

## **FY March 2015 Financial Results Announcement Main Q&A**

- 1. Please explain the results of FY March 2015.**

A. Despite fierce competitions mainly in key markets, we continued right-price sales and reduced fleet sales, and achieved a record sales volume in 20 years at 1.397 million units, up 66,000 units or 5% from the prior fiscal year.

As we produced 140,000 units at Mexico plant during the year, and new automatic transmission plant in Thailand started operation in January, establishment of global production footprint has steadily progressed.

Profits improved year-over-year with operating profit at ¥202.9 billion, and net income at ¥158.8 billion, achieving record profits while investment for the future growth such as R&D and marketing expense was reinforced.
  
- 2. Why did you revise sales volume target for FY March 2016 from 1.52 million units you announced in April 2014 to 1.49 million units?**

A. We reflected impact of lower demands mainly in emerging countries including China and Russia. Moving forward, instead of pursuing volume scale only, we continue right-price sales policy and drive sound volume growth while enhancing the brand for maximization of per-unit profits.
  
- 3. You plan to sell 1.65 million units in FY March 2019, the final year of Structural Reform Stage 2. Which models and markets do you project to drive the increase from sales volume of 1.4 million units in FY March 2015?**

A. In terms of model, we will achieve balanced volume growth focusing on CX-5 and CX-3 in the SUV segment that is expected to expand.

By market, we expect volume growth in North America, and Other Markets (mainly in ASEAN) due to the expansion of product line-up and potential growth of the market.
  
- 4. While operating ROS in FY March 2015 was 6.7%, your target for the Structural Reform Stage 2 is over 7%. It looks too conservative.**

A. As investment for the future growth and improvement of profitability are pursued

simultaneously, profit and operating ROS growth is moderate. We stay aggressive on R&D investment for next-generation and strictly control financial disciplines to stably generate profits.

**5. Please explain your policy on future shareholder returns.**

A. Mazda's policy regarding the stock dividend is to determine the amount of dividend payments, taking into account each fiscal year's financial results, business environment and financial structure. We aim at stable shareholder returns and steady increase.

We continue to gradually increase the dividend payout ratio in line with the improvement of the financial structure, aiming at 20% or higher in FY March 2019, the final year of Structural Reform Stage 2.

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