



**(Reference)**

**FY2005 Consolidated Financial Forecast (April 1, 2005 through March 31, 2006)**

The forecast for the year ending March 31, 2006 remains unchanged from the prior forecast that was released on April 28, 2005.

However, the projected net income per share has been updated to reflect the expected changes due to the acquisition of treasury stock and the exercise of the stock acquisition rights that are attached to bonds.

Also, in connection with the enactment of the Defined Benefit Corporate Pension Law, Mazda Welfare Pension Fund (which Mazda Motor Corporation and certain consolidated domestic subsidiaries are members of) obtained approval from the Minister of Health, Labor and Welfare for separation of the benefit obligation of the substitutional portion which relates to past employee services and for transfer of the benefit obligation of the substitutional portion and the related plan assets to the government.

The effect of the transfer is estimated to increase the extraordinary profit for the year to end March 31, 2006 by approximately 59.0 billion yen and was reflected in the forecast for the year ending March 31, 2006 that was released on April 28, 2005.

	Net Sales	Ordinary Income	Net Income
	million yen	million yen	million yen
Full Year	2,840,000	82,000	55,000

Reference: Net income per share for the full year 45.04 yen

**Cautionary Statement 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.

## Consolidated Financial Statements

### (1) Consolidated Statement of Income

Three months ended June 30, 2005

With comparative figures for the three months ended June 30, 2004 and the fiscal year ended March 31, 2005

		Millions of yen			
		FY2005	FY2004	Increase/ (Decrease)	FY2004
		3 Months	3 Months		Full Year
For the periods ended		June 30, 2005	June 30, 2004		March 31, 2005
Net sales	1	670,775	642,269	28,506	2,695,564
Costs of sales	2	491,724	469,855	21,869	1,972,574
Gross profit on sales	3	179,051	172,414	6,637	722,990
Selling, general and administrative expenses	4	156,230	152,423	3,807	640,043
<b>Operating income</b>	5	<b>22,821</b>	19,991	2,830	82,947
Non-operating income					
Interest and dividend income	6	652	659	(7)	2,416
Equity in net income of unconsolidated subsidiaries and affiliates	7	2,813	1,460	1,353	9,963
Other	8	2,168	1,217	951	6,664
Total	9	5,633	3,336	2,297	19,043
Non-operating expenses					
Interest expense	10	2,386	3,453	(1,067)	13,786
Other	11	4,627	3,771	856	15,148
Total	12	7,013	7,224	(211)	28,934
<b>Ordinary income</b>	13	<b>21,441</b>	16,103	5,338	73,056
Extraordinary profits					
Profit on sale of fixed assets	14	30	186	(156)	214
Insurance claim income	15	892	-	892	27,942
Other	16	227	-	227	1,958
Total	17	1,149	186	963	30,114
Extraordinary losses					
Loss on retirement and sale of fixed assets	18	962	796	166	10,852
Loss on sale of investment securities	19	-	11	(11)	425
Loss on impairment of fixed assets	20	21,181	-	21,181	-
Loss on liquidation of a <i>Tokumei Kumiai</i>	21	-	-	-	2,226
Loss on disasters	22	-	-	-	14,831
Other	23	-	-	-	989
Total	24	22,143	807	21,336	29,323
<b>Income before income taxes</b>	25	<b>447</b>	15,482	(15,035)	73,847
Income taxes					
Current	26	8,240	1,752	6,488	12,343
Deferred	27	(9,015)	1,404	(10,419)	14,315
Minority interests of consolidated subsidiaries	28	803	717	86	1,417
<b>Net income</b>	29	<b>419</b>	11,609	(11,190)	45,772

## (2) Consolidated Balance Sheet

June 30, 2005

With comparative figures for March 31, 2005 and June 30, 2004

		Millions of yen			
		FY2005	FY2004	Increase/	FY2004
		1st. Quarter		Increase/	1st. Quarter
As of		June 30, 2005	March 31, 2005	(Decrease)	June 30, 2004
<b>ASSETS</b>					
<b>Current Assets:</b>					
Cash and time deposits	1	<b>196,796</b>	218,959	(22,163)	250,950
Trade notes and accounts receivable	2	<b>142,800</b>	142,011	789	133,237
Inventories	3	<b>249,073</b>	253,869	(4,796)	281,659
Deferred taxes	4	<b>83,416</b>	80,133	3,283	72,736
Other	5	<b>72,852</b>	80,655	(7,803)	60,631
Allowance for doubtful receivable:	6	<b>(8,039)</b>	(8,031)	(8)	(6,455)
Total current assets	7	<b>736,898</b>	767,596	(30,698)	792,758
<b>Fixed Assets:</b>					
Tangible fixed assets:					
Buildings and structures	8	<b>145,835</b>	147,026	(1,191)	143,195
Machinery and vehicles	9	<b>167,492</b>	155,914	11,578	154,897
Land	10	<b>445,597</b>	449,356	(3,759)	432,241
Construction in progress	11	<b>33,960</b>	40,158	(6,198)	17,256
Other	12	<b>26,239</b>	31,793	(5,554)	38,574
Total tangible fixed assets	13	<b>819,123</b>	824,247	(5,124)	786,163
Intangible fixed assets:	14	<b>23,206</b>	23,367	(161)	21,700
Investments and other fixed assets					
Investment securities	15	<b>62,603</b>	58,423	4,180	59,237
Long-term loans receivable	16	<b>8,053</b>	8,017	36	13,367
Deferred taxes	17	<b>79,350</b>	73,747	5,603	94,841
Other	18	<b>24,461</b>	24,283	178	20,473
Allowance for doubtful receivable:	19	<b>(10,430)</b>	(10,820)	390	(12,389)
Investment valuation allowance	20	<b>(955)</b>	(1,014)	59	(730)
Total investments and other fixed assets	21	<b>163,082</b>	152,636	10,446	174,799
Total fixed assets	22	<b>1,005,411</b>	1,000,250	5,161	982,662
Deferred assets	23	-	-	-	2
<b>Total Assets</b>	24	<b>1,742,309</b>	1,767,846	(25,537)	1,775,422

		Millions of yen			
		FY2005	FY2004	Increase/ Decrease	FY2004
		1st. Quarter			1st. Quarter
As of		June 30, 2005	March 31, 2005	(Decrease)	June 30, 2004
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Trade notes and accounts payable	1	268,202	290,476	(22,274)	291,994
Short-term loans payable	2	121,292	100,555	20,737	181,028
Long-term loans payable due within one year	3	81,712	82,847	(1,135)	57,014
Bonds due within one year	4	200	30,400	(30,200)	97,600
Other accounts payable	5	85,194	110,155	(24,961)	74,224
Accrued expenses	6	182,728	185,568	(2,840)	170,892
Reserve for warranty expenses	7	25,058	24,150	908	22,953
Other	8	60,885	53,077	7,808	58,906
Total current liabilities	9	<u>825,271</u>	<u>877,228</u>	<u>(51,957)</u>	<u>954,611</u>
<b>Fixed Liabilities:</b>					
Bonds	10	40,400	40,400	-	40,800
Bonds with stock acquisition rights	11	56,957	59,567	(2,610)	60,000
Long-term loans payable	12	241,174	214,376	26,798	179,582
Deferred tax liability related to land revaluation	13	91,132	91,132	-	91,113
Employees' and executive officers' severance and retirement benefits	14	196,017	195,892	125	198,030
Directors' and corporate auditors' retirement benefits	15	1,498	1,500	(2)	1,380
Other	16	12,214	11,910	304	11,777
Total fixed liabilities	17	<u>639,392</u>	<u>614,777</u>	<u>24,615</u>	<u>582,682</u>
<b>Total Liabilities</b>	18	<u>1,464,663</u>	<u>1,492,005</u>	<u>(27,342)</u>	<u>1,537,293</u>
<b>Minority Interests in Consolidated Subsidiaries</b>	19	<b>8,709</b>	8,026	683	6,758
<b>SHAREHOLDERS' EQUITY</b>					
Common stock	20	121,600	120,295	1,305	120,078
Capital surplus	21	105,740	104,435	1,305	104,217
Retained earnings/(deficit)	22	(37,811)	(34,581)	(3,230)	(69,076)
Land revaluation	23	130,895	130,895	-	131,470
Net unrealized gain/(loss) on available-for-sale securities	24	475	422	53	388
Foreign currency translation adjustments	25	(49,757)	(51,454)	1,697	(54,245)
Treasury stock	26	(2,205)	(2,197)	(8)	(1,461)
Total shareholders' equity	27	<u>268,937</u>	<u>267,815</u>	<u>1,122</u>	<u>231,371</u>
<b>Total Liabilities, Minority Interests and Shareholders' Equity</b>	28	<u>1,742,309</u>	<u>1,767,846</u>	<u>(25,537)</u>	<u>1,775,422</u>

## 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

		Millions of yen					
<b>FY2005 Three Months</b>		North		Other		Elimination	
<b>Ended June 30, 2005</b>	Japan	America	Europe	areas	Total	or corporate	Consolidated
Net sales:							
Outside Customers	<b>286,415</b>	<b>184,609</b>	<b>146,627</b>	<b>53,124</b>	<b>670,775</b>	-	<b>670,775</b>
Inter-areas	<b>228,444</b>	<b>2,286</b>	<b>4,545</b>	-	<b>235,275</b>	<b>(235,275)</b>	-
Total	<b>514,859</b>	<b>186,895</b>	<b>151,172</b>	<b>53,124</b>	<b>906,050</b>	<b>(235,275)</b>	<b>670,775</b>
Operating expenses	<b>501,278</b>	<b>183,364</b>	<b>146,924</b>	<b>50,798</b>	<b>882,364</b>	<b>(234,410)</b>	<b>647,954</b>
Operating income (loss)	<b>13,581</b>	<b>3,531</b>	<b>4,248</b>	<b>2,326</b>	<b>23,686</b>	<b>(865)</b>	<b>22,821</b>

		Millions of yen					
<b>FY2004 Full Year</b>		North		Other		Elimination	
<b>Ended March 31, 2005</b>	Japan	America	Europe	areas	Total	or corporate	Consolidated
Net sales:							
Outside Customers	1,136,102	751,506	625,277	182,679	2,695,564	-	2,695,564
Inter-areas	948,084	12,829	13,749	92	974,754	<b>(974,754)</b>	-
Total	2,084,186	764,335	639,026	182,771	3,670,318	<b>(974,754)</b>	2,695,564
Operating expenses	2,025,413	755,547	630,413	177,090	3,588,463	<b>(975,846)</b>	2,612,617
Operating income (loss)	58,773	8,788	8,613	5,681	81,855	1,092	82,947

#### Notes:

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 England
  - Other areas: Australia and Colombia

### 3) Overseas Sales

FY2005 Three Months Ended June 30, 2005	Millions of yen			
	North America	Europe	Other areas	Total
Overseas sales	189,341	149,507	127,881	466,729
Consolidated sales	-	-	-	670,775
Percentage of overseas sales to consolidated sales	%	%	%	%
	28.2	22.3	19.1	69.6

FY2004 Three Months Ended June 30, 2004	Millions of yen			
	North America	Europe	Other areas	Total
Overseas sales	177,076	151,418	118,308	446,802
Consolidated sales	-	-	-	642,269
Percentage of overseas sales to consolidated sales	%	%	%	%
	27.6	23.6	18.4	69.6

FY2004 Full Year Ended March 31, 2005	Millions of yen			
	North America	Europe	Other areas	Total
Overseas sales	761,684	634,233	454,027	1,849,944
Consolidated sales	-	-	-	2,695,564
Percentage of overseas sales to consolidated sales	%	%	%	%
	28.3	23.5	16.8	68.6

#### 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 and England
Other areas:	Australia, Thailand and China

## Production and Sales Information

### 1) Production Volume

	<b>FY2005 Three Months Ended June 30, 2005</b>	FY2004 Three Months Ended June 30, 2004	Increase/ (Decrease)	FY2004 Full Year Ended March 31, 2005
Passenger cars	192,425 units	181,906 units	10,519 units	759,779 units
Trucks	16,091	14,039	2,052	52,993
Vehicles Total	208,516	195,945	12,571	812,772

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):

	<b>FY2005 Three Months</b>	FY2004 Three Months	Increase/ (Decrease)	FY2004 Full Year
AutoAlliance International, Inc.	22,192 units	16,642 units	5,550 units	91,342 units
AutoAlliance (Thailand) Co., Ltd.	9,486	9,354	132	37,847

### 2) Sales Volume and Revenue

	<b>FY2005 Three Months Ended June 30, 2005</b>		FY2004 Three Months Ended June 30, 2004		Increase/ (Decrease)		FY2004 Full Year Ended March 31, 2005	
	Volume units	Revenue million yen	Volume units	Revenue million yen	Volume units	Revenue million yen	Volume units	Revenue million yen
Vehicles	278,166	483,054	258,150	454,089	20,016	28,965	1,104,074	1,972,643
Knockdown Parts (Overseas)	-	29,496	-	37,767	-	(8,271)	-	123,825
Parts	-	52,675	-	50,963	-	1,712	-	194,032
Other	-	105,550	-	99,450	-	6,100	-	405,064
Total	-	670,775	-	642,269	-	28,506	-	2,695,564

#### <Sales Volume by Market>

	<b>FY2005 Three Months Ended June 30, 2005</b>	FY2004 Three Months Ended June 30, 2004	Increase/ (Decrease)	FY2004 Full Year Ended March 31, 2005
Japan	69,130 units	64,963 units	4,167 units	293,798 units
North America	87,657	78,420	9,237	335,804
Europe	67,360	68,655	(1,295)	282,955
Other	54,019	46,112	7,907	191,517
Overseas Total	209,036	193,187	15,849	810,276
Total	278,166	258,150	20,016	1,104,074



**FY2005 Financial Summary (Consolidated)**  
**For the Three Months Ended June 30, 2005**

August 3, 2005  
Mazda Motor Corporation

(in 100 millions of yen)  
(in thousands of units)  
(Upper left: Ratio on sales)

		FY2004 Three Months Ended June 30, 2004		FY2005 Three Months Ended June 30, 2005		FY2004 Full Year Ended March 31, 2005		FY2005 Full Year Ending March 31, 2006 Projection										
			%		%		%		%									
	Domestic	1	1,955	-	2,041	4.4	8,456	(0.1)	9,000	6.4								
	Overseas	2	4,468	-	4,667	4.5	18,500	7.0	19,400	4.9								
Net sales		3	6,423	12.3	6,708	4.4	26,956	4.7	28,400	5.4								
Operating income		4	3.1%	200	-	228	14.2	3.1%	829	18.2	3.2%	900	8.5					
Ordinary income		5	2.5%	161	-	214	33.1	2.7%	731	25.9	2.9%	820	12.2					
Income before income taxes		6	2.4%	155	-	4	(97.1)	2.7%	738	36.6	3.4%	960	30.0					
Net income		7	1.8%	116	-	4	(96.4)	1.7%	458	35.0	1.9%	550	20.2					
Operating income by geographic area			/															
	Japan	8											136			588		
	North America	9											35			88		
	Europe	10											42			86		
	Other	11											23			57		
Operating Profit Change			/															
	Volume & Mix	12											7			270		
	Exchange Rate	13											11			(32)		
	Product Enrichment	14											(52)			(274)		
	Cost Reduction	15											90			278		
	Marketing Expense	16											(8)			(57)		
	Other	17											(20)			(114)		
	Total	18											28			71		
Average rate for the period		19	110 Yen/US\$ 132 Yen/EUR		108 Yen/US\$ 135 Yen/EUR		108 Yen/US\$ 135 Yen/EUR		105 Yen/US\$ 135 Yen/EUR									
Transaction rate		20	107 Yen/US\$ 131 Yen/EUR		104 Yen/US\$ 136 Yen/EUR		108 Yen/US\$ 134 Yen/EUR		105 Yen/US\$ 136 Yen/EUR									
Capital investment		21	86		245		679		680									
Depreciation and amortization		22	91		104		400		450									
R & D cost		23	246		225		908		970									
Total assets		24	17,754		17,423		17,678		/									
Net worth		25	2,314		2,689		2,678											
Financial debt		26	6,160		5,417		5,281											
Net financial debt		27	3,752		3,492		3,135											
Wholesales		33	258		278		1,104				1,178							
	Domestic	28	65	(3.2)	69	6.4	294	0.8	308	4.8								
	North America	29	78	2.4	88	11.8	336	2.7	346	3.0								
	Europe	30	69	20.0	67	(1.9)	283	9.8	304	7.4								
	Other	31	46	4.9	54	17.1	191	(4.2)	220	15.4								
	Overseas	32	193	8.7	209	8.2	810	3.3	870	7.5								

Notes: 1) The disclosure of quarterly operating income, ordinary income, income before income taxes, and net income started in the three months ended June 30, 2004. Therefore, no comparison of that period to the same period prior to that is available.

2) The year-over-year comparison in net sales and wholesales of the year ended March 31, 2005 to the year ended March 31, 2004 exclude the impacts of 15-month operations for those overseas subsidiaries that changed their fiscal year in the year ended March 31, 2004.