

February 6, 2013  
Mazda Motor Corporation

**FY End March 2013 Third Quarter Financial Results Announcement**  
**Main Q&A**

**1. You said the success of SKYACTIV products such as CX-5 and new Mazda6 has significantly contributed to profit improvement. Please explain it in detail.**

A: We initially projected that the CX-5 which fully adopts SKYACTIV TECHNOLOGY improves profit by ¥150,000 compared with the current model, but the profit improvement has been bigger than we anticipated due to our sales method innovation centering on competitiveness of our new products. In the analysis of the 3<sup>rd</sup> quarter profit change factors, wholesales volume of the two models accounted for 25% of total volume, but 50% of profit came from these models. This is an effect of sales method innovation which led reduction of incentive spending and a shift to upper grade model mix as result of our actions to thoroughly enroot sales method innovation at sales front.

**2. Please comment on the recent yen's depreciation and appropriate exchange rates.**

A: As a manufacture, we consider that it is a phase of slight correction from extremely-super strong yen to super strong yen.  
We appreciate if the Japanese Government and the Bank of Japan implement economic measures including stabilization of exchange rates so that Japan can be developed as a trading nation. We consider, for export industry, the appropriate exchange level is ¥100 to US dollar.

**3. What is the recovery status of sales in China?**

A: When we announced the 1<sup>st</sup> half earnings announcement, we commented our sales in China would decline 40% in the 3<sup>rd</sup> quarter and 30% in the 4<sup>th</sup> quarter. But in the 3<sup>rd</sup> quarter, sales declined 33%, smaller decline than our forecasted. Dealer traffic is gradually coming back. Last year, we implemented business restructure in China. We will start local production of the CX-5 this summer and new Mazda6 later this year. We continue our efforts to enhance products, and sales and marketing.

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