

**FY March 2016 Third Quarter Financial Results
Main Q&A**

1. Please summarize the first nine-month results.

Due to global volume contribution of the new CX-3 and new MX-5/Roadster, plus continued strong sales of the updated Mazda6/Atenza and CX-5, global sales were 1,145,000 units, up 14% over the prior year, a new record for the first nine months.

Concerning profits, unfavorable exchange effect and customer service cost were offset by strong sales, cost improvement progress based on volume increase, and material price reduction. As a result, operating profit was ¥173.4 billion, up ¥21.4 billion year-on-year, steadily progressing toward full year forecast of ¥230 billion.

2. Why is full year forecast unchanged?

Full year forecast is unchanged as we need to carefully watch the impact on auto demands due to recent economic environment changes in major countries as well as financial market changes such as foreign exchange rates and oil prices.

3. The yen is appreciating against major currencies. What is the impact on earnings in this fiscal year?

The yen is stronger as of today (Feb. 4) compared to our assumptions against major currencies. We assume the negative impact of ¥3 to 4 billion on earnings in this fiscal year at present. However, we try to offset the impact by keeping strong sales of SKYACTIV models and continuing cost improvement efforts, to achieve full year operating profit forecast of ¥230 billion.

4. Sales in Western Europe are strong. Please explain the market conditions and reasons for strong sales of Mazda vehicles.

Overall demand in Western Europe is stable and increasing as same as prior year. Mazda sales are outperforming the overall demand increase, due to contribution of Mazda2 and CX-3, launched in Europe last year. Competitive environment in Europe is expected to fierce such as increasing incentive spending, but we continue our "right-price" sales and aim at volume growth based on our product strengths in Europe including Western Europe.

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