

WITH SHAREHOLDERS AND INVESTORS

Dialogue with Shareholders and Investors

For continued growth and enhancement of corporate value over the medium and long terms, Mazda engages in a variety of investor relations initiatives in keeping with its policy of timely and appropriate disclosure of information and with constructive dialogue. In addition to general shareholders' meetings, the Company holds frequent meetings with its shareholders and investors, providing quarterly announcements to explain its business results and other activities.

The Company is working to increase opportunities for dialogue in such ways as holding business briefings for institutional investors, individual investors, and domestic and overseas securities analysts.

Mazda's official website provides information such as the schedule for general shareholders' meetings and financial results announcements, performance/financial data, notices of the general meetings of shareholders (business reports), shareholders reports (Japanese only), summary of financial results, briefing materials for the financial results, Securities Report (Japanese only), annual report, Cooperate Governance Report. Mazda strives for highly transparent and fair disclosure.

Mazda is planning to apply International Financial Reporting Standards (IFRS), in order to enhance the international comparability of its financial information, quality of Group management and corporate governance. Mazda will decide the appropriate timing of IFRS application, observing the trend of the adoption among Japanese companies as well as the domestic and overseas economic situations.

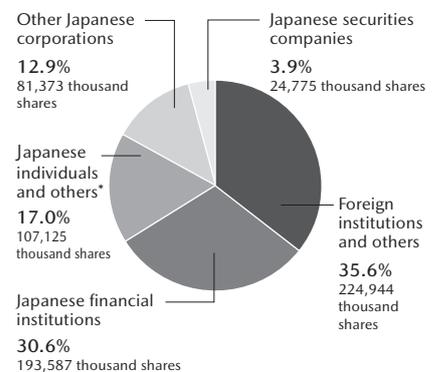
Management Conditions and Dividends for FY March 2019

The operating environment for the Mazda Group in FY March 2019—the year ended March 31, 2019—showed a gradual recovery trend as a whole despite factors clouding the outlook, including trade friction among leading economies and issues surrounding the United Kingdom's departure from the European Union ("Brexit"). Against this backdrop, the Mazda Group made efforts to offer attractive products that provide driving pleasure and outstanding environmental and safety performance in this fiscal year, the last year of its Structural Reform Stage 2 medium-term business plan. At the same time, the Group worked to further improve its brand value with the aim of realizing qualitative growth in all areas of its business. This fiscal year, the Company launched the Mazda3 as the first of its new-generation products, starting to sell the model in North America. Also, Mazda's second new-generation model, the CX-30, compact crossover SUV, made its world premiere at the Geneva International Motor Show in March 2019. On the production front, Mazda resumed two-shift (day and night) operations at the Hofu Plant No.2 in August 2018, bringing all vehicle production sites in Japan onto a two-shift operations schedule, thereby realizing a more efficient production system that can flexibly respond to demand. Meanwhile, preparations are well under way to start operations of Mazda Toyota Manufacturing, U.S.A., Inc., a joint venture production company in the United States, in 2021. On the research and development front, in October 2018, Mazda announced its technology strategy for electrification and connectivity as a concrete initiative to realize its "Sustainable Zoom-Zoom 2030" long-term vision for technology development. In the area of these new technologies as well, the Mazda Group remains committed to embodying the spirit of "never stop challenging" in pursuit of driving pleasure, based on Mazda's unique human-centered development philosophy. Mazda promotes various initiatives aiming at becoming a brand with which customers feel an emotional connection that is the strongest in the world.

In this fiscal year, global sales volume declined 4.2% year on year, to 1,561 thousand units. By market, sales volume rose in Japan and the ASEAN region but fell in China, the United States, and Australia. By model, sales remained brisk for crossover SUVs including the CX-5 and the CX-8. Net sales totaled 3,564.7 billion yen, an increase of 90.7 billion yen from the previous fiscal year, mainly supported by growth in wholesales. Operating income declined 63.4 billion yen to 83.0 billion yen. The decline reflected such factors as increased marketing expenses due to intensifying competition and the impact of yen appreciation, all of which outweighed the benefits of increased wholesales and cost-improvement initiatives. Ordinary income fell 55.3 billion yen to 116.8 billion yen. Net income attributable to owners of the parent declined 48.6 billion yen to 63.5 billion yen.

With regard to the dividend for the fiscal year ended March 31, 2019, we plan to declare. The Company paid a dividend of 35 yen per share (comprising an interim dividend of 15 yen and a year-end dividend of 20 yen) for FY March 2019.

a Breakdown of Shareholders by Type
(as of March 31, 2019)



* Treasury stock is included in Japanese individuals and others

b Management Conditions
(consolidated /billion yen)

	FY March 2017	FY March 2018	FY March 2019
Net sales	3,214.4	3,474.0	3,564.7
Operating income	125.7	146.4	83.0
Net income attributable to owners of the parent company	93.8	112.1	63.5
Capital investment	94.4	104.1	119.7
R & D costs	126.9	136.0	134.7
Total assets	2,524.6	2,724.1	2,871.0
Equity	1,039.4	1,192.9	1,218.7

(thousand units)

	FY March 2017	FY March 2018	FY March 2019
Total	1,559	1,631	1,561
Japan	203	210	215
North America	429	435	421
Europe	262	269	270
China	292	322	247
Others	373	394	409

Investor Relations (includes financial results, annual reports)
<https://www.mazda.com/en/investors/>