Consolidated Financial Results
For the Fiscal Year Ended March 31, 2011

Prepared in Conformity with Accounting Principles Generally Accepted in Japan

English Translation from the Original Japanese-Language Document

April 28, 2011

Company Name	:	**Mazda Motor Corporation** (Tokyo Stock Exchange/Code No. 7261)
URL	:	http://www.mazda.co.jp
Representative Person	:	Takashi Yamanouchi, Representative Director, President and CEO
Contact Person	:	Shinji Maeda, General Manager, Accounting Department, Financial Services Division Phone (082) 282-1111
General Meeting of the Shareholders	:	Scheduled for June 24, 2011
Payment of Dividends	:	-
Filing of *Yuka Shoken Hokokusho* , statutory annual business and financial report	:	Scheduled for June 27, 2011
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, 2010 through March 31, 2011)

(1) Consolidated Financial Results

(Changes in net sales, operating income, ordinary income, and net income from the previous period are shown in percentage.)

Years ended March 31	Net Sales		Operating Income/(Loss)		Ordinary Income/(Loss)		Net Income/(Loss)	
	million yen	%	million yen	%	million yen	%	million yen	%
2011	**2,325,689**	7.5	**23,835**	152.0	**36,862**	693.8	**(60,042)**	-
2010	2,163,949	(14.7)	9,458	-	4,644	-	(6,478)	-

Note: Comprehensive income/(loss) (for the years ended March 31) **2011 (73,312) million yen (- %)**

(Changes from the previous period are shown in percentage.) 2010 1,325 million yen (- %)

Years ended March 31	Net Income/(Loss) Per Share	Net Income Per Share (Diluted)	Return on Equity	Ordinary Income/(Loss) To Total Assets	Operating Income/ (Loss) to Sales
	yen	yen	%	%	%
2011	**(33.92)**	**-**	**(12.8)**	**2.0**	**1.0**
2010	(4.26)	-	(1.4)	0.2	0.4

Note: Equity in net income of affiliated companies (for the years ended March 31) **2011 14,216 million yen**

2010 8,667 million yen

(2) Consolidated Financial Position

As of March 31	Total Assets	Equity	Equity Ratio	Equity per Share
	million yen	million yen	%	yen
2011	**1,771,767**	**430,539**	**24.2**	**242.24**
2010	1,947,769	509,815	26.1	286.92

Notes on equity, equity ratio and equity per share (as of March 31):

1) Equity for calculation of equity ratio and equity per share **2011 428,812** million yen 2010 507,909 million yen

2) The minority interests in consolidated subsidiaries are presented as a separate component of the equity; however, the minority interests are excluded from the calculation of the equity ratio and the equity per share.

3) The fair value of stock option is recognized, as stock acquisition rights, in the equity as a separate component for the amounts amortized in expense. However, the stock acquisition rights are excluded from the calculation of the equity ratio and the equity per share.

(3) Consolidated Cash Flows

Years ended March 31	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Ending Cash & Cash Equivalents
	million yen	million yen	million yen	million yen
2011	**15,344**	**(13,717)**	**(14,360)**	**322,849**
2010	111,646	(44,252)	60,951	346,303

2. Dividends

Years ended / ending March 31	Dividends per Share					Total Amount of Annual Dividends	(Consolidated) Dividends Payout Ratio	(Consolidated) Ratio of Dividends to Equity
	1st.Qtr.	2nd.Qtr.	3rd.Qtr.	Year-End	Full Year			
	yen	yen	yen	yen	yen	million yen	%	%
2010	-	0.00	-	3.00	3.00	5,311	-	1.0
2011	**-**	**0.00**	**-**	**0.00**	**0.00**	-	-	-
2012 (Forecast)	-	-	-	-	-		-	

Note: The dividend forecast for Fiscal Year ending March 2012 is yet to be determined.

3. Consolidated Financial Forecast (April 1, 2011 through March 31, 2012)

Note: The consolidated financial forecast for Fiscal Year ending March 2012 is yet to be determined and not presented because of the difficulties in making a reasonable forecast at this time. The financial forecast will be announced at the time when it becomes available for disclosure. For underlying reasons, please refer to "1. Financial Results (1) Analysis of Financial Results (Financial Forecast For the Year Ending March 31, 2012)" on page 4.

4. Other

(1) Significant Changes in Consolidation scope: None

Newly added subsidiaries: None　　Excluded subsidiaries: None

Note: Refers to changes in consolidation scope of subsidiaries, during the current year, that meet certain criteria of materiality.

(2) Accounting Changes:

1) Adoption of new accounting standards　Yes

2) Other　No

Note: See "Accounting Changes and Adoption of New Accounting Standards" on page 20.

(3) Common Stock

1) Shares issued (including treasury shares)	**As of March 31, 2011**	**1,780,377,399**	shares
	As of March 31, 2010	1,780,377,399	shares
2) Treasury shares	**As of March 31, 2011**	**10,194,637**	shares
	As of March 31, 2010	10,165,073	shares
3) The average number of outstanding shares over period	**Year ended March 31, 2011**	**1,770,198,580**	shares
	Year ended March 31, 2010	1,519,652,868	shares

(Reference)

1. Unconsolidated Financial Highlights (April 1, 2010 through March 31, 2011)

(1) Unconsolidated Financial Results

(Changes in net sales, operating income, ordinary income, and net income from the previous period are shown in percentage.)

Years ended March 31	Net Sales		Operating Income/(Loss)		Ordinary Income/(Loss)		Net Income/(Loss)	
	million yen	%	million yen	%	million yen	%	million yen	%
2011	**1,777,324**	**7.6**	**4,125**	**(44.0)**	**69,809**	**912.4**	**(39,707)**	**-**
2010	1,651,525	(9.3)	7,369	-	6,895	-	(16,480)	-

Years ended March 31	Net Income/(Loss) Per Share	Net Income/(Loss) Per Share (Diluted)
	yen	yen
2011	**(22.43)**	**-**
2010	(10.84)	-

(2) Unconsolidated Financial Position

As of March 31	Total Assets	Equity	Equity Ratio	Equity Per Share
	million yen	million yen	%	yen
2011	**1,569,695**	**482,792**	**30.7**	**272.47**
2010	1,774,151	529,229	29.8	298.71

Notes on equity, equity ratio, and equity per share (as of March 31):

1) Equity for calculation of equity ratio and equity per share　**2011　482,332 million yen**　2010　528,784 million yen

2) The fair value of stock option is recognized, as stock acquisition rights, in the equity as a separate component for the amounts amortized in expense. However, the stock acquisition rights are excluded from the calculation of the equity ratio and the equity per share.

Note on Progress in Audit Procedures by Independent Auditors

This document is out of the scope of the audit procedures based on the Financial Instruments and Exchange Act.
The audit 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 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 future descriptions are subject to uncertainty and risks. Accordingly, the actual financial performance may vary significantly due to various factors.

Attachment

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Financial Summary (Consolidated) For the Fiscal Year Ended March 2011

Financial Summary (Unconsolidated) For the Fiscal Year Ended March 2011

1. Financial Results

(1) Analysis of Financial Results

(Financial Results for the Year Ended March 31, 2011)

In the year ended March 31, 2011, the business environment surrounding the Mazda Group was as follows. In overseas markets, while a trend of gradual recovery continued, supported by economic growth of emerging countries especially in Asia, there has been a sense of instability as exemplified by the concerns over political unrest and rising oil prices. In the Japanese domestic market, the decrease in production that followed the end of economic stimulus measures has stopped. Export and production has increased gradually, and capital investment has been recovering. However, business condition remained harsh due to the continued trend of a strong yen and other factors. In addition, affected by the major earthquake in northeast Japan, which occurred on March 11, 2011, production activity is expected to decline and a mood of self-restraint in consumer sentiment has become prevalent. Thus, the outlook is very uncertain.

Under the situation, the Mazda Group implemented measures to improve profitability in all areas of business, such as strongly promoting improvements in cost and business efficiency, expanding sales in emerging countries, and improving the product mix.

Retail volume by market for the year ended March 31, 2011 was as follows. In Japan, the retail volume decreased by 7% year-over-year to 206,000 units; while the all-new Mazda Premacy (called Mazda5 in overseas markets) recorded strong sales, the overall result was affected by the decrease in demand following the end of the government subsidy scheme as well as the major earthquake in northeast Japan. On the other hand, overseas, in North America, retail volume increased 12% year-over-year to 342,000 units; the addition of Mazda2 (called Mazda Demio in Japan) introduced in this fiscal year as well as the strong sales of the CX-7 and CX-9 mainly contributed to the increase. In Europe, retail volume was down 12% year-over-year to 212,000 units; while sales in Russia turned around to an increase, the drop in total market demand and other factors had a negative impact. In China, where sales of the mainstay models Mazda3 (called Mazda Axela in Japan) and Mazda6 (called Mazda Atenza in Japan) were strong, retail volume increased by 20% year-over-year to 236,000 units. In other markets, retail volume was up by 20% to 277,000 units, owing to increased sales mainly in Thailand and other ASEAN countries. As a result, the global retail volume was 1,273,000 units, up 7% from the prior fiscal year.

Financial performance on the consolidated basis for the year ended March 31, 2011 was as follows. Net sales amounted to ¥2,325.7 billion, up ¥161.7 billion or 7% from the last year; while the trend of the strong yen against other major currencies continued, increased volume and other factors contributed to the results. Operating income improved by ¥14.4 billion (up 152%) year-on-year to ¥23.8 billion, owing to the effect of measures to improve profitability. Ordinary income increased by ¥32.2 billion (up 694%) year-on-year to ¥36.9 billion. Net results amounted to a loss of ¥60.0 billion, mainly as a result of the following factors. Extraordinary losses were recognized for a loss on disaster, caused by the major earthquake in northeast Japan, as well as for a reserve for loss from business of an affiliate in our North American operations. In addition, Mazda set up a valuation allowance against a portion of its deferred tax assets.

Financial results by segment were as follows. In Japan, net sales amounted to ¥1,999.5 billion (up 7% year-on-year) and segment income (operating income) was ¥32.6 billion (up 6%). In North America, net sales amounted to ¥631.0 billion (up 10%) and segment loss (operating loss) was ¥31.7 billion. In Europe, net sales amounted to ¥438.2 billion (down 10%) and segment income (operating income) was ¥7.9 billion (up 125%). In Other areas, net sales amounted to ¥310.4 billion (up 38%) and segment income (operating income) was ¥12.8 billion (up 138%).

In terms of products, in July last year, Mazda launched in Japan the All-New Mazda Premacy, a new minivan that delivers superb environmental performance equipped with Mazda's unique idling stop system, 'i-stop'. This model was also launched in the overseas markets, starting with Europe in fall last year, and then North America in January this year, and has been well received for its stylish exterior, versatile functionality to meet various customer requirements, as well as smooth and high-quality driving feel. In January of the same year Mazda reached an agreement with Nissan Motor Co., Ltd. to expand the range of OEM models supplied to Nissan, and the new minivan Mazda Premacy will be supplied to Nissan as part of this agreement.

The compact car Mazda2 was also newly launched in Canada and the United States in August last year, and in December, the minivan Mazda8 (called Mazda MPV in Japan) was launched in the Chinese market. Aiming to expand Mazda's customer base in the major overseas markets and enhance the Mazda product line-up, these launches were part of Mazda's continuing efforts to achieve product-led growth.

Further, October last year saw the world premier of Mazda's new pick-up truck, the Mazda BT-50, at the Australian International Motor Show. With its modern and sophisticated form, the new Mazda BT-50 completely overturns the conventional image of a pick-up truck. Production will start from this year at AutoAlliance (Thailand) Co., Ltd. (AAT).

In terms of production, Mazda has been working to realize a supply structure that is compliant with market changes. Firstly, to respond to demand in China, which has now grown to become the world's largest market, in May last year, production of the Mazda3 was shifted from Chongqing to the Nanjing Plant. In the ASEAN markets where the AAT-produced Mazda2 is selling strongly, in November last year, the production of the Mazda2 for the Australian market was shifted from AAT to Mazda's domestic plant, to handle further sales growth in ASEAN markets. Mazda also announced the commencement of local assembly of the Mazda3, in Thailand in February this year and in Malaysia in March.

In the R&D area, in October last year, we announced a blanket term "SKYACTIV TECHNLOGY" for Mazda's innovative new-generation technologies that will begin appearing in Mazda products from 2011 and the outline of its key technologies including engines, transmissions, vehicle bodies and chassis. The Mazda Demio will be the first model to feature the SKYACTIV TECHNOLOGY. The model will be powered by the new-generation highly-efficient direct-injection gasoline engine SKYACTIV-G and achieve fuel economy of 30 kilometers per liter (10-15 mode) without any assistance from an electric motor. The Mazda Demio will go on sale in Japan this year. Under the company's long-term vision for technology development, "Sustainable Zoom-Zoom", Mazda aims to achieve 30% improvement of average fuel economy of Mazda vehicles to be sold globally by 2015 compared to the level of 2008. This reflects our desire to provide all of our customers with driving pleasure as well as outstanding environmental and safety performance in its vehicles. Specifically speaking, Mazda will advance environmental and safety technologies based on the Building Block Strategy. The strategy starts with thoroughly improving the basic performance of automobiles, through the development of new-generation powertrain including engine and transmission as well as vehicle weight reduction, and then incorporating electric devices such as idling stop system, regenerative braking and hybrid systems in stages. In March last year, Mazda reached an agreement on the supply under license of hybrid technology with Toyota Motor Corporation, and Mazda plans to combine the hybrid system with its SKYACTIV engine and commence sales of a hybrid vehicle in Japan by 2013. Also in January this year, we announced that we will develop our own electric vehicle based on the Mazda Demio and start leasing in Japan from spring in 2012.

In autumn last year, Mazda announced its new design theme, "KODO - Soul of Motion", and the design concept model, Mazda SHINARI, a pure expression of this new theme. Mazda's four design studios located in Hiroshima, Yokohama, the United States, and Germany are currently joining forces to incorporate this design theme into our future products.

In March this year at the Geneva motor show, Mazda showcased the world premiere of its new Mazda

MINAGI concept car, which fully embraces new-generation SKYACTIV TECHNOLOGY and its new design theme, KODO – Soul of Motion. The Mazda MINAGI is a compact crossover SUV concept that nimbly navigates a sprawling urban cityscape and provides driving pleasure. Fully introducing SKYACTIV TECHNOLOGY throughout, MINAGI is equipped with new-generation powertrain and new-generation platform that merges comprehensive weight reduction with the assurance of ample safety features and it is the forerunner to the launch of Mazda's upcoming new-generation products.

In February this year, Mazda and Hiroshima University signed a comprehensive cooperation agreement to expand the scope of the collaborative activities. The comprehensive cooperation agreement marks the joint program's expansion to include projects beyond engineering and it will cover R&D, production and planning, social science subjects such as management and marketing, and personnel exchanges and training.

In the sales area, our efforts for brand value enhancement are steadily bringing results. Following the Mazda3 in 2009, in November last year the CX-9 won the first prize in full-size utility section of "2011 Residual Value Award" by US Automotive Lease Guide. In key markets, residual value of Mazda vehicles is firmly stepping up. With regard to the sales network, the number of outlets in China is increasing as planned and reached 312 outlets at the end of 2010, which exceeded our plan. In Japan, to enhance sales in Niigata Prefecture, we announced in November last year the transfer of all shares of Mazda wholly-owned subsidiary Niigata Mazda Motors Co., Ltd. to Nippon Seiki Co. Ltd, who owns Shin-Nagaoka Mazda Co., Ltd., and accordingly transferred 90% of the shares in December. Through this action, we will further improve customer satisfaction and increase share of Mazda vehicles in Niigata Prefecture.

(Financial Forecast for the Year Ending March 31, 2012)

The effect of the major earthquake in northeast Japan, which occurred on March 11, 2011, on our business performance is uncertain. Hence, it is difficult at this moment to make a reasonable estimate regarding the outlook for the next fiscal year. Accordingly, the financial forecast for the year ending March 31, 2012 is yet to be determined. We will announce the financial forecast promptly at the time when it becomes estimable.

(2) Analysis on the Financial Position

(Analysis on Assets, Liabilities, Equity and Cash Flows)

As of March 31, 2011, total assets amounted to ¥1,771.8 billion, a decrease of ¥176.0 billion compared to the end of the last year, mainly as a result of a decrease in cash and time deposits due to debt repayment as well as the set-up of a valuation allowance against a portion of deferred tax assets. Total financial debt decreased by ¥29.1 billion from the previous year to ¥693.0 billion primarily due to repayment of loans and decrease in lease obligations. Total liabilities amounted to ¥1,341.2 billion, a decrease of ¥96.7 billion from a year ago due mainly to a decrease in trade notes and accounts payable from reduced production volume, caused by the major earthquake in northeast Japan. Total equity amounted to ¥430.5 billion, down ¥79.3 billion compared to the prior year, due mainly to the recognition of a net loss. Equity ratio decreased by 1.9 percentage points from the end of the prior fiscal year to 24.2%.

Net cash provided by operating activities was ¥15.3 billion despite the suspension of production in domestic factories caused by the major earthquake in northeast Japan. Net cash used in investing activities amounted to ¥13.7 billion, mainly reflecting ¥32.2 billion capital investments in facilities and equipment. As a result, consolidated free cash flow (net of operating and investing activities) was positive ¥1.6 billion. Also, net cash used in financing activities amounted to ¥14.4 billion, mainly reflecting repayment of loans.

After deducting cash and cash equivalents from financial debt, net financial debt totaled ¥370.2 billion, and the net debt-to-equity ratio was at 86%.

(Trends of cash flow data)

	As of /Year Ended March 31, 2007	As of /Year Ended March 31, 2008	As of /Year Ended March 31, 2009	As of /Year Ended March 31, 2010	As of /Year Ended March 31, 2011
Equity Ratio	24.8%	27.8%	22.9%	26.1%	24.2%
Fair Value Equity Ratio	48.1%	25.1%	11.9%	23.9%	18.3%
Cash-Flow-To-Total-Debt Ratio	4.1	4.9	-	6.5	45.2
Interest Coverage Ratio	7.1	5.3	-	8.1	1.3

Equity Ratio: Equity/Total Assets

Fair Value Equity Ratio: Gross Market Capitalization/Total Assets

Cash Flow to Total Debt: Total Debt/Operating Cash Flow

Interest Coverage Ratio: Operating Cash Flow/Interest Payments

1) All indicators are calculated on the basis of consolidated financial values.
2) Gross Market Capitalization is based on the total number of shares issued excluding treasury stock.
3) Cash Flow means the cash flow provided by operating activities.
4) Total Debt includes all debts that interests are paid on among debts booked in consolidated balance sheet.

(3) Our Basic Policy on Distribution of Earnings and Dividends for This and Following Fiscal Year

Our policy on distribution of earnings is to declare dividends by carefully considering each fiscal year's financial results and business environment. In consideration of our recognition of net loss for the year ended March 31, 2011 as well as the status of equity, we regret to announce that we have decided not to declare year-end dividends for the year ended March 31, 2011.

Also, the effects of the major earthquake in northeast Japan on our business performance in the next fiscal year are unclear. Thus, it is difficult at this moment to make a financial forecast. Accordingly, the dividend forecast for the year ending March 31, 2012 is yet to be determined. We will announce the dividend forecast promptly when it becomes estimable.

(4) Risks

Significant changes from the descriptions of business risks presented in Mazda's annual report for the year ended March 31, 2010 are as follows. Please note that descriptions of the future are judgments made by the Mazda Group as of March 31, 2011.

Economic Conditions Impacting the Mazda Group

The Mazda Group sells its products in Japan and around the world, including in North America, Europe, and Asia. Accordingly, the Mazda Group is strongly affected by economic trends and demand fluctuations in each of these markets. As such, the Mazda Group strives to make accurate forecasts on economic trends and demand fluctuations especially in major markets. However, in the event of a sudden economic downturn or decline in demand, it is difficult to anticipate the effects to our business precisely. Hence, such an event could adversely affect the results of operations and the financial position of the Mazda Group. In addition, unexpected changes in or new adoptions of taxation and accounting standards in various countries could adversely affect the results of operations and the financial position of the Mazda Group.

Procurement of Material and Parts

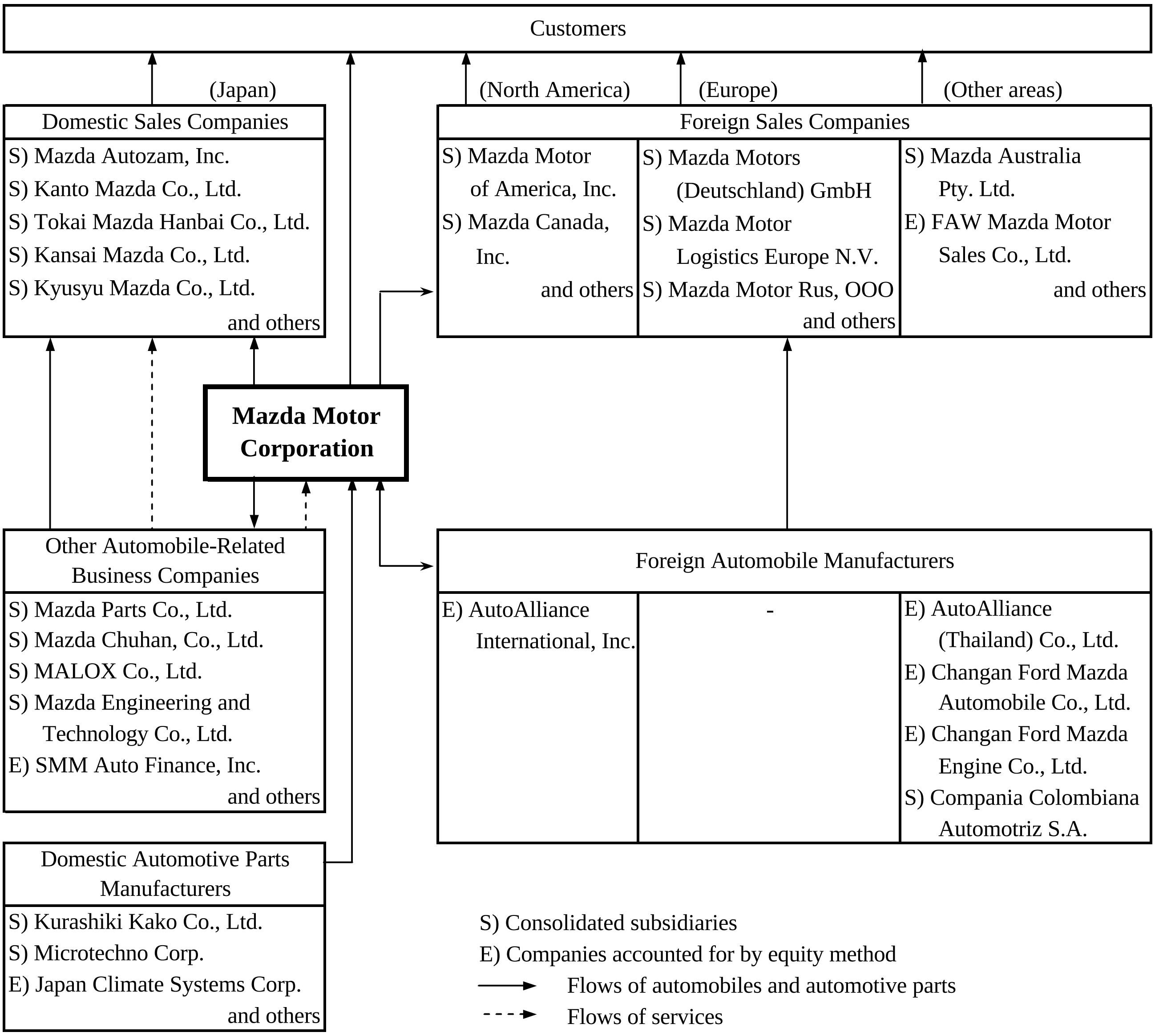
The Mazda Group relies on numerous suppliers outside the group for the procurement of materials and parts. Accordingly, cases such as the following may lead to a deterioration in output or higher costs, which could adversely affect the results of operations and the financial position of the Mazda Group: when the Mazda Group faces difficulties in procuring the necessary level of materials and parts for volume production, due to constraints at suppliers afflicted by disasters or deteriorations in logistics functions, or tight supply-demand balances, or changes to and/or breaches of supply contracts; when prices of materials procured by the Mazda Group rise sharply and cannot be offset by internal efforts to boost productivity, by passing on price rises to customers, or by other measures.

2. Mazda Group of Companies

Mazda group of companies consists of Mazda Motor Corporation, 51 consolidated subsidiaries and 14 equity method-applied companies (as of March 31, 2011) and is mainly engaged in the manufacturing and sales of automobiles and automotive parts as well as in other automobile-related businesses.

In Japan, Mazda Motor Corporation manufactures automobiles. Mazda Motor Corporation, Kurashiki Kako Co., Ltd. and other companies manufacture automotive parts. Outside of Japan, AutoAlliance International, Inc. and other companies manufacture automobiles and automotive parts. The automobiles and automotive parts manufactured by our group of companies are sold to customers by our sales companies. In Japan, Mazda Autozam, Inc., Kanto Mazda Co., Ltd. and other companies sell our automobiles and automotive parts to customers. To certain corporate customers, Mazda Motor Corporation directly sells our automobiles. Outside of Japan, the sales companies that sell our automobiles and automotive parts to customers include Mazda Motor of America, Inc. in North America, Mazda Motors (Deutschland) GmbH in Europe, and Mazda Australia Pty. Ltd. in Other areas, among other companies.

The following diagram approximately illustrates the roles, and the relations with segments, of Mazda Motor Corporation and its main related companies in conducting the group's business. The segments shown are identical to those discussed in the applicable section of the footnotes to the consolidated financial statements.



3. Management Policy

(1) Basic Policy of Corporate Management

Mazda's Corporate Vision is comprised of three factors: a "Vision" (corporate objectives) along with a statement of "Mission" (roles and responsibilities) and "Value" (the values Mazda seeks to produce). These principles help express what Mazda and Mazda's employees aim for, their roles and responsibilities, and the sense of worth with which they seek to achieve these aims. Through the realization of this Corporate Vision, we aim to consistently augment corporate value, which we view as leading to meeting the expectations of our stakeholders – including shareholders, customers, suppliers, employees and the community – and also leading to realizing sustainable development of society and of Mazda.

Vision: To create new value, excite and delight our customers through the best automotive products and services.

Mission: With passion, pride and speed, we actively communicate with our customers to deliver insightful automotive products and services that exceed their expectations.

Value: We value integrity, customer focus, creativity, efficient and nimble actions and respect highly motivated people and team spirit. We positively support environmental matters, safety and society. Guided by these values, we provide superior rewards to all people associated with Mazda.

(2) Target Business Indicators

In March 2007, we announced 'Mazda Advancement Plan,' our medium-term plan, based on a long-term strategy that had a perspective of ten years into the future.

In April 2010, we announced the 'Framework for medium- and long-term initiatives.' The Framework advances and evolves the key initiatives which we have continuously worked on under the 'Mazda Advancement Plan'. Those key initiatives are: 1. Brand Value, 2. Monotsukuri Innovation, 3. Environmental and Safety Technologies, 4. Emerging Markets, and 5. Ford Synergies.

Please note that business indicators and other descriptions of the future are based on certain assumptions judged by the Mazda Group as of March 31, 2011. Such descriptions may differ from the actual results and the achievement of such descriptions is not guaranteed in any way.

'Framework for medium- and long-term initiatives' and status of progress thereof

1. Brand Value

Measures to enhance brand value are yielding steady results. The residual values of Mazda cars are steadily increasing in major markets. We will maintain our policy of enhancing brand value hereafter. We have started deploying new sales initiatives, called "Tsunagari innovation", on a global basis, in coordination with the introduction of next-generation vehicles.

2. Monotsukuri Innovation

Monotsukuri Innovation activities are making steady progress. Through the implementation of the "Common Architecture Concept based on Integrated Planning" and "Flexible Production Concept", we seek to raise development efficiency significantly. We also plan to upgrade the performance of next-generation vehicles and powertrains, while achieving costs equivalent to or better than the current level. Furthermore, through establishment of the flexible production system, future capital investment in facilities and equipment is expected to become substantially more efficient.

3. Environmental and Safety Technologies

Mazda aims to offer “driving pleasure” and “excellent environment and safety performance” to all customers. To achieve that objective, we have committed ourselves to improving average fuel efficiency of Mazda vehicles to be sold globally by 30% from the 2008 level by 2015, based on “Sustainable Zoom-Zoom.” We are advancing the “Building Block Strategy,” under which we pursue a thorough improvement in base technologies underlying basic vehicle performance; and then gradually combine the basics with electric devices, from idling stop system and regenerative braking technology to hybrid system. In line with this strategy, we will launch a vehicle equipped with next-generation technology called “SKYACTIV TECHNOLOGY” in Japan this year.

4. Emerging Markets

Expansion of our overseas production base as well as enhancement of our sales network is also on track. In February 2011, we announced the start of production (local assembly) of the Mazda3 for the Thailand market at Auto Alliance (Thailand) Co., Ltd., a joint venture manufacturing facility with Ford Motor Company. Also in Malaysia, in March 2011, we announced the start of local assembly of the Mazda3 in response to expected sales growth. Furthermore, we plan to expand production and sales in the China market hereafter.

5. Ford Synergies

We will maintain a strategic relationship in our alliance with Ford Motor Company, one of our largest shareholders. Mazda and Ford will continue to collaborate on areas of mutual benefit, such as key joint ventures, joint projects, and exchange of technology information.

The business indices in the Fiscal Year ending March 2016, announced in the ‘Framework for medium- and long-term initiatives’, are as follows.

Outlook of business indices in the Fiscal Year ending March 2016

- Global sales volume:	1.7 million units
- Consolidated operating profit:	170 billion yen
- ROS (Consolidated operating return on sales):	5% or more

We have embarked on certain studies, the effects of which have not been included in the above outlook upon its announcement. Such studies include those on entry into emerging markets yet to be entered by Mazda. We also plan to develop electric vehicles in-house and lease them mainly to local government bodies and fleet customers in Japan, from the spring of 2012. We plan to review, as the situation demands, the effects of these items, as well as changes in the business environment subsequent to the announcement of the ‘Framework’, such as the continuing trend of the strong yen. And we will reflect the result of the review in the above business indices at the appropriate timing.

(3) Issues to be Addressed and the Mid- and Long-term Corporate Business Strategy

In response to the effects of the major earthquake in northeast Japan, we will take actions to improve the plant utilization rate, verifying the status of procurement of parts and materials. We will also work on improving the mix of market destinations and vehicles. Also, in response to the rapid changes in business environment surrounding the Mazda Group, we will accelerate cost improvement activities as well as work on recovering the cost competitiveness of domestic facilities, in an effort to secure flexibility against foreign exchange rate fluctuations.

In the medium- and long-term, we will maintain and advance the ‘Framework for medium- and long-term initiatives’, as described above in ‘(2) Target Business Indicators’.

(4) Other Important Items for the Company’s Business Management

Mazda formed a global partnership with the Ford Motor Company in 1979, and since then both companies have further developed and strengthened their cooperative relationship. An agreement was concluded in 1996 to further bolster that relationship with an increase in Ford’s equity in Mazda’s total shares outstanding to 33.4%. On November 19, 2008, Ford sold a portion of its shareholding, reducing its stake in Mazda to 13.8%.

Subsequently, Mazda carried out a capital increase via public offering; the payment date was October 21, 2009. Mazda also carried out a capital increase via third-party allotment; the payment date was November 12, 2009. As a consequence of these capital increases, Ford’s shareholding was reduced to 11.0% of Mazda’s total shares outstanding.

On November 19, 2010, Ford sold a part of its stake in Mazda. As a consequence, Ford now owns 3.5% of Mazda’s outstanding shares. Ford is still one of Mazda’s largest shareholders and, as such, the two companies have agreed to continue their strategic partnership. Mazda and Ford will continue to collaborate on areas of mutual benefit, such as key joint ventures, joint projects, and exchange of technology information.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheet

As of March 31	Millions of Yen 2010	**2011**
ASSETS		
Current Assets:		
Cash and time deposits	271,074	**170,228**
Trade notes and accounts receivable	172,489	**154,498**
Securities	94,683	**152,630**
Inventories	210,872	**197,011**
Deferred taxes	60,311	**58,307**
Other	90,071	**89,481**
Allowance for doubtful receivables	(2,263)	**(1,726)**
Total current assets	897,237	**820,429**
Fixed Assets:		
Tangible fixed assets:		
Buildings and structures (net)	143,217	**139,131**
Machinery and vehicles (net)	181,520	**155,174**
Tools, furniture, and fixtures (net)	18,000	**14,751**
Land	433,827	**430,367**
Leased assets (net)	29,283	**14,510**
Construction in progress	19,510	**32,115**
Other (net)	214	**173**
Total tangible fixed assets	825,571	**786,221**
Intangible fixed assets:		
Software	19,820	**17,220**
Other	3,531	**2,884**
Total intangible fixed assets	23,351	**20,104**
Investments and other fixed assets:		
Investment securities	86,020	**90,142**
Long-term loans receivable	5,813	**5,255**
Deferred taxes	88,182	**32,558**
Other	27,174	**21,886**
Allowance for doubtful receivables	(4,298)	**(3,809)**
Investment valuation allowance	(1,281)	**(1,019)**
Total investments and other fixed assets	201,610	**145,013**
Total fixed assets	1,050,532	**951,338**
Total Assets	1,947,769	**1,771,767**

As of March 31	Millions of Yen 2010	**2011**
LIABILITIES		
Current Liabilities:		
Trade notes and accounts payable	271,118	**208,111**
Short-term loans payable	80,836	**79,447**
Long-term loans payable due within one year	70,344	**93,905**
Bonds due within one year	100	**20,100**
Lease obligations	14,565	**11,799**
Income taxes payable	8,041	**9,026**
Other accounts payable	17,777	**22,738**
Accrued expenses	153,336	**123,883**
Reserve for warranty expenses	36,929	**42,556**
Other	23,545	**30,752**
Total current liabilities	676,591	**642,317**
Fixed Liabilities:		
Bonds	95,850	**95,750**
Long-term loans payable	429,113	**379,519**
Lease obligations	31,320	**12,480**
Deferred tax liability related to land revaluation	93,680	**93,431**
Employees' and executive officers' severance and retirement benefits	84,553	**78,284**
Reserve for loss from business of affiliates	5,862	**9,998**
Reserve for environmental measures	1,464	**1,474**
Other	19,521	**27,975**
Total fixed liabilities	761,363	**698,911**
Total Liabilities	1,437,954	**1,341,228**
EQUITY		
Capital and Retained Earnings:		
Common stock	186,500	**186,500**
Capital surplus	170,192	**170,192**
Retained earnings	80,268	**15,082**
Treasury stock	(2,182)	**(2,189)**
Total capital and retained earnings	434,778	**369,585**
Accumulated Other Comprehensive Income/(Loss):		
Net unrealized gain/(loss) on available-for-sale securities	131	**(167)**
Net loss on derivative instruments	(1,498)	**(2,841)**
Land revaluation	136,160	**135,794**
Foreign currency translation adjustments	(61,583)	**(71,233)**
Pension adjustments recognized by foreign consolidated subsidiaries	(79)	**(2,326)**
Total accumulated other comprehensive income/(loss)	73,131	**59,227**
Stock Acquisition Rights	445	**460**
Minority Interests in Consolidated Subsidiaries	1,461	**1,267**
Total Equity	509,815	**430,539**
Total Liabilities and Equity	1,947,769	**1,771,767**

(2) Consolidated Statements of Operations and Comprehensive Operations

Consolidated Statement of Operations

Years ended March 31	Millions of Yen 2010	**2011**
Net sales	2,163,949	**2,325,689**
Costs of sales	1,710,699	**1,863,678**
Gross profit on sales	453,250	**462,011**
Selling, general and administrative expenses	443,792	**438,176**
Operating income	9,458	**23,835**
Non-operating income		
Interest income	1,936	**1,852**
Dividend income	140	**219**
Rental income	2,035	**2,023**
Equity in net income of affiliates	8,667	**14,216**
Foreign exchange gain	-	**9,230**
Other	3,143	**3,043**
Total	15,921	**30,583**
Non-operating expenses		
Interest expense	13,947	**11,840**
Foreign exchange loss	807	**-**
Loss on sale of receivables	1,397	**1,234**
Other	4,584	**4,482**
Total	20,735	**17,556**
Ordinary income	4,644	**36,862**
Extraordinary profits		
Gain on sale of tangible fixed assets	204	**729**
Gain on sale of investment securities	10	**15**
Gain on sale of investments in affiliates	440	**702**
Reversal of investment valuation allowance	227	**285**
Compensation for the exercise of eminent domain	311	**2**
Other	5	**11**
Total	1,197	**1,744**
Extraordinary losses		
Loss on retirement and sale of tangible fixed assets	3,216	**2,637**
Loss on impairment of fixed assets	2,495	**3,416**
Reserve for loss from business of affiliates	5,862	**8,533**
Reserve for environmental measures	1,464	**11**
Adoption of accounting standards for asset retirement obligations	-	**2,684**
Loss on disaster	-	**5,211**
Other	69	**33**
Total	13,106	**22,525**
(Loss)/income before income taxes	(7,265)	**16,081**
Income taxes		
Current	13,381	**16,664**
Release of provision for income taxes by a foreign subsidiary	(6,169)	**-**
Deferred	(8,192)	**59,181**
Total	(980)	**75,845**
Loss before minority interests	-	**(59,764)**
Minority interests in consolidated subsidiaries	193	**278**
Net loss	(6,478)	**(60,042)**

Consolidated Statement of Comprehensive Operations

	Millions of Yen	
Years ended March 31	2010	**2011**
Loss before minority interests	**-**	**(59,764)**
Other comprehensive loss		
Net unrealized loss on available-for-sale securities	**-**	**(300)**
Net loss on derivative instruments	**-**	**(1,398)**
Foreign currency translation adjustments	**-**	**(4,378)**
Pension adjustments recognized by foreign consolidated subsidiaries	**-**	**(2,247)**
Share of other comprehensive loss of affiliates accounted for using equity method	**-**	**(5,225)**
Total	**-**	**(13,548)**
Comprehensive loss	**-**	**(73,312)**
Comprehensive loss attributable to:		
Owners of the parent	**-**	**(73,580)**
Minority interests	**-**	**268**

(3) Consolidated Statement of Equity

Millions of yen

Years ended	Equity: Capital and retained earnings: Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Accumulated other comprehensive income/(loss)	Stock acquisition rights	Minority interests in consolidated subsidiaries	Total
March 31, 2009	150,068	133,760	86,874	(22,976)	347,726	65,393	340	1,272	414,731
Issuance of new common stock	36,432	36,432	-	-	72,864	-	-	-	72,864
Treasury stock	-	-	-	20,794	20,794	-	-	-	20,794
Net loss	-	-	(6,478)	-	(6,478)	-	-	-	(6,478)
Land revaluation	-	-	(128)	-	(128)	128	-	-	-
Net unrealized loss on available-for-sale securities	-	-	-	-	-	(29)	-	-	(29)
Net loss on derivative instruments	-	-	-	-	-	(268)	-	-	(268)
Adjustments from translation of foreign currency financial statements	-	-	-	-	-	7,900	-	-	7,900
Pension adjustments recognized by a foreign consolidated subsidiary	-	-	-	-	-	7	-	-	7
Stock acquisition rights from granting of share-based payment	-	-	-	-	-	-	105	-	105
Minority interests in consolidated subsidiaries	-	-	-	-	-	-	-	189	189
March 31, 2010	186,500	170,192	80,268	(2,182)	434,778	73,131	445	1,461	509,815
Effect of changes in accounting policies applied to foreign equity-method affiliates on the beginning balance of retained earnings	-	-	**(309)**	-	**(309)**	-	-	-	**(309)**
Treasury stock	-	-	-	**(7)**	**(7)**	-	-	-	**(7)**
Cash dividends paid	-	-	**(5,311)**	-	**(5,311)**	-	-	-	**(5,311)**
Net loss	-	-	**(60,042)**	-	**(60,042)**	-	-	-	**(60,042)**
Land revaluation	-	-	**366**	-	**366**	**(366)**	-	-	-
Net unrealized loss on available-for-sale securities	-	-	-	-	-	**(298)**	-	-	**(298)**
Net loss on derivative instruments	-	-	-	-	-	**(1,343)**	-	-	**(1,343)**
Adjustments from translation of foreign currency financial statements	-	-	-	-	-	**(9,650)**	-	-	**(9,650)**
Pension adjustments recognized by foreign consolidated subsidiaries	-	-	-	-	-	**(2,247)**	-	-	**(2,247)**
Stock acquisition rights from granting of share-based payment	-	-	-	-	-	-	**15**	-	**15**
Minority interests in consolidated subsidiaries	-	-	-	-	-	-	-	**(194)**	**(194)**
Change of consolidation scope	-	-	**110**	-	**110**	-	-	-	**110**
March 31, 2011	**186,500**	**170,192**	**15,082**	**(2,189)**	**369,585**	**59,227**	**460**	**1,267**	**430,539**

(4) Consolidated Statement of Cash Flows

Years ended March 31	Millions of Yen 2010	**2011**
Cash flows from operating activities:		
(Loss)/income before income taxes	(7,265)	**16,081**
Adjustments to reconcile (loss)/income before income taxes to net cash provided by operating activities:		
Depreciation and amortization	76,428	**71,576**
Loss on impairment of fixed assets	2,495	**3,416**
Adoption of accounting standards for asset retirement obligations	-	**2,684**
Allowance for doubtful receivables	(457)	**(469)**
Investment valuation allowance	(225)	**(262)**
Reserve for warranty expenses	(1,060)	**5,627**
Employees' and executive officers' severance and retirement benefits	(5,815)	**(6,074)**
Reserve for loss from business of affiliates	5,862	**4,136**
Reserve for environmental measures	1,464	**10**
Interest and dividend income	(2,076)	**(2,071)**
Interest expense	13,947	**11,840**
Equity in net loss/(income) of affiliated companies	(8,667)	**(14,216)**
Loss/(gain) on retirement and sale of tangible fixed assets	3,012	**1,908**
Loss/(gain) on sale of investment securities	(3)	**(11)**
Loss/(gain) on sale of investments in affiliates	(440)	**(702)**
Decrease/(increase) in trade notes and accounts receivable	(35,431)	**20,679**
Decrease/(increase) in inventories	16,230	**4,763**
Increase/(decrease) in trade notes and accounts payable	94,467	**(61,124)**
Increase/(decrease) in other current liabilities	(4,857)	**(10,262)**
Other	(22,077)	**(8,947)**
Subtotal	125,532	**38,582**
Interest and dividends received	4,334	**5,351**
Interest paid	(13,834)	**(11,986)**
Income taxes refunded/(paid)	(4,386)	**(16,603)**
Net cash provided by operating activities	111,646	**15,344**
Cash flows from investing activities:		
Payments into time deposits	-	**(10,001)**
Proceeds from withdrawal of time deposits	-	**10,013**
Purchase of securities	(20,000)	**-**
Proceeds from sale and redemption of securities	-	**20,000**
Purchase of investment securities	(4,731)	**(1,229)**
Proceeds from sale of investment securities	20	**-**
Proceeds from sale and redemption of investment securities	-	**191**
Acquisition of tangible fixed assets	(20,718)	**(32,249)**
Proceeds from sale of tangible fixed assets	4,229	**2,758**
Acquisition of intangible fixed assets	(4,314)	**(4,946)**
Decrease/(increase) in short-term loans receivable	932	**4**
Long-term loans receivable made	(141)	**(330)**
Collections of long-term loans receivable	270	**406**
Sale of investments in subsidiaries affecting scope of consolidation	204	**1,691**
Other	(3)	**(25)**
Net cash used in investing activities	(44,252)	**(13,717)**

Years ended March 31	Millions of Yen 2010	**2011**
Cash flows from financing activities:		
Increase/(decrease) in short-term loans payable	(47,389)	**1,605**
Proceeds from long-term loans payable	78,400	**91,780**
Repayment of long-term loans payable	(49,625)	**(111,089)**
Proceeds from issuance of bonds	1,000	**19,913**
Redemption of bonds	(50)	**(100)**
Proceeds from issuance of common stock	73,537	**-**
Proceeds from sale and leaseback transactions	1,483	**2,476**
Payment of lease obligations	(16,483)	**(12,637)**
Cash dividends paid	-	**(5,311)**
Cash dividends paid to minority shareholders	(2)	**(458)**
Treasury stock transactions	19,765	**(7)**
Other	315	**(532)**
Net cash provided by/(used in) financing activities	60,951	**(14,360)**
Effects of exchange rate fluctuations on cash and cash equivalents	(2,766)	**(10,721)**
Net increase/(decrease) in cash and cash equivalents	125,579	**(23,454)**
Cash and cash equivalents at beginning of the period	220,724	**346,303**
Cash and cash equivalents at end of the period	346,303	**322,849**

(5) Going Concern

There are no matters to be discussed.

(6) Significant Accounting Policies in Preparing the Consolidated Financial Statements

1. Consolidation Scope and Application of Equity Method

1) Consolidated Subsidiaries	51	
Overseas	26	Mazda Motor of America, Inc., Mazda Motors (Deutschland) GmbH and other
Domestic	25	15 dealers and 10 other
2) Equity Method-Applied Companies	14	
Overseas	5	AutoAlliance International, Inc., AutoAlliance (Thailand) Co., Ltd. and other
Domestic	9	3 automotive parts sales companies and 6 other

2. Changes in Consolidation Scope and Application of Equity Method

1) Consolidated Subsidiaries		
(Excluded)	1	
Domestic	1	Niigata Mazda Motor Co., Ltd. (90% stake in the equity shares of Niigata Mazda were transferred to an independent company on December 1, 2010.)

3. Accounting Periods of Consolidated Subsidiaries

The year-end consolidated balance sheet date is March 31. Among the consolidated subsidiaries, 7 companies, Compania Colombiana Automotriz S.A., Vehiculos Mazda de Venezuela C.A., Mazda Motor (China) Co., Ltd., Mazda South East Asia, Ltd., Mazda Motor de Mexico, S. de R.L de C.V., Mazda Servicios de Mexico, S. de R.L de C.V., and Mazda Motor Rus, OOO have a year-end balance sheet date different from the year-end consolidated balance sheet date, all of which are December 31.

In preparing the consolidated financial statements, for 2 of the 7 companies, Mazda Motor (China) Co., Ltd. and Mazda South East Asia, Ltd., the financial statements of each of these companies with the December 31 year-end balance sheet date are used; however, adjustments necessary in consolidation were made for material transactions that occurred between the balance sheet dates of these subsidiaries and the consolidated balance sheet date.

On the other hand, for 3 of the 7 companies, Mazda Motor de Mexico, S. de R.L de C.V., Mazda Servicios de Mexico, S. de R.L de C.V., and Mazda Motor Rus, OOO, special purpose financial statements prepared for consolidation as of the consolidated balance sheet date are used to supplement the companies' statutory financial statements.

Prior to the year ended March 31, 2011, for 2 of the 7 companies, Compania Colombiana Automotriz S.A. and Vehiculos Mazda de Venezuela C.A., the financial statements of each of these companies with the December 31 year-end balance sheet date were used, and adjustments necessary in consolidation were made for material transactions that occurred between the balance sheet dates of these subsidiaries and the consolidated balance sheet date. However, commencing in the year ended March 31, 2011, for these 2 companies, special purpose financial statements prepared for consolidation as of the consolidated balance sheet date are used to supplement the companies' statutory financial statements.

Commencing in the year ended March 31, 2011, Mazda Sales (Thailand) Co., Ltd. and P.T. Mazda Motor Indonesia changed the year-end balance sheet date from December 31 to March 31. Accordingly, for these companies, as well as for Compania Colombiana Automotriz S.A. and Vehiculos Mazda de Venezuela C.A., the consolidated operating results for the year ended March 31, 2011 consisted of 15 months of operations from January 1, 2010 to

March 31, 2011. The effects of this change on the consolidated statement of operations for the year ended March 31, 2011 were to increase net sales by ¥27,747 million, increase operating income, ordinary income, and income before income taxes by ¥1,323 million, ¥1,417 million, and ¥1,414 million, respectively, and decrease net results by ¥1,046 million.

Also, the effects of this change on segment information are discussed in the applicable section of the footnotes to the consolidated financial statements.

4. Accounting Policies

1) Valuation Standards and Methods of Significant Assets

a) Securities

Available-for-sale securities

With available fair value:	Recorded at fair value estimated based on quoted market prices on the balance sheet date, with unrealized gains and losses excluded from income and reported in a separate component of equity net of tax. The bases of cost are on a historical cost basis mainly based on a moving average method.
Without available fair value:	Recorded at cost on a historical cost basis mainly on a moving average method.
b) Derivative instruments:	Mainly a fair value method.
c) Inventories:	For inventories that are held for the purpose of sales in the normal course of business, inventories are recorded mainly on a historical cost basis based on an average method. (The carrying value in the consolidated balance sheet is determined by the lower of cost or net realizable value.)

2) Depreciation and Amortization Methods of Significant Fixed Assets

a) Tangible Fixed Assets (excluding leased assets)

Mainly a straight-line method. Useful lives and residual values are estimated by a method equivalent to the provisions of Japanese income tax law.

b) Intangible Fixed Assets (excluding leased assets)

Straight-line method with periods of useful life estimated by a method equivalent to the provisions of Japanese income tax law. Software for internal use is amortized on a straight-line basis over the period of internal use, i.e., 5 years.

c) Leased assets

For finance leases which do not transfer ownership, depreciation or amortization expense is recognized on a straight-line basis over the lease period. For leases with a guaranteed minimum residual value, the contracted residual value is considered to be the residual value for financial accounting purposes. For other leases, the residual value is zero.

3) Standards for Recognition of Reserves

a) Allowance for doubtful receivables

Allowance for doubtful receivables provides for the losses from bad debt. The amount estimated to be uncollectible is recognized. For receivables at an ordinary risk, the amount is estimated based on the past default ratio. For receivables at a high risk and receivables from debtors under bankruptcy proceedings, the amount is estimated based on the financial standing of the debtor.

b) Investment valuation allowance

Investment valuation allowance provides for losses from investments. The amount is estimated in light of the financial standings of the investee companies.

c) Reserve for warranty expenses

Reserve for warranty expenses provides for after-sales expenses of products (vehicles). The amount is estimated per product warranty provisions and actual costs incurred in the past, taking future prospects into consideration.

d) Employees' and executive officers' severance and retirement benefits

Employees' and executive officers' severance and retirement benefits provide for the costs of severance and retirement benefits to employees and executive officers. For employees' severance and retirement benefits, the amount estimated to have been incurred as of the end of the current fiscal year is recognized based on the estimated amount of liabilities for severance and retirement benefits and the estimated fair value of the pension plan assets at the end of the current fiscal year. The recognition of prior service cost is deferred on a straight-line basis over a period equal to or less than the average remaining service period of employees at the time such cost is incurred (mainly 12 years). The recognition of actuarial differences is also deferred on the straight-line basis over a period equal to or less than the average remaining service period of employees at the time such gains or losses are realized (mainly 13 years). The amortization of net gains or losses starts from the fiscal year immediately following the year in which such gains or losses arise. For executive officers' retirement benefits, the liability is provided for the amount that would be required by the internal corporate policy if all the eligible executive officers retired at the balance sheet date.

e) Reserve for loss from business of affiliates

Reserve for loss from business of affiliates provides for losses from affiliates' businesses. The amount of loss estimated to be incurred by Mazda Motor Corporation is recognized.

f) Reserve for environmental measures

Reserve for environmental measures provides for expenditure aimed at environmental measures. The amount of future expenditure estimated as of the end of the current fiscal year is recognized.

4) Foreign Currency Translation

Receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rate on the fiscal year end; gains and losses in foreign currency translation are included in the income of the current period. Balance sheets of consolidated foreign subsidiaries are translated into Japanese yen at the rates on the fiscal year ends of the subsidiaries' accounting periods except for equity accounts, which are translated at the historical rates. Income statements of consolidated foreign subsidiaries are translated at average rates of the subsidiaries' fiscal years, with the translation differences prorated and included in the equity as foreign currency translation adjustments and minority interests.

5) Accounting for Hedging Activities

Full-deferral hedge accounting is mainly applied. Also, for certain interest rate swap contracts that are used as hedges and meet certain hedging criteria, the net amount to be paid or received under the interest rate swap contract is added to or deducted from the interest on the assets or liabilities for which the interest rate swap contract was executed.

6) Amortization of Goodwill

Goodwill is amortized on a straight-line basis over a period (primarily 5 years) during which each investment is expected to generate benefits.

7) Cash and Cash Equivalents in the Consolidated Statement of Cash Flows

Cash and cash equivalents consist of cash on hand, bank deposits that can be readily withdrawn, and short-term, highly liquid investments with maturities of three months or less at the time of acquisition that present insignificant risk of changes in value.

8) Accounting for Consumption Taxes

Tax-excluding method

(7) Accounting Changes and Adoption of New Accounting Standards

1) Adoption of Accounting Standard for Equity Method of Accounting for Investments and Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method

Commencing in the year ended March 31, 2011, Mazda Motor Corporation (the "Company") and its foreign affiliates accounted for using the equity method adopted the Accounting Standards Board of Japan ("ASBJ") Statement No. 16 "*Accounting Standard for Equity Method of Accounting for Investments*" and the Practical Issues Task Force ("PITF") No. 24 "*Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the*

Equity Method", both issued by the ASBJ on March 10, 2008.

As a result, for similar transactions and events that occurred under similar circumstances, the accounting policies and procedures applied to the investing company (the Company and its subsidiaries) and the investee companies accounted for using the equity method are unified in principle, unless there is a rational reason for not doing so.

The effects of adopting these standards on ordinary income and income before income taxes in the consolidated statement of operations for the year ended March 31, 2011 were immaterial.

2) Adoption of Accounting Standards for Asset Retirement Obligations

Commencing in the year ended March 31, 2011, the Company and its consolidated domestic subsidiaries adopted the ASBJ Statement No. 18 "*Accounting Standard for Asset Retirement Obligations*" and the ASBJ Guidance No. 21 "*Guidance on Accounting Standard for Asset Retirement Obligations*", both issued by the ASBJ on March 31, 2008.

The effects of adopting these standards on the consolidated statement of operations for the year ended March 31, 2011 were to decrease operating income and ordinary income by ¥329 million each and income before income taxes by ¥3,013 million.

Changes in Financial Statement Presentation

Consolidated Statement of Operations

Commencing in the year ended March 31, 2011, the Company adopted the Cabinet Office Ordinance No. 5, "*Cabinet Office Ordinance Revising Some Portions of the Regulations for Financial Statements*", dated March 24, 2009, based on the ASBJ Statement No. 22 "*Accounting Standard for Consolidated Financial Statements*", issued by the ASBJ on December 26, 2008.

As a result, "loss before minority interests" is presented in the consolidated statement of operations for the year ended March 31, 2011.

Consolidated Statement of Cash Flows

In preparing the consolidated statement of cash flows, prior to the year ended March 31, 2011, in the cash flows from investing activities, payments into time deposits (that amounted to ¥550 million in the year ended March 31, 2010) and proceeds from withdrawal of time deposits (that amounted to ¥550 million in the year ended March 31, 2010) were included in "Other." However, commencing in the year ended March 31, 2011, these cash flows are separately presented as "Payments into time deposits" and "Proceeds from withdrawal of time deposits", due to their increased materiality.

(The consolidated statement of cash flows for the year ended March 31, 2010 presented in this material has not been reclassified; it is presented as originally disclosed in the prior year.)

(Additional Information)

Adoption of Accounting Standard for Presentation of Comprehensive Income

Commencing in the year ended March 31, 2011, the Company and its consolidated domestic subsidiaries adopted the ASBJ Statement No. 25, "*Accounting Standard for Presentation of Comprehensive Income*", issued by the ASBJ on June 30, 2010.

The amounts presented as "Accumulated other comprehensive income/(loss)" and "Total accumulated other comprehensive income/(loss)" in the consolidated financial statements for the year ended March 31, 2010 represent amounts of "Valuation and translation adjustments" and "Total valuation and translation adjustments", respectively.

(8) Footnotes to the Consolidated Financial Statements

Consolidated Statement of Comprehensive Operations

(For the year ended March 31, 2010)

Comprehensive income		
Comprehensive income attributable to owners of parent	1,132	million yen
Comprehensive income attributable to minority interests	193	million yen
Total	1,325	million yen
Other comprehensive income /(loss)		
Net unrealized loss on available-for-sale securities	(24)	million yen
Net loss on derivative instruments	(204)	million yen
Foreign currency translation adjustments	6,406	million yen
Pension adjustments recognized by foreign consolidated subsidiaries	7	million yen
Share of other comprehensive income of affiliates accounted for using equity method	1,425	million yen
Total	7,610	million yen

Segment Information

(For the year ended March 31, 2010)

a) Information by Industry Segment

The Company and its consolidated subsidiaries are primarily engaged in the manufacture and sale of passenger and commercial vehicles. Net sales and total identifiable assets related to this industry exceeded 90% of the total respective amounts of all the industry segments. Also, operating income/(loss) related to this industry exceeded 90% of the larger of the absolute total amount of operating income and that of operating loss of all the industry segments.
Accordingly, information by industry segment is not shown.

b) Information by Geographic Areas

	Millions of Yen						
Year ended March 31, 2010	Japan	North America	Europe	Other areas	Total	Elimination or corporate	Consolidated
Net sales:							
Outside customers	894,469	566,040	479,891	223,549	2,163,949	-	2,163,949
Inter-area	972,776	6,010	8,794	1,687	989,267	(989,267)	-
Total	1,867,245	572,050	488,685	225,236	3,153,216	(989,267)	2,163,949
Costs and expenses	1,836,457	591,353	485,180	219,859	3,132,849	(978,358)	2,154,491
Operating income/(loss)	30,788	(19,303)	3,505	5,377	20,367	(10,909)	9,458
Total identifiable assets	1,825,170	171,053	221,094	61,724	2,279,041	(331,272)	1,947,769

Note:

Method of segmentation and principal countries or regions belonging to each segment

1) Method: Segmentation by geographic adjacency
2) Principal countries or regions belonging to each segment

North America:	U.S.A. and Canada
Europe:	Germany, Belgium, and U.K.
Other areas:	Australia, Colombia, and Thailand

c) Overseas Sales

	Millions of Yen			
Year ended March 31, 2010	North America	Europe	Other areas	Total
Overseas sales	574,640	477,337	536,990	1,588,967
Consolidated sales	-	-	-	2,163,949
Percentage of overseas sales to consolidated sales	% 26.5	% 22.1	% 24.8	% 73.4

Notes:

1. Overseas sales include exports by the Company and its consolidated domestic subsidiaries as well as sales (other than exports to Japan) by foreign consolidated subsidiaries.

2. Method of segmentation and principal countries or regions belonging to each segment

1) Method: Segmentation by geographic adjacency
2) Principal countries or regions belonging to each segment

North America:	U.S.A. and Canada
Europe:	Germany, U.K., and Russia
Other areas:	Australia, China, and Thailand

(For the year ended March 31, 2011)

(Additional Information)

Commencing in the year ended March 31, 2011, the Company adopted the revised ASBJ Statement No. 17 "*Accounting Standard for Disclosures about Segments of an Enterprise and Related Information"* issued by the ASBJ on March 27, 2009 and the ASBJ Guidance No. 20 "*Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information*" issued by the ASBJ on March 21, 2008.

1) Overview of Reportable Segments

The reportable segments of the Company 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.

The Company is primarily engaged in the manufacture and sale of passenger and commercial vehicles. Businesses in the Japan, North America and Europe regions are managed by the Company, Mazda Motor of America, Inc. and Mazda Motor Europe GmbH, respectively. Areas other than Japan, North America and Europe are defined as Other areas. Business deployment in countries in Other areas are managed in an integrated manner by the Company.

Accordingly, the Company 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."

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

Comparative information for the year ended March 31, 2010, calculated in accordance with the revised ASBJ Statement No. 17 and the related Guidance, is omitted, as equivalent information based on the treatment prior to adopting these accounting standards is presented in the applicable section.

	Millions of Yen						
	Reportable Segments						
Year Ended March 31, 2011	Japan	North America	Europe	Other areas	Total	Adjustment (Note 1)	Consolidated (Note 2)
Net sales:							
Outside customers	**965,203**	**623,990**	**427,721**	**308,775**	**2,325,689**	**-**	**2,325,689**
Inter-segment	**1,034,278**	**7,054**	**10,471**	**1,620**	**1,053,423**	**(1,053,423)**	**-**
Total	**1,999,481**	**631,044**	**438,192**	**310,395**	**3,379,112**	**(1,053,423)**	**2,325,689**
Segment income/(loss)	**32,555**	**(31,731)**	**7,901**	**12,820**	**21,545**	**2,290**	**23,835**
Segment assets	**1,566,139**	**142,415**	**162,003**	**108,448**	**1,979,005**	**(207,238)**	**1,771,767**
Other items							
Depreciation and amortization	**64,923**	**2,356**	**3,000**	**691**	**70,970**	**-**	**70,970**
Amortization of goodwill	**50**	**450**	**106**	**-**	**606**	**-**	**606**
Investments in equity method-applied affiliates	**9,481**	**27,813**	**-**	**40,850**	**78,144**	**-**	**78,144**
Increase in tangible and intangible fixed assets	**41,121**	**1,621**	**1,324**	**656**	**44,722**	**-**	**44,722**

As explained under "Accounting Periods of Consolidated Subsidiaries", commencing in the year ended March 31, 2011, Mazda Sales (Thailand) Co., Ltd. and P.T. Mazda Motor Indonesia, which belong to "Other areas", changed the year-end balance sheet date from December 31 to March 31. Also in "Other areas", commencing in the year ended March 31, 2011, for Compania Colombiana Automotriz S.A. and Vehiculos Mazda de Venezuela C.A., which have a December 31 year-end balance sheet date, special purpose financial statements prepared for consolidation as of the consolidated balance sheet date are used to supplement the companies' statutory financial statements. Accordingly, for these 4 companies, the consolidated operating results for the year ended March 31, 2011 consisted of 15 months of operations from January 1, 2010 to March 31, 2011. The effects of this change on the operating results of "Other areas" segment for the year ended March 31, 2011 were to increase net sales by 27,747 million yen and segment income by 1,323 million yen.

Notes:

1. Notes on Adjustment:
   (1) The adjustment on segment income/(loss) are eliminations of inter-segment transactions.
   (2) The adjustment on segment assets are mainly eliminations of inter-segment receivables and payables.
2. Segment income/(loss) is reconciled with the operating income in the consolidated statement of operations for the year ended March 31, 2011.

Information on Amounts Per Share of Common Stock

Years ended March 31		Yen 2010	**2011**
Equity per share of common stock		286.92	**242.24**
Net loss per share of common stock:	Basic	(4.26)	**(33.92)**
	Diluted	-	**-**

For the years ended March 31, 2010 and 2011, although potentially dilutive securities exist, since net loss was recorded, diluted information is not presented.

Note: Bases of calculation of net loss per share of common stock are as follows:

Years ended March 31	Millions of Yen / Thousands of Shares 2010	**2011**
Net loss as reported in the consolidated statement of operations	(6,478)	**(60,042)**
Net loss on common stock	(6,478)	**(60,042)**
Average number of shares of common stock outstanding during the period	1,519,652	**1,770,198**

Significant Subsequent Events

(For the year ended March 31, 2010)

None

(For the year ended March 31, 2011)

None

5. Unconsolidated Financial Statements

(1) Unconsolidated Balance Sheet

As of: March 31	Million of Yen 2010	**2011**
ASSETS		
Current Assets:		
Cash and time deposits	184,149	**97,008**
Accounts receivable	228,776	**166,897**
Securities	93,000	**151,000**
Finished products	28,500	**10,936**
Work in process	51,730	**53,072**
Raw materials and Supplies	4,735	**5,692**
Prepaid expenses	2,907	**1,717**
Deferred taxes	35,804	**36,987**
Accounts receivable - Other	50,793	**78,333**
Short-term loans receivable	27,814	**40,753**
Other	11,822	**35,247**
Allowance for doubtful receivables	(1,111)	**(1,056)**
Total current assets	718,920	**676,586**
Fixed Assets:		
Tangible fixed assets:		
Buildings	81,222	**81,057**
Structures	16,775	**16,151**
Machinery and equipment	159,392	**134,608**
Transportation equipment	1,584	**1,212**
Tools, furniture and fixtures	13,384	**11,443**
Land	313,588	**312,670**
Leased property	16,349	**12,197**
Construction in progress	18,854	**31,225**
Total tangible fixed assets	621,148	**600,562**
Intangible fixed assets:		
Software	15,806	**13,720**
Leased property	37	**35**
Total intangible fixed assets	15,843	**13,756**
Investments and other fixed assets:		
Investment securities	3,468	**3,466**
Investment securities for affiliates	219,837	**211,124**
Investments	6	**4**
Investment for affiliates	19,821	**23,136**
Long-term loans receivable	1,467	**1,467**
Long-term loans receivable for employees	-	**1**
Long-term loans receivable for affiliates	77,363	**2,604**
Claims in bankruptcy, rehabilitation and others	1,001	**989**
Long-term prepaid expenses	10,530	**7,858**
Deferred taxes	84,356	**27,933**
Other	4,094	**3,850**
Allowance for doubtful receivables	(3,192)	**(3,130)**
Investment valuation allowance	(511)	**(511)**
Total investments and other fixed assets	418,240	**278,790**
Total fixed assets	1,055,231	**893,109**
Total Assets	1,774,151	**1,569,695**

As of: March 31	Million of Yen 2010	**2011**
LIABILITIES		
Current Liabilities:		
Trade notes payable	448	**457**
Accounts payable - Trade	221,556	**150,827**
Bonds due within one year	-	**20,000**
Long-term loans payable due within one year	69,054	**92,791**
Lease obligations	7,178	**6,479**
Other accounts payable	3,784	**8,068**
Accrued expenses	70,193	**54,088**
Income tax payable	658	**641**
Unearned revenue	211	**214**
Deferred revenue	0	**254**
Deposit received	116,918	**20,155**
Reserve for warranty expenses	36,722	**42,405**
Other	5,742	**5,972**
Total current liabilities	532,465	**402,351**
Fixed Liabilities:		
Bonds	95,000	**95,000**
Long-term loans payable	425,898	**375,875**
Lease obligations	10,072	**6,437**
Asset retirement obligations	-	**4,730**
Deferred tax liability related to land revaluation	93,680	**93,431**
Employees' and executive officers' severance and retirement benefits	64,852	**58,349**
Allowance for loss on business of subsidiaries and affiliates	16,739	**42,828**
Reserve for environmental measures	1,427	**1,437**
Guaranty money received	3,678	**4,042**
Other	1,112	**2,422**
Total fixed liabilities	712,457	**684,552**
Total Liabilities	1,244,922	**1,086,902**
Equity		
Capital and Retained Earnings:		
Common stock	186,500	**186,500**
Capital surplus		
Capital reserve	96,390	**96,390**
Other capital surplus	73,802	**73,802**
Total capital surplus	170,192	**170,192**
Retained earnings		
Other earned surplus		
Appropriated for deduction of fixed assets	8,602	**8,152**
Appropriated for special depreciation	6	**-**
Unappropriated retained earnings	30,845	**(13,351)**
Total retained earnings	39,453	**(5,198)**
Treasury Stock	(2,177)	**(2,184)**
Total capital and retained earnings	393,967	**349,309**
Valuation and Translation Adjustments:		
Net unrealized gain on available-for-sale securities	91	**44**
Net (loss)/gain on derivative instruments	(1,434)	**(2,815)**
Land revaluation	136,160	**135,794**
Total valuation and translation adjustments	134,817	**133,023**
Stock Acquisition Rights	445	**460**
Total Equity	529,229	**482,792**
Total Liabilities and Equity	1,774,151	**1,569,695**

(2) Unconsolidated Statement of Operations

Years ended March 31	Million of Yen 2010	2011
Net sales	1,651,525	**1,777,324**
Cost of sales	1,406,214	**1,531,300**
Gross profit on sales	245,310	**246,024**
Selling, general and administrative expenses	237,941	**241,899**
Operating income/(loss)	7,369	**4,125**
Non-operating income		
Interest received	2,577	**1,297**
Interest received of securities	170	**181**
Dividends received	11,175	**62,193**
Rent	4,528	**4,821**
Foreign Exchange gain	-	**9,844**
Other	947	**479**
Total	19,397	**78,815**
Non-operating expenses		
Interest expense	10,351	**8,638**
Interest paid on bonds	1,530	**1,559**
Foreign Exchange loss	5,693	**-**
Other	2,297	**2,934**
Total	19,871	**13,131**
Ordinary income/(loss)	6,895	**69,809**
Extraordinary profits		
Profit on sale of tangible fixed assets	40	**20**
Profit on sale of investment securities	7	**15**
Profit on sale of stock for subsidiaries and affiliates	255	**3,000**
Gain on reversal of subscription rights to shares	4	**8**
Reversal of allowance for doubtful receivables	658	**105**
Total	965	**3,149**
Extraordinary losses		
Loss on sale of tangible fixed assets	52	**83**
Loss on retirement of tangible fixed assets	1,705	**1,727**
Loss on impairment of fixed assets	949	**1,570**
Loss on sales of investment securities	-	**4**
Loss on sales of stock of subsidiaries and affiliates	222	**325**
Valuation loss on investment securities	4	**-**
Valuation loss on investment securities for subsidiaries and affiliates	17,541	**7,216**
Loss on business of subsidiaries and affiliates	11,827	**36,800**
Environmental measures	1,427	**10**
Loss on disaster	-	**4,758**
Adoption of accounting standards for asset retirement obligations	-	**1,909**
Total	33,728	**54,402**
Income/(loss) before income taxes	(25,868)	**18,556**
Income taxes		
Current	1,806	**2,302**
Deferred	(11,194)	**55,960**
Total	(9,388)	**58,263**
Net income/(loss)	(16,480)	**(39,707)**

(3) Unconsolidated Statement of Equity

	Millions of Yen					
	Capital and Retained Earnings					
		Capital surplus		Retained earnings		
Years ended	Common stock	Capital reserve	Other capital surplus	Other earned surplus*	Treasury stock	Total Capital and Retained earnings
March 31, 2009	150,068	59,958	73,802	56,062	(22,971)	316,918
Changes during the period:						
Exercise of stock acquisition rights	36,432	36,432				72,863
Cash dividends paid						-
Reversal for land revaluation				(128)		(128)
Net income				(16,480)		(16,480)
Acquisition of treasury stock					(5)	(5)
Re-issuance of treasury stock			0		20,799	20,799
Net changes during the period	36,432	36,432	0	(16,609)	20,794	77,049
March 31, 2010	186,500	96,390	73,802	39,453	(2,177)	393,967

	Millions of Yen					
	Valuation and Translation Adjustments					
Years ended	Net unrealized gain/(loss) available-for-securities	Net gain/(loss) on derivative instruments	Land revaluation	Valuation and translation adjustments	Stock acquisition rights	Total Equity
March 31, 2009	121	(1,231)	136,032	134,922	340	452,180
Changes during the period:						
Exercise of stock acquisition rights				-		72,863
Cash dividends paid				-		-
Reversal for land revaluation				-		(128)
Net income				-		(16,480)
Acquisition of treasury stock				-		(5)
Re-issuance of treasury stock				-		20,799
Net changes in accounts other than capital and retained earnings	(30)	(203)	128	(105)	105	0
Net changes during the period	(30)	(203)	128	(105)	105	77,049
March 31, 2010	91	(1,434)	136,160	134,817	445	529,229

* breakdown of other earned surplus

	Millions of Yen			
Years ended	Reserve for deduction of fixed assets	Reserve for special depreciation	Unappropriated retained earnings	Other earned surplus
March 31, 2009	9,218	15	46,829	56,062
Changes during the period:				
Cash dividends paid				-
Transfer from reserve (deduction of fixed assets)	(616)		616	-
Transfer from reserve (special depreciation)		(9)	9	-
Reversal for land revaluation			(128)	(128)
Net income			(16,480)	(16,480)
Net changes during the period	(616)	(9)	(15,984)	(16,609)
March 31, 2010	8,602	6	30,845	39,453

Years ended	Common stock	Capital reserve	Other capital surplus	Other earned surplus*	Treasury stock	Total Capital and Retained earnings
	Millions of Yen					
	Capital and Retained Earnings					
		Capital surplus		Retained earnings		
March 31, 2010	186,500	96,390	73,802	39,453	(2,177)	393,967
Changes during the period:						
Cash dividends paid				(5,311)		(5,311)
Reversal for land revaluation				366		366
Net income / (loss)				(39,707)		(39,707)
Acquisition of treasury stock					(7)	(7)
Re-issuance of treasury stock			0		0	0
Net changes during the period			0	(44,651)	(7)	(44,658)
March 31, 2011	186,500	96,390	73,802	(5,198)	(2,184)	349,309

Years ended	Net unrealized gain/(loss) available-for-securities	Net gain/(loss) on derivative instruments	Land revaluation	Valuation and translation adjustments	Stock acquisition rights	Total Equity
	Millions of Yen					
	Valuation and Translation Adjustments					
March 31, 2010	91	(1,434)	136,160	134,817	445	529,229
Changes during the period:						
Cash dividends paid				-		(5,311)
Reversal for land revaluation				-		366
Net income / (loss)				-		(39,707)
Acquisition of treasury stock				-		(7)
Re-issuance of treasury stock				-		0
Net changes in accounts other than capital and retained earnings	(47)	(1,381)	(366)	(1,794)	15	(1,779)
Net changes during the period	(47)	(1,381)	(366)	(1,794)	15	(46,437)
March 31, 2011	44	(2,815)	135,794	133,023	460	482,792

* breakdown of other earned surplus

Years ended	Reserve for deduction of fixed assets	Reserve for special depreciation	Unappropriated retained earnings	Other earned surplus
	Millions of Yen			
March 31, 2010	8,602	6	30,845	39,453
Changes during the period:				
Cash dividends paid			(5,311)	(5,311)
Transfer from reserve (deduction of fixed assets)	(450)		450	-
Transfer from reserve (special depreciation)		(6)	6	-
Reversal for land revaluation			366	366
Net income / (loss)			(39,707)	(39,707)
Net changes during the period	(450)	(6)	(44,195)	(44,651)
March 31, 2011	8,152	-	(13,351)	(5,198)

(4) Going Concern

There are no matters to be discussed.

6. Other

(1) Production and Sales Information

a) Production Volume

Segment	Vehicle Type	Year Ended March 31, 2010	**Year Ended March 31, 2011**	Increase/ (Decrease)
		units	**units**	units
Japan	Passenger cars	805,117	**850,314**	45,197
	Trucks	22,793	**16,678**	(6,115)
	Total	827,910	**866,992**	39,082

Note: Production volume figures do not include those Mazda-brand vehicles produced by the following joint venture assembly plants with Ford Motor Company (that are accounted for by the equity method):

	Year Ended March 31, 2010	**Year Ended March 31, 2011**	Increase/ (Decrease)
AutoAlliance International, Inc.	32,065 units	**45,138 units**	13,073 units
AutoAlliance (Thailand) Co., Ltd.	29,408	**87,348**	57,940

b) Sales by Reportable Segment

Segment	Year Ended March 31, 2010	**Year Ended March 31, 2011**	Increase/ (Decrease)
	million yen	**million yen**	million yen
Japan	894,469	**965,203**	70,734
North America	566,040	**623,990**	57,950
Europe	479,891	**427,721**	(52,170)
Other areas	223,549	**308,775**	85,226
Total	2,163,949	**2,325,689**	161,740

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

c) Sales by Product Type

Type	Year Ended March 31, 2010		**Year Ended March 31, 2011**		Increase/ (Decrease)	
	Volume	Revenue	**Volume**	**Revenue**	Volume	Revenue
	units	million yen	**units**	**million yen**	units	million yen
Vehicles	963,328	1,573,591	**1,100,132**	**1,707,264**	136,804	133,673
Knockdown Parts (Overseas)	-	124,510	**-**	**141,875**	-	17,365
Parts	-	226,374	**-**	**217,224**	-	(9,150)
Other	-	239,474	**-**	**259,326**	-	19,852
Total	-	2,163,949	**-**	**2,325,689**	-	161,740

ref.) Wholesales Volume by Market

Type			Year Ended March 31, 2010	**Year Ended March 31, 2011**	Increase/ (Decrease)
			units	**units**	units
Vehicles	Japan		218,865	**206,156**	(12,709)
		North America	303,807	**367,193**	63,386
		Europe	227,276	**207,554**	(19,722)
		Other	213,380	**319,229**	105,849
	Overseas Total		744,463	**893,976**	149,513
Total			963,328	**1,100,132**	136,804

Note: As a result of the change in the accounting periods of some subsidiaries in "Other", the volume in "Other" for the Year ended March 31, 2011 was increased by 16,006 units.

Financial Summary (Consolidated)
For the Fiscal Year Ended March 31, 2011

April 28, 2011
Mazda Motor Corporation

(In 100 millions of yen) (In thousands of units) (Upper left: return on sales)		Fiscal Year Ended Mar. 2010	%	1st. Qtr.	2nd. Qtr.	3rd. Qtr.	4th. Qtr.	Fiscal Year Ended Mar. 2011	%
Domestic	1	5,750	(7.3)	1,365	1,676	1,008	1,366	5,415	(5.8)
Overseas	2	15,889	(17.0)	4,415	4,121	4,594	4,712	17,842	12.3
Net sales	3	21,639	(14.7)	5,780	5,797	5,602	6,078	23,257	7.5
Operating income/(loss)	4	0.4% 95	-	1.1% 64	1.0% 58	0.2% 10	1.7% 106	1.0% 238	152.0
Ordinary income/(loss)	5	0.2% 46	-	0.7% 41	2.9% 167	0.4% 23	2.3% 138	1.6% 369	693.8
Income/(loss) before income taxes	6	(0.3%) (73)	-	0.1% 8	2.8% 161	0.3% 18	(0.4%) (26)	0.7% 161	-
Net income/(loss)	7	(0.3%) (65)	-	(0.4%) (21)	1.3% 76	(0.5%) (27)	(10.3%) (628)	(2.6%) (600)	-
Operating income/(loss) by segment (geographic area)									
Japan	8	308		10	91	61	164	326	
North America	9	(193)		(27)	(100)	(70)	(120)	(317)	
Europe	10	35		3	26	18	32	79	
Other areas	11	54		35	31	27	35	128	
Operating profit changes									
Volume & Mix	12			265	65	50	(23)	357	
Exchange rate	13			(47)	(104)	(143)	(143)	(437)	
Cost improvement	14			44	(3)	28	43	112	
Marketing expense	15			(12)	(27)	(24)	7	(56)	
Other	16			94	68	(12)	17	167	
Total	17			344	(1)	(101)	(99)	143	
Average rate for the period — Yen / US$	18	93		92	86	83	82	86	
Average rate for the period — Yen / EUR	18	131		117	111	112	113	113	
Transaction rate — Yen / US$	19	94		90	90	83	83	86	
Transaction rate — Yen / EUR	19	133		119	115	112	114	115	
Capital investment	20	298		64	119	117	147	447	
Depreciation & amortization	21	764		182	180	177	177	716	
R & D cost	22	852		232	225	235	218	910	
Total assets	23	19,478		18,887	18,738	18,337		17,718	
Equity	24	5,098		5,015	5,018	4,970		4,305	
Financial debt	25	7,221		6,835	6,784	6,737		6,930	
Net financial debt	26	3,758		3,667	3,591	4,244		3,702	
Free cash flow (Operating & Investing)	27	674		146	92	(638)	416	16	
Domestic	28	221	1.0	52	73	28	53	206	(6.8)
North America	29	307	(11.7)	90	87	80	85	342	11.7
Europe	30	239	(25.7)	54	54	47	57	212	(11.5)
China	31	196	45.8	53	59	74	50	236	20.2
Other	32	230	(3.5)	68	69	69	71	277	20.0
Overseas	33	972	(6.7)	265	269	270	263	1,067	9.7
Global retail volume	34	1,193	(5.4)	317	342	298	316	1,273	6.6
Domestic production volume	35	828	(8.0)	221	233	234	179	867	4.7
Number of employees (excluding dispatches)	36	38,987						38,117	

Note: Global retail volume refers to the total retail units of Mazda-brand vehicles sold on a global basis.
Results for FY ended Mar. 2011 include 15 months' operations of overseas subsidiaries that changed their accounting period.

Financial Summary (Unconsolidated)
For the Fiscal Year Ended March 31, 2011

April 28, 2011
Mazda Motor Corporation

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

			Fiscal Year Ended March 2010	%	Fiscal Year Ended March 2011	%
	Domestic	1	3,673	(3.0)	3,367	(8.3)
	Export	2	12,842	(10.9)	14,406	12.2
Net sales		3	16,515	(9.3)	17,773	7.6
Operating income/(Loss)		4	0.4% 74	-	0.2% 41	(44.0)
Ordinary income/(Loss)		5	0.4% 69	-	3.9% 698	912.4
Income/(loss) before taxes		6	(1.6%) (259)	-	1.0% 186	-
Net income/(loss)		7	(1.0%) (165)	-	(2.2%) (397)	-
Average rate for the period		8	93Yen/US$ 131Yen/EUR		86Yen/US$ 113Yen/EUR	
Capital investment		9	200		353	
Depreciation & amortization		10	593		580	
R & D cost		11	792		869	
Total assets		12	17,742		15,697	
Equity		13	5,292		4,828	
Financial debt		14	7,224		5,977	
Net financial debt		15	4,653		3,497	
	Domestic	16	229	(1.6)	211	(8.0)
	North America	17	287	(5.3)	350	21.9
	Europe	18	220	(24.8)	213	(3.0)
	Others	19	206	(13.8)	272	31.8
Wholesales (units)		20	942	(11.7)	1,046	11.0
Domestic production units		21	828	(8.0)	867	4.7
Number of employees (excluding dispatchees)		22	21,101		20,825	