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(For your information)

Mazda Motor Corporation
FISCAL YEAR MARCH 2015 FINANCIAL RESULTS
(Speech Outline)

Representative Director, President and CEO
Masamichi Kogai

1. HIGHLIGHTS

For the results of FY March 2015, revenue was ¥3 trillion 33.9 billion, operating profit was ¥202.9 billion, and net income was ¥158.8 billion. Global sales volume was 1,397,000 units, up 5% from the prior year. The Axela/Mazda3 made its first full-year contribution to sales since being redesigned and the new Demio/Mazda2 is seeing strong sales and high acclaim both in Japan and overseas.

A year-end dividend of ¥10 per share is planned.

For the forecast of FY March 2016, we forecast revenue of ¥3 trillion 250 billion, operating profit of ¥210 billion and net income of ¥140 billion. Global sales are forecast to grow 7% year-on-year to 1.49 million units. The new Demio/Mazda2 and updated CX-5 and Atenza/Mazda6 will make their first full-year contributions to sales.

The new CX-3 and new MX-5 will be launched globally, and launches of the new CX-9 will start at end of the fiscal year. We will bring forward and reinforce R&D investment for the future, including development of next generation technologies.

We are forecasting an annual dividend of ¥30 per share.

Managing Executive Officer
Takashi Furutama

2. FISCAL YEAR MARCH 2015 RESULTS

Consolidated revenue was ¥3 trillion 33.9 billion, up 13% year-on-year.

Consolidated operating profit was ¥202.9 billion, up ¥20.8 billion year-on-year. This growth was attributable mainly to the volume and mix improvement with SKYACTIV models and depreciation of yen in full year versus the prior year. Ordinary profit was ¥212.6 billion. Profit before tax was ¥209.3 billion. Net income was ¥158.8 billion.

Global sales volume rose by 66,000 units from the prior year to 1,397,000 units.

Sales growth, mainly in the United States and Europe, drove overall sales to a 5% increase, more than offsetting a decline in Japan sales due to lower demand after the consumption tax hike in the first half. While pursuing the right-price sales policy globally, we achieved our highest sales volume in 20 years.

I would like to explain the sales results by market.

Sales in Japan were down 8% year-on-year to 225,000 units. Sales declined significantly in the first half due to the consumption tax hike. However, with the introduction of new Demio, sales in the second half turned around and exceeded those in the same period of the prior year which had seen a pre-hike rush. SKYACTIV models continue to receive high acclaim, and the new Demio won Car of the Year Japan. Sales of the new CX-3 started in February, and have made a good start. In Japan, sales of our diesel models have been particularly strong, leading growth in the clean diesel market.

Sales in North America were up 9% year-on-year to 425,000 units.

Sales in the United States were up 8% to 306,000 units. Key models such as CX-5, Mazda6, and Mazda3 led the growth. While we continue our policy of right-price sales despite increasing competition, annual sales exceeded 300,000 units, achieving their highest level in twenty years. Sales in Mexico were up 31% to a record high volume of 45,000 units. In Mexico, strong sales of the new Mazda3 have been driving overall sales growth. In addition, sales of the locally-produced new Mazda2 started in March.

In Europe, sales were up by 11% year-on-year to 229,000 units.

The Mazda3 made a big contribution to sales growth and the CX-5 sales continued to sell strongly. Sales in key markets, including Germany and the UK, were strong. In Germany, sales were up 8% year-on-year to 51,000 units, and in the UK, sales were up 16% to 40,000 units. In Russia, where market conditions deteriorated rapidly, sales slowed down in the fourth quarter, but full-year sales grew 5% over the prior year to 46,000 units.

In China, sales were up 9% year-on-year to 215,000 units.

Strong performance of the CX-5 and the new Mazda3 drove the overall sales.

Despite intensifying competition for the new Mazda6, we continue our sales policy of not relying on discounts. We are continuing and enhancing our brand marketing campaign that highlights SKYACTIV technology and KODO design.

Sales in other markets were 303,000 units.

In Australia, sales were 101,000 units and share was 9.0%. Mazda was ranked third highest-selling brand. Sales of CX-5 remained strong, and it remained the top-seller in its

segment. The new CX-3 was introduced in March and early sales are looking very positive. In ASEAN, sales declines in Thailand and Indonesia, which saw decreased demand, were offset by strong sales in Malaysia, Vietnam and others.

I would like to explain the key factors behind ¥20.8 billion improvement in operating profit over the prior year.

Volume and mix improvement was ¥48.6 billion. Sales of SKYACTIV models remained strong globally, substantially contributing to profitability.

Foreign exchange rate improved ¥17 billion in total, including improvements of ¥17.3 billion from the US dollar and ¥4.8 billion from the Euro, and a deterioration of ¥5.1 billion from other currencies.

In the area of variable costs, promotion of cost improvements generated ¥17.5 billion improvement.

Marketing expenses increased ¥15 billion as we enhanced advertisement of the Mazda corporate brand and the new Mazda2 for its global launch.

Other fixed costs increased ¥47.3 billion due to increase of R&D costs, launch costs in the Mexican Plant, and other investments for future growth.

3. FISCAL YEAR MARCH 2016 FORECAST

Full-year global sales projection for FY March 2016 is 1.49 million units, up 93,000 units from the prior year.

We aim at volume growth with global introductions of the new CX-3 and the new MX-5, in addition to full-year contributions of the new Demio/Mazda2 and updated CX-5 and Atenza/Mazda6. We plan to achieve year-on-year volume growth in every market.

I would like to explain financial metrics for FY March 2016.

We project full year revenue of ¥3.25 trillion, up 7% year-on-year, operating profit of ¥210 billion and net income of ¥140 billion.

Due to sales increase of SKYACTIV models and cost improvement efforts through Monotsukuri Innovation, operating profit is expected to increase. However, net income is projected to decline mainly due to increase in tax expense.

Exchange rate forecast for US dollar and Euro are ¥120 and ¥130 respectively.

I will explain the key factors behind the ¥7.1 billion year-over-year improvement in operating profit.

Volume and mix is projected to improve ¥40 billion, thanks mainly to the full year contribution of the new Mazda2 and the new CX-3.

Foreign exchange rate is expected to deteriorate ¥34 billion in total, including improvements of ¥12.1 billion from the US dollar, and deteriorations of ¥15.9 billion from the Euro and ¥30.2 billion from other currencies.

In the area of variable costs, we expect to achieve ¥15.5 billion cost improvement through the efforts of Monotsukuri Innovation.

Other fixed costs will increase ¥14.4 billion due to higher depreciation cost associated with the operation of overseas plants. In addition, we will bring forward and reinforce R&D investment in next-generation technology development for the future.

4. PROGRESS OF STRUCTURAL REFORM PLAN

Regarding business innovation by SKYACTIV, we have been making steady volume growth, such as an approximately 20% increase in sales since FY March 2012.

Although there is difference in progress by country, the Brand Value Management has been steadily improving.

We project the ratio of SKYACTIV equipped models to exceed 85% in FY March 2016 as planned.

Through Monotsukuri Innovation, we have essentially achieved improvements both in product competitiveness and cost with new products as well following the new Mazda2 and CX-3.

Regarding R&D investment and capital spending, we have achieved most of the initial targets by continuous implementation of Monotsukuri Innovation which is based on the bundled product planning and the common architecture philosophy.

As for establishment of a global production footprint, full-scale operations have begun at our Mexico Plant. We produced 140,000 units in FY March 2015, and plan to produce 230,000 units in FY March 2016.

We launched the new automatic transmission plant in Thailand in January 2015 as scheduled, and its operations got off to a smooth start.

With regard to the promotion of global alliances, we will start production of compact cars for Toyota at Mexico Plant and sports cars for Fiat Chrysler Automobiles at Hiroshima Plant, and start supply of these models in FY March 2016.

As evident from these examples, Structural Reform Plan is making smooth progress in each area of products, sales, manufacturing and alliances. We are also seeing good results in brand value improvement.

Representative Director, President and CEO

Masamichi Kogai

5. STRUCTURAL REFORM STAGE 2 (FY MARCH 2017 - FY MARCH 2019)

Now I will explain our new medium-term business plan “Structural Reform Stage 2” which covers the period from FY March 2017 to FY March 2019.

While we have implemented the major initiatives of the “Structural Reform Plan” that was announced in February 2012 almost entirely as planned, there is still room within individual projects to further improve efficiency and maximize benefits. With a focus on further improvements, we decided to call the next medium-term plan “Structural Reform Stage 2”.

Structural Reform Stage 2 will achieve “qualitative growth” and improve brand value.

Based on the steady volume growth, we will strengthen our business fundamentals including brand, sales network and global production efficiency.

Based on optimal common architecture realized through global bundled product planning that encompasses development, manufacturing and sourcing, we will start introducing SKYACTIV GEN2 (Generation 2) models during the Stage 2 period.

We will also raise dividend payout ratio in line with strengthening our financial structure.

Financial targets for FY March 2019, which is the final year of the medium-term plan, includes global sales volume of 1.65 million units, operating ROS of 7% or more, equity ratio of 45% or more, and a dividend payout ratio of 20% or more.

Shown on the presentation slide are changes in business scale and main actions for each area of the business for Structural Reform Stage 2, taking into consideration the results and lessons learned from the past Structural Reform Plan and the next medium-term plan starting from FY March 2020.

We will decide the direction for further growth for the next mid-term plan during Stage 2 based on changes in the business environment and progress in our efforts to strengthen our sales capability.

Over the next four slides, I will explain product and R&D, brand and sales, global production and financial structure.

First, I will talk about product and R&D.

During the period covered by the medium-term plan, we plan to launch into the markets a total of 5 carlines, 4 new models and 1 derivative model, that provide “driving pleasure” and “excellent environmental and safety performance”.

With existing SKYACTIV products, we will realize a continuous evolution through “coherent technological advancements” and the “evolution of KODO design”. We will keep our

showrooms always updated with lineup of models featuring the latest technologies and design.

We will realize optimal common architecture through global bundled product planning that encompasses development, manufacturing and sourcing.

In the area of technology development for next-generation models, we will place emphasis on environmental and safety measures. We aim to improve corporate average fuel efficiency by 50% compared to 2008 levels in 2020, from the approximately 30% improvement achieved in 2015.

Next area is strengthening global sales and sales network.

We will reinforce sales by offering full lineup of SKYACTIV products.

The dealer outlet showrooms will always display the lineup of models featuring the latest design and technologies to provide Mazda vehicles that match the customers' needs.

In the product area, we will enhance especially crossover vehicles and emphasize advanced functions that distinguish us from competitors such as proactive safety and i-ACTIV AWD.

We will also drive reforms at the sales frontline and reinforce sales initiatives.

We will continue and enhance our efforts towards right-price sales and communication strategies such as advertisements that stress brand value.

In addition, we will roll out new generation showrooms and increase sales capacity. We will also place emphasis on reforming operations through enhanced customer care and improving customers' brand experience.

Next is about global production and cost improvement.

Monotsukuri Innovation is delivering great results in the mother plants in Japan and we plan to roll out these innovations more broadly to every global production site and supply chain, thereby accelerating production efficiency and cost improvement.

While maintaining high levels of utilization of Japanese plants, we will respond to future volume growth by increasing production at overseas plants.

Maximizing the utilization of key production sites, we will raise production volume from the current 1.49 million units by around 11% to 1.65 million units to support volume growth.

In particular, we aim to improve production efficiency at the Mexico Plant to be comparable to that of Japanese plants through focused efforts.

We aim to reduce R&D and production costs and further enhance quality by expanding the scope of model-based engineering, including full-scale implementation in the area of manufacturing as well.

The last part is about reinforcement of financial structure and shareholder returns.

We will establish a robust financial structure for stable and sustainable growth.

We aim at moving quickly from a net debt position to a net cash position and raising equity ratio to around 50% by FY March 2019.

We will improve dividend payout ratio gradually in line with the strengthening of our financial structure, aiming for 20% or higher.

Through efficient use of corporate resources, we aim at ROE at 13% to 15% over the period covered by the medium-term business plan. Over the medium- and long-term, we will increase total payout ratio and improve capital efficiency.

In Structural Reform Stage 2, we will aim at qualitative growth by enhancing business efficiency in products, sales, production and finance functions based on steady volume growth and accelerate activities for full-scale enhancement of our brand value.

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