

Consolidated Financial Results

For the Fiscal Year Ended March 31, 2017

Prepared in Conformity with Generally Accepted Accounting Principles in Japan
English Translation from the Original Japanese-Language Document



April 28, 2017

Company Name : **Mazda Motor Corporation** (Tokyo Stock Exchange / Code No. 7261)
 URL : <http://www.mazda.com/>
 Representative Person : Masamichi Kogai, Representative Director and President
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 General Meeting of the Shareholders : Scheduled for June 28, 2017
 Payment of Dividends : Scheduled for June 29, 2017
 Filing of *Yuka Shoken Hokokusho*, annual securities report : Scheduled for June 29, 2017
 Supplementary Material : Yes
 Briefing Session : Yes (Intended for securities analysts, institutional investors and media)

(In Japanese yen rounded to millions, except amounts per share)

1. Consolidated Financial Highlights (April 1, 2016 through March 31, 2017)

(1) Consolidated Financial Results

(Percentage indicates change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2017	3,214,363	(5.6)	125,687	(44.6)	139,512	(37.6)	93,780	(30.2)
FY2016	3,406,603	12.3	226,775	11.8	223,563	5.2	134,419	(15.4)

Note: Comprehensive income
FY2017 108,279 millions of yen (8.2 %)
FY2016 100,099 millions of yen ((53.4) %)

	Net Income Per Share	Net Income Per Share (Diluted)	Return on Equity	Ordinary Income to Total Assets	Operating Income to Sales
	yen	yen	%	%	%
FY2017	156.87	156.86	9.4	5.5	3.9
FY2016	224.85	-	14.7	8.9	6.7

Reference: Equity in net income of affiliates (for the fiscal years ended March 31)
FY2017 30,880 millions of yen
FY2016 21,988 millions of yen

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	millions of yen	millions of yen	%	yen
As of Mar. 31, 2017	2,524,552	1,064,038	41.2	1,738.70
As of Mar. 31, 2016	2,548,401	976,723	37.4	1,595.83

Reference: Net assets excluding non-controlling interests (as of March 31)
FY2017 1,039,421 millions of yen
FY2016 954,016 millions of yen

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Ending Cash & Cash Equivalents
	millions of yen	millions of yen	millions of yen	millions of yen
FY2017	161,097	(63,751)	(149,898)	526,864
FY2016	262,770	(108,092)	(94,062)	568,714

2. Dividends

	Dividends per Share					Total Amount of Annual Dividends	Dividends Payout Ratio (Consolidated)	Ratio of Dividends to Net Assets (Consolidated)
	1st.Qtr.	2nd.Qtr.	3rd.Qtr.	Year-End	Full Year			
	yen	yen	yen	yen	yen	millions of yen	%	%
FY2016	-	15.00	-	15.00	30.00	17,935	13.3	2.0
FY2017	-	15.00	-	20.00	35.00	20,924	22.3	2.1
FY2018 (Forecast)	-	15.00	-	20.00	35.00		20.9	

3. Consolidated Financial Forecast (April 1, 2017 through March 31, 2018)

(Percentage indicates change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent		Net Income Per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
FY2018 Full Year	3,350,000	4.2	150,000	19.3	163,000	16.8	100,000	6.6	167.28

***Notes**

(1) Changes in Significant Subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation):

Newly added subsidiaries: None Excluded subsidiaries: None

(2) Changes in accounting policies / Changes in accounting estimates / Restatement:

- | | |
|--|------|
| 1) Changes in accounting policies with accompanying revision of accounting standards | Yes |
| 2) Voluntary changes in accounting policies except 1) | None |
| 3) Changes in accounting estimates | None |
| 4) Restatement | None |

Note: Please refer to "3.Consolidated Financial Statements and Major Footnotes (5)Footnotes to the Consolidated Financial Statements" on page 15 of the attachment.

(3) Number of outstanding shares (Common stock)

1) Outstanding shares at period-end (including treasury stock)	As of March 31, 2017	599,875,479 shares
	As of March 31, 2016	599,875,479 shares
2) Treasury stock at period-end	As of March 31, 2017	2,059,416 shares
	As of March 31, 2016	2,057,937 shares
3) Average number of outstanding shares during the period	Year ended March 31, 2017	597,816,793 shares
	Year ended March 31, 2016	597,819,040 shares

(Reference)

Unconsolidated Financial Highlights (April 1, 2016 through March 31, 2017)

(1) Unconsolidated Financial Results

(Percentage indicates change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2017	2,481,384	(4.8)	45,684	(66.5)	63,518	(57.1)	56,618	(43.7)
FY2016	2,606,527	11.7	136,344	11.2	148,085	20.1	100,626	(5.2)

	Net Income Per Share	Net Income Per Share (Diluted)
FY2017	94.71 yen	94.70 yen
FY2016	168.32	-

(2) Unconsolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
As of Mar. 31, 2017	millions of yen 1,882,008	millions of yen 922,491	% 49.0	yen 1,542.93
As of Mar. 31, 2016	1,951,457	882,341	45.2	1,475.92

Reference: Net Assets (as of March 31) **FY2017 922,400 millions of yen**
FY2016 882,341 millions of yen

This document is out of the scope of Audit by Independent Auditor.

Cautionary Statements with Respect to Forward-Looking Statements and Other Notes

The financial forecast and other descriptions of the future presented in this document are an outlook based on our judgments and projections. The judgments and projections are based on information presently available. As such, the financial forecast and future descriptions are subject to uncertainties and risks, and are not contemplated to ensure the fulfillment thereof. Accordingly, the actual financial performance may vary significantly due to various factors. For detail such as precondition of the financial forecast, please refer to "1.Overview of Financial Results, etc. - (4) Financial Forecast" on page 3 of the attachment.

Attachment

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Financial Summary (Consolidated) For the Fiscal Year Ended March 2017

Financial Summary (Unconsolidated) For the Fiscal Year Ended March 2017

1. Overview of Financial Results, etc.

(1) Overview of Financial Results

With regard to the business environment surrounding the Mazda Group for the fiscal year ended March 31, 2017, because the economy, primarily led by developed nations, continued to recover, there was moderate improvement overall. Overseas, the U.S. economy did well thanks to steady improvement in the employment and income environments. In Europe also, although some instability was seen in the political situation as the result of Britain's exit from the European Union, there was a moderate improvement overall. In China as well, the economy continued to make a stable growth. In Japan, against a backdrop of continued improvement in the overseas economy, there was a moderate recovery. However, the outlook remains uncertain due to the exchange rate movements and the economic conditions in each country.

Amid these circumstances, under its Structural Reform Stage 2, a medium-term business plan launched this fiscal year, the Mazda Group has worked to offer appealing products that provide both driving pleasure and outstanding environmental and safety performance, to achieve qualitative growth in all areas of the business and to further enhance brand value.

Mazda's product line-up was expanded with the addition of the all-new Mazda CX-4 and the all-new Mazda MX-5 RF. The fully redesigned Mazda CX-5 was also launched as the first of the company's new-generation products. G-Vectoring Control that is the first round of technology for SKYACTIV-VEHICLE DYNAMICS, a series of new-generation vehicle motion control technologies, and other leading-edge technologies offered a new dimension of driving pleasure. Mazda will continue to expand and further develop its SKYACTIV products to boost sales volume steadily.

Along with the full-year contribution from sales of the Mazda CX-3 in global markets, sales of crossover models, including the all-new Mazda CX-9 and the all-new CX-4, which was launched in China, grew. As a result, global sales volume was up 1.6% year on year at 1,559 thousand units.

Retail volume by market was as follows.

<Japan>

In Japan, as the result of stiff competition from other companies, retail volume for the fiscal year was down 12.8% year on year at 203 thousand units. The all-new MX-5 RF, which was launched in December of last year, and all-new CX-5, which was launched in February, got off to a good start, and our sales momentum has been improving.

<North America>

In the U.S., while the all-new CX-9 and other crossovers sold well, sales declined over the previous fiscal year as the result of reduced sales of sedans. The selling environment in Mexico remained tough with the worsening of the exchange rate, so overall sales in North America were down 2.1% year on year at 429 thousand units.

<Europe>

Sales in Europe were affected by reduced demand in Russia, but strong sales in Germany and other key markets helped boost overall European sales to 262 thousand units, up 2.0% year on year. The CX-3 continues to sell well, and the MX-5 also contributed to the sales increase.

<China>

In China, sales were up 24.1% year on year to 292 thousand units. The Mazda3 benefited from the extension of the small car tax reduction scheme, and the all-new CX-4, which has shown strong sales since its launch, also contributed to increased sales.

<Other markets>

As for other markets, sales were up year on year in the important Australian market, where both of the CX-3 and the CX-5 were the best-selling models in each segment. Among ASEAN markets, sales in Vietnam increased substantially. In other regions, Colombia and New Zealand set new sales records. On the whole, sales in other

markets were up 0.6% year on year at 373 thousand units.

As for financial performance on a consolidated basis, net sales were ¥3,214.4 billion, down ¥192.2 billion or 5.6% from the previous fiscal year, owing to the strong yen. Despite enhanced cost improvements through Monotsukuri Innovation, operating income was ¥125.7 billion, down ¥101.1 billion or 44.6% over the previous fiscal year, owing to the impact of the exchange rate as well as an increase in product quality-related costs. Ordinary income was ¥139.5 billion, down ¥84.1 billion or 37.6% from the previous fiscal year. Net income attributable to owners of the parent was ¥93.8 billion, down ¥40.6 billion or 30.2% from the previous fiscal year.

Financial results by reportable segment were as follows.

In Japan, net sales amounted to ¥2,678.0 billion, a decrease of ¥137.7 billion or 4.9% over the previous fiscal year and operating income by segment (hereinafter referred to as “operating income”) amounted to ¥65.9 billion, a decrease of ¥96.6 billion or 59.5%. In North America, net sales amounted to ¥1,318.7 billion, a decrease of ¥121.8 billion or 8.5%, and operating income amounted to ¥26.7 billion, a decrease of ¥3.1 billion or 10.5%. In Europe, net sales amounted to ¥604.8 billion, a decrease of ¥85.2 billion or 12.3%, and operating income amounted to ¥5.4 billion, a decrease of ¥3.3 billion or 38.0%. In other areas, net sales amounted to ¥589.2 billion, a decrease of ¥5.8 billion or 1.0%, and operating income amounted to ¥20.2 billion, a decrease of ¥1.4 billion or 6.5%.

(2) Overview of Financial Position

As of March 31, 2017, total assets amounted to ¥2,524.6 billion, a decrease of ¥23.8 billion from the end of the previous fiscal year.

Total liabilities amounted to ¥1,460.5 billion, a decrease of ¥111.2 billion from the end of the previous fiscal year. Interest-bearing debt amounted to ¥491.4 billion, a decrease of ¥125.7 billion from the end of the previous fiscal year. After subtracting cash and cash equivalents from the interest-bearing debt, net interest-bearing debt decreased ¥83.8 billion from the end of the previous fiscal year, as a result, ending balance of cash and cash equivalents exceeded that of interest-bearing debt by ¥35.4 billion.

Net assets amounted to ¥1,064.0 billion, an increase of ¥87.3 billion from the end of the previous fiscal year. Equity ratio increased 3.8 percentage points from the end of the previous fiscal year, to 41.2% (Percentage after consideration of the equity credit attributes of the subordinated loan was 42.6%).

(3) Overview of Cash Flow

Cash and cash equivalent as of March 31, 2017 amounted to ¥526.9 billion, a decrease of ¥41.9 billion from the end of the previous fiscal year.

Net cash provided by operating activities was ¥161.1 billion, reflecting income before income taxes of ¥128.4 billion, etc. (For the previous fiscal year, net cash provided by operating activities was ¥262.8 billion.) Net cash used in investing activities was ¥63.8 billion, although there were proceeds from withdrawal of time deposits, mainly reflecting capital expenditure for the acquisition of property, plant and equipment of ¥78.2 billion. (For the previous fiscal year, net cash used in investing activities was ¥108.1 billion.) As a result, consolidated free cash flow (net of operating and investing activities) was positive ¥97.3 billion. (For the previous fiscal year, consolidated free cash flow was positive ¥154.7 billion.) Net cash used in financing activities was ¥149.9 billion, mainly reflecting the repayments of loans payable and the payments of dividends. (For the previous fiscal year, net cash used in financing activities was ¥94.1 billion.)

(4) Financial Forecast

With regard to the future outlook, although the economies in major developed nations are expected to make a steady recovery, the outlook remains uncertain due to the economic conditions in various countries, etc.

Against this background, the Mazda Group will steadily implement its Structural Reform Stage 2 medium-term business plan and will work to provide customers with products that are attractive in terms of both driving pleasure and outstanding environmental and safety performance, which represent its brand value, and to enhance brand value through the qualitative growth of the business.

The outlook for the fiscal year ending March 31, 2018 is as follows.

Consolidated Financial Forecast (April 1, 2017 through March 31, 2018)

	Full Year	vs. Prior Year
Sales	3,350 billion yen	4.2 %
Operating Income	150 billion yen	19.3 %
Ordinary Income	163 billion yen	16.8 %
Net Income Attributable to Owners of the parent	100 billion yen	6.6 %
Exchange rate		
USD	108 Yen	0 Yen
EUR	118 Yen	(1) Yen

Global Retail Volume Forecast (April 1, 2017 through March 31, 2018)

	Full Year	vs. Prior Year
Japan	213 thousand units	5.2 %
North America	454 thousand units	5.9 %
Europe	267 thousand units	2.1 %
China	282 thousand units	(3.4) %
Other	384 thousand units	2.6 %
Total	1,600 thousand units	2.6 %

Note: The forecast stated above is based on management's judgment and views in the light of information presently available. By nature, such forecasts are subject to risks and uncertainties, and are not contemplated to ensure the fulfillment thereof. 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, the economic environments surrounding our business areas and fluctuations in yen-to-dollar and other exchange rates.

(5) Issues to be Addressed

Under its Structural Reform Stage 2, a medium-term business plan launched this consolidated fiscal year, the Mazda Group has worked to offer appealing products that provide both driving pleasure and outstanding environmental and safety performance, to achieve qualitative growth in all areas of the business and to further enhance brand value.

The progress in key initiatives of the Structural Reform Stage 2 is outlined below.

1. Products and R&D

The all-new CX-4 and the all-new MX-5 RF were launched, and the all-new CX-5 went on sale in Japan in February and is scheduled to be rolled out to global markets. Every element of the all-new CX-5 has been refined to offer a new dimension of driving pleasure. In Japan, i-ACTIVSENSE, one of the company's advanced safety technologies, will be made standard equipment. The company's line-up of SKYACTIV products will be expanded with the addition of appealing new features and products, including the all-new Mazda CX-8, a three-row crossover SUV.

2. Global sales and network reinforcement

To achieve the target of global sales volume of 1,650 thousand units by the end of the fiscal year ending March 2019, the company has worked to sustain annual sales growth of 50 thousand units by launching new and updated products. To further enhance the brand, in addition to promoting sales of products at the right price by appealing their value and strengthening initiatives to boost the repurchase rate, the company will continue to revamp its sales network by opening new-generation stores.

3. Global production and cost improvement

In order to meet the growing global demand for crossover vehicles, Mazda is working to make its production system more flexible. Production of the CX-3 at the Hofu Plant got underway in December of last year, and production of the all-new CX-5 there is scheduled to begin in November of this year. In addition, the company will start to invest in production facilities for models featuring our next-generation technologies from March 2018 fiscal year. At the same time, we will develop next-generation technologies for further cost improvement such as the reduction of the number of vehicle parts through the functional integration.

4. Financial structure reinforcement and shareholder return

By enhancing brand value through steady growth in sales volume and qualitative growth of the business, Mazda will continue to enhance its earning capacity and ability to generate cash flow. While improving financial indicators such as equity ratio and net interest-bearing debt and strengthening our financial foundation, we will accelerate our investment in future growth such as investment in research and development and in facilities. With regard to shareholder return as well, Mazda will work to ensure stable dividends and to steadily improve the dividend payout ratio.

Although steady progress has been made on the key initiatives of Structural Reform Stage 2, in light of changes in the Mazda group's business environment, including foreign exchange rates, of the financial targets for the fiscal year ending March 2019, the plan's final year, the consolidated operating return on sales has been changed to 5% or more.

March 2019 Financial Targets

- Global sales volume : 1,650 thousand units
- Consolidated operating return on sales : 5% or more
- Equity ratio : 45% or more
- Dividend payout ratio : 20% or more

(Based on an exchange rate of ¥108/1 dollar and ¥118/1 euro)

Note: Business indicators and other descriptions of the future are based on certain assumptions judged by Mazda Group as of March 31, 2017. Such description may differ from the actual results and the achievement of such description is not guaranteed in any way.

(6) Basic Dividend Policy, Dividends for March 2017 and March 2018 Fiscal Years

Mazda's policy regarding the stock dividend is to determine the amount of dividend payments, taking into account current fiscal year's financial results, business environment, and financial condition, etc. And Mazda is striving for realization of a stable shareholder returns and its future steady increase.

With regard to the dividend for the fiscal year ended March 31, 2017, we plan to declare ¥35 per share (comprised of an interim dividend of ¥15 and a year-end dividend of ¥20). Also, our policy on earnings retained in the company is to utilize the financial resources in order to achieve further growth in the future, e.g. investments in research and

development and capital investments in facilities and equipment.

For the next fiscal year ending March 31, 2018, our current forecast for dividends is ¥35 per share (comprised of an interim dividend of ¥15 and a year-end dividend of ¥20).

2. Basic Rationale for the Selection of Accounting Standards

We are planning to apply International Financial Reporting Standards (IFRS) voluntarily in the future, in order to enhance the international comparability of its financial information, quality of Group management and corporate governance. We will consider its concrete timing of IFRS application, observing the trend of the adoption among Japanese companies as well as the domestic and overseas economic situations, etc.

3. Consolidated Financial Statements and Major Footnotes

(1) Consolidated Balance Sheets

(Millions of Yen)

As of	FY2016 March 31, 2016	FY2017 March 31, 2017
ASSETS		
Current Assets:		
Cash and deposits	457,655	398,101
Trade notes and accounts receivable	198,894	215,788
Securities	141,200	128,900
Inventories	383,515	376,951
Deferred tax assets	105,653	109,398
Other	107,471	114,051
Allowance for doubtful receivables	(681)	(818)
Total current assets	1,393,707	1,342,371
Non-current Assets:		
Property, plant and equipment:		
Buildings and structures (net)	175,073	184,607
Machinery, equipment and vehicles (net)	248,455	259,008
Tools, furniture and fixtures (net)	63,931	59,428
Land	410,195	409,894
Leased assets (net)	4,686	5,254
Construction in progress	35,180	41,134
Total property, plant and equipment	937,520	959,325
Intangible assets:		
Software	28,617	31,063
Other	2,121	2,179
Total intangible assets	30,738	33,242
Investments and other assets:		
Investment securities	136,063	147,438
Long-term loans receivable	4,309	3,599
Asset for retirement benefits	2,887	3,629
Deferred tax assets	22,256	15,491
Other	23,870	22,322
Allowance for doubtful receivables	(2,949)	(2,865)
Total investments and other assets	186,436	189,614
Total non-current assets	1,154,694	1,182,181
Total Assets	2,548,401	2,524,552

(Millions of Yen)

As of	FY2016 March 31, 2016	FY2017 March 31, 2017
LIABILITIES		
Current Liabilities:		
Trade notes and accounts payable	374,637	388,880
Short-term loans payable	117,143	124,454
Bonds due within one year	350	-
Long-term loans payable due within one year	140,798	89,997
Lease obligations	1,896	2,125
Income taxes payable	31,784	13,450
Other accounts payable	35,360	30,659
Accrued expenses	168,799	189,249
Reserve for warranty expenses	104,723	123,455
Other	30,980	33,760
Total current liabilities	1,006,470	996,029
Non-current liabilities:		
Bonds	20,000	20,000
Long-term loans payable	333,661	251,248
Lease obligations	3,284	3,610
Deferred tax liability related to land revaluation	64,719	64,715
Reserve for loss on business of subsidiaries and affiliates	7,326	529
Reserve for environmental measures	677	677
Liability for retirement benefits	85,916	72,888
Other	49,625	50,818
Total non-current liabilities	565,208	464,485
Total Liabilities	1,571,678	1,460,514
NET ASSETS		
Capital and Retained Earnings:		
Common stock	258,957	258,957
Capital surplus	243,048	239,909
Retained earnings	367,601	445,353
Treasury stock	(2,228)	(2,231)
Total capital and retained earnings	867,378	941,988
Accumulated Other Comprehensive Income/(Loss):		
Net unrealized gain/(loss) on available-for-sale securities	3,721	3,913
Deferred gains/(losses) on hedges	(600)	1,188
Land revaluation	145,952	145,944
Foreign currency translation adjustment	(36,877)	(33,812)
Accumulated adjustments for retirement benefits	(25,558)	(19,800)
Total accumulated other comprehensive income/(loss)	86,638	97,433
Stock Acquisition Rights	-	91
Non-controlling Interests	22,707	24,526
Total Net Assets	976,723	1,064,038
Total Liabilities and Net Assets	2,548,401	2,524,552

(2) Consolidated Statements of Operations and Comprehensive Income
Consolidated Statements of Operations

(Millions of Yen)

	For the years ended	
	FY2016 March 31, 2016	FY2017 March 31, 2017
Net sales	3,406,603	3,214,363
Cost of sales	2,567,465	2,448,184
Gross profit	839,138	766,179
Selling, general and administrative expenses	612,363	640,492
Operating income	226,775	125,687
Non-operating income		
Interest income	3,725	3,099
Dividend income	622	441
Rental income	2,162	1,821
Equity in net income of affiliated companies	21,988	30,880
Other	3,447	3,413
Total	31,944	39,654
Non-operating expenses		
Interest expense	12,859	9,383
Loss on transfer of receivables	1,814	1,501
Foreign exchange loss	16,026	7,763
Other	4,457	7,182
Total	35,156	25,829
Ordinary income	223,563	139,512
Extraordinary income		
Gain on sales of property, plant and equipment	277	256
Gain on sale of investment securities	211	44
Gain on reversal of reserve for loss on business of subsidiaries and affiliates	-	394
State subsidy	160	-
Compensation for the exercise of eminent domain	1	17
Other	11	-
Total	660	711
Extraordinary losses		
Loss on sales and retirement of property, plant and equipment	6,146	5,172
Impairment loss	1,165	1,120
Reserve for product warranties	40,708	-
Loss on business of subsidiaries and affiliates	1,971	-
Reserve for loss on business of subsidiaries and affiliates	6,909	-
Business structure improvement expenses	-	5,515
Other	338	3
Total	57,237	11,810
Income before income taxes	166,986	128,413
Income taxes		
Current	50,687	30,316
Deferred	(21,004)	351
Total	29,683	30,667
Net income	137,303	97,746
Net income attributable to Non-controlling interests	2,884	3,966
Net income attributable to owners of the parent	134,419	93,780

Consolidated Statements of Comprehensive Income

(Millions of Yen)

For the years ended	FY2016 March 31, 2016	FY2017 March 31, 2017
Net income	137,303	97,746
Other comprehensive income/(loss)		
Net unrealized gain/(loss) on available-for-sale securities	47	184
Deferred gains/(losses) on hedges	(1,115)	1,652
Revaluation reserve for land	3,399	-
Foreign currency translation adjustment	(10,351)	7,874
Adjustments for retirement benefits	(21,838)	5,762
Share of other comprehensive income/(loss) of affiliates accounted for using equity method	(7,346)	(4,939)
Total	(37,204)	10,533
Comprehensive income/(loss)	100,099	108,279
Comprehensive income/(loss) attributable to:		
Owners of the parent	98,974	104,583
Non-controlling interests	1,125	3,696

(3) Consolidated Statements of Changes in Net Assets

(For the Year Ended March 31, 2016)

	Capital and Retained Earnings					Accumulated Other Comprehensive Income/(Loss)	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2015	258,957	242,650	248,094	(2,222)	747,479	3,681	668
Changes during the period:							
Dividends paid			(14,946)		(14,946)		
Net income attributable to owners of the parent			134,419		134,419		
Purchase of treasury stock				(6)	(6)		
Sale of treasury stock		0		0	0		
Change of scope of consolidation					-		
Change of scope of equity method					-		
Land revaluation			34		34		
Change in treasury shares of parent arising from transactions with non-controlling shareholders		398			398		
Changes in items other than capital and retained earnings, net						40	(1,268)
Total changes during the period	-	398	119,507	(6)	119,899	40	(1,268)
Balance at March 31, 2016	258,957	243,048	367,601	(2,228)	867,378	3,721	(600)

	Accumulated Other Comprehensive Income/(Loss)				Stock Acquisition Rights	Non-controlling Interests	Total Net Assets
	Land revaluation	Foreign currency translation adjustment	Accumulated adjustments for retirement benefits	Total			
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2015	142,586	(21,376)	(3,443)	122,116	-	21,731	891,326
Changes during the period:							
Dividends paid							(14,946)
Net income attributable to owners of the parent							134,419
Purchase of treasury stock							(6)
Sale of treasury stock							0
Change of scope of consolidation							-
Change of scope of equity method							-
Land revaluation							34
Change in treasury shares of parent arising from transactions with non-controlling shareholders							398
Changes in items other than capital and retained earnings, net	3,366	(15,501)	(22,115)	(35,478)	-	976	(34,502)
Total changes during the period	3,366	(15,501)	(22,115)	(35,478)	-	976	85,397
Balance at March 31, 2016	145,952	(36,877)	(25,558)	86,638	-	22,707	976,723

(For the Year Ended March 31, 2017)

	Capital and Retained Earnings					Accumulated Other Comprehensive Income/(Loss)	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2016	258,957	243,048	367,601	(2,228)	867,378	3,721	(600)
Changes during the period:							
Dividends paid			(17,935)		(17,935)		
Net income attributable to owners of the parent			93,780		93,780		
Purchase of treasury stock				(3)	(3)		
Sale of treasury stock		0		0	0		
Change of scope of consolidation			1,579		1,579		
Change of scope of equity method			320		320		
Land revaluation			8		8		
Change in treasury shares of parent arising from transactions with non-controlling shareholders		(3,139)			(3,139)		
Changes in items other than capital and retained earnings, net						192	1,788
Total changes during the period	-	(3,139)	77,752	(3)	74,610	192	1,788
Balance at March 31, 2017	258,957	239,909	445,353	(2,231)	941,988	3,913	1,188

	Accumulated Other Comprehensive Income/(Loss)				Stock Acquisition Rights	Non-controlling Interests	Total Net Assets
	Land revaluation	Foreign currency translation adjustment	Accumulated adjustments for retirement benefits	Total			
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2016	145,952	(36,877)	(25,558)	86,638	-	22,707	976,723
Changes during the period:							
Dividends paid							(17,935)
Net income attributable to owners of the parent							93,780
Purchase of treasury stock							(3)
Sale of treasury stock							0
Change of scope of consolidation							1,579
Change of scope of equity method							320
Land revaluation							8
Change in treasury shares of parent arising from transactions with non-controlling shareholders							(3,139)
Changes in items other than capital and retained earnings, net	(8)	3,065	5,758	10,795	91	1,819	12,705
Total changes during the period	(8)	3,065	5,758	10,795	91	1,819	87,315
Balance at March 31, 2017	145,944	(33,812)	(19,800)	97,433	91	24,526	1,064,038

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

For the years ended	FY2016 March 31, 2016	FY2017 March 31, 2017
Cash flows from operating activities:		
Income before income taxes	166,986	128,413
Adjustments to reconcile income before income taxes to net cash provided by/(used in) operating activities:		
Depreciation and amortization	78,972	82,416
Impairment loss	1,165	1,120
Increase/(decrease) in allowance for doubtful receivables	(21)	334
Increase/(decrease) in reserve for warranty expenses	59,006	18,732
Increase/(decrease) in reserve for loss on business of subsidiaries and affiliates	5,655	529
Increase/(decrease) in reserve for environmental measures	(413)	-
Increase/(decrease) in liability for retirement benefits	(6,368)	(4,953)
Interest and dividend income	(4,347)	(3,540)
Interest expense	12,859	9,383
Equity in net loss/(income) of affiliated companies	(21,988)	(30,880)
Loss/(gain) on sales and retirement of property, plant and equipment	5,868	4,899
Decrease/(increase) in trade notes and accounts receivable	14,561	(19,220)
Decrease/(increase) in inventories	(27,151)	(11,884)
Increase/(decrease) in trade notes and accounts payable	(3,968)	18,343
Increase/(decrease) in other current liabilities	(8,420)	19,366
Other	18,004	(13,070)
Subtotal	290,400	199,988
Interest and dividends received	15,980	17,882
Interest paid	(13,177)	(9,193)
Income taxes refunded/(paid)	(30,433)	(47,580)
Net cash provided by/(used in) operating activities	262,770	161,097
Cash flows from investing activities:		
Net decrease/(increase) in time deposits	(27,006)	26,996
Net decrease/(increase) in securities	(3,000)	3,000
Purchase of investment securities	(3,242)	(6,480)
Proceeds from sales and redemption of investment securities	3,549	581
Acquisition of property, plant and equipment	(78,904)	(78,232)
Proceeds from sales of property, plant and equipment	8,761	1,907
Acquisition of intangible assets	(9,175)	(11,475)
Net decrease/(increase) in short-term loans receivable	71	20
Payments of long-term loans receivable	(795)	(428)
Collections of long-term loans receivable	1,873	682
Other	(224)	(322)
Net cash provided by/(used in) investing activities	(108,092)	(63,751)

(Millions of Yen)

	For the years ended	
	FY2016 March 31, 2016	FY2017 March 31, 2017
Cash flows from financing activities:		
Net increase/(decrease) in short-term loans payable	(50)	10,399
Proceeds from long-term loans payable	17,119	96,739
Repayments of long-term loans payable	(74,390)	(230,254)
Redemption of bonds	(20,100)	(350)
Proceeds from sale and leaseback transactions	-	146
Repayments of lease obligations	(1,950)	(2,112)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	(6,356)
Proceeds from stock issuance to non-controlling shareholders	297	-
Cash dividends paid	(14,946)	(17,935)
Cash dividends paid to non-controlling interests	(36)	(172)
Net decrease/(increase) in treasury stock	(6)	(3)
Net cash provided by/(used in) financing activities	(94,062)	(149,898)
Effect of exchange rate fluctuations on cash and cash equivalents	(21,050)	6,156
Net increase/(decrease) in cash and cash equivalents	39,566	(46,396)
Cash and cash equivalents at beginning of the period	529,148	568,714
Increase in cash and cash equivalents from newly consolidated subsidiaries	-	4,790
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(244)
Cash and cash equivalents at end of the period	568,714	526,864

(5) Footnotes to the Consolidated Financial Statements

(Note on the Assumptions as Going Concern)

Not applicable

(Changes in accounting policies / Changes in accounting estimates / Restatement)

(Changes in accounting policies)

(Application of Practical Solution on Accounting for Changes in Depreciation Method related to the 2016 Tax Law Changes)

In accordance with the amendment in the Corporate Tax Code of Japan, a part of domestic consolidated subsidiaries have adopted the “Practical Solution on Accounting for Changes in Depreciation Method related to the 2016 Tax Law Changes” (ASBJ Practical Issue Task Force (PITF) No. 32, issued on June 17, 2016) in the fiscal year ended March 31, 2017, and have changed the depreciation method for structures and attachment to buildings acquired on or after April 1, 2016, from the declining-balance method to the straight-line method.

The effect of this change on the consolidated statement of operations for the fiscal year ended March 31, 2017 was immaterial.

(Additional Information)

(Application of the Implementation Guidance on Recoverability of Deferred Tax Assets)

Effective from the fiscal year ended March 31, 2017, the Company has applied the “Implementation Guidance on Recoverability of Deferred Tax Assets” (ASBJ Guidance No. 26, issued on March 28, 2016).

(Segment Information)

1) Overview of Reportable Segments

The reportable segments of Mazda Group consist of business components for which separate financial statements are available. The reportable segments are the subject of periodical review by board of directors' meetings for the purpose of making decisions on the distribution of corporate resources and evaluating business performance.

Mazda Group is primarily engaged in the manufacture and sale of automobiles. Businesses in Japan are managed by Mazda Motor Corporation. Businesses in North America are managed by Mazda Motor of America, Inc. and Mazda Motor Corporation. And businesses in Europe regions are managed by Mazda Motor Europe GmbH and Mazda Motor Corporation. Areas other than Japan, North America and Europe are defined as Other areas, regarding it as one management unit. Business deployment in countries in Other areas are managed in an integrated manner by Mazda Motor Corporation.

Accordingly, Mazda Group consists of regional segments based on a system of managing production and sale. As such, Japan, North America, Europe and Other areas are designated as four reportable segments.

2) Measurement of Sales, Income or Loss, Assets, and Other Items by Reportable Segments

The accounting treatment of reportable segments are the same as that described under "Significant Accounting Policies in Preparing the Consolidated Financial Statements." In addition, inter-segment sales or transfer are based on the current market price.

3) Sales, Income or Loss, Assets, and Other Items by Reportable Segments

(For the fiscal year ended March 31, 2016)

(Millions of Yen)

Year Ended March 31, 2016	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	1,016,260	1,157,524	674,998	557,821	3,406,603	-	3,406,603
Inter-segment sales or transfer	1,799,423	282,883	14,978	37,176	2,134,460	(2,134,460)	-
Total	2,815,683	1,440,407	689,976	594,997	5,541,063	(2,134,460)	3,406,603
Segment income	162,528	29,818	8,724	21,589	222,659	4,116	226,775
Segment assets	2,044,532	412,383	214,586	262,182	2,933,683	(385,282)	2,548,401
Other items							
Depreciation and amortization	54,862	16,997	4,068	3,045	78,972	-	78,972
Investments in equity method- applied affiliates	21,535	-	-	96,631	118,166	-	118,166
Increase in property, plant and equipment and intangible assets	66,343	14,181	2,639	6,051	89,214	-	89,214

Notes: 1. Notes on Adjustment:

(1) The adjustment on segment income is eliminations of inter-segment transactions.

(2) The adjustment on segment assets is mainly eliminations of inter-segment receivables and payables.

2. Segment income is reconciled with the operating income in the consolidated statement of operations for the fiscal year ended March 31, 2016.

Segment assets are reconciled with the total assets in the consolidated balance sheet as of March 31, 2016.

(For the fiscal year ended March 31, 2017)

(Millions of Yen)

Year Ended March 31, 2017	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	1,018,151	1,073,094	589,646	533,472	3,214,363	-	3,214,363
Inter-segment sales or transfer	1,659,807	245,557	15,125	55,686	1,976,175	(1,976,175)	-
Total	2,677,958	1,318,651	604,771	589,158	5,190,538	(1,976,175)	3,214,363
Segment income	65,882	26,700	5,410	20,191	118,183	7,504	125,687
Segment assets	1,998,609	418,963	202,688	275,815	2,896,075	(371,523)	2,524,552
Other items							
Depreciation and amortization	56,906	18,587	4,120	2,803	82,416	-	82,416
Investments in equity method- applied affiliates	29,050	-	2,451	99,504	131,005	-	131,005
Increase in property, plant and equipment and intangible assets	75,510	10,587	2,075	6,227	94,399	-	94,399

Notes: 1. Notes on Adjustment:

(1) The adjustment on segment income is eliminations of inter-segment transactions.

(2) The adjustment on segment assets is mainly eliminations of inter-segment receivables and payables.

2. Segment income is reconciled with the operating income in the consolidated statement of operations for the fiscal year ended March 31, 2017.

Segment assets are reconciled with the total assets in the consolidated balance sheet as of March 31, 2017.

(Information on Amounts Per Share of Common Stock)

	FY2016 (April 1, 2015 to March 31, 2016)	FY2017 (April 1, 2016 to March 31, 2017)
Net assets per share of common stock (Yen)	1,595.83	1,738.70
Net income per share of common stock (Basic) (Yen)	224.85	156.87
Net income per share of common stock (Diluted) (Yen)	-	156.86

Note1: For the fiscal year ended March 31,2016, since there are no dilutive potential stocks, diluted information is not presented.

Note2: The calculation basis of Net income per share of common stock is as follows.

	FY2016 (April 1, 2015 to March 31, 2016)	FY2017 (April 1, 2016 to March 31, 2017)
Net income per share of common stock:		
Net income attributable to owners of the parent (Millions of Yen)	134,419	93,780
Amount not attribute to common stock shareholders (Millions of Yen)	-	-
Net income attributable to owners of the parent related to common stock (Millions of Yen)	134,419	93,780
Average number of shares outstanding during the period (Thousands of shares)	597,819	597,816
Diluted net income per share of common stock		
Net income adjustment attributable to parent company shareholder (Millions of Yen)	-	-
Increase in common stock (Thousands of shares)	-	39
Overview of potentially dilutive common stock not included in the calculation of diluted net income per share because the stock have no dilution effect.	-	-

Note3: The calculation basis of Net assets per share of common stock is as follows.

	FY2016 (As of March 31, 2016)	FY2017 (As of March 31, 2017)
Total Net assets (Millions of Yen)	976,723	1,064,038
Amount deducted from total Net assets (Millions of Yen)	22,707	24,617
(of which Stock Acquisition Rights (Millions of Yen))	-	(91)
(of which Non-controlling Interests (Millions of Yen))	(22,707)	(24,526)
Net assets related to common stock (Millions of Yen)	954,016	1,039,421
Number of common stock used in the calculation of net assets per share (Thousands of shares)	597,817	597,816

(Significant Subsequent Events)

Not applicable

4. Unconsolidated Financial Statements and Major Footnotes

(1) Unconsolidated Balance Sheets

(Millions of Yen)

As of	FY2016 March 31, 2016	FY2017 March 31, 2017
ASSETS		
Current Assets:		
Cash and deposits	307,905	228,229
Accounts receivable - Trade	261,276	272,487
Securities	141,200	128,900
Finished products	62,614	43,653
Work in process	84,761	70,157
Raw materials and supplies	4,929	4,856
Prepaid expenses	1,834	4,691
Deferred tax assets	60,709	68,490
Accounts receivable - Other	64,013	62,443
Short-term loans receivable	43,069	57,525
Other	31,872	22,610
Allowance for doubtful receivables	(127)	(160)
Total current assets	1,064,055	963,881
Non-current Assets:		
Property, plant and equipment:		
Buildings	82,262	82,646
Structures	13,368	15,183
Machinery and equipment	160,341	163,899
Vehicles	2,323	2,458
Tools, furniture and fixtures	22,917	23,132
Land	284,290	284,231
Leased assets	3,592	4,294
Construction in progress	28,330	33,828
Total property, plant and equipment	597,423	609,671
Intangible assets:		
Software	21,300	23,782
Leased assets	5	3
Total intangible assets	21,305	23,785
Investments and other assets:		
Investment securities	7,447	7,931
Stocks of subsidiaries and affiliates	194,280	208,695
Investments in capital	3	3
Investments in capital of subsidiaries and affiliates	34,234	34,234
Long-term loans receivable from employees	0	11
Long-term loans receivable from subsidiaries and affiliates	14,170	12,698
Long-term prepaid expenses	6,258	7,892
Deferred tax assets	10,469	11,599
Other	4,096	3,866
Allowance for doubtful receivables	(2,283)	(2,258)
Total investments and other assets	268,674	284,671
Total non-current assets	887,402	918,127
Total Assets	1,951,457	1,882,008

(Millions of Yen)

As of	FY2016 March 31, 2016	FY2017 March 31, 2017
LIABILITIES		
Current Liabilities:		
Trade notes payable	54	30
Accounts payable - Trade	298,867	302,487
Long-term loans payable due within one year	122,372	68,951
Lease obligations	1,349	1,690
Accounts payable - Other	18,521	16,268
Accrued expenses	65,626	76,536
Income taxes payable	25,099	4,854
Advances received	636	767
Unearned revenue	290	212
Deposit received	30,215	15,220
Reserve for warranty expenses	104,723	123,455
Forward exchange contracts	2,088	564
Total current liabilities	669,840	611,034
Non-current Liabilities:		
Bonds	20,000	20,000
Long-term loans payable	223,307	174,356
Lease obligations	2,615	3,049
Deferred tax liability related to land revaluation	64,719	64,715
Reserve for retirement benefits	33,822	28,983
Reserve for loss on business of subsidiaries and affiliates	39,609	40,268
Reserve for environmental measures	638	638
Long-term guarantee deposited	3,937	5,966
Asset retirement obligations	6,300	6,219
Other	4,329	4,289
Total non-current liabilities	399,276	348,483
Total Liabilities	1,069,116	959,517
NET ASSETS		
Capital and Retained Earnings:		
Common stock	258,957	258,957
Capital surplus		
Capital reserve	168,847	168,847
Other capital surplus	73,803	73,803
Total capital surplus	242,650	242,650
Retained earnings		
Other earned surplus		
Unappropriated retained earnings	234,414	273,105
Total retained earnings	234,414	273,105
Treasury stock	(2,223)	(2,226)
Total capital and retained earnings	733,798	772,486
Valuation and Translation Adjustments:		
Net unrealized gain/(loss) on available-for-sale securities	3,025	2,752
Deferred gains/(losses) on hedges	(434)	1,218
Land revaluation	145,952	145,944
Total valuation and translation adjustments	148,543	149,914
Stock Acquisition Rights	-	91
Total Net Assets	882,341	922,491
Total Liabilities and Net Assets	1,951,457	1,882,008

(2) Unconsolidated Statements of Operations

(Millions of Yen)

For the years ended	FY2016 March 31, 2016	FY2017 March 31, 2017
Net sales	2,606,527	2,481,384
Cost of sales	2,157,676	2,093,897
Gross profit	448,851	387,487
Selling, general and administrative expenses	312,507	341,803
Operating income	136,344	45,684
Non-operating income		
Interest income	1,665	1,502
Interest income of securities	289	59
Dividends income	23,359	26,691
Rental income	4,573	4,375
Other	1,127	1,286
Total	31,013	33,913
Non-operating expenses		
Interest expense	7,371	4,833
Interest paid on bonds	203	65
Foreign exchange loss	8,684	5,314
Other	3,014	5,867
Total	19,272	16,079
Ordinary income	148,085	63,518
Extraordinary income		
Gain on sales of property, plant and equipment	244	23
Gain on sales of investment securities	45	-
Gain on sales of subsidiaries and affiliates' stocks	1	-
Reversal of allowance for investment loss	1	-
Total	291	23
Extraordinary losses		
Loss on sales of property, plant and equipment	166	16
Loss on retirement of property, plant and equipment	4,387	3,353
Impairment loss	772	409
Reserve for product warranties	40,708	-
Loss on valuation of investments in capital of subsidiaries and affiliates	552	-
Reserve for loss on business of subsidiaries and affiliates	2,076	659
Total	48,661	4,437
Income before income taxes	99,715	59,104
Income before income taxes		
Income taxes - Current	28,554	12,011
Income taxes - Deferred	(29,465)	(9,525)
Total	(911)	2,486
Net income	100,626	56,618

(3) Unconsolidated Statements of Changes in Net Assets

(For the Year Ended March 31, 2016)

	Capital and Retained Earnings					
	Common stock	Capital surplus		Retained earnings	Treasury stock	Total Capital and Retained earnings
		Capital reserve	Other capital surplus	Other earned surplus Unappropriated retained earnings		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2015	258,957	168,847	73,803	148,700	(2,217)	648,090
Changes during the period:						
Dividends paid				(14,946)		(14,946)
Net income				100,626		100,626
Purchase of treasury stock					(6)	(6)
Sale of treasury stock			0		0	0
Land revaluation				34		34
Changes in items other than capital and retained earnings, net						
Total changes during the period	-	-	0	85,714	(6)	85,708
Balance at March 31, 2016	258,957	168,847	73,803	234,414	(2,223)	733,798

	Valuation and Translation Adjustments				Stock Acquisition Rights	Total Net Assets
	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges	Land revaluation	Total valuation and translation adjustments		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2015	1,492	681	142,586	144,759	-	792,849
Changes during the period:						
Dividends paid						(14,946)
Net income						100,626
Purchase of treasury stock						(6)
Sale of treasury stock						0
Land revaluation						34
Changes in items other than capital and retained earnings, net	1,533	(1,115)	3,366	3,784	-	3,784
Total changes during the period	1,533	(1,115)	3,366	3,784	-	89,492
Balance at March 31, 2016	3,025	(434)	145,952	148,543	-	882,341

(For the Year Ended March 31, 2017)

	Capital and Retained Earnings					
	Common stock	Capital surplus		Retained earnings	Treasury stock	Total Capital and Retained earnings
		Capital reserve	Other capital surplus	Other earned surplus Unappropriated retained earnings		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2016	258,957	168,847	73,803	234,414	(2,223)	733,798
Changes during the period:						
Dividends paid				(17,935)		(17,935)
Net income				56,618		56,618
Purchase of treasury stock					(3)	(3)
Sale of treasury stock			0		0	0
Land revaluation				8		8
Changes in items other than capital and retained earnings, net						
Total changes during the period	-	-	0	38,691	(3)	38,688
Balance at March 31, 2017	258,957	168,847	73,803	273,105	(2,226)	772,486

	Valuation and Translation Adjustments				Stock Acquisition Rights	Total Net Assets
	Net unrealized gain/(loss) on available-for-securities	Deferred gains/(losses) on hedges	Land revaluation	Total valuation and translation adjustments		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2016	3,025	(434)	145,952	148,543	-	882,341
Changes during the period:						
Dividends paid						(17,935)
Net income						56,618
Purchase of treasury stock						(3)
Sale of treasury stock						0
Land revaluation						8
Changes in items other than capital and retained earnings, net	(273)	1,651	(8)	1,370	91	1,461
Total changes during the period	(273)	1,651	(8)	1,370	91	40,149
Balance at March 31, 2017	2,752	1,218	145,944	149,914	91	922,491

(4) Footnotes to the Unconsolidated Financial Statements

(Note on the Assumptions as Going Concern)

Not applicable

Financial Summary (Consolidated)
For the Fiscal Year Ended March 31, 2017

April 28, 2017
Mazda Motor Corporation

(In 100 millions of yen) (In thousands of units) (Upper left: return on sales)		FY 2016 Full Year (Apr.'15-Mar.'16)							FY 2017 Full Year (Apr.'16-Mar.'17)		FY 2018 Full Year Forecast (Apr.'17-Mar.'18)								
				%	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.		%		%							
Domestic	1	6,609	7.1	1,205	1,449	1,249	1,967	5,870	(11.2)	6,260	6.6								
	Overseas	2	27,457	13.6	6,557	6,252	6,774	6,691	26,274	(4.3)	27,240	3.7							
Net sales		3	34,066	12.3	7,762	7,701	8,023	8,658	32,144	(5.6)	33,500	4.2							
Operating income		4	6.7%	2,268	11.8	6.8%	524	4.7%	359	1.7%	2.7%	237	3.9%	1,257	(44.6)	4.5%	1,500	19.3	
Ordinary income		5	6.6%	2,236	5.2	5.8%	449	4.9%	377	4.4%	353	2.5%	216	4.3%	1,395	(37.6)	4.9%	1,630	16.8
Income before income taxes		6	4.9%	1,670	(20.2)	5.1%	394	4.8%	368	4.3%	345	2.0%	177	4.0%	1,284	(23.1)	4.5%	1,500	16.8
Net income attributable to owners of the parent		7	3.9%	1,344	(15.4)	2.7%	212	4.5%	349	3.0%	238	1.6%	139	2.9%	938	(30.2)	3.0%	1,000	6.6
Operating income by segment (geographic area)																			
Japan		8	1,625		207	188	166	98	659										
North America		9	298		112	30	106	19	267										
Europe		10	87		22	(1)	12	21	54										
Other areas		11	216		68	70	61	3	202										
Operating profit changes																			
Volume & mix		12			113	(108)	0	(91)	(86)										
Exchange rate		13			(339)	(309)	(370)	(9)	(1,027)										
Cost improvement		14			143	165	100	71	479										
Marketing expense		15			25	(2)	(2)	(29)	(8)										
Other		16			49	(113)	(66)	(239)	(369)										
Total		17			(9)	(367)	(338)	(297)	(1,011)										
Average rate for the period (Yen)																			
USD		18	120		108	102	109	114	108										
EUR			133		122	114	118	121	119										
Transaction rate (Yen)																			
USD		19	119		103	102	111	110	107										
EUR			133		122	116	118	116	118										
Capital expenditures		20	892		133	225	246	340	944										
Depreciation and amortization		21	790		195	199	207	223	824										
R & D cost		22	1,166		289	299	350	331	1,269										
Total assets		23	25,484		24,231	24,194	25,623		25,246										
Net Assets		24	9,540		9,551	9,788	10,086		10,394										
Financial debt		25	6,174		5,674	5,400	5,852		4,914										
Net financial debt		26	484		467	(172)	140		(354)										
Free cash flow (Operating & Investing)		27	1,547		67	619	(247)	534	973										
Japan		28	232	3.5	39	54	39	71	203	(12.8)									
North America		29	438	3.0	113	111	107	98	429	(2.1)									
Europe		30	257	12.0	66	68	57	71	262	2.0									
China		31	235	9.5	59	74	94	65	292	24.1									
Other		32	372	22.6	98	93	90	92	373	0.6									
Global retail volume		33	1,534	9.8	375	400	387	397	1,559	1.6									
Wholesales volume		34	1,307	9.2	313	309	309	334	1,265	(3.2)									
Domestic		35	989	7.6	220	248	255	242	965	(2.5)									
Overseas		36	582	27.7	136	154	172	165	627	7.8									
Global production volume		37	1,571	14.3	356	402	427	407	1,592	1.3									
Number of employees (excluding dispatches)		38	46,398						48,849										

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

Wholesales volume does not include vehicles which are sold by other brands.

Global production volume refers to the total volume of the units produced in the domestic plant and Mexico plant (including other brands) plus the units of Mazda-brand vehicles produced in other overseas plants (mainly in China and Thailand).

Financial Summary (Unconsolidated)

For the Fiscal Year Ended March 31, 2017

April 28, 2017
Mazda Motor Corporation

(In 100 millions of yen)

(In thousands of units)

(Upper left: return on sales)

		FY 2016 Full Year (Apr.'15-Mar.'16)		FY 2017 Full Year (Apr.'16-Mar.'17)		
	Domestic	1	4,678	7.7%	4,153	(11.2)%
	Export	2	21,387	12.6	20,661	(3.4)
Net sales		3	26,065	11.7	24,814	(4.8)
Operating income		4	1,363	11.2	457	(66.5)
Ordinary income		5	1,481	20.1	635	(57.1)
Income before taxes		6	997	(16.4)	591	(40.7)
Net income		7	1,006	(5.2)	566	(43.7)
Average rate for the period (Yen)		8	USD 120 EUR 133		USD 108 EUR 119	
Capital investment		9	545		613	
Depreciation & amortization		10	447		451	
R & D cost		11	1,136		1,243	
Total assets		12	19,515		18,820	
Net assets		13	8,823		9,225	
Financial debt		14	3,696		2,680	
Net financial debt		15	(495)		(891)	
	Japan	16	232	2.3	203	(12.4)
	North America	17	422	3.0	414	(1.9)
	Europe	18	274	19.5	261	(4.9)
	Others	19	336	20.0	349	4.0
Wholesales volume		20	1,264	10.3	1,227	(2.9)
Domestic production volume		21	989	7.6	965	(2.5)
Number of employees (excluding dispatches)		22	20,849		21,400	

Note: Wholesales volume does not include vehicles which are sold by other brands.