

Consolidated Financial Results
For the First Half of the Fiscal Year Ending March 31, 2015
(For the Six Months Ended September 30, 2014)



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

October 31, 2014

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Filing of *Shihanki Hokokusho*, quarterly securities report : Scheduled for November 13, 2014
 Payment of Dividends : -
 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, 2014 through September 30, 2014)

(1) Consolidated Financial Results

(Percentage indicates change from same period of the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2015 1st Half	1,453,865	15.9	103,976	40.6	107,074	195.0	93,310	273.4
FY2014 1st Half	1,254,317	22.6	73,962	544.5	36,295	-	24,986	335.0

Note: Comprehensive income
FY2015 1st Half **97,344 millions of yen** (95.3 %)
FY2014 1st Half **49,849 millions of yen** (455.0 %)

	Net Income Per Share	Net Income Per Share (Diluted)
	yen	yen
FY2015 1st Half	156.08	-
FY2014 1st Half	41.79	-

Mazda Motor Corporation implemented a share consolidation on its common stock with a ratio of five shares to one share on August 1, 2014. Net income per share are calculated based on the assumption that consolidation of shares had been carried out at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	millions of yen	millions of yen	%
As of September 30, 2014	2,343,200	773,968	32.3
March 31, 2014	2,246,036	676,837	29.4

Reference: Net Assets excluding minority interests
As of September 30, 2014 **756,667 millions of yen**
As of March 31, 2014 **660,722 millions of yen**

2. Dividends

	Dividends Per Share				
	1st Qtr.	2nd Qtr.	3rd Qtr.	Year End	Full-Year
FY2014	yen	yen	yen	yen	yen
FY2015	-	0.00	-	1.00	1.00
FY2015 (Forecast)			-	10.00	10.00

Note1: Revision of the dividend forecast most recently announced: None

Note2: Dividend per share for FY2015 (Forecast) is calculated in consideration of the share consolidation effective August 1, 2014.

3. Consolidated Financial Forecast (April 1, 2014 through March 31, 2015)

(Percentage indicates change from the previous fiscal year)

	Net sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
FY2015 Full Year	2,930,000	8.8	210,000	15.3	210,000	49.3	160,000	17.9	267.64

Note1: Revision of the consolidated financial forecast most recently announced: Yes

Note2: Net income per share for FY2015 Full Year is calculated in consideration of share consolidation effective August 1, 2014.

Notes:

(1) **Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation):** None

Newly added subsidiaries: None Excluded subsidiaries: None

(2) **Application of accounting treatment specific to preparation of quarterly consolidated financial statements:** None

(3) **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 "(1) Changes in accounting policies / Changes in accounting estimates / Restatement" on Page 4 of the attachment.

(4) **Number of outstanding shares (Common stock)**

1) Number of outstanding shares (including treasury stock)	As of September 30, 2014	599,875,479 shares
	As of March 31, 2014	599,875,479 shares
2) Number of treasury stock	As of September 30, 2014	2,053,707 shares
	As of March 31, 2014	2,048,249 shares
3) Average number of outstanding shares	For 6 months ended September 30, 2014	597,825,103 shares
	For 6 months ended September 30, 2013	597,831,449 shares

Mazda Motor Corporation implemented a share consolidation on its common stock with a ratio of five shares to one share on August 1, 2014. Number of outstanding shares, number of treasury stock, and average number of outstanding shares are calculated based on the assumption that consolidation of shares had been carried out at the beginning of the previous fiscal year.

Note on Progress in Quarterly Review Procedures by Independent Auditors

This document is out of the scope of the quarterly review procedures based on the Financial Instruments and Exchange Act.

The quarterly review procedures for the financial statements under this Act have not been completed as of the timing of disclosure of this document.

Cautionary Statements with Respect to Forward-Looking Statements

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. Qualitative Information on Consolidated Results for the Quarterly Period - (3) Future Estimates such as Consolidated Financial Forecast" on page 4 of the attachment.

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(Reference)

Financial Summary (Consolidated)
For the First Half of the Fiscal Year Ending March 31, 2015

1. Qualitative Information on Consolidated Results for the Quarterly period

(1) Consolidated Financial Results

The Mazda Group has pressed forward with the global expansion of sales of vehicles with its new generation technology, “SKYACTIV TECHNOLOGY” (hereinafter referred to as “SKYACTIV”), and has strove to maximize customer satisfaction through Mazda unique and attractive products and services, so as to improve its earnings structure by the realization of both growth in sales volume and right-price sales.

Global retail volume for the first half of the fiscal year ending March 31, 2015 was 669 thousand units, up 6.0% year on year, with contribution from strong sales of “SKYACTIV” models such as all-new “Mazda Axela (called Mazda3 in overseas markets)” and “Mazda CX-5”, which maintained solid sales, in global markets.

Retail volume by market was as follows. In Japan, retail volume was 90 thousand units, down 18.2% year on year, due to the effect caused by the recent changes in the consumption tax rate, etc. However, all-new “Mazda Demio (called Mazda2 in overseas markets)”, which we introduced in September this year, has received recognition, being named the “2014-2015 Car of the Year Japan”, and its orders are off to a strong start. In North America, retail volume was 226 thousand units, up 13.6% year on year mainly due to increased volume in the U.S., where in addition to the contribution of all-new “Mazda3”, “CX-5” and “Mazda6 (called Mazda Atenza in Japan)” have maintained strong sales. In Mexico, we achieved record sales for the first six months. In Europe, all-new “Mazda3” drove sales and sales in Germany and the United Kingdom far exceeded the growth of the industry. As a result, retail volume was 114 thousand units, up 18.4% year on year. In China, retail volume was 94 thousand units, up 18.8% year on year, due to the strong sales of “CX-5” as well as commencement of the full-scale sales of all-new “Mazda3”. In other markets, retail volume was 145 thousand units, down 1.1% year on year, mainly due to the influence of a decline in demand in Thailand.

Financial performance on a consolidated basis for the first half of the fiscal year ending March 31, 2015 was as follows. Net sales amounted to ¥1,453.9 billion, an increase of ¥199.5 billion or 15.9% compared to the corresponding period in the previous fiscal year, owing to increasing sales of “SKYACTIV” models in global markets. Operating income amounted to ¥104.0 billion, an increase of ¥30.0 billion or 40.6% compared to the corresponding period in the previous fiscal year, owing to improvements in volume and product mix as well as ongoing costs improvement through Monotsukuri Innovation. Ordinary income amounted to ¥107.1 billion, an increase of ¥70.8 billion or 195.0% compared to the corresponding period in the previous fiscal year. Net income amounted to ¥93.3 billion, an increase of ¥68.3 billion or 273.4% compared to the corresponding period in the previous fiscal year.

Financial results by reportable segment for the first half of the fiscal year ending March 31, 2015 was as follows. In Japan, net sales amounted to ¥1,192.6 billion, an increase of ¥141.7 billion or 13.5% compared to the corresponding period in the previous fiscal year, and segment income (operating income) amounted to ¥75.7 billion, an increase of ¥7.1 billion or 10.4% compared to the corresponding period in the previous fiscal year. In North America, net sales amounted to ¥570.3 billion, an increase of ¥190.5 billion or 50.2% compared to the corresponding period in the previous fiscal year, and segment income amounted to ¥14.8 billion. (For the

first half of the previous fiscal year, segment loss was ¥2.5 billion.) In Europe, net sales amounted to ¥319.7 billion, an increase of ¥79.4 billion or 33.0% compared to the corresponding period in the previous fiscal year, and segment income amounted to ¥6.3 billion, an increase of ¥2.4 billion or 62.8% compared to the corresponding period in the previous fiscal year. In other areas, net sales amounted to ¥222.5 billion, an increase of ¥16.9 billion or 8.2% compared to the corresponding period in the previous fiscal year, and segment income amounted to ¥8.4 billion, an increase of ¥6.0 billion or 254.5% compared to the corresponding period in the previous fiscal year.

(2) Consolidated Financial Position

(Assets, Liabilities and Net Assets)

As of September 30, 2014, total assets increased ¥97.2 billion from the end of the previous fiscal year, to ¥2,343.2 billion. Total liabilities remained almost flat from the end of the previous fiscal year, to ¥1,569.2 billion. Interest-bearing debt as of September 30, 2014 decreased ¥3.2 billion from the end of previous fiscal year, to ¥739.5 billion. After subtracting cash and cash equivalents from the interest-bearing debt, net interest-bearing debt decreased ¥12.3 billion, to ¥250.7 billion. The net debt-to-equity ratio improved 6.7 percentage points, to 33.1% (Percentage after consideration of the equity credit attributes of the subordinated loan was 27.2%).

Net Assets as of September 30, 2014 increased ¥97.1 billion from the end of the previous fiscal year, to ¥774.0 billion. Equity ratio increased 2.9 percentage points from the end of the previous fiscal year, to 32.3% (Percentage after consideration of the equity credit attributes of the subordinated loan was 33.8%).

(Cash Flows)

Cash and cash equivalent as of September 30, 2014 increased ¥9.0 billion from the end of the previous fiscal year, to ¥488.8 billion.

Net cash provided by operating activities for the first half of the fiscal year ending March 31, 2015 was ¥82.6 billion, reflecting income before income taxes of ¥107.0 billion and others. (For the first half of the previous fiscal year, net cash provided by operating activities was ¥7.7 billion.) Net cash used in investing activities was ¥63.2 billion, mainly reflecting capital expenditure for the acquisition of tangible fixed assets of ¥58.2 billion. (For the first half of the previous fiscal year, net cash used in investing activities was ¥49.2 billion.) As a result, consolidated free cash flow (net of operating and investing activities) was positive ¥19.4 billion. (For the first half of the previous fiscal year, consolidated free cash flow was negative ¥41.5 billion.) Net cash used in financing activities was ¥13.2 billion, mainly reflecting the payment of loans payable. (For the first half of the previous fiscal year, net cash used in financing activities was ¥13.6 billion.)

(3) Future Estimates such as Consolidated Financial Forecast

In light of recent trends in our business performance, we revised the consolidated financial forecast for the full year of fiscal year ending March 2015, as shown below. The prior forecast was released on July 31, 2014.

Consolidated Financial Forecast (Fiscal Year ending March 2015)

	Full Year	vs. Previous fiscal year
Net sales	¥ 2,930 billion	up 8.8 %
Operating income	¥ 210 billion	up 15.3 %
Ordinary income	¥ 210 billion	up 49.3 %
Net income	¥ 160 billion	up 17.9 %

The exchange rate assumptions for full year forecast are ¥102 to the dollar and ¥137 to the Euro (¥100 to the dollar and ¥135 to the Euro for the second half of the fiscal year).

Global Retail Volume Forecast (Fiscal Year ending March 2015)

	Full Year	vs. Previous fiscal year
Japan	225 thousand units	down 7.6 %
North America	440 thousand units	up 12.7 %
Europe	230 thousand units	up 11.3 %
China	225 thousand units	up 14.5 %
Other	300 thousand units	up 2.2 %
Total	1,420 thousand units	up 6.7 %

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.

2. Matters Regarding Summary Information (Notes)

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

(Changes in accounting policies)

Effective from the fiscal year ending March 31, 2015, the Company and its domestic subsidiaries have applied the article 35 of the Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan ("ASBJ") Statement No.26, May 17, 2012 (hereinafter, the "Statement No.26")) and the article 67 of the Guidance on Accounting Standard for Retirement Benefits ASBJ Guidance No.25, May 17, 2012. As a result, the Company and its domestic subsidiaries have reviewed the determination of retirement benefit obligations and current service costs and have changed the method of attributing expected benefit to periods from a straight-line basis to a benefit formula basis. In addition, the method for determination of the discount rate has been also amended. The amended method is to use the different discount rates, which reflect the estimated

timing of each benefit payment. Under the previous method, the discount rate was determined based on the average period up to the estimated timing of benefit payment.

In accordance with the article 37 of the Statement No.26, the effect of changing the determination of retirement benefit obligations and current service costs has been recognized in retained earnings, at the beginning of the current fiscal year.

As a result of the application, an asset for retirement benefits has increased by ¥221 million, a liability for retirement benefits has decreased by ¥2,861 million and retained earnings has increased by ¥2,841 million, at the beginning of the current fiscal year. In addition, operating income, ordinary income, and income before income tax for the first half of the fiscal year ending March 31, 2015 have each increased by ¥315 million.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(September 30 and March 31, 2014)

(Millions of Yen)

As of	FY2014 March 31, 2014	FY2015 September 30, 2014
ASSETS		
Current Assets:		
Cash and time deposits	328,154	351,078
Trade notes and accounts receivable	180,544	187,912
Securities	152,738	138,857
Inventories	323,677	350,319
Other	148,262	172,673
Allowance for doubtful receivables	(848)	(764)
Total current assets	1,132,527	1,200,075
Fixed Assets:		
Tangible fixed assets:		
Buildings and structures (net)	155,386	156,936
Machinery and equipment (net)	197,356	209,845
Land	411,886	414,552
Leased assets (net)	4,291	3,964
Other (net)	97,038	106,312
Total tangible fixed assets	865,957	891,609
Intangible fixed assets	22,826	25,088
Investments and other fixed assets:		
Investment securities	148,352	156,608
Asset for retirement benefits	2,046	1,891
Other	77,517	71,130
Allowance for doubtful receivables	(2,940)	(2,952)
Investment valuation allowance	(249)	(249)
Total investments and other fixed assets	224,726	226,428
Total fixed assets	1,113,509	1,143,125
Total Assets	2,246,036	2,343,200

(Millions of Yen)

As of	FY2014 March 31, 2014	FY2015 September 30, 2014
LIABILITIES		
Current Liabilities:		
Trade notes and accounts payable	331,678	331,830
Short-term loans payable	105,283	111,726
Long-term loans payable due within one year	87,496	93,711
Bonds due within one year	20,100	20,100
Lease obligations	2,119	1,637
Income taxes payable	3,476	9,236
Accrued expenses	155,781	160,362
Reserve for warranty expenses	32,080	46,020
Other	74,060	63,340
Total current liabilities	812,073	837,962
Long-term Liabilities:		
Bonds	20,450	40,400
Long-term loans payable	504,446	469,000
Lease obligations	2,841	2,916
Deferred tax liability related to land revaluation	75,195	75,190
Reserve for loss from business of subsidiaries and affiliates	44,249	37,463
Reserve for environmental measures	1,584	1,590
Other reserves	270	245
Liability for retirement benefits	70,149	63,789
Other	37,942	40,677
Total long-term liabilities	757,126	731,270
Total Liabilities	1,569,199	1,569,232
NET ASSETS		
Capital and Retained Earnings:		
Common stock	258,957	258,957
Capital surplus	242,649	242,650
Retained earnings	89,424	182,596
Treasury stock	(2,204)	(2,218)
Total capital and retained earnings	588,826	681,985
Accumulated Other Comprehensive Income/(Loss)		
Net unrealized gain/(loss) on available-for-sale securities	1,152	2,420
Deferred gains/(losses) on hedges	(1,223)	(976)
Land revaluation	135,541	135,531
Foreign currency translation adjustments	(55,586)	(55,630)
Accumulated adjustments for retirement benefit	(7,988)	(6,663)
Total accumulated other comprehensive income	71,896	74,682
Minority Interests in Consolidated Subsidiaries	16,115	17,301
Total Net Assets	676,837	773,968
Total Liabilities and Net Assets	2,246,036	2,343,200

(2) Quarterly Consolidated Statements of Operations and Comprehensive Income
(For the first half ended September 30, 2014 and 2013)

Quarterly Consolidated Statements of Operations

(Millions of Yen)

For the first half ended	FY2014 September 30, 2013	FY2015 September 30, 2014
Net sales	1,254,317	1,453,865
Costs of sales	936,518	1,064,743
Gross profit on sales	317,799	389,122
Selling, general and administrative expenses	243,837	285,146
Operating income	73,962	103,976
Non-operating income		
Interest income	1,164	1,678
Equity in net income of affiliated companies	1,454	7,365
Other	4,195	5,357
Total	6,813	14,400
Non-operating expenses		
Interest expense	6,267	6,843
Foreign exchange loss	35,444	930
Other	2,769	3,529
Total	44,480	11,302
Ordinary income	36,295	107,074
Extraordinary profits		
Gain on sales of tangible fixed assets	44	103
Gain on reversal of reserve for loss from business of subsidiaries and affiliates	-	3,094
Subsidy income	224	-
Other	6	-
Total	274	3,197
Extraordinary losses		
Loss on retirement and sale of tangible fixed assets	1,995	1,997
Loss on impairment of fixed assets	651	359
Loss on business of subsidiaries and affiliates	-	811
Other	5	107
Total	2,651	3,274
Income before income taxes	33,918	106,997
Income taxes		
Current	5,987	12,142
Deferred	3,522	1,042
Total	9,509	13,184
Income before minority interests	24,409	93,813
Minority interests in consolidated subsidiaries	(577)	503
Net income	24,986	93,310

For the first half ended September 30, 2014 and 2013

Quarterly Consolidated Statements of Comprehensive Income

(Millions of Yen)

For the first half ended	FY2014 September 30, 2013	FY2015 September 30, 2014
Income before minority interests	24,409	93,813
Other comprehensive income/(loss):		
Net unrealized gain/(loss) on available-for-sale securities	147	1,263
Deferred gains/(losses) on hedges	12,896	253
Foreign currency translation adjustments	649	1,164
Pension adjustments recognized by foreign consolidated subsidiaries	(202)	-
Adjustments for retirement benefit	-	1,362
Share of other comprehensive income/(loss) of affiliates accounted for using equity method	11,950	(511)
Total	25,440	3,531
Comprehensive income	49,849	97,344
Comprehensive income attributable to:		
Owners of the parent	49,764	96,106
Minority interests	85	1,238

For the three months ended September 30, 2014 and 2013

Quarterly Consolidated Statements of Operations

(Millions of Yen)

For the three months ended	FY2014 September 30, 2013	FY2015 September 30, 2014
Net sales	638,466	748,226
Costs of sales	476,425	548,355
Gross profit on sales	162,041	199,871
Selling, general and administrative expenses	124,594	152,277
Operating income	37,447	47,594
Non-operating income		
Interest income	505	961
Equity in net income of affiliated companies	854	4,869
Foreign exchange gain	-	1,744
Other	2,341	2,899
Total	3,700	10,473
Non-operating expenses		
Interest expense	3,040	3,346
Foreign exchange loss	8,287	-
Other	1,921	2,221
Total	13,248	5,567
Ordinary income	27,899	52,500
Extraordinary profits		
Gain on sales of tangible fixed assets	20	57
Gain on reversal of reserve for loss from business of subsidiaries and affiliates	-	3,067
Total	20	3,124
Extraordinary losses		
Loss on retirement and sale of tangible fixed assets	1,528	946
Loss on impairment of fixed assets	622	335
Loss on business of subsidiaries and affiliates	-	46
Other	5	107
Total	2,155	1,434
Income before income taxes	25,764	54,190
Income taxes		
Current	2,675	5,463
Deferred	3,918	3,459
Total	6,593	8,922
Income before minority interests	19,171	45,268
Minority interests in consolidated subsidiaries	(357)	849
Net income	19,528	44,419

For the three months ended September 30, 2014 and 2013

Quarterly Consolidated Statements of Comprehensive Income

(Millions of Yen)

For the three months ended	FY2014 September 30, 2013	FY2015 September 30, 2014
Income before minority interests	19,171	45,268
Other comprehensive income		
Net unrealized gain/(loss) on available-for-sale securities	174	880
Deferred gains/(losses) on hedges	2,143	(460)
Foreign currency translation adjustments	1,070	1,588
Pension adjustments recognized by foreign consolidated subsidiaries	36	-
Adjustments for retirement benefit	-	558
Share of other comprehensive income/(loss) of affiliates accounted for using equity method	2,286	2,197
Total	5,709	4,763
Comprehensive income	24,880	50,031
Comprehensive income attributable to:		
Owners of the parent	25,358	48,225
Minority interests	(478)	1,806

(3) Quarterly Consolidated Statements of Cash Flows
(For the first half ended September 30, 2014 and 2013)

(Millions of Yen)

For the first half ended	FY2014 September 30, 2013	FY2015 September 30, 2014
Cash flows from operating activities:		
Income before income taxes	33,918	106,997
Adjustments to reconcile income before income taxes to net cash provided by/(used in) operating activities:		
Depreciation and amortization	26,813	32,155
Loss on impairment of fixed assets	651	359
Increase/(decrease) in allowance for doubtful receivables	(401)	(65)
Increase/(decrease) in reserve for warranty expenses	(399)	13,940
Increase/(decrease) in employees' severance and retirement benefits	(2,032)	-
Increase/(decrease) in reserve for loss from business of subsidiaries and affiliates	291	(6,786)
Increase/(decrease) in liability for retirement benefits	-	(4,974)
Interest and dividend income	(1,389)	(1,993)
Interest expense	6,267	6,843
Equity in net loss/(income) of affiliated companies	(1,454)	(7,365)
Loss/(gain) on retirement and sale of tangible fixed assets	1,951	1,894
Decrease/(increase) in trade notes and accounts receivable	17,083	(4,919)
Decrease/(increase) in inventories	(27,676)	(22,141)
Increase/(decrease) in trade notes and accounts payable	(1,619)	(802)
Increase/(decrease) in other current liabilities	(8,160)	1,178
Other	(22,904)	(22,318)
Subtotal	20,940	92,003
Interest and dividends received	1,804	2,608
Interest paid	(6,472)	(6,981)
Income taxes refunded/(paid)	(8,572)	(5,051)
Net cash provided by/(used in) operating activities	7,700	82,579
Cash flows from investing activities:		
Purchase of investment securities	(1,508)	(549)
Proceeds from sales and redemption of investment securities	58	62
Acquisition of tangible fixed assets	(44,306)	(58,241)
Proceeds from sale of tangible fixed assets	388	623
Acquisition of intangible fixed assets	(3,181)	(5,305)
Net decrease/(increase) in short-term loans receivable	(7)	(5)
Payment of long-term loans receivable	(537)	(501)
Collections of long-term loans receivable	111	740
Other	(196)	(14)
Net cash provided by/(used in) investing activities	(49,178)	(63,190)
Cash flows from financing activities:		
Net increase/(decrease) in short-term loans payable	(6,572)	7,070
Proceeds from long-term loans payable	28,581	15,974
Repayment of long-term loans payable	(24,470)	(51,803)
Proceeds from issuance of bonds	-	19,913
Redemption of bonds	(10,050)	(50)
Repayment of lease obligations	(1,440)	(1,331)
Proceeds from stock issuance to minority shareholders	356	-
Cash dividends paid	-	(2,989)
Cash dividends paid to minority shareholders	(24)	-
Net decrease/(increase) in treasury stock	(6)	(13)
Net cash provided by/(used in) financing activities	(13,625)	(13,229)
Effect of exchange rate fluctuations on cash and cash equivalents	4,469	2,876
Net increase/(decrease) in cash and cash equivalents	(50,634)	9,036
Cash and cash equivalents at beginning of the year	444,875	479,754
Cash and cash equivalents at end of the year	394,241	488,790

(4) Footnotes to the Quarterly Consolidated Financial Statements

(Note on the Assumptions as Going Concern)

None

(Significant Changes in the Amount of Equity)

None

(Segment Information)

I. FY2014 First Half (April 1, 2013 through September 30, 2013)

1) Sales and Income or Loss by Reportable Segments

(Millions of Yen)

FY2014 First Half Ended September 30, 2013	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	435,404	378,551	235,675	204,687	1,254,317	-	1,254,317
Inter-segment	615,514	1,205	4,649	935	622,303	(622,303)	-
Total	1,050,918	379,756	240,324	205,622	1,876,620	(622,303)	1,254,317
Segment income	68,614	(2,529)	3,855	2,363	72,303	1,659	73,962

Notes: 1. The adjustment on segment income are eliminations of inter-segment transactions.

2. Segment income is reconciled with the operating income in the consolidated statement of operations for FY2014 first half ended September 30, 2013.

2) Impairment Loss on Fixed Assets and Goodwill by Reportable Segment

Impairment losses on fixed assets, gains from negative goodwill and changes in the amount of goodwill, that were material, were not recognized.

II. FY2015 First Half (April 1, 2014 through September 30, 2014)

1) Sales and Income or Loss by Reportable Segments

(Millions of Yen)

FY2015 First Half Ended September 30, 2014	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	437,376	489,887	312,849	213,753	1,453,865	-	1,453,865
Inter-segment	755,257	80,369	6,846	8,737	851,209	(851,209)	-
Total	1,192,633	570,256	319,695	222,490	2,305,074	(851,209)	1,453,865
Segment income	75,735	14,760	6,275	8,377	105,147	(1,171)	103,976

Notes: 1. The adjustment on segment income are eliminations of inter-segment transactions.

2. Segment income is reconciled with the operating income in the consolidated statement of operations for FY2015 first half ended September 30, 2014.

2) Impairment Loss on Fixed Assets and Goodwill by Reportable Segment

Impairment losses on fixed assets, gains from negative goodwill and changes in the amount of goodwill, that were material, were not recognized.

3) Matters about Changes in Reportable Segments, etc.

Effective from the fiscal year ending March 31, 2015, the Company and its domestic subsidiaries, which are grouped in "Japan" segment, have changed the determination of retirement benefit obligations and current service costs.

As a result of this change, segment income of "Japan" for the first half of the fiscal year ending March 31, 2015 increased by 315 million yen, compared to the previous method.

In detail, please refer to "2. Matters Regarding Summary Information (Notes) - (1) Changes in accounting policies / Changes in accounting estimates / Restatement" on Page 4.

4. Supplementary Information

Production and Sales Information

a) Production Volume

		FY2014 First Half Ended September 30, 2013	FY2015 First Half Ended September 30, 2014	Increase / (Decrease)
Vehicles		units	units	units
	Japan	462,941	466,230	3,289
	North America	-	50,613	50,613
Total		462,941	516,843	53,902

Note: Mazda-brand vehicles produced by the following equity method applied affiliate are counted among wholesales, but are not included in the production volume:

	FY2014 First Half Ended September 30, 2013	FY2015 First Half Ended September 30, 2014	Increase / (Decrease)
AutoAlliance (Thailand) Co., Ltd.	42,532 units	28,524 units	(14,008) units

b) Sales by Reportable Segment

	FY2014 First Half Ended September 30, 2013	FY2015 First Half Ended September 30, 2014	Increase / (Decrease)
	millions of yen	millions of yen	millions of yen
Japan	435,404	437,376	1,972
North America	378,551	489,887	111,336
Europe	235,675	312,849	77,174
Other areas	204,687	213,753	9,066
Total	1,254,317	1,453,865	199,548

Note: Inter-segment transactions are eliminated from the sales figures shown in the above table.

c) Sales by Product Type

	FY2014 First Half Ended September 30, 2013		FY2015 First Half Ended September 30, 2014		Increase / (Decrease)	
	units	millions of yen	units	millions of yen	units	millions of yen
Vehicles	524,367	1,004,973	581,582	1,180,235	57,215	175,262
Knockdown Parts (Overseas)	-	36,836	-	50,566	-	13,730
Parts	-	107,121	-	113,907	-	6,786
Other	-	105,387	-	109,157	-	3,770
Total	-	1,254,317	-	1,453,865	-	199,548

< Wholesales Volume by Market >

		FY2014 First Half Ended September 30, 2013	FY2015 First Half Ended September 30, 2014	Increase / (Decrease)
Vehicles		units	units	units
	Japan	115,719	94,336	(21,383)
	North America	178,235	221,158	42,923
	Europe	84,596	115,067	30,471
	Other areas	145,817	151,021	5,204
	Overseas Total	408,648	487,246	78,598
Total		524,367	581,582	57,215

Financial Summary (Consolidated)
For the First Half of the Fiscal Year Ending March 31, 2015
(For the Six Months Ended September 30, 2014)

October 31, 2014
Mazda Motor Corporation

(In 100 millions of yen)
(In thousands of units)
(Upper left: return on sales)

			FY 2014 First Half (Apr.'13-Sep.'13)		FY 2015 First Half (Apr.'14-Sep.'14)		FY 2014 Full Year Ended March 31, 2014		FY 2015 Full Year Forecast Ending March 31, 2015					
					1st Qtr.	2nd Qtr.								
	Domestic	1	3,052	3.6%	1,232	1,381	2,613	(14.4)%	6,557	11.5%	6,200	(5.4)%		
	Overseas	2	9,491	30.2	5,824	6,102	11,926	25.7	20,365	25.9	23,100	13.4		
	Net sales	3	12,543	22.6	7,056	7,483	14,539	15.9	26,922	22.1	29,300	8.8		
	Operating income	4	5.9%	740	544.5	8.0%	564	476	7.2%	1,821	237.7	7.2%	2,100	15.3
	Ordinary income	5	2.9%	363	-	7.7%	546	525	7.4%	1,407	325.1	7.2%	2,100	49.3
	Income before income taxes	6	2.7%	339	365.9	7.5%	528	542	7.4%	974	149.1	6.8%	2,000	105.3
	Net income	7	2.0%	250	335.0	6.9%	489	444	6.4%	1,357	295.6	5.5%	1,600	17.9
	Operating income/(loss) by segment (geographic area)													
	Japan	8	686		424	333	757		1,735					
	North America	9	(25)		42	106	148		13					
	Europe	10	39		28	35	63		85					
	Other areas	11	24		39	45	84		58					
	Operating profit changes													
	Volume & mix	12			220	161	381					600		
	Exchange rate	13			37	96	133					60		
	Cost improvement	14			68	47	115					150		
	Marketing expense	15			(20)	(89)	(109)					(150)		
	Other	16			(106)	(114)	(220)					(381)		
	Total	17			199	101	300					279		
	Average rate for the period													
		JPY / USD	99		102	104	103		100		102			
		JPY / EUR	130		140	138	139		134		137			
	Transaction rate													
		JPY / USD	88		102	102	102		95		101			
		JPY / EUR	119		139	138	138		126		137			
	Capital expenditures	20	487		220	326	546		1,332		1,500			
	Depreciation and amortization	21	268		160	162	322		577		700			
	R & D cost	22	494		287	263	550		994		1,100			
	Total assets	23	19,791		22,626		23,432		22,460					
	Equity	24	5,461		7,085		7,567		6,607					
	Financial debt	25	7,101		7,403		7,395		7,427					
	Net financial debt	26	3,158		2,636		2,507		2,630					
	Free cash flow (Operating & Investing)	27	(415)		16	178	194		163					
	Japan	28	111	0.9	40	50	90	(18.2)	244	12.6	225	(7.6)		
	North America	29	199	9.5	110	116	226	13.6	391	4.9	440	12.7		
	Europe	30	97	13.5	56	58	114	18.4	207	20.5	230	11.3		
	China	31	79	(12.2)	44	50	94	18.8	196	12.5	225	14.5		
	Other	32	145	(0.3)	69	76	145	(1.1)	293	(2.0)	300	2.2		
	Global retail volume	33	631	3.0	319	350	669	6.0	1,331	7.8	1,420	6.7		
	Domestic	34	463	12.2	236	230	466	0.7	973	10.6	915	(5.9)		
	Overseas	35	140	(19.9)	82	117	199	41.7	296	(7.5)				
	Global production volume	36	603	2.7	318	347	665	10.2	1,269	5.8				

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

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