Consolidated Financial Results
For the Fiscal Year Ended March 31, 2014

Prepared in Conformity with Generally Accepted Accounting Principles in Japan

English Translation from the Original Japanese-Language Document

April 25, 2014

Company Name	:	**Mazda Motor Corporation** (Tokyo Stock Exchange / Code No. 7261)
URL	:	http://www.mazda.co.jp
Representative Person	:	Masamichi Kogai, Representative Director, President and CEO
Contact Person	:	Shinji Maeda, Deputy General Manager, Financial Services Division, and General Manager, Accounting Department Phone 082-282-1111
General Meeting of the Shareholders	:	Scheduled for June 24, 2014
Payment of Dividends	:	Scheduled for June 25, 2014
Filing of *Yuka Shoken Hokokusho* , annual securities report	:	Scheduled for June 25, 2014
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, 2013 through March 31, 2014)

(1) Consolidated Financial Results

(Percentage indicates change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2014	**2,692,238**	22.1	**182,121**	237.7	**140,651**	325.1	**135,699**	295.6
FY2013	2,205,270	8.5	53,936	-	33,087	-	34,304	-

Note: Comprehensive income **FY2014 167,339 millions of yen (489.0 %)**
FY2013 28,412 millions of yen (- %)

	Net Income Per Share	Net Income Per Share (Diluted)	Return on Equity	Ordinary Income to Total Assets	Operating Income to Sales
	yen	yen	%	%	%
FY2014	**45.40**	**-**	**23.5**	**6.7**	**6.8**
FY2013	11.48	-	7.1	1.7	2.4

Reference: Equity in net income of affiliates (for the fiscal years ended March 31) **FY2014 9,677 millions of yen**
FY2013 10,090 millions of yen

(2) Consolidated Financial Position

	Total Assets	Equity	Equity Ratio	Equity per Share
	millions of yen	millions of yen	%	yen
As of Mar. 31, 2014	**2,246,036**	**676,837**	**29.4**	**221.04**
As of Mar. 31, 2013	1,978,567	513,226	25.1	166.04

Reference: Equity excluding minority interests (as of March 31) **FY2014 660,722 millions of yen**
FY2013 496,312 millions of yen

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Ending Cash & Cash Equivalents
	millions of yen	millions of yen	millions of yen	millions of yen
FY2014	**136,379**	**(120,057)**	**10,483**	**479,754**
FY2013	49,033	(40,287)	(57,181)	444,875

2. Dividends

	Dividends per Share					Total Amount of Annual Dividends	Dividends Payout Ratio (Consolidated)	Ratio of Dividends to Equity (Consolidated)
	1st.Qtr.	2nd.Qtr.	3rd.Qtr.	Year-End	Full Year			
	yen	yen	yen	yen	yen	millions of yen	%	%
FY2013	-	0.00	-	0.00	0.00	-	-	-
FY2014	**-**	**0.00**	**-**	**1.00**	**1.00**	**2,989**	**2.2**	**0.5**
FY2015 (Forecast)	-	0.00	-	10.00	10.00		3.7	

Note: Mazda Motor Corporation is planning to implement a share consolidation with a ratio of five shares to one share. Accordingly, the above dividend for FY2015 (Forecast) is calculated in consideration of this share consolidation.
Please refer to "Cautionary Statements with Respect to Forward-Looking Statements and Other Notes".

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
FY2015	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
First Half	1,420,000	13.2	100,000	35.2	98,000	170.0	75,000	200.2	125.45
Full Year	2,900,000	7.7	210,000	15.3	210,000	49.3	160,000	17.9	267.64

Note: Net income per share of the forecast for the fiscal year ending March 31, 2015 is calculated in consideration of share consolidation.
Please refer to "Cautionary Statements with Respect to Forward-Looking Statements and Other Notes".

*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) 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 "4.Consolidated Financial Statements (5)Footnotes to the Consolidated Financial Statements" on page 20 of the attachment.

(3) Number of outstanding shares (Common stock)

1) Outstanding shares at period-end (including treasury stock)	**As of March 31, 2014**	**2,999,377,399** shares
	As of March 31, 2013	2,999,377,399 shares
2) Treasury stock at period-end	**As of March 31, 2014**	**10,241,243** shares
	As of March 31, 2013	10,211,948 shares
3) Average number of outstanding shares during the period	**Year ended March 31, 2014**	**2,989,149,981** shares
	Year ended March 31, 2013	2,989,171,533 shares

(Reference)

Unconsolidated Financial Highlights (April 1, 2013 through March 31, 2014)

(1) Unconsolidated Financial Results

(Percentage indicates change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2014	**2,057,014**	**21.4**	**153,476**	**109.4**	**148,818**	**207.2**	**166,009**	**-**
FY2013	1,694,765	10.2	73,288	-	48,443	-	11,107	-

	Net Income Per Share	Net Income Per Share (Diluted)
	yen	yen
FY2014	**55.54**	—
FY2013	3.72	—

(2) Unconsolidated Financial Position

	Total Assets	Equity	Equity Ratio	Equity Per Share
	millions of yen	millions of yen	%	yen
As of Mar. 31, 2014	**1,797,190**	**678,265**	**37.7**	**226.91**
As of Mar. 31, 2013	1,781,185	498,145	28.0	166.65

Reference: Equity (as of March 31)   **FY2014   678,265   millions of yen**
FY2013   498,139   millions of yen

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 and Other Notes
The financial forecast and other descriptions of the future presented in this document are an outlook based on our judgments and projections. The judgments and projections are based on information presently available. As such, the financial forecast and future descriptions are subject to uncertainties and risks, and are not contemplated to ensure the fulfillment thereof.
Accordingly, the actual financial performance may vary significantly due to various factors.
For detail such as precondition of the financial forecast, please refer to "1.Financial Results and Financial Position - (1)Analysis of Financial Results" on page 2 of the attachment.

(Financial forecast and dividend forecast after the share consolidation)
At the Board of Directors meeting on February 5, 2014, Mazda Motor Corporation resolved to submit a proposal for the consolidation of shares with a ratio of five shares to one share, effective August 1, 2014. The consolidation of shares is subject to approval at the Company's 148th ordinary general meeting of shareholders to be held on June 24, 2014.
For reference purposes, when converted to the amount before share consolidation, financial forecast and dividend forecast is as follows.

1. Financial forecast for the fiscal year ending March 31, 2015
   Net income per Share   First Half: 25.09   yen
   Full Year: 53.53   yen
2. Dividend forecast for the fiscal year ending March 31, 2015
   Dividends per Share   Year-End: 2.00   yen

Attachment

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(References)

Financial Summary (Consolidated) For the Fiscal Year Ended March 2014

Financial Summary (Unconsolidated) For the Fiscal Year Ended March 2014

1. Financial Results and Financial Position

(1) Analysis of Financial Results

(Financial Results for the Fiscal Year Ended March 31, 2014)

With regard to the business environment surrounding the Mazda Group for the fiscal year ended March 31, 2014, although the outlook for the economies of emerging countries was uncertain, overall the economy continued to make a gradual recovery. The U.S. economy continued its gradual improvement, and signs of recovery were also seen in the European economy. The Japanese economy is on the way to a solid recovery as the result of fiscal and monetary policies implemented by the government and the Bank of Japan, and last-minute demand was seen prior to the recent hike in the consumption tax.

Under these circumstances, while steadily implementing key initiatives of its “Structural Reform Plan”, the Mazda Group pressed forward with the global expansion of sales of vehicles with its new generation technology, “SKYACTIV TECHNOLOGY” (hereinafter referred to as “SKYACTIV”), and strove to improve its earning structure.

Retail volume in Japan for the fiscal year ended March 31, 2014 was 244 thousand units, up 12.6% year on year, as orders for the all-new “Mazda Axela (called Mazda3 in overseas markets)” far exceeded the target and sales of the “Mazda Atenza (called Mazda6 in overseas markets)” and the “Mazda CX-5” remained strong. Retail volume in North America was 391 thousand units, up 4.9% year on year with increased volume in the U.S. on strong sales of the “Mazda6” and “CX-5” and record sales in Mexico. In Europe, although total demand remained unchanged, sales in Germany, Russia and the United Kingdom were strong. As a result, retail volume was 207 thousand units, up 20.5% year on year. In China the locally manufactured “CX-5” drove sales, which were up 12.5% year on year at 196 thousand units. In other markets, although sales remained strong in Australia, they declined in Thailand, where demand was sluggish, and retail volume was 293 thousand units, down 2.0% year on year. As a result, total global retail volume was 1,331 thousand units, up 7.8% year on year.

As for financial performance on a consolidated basis, net sales amounted to ¥2,692.2 billion, an increase of ¥487.0 billion or 22.1% over last fiscal year, owing to increasing sales of “SKYACTIV” models in global markets. Operating income amounted to ¥182.1 billion, an increase of ¥128.2 billion (237.7%) over last fiscal year, owing to improvements in volume, product mix and cost as well as the fluctuation of foreign exchange rate. Ordinary income amounted to ¥140.7 billion, an increase of ¥107.6 billion (325.1%) over last fiscal year. Net income amounted to ¥135.7 billion, an increase of ¥101.4 billion (295.6%) over last fiscal year.

Financial results by reportable segment were as follows.

In Japan, net sales amounted to ¥2,263.3 billion, an increase of ¥369.7 billion or 19.5% over last fiscal year and segment income (operating income) amounted to ¥173.5 billion, an increase of ¥65.1 billion (60.1%). In North America, net sales amounted to ¥843.6 billion, an increase of ¥193.7 billion (29.8%), and segment income (operating income) amounted to ¥1.3 billion (for the last fiscal year, segment loss was ¥48.9 billion). In Europe, net sales amounted to ¥540.5 billion, an increase of ¥185.8 billion (52.4%), and segment income (operating income) amounted to ¥8.5 billion, an increase of ¥5.3 billion (171.2%). In other areas, net sales amounted to ¥414.2 billion, a decrease of ¥4.5 billion (1.1%), and segment income (operating income) amounted to ¥5.8 billion, a decrease of ¥11.0 billion (65.5%).

Business overview of Mazda Group by activity for the fiscal year ended March 31, 2014 was as follows.

In terms of products, the all-new “Axela”, the third new product which fully incorporates “SKYACTIV” and its new “KODO–Soul of Motion” design theme, was launched globally, starting in the United States. The all-new “Axela” is Mazda’s core model, which has consistently created new value that exceeded expectations

of eras and customers with its emotional design, responsive handling, environmental and safety performance, and excellent craftsmanship. The all-new “Axela” features the “i-ACTIVSENSE”, Mazda’s advanced safety technologies, which was featured in the “Atenza”, Mazda's flagship model, as well. The global engine line-up includes a newly-developed 1.5 liter gasoline engine of “SKYACTIV-G” in addition to 2.0 and 2.5 liter gasoline engines and a 2.2 liter clean diesel engine. A sedan model featuring a hybrid electric powertrain is offered in Japan. The needs of the customer are becoming more and more diverse, and Mazda is meeting these needs with driving pleasure as well as outstanding environmental and safety performance.
The new micro-mini “Mazda Flair crossover” and a freshened “Mazda Biante” were launched in Japan. The “Flair crossover” represents a completely new type of mini SUV in terms of the spacious interior and usability of a micro-mini wagon and outstanding fuel economy, with its distinctive design. The new “Biante”, featuring the high-efficiency “SKYACTIV-G 2.0” direct-injection gasoline engine and the high-efficiency “SKYACTIV-DRIVE” automatic transmission, combines driving pleasure with outstanding environmental and safety performance.
In November of last year the “Atenza” was named the “2014 Automotive Researchers’ and Journalists’ Conference of Japan (RJC) Car of the Year”. This marks the sixth time Mazda has won this award and the first time since the Mazda2 won in 2007.

In the sales area, for the past two years the “CX-5” has held the top spot in SUV sales volume in Japan. Eighty percent of the cars sold were equipped with the “SKYACTIV-D” clean diesel engine. Along with the all-new “Axela” and “Atenza”, which are also available with this engine, the “CX-5” is leading the expansion of the domestic market for passenger cars with clean diesel engines. The all-new “Mazda3” and “Mazda6” contributed to continued strong sales in the U.S. and Europe. Sales in Mexico set a new record as new-generation products with “SKYACTIV” gained international recognition.

In the research and development area, Mazda began testing its advanced safety vehicle, the “Mazda Atenza ASV-5”, on public roads in September of last year. The vehicle will be used to test a driving safety support system which utilizes intelligent transport systems (ITS) jointly developed by industrial, academic and government organizations. At Mazda, research and development of safety technologies is based on the company's safety philosophy, “Mazda Proactive Safety”, which aims to minimize the risk of an accident by maximizing the range of conditions in which the driver can safely operate the vehicle. The all-new “Axela” features a next-generation car connectivity system, “Mazda Connect”. The new system increases the scope of driving pleasure and engenders a deeper relationship between car and driver. To enable drivers to enjoy the wide range of content on offer while keeping their attention focused on the road ahead, Mazda has developed a brand new Human-Machine Interface (HMI), based on its unique “Heads-Up Cockpit” concept. Though the amount of information presented to drivers, the new HMI creates an environment in which the driver is consistently looking at the road ahead and can concentrate on the safe operation of the vehicle
At the Geneva Motor Show in March, the company unveiled its next-generation subcompact concept model, the “Mazda HAZUMI”, which incorporates the key pillars of Mazda's vehicle engineering: “SKYACTIV”, “KODO–Soul of Motion” design theme, “Mazda Proactive Safety”, and the next-generation car connectivity system, “Mazda Connect”, without compromise.

In the production area, the company continued to reinforce its business in emerging countries and has restructured its global production system. Production of the all-new “Mazda3” for the U.S. market began at the new plant in Mexico in January as scheduled. The plant will also produce the all-new “Mazda3” for other countries in the Central and South America and Europe. The company decided to construct an engine machining factory to make “SKYACTIV” engines for the “Mazda2” and all-new “Mazda3” to be produced at the Mexico plant. It is expected to start operations in October of this year. In Malaysia, we have begun construction of a vehicle assembly facility to enhance local assembly, and in Thailand

construction of a new transmission plant is proceeding smoothly. Operations are expected to start during the first half of the fiscal year ending March 2016.
In Japan, in response to increasing sales of "SKYACTIV" vehicles around the globe, we plan to enhance production capacity for "SKYACTIV-G" gasoline engines and "SKYACTIV-D" diesel engines at the company's Hiroshima Plant. Capacity, currently 800 thousand units annually, will be increased to 1,000 thousand units by the end of this year. "SKYACTIV" transmission production capacity at the Hofu Plant will be increased from the current 750 thousand units annually to 1,140 thousand units by July 2014.

(Financial Forecast for the Year Ending March 31, 2015)
With regard to the future outlook, although the U.S. and European economies are expected to continue its gradual improvement, there is concern about the effect of the recent hike in the consumption tax in Japan and the outlook for the economies of emerging countries are expected to remain unclear. Under such situation, Mazda Group will accelerate the "Structural Reform Plan" further through improving the earnings structure and establishing a global production footprint and so on.
The outlook for the fiscal year ending March 31, 2015 is as follows.

Global retail volume for next fiscal year is projected to be 1,420 thousand units, up 6.7% year on year.
Looking at retail volume projection by market, retail volume in Japan is projected to be at 230 thousand units (down 5.6% year on year). Retail volume in North America is projected to be at 440 thousand units (up 12.7%). 220 thousand units in Europe (up 6.4%), 230 thousand units in China (up 17.1%) and 300 thousand units in other markets (up 2.2%). The exchange rate assumption is ¥100 to the US dollar and ¥135 to the Euro.
As for the consolidated financial performance for next fiscal year, sales revenue is projected at ¥2,900 billion (up 7.7% year on year). Operating income and net income are projected at ¥210 billion (up 15.3%) and ¥160 billion (up 17.9%), respectively.

Consolidated Financial Forecast for the Year Ending March 31, 2015 (April 1, 2014 through March 31, 2015

	First Half	vs. Prior Year	Full Year	vs. Prior Year
Sales	1,420 billion yen	13.2 %	2,900 billion yen	7.7 %
Operating Income	100	35.2	210	15.3
Ordinary Income	98	170.0	210	49.3
Net Income	75	200.2	160	17.9

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) Analysis on the Financial Position

(Analysis on Assets, Liabilities, and Equity)
As of March 31, 2014, total assets amounted to ¥2,246.0 billion, an increase of ¥267.5 billion compared to the end of the last fiscal year, mainly reflecting increases in cash and time deposits, inventories, and tangible fixed assets. Total liabilities amounted to ¥1,569.2 billion, an increase of ¥103.9 billion compared to the end of the last fiscal year, mainly reflecting an increase in account payable as well as an increase in interest-bearing debt, which was increased by ¥23.8 billion from the previous year.
Equity amounted to ¥676.8 billion, an increase of ¥163.6 billion compared to the end of the last fiscal year, due

mainly to ¥135.7 billion of net income. Equity ratio increased by 4.3 percentage points from the end of the last fiscal year to 29.4%. Equity ratio after the recognition of equity credit attributes of the Subordinated Loan was 31.0%.

(Analysis on Cash Flows)
Cash and cash equivalent as of March 31, 2014 amounted to ¥479.8 billion, an increase of ¥34.9 billion.
Net cash provided by operating activities was ¥136.4 billion, reflecting income before income taxes of ¥97.4 billion, depreciation and amortization of ¥57.7 billion, payment of income taxes of ¥14.7 billion, and others. (For the last fiscal year, net cash provided by operating activities was ¥49.0 billion.) Net cash used in investing activities was ¥120.1 billion, mainly reflecting capital expenditure for the acquisition of tangible fixed assets of ¥110.8 billion. (For the last fiscal year, net cash used in investing activities was ¥40.3 billion.) As a result, consolidated free cash flow (net of operating and investing activities) was positive ¥16.3 billion. (For the previous fiscal year, consolidated free cash flow was positive ¥8.7 billion.)
Net cash provided by financing activities was ¥10.5 billion, mainly reflecting proceeds from long-term loans payable of ¥116.0 billion partially offset by repayment of long-term loans payable and redemption of bonds. (For the previous fiscal year, net cash used in financing activities was ¥57.2 billion.)
After deducting cash and cash equivalents from financial debt, net financial debt totaled ¥263.0 billion, and the net debt-to-equity ratio was 39.8%. (Percentage after consideration of the equity credit attributes of the subordinated loan was 32.8 %.)

(Trends of cash flow data)

	As of / Year Ended March 31, 2010	As of / Year Ended March 31, 2011	As of / Year Ended March 31, 2012	As of / Year Ended March 31, 2013	As of / Year Ended March 31, 2014
Equity Ratio (1)	26.1%	24.2%	24.5%	25.1%	29.4%
Equity Ratio (2)	-	-	26.3%	26.9%	31.0%
Fair Value Equity Ratio	23.9%	18.3%	22.6%	42.5%	61.0%
Cash Flow to Total Debt Ratio	6.5	45.2	-	14.7	5.4
Interest Coverage Ratio	8.1	1.3	-	3.6	10.2

Equity Ratio (1): Equity/Total Assets
Equity Ratio (2): Equity (after consideration of the equity credit attributes of the subordinated loan) / 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 calculated based on the total number of outstanding shares excluding treasury stock.
3) Cash flows from operating activities are used as “Cash Flow” for calculation purpose.
4) Total Debt includes all debts that interests are paid on among debts booked in consolidated balance sheet.

(3) Dividend Policy

Mazda’s policy regarding the stock dividend is to determine the amount of dividend payments, taking into account current fiscal year’s financial results, business environment, and financial condition, etc. And Mazda is striving for realization of a stable shareholder returns and its future steady increase.
With regard to the dividend for the fiscal year ended March 31, 2014, we plan to resume dividend payments for the first time in four fiscal years (last time we declared the dividend was for the fiscal year ended March 31, 2010) and to declare ¥1 per share.
For the next fiscal year ending March 31, 2015, our current forecast for dividends is ¥10 per share (after consideration of share consolidation with a ratio of five shares to one share). When converted to the amount before share consolidation, the current forecast for dividends is ¥2 per share.

(4) Risks

No significant changes from the descriptions of business risks presented in Mazda's "*Yuka Shoken Hokokusho*" (annual securities report) for the last fiscal year and the latest "*Shihannki Hokokusho*" (quarterly securities report). Please see Mazda's "*Yuka Shoken Hokokusho*" and "*Shihannki Hokokusho*" from the URL below. (Japanese only)

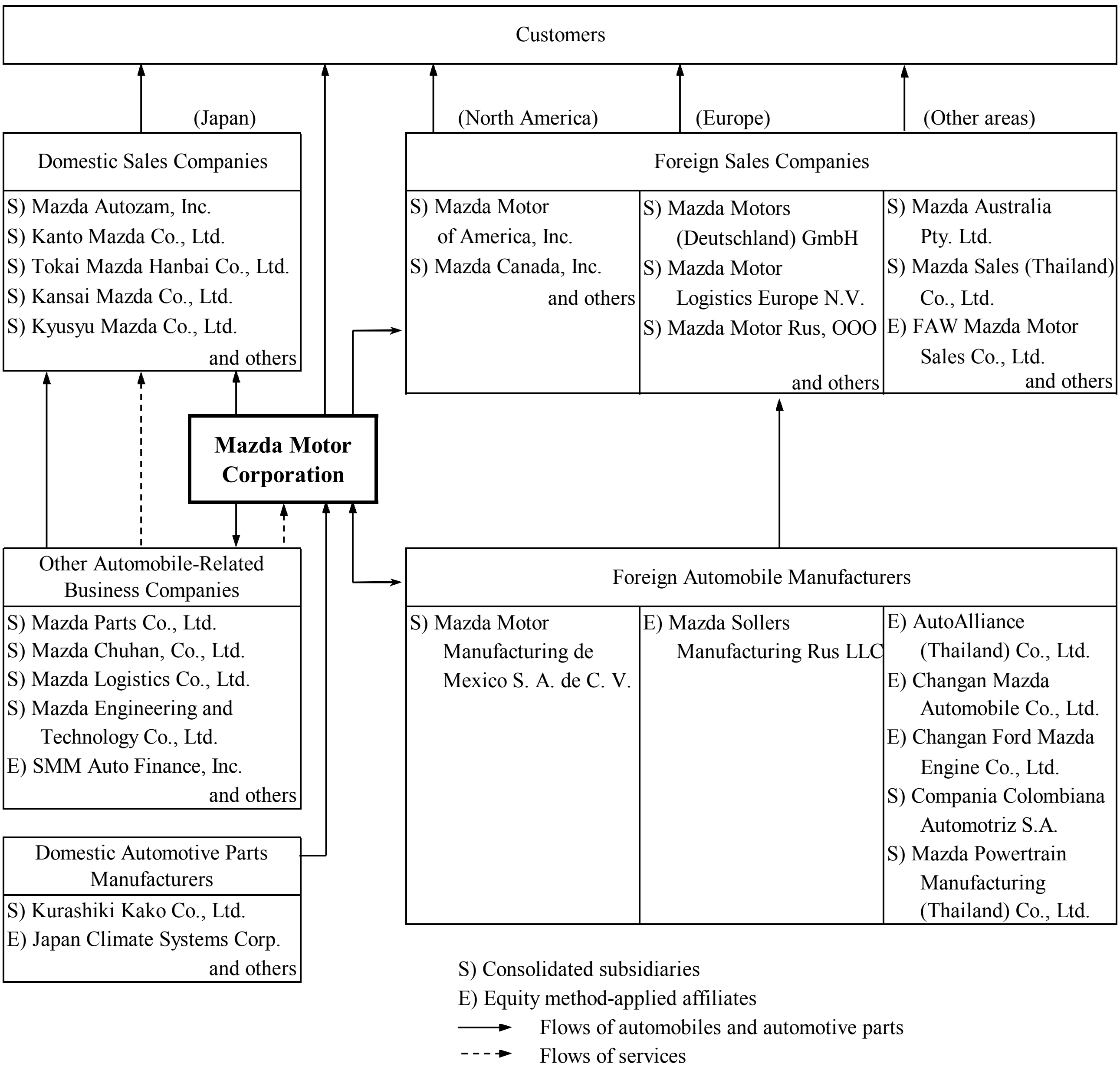
Mazda Website:
http://www.mazda.co.jp/corporate/investors/library/s_report/

2. Overview of Mazda Group

The Mazda group consists of Mazda Motor Corporation, 59 consolidated subsidiaries and 15 equity method-applied affiliates (as of March 31, 2014) 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. In overseas, Mazda Motor Manufacturing de Mexico S.A. de C.V., AutoAlliance (Thailand) Co., Ltd. and other companies manufacture automobiles and automotive parts. The automobiles and automotive parts manufactured by the Mazda group are sold to customers by sales companies. In Japan, Mazda Autozam, Inc., Kanto Mazda Co., Ltd. and other companies sell automobiles and automotive parts to customers. To certain corporate customers, Mazda Motor Corporation directly sells automobiles. In overseas, sales companies that sell 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: "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 February 2012, the Mazda Group announced a "Structural Reform Plan" to strengthen our "Framework for Medium- and Long-term Initiatives" in order to respond to the harsh external environment and ensure future growth. Since the announcement of the plan, we have aggressively promoted structural reforms by using the "SKYACTIV" as leverage.

At the same time, with concern about the outlook for emerging countries and the correction of yen appreciation, the business environment surrounding the company is changing. In response to these changes in the external environment, we have revised our business indices for the fiscal year ending March 2016 as shown below. We will sustain the current momentum and further advance and accelerate the "Structural Reform Plan".

Revision of business indices for the fiscal year ending March 2016

- Global sales volume 1.52 million units
- Consolidated operating profit ¥230 billion
- Consolidated operating return on sales 7% or more

(Based on an exchange rate of ¥100/1 dollar and ¥135/1 euro)

The principal measures set forth in the "Structural Reform Plan" and its progress are as follows:

1. Business innovation through "SKYACTIV"

We are launching new vehicles equipped with our new-generation technology, "SKYACTIV", which delivers the ultimate improvement in the vehicle's base technologies. To these base technologies, we are gradually adding electric device technologies in our call "Building Block Strategy".

Since its introduction to the market, "SKYACTIV" has had a tremendous response and earned high marks from all quarters and has contributed to boosting brand value. In terms of sales as well, retail volume has increased globally, and, relying on our products' high marketability, we have been able to sell them at the right price, minimizing incentives and thereby significantly contributing to profitability.

In November of last year the “Atenza” was named the “2014 Automotive Researchers’ and Journalists’ Conference of Japan (RJC) Car of the Year”. The second of our new-generation products, the “Atenza” features “SKYACTIV” and our new design theme “KODO–Soul of Motion” and has been acclaimed for its dynamic performance and comfortable and high-quality ride. The third new-generation product, the all-new “Axela”, has also gained international recognition since going on sale in North America last autumn. For the past two years the “CX-5” has held the top spot in SUV sales in Japan, and it is leading the expansion of the domestic market for passenger cars with clean diesel engines.

While balancing product strength, brand and design with a high earnings structure, “SKYACTIV” is driving not only technical innovation but also structural reform of Mazda’s business.

2. Accelerate further cost improvement through “Monotsukuri Innovation”

The Mazda Group has undertaken “Monotsukuri Innovation” to produce a variety of models more efficiently by having development and manufacturing work together to achieve common architecture across different models through integrated planning that transcends market segments and model classes. The “CX-5”, the first model to fully incorporate “Monotsukuri Innovation”, is highly cost-competitive while offering an exhilarating driving performance and excellent fuel economy. The second and third new-generation products, the “Atenza” and the all-new “Axela”, are also performing up to expectations.

With the introduction of more new models, the ratio of vehicles equipped with “SKYACTIV” will increase, and we expect to see even further benefits from “Monotsukuri Innovation”. We have also reinforced our business structure against exchange fluctuations by promoting optimum global procurement and expanding sourcing in foreign currencies.

3. Reinforce business in emerging countries and establish global production footprints

We have achieved steady results in our effort to increase retail volume in emerging markets, strengthening our business in emerging countries by expanding our production bases and strengthening sales capabilities. At the same time, we are working to restructure our global production system.

Production of the all-new “Mazda3” for North America at our new plant in Mexico began in January as scheduled. The plant will also produce the all-new “Mazda3” for other countries in the Central and South America and Europe. The company decided to construct a new engine machining factory to make “SKYACTIV” engines for the “Mazda2” and all-new “Mazda3” to be produced at the Mexico plant. It is expected to start operations in October 2014. In Malaysia, we have begun construction of a vehicle assembly facility to enhance local assembly. In Thailand, construction of a new transmission plant is proceeding smoothly. Operations are expected to start during the first half of the fiscal year ending March 2016.

In Japan, in response to increasing sales of “SKYACTIV” vehicles around the globe, we are planning to enhance production capacity for “SKYACTIV-G” gasoline engines and “SKYACTIV-D” diesel engines at the company’s Hiroshima Plant. Capacity, currently 800 thousand units annually, will be increased to 1,000 thousand units by the end of fiscal year 2014. “SKYACTIV” transmission production capacity at the Hofu Plant will be increased from the current 750 thousand units annually to 1, 140 thousand units by July 2014.

While maintaining domestic production, we will steadily promote the establishment of a well-balanced, global supply system.

As for sales, we established new national sales companies in Taiwan and South Africa. Through these companies, we will work to further strengthen the Mazda brand and expand our sales structures in these markets.

4. Promote Global Alliance

   In order to strengthen the Mazda brand, we are actively pursuing an alliance strategy to complement our products, technologies, and regions.

   Following the licensing of hybrid system technology from Toyota Motor Corporation, we developed a "SKYACTIV-HYBRID" based on this technology and marketed it in Japan in the all-new "Axela". From the summer of 2015 we will start production of a Toyota-brand vehicle at our Mexico plant. We also signed an agreement on cooperation with Fiat to produce an open-top two-seater sports car at our Hiroshima plant in Japan. We have been supplying Nissan Motor Co., Ltd. with a "SKYACTIV" model on an OEM basis. Last May Suzuki Motor Corporation began supplying us with the "Mazda VX-1", a three-seat compact vehicle, and sales were launched in Indonesia.

   Please note that business indicators and other descriptions of the future are based on certain assumptions judged by Mazda Group as of March 31, 2014. Such description may differ from the actual results and the achievement of such description is not guaranteed in any way.

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

With regard to the business environment surrounding the Mazda Group, a number of factors are expected to contribute to instability, including the concern about outlook for the economies of emerging countries and effect of the recent hike in the consumption tax in Japan.

Under such situation, Mazda will run the business with the focus on brand value through the steady implementation of the four initiatives of the "Structural Reform Plan", which is described in (2) Target Business Indicators. And we will enhance the lineup of "fun to drive" products equipped with "SKYACTIV" and maximize customer satisfaction through Mazda unique and attractive products and services, and then realize both right-price sales and growth in production volume. We will strive to ensure that these efforts translate to continuous investment for our future growth, realization of stable earnings structure, and steady improvement in shareholders returns.

(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 of 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 by means of public offering; the payment date was October 21, 2009. Mazda also carried out a capital increase by means of 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 owned 3.5% of Mazda's outstanding shares. Further, Mazda carried out a capital increase by means of public offering; the payment date was March 12, 2012. Mazda also carried out a capital increase by means of third-party allotment; the payment date was March 27, 2012. Though Ford's stake in Mazda decreased to 2.1% as a result of aforementioned capital increase, Ford is still one of Mazda's largest shareholders and, as such, the two companies have agreed to continue their strategic partnership. The two companies will continue to collaborate on areas of mutual benefit, such as key joint projects and exchange of technology information.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of Yen)

As of	FY2013 March 31, 2013	**FY2014** **March 31, 2014**
ASSETS		
Current Assets:		
Cash and time deposits	301,133	**328,154**
Trade notes and accounts receivable	171,770	**180,544**
Securities	144,871	**152,738**
Inventories	265,687	**323,677**
Deferred tax assets	59,999	**54,897**
Other	85,019	**93,365**
Allowance for doubtful receivables	(1,002)	**(848)**
Total current assets	1,027,477	**1,132,527**
Fixed Assets:		
Tangible fixed assets:		
Buildings and structures (net)	139,035	**155,386**
Machinery and vehicles (net)	156,150	**197,356**
Tools, furniture, and fixtures (net)	19,605	**43,998**
Land	409,926	**411,886**
Leased assets (net)	5,245	**4,291**
Construction in progress	54,307	**53,040**
Other (net)	123	**-**
Total tangible fixed assets	784,391	**865,957**
Intangible fixed assets:		
Software	18,336	**20,648**
Other	2,121	**2,178**
Total intangible fixed assets	20,457	**22,826**
Investments and other fixed assets:		
Investment securities	120,806	**148,352**
Long-term loans receivable	5,552	**6,551**
Assets related to retirement benefits	-	**2,046**
Deferred tax assets	5,155	**54,189**
Other	19,311	**16,777**
Allowance for doubtful receivables	(4,058)	**(2,940)**
Investment valuation allowance	(524)	**(249)**
Total investments and other fixed assets	146,242	**224,726**
Total fixed assets	951,090	**1,113,509**
Total Assets	1,978,567	**2,246,036**

(Millions of Yen)

As of	FY2013 March 31, 2013	**FY2014 March 31, 2014**
LIABILITIES		
Current Liabilities:		
Trade notes and accounts payable	279,642	**331,678**
Short-term loans payable	97,833	**105,283**
Long-term loans payable due within one year	91,518	**87,496**
Bonds due within one year	10,100	**20,100**
Lease obligations	2,652	**2,119**
Income taxes payable	11,454	**3,476**
Other accounts payable	22,146	**38,469**
Accrued expenses	145,706	**155,781**
Reserve for warranty expenses	28,626	**32,080**
Other	69,235	**35,591**
Total current liabilities	758,912	**812,073**
Fixed Liabilities:		
Bonds	40,550	**20,450**
Long-term loans payable	473,115	**504,446**
Lease obligations	3,215	**2,841**
Deferred tax liability related to land revaluation	75,209	**75,195**
Employees' severance and retirement benefits	69,790	**-**
Reserve for loss from business of affiliates	6,957	**44,249**
Reserve for environmental measures	1,577	**1,584**
Liabilities related to retirement benefits	-	**70,149**
Other	36,016	**38,212**
Total fixed liabilities	706,429	**757,126**
Total Liabilities	1,465,341	**1,569,199**
EQUITY		
Capital and Retained Earnings:		
Common stock	258,957	**258,957**
Capital surplus	242,649	**242,649**
Retained earnings	(46,299)	**89,424**
Treasury stock	(2,192)	**(2,204)**
Total capital and retained earnings	453,115	**588,826**
Accumulated Other Comprehensive Income/(Loss):		
Net unrealized gain/(loss) on available-for-sales securities	409	**1,152**
Net gain/(loss) on derivative instruments	(15,064)	**(1,223)**
Land revaluation	135,565	**135,541**
Foreign currency translation adjustments	(72,200)	**(55,586)**
Pension adjustments recognized by foreign consolidated subsidiaries	(5,513)	**-**
Accumulated adjustments related to retirement benefits	-	**(7,988)**
Total accumulated other comprehensive income/(loss)	43,197	**71,896**
Stock Acquisition Rights	6	**-**
Minority Interests in Consolidated Subsidiaries	16,908	**16,115**
Total Equity	513,226	**676,837**
Total Liabilities and Equity	1,978,567	**2,246,036**

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

(Millions of Yen)

For the years ended	FY2013 March 31, 2013	**FY2014 March 31, 2014**
Net sales	2,205,270	**2,692,238**
Costs of sales	1,729,296	**1,993,643**
Gross profit on sales	475,974	**698,595**
Selling, general and administrative expenses	422,038	**516,474**
Operating income	53,936	**182,121**
Non-operating income		
Interest income	2,659	**2,523**
Dividend income	289	**323**
Rental income	2,088	**2,910**
Equity in net income of affiliates	10,090	**9,677**
Other	2,880	**3,553**
Total	18,006	**18,986**
Non-operating expenses		
Interest expense	14,062	**12,975**
Loss on sale of receivables	813	**972**
Foreign exchange loss	19,538	**42,215**
Other	4,442	**4,294**
Total	38,855	**60,456**
Ordinary income	33,087	**140,651**
Extraordinary profits		
Gain on sale of tangible fixed assets	508	**777**
Gain on sales of subsidiaries and affiliates' stocks	9,574	**-**
State subsidy	2,746	**-**
Subsidy income	-	**224**
Compensation for the exercise of eminent domain	104	**123**
Other	817	**19**
Total	13,749	**1,143**
Extraordinary losses		
Loss on retirement and sale of tangible fixed assets	3,333	**5,007**
Loss on impairment of fixed assets	2,795	**2,754**
Reserve for loss from business of subsidiaries and affiliates	-	**36,616**
Reserve for environmental measures	60	**8**
Business restructuring costs	1,212	**-**
Other	335	**-**
Total	7,735	**44,385**
Income before income taxes	39,101	**97,409**

(Millions of Yen)

For the years ended	FY2013 March 31, 2013	**FY2014** **March 31, 2014**
Income taxes		
Current	16,231	**15,655**
Deferred	(11,606)	**(51,745)**
Total	4,625	**(36,090)**
Income before minority interests	34,476	**133,499**
Minority interests in consolidated subsidiaries	172	**(2,200)**
Net income	34,304	**135,699**

Consolidated Statement of Comprehensive Income

(Millions of Yen)

For the years ended	FY2013 March 31, 2013	**FY2014** **March 31, 2014**
Income before minority interests	34,476	**133,499**
Other comprehensive income/(loss)		
Net unrealized gain/(loss) on available-for-sale securities	542	**751**
Net gain/(loss) on derivative instruments	(11,366)	**13,689**
Foreign currency translation adjustments	(4,497)	**1,206**
Pension adjustments recognized by foreign consolidated subsidiaries	(1,080)	**-**
Adjustments related to retirement benefits	-	**1,369**
Share of other comprehensive income/(loss) of equity method-applied affiliates	10,337	**16,825**
Total	(6,064)	**33,840**
Comprehensive income/(loss)	28,412	**167,339**
Comprehensive income/(loss) attributable to:		
Owners of the parent	26,891	**168,266**
Minority interests	1,521	**(927)**

(3) Consolidated Statement of Equity

(For the Year Ended March 31, 2013)

	Capital and Retained Earnings					Accumulated Other Comprehensive Income/(Loss)	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gain/(loss) on available-for-sale securities	Net (loss)/ gain on derivative instruments
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2012	**258,957**	**242,649**	**(88,715)**	**(2,190)**	**410,701**	**(160)**	**(3,529)**
Changes during the period:							
Net income			**34,304**		**34,304**		
Acquisition of treasury stock				**(2)**	**(2)**		
Land revaluation			**7,543**		**7,543**		
Change of consolidation scope			**569**		**569**		
Net changes in accounts other than paid-in capital and retained earnings						**569**	**(11,535)**
Net changes during the period	**-**	**-**	**42,416**	**(2)**	**42,414**	**569**	**(11,535)**
Balance at March 31, 2013	**258,957**	**242,649**	**(46,299)**	**(2,192)**	**453,115**	**409**	**(15,064)**

	Accumulated Other Comprehensive Income/(Loss)				Stock acquisition rights	Minority Interests in Consolidated Subsidiaries	Total Equity
	Land revaluation	Foreign currency translation adjustments	Pension adjustments recognized by foreign consolidated subsidiaries	Total			
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2012	**143,108**	**(76,833)**	**(4,433)**	**58,153**	**259**	**5,316**	**474,429**
Changes during the period:							
Net income							**34,304**
Acquisition of treasury stock							**(2)**
Land revaluation							**7,543**
Change of consolidation scope							**569**
Net changes in accounts other than paid-in capital and retained earnings	**(7,543)**	**4,633**	**(1,080)**	**(14,956)**	**(253)**	**11,592**	**(3,617)**
Net changes during the period	**(7,543)**	**4,633**	**(1,080)**	**(14,956)**	**(253)**	**11,592**	**38,797**
Balance at March 31, 2013	**135,565**	**(72,200)**	**(5,513)**	**43,197**	**6**	**16,908**	**513,226**

Consolidated Statement of Equity

(For the Year Ended March 31, 2014)

	Capital and Retained Earnings					Accumulated Other Comprehensive Income/(Loss)	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gain/(loss) on available-for-sale securities	Net (loss)/ gain on derivative instruments
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2013	**258,957**	**242,649**	**(46,299)**	**(2,192)**	**453,115**	**409**	**(15,064)**
Changes during the period:							
Net income			**135,699**		**135,699**		
Acquisition of treasury stock				**(12)**	**(12)**		
Land revaluation			**24**		**24**		
Change of consolidation scope			**-**		**-**		
Net changes in accounts other than paid-in capital and retained earnings						**743**	**13,841**
Net changes during the period	**-**	**-**	**135,723**	**(12)**	**135,711**	**743**	**13,841**
Balance at March 31, 2014	**258,957**	**242,649**	**89,424**	**(2,204)**	**588,826**	**1,152**	**(1,223)**

	Accumulated Other Comprehensive Income/(Loss)					Stock acquisition rights	Minority Interests in Consolidated Subsidiaries	Total Equity
	Land revaluation	Foreign currency translation adjustments	Pension adjustments recognized by foreign consolidated subsidiaries	Accumulated adjustments related to retirement benefits	Total			
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2013	**135,565**	**(72,200)**	**(5,513)**	**-**	**43,197**	**6**	**16,908**	**513,226**
Changes during the period:								
Net income								**135,699**
Acquisition of treasury stock								**(12)**
Land revaluation								**24**
Change of consolidation scope								**-**
Net changes in accounts other than paid-in capital and retained earnings	**(24)**	**16,614**	**5,513**	**(7,988)**	**28,699**	**(6)**	**(793)**	**27,900**
Net changes during the period	**(24)**	**16,614**	**5,513**	**(7,988)**	**28,699**	**(6)**	**(793)**	**163,611**
Balance at March 31, 2014	**135,541**	**(55,586)**	**-**	**(7,988)**	**71,896**	**-**	**16,115**	**676,837**

(4) Consolidated Statement of Cash Flows

(Millions of Yen)

For the years ended	FY2013 March 31, 2013	**FY2014 March 31, 2014**
Cash flows from operating activities:		
Income before income taxes	39,101	**97,409**
Adjustments to reconcile income before income taxes to net cash provided by/(used in) operating activities:		
Depreciation and amortization	59,954	**57,656**
Loss on impairment of fixed assets	2,795	**2,754**
Allowance for doubtful receivables	113	**(1,364)**
Reserve for warranty expenses	(4,552)	**3,454**
Employees' severance and retirement benefits	(5,739)	**-**
Reserve for loss from business of subsidiaries and affiliates	(714)	**37,292**
Reserve for environmental measures	60	**8**
Liabilities related to retirement benefits	-	**(1,546)**
Interest and dividend income	(2,948)	**(2,846)**
Interest expense	14,062	**12,975**
Equity in net loss/(income) of affiliates	(10,090)	**(9,677)**
Loss/(gain) on retirement and sale of tangible fixed assets	2,721	**4,107**
Loss/(gain) on sale of investment securities	(329)	**-**
Loss/(gain) on sales of subsidiaries and affiliates' stocks	(9,574)	**-**
State subsidy	(2,746)	**-**
Decrease/(increase) in trade notes and accounts receivable	(4,532)	**(1,416)**
Decrease/(increase) in inventories	(37,187)	**(47,058)**
Increase/(decrease) in trade notes and accounts payable	33,994	**48,068**
Increase/(decrease) in other current liabilities	21,716	**10,006**
Other	(20,686)	**(48,572)**
Subtotal	75,419	**161,250**
Interest and dividends received	3,075	**3,149**
Interest paid	(13,678)	**(13,324)**
Income taxes refunded/(paid)	(15,783)	**(14,696)**
Net cash provided by/(used in) operating activities	49,033	**136,379**
Cash flows from investing activities:		
Decrease/(increase) in time deposits	(70)	**11**
Purchase of investment securities	(5,097)	**(1,823)**
Proceeds from sale and redemption of investment securities	1,166	**152**
Acquisition of tangible fixed assets	(69,899)	**(110,830)**
Proceeds from sale of tangible fixed assets	16,065	**1,841**
Proceeds from state subsidy	2,746	**-**
Acquisition of intangible fixed assets	(6,110)	**(8,263)**
Decrease/(increase) in short-term loans receivable	1,317	**4**
Long-term loans receivable made	(467)	**(1,235)**
Collections of long-term loans receivable	345	**274**
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	19,804	**-**
Other	(87)	**(188)**
Net cash used in investing activities	(40,287)	**(120,057)**

(Millions of Yen)

For the years ended	FY2013 March 31, 2013	**FY2014** **March 31, 2014**
Cash flows from financing activities:		
Increase/(decrease) in short-term loans payable	25,683	**(1,100)**
Proceeds from long-term loans payable	2,680	**116,048**
Repayment of long-term loans payable	(41,647)	**(91,692)**
Redemption of bonds	(45,100)	**(10,100)**
Payment of lease obligations	(7,980)	**(2,802)**
Proceeds from stock issuance to minority shareholders	9,364	**356**
Cash dividends paid to minority shareholders	(15)	**(215)**
Treasury stock transactions	(2)	**(12)**
Other	(164)	**-**
Net cash provided by/(used in) financing activities	(57,181)	**10,483**
Effects of exchange rate fluctuations on cash and cash equivalents	15,041	**8,074**
Net increase/(decrease) in cash and cash equivalents	(33,394)	**34,879**
Cash and cash equivalents at beginning of the period	477,307	**444,875**
Increase/(decrease) in cash and cash equivalents resulting from change of scope of consolidation	962	**-**
Cash and cash equivalents at end of the period	444,875	**479,754**

(5) Footnotes to the Consolidated Financial Statements

(Note on the Assumptions as Going Concern)

Not applicable

(Significant Accounting Policies in Preparing the Consolidated Financial Statements)

1. Consolidation Scope and Application of Equity Method

1) Consolidated Subsidiaries	59	
Overseas	36	Mazda Motor of America, Inc. Mazda Motors (Deutschland) GmbH and others
Domestic	23	15 dealers and 8 others
2) Equity Method-Applied Affiliates	15	
Overseas	6	AutoAlliance (Thailand) Co., Ltd. Changan Mazda Automobile Co., Ltd. and others
Domestic	9	2 automotive parts sales companies and 7 others

2. Changes in Consolidation Scope and Application of Equity Method

The changes in Consolidation Scope and Application of Equity Method are as follow.

1) Consolidated Subsidiaries

(Newly added)	3	
Overseas	3	(newly founded) Mazda Southern Africa (Pty) Ltd Mazda Motor Taiwan Co., Ltd. Mazda de Colombia S.A.S.

3. Accounting Periods of Consolidated Subsidiaries

The year-end consolidated balance sheet date is March 31. Among the consolidated subsidiaries, the following subsidiaries have a year-end balance sheet date (in its statutory financial statements) different from the year-end consolidated balance sheet date.

(Company name)	(Balance sheet date)	
Compania Colombiana Automotriz S.A.	December 31	(Note 1)
Vehiculos Mazda de Venezuela C.A.	December 31	(Note 1)
Mazda Motor (China) Co., Ltd.	December 31	(Note 2)
Mazda South East Asia, Ltd.	December 31	(Note 2)
Mazda Motor de Mexico, S. de R.L de C.V.	December 31	(Note 1)
Mazda Servicios de Mexico, S. de R.L de C.V.	December 31	(Note 1)
Mazda Motor Manufacturing de Mexico S.A.de C.V.	December 31	(Note 1)
Mazda Motor Operaciones de Mexico S.A.de C.V.	December 31	(Note 1)
Mazda Motor Rus, OOO	December 31	(Note 1)
Mazda Motor do Brasil Ltda	December 31	(Note 2)
Logistics Alliance (Thailand) Co., Ltd.	December 31	(Note 2)
Kurashiki Kako (Dalian) Co., Ltd.	December 31	(Note 2)
Mazda Malaysia Sdn. Bhd.	December 31	(Note 2)
Mazda Powertrain Manufacturing (Thailand) Co., Ltd.	December 31	(Note 2)
Mazda de Colombia S.A.S.	December 31	(Note 1)

(Note 1) In preparing the consolidated financial statements, special purpose financial statements prepared for consolidation as of the consolidated balance sheet date are used.

(Note 2) In preparing the consolidated financial statements, adjustments necessary in consolidation were made for material transactions that occurred between the balance sheet dates (in its statutory financial statements) of these subsidiaries and the consolidated balance sheet date.

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, which represents the market prices at the balance sheet date (unrealized gains/losses on these securities are reported, net of applicable income taxes, as a separate component of accumulated other comprehensive income with equity. Realized gains/losses on the sale of such securities are computed mainly using moving-average cost.)
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 over the estimated useful lives of the assets with a residual value at the end of useful lives to be a memorandum value.

b) Intangible Fixed Assets (excluding leased assets)

Mainly a 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) 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.

e) 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) Accounting method for Retirement benefit

a) Method of attributing expected benefit to periods

In calculating the retirement benefit obligation, the method of attributing expected benefit to the accounting period is based on mainly a straight-line basis.

b) Method of amortization of actuarial gains or losses and prior service cost

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).

5) 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. Statement of operations 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.

6) 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.

7) 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.

8) 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.

9) Others

a) Accounting for Consumption Taxes

Tax-excluded method

In addition, any non-deductible consumption taxes associated with asset purchases are recorded as an expense during the current fiscal year.

b) Adoption of Consolidated taxation system

Consolidated taxation system with domestic subsidiaries has been adopted.

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

(Changes in accounting policies)

Effective from the end of the fiscal year ended March 31, 2014, the Company adopted the Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan (“ASBJ”) Statement No. 26, May 17, 2012) and Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012), except for the amendment set forth in Article 35 of the Accounting Standard for Retirement Benefits and Article 67 of the Guidance on Accounting Standard for Retirement Benefits. Under the new standard, pension assets are deducted from retirement benefit obligations and the net amount is recognized as liabilities related to retirement benefits, and unrecognized actuarial gains/losses and unrecognized prior services costs are recorded as liability related to retirement benefits. And when pension assets exceed retirement benefit obligations, the net amount is recognized as assets related to retirement benefits.

In accordance with transitional accounting as stipulated in Article 37 of the Accounting Standard for Retirement Benefits, the effect of the changes in accounting policies arising from initial application is recognized in accumulated adjustments related to retirement benefits within the equity section.

As a result, assets related to retirement benefits of ¥2,046 million and liabilities related to retirement benefits of ¥70,149 million were booked as of March 31, 2014. And also, accumulated other comprehensive income decreased by ¥3,844 million and Minority Interests in Consolidated Subsidiaries decreased by ¥105 million. For the effect on information on amounts per share, please refer to “Information on Amounts Per Share of Common Stock”.

Along with the adoption of new standards, the presentation of “Pension adjustments recognized by foreign consolidated subsidiaries”, which was presented in Consolidated Balance Sheet, Consolidated Statement of Comprehensive Income, and Consolidated Statement of Equity for previous fiscal year, has been changed. It is presented as “Accumulated adjustments related to retirement benefits” in Consolidated Balance Sheet and Consolidated Statement of Equity, and “Adjustments related to retirement benefits” in Consolidated Statement of Comprehensive Income, respectively, for the fiscal year ended March 31, 2014.

(Segment Information)

1) Overview of Reportable Segments

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

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

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

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

The accounting treatment of reportable segments are the same as that described under "Significant Accounting Policies in Preparing the Consolidated Financial Statements."

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

(For the fiscal year ended March 31, 2013)

(Millions of Yen)

	Reportable Segments						
Year Ended March 31, 2013	Japan	North America	Europe	Other areas	Total	Adjustment (Note 1)	Consolidated (Note 2)
Net sales:							
Outside customers	795,919	647,382	344,434	417,535	2,205,270	-	2,205,270
Inter-segment	1,097,663	2,598	10,348	1,123	1,111,732	(1,111,732)	-
Total	1,893,582	649,980	354,782	418,658	3,317,002	(1,111,732)	2,205,270
Segment income/(loss)	108,389	(48,877)	3,122	16,839	79,473	(25,537)	53,936
Segment assets	1,775,831	309,211	162,047	176,543	2,423,632	(445,065)	1,978,567
Other items							
Depreciation and amortization	55,899	847	2,220	748	59,714	-	59,714
Amortization of goodwill	14	226	-	-	240	-	240
Investments in equity method-applied affiliates	15,573	35,635	2,280	55,558	109,046	-	109,046
Increase in tangible and intangible fixed assets	56,043	19,520	633	994	77,190	-	77,190

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 fiscal year ended March 31, 2013.

(For the fiscal year ended March 31, 2014) (Millions of Yen)

Year Ended March 31, 2014	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	**925,638**	**832,105**	**529,100**	**405,395**	**2,692,238**	**-**	**2,692,238**
Inter-segment	**1,337,632**	**11,529**	**11,432**	**8,794**	**1,369,387**	**(1,369,387)**	**-**
Total	**2,263,270**	**843,634**	**540,532**	**414,189**	**4,061,625**	**(1,369,387)**	**2,692,238**
Segment income	**173,500**	**1,324**	**8,466**	**5,803**	**189,093**	**(6,972)**	**182,121**
Segment assets	**1,791,383**	**406,254**	**195,196**	**195,481**	**2,588,314**	**(342,278)**	**2,246,036**
Other items							
Depreciation and amortization	**50,543**	**2,694**	**3,282**	**1,109**	**57,628**	**-**	**57,628**
Amortization of goodwill	**28**	**-**	**-**	**-**	**28**	**-**	**28**
Investments in equity method-applied affiliates	**17,005**	**42,473**	**3,748**	**70,993**	**134,219**	**-**	**134,219**
Increase in tangible and intangible fixed assets	**70,302**	**54,394**	**1,519**	**7,001**	**133,216**	**-**	**133,216**

Notes: 1. Notes on Adjustment:

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

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

2. Segment income is reconciled with the operating income in the consolidated statement of operations for the fiscal year ended March 31, 2014.

(Information on Amounts Per Share of Common Stock)

		FY2013 (April 1, 2012 to March 31, 2013)	**FY2014 (April 1, 2013 to March 31, 2014)**
Equity per share of common stock (Yen)		166.04	**221.04**
Net income per share of common stock:	Basic (Yen)	11.48	**45.40**
	Diluted (Yen)	-	**-**

Note1: For the fiscal year ended March 31, 2014, since there are no dilutive potential securities that have dilutive effects, diluted information is not presented. For the fiscal year ended March 31, 2015, since there are no dilutive potential securities, diluted information is not presented.

Note2: As described in "Changes in accounting policies", we have adopted the Accounting Standard for Retirement Benefits, etc. and we are in compliance with transitional accounting as stipulated in Article 37 of the Accounting Standard for Retirement Benefits. The effect of this change on the equity per share of common stock was immaterial.

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

	FY2013 (April 1, 2012 to March 31, 2013)	**FY2014 (April 1, 2013 to March 31, 2014)**
Net income per common stock:		
Net income (Millions of Yen)	34,304	**135,699**
Amount not attribute to common stock shareholders (Millions of Yen)	-	**-**
Net income related to common stock (Millions of Yen)	34,304	**135,699**
Average number of shares outstanding during the period (Thousands of shares)	2,989,171	**2,989,149**
Outline of dilutive potential securities, which undergo important changes from the end of previous fiscal year and are not used to calculate net income per share because they do not have dilutive effects	(Note)	**-**

(Note) Stock acquisition rights (stock option) resolved at the general meeting of shareholders on June 25, 2008.
On June 27, 2012, we acquired a part of the stock acquisition rights with no compensation on right holders' consent and cancelled them.
- Number of stock acquisition rights cancelled 1,802 units
- Number of common shares underlying the share option for the cancelled stocks 1,802,000 shares

Note4: The calculation basis of Equity per share of common stock is as follows.

	FY2013 (as of March 31, 2013)	**FY2014 (as of March 31, 2014)**
Total Equity (Millions of Yen)	513,226	**676,837**
Amount deducted from total equity (Millions of Yen)	16,914	**16,115**
(of which Stock Acquisition Rights)	(6)	**-**
(of which Minority Interests)	(16,908)	**(16,115)**
Equity related to common stock (Millions of Yen)	496,312	**660,722**
Number of common stock used in the calculation of equity per share (Thousands of shares)	2,989,165	**2,989,136**

(Significant Subsequent Events)

Not applicable

5. Unconsolidated Financial Statements
(1) Unconsolidated Balance Sheet

(Millions of Yen)

As of	FY2013 March 31, 2013	**FY2014 March 31, 2014**
ASSETS		
Current Assets:		
Cash and time deposits	183,151	**193,985**
Accounts receivable - Trade	249,089	**252,095**
Securities	143,000	**150,000**
Finished Products	32,555	**33,907**
Work in process	61,735	**81,042**
Raw material and Supplies	5,130	**4,775**
Prepaid expenses	2,458	**1,876**
Deferred tax assets	41,913	**33,640**
Accounts receivable - Other	57,671	**75,433**
Short-term loans receivable	116,462	**56,916**
Other	11,828	**10,840**
Allowance for doubtful receivables	(328)	**(285)**
Total current assets	904,664	**894,224**
Fixed Assets:		
Tangible fixed assets:		
Buildings (net)	81,960	**81,728**
Structures (net)	14,478	**13,577**
Machinery and equipment (net)	135,290	**142,041**
Transportation equipment (net)	1,277	**1,539**
Tools, furniture and fixtures (net)	16,047	**17,435**
Land	291,145	**286,560**
Leased assets (net)	3,803	**2,869**
Construction in progress	26,514	**31,942**
Total tangible fixed assets	570,514	**577,691**
Intangible fixed assets:		
Software	15,195	**16,495**
Leased assets (net)	10	**8**
Total intangible fixed assets	15,205	**16,503**
Investments and other fixed assets:		
Investment securities	3,351	**4,099**
Investment securities for subsidiaries and affiliates	243,644	**251,941**
Investments	3	**3**
Investment for subsidiaries and affiliates	34,635	**34,635**
Long-term loans receivable	1,467	**1,467**
Long-term loans receivable for employees	1	**4**
Long-term loans receivable for subsidiaries and affiliates	2,604	**3,016**
Claims in bankruptcy, rehabilitation and others	989	**-**
Long-term prepaid expenses	2,722	**2,885**
Deferred tax assets	1,191	**10,705**
Other	3,982	**2,710**
Allowance for doubtful receivables	(3,276)	**(2,296)**
Investment valuation allowance	(511)	**(397)**
Total investments and other fixed assets	290,802	**308,772**
Total fixed assets	876,521	**902,966**
Total Assets	1,781,185	**1,797,190**

(Millions of Yen)

As of	FY2013 March 31, 2013	**FY2014** **March 31, 2014**
LIABILITIES		
Current Liabilities:		
Trade notes payable	830	**884**
Accounts payable - Trade	219,282	**255,967**
Bonds due within one year	10,000	**20,000**
Long-term loans payable due within one year	89,824	**84,323**
Lease obligations	2,008	**1,395**
Accounts payable - Other	77,922	**12,880**
Accrued expenses	56,097	**58,869**
Income tax payable	4,352	**1,928**
Unearned revenue	632	**563**
Deferred revenue	271	**347**
Deposit received	23,920	**29,180**
Reserve for warranty expenses	28,307	**31,931**
Forward exchange contracts	41,750	**4,377**
Total current liabilities	555,195	**502,644**
Fixed Liabilities:		
Bonds	40,000	**20,000**
Long-term loans payable	466,264	**391,941**
Lease obligations	2,075	**1,696**
Deferred tax liability related to land revaluation	75,209	**75,195**
Employees' and executive officers' severance and retirement benefits	48,493	**44,415**
Reserve for loss from business of subsidiaries and affiliates	82,765	**67,617**
Reserve for environmental measures	1,514	**1,523**
Guaranty money received	3,562	**3,912**
Asset retirement obligations	6,784	**6,591**
Other	1,179	**3,391**
Total fixed liabilities	727,845	**616,281**
Total Liabilities	1,283,040	**1,118,925**
EQUITY		
Capital and Retained Earnings:		
Common stock	258,957	**258,957**
Capital surplus		
Capital reserve	168,847	**168,847**
Other capital surplus	73,802	**73,802**
Total capital surplus	242,649	**242,649**
Retained earnings		
Other earned surplus		
Unappropriated retained earnings	(122,135)	**43,898**
Total retained earnings	(122,135)	**43,898**
Treasury stock	(2,187)	**(2,199)**
Total capital and retained earnings	377,284	**543,305**
Valuation and Translation Adjustments:		
Net unrealized gain/(loss) on available-for-sale securities	168	**647**
Net gain/(loss) on derivative instruments	(14,878)	**(1,228)**
Land revaluation	135,565	**135,541**
Total valuation and translation adjustments	120,855	**134,960**
Stock Acquisition Rights	6	**-**
Total Equity	498,145	**678,265**
Total Liabilities and Equity	1,781,185	**1,797,190**

(2) Unconsolidated Statement of Operations

(Millions of Yen)

For the years ended	FY2013 March 31, 2013	**FY2014 March 31, 2014**
Net sales	1,694,765	**2,057,014**
Costs of sales	1,399,325	**1,651,229**
Gross profit on sales	295,440	**405,785**
Selling, general and administrative expenses	222,152	**252,309**
Operating income	73,288	**153,476**
Non-operating income		
Interest income	1,755	**2,579**
Interest income of securities	316	**194**
Dividends income	1,264	**38,189**
Rental income	5,102	**4,954**
Other	1,009	**2,007**
Total	9,446	**47,923**
Non-operating expenses		
Interest expense	11,094	**10,259**
Interest paid on bonds	1,167	**579**
Foreign exchange loss	18,129	**39,738**
Other	3,901	**2,005**
Total	34,291	**52,581**
Ordinary income	48,443	**148,818**
Extraordinary profits		
Gain on sale of tangible fixed assets	163	**600**
Gain on sale of stock for subsidiaries and affiliates	18,915	**-**
Gain on sale of investment securities for subsidiaries and affiliates	8,738	**-**
Gain on reversal of reserve for loss from business of subsidiaries and affiliates	-	**14,755**
Gain on reversal of subscription rights to shares	253	**6**
State Subsidy	2,379	**-**
Compensation for the exercise of eminent domain	43	**-**
Total	30,491	**15,361**
Extraordinary losses		
Loss on sale of tangible fixed assets	110	**587**
Loss on retirement of tangible fixed assets	2,518	**2,928**
Loss on impairment of fixed assets	2,031	**1,980**
Valuation loss on investment securities for subsidiaries and affiliates	-	**400**
Reserve for loss from business of subsidiaries and affiliates	65,905	**-**
Valuation loss on investments	-	**148**
Reserve for environmental measures	60	**8**
Total	70,624	**6,051**
Income before income taxes	8,310	**158,128**
Income taxes		
Current	(377)	**1,990**
Deferred	(2,420)	**(9,871)**
Total	(2,797)	**(7,881)**
Net income	11,107	**166,009**

(3) Unconsolidated Statement of Equity

(For the Year Ended March 31, 2013)

	Capital and Retained Earnings					
		Capital surplus		Retained earnings		
				Other earned surplus		
	Common stock	Capital reserve	Other capital surplus	Unappropriated retained earnings	Treasury stock	Total Capital and Retained earnings
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2012	**258,957**	**168,847**	**73,802**	**(140,785)**	**(2,185)**	**358,636**
Changes during the period:						
Reversal for land revaluation				**7,543**		**7,543**
Net income				**11,107**		**11,107**
Acquisition of treasury stock					**(2)**	**(2)**
Re-issuance of treasury stock			**(0)**		**0**	**0**
Net changes in accounts other than capital and retained earnings						
Net changes during the period	**-**	**-**	**(0)**	**18,650**	**(2)**	**18,648**
Balance at March 31, 2013	**258,957**	**168,847**	**73,802**	**(122,135)**	**(2,187)**	**377,284**

	Valuation and Translation Adjustments				Stock acquisition rights	Total Equity
	Net unrealized gain/(loss) on available-for-sale securities	Net gain/(loss) on derivative instruments	Land revaluation	Total valuation and translation adjustments		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2012	**61**	**(3,505)**	**143,108**	**139,664**	**259**	**498,559**
Changes during the period:						
Reversal for land revaluation				**-**		**7,543**
Net income				**-**		**11,107**
Acquisition of treasury stock				**-**		**(2)**
Re-issuance of treasury stock				**-**		**0**
Net changes in accounts other than capital and retained earnings	**107**	**(11,373)**	**(7,543)**	**(18,809)**	**(253)**	**(19,062)**
Net changes during the period	**107**	**(11,373)**	**(7,543)**	**(18,809)**	**(253)**	**(414)**
Balance at March 31, 2013	**168**	**(14,878)**	**135,565**	**120,855**	**6**	**498,145**

(For the Year Ended March 31, 2014)

	Capital and Retained Earnings					
		Capital surplus		Retained earnings		
				Other earned surplus		
	Common stock	Capital reserve	Other capital surplus	Unappropriated retained earnings	Treasury stock	Total Capital and Retained earnings
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2013	**258,957**	**168,847**	**73,802**	**(122,135)**	**(2,187)**	**377,284**
Changes during the period:						
Reversal for land revaluation				**24**		**24**
Net income				**166,009**		**166,009**
Acquisition of treasury stock					**(12)**	**(12)**
Re-issuance of treasury stock			**0**		**0**	**0**
Net changes in accounts other than capital and retained earnings						
Net changes during the period	**-**	**-**	**0**	**166,033**	**(12)**	**166,021**
Balance at March 31, 2014	**258,957**	**168,847**	**73,802**	**43,898**	**(2,199)**	**543,305**

	Valuation and Translation Adjustments					
	Net unrealized gain/(loss) on available-for-sale securities	Net gain/(loss) on derivative instruments	Land revaluation	Total valuation and translation adjustments	Stock acquisition rights	Total Equity
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2013	**168**	**(14,878)**	**135,565**	**120,855**	**6**	**498,145**
Changes during the period:						
Reversal for land revaluation						**24**
Net income						**166,009**
Acquisition of treasury stock						**(12)**
Re-issuance of treasury stock						**0**
Net changes in accounts other than capital and retained earnings	**479**	**13,650**	**(24)**	**14,105**	**(6)**	**14,099**
Net changes during the period	**479**	**13,650**	**(24)**	**14,105**	**(6)**	**180,120**
Balance at March 31, 2014	**647**	**(1,228)**	**135,541**	**134,960**	**-**	**678,265**

(4) Footnotes to the Unconsolidated Financial Statements

(Note on the Assumptions as Going Concern)

There are no matters to be discussed.

6. Other

(1) Production and Sales Information

a) Production Volume by Market

		FY2013 Year Ended March 31, 2013	FY2014 Year Ended March 31, 2014	Increase / (Decrease)
		units	units	units
Vehicles	Japan	879,129	972,533	93,404
	North America	0	10,007	10,007
	Total	879,129	982,540	103,411

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 equity method-applied affiliates):

	FY2013 Year Ended March 31, 2013	FY2014 Year Ended March 31, 2014	Increase / (Decrease)
AutoAlliance International, Inc.	19,101 units	0 units	(19,101) units
AutoAlliance (Thailand) Co., Ltd.	120,746 units	77,351 units	(43,395) units

b) Sales by Reportable Segment

	FY2013 Year Ended March 31, 2013	FY2014 Year Ended March 31, 2014	Increase / (Decrease)
	millions of yen	millions of yen	millions of yen
Japan	795,919	925,638	129,719
North America	647,382	832,105	184,723
Europe	344,434	529,100	184,666
Other areas	417,535	405,395	(12,140)
Total	2,205,270	2,692,238	486,968

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

c) Sales by Product Type

	FY2013 Year Ended March 31, 2013		FY2014 Year Ended March 31, 2014		Increase / (Decrease)	
	units	millions of yen	units	millions of yen	units	millions of yen
Vehicles	1,053,262	1,753,850	1,114,805	2,180,729	61,543	426,879
Knockdown Parts (Overseas)	-	55,938	-	70,394	-	14,456
Parts	-	189,749	-	206,537	-	16,788
Other	-	205,733	-	234,578	-	28,845
Total	-	2,205,270	-	2,692,238	-	486,968

< Wholesales Volume by Market >

		FY2013 Year Ended March 31, 2013	FY2014 Year Ended March 31, 2014	Increase / (Decrease)
		units	units	units
Vehicles	Japan	225,683	250,312	24,629
	North America	370,263	383,152	12,889
	Europe	157,608	194,017	36,409
	Other	299,708	287,324	(12,384)
	Overseas Total	827,579	864,493	36,914
	Total	1,053,262	1,114,805	61,543

Financial Summary (Consolidated)

For the Fiscal Year Ended March 31, 2014

April 25, 2014
Mazda Motor Corporation

(In 100 millions of yen) (In thousands of units) (Upper left: return on sales)		Fiscal Year Ended Mar.2013 (Apr.'12-Mar.'13)	%	1st. Qtr.	2nd. Qtr.	3nd. Qtr.	4nd. Qtr.	Fiscal Year Ended Mar.2014 (Apr.'13-Mar.'14)	%	FY March 2015 Full Year Forecast Ending March 31, 2015	%
Domestic	1	5,880	5.0	1,440	1,612	1,459	2,046	6,557	11.5	6,300	(3.9)
Overseas	2	16,173	9.8	4,719	4,772	5,400	5,474	20,365	25.9	22,700	11.5
Net sales	3	22,053	8.5	6,159	6,384	6,859	7,520	26,922	22.1	29,000	7.7
Operating income	4	2.4% 539	-	5.9% 365	5.9% 375	7.4% 506	7.6% 575	6.8% 1,821	237.7	7.2% 2,100	15.3
Ordinary income	5	1.5% 331	-	1.4% 84	4.4% 279	8.3% 568	6.3% 476	5.2% 1,407	325.1	7.2% 2,100	49.3
Income before income taxes	6	1.8% 391	-	1.3% 82	4.0% 257	8.2% 561	1.0% 74	3.6% 974	149.1	6.9% 2,000	105.3
Net income	7	1.6% 343	-	0.9% 55	3.1% 195	7.6% 524	7.8% 583	5.0% 1,357	295.6	5.5% 1,600	17.9
Operating income by segment (geographic area)											
Japan	8	1,084		270	416	594	455	1,735			
North America	9	(489)		11	(36)	(3)	41	13			
Europe	10	31		23	16	24	22	85			
Other areas	11	168		26	(2)	(22)	56	58			
Operating profit changes											
Volume & mix	12			82	131	245	92	550		600	
Exchange rate	13			292	311	367	157	1,127		(30)	
Cost improvement	14			51	56	24	89	220		100	
Marketing expense	15			(11)	(113)	(109)	41	(192)		(150)	
Other	16			(67)	(107)	(102)	(147)	(423)		(241)	
Total	17			347	278	425	232	1,282		279	
Average rate for the period JPY / USD	18	83		99	99	100	103	100		100	
Average rate for the period JPY / EUR		107		129	131	137	141	134		135	
Transaction rate JPY / USD	19	79		86	89	99	102	95		100	
Transaction rate JPY / EUR		103		112	123	130	135	126		135	
Capital expenditures	20	772		202	285	251	594	1,332		1,500	
Depreciation and amortization	21	600		132	136	140	169	577		700	
R & D cost	22	899		253	241	209	291	994		1,000	
Total assets	23	19,786		19,616	19,791	20,669		22,460			
Equity	24	4,963		5,207	5,461	5,934		6,607			
Financial debt	25	7,190		7,043	7,101	7,312		7,427			
Net financial debt	26	2,741		3,046	3,158	3,045		2,630			
Free cash flow (Operating & Investing)	27	87		(315)	(100)	108	470	163			
Japan	28	216	5.2	50	61	51	82	244	12.6	230	(5.6)
North America	29	372	0.2	95	104	90	102	391	4.9	440	12.7
Europe	30	172	(6.2)	46	51	47	63	207	20.5	220	6.4
China	31	175	(21.5)	37	42	62	55	196	12.5	230	17.1
Other	32	300	13.5	73	72	72	76	293	(2.0)	300	2.2
Global retail volume	33	1,235	(1.0)	301	330	322	378	1,331	7.8	1,420	6.7
Domestic	34	879	3.8	224	239	258	252	973	10.6	900	(7.5)
Overseas	35	321	(5.2)	68	72	84	72	296	(7.5)		
Global production volume	36	1,200	1.3	292	311	342	324	1,269	5.8		
Number of employees (excluding dispatches)	37	37,745						40,892			

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.

Financial Summary (Unconsolidated)
For the Fiscal Year Ended March 31, 2014

April 25, 2014
Mazda Motor Corporation

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

		Fiscal Year Ended March 2013	%	Fiscal Year Ended March 2014	%
Domestic	1	4,002	7.1	4,611	15.2
Export	2	12,946	11.1	15,959	23.3
Net sales	3	16,948	10.2	20,570	21.4
Operating income	4	4.3% 733	-	7.5% 1,535	109.4
Ordinary income	5	2.9% 484	-	7.2% 1,488	207.2
Income before taxes	6	0.5% 83	-	7.7% 1,581	1,802.9
Net income	7	0.7% 111	-	8.1% 1,660	1,394.6
Average rate for the period	8	83Yen/US$ 107Yen/EUR		100Yen/US$ 134Yen/EUR	
Capital investment	9	487		594	
Depreciation & amortization	10	482		419	
R & D cost	11	876		910	
Total assets	12	17,812		17,972	
Equity	13	4,981		6,783	
Financial debt	14	6,102		5,194	
Net financial debt	15	2,850		1,764	
Japan	16	229	(2.0)	253	10.5
North America	17	379	7.6	386	1.7
Europe	18	166	(5.7)	204	22.5
Others	19	225	6.4	247	10.2
Wholesales (units)	20	999	2.6	1,090	9.1
Domestic production units	21	879	3.8	973	10.6
Number of employees (excluding dispatches)	22	20,566		20,473	