

# FY2007 First Quarter Consolidated Financial Results

## For the Three Months Ended June 30, 2007



English Translation from the Original Japanese-Language Document

July 31, 2007

Company Name : **Mazda Motor Corporation** (Tokyo Stock Exchange/Code No. 7261)  
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### 1. Consolidated Financial Highlights (April 1, 2007 through June 30, 2007)

#### (1) Consolidated Financial Results

(In Japanese yen rounded to millions)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
<b>FY2007 1st. Qtr.</b>	<b>814,293</b>	<b>10.9</b>	<b>32,261</b>	<b>9.0</b>	<b>21,204</b>	<b>(11.8)</b>	<b>2,481</b>	<b>(62.5)</b>
FY2006 1st. Qtr.	734,303	9.5	29,609	29.7	24,040	12.1	6,614	-
FY2006 Full Year	3,247,485		158,532		127,753		73,744	

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
<b>FY2007 1st. Qtr.</b>	<b>1.76</b>	<b>1.76</b>
FY2006 1st. Qtr.	4.72	4.68
FY2006 Full Year	52.59	52.19

#### (2) Consolidated Financial Position

	Total Assets	Equity	Equity Ratio	Equity per Share
	million yen	million yen	%	yen
<b>FY2007 1st. Qtr.</b>	<b>1,938,890</b>	<b>479,438</b>	<b>24.4</b>	<b>335.78</b>
FY2006 1st. Qtr.	1,769,501	406,633	22.4	290.17
FY2006 Full Year	1,907,752	479,882	24.8	336.45

Note: Commencing in the three months ended June 30, 2006, stock acquisition rights and minority interests in consolidated subsidiaries are included in the equity as separate components. In the calculation of equity ratio and equity per share, however, stock acquisition rights and minority interests in consolidated subsidiaries are excluded from the equity.

### 2. Dividends

	Dividends per share		
	Interim	Year-end	Full-Year
	yen	yen	yen
FY2006	-	6.00	6.00
<b>FY2007 (Forecast)</b>	<b>3.00</b>	<b>3.00</b>	<b>6.00</b>

### 3. FY2007 Consolidated Financial Forecast (April 1, 2007 through March 31, 2008)

The forecast for the year ending March 31, 2008 remains unchanged from the prior forecast that was released on April 27, 2007.

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
1st. Half	1,580,000	3.8	60,000	(14.0)	50,000	(11.6)	25,000	(8.1)	17.77
Full Year	3,320,000	2.2	160,000	0.9	140,000	9.6	85,000	15.3	60.41

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

### 4. Other

- (1) Changes in Consolidation scope : None  
 (2) Adoption of simplified accounting method : Yes  
 (3) Changes in Accounting Practices from Previous Fiscal Year : Yes

Note: See 4. Other in "Qualitative Discussions on Financial Information and Summarized Consolidated Financial Statements with Footnotes" on Page 3.

### Cautionary Statement with Respect to Forward-Looking Statements

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.

## **Qualitative Discussions on Financial Information and Summarized Consolidated Financial Statements with Footnotes**

### **1. Consolidated Financial Results**

Year-to-year performance in retail volume by market for the three months ended June 30, 2007 was as follows. In Japan, retail volume was down 7.4% year over year to 57,000 units primarily due to a decline in total demand. In North America, on the other hand, retail volume increased by 5.9% to 108,000 units from a year ago. The positive impacts of the CX-7 and the CX-9 that were introduced in the last fiscal year were the primary factors. In Europe, retail volume was almost flat year on year at 78,000 units or up 0.2%. In China, however, retail volume declined by 44.0% from a year ago to 16,000 units due to the termination of local production of the 323 and the Premacy under the Mazda Brand, while in other areas, retail volume was up 15.0% to 64,000 units. As a result of these varying performances by market, the global retail volume was 323,000 units, down 0.8% from the same period of the prior fiscal year.

Consolidated sales revenue increased ¥80 billion or 10.9% year on year to ¥814.3 billion driven by the impact of the yen's depreciation. Consolidated operating income was ¥32.3 billion, an increase of ¥2.7 billion or 9.0% year over year due to the impacts of yen's depreciation and cost reduction efforts that exceeded raw material price hikes partially offset by increases in development cost and depreciation expense of fixed assets. Operating ROS was unchanged year on year at 4.0%. The consolidated ordinary profit was down ¥2.8 billion or 11.8% to ¥21.2 billion due to decreases of investment income by equity method and loss from forward exchange contracts. The consolidated net income was down ¥4.1 billion or 62.5% to ¥2.5 billion.

### **2. Consolidated Financial Position**

As discussed in the Changes in Accounting Practices from Previous Fiscal Year, Mazda Motor Corporation (the Company) and its domestic consolidated subsidiaries treated lease assets and lease obligations on-balance by early adopting *Accounting Standard for Lease Transactions* from this three months ended June 30, 2007. As a result, total assets as of June 30, 2007 were ¥1,938.9 billion, ¥31.1 billion more than the end of last fiscal year. Total liabilities amounted to ¥1,459.5 billion, up ¥31.6 billion from the end of last fiscal year mainly due to increase of financial debt caused by lease obligations. Total equity decreased ¥0.4 billion to ¥479.4 billion from the end of last fiscal year. Equity ratio was 24.4%.

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

The forecast for the six months ending September 30, 2007 and the year ending March 31, 2008

remains unchanged from the prior forecast that was released on April 27, 2007.

#### **4. Other**

1) Changes in consolidation scope:

None

2) Adoption of simplified accounting method:

Adopted simplified method for calculation of income taxes

3) Changes in Accounting Practices from Previous Fiscal Year:

(Change in Accounting for Lease Transactions)

Commencing in the three months ended June 30, 2007, the Company and its domestic consolidated subsidiaries early adopted the Accounting Standards Board of Japan (“ASBJ”) Statement No.13, *Accounting Standard for Lease Transaction*, and the ASBJ Guideline No.16, *Guidance on Accounting Standard for Lease Transaction*, both revised by the ASBJ on March 30, 2007.

The effects of adopting the new standards on the consolidated balance sheet as of June 30, 2007, were to increase tangible fixed assets by ¥35,530 million and lease obligation by ¥36,731 million. The effect of increasing intangible asset on the consolidated balance sheet was immaterial.

Change of lease accounting was recognized as a component of the extraordinary losses in the consolidated statement of income by ¥1,129 million. However, the effects on operating income and ordinary income were immaterial.

(Change in Accounting for Depreciation of Fixed Assets)

For those fixed assets that were acquired on or after April 1, 2007, the Company, its domestic consolidated subsidiaries and its equity method-applied domestic affiliates have changed accounting for depreciation of fixed assets in accordance with the applicable provisions of the Japanese Income Tax Code as revised on March 30, 2007.

The effects of this prospective amortization on operating income, ordinary income and income before income taxes for the three months ended June 30, 2007 were immaterial.

## 5. Consolidated Financial Statements

### (1) Consolidated Statement of Income

Three months ended June 30, 2007

With comparative figures for the three months ended June 30, 2006 and the fiscal year ended March 31, 2007

		Millions of yen				
For the periods ended		FY2006 3 Months June 30, 2006	FY2007 3 Months June 30, 2007	Increase/(Decrease) Amount      Percent		FY2006 Full Year March 31, 2007
Net sales	1	734,303	<b>814,293</b>	79,990	10.9	3,247,485
Costs of sales	2	529,611	<b>582,147</b>	52,536	9.9	2,322,644
Gross profit on sales	3	204,692	<b>232,146</b>	27,454	13.4	924,841
Selling, general and administrative expenses	4	175,083	<b>199,885</b>	24,802	14.2	766,309
<b>Operating income</b>	5	29,609	<b>32,261</b>	2,652	9.0	158,532
Non-operating income						
Interest and dividend income	6	538	<b>836</b>	298	55.4	2,877
Equity in net income of unconsolidated subsidiaries and affiliates	7	1,957	<b>648</b>	(1,309)	(66.9)	6,151
Other	8	1,255	<b>1,295</b>	40	3.2	5,575
Total	9	3,750	<b>2,779</b>	(971)	(25.9)	14,603
Non-operating expenses						
Interest expense	10	3,381	<b>4,502</b>	1,121	33.2	16,254
Foreign exchange loss	11	3,485	<b>7,894</b>	4,409	126.5	19,914
Other	12	2,453	<b>1,440</b>	(1,013)	(41.3)	9,214
Total	13	9,319	<b>13,836</b>	4,517	48.5	45,382
<b>Ordinary income</b>	14	24,040	<b>21,204</b>	(2,836)	(11.8)	127,753
Extraordinary profits						
Profit on sale of fixed assets	15	61	<b>55</b>	(6)	(9.8)	1,361
Profit on sale of investment securities	16	-	<b>25</b>	25	-	43
Other	17	-	-	-	-	44
Total	18	61	<b>80</b>	19	31.1	1,448
Extraordinary losses						
Loss on retirement and sale of fixed assets	19	1,157	<b>704</b>	(453)	(39.2)	4,741
Loss on impairment of fixed assets	20	70	<b>32</b>	(38)	(54.3)	3,356
Loss on sale of investment securities	21	-	-	-	-	59
Loss on valuation of investment securities	22	-	<b>3</b>	3	-	-
Inventory valuation loss related to car-carrying vessel accident	23	-	-	-	-	1,979
Change of lease accounting	24	-	<b>1,129</b>	1,129	-	-
Other	25	-	-	-	-	616
Total	26	1,227	<b>1,868</b>	641	52.2	10,751
<b>Income before income taxes</b>	27	22,874	<b>19,416</b>	(3,458)	(15.1)	118,450
Income taxes						
Current	28	10,136	<b>15,090</b>	4,954	48.9	36,776
Prior year	29	-	-	-	-	3,229
Deferred	30	5,403	<b>828</b>	(4,575)	(84.7)	2,973
Minority interests of consolidated subsidiaries	31	721	<b>1,017</b>	296	41.1	1,728
<b>Net income</b>	32	6,614	<b>2,481</b>	(4,133)	(62.5)	73,744

**(2) Consolidated Balance Sheet****June 30, 2007****With comparative figures for March 31, 2007 and June 30, 2006**

Millions of yen						
		FY2006	FY2007	Increase/(Decrease)		FY2006
	As of	Full year	1st. Quarter	Amount	Percent	1st. Quarter
		March 31, 2007	June 30, 2007			June 30, 2006
<b>ASSETS</b>						
<b>Current Assets:</b>						
Cash and time deposits	1	247,566	<b>217,840</b>	(29,726)	(12.0)	177,624
Trade notes and accounts receivable	2	172,958	<b>182,030</b>	9,072	5.2	162,581
Inventories	3	282,432	<b>286,347</b>	3,915	1.4	276,361
Deferred taxes	4	97,184	<b>94,417</b>	(2,767)	(2.8)	90,870
Other	5	58,598	<b>64,132</b>	5,534	9.4	50,220
Allowance for doubtful receivables	6	(2,816)	<b>(2,882)</b>	(66)	2.3	(3,640)
Total current assets	7	855,922	<b>841,884</b>	(14,038)	(1.6)	754,016
<b>Fixed Assets:</b>						
Tangible fixed assets:						
Buildings and structures	8	149,660	<b>150,918</b>	1,258	0.8	145,756
Machinery and vehicles	9	192,465	<b>204,505</b>	12,040	6.3	182,016
Tools, furniture and fixtures	10	25,284	<b>24,355</b>	(929)	(3.7)	26,385
Land	11	442,901	<b>443,036</b>	135	0.0	445,539
Construction in progress	12	46,630	<b>28,369</b>	(18,261)	(39.2)	29,358
Lease assets	13	-	<b>37,752</b>	37,752	-	-
Other	14	214	<b>277</b>	63	29.4	63
Total tangible fixed assets	15	857,154	<b>889,212</b>	32,058	3.7	829,117
Intangible fixed assets:	16	28,871	<b>32,342</b>	3,471	12.0	25,081
Investments and other fixed assets:						
Investment securities	17	98,754	<b>102,239</b>	3,485	3.5	92,377
Long-term loans receivable	18	6,063	<b>6,161</b>	98	1.6	6,221
Deferred taxes	19	48,449	<b>54,082</b>	5,633	11.6	51,057
Other	20	16,418	<b>16,869</b>	451	2.7	19,418
Allowance for doubtful receivables	21	(3,271)	<b>(3,291)</b>	(20)	0.6	(7,157)
Investment valuation allowance	22	(608)	<b>(608)</b>	-	-	(629)
Total investments and other fixed assets	23	165,805	<b>175,452</b>	9,647	5.8	161,287
Total fixed assets	24	1,051,830	<b>1,097,006</b>	45,176	4.3	1,015,485
<b>Total Assets</b>	25	<b>1,907,752</b>	<b>1,938,890</b>	31,138	1.6	1,769,501

Millions of yen						
		FY2006	FY2007	Increase/(Decrease)		FY2006
	As of	Full year	1st. Quarter	Amount	Percent	1st. Quarter
		March 31, 2007	June 30, 2007			June 30, 2006
<b>LIABILITIES</b>						
<b>Current Liabilities:</b>						
Trade notes and accounts payable	1	300,577	<b>286,123</b>	(14,454)	(4.8)	282,938
Short-term loans payable	2	70,340	<b>100,003</b>	29,663	42.2	95,717
Long-term loans payable due within one year	3	42,164	<b>32,574</b>	(9,590)	(22.7)	60,176
Bonds due within one year	4	20,200	-	(20,200)	-	20,000
Bonds with stock acquisition rights due within one year	5	1,131	<b>944</b>	(187)	(16.5)	-
Other accounts payable	6	97,758	<b>71,292</b>	(26,466)	(27.1)	89,588
Accrued expenses	7	219,367	<b>221,061</b>	1,694	0.8	197,674
Lease obligations	8	-	<b>19,122</b>	19,122	-	-
Reserve for warranty expenses	9	42,555	<b>42,858</b>	303	0.7	31,373
Other	10	71,144	<b>69,213</b>	(1,931)	(2.7)	66,567
Total current liabilities	11	<u>865,236</u>	<u><b>843,190</b></u>	<u>(22,046)</u>	<u>(2.5)</u>	<u>844,033</u>
<b>Fixed Liabilities:</b>						
Bonds	12	85,000	<b>85,000</b>	-	-	45,200
Bonds with stock acquisition rights	13	-	-	-	-	3,153
Long-term loans payable	14	255,849	<b>275,084</b>	19,235	7.5	239,579
Deferred tax liability related to land revaluation	15	93,773	<b>93,756</b>	(17)	(0.0)	93,713
Employees' and executive officers' severance and retirement benefits	16	111,565	<b>108,779</b>	(2,786)	(2.5)	122,513
Lease obligations	17	-	<b>24,850</b>	24,850	-	-
Other	18	16,447	<b>28,793</b>	12,346	75.1	14,677
Total fixed liabilities	19	<u>562,634</u>	<u><b>616,262</b></u>	<u>53,628</u>	<u>9.5</u>	<u>518,835</u>
<b>Total Liabilities</b>	20	<u>1,427,870</u>	<u><b>1,459,452</b></u>	<u>31,582</u>	<u>2.2</u>	<u>1,362,868</u>
<b>EQUITY</b>						
<b>Paid-In Capital and Retained Earnings:</b>						
Common stock	21	149,513	<b>149,606</b>	93	0.1	148,502
Capital surplus	22	133,393	<b>133,426</b>	33	0.0	132,509
Retained earnings	23	90,024	<b>82,137</b>	(7,887)	(8.8)	23,619
Treasury stock	24	(3,338)	<b>(3,179)</b>	159	(4.8)	(2,209)
Total paid-in capital and retained earnings	25	<u>369,592</u>	<u><b>361,990</b></u>	<u>(7,602)</u>	<u>(2.1)</u>	<u>302,421</u>
<b>Valuation and Translation Adjustments:</b>						
Net unrealized gain/(loss) on available-for-sale securities	26	1,034	<b>1,105</b>	71	6.9	1,159
Net gain/(loss) on derivative instruments	27	(865)	<b>(5,954)</b>	(5,089)	588.3	(2,000)
Land revaluation	28	136,097	<b>136,073</b>	(24)	(0.0)	135,372
Foreign currency translation adjustments	29	(31,528)	<b>(19,383)</b>	12,145	(38.5)	(39,715)
Pension adjustments recognized by an overseas consolidated subsidiary	30	(927)	<b>(1,045)</b>	(118)	12.7	-
Total valuation and translation adjustments	31	<u>103,811</u>	<u><b>110,796</b></u>	<u>6,985</u>	<u>6.7</u>	<u>94,816</u>
<b>Stock Acquisition rights</b>	32	<u>67</u>	<u><b>95</b></u>	<u>28</u>	<u>41.8</u>	<u>-</u>
<b>Minority Interests in Consolidated Subsidiaries</b>	33	<u>6,412</u>	<u><b>6,557</b></u>	<u>145</u>	<u>2.3</u>	<u>9,396</u>
<b>Total Equity</b>	34	<u>479,882</u>	<u><b>479,438</b></u>	<u>(444)</u>	<u>(0.1)</u>	<u>406,633</u>
<b>Total Liabilities and Equity</b>	35	<u>1,907,752</u>	<u><b>1,938,890</b></u>	<u>31,138</u>	<u>1.6</u>	<u>1,769,501</u>

### **Change of presentation**

(Consolidated balance sheet)

As discussed in the Change in Accounting for Lease Transactions under the Changes in Accounting Practices from Previous Fiscal Year, commencing in the three months ended June 30, 2007, the Company and its domestic consolidated subsidiaries presented finance lease on-balance. The finance lease transactions of overseas consolidated subsidiaries were presented at tools, furniture and fixtures included in tangible fixed assets, long-term loans payable due within one year included in current liabilities and long-term loans payable included in fixed liabilities until the previous consolidated fiscal year. With the presentation change of the domestic companies, commencing in the three months ended June 30, 2007, the accounts of overseas subsidiaries are presented at lease assets of tangible fixed assets, lease obligations of current liabilities and lease obligations of fixed liabilities.

As a result of this presentation change, in the tangible fixed assets, the current liabilities, and the fixed liabilities of the consolidated balance sheet as of June 30, 2007, lease assets, (short-term) lease obligations, and (long-term) lease obligations of ¥2,222 million, ¥6,469 million, and ¥772 million, respectively, were included for the finance leases of overseas consolidated subsidiaries.

### **Additional information**

(Change in the Japanese Income Tax Code to Eliminate the Provisions on the Maximum Percentage of Acquisition Cost of Fixed Assets Allowed for Depreciation and Accounting for the Prior Income Tax Code-Based Residual Values of Existing Fixed Assets)

As discussed in the Change in Accounting for Depreciation of Fixed Assets under the Changes in Accounting Practices from the Previous Fiscal Year, for those fixed assets that were acquired on or after April 1, 2007, the Company, its domestic consolidated subsidiaries, and its equity method-applied domestic affiliates have changed accounting for depreciation of fixed assets in accordance with the applicable provisions of the revised Japanese Income Tax Code. In addition, for those fixed assets that were acquired on or before March 31, 2007 and for which accumulated depreciation reached the prior Income Tax Code-based maximum percentage on or before March 31, 2007, the remaining residual values prospectively will be depreciated over 5 years on a straight-line basis, commencing in the year ending March 31, 2008.

The effects of this prospective amortization on the consolidated statement of income for the three months ended June 30, 2007 were to decrease operating income, ordinary income, and income before income taxes by ¥1,066 million.

### (3) Segment Information

#### 1) Information by Industry Segment

The company and its consolidated subsidiaries are primarily engaged in the manufacture and sale of passenger and commercial vehicles. Net sales and operating income (loss) related to this industry have exceeded 90% of the respective consolidated amounts. Accordingly, information by industry segment is not shown.

#### 2) Information by Geographic Area

FY2006 Three Months Ended June 30, 2006	Millions of yen						
	Japan	North America	Europe	Other areas	Total	Elimination or corporate	Consolidated
Net sales:							
Outside Customers	297,711	227,386	160,252	48,954	734,303	-	734,303
Inter-areas	297,919	1,416	5,669	348	305,352	(305,352)	-
Total	595,630	228,802	165,921	49,302	1,039,655	(305,352)	734,303
Operating expenses	572,909	227,381	161,050	47,902	1,009,242	(304,548)	704,694
Operating income (loss)	22,721	1,421	4,871	1,400	30,413	(804)	29,609

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-areas	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 expenses	577,879	246,464	195,319	76,567	1,096,229	(314,197)	782,032
Operating income (loss)	23,628	5,933	4,319	3,533	37,413	(5,152)	32,261

FY2006 Full Year Ended March 31, 2007	Millions of yen						
	Japan	North America	Europe	Other areas	Total	Elimination or corporate	Consolidated
Net sales:							
Outside Customers	1,226,988	991,192	774,837	254,468	3,247,485	-	3,247,485
Inter-areas	1,347,406	7,074	19,899	1,638	1,376,017	(1,376,017)	-
Total	2,574,394	998,266	794,736	256,106	4,623,502	(1,376,017)	3,247,485
Operating expenses	2,451,263	982,810	779,242	246,517	4,459,832	(1,370,879)	3,088,953
Operating income (loss)	123,131	15,456	15,494	9,589	163,670	(5,138)	158,532

#### Notes:

1. 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 Columbia

2. As discussed in the Change in Accounting for Lease Transactions and the Change in Accounting for Depreciation of Fixed Assets under the Changes in Accounting Practices from the Previous Fiscal Year, the Company and its domestic consolidated subsidiaries changed accounting treatment.

The effects of these accounting changes on the operating income of Japan segment were immaterial.

3. As discussed in the Change in the Japanese Income Tax Code to Eliminate the Provisions on the Maximum Percentage of the Acquisition Costs of Fixed Assets Allowed for Depreciation and Accounting for the Prior Income Tax Code-Based Residual Values of Existing Fixed Assets under the additional information, the Company, its domestic consolidated subsidiaries and its equity method-applied domestic affiliates changed accounting treatment.

The effects of this accounting change on Japan segment for the three months ended June 30, 2007, were to increase operating expense by ¥1,066 million and to decrease operating income by the same amount compared to the prior accounting treatment.



### 3) Overseas Sales

FY2006 Three Months Ended June 30, 2006	Millions of yen			
	North America	Europe	Other areas	Total
Overseas sales	233,007	162,958	123,222	519,187
Consolidated sales	-	-	-	734,303
Percentage of overseas sales to consolidated sales	% 31.7	% 22.2	% 16.8	% 70.7

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

FY2006 Full Year Ended March 31, 2007	Millions of yen			
	North America	Europe	Other areas	Total
Overseas sales	1,017,874	789,135	553,149	2,360,158
Consolidated sales	-	-	-	3,247,485
Percentage of overseas sales to consolidated sales	% 31.3	% 24.4	% 17.0	% 72.7

#### Notes:

1. Overseas sales include exports by the Company and its domestic consolidated subsidiaries 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
  - 1) Method: Segmentation by geographic adjacency
  - 2) 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 Columbia

#### (4) Production and Sales Information

##### 1) Production Volume

	FY2006 Three Months Ended June 30, 2006	FY2007 Three Months Ended June 30, 2007	Increase/ (Decrease)	FY2006 Full Year Ended March 31, 2007
	units	units	units	units
Passenger cars	213,871	217,287	3,416	912,110
Trucks	15,516	10,249	(5,267)	55,121
Vehicles Total	229,387	227,536	(1,851)	967,231

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):

	FY2006 Three Months	FY2007 Three Months	Increase/ (Decrease)	FY2006 Full Year
AutoAlliance International, Inc.	24,425 units	21,514 units	(2,911) units	71,534 units
AutoAlliance (Thailand) Co., Ltd.	10,229	13,641	3,412	43,566

##### 2) Sales Volume and Revenue

	FY2006 Three Months Ended June 30, 2006		FY2007 Three Months Ended June 30, 2007		Increase/ (Decrease)		FY2006 Full Year Ended March 31, 2007	
	Volume units	Revenue million yen	Volume units	Revenue million yen	Volume units	Revenue million yen	Volume units	Revenue million yen
Vehicles	271,605	528,590	280,216	598,177	8,611	69,587	1,176,673	2,385,710
Knockdown Parts (Overseas)	-	31,767	-	29,122	-	(2,645)	-	102,467
Parts	-	58,901	-	68,370	-	9,469	-	257,853
Other	-	115,045	-	118,624	-	3,579	-	501,455
Total	-	734,303	-	814,293	-	79,990	-	3,247,485

##### <Sales Volume by Market>

	FY2006 Three Months Ended June 30, 2006	FY2007 Three Months Ended June 30, 2007	Increase/ (Decrease)	FY2006 Full Year Ended March 31, 2007
	units	units	units	units
Japan	64,973	57,545	(7,428)	263,673
North America	97,499	97,172	(327)	401,593
Europe	62,112	67,724	5,612	297,499
Other	47,021	57,775	10,754	213,908
Overseas Total	206,632	222,671	16,039	913,000
Total	271,605	280,216	8,611	1,176,673

Note: Until the year ended March 31, 2007, sales volume to Puerto Rico was included in "Other". Commencing in the three months ended June 30, 2007, however, sales volume to Puerto Rico is included in "North America". For comparison purposes, the information on the three months ended June 30, 2006 and the year ended March 31, 2007 has been reclassified to conform with the presentation of the current period.

**FY2007 Financial Summary (Consolidated)**
**For the Three Months Ended June 30, 2007**

July 31, 2007

Mazda Motor Corporation

(in thousands of units)

(in 100 millions of yen)

		FY2006 Three Months Ended June 30, 2006		FY2007 Three Months Ended June 30, 2007		FY2006 Full Year Ended March 31, 2007		FY2007 Full Year Ending March 31, 2008 Projection		
(Upper left: Ratio on sales)			%		%		%		%	
	Domestic	1	2,151	5.4	1,972	(8.3)	8,873	(0.0)	8,900	0.3
	Overseas	2	5,192	11.2	6,171	18.9	23,602	16.1	24,300	3.0
	Net sales	3	7,343	9.5	8,143	10.9	32,475	11.2	33,200	2.2
	Operating income	4	296	29.7	323	9.0	1,585	28.4	1,600	0.9
	Ordinary income	5	240	12.1	212	(11.8)	1,278	25.9	1,400	9.6
	Income before income taxes	6	229	-	194	(15.1)	1,185	0.8	1,300	9.8
	Net income	7	66	-	25	(62.5)	737	10.5	850	15.3
	Operating income by geographic area									
	Japan	8	227		236		1,231			
	North America	9	14		59		155			
	Europe	10	49		43		155			
	Other	11	14		35		96			
	Operating Profit Change									
	Volume & Mix	12			2				149	
	Exchange Rate	13			92				(12)	
	Product Enrichment	14			(30)				(133)	
	Cost Reduction	15			51				246	
	Marketing Expense	16			(6)				(50)	
	Other	17			(82)				(185)	
	Total	18			27				15	
	Average rate for the period	19	115 Yen/US\$ 144 Yen/EUR		121 Yen/US\$ 163 Yen/EUR		117 Yen/US\$ 150 Yen/EUR		115 Yen/US\$ 153 Yen/EUR	
	Transaction rate	20	114 Yen/US\$ 140 Yen/EUR		118 Yen/US\$ 152 Yen/EUR		115 Yen/US\$ 145 Yen/EUR		115 Yen/US\$ 151 Yen/EUR	
	Capital investment	21	109		129		796		940	
	Depreciation and amortization	22	114		175		470		650	
	R & D cost	23	239		280		1,076		1,200	
	Total assets	24	17,695		19,389		19,078			
	Equity	25	4,066		4,794		4,799			
	Financial debt	26	4,638		5,376		4,747			
	Net financial debt	27	2,863		3,248		2,322			
	Global retail volume									
	Domestic	28	61	(5.4)	57	(7.4)	261	(8.6)	262	0.5
	North America	29	102	1.3	108	5.9	380	8.0	403	6.1
	Europe	30	77	10.5	78	0.2	304	6.6	321	5.6
	China	31	29	(24.3)	16	(44.0)	129	(0.7)	105	(18.7)
	Other	32	56	0.5	64	15.0	228	1.5	259	13.7
	Overseas	33	264	(0.1)	266	0.7	1,041	5.0	1,088	4.5
	Global retail volume	34	325	(1.2)	323	(0.8)	1,302	2.0	1,350	3.7

Note:

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

- North American volume includes the retail units of Mexico and Puerto Rico. Also, European volume includes the retail units of Turkey.