chile also marked a record thanks to

demand increase as well as introduction of Mazda2 sedan. In Israel, besides achieving the annual top market share for 15 consecutive years in CY2010, we achieved the top market share in FY ended March 2011, which is for 4 consecutive years as fiscal year period.

Next, I would like to explain key factors behind ¥14.3 billion improvement of the consolidated operating profit.

The volume and mix contributed ¥35.7 billion improvement due to strong performance of our key products in major markets. The strong yen impact was ¥20.7 billion by US dollars, and ¥20.7 billion by Euro. Together with the negative impact from other currencies of ¥2.3 billion, the total impact of exchange rates was ¥43.7 billion. In the variable cost area, we had ¥11.2 billion improvement. Despite steel price hike and material price rise, our cost improvement efforts exceeded their impacts. The marketing expense increased by ¥5.6 billion as the advertisement for launches of New Premacy and Mazda2 in North America was enhanced. Other costs improved by ¥16.7 billion as cost improvements in all business areas were promoted. The change in volume and mix includes approximately ¥5 billion impact of earthquake. And our profit was deteriorated by external factors such as the impact from the yen's appreciation of ¥43.7 billion, in addition to steel price hike. In order to deal with them, we expand sales with continuing policy to improve brand value, and reinforce cost improvements in all areas. As a result of management efforts together with all of the company, we achieved the operating profit of ¥23.8 billion, exceeding that of prior year by ¥14.3 billion.

Now let me talk about the breakdown of non-operating profit down to net income. Firstly, non-operating profit came at ¥13.1 billion thanks to equity method gain and forward exchange contracts. Next, speaking of the extraordinary items, we booked reserve for business loss in North America and posted loss on disaster as the great earthquake destroyed some of our dealer outlets and forced our plants into suspension in Japan, which resulted in a profit before tax of ¥16.1 billion. As for corporate tax, because it remains unclear how the Great Eastern Japan Earthquake will affect our performance for the next fiscal year, we decided to write off a portion of the deferred tax assets of ¥56.7 billion for this period and booked it in income taxes-deferred, which resulted in a net loss of ¥60 billion.

Representative Director and Chairman of the Board

President and CEO

Takashi Yamanouchi

3. IN SUMMARY

As you all know, the Great Eastern Japan Earthquake is major multiple disaster, which we may call as national crisis, consisting of massive earthquake only once in a thousand years, the tsunami and the nuclear plant accident, which arises power problem and radioactive problem. The disaster cut off the supply chain of automotive industry and forced us to suspend stable plant operation. We closed the fiscal year with conservative accounting procedure in this unclear business environment, which we have never experienced.

Although we booked net loss by writing off a portion of the deferred tax assets in the fiscal year, the loss was just a matter of evaluation of recovery of unconsolidated tax assets due to the disaster, and there was no cash outflow with the accounting procedure, which is one time impact. Besides, in spite of the impact of the yen's appreciation and the earthquake, our consolidated business continues the trend of increases in revenue and both in positive operating and ordinary profit, and achieved almost the same level as our forecast, as I explained. Also, until the wholesales were decreased by the earthquake impact, we could have achieved consolidated operating profit of about ¥28 billion, three times higher than prior year. Thus, our business performance in sales, cost improvements and other areas have not changed. With the sales of the CX-7 and CX-9 reaching record-high levels, we continue growth led by strong sales of our main carlines including these models. In addition, sales in Australia and emerging markets including China, Thailand and Mexico hit record sales. Therefore, we consider that it is important to maintain our brisk momentum, resuming full and stable production as early as possible.

About the current production situation, we resumed production at Hiroshima and Hofu plants from April 4th, and we started the continuous operations from April 13th and utilization ratio from April 13th recovered to 50% to 70%. We are implementing actions to recover full and stable production together with our suppliers as the top priority, and we would like to meet our customers' demand all over the world as early as possible. In current fiscal year, as the first year of SKYACTIV, we will introduce SKYACTIV TECHNOLOGY, which is distinguished itself in competitiveness and environmental technology, despite this difficult situation after the disaster. Due to uncertain future business environment, we will not announce financial forecast for current fiscal year today. But I promise that I will announce it to you as soon as possible at a later date.

Lastly, I will explain our future actions. First of all, we will take two production actions. First is to coordinate with the suppliers to confirm the parts supply status so that we can take actions swiftly to restore our plant utilization ratio. Although it may require some time to recover full and stable production, we will restore our plant utilization ratio, taking every possible measure, to meet customers' demands. Next, we will manage market and product mix to maximize revenues. Through these actions, we will minimize the negative impact on production.

Next, I would like to talk about our efforts for the future.

Firstly, we will focus our efforts to execute the development and production of next generation products and SKYACTIV TECHNOLOGY to be launched in 2011 and then the introduction of these products to the markets successfully. We will refine functions, quality, and costs at the same time by application of "Monotsukuri Innovation". In the area of sales, by deployment of "Tsunagari Innovation", we will further improve the brand value in the advanced nations and accelerate sales in the emerging markets including new markets for us so that we can pursue further growth for the future. To cope with the sharp appreciation of the yen continuing from last year, we will take two countermeasures. Firstly, we will pursue further efficiency improvement through united efforts by R&D, Production, and Purchasing as one team, as well as recover cost competitiveness of our Japan based operations. Also, to increase flexibility to the exchange fluctuations, we will expand transactions in foreign currencies and overseas procurement. Furthermore, we are making progress in actions for emerging markets. We will accelerate enhancement and expansion of overseas production centering around AAT and study to enter into growth market with manufacturing and sales businesses together.

Lastly, at present, it is urgent issue for us to recover full and stable production, and we cope with the issue including any risks with every possible action. With "Monotsukuri Innovation", which changes functions, quality, and costs drastically, "Initiatives in Emerging Markets" and "Tsunagari Innovation" as I mentioned earlier, in addition to measures such as "Building Block Strategy", which includes SKYACTIV TECHNOLOGY as a core and "Introduction of Next-generation New Products", we believe that those measures will strengthen our brand as we planned and flower for sure. Therefore, current "Commitment to Growth" has no change.

Thank you for joining us today despite your busy schedule.

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