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(For your information)

Mazda Motor Corporation
FISCAL YEAR MARCH 2014 FIRST QUARTER FINANCIAL RESULTS
(Speech Outline)

Executive Officer

In charge of Financial Services, General Manager of Financial Services Div.

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1. HIGHLIGHTS

For the first quarter of FY March 2014, we have achieved revenue growth and substantial profit increases in all profit categories by sales expansion of SKYACTIV products including CX-5 and new Mazda6/Atenza. Revenue was ¥615.9 billion. Operating profit was ¥36.5 billion. Net income was ¥5.5 billion.

Global sales volume was 301,000 units, through sales expansion of SKYACTIV products including CX-5 and new Mazda6/Atenza. Sales momentum of those vehicles is growing globally. Furthermore, the new Mazda3/Axela, our third SKYACTIV product, will be introduced progressively in major markets around the world starting with North America in the second half.

We have not changed our forecast for the first half or for the full year. Although recent exchange rate assumption of major currencies changed greatly from the April forecast, the exchange rate trend continues to be unstable and we are cautiously assessing the continuously uncertain business environment including a slow-down of economic situation in emerging countries.

2. FISCAL YEAR MARCH 2014 FIRST QUARTER RESULTS

Consolidated revenue was ¥615.9 billion, up ¥109.3 billion from the prior year.

Consolidated operating profit was ¥36.5 billion, ¥34.7 billion better than the prior year.

This is mainly driven by the correction of the strong yen and the improvements in the volume and mix from SKYACTIV products such as the CX-5 and new Mazda6.

Ordinary profit was ¥8.4 billion. Profit before tax was ¥8.2 billion and net income was ¥5.5 billion.

The exchange rate average was ¥99 to the dollar and ¥129 to the Euro. The yen weakened ¥19 to the dollar and ¥26 to Euro from the prior year.

Global sales volume was 301,000 units, up 1,000 units from the prior year, due to the sales growth of SKYACTIV models.

Sales in major markets such as the North America and Europe, especially Germany and UK were strong, exceeding the prior year levels.

CX-5 sales reached 64,000 units, up 36% from the prior year, achieving successful results globally. Also, sales expansion of the new Mazda6, with its full scale introduction beginning in April, contributed to the volume increase worldwide.

Now, I would like to explain the sales results by market.

In Japan, sales were 50,000 units, which was equivalent to the prior year, despite negative reaction to the termination of the eco-car subsidy.

Share improved to 4.3%, up 0.3 points, due to the successful sales of SKYACTIV products such as the CX-5, new Atenza and minivans.

Models that are equipped with the SKYACTIV-D diesel engine have maintained a high sales mix and continue to win high acclaim in the market.

In North America, sales were 95,000 units, up 6% year on year.

Sales in the United States stayed strong and increased 8% year on year to 67,000 units.

We reduced our fleet mix, while continuing to emphasize brand value enhancement.

Since launching a 2.5 liter engine in the CX-5, sales grew 68% from the prior year.

Sales of the new Mazda6 are expanding steadily following its full-scale launch.

In Mexico, volume increased 35% to 8,000 units, achieving record high sales and share there. The CX-5 is driving the overall results.

In Europe, we sold 46,000 units, up 4% year on year.

While the market environment continued to be tough, the CX-5 and new Mazda6 drove sales.

Sales were especially strong in Germany and the UK.

Sales were up 16% from the prior year to 11,000 units in Germany, and up 23% to 7,000 units in UK.

In China, sales were down 20% year on year to 37,000 units.

This fiscal year marks the full-scale launch of SKYACTIV-equipped models in China.

At the end of June, we started selling the imported version of the new ATENZA. From the second half of the year, we will begin producing the vehicle in China.

In July, CX-5 production in our Nanjing Plant started and we aim to increase sales from the second half of the year onwards.

At the same time, we continue actions to boost sales such as participating in local auto shows, so that we can enhance our brand and recover sales.

In other markets, sales were up 5% year on year to 73,000 units.

In Australia, sales continued to be strong at 26,000 units and achieved 8.5% market share.

As in the prior fiscal year, CX-5 had the highest sales in the SUV segment and Mazda maintained its third position in overall sales by brand.

While the industry in Thailand is slowing down after the first-time buyer incentive program ended, we achieved record high sales in Indonesia and Malaysia. In the ASEAN region overall, sales were flat from the prior year. In Indonesia, we started selling a three-row small vehicle VX-1. In Malaysia, we started local assembly of the CX-5 in April.

I would now like to explain the key factors behind the ¥34.7 billion year-over-year improvement of consolidated operating profit.

Volume and mix substantially improved by ¥8.2 billion mainly driven by the sales increase of the CX-5 and the new Mazda6.

Next is foreign exchange. We had good news of ¥10 billion to the US dollar, ¥6.5 billion to the Euro and ¥12.7 billion in other currencies, totaling a ¥29.2 billion improvement.

Variable cost improved ¥5.1 billion through cost improvement activities.

Marketing expense increased ¥1.1 billion due to advertisement enhancement to support the global launch of the new Mazda6.

Other fixed costs increased ¥6.7 billion because of the expanded investment for the future such as development and Mexico plant launch costs.

Concerning the quarterly trend of the percentage of SKYACTIV equipped models in terms of total sales volume, the mix of SKYACTIV models in the first quarter this fiscal year increased significantly to 45% from 27% versus the same time last year driven by sales expansion of the CX-5 and the introduction of the new Mazda6.

The mix for this fiscal year is projected to further increase to 50% with the new Mazda3 introduction in the second half.

I would like to talk about the overview of the new Mazda3.

The new Mazda3 is the third SKYACTIV-equipped model to adopt our KODO design theme. We position this model as a strategic model to lead the Structural Reform Plan and will launch it globally.

The new Mazda3 will redefine the sports compact segment and enhance driving pleasure. Sales will start in the North American market in the second half. Introductions in other major markets will follow.

In addition to gasoline and diesel engines, for the first time we will offer a hybrid electric powertrain on sedan models, exclusively for the Japan market.

The new Mazda3 features a wide variety of advanced safety technologies and outstanding

environmental performance. By leveraging the attractive features of this vehicle, we will further advance our actions to hold down incentives and improve residual value. We expect the new Mazda3 to contribute to profit and brand value improvements through cost improvement by Monotsukuri Innovation and incentive reduction.

3. SUMMARY

Let me summarize today's presentation.

As mentioned earlier, the SKYACTIV models such as CX-5 and new Mazda6 contributed greatly to increased sales and profits.

Owing to the contribution of the SKYACTIV models, our revenue in the first quarter of FY March 2014 was ¥615.9 billion, operating profit was ¥36.5 billion, and net income was ¥5.5 billion. We achieved revenue growth and a substantial profit increase in all profit categories. The Structural Reform Plan is steadily achieving results.

The new Mazda3 is the third SKYACTIV model and it will be introduced into major markets starting with North America in the second half of the fiscal year.

As we launch the new Mazda3, the SKYACTIV model mix will become 50% in this fiscal year, up sharply from the prior year. Business innovation by SKYACTIV will make further progress.

Initiatives to reinforce business in emerging countries and establish a global production footprint, such as our plant under construction in Mexico, are also on track.

As mentioned at the beginning, forecasts for the first half and full year remain unchanged.

Thank you for your attention.

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