

# 2005 Mazda In Brief



**mazda**

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## Vision of Mazda

### (1) Vision of Mazda

Mazda established a new corporate vision in December 1999, comprised of three elements:

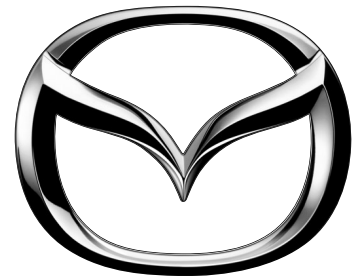
**V i s i o n:** To create new value, excite and delight our customers through the best automotive products and services.

**M i s s i o n:** With passion, pride and speed, we actively communicate with our customers to deliver insightful automotive products and services that exceed their expectations.

**V a l u e:** We value integrity, customer focus, creativity, and 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) Mazda brand symbol (Established June, 1997)

The brand symbol expresses Mazda's dedication to continuous growth and improvement. It is a symbolic development of the Mazda "M", and shows the company stretching its wings as it soars into the future.



### (3) Mazda corporate mark (Established in 1975)

With the introduction of CI (Corporate Identity) in 1975, Mazda developed its corporate mark as a symbol for Mazda's communications. It was then positioned as an easy-to-read corporate mark in line with the establishment of the brand symbol in 1997.

The image displays the Mazda corporate mark, which is the word "Mazda" written in a bold, sans-serif typeface. The letters are thick and closely spaced, with a distinctive slanted or italicized appearance. The font is black and stands out against the white background.

### (3) The origin and meaning of "Mazda"

The company's name, "Mazda," derives from Ahura Mazda, a god of the earliest civilizations in western Asia. We have interpreted Ahura Mazda, the god of wisdom, intelligence and harmony, as the symbol of the origin of both Eastern and Western civilizations, and also as a symbol of automotive culture. It incorporates a desire to achieve world peace and the development of the automobile manufacturing industry. It also derives from the name of our founder, Jujiro Matsuda.

# I Overview

## 1. Company Profile



Mazda Motor Corporation's Plant Complex in Hiroshima, Japan

Originally established in January 1920, Mazda started manufacturing tools in 1929 and soon branched out into production of trucks for commercial use. In the early 1960s, Mazda launched its first passenger car models and began developing rotary engines. Still headquartered in Hiroshima in western Japan, Mazda Motor Corporation today ranks as one of Japan's leading automakers.

Mazda has been exporting cars to the United States and Europe for over 30 years. Overseas sales account for more than half of total turnover. Mazda has two main production sites in Japan and 19 overseas facilities. Mazda's factory at Hiroshima is one of the largest single-site automobile plants in the world, with an annual production capacity of over 500,000 units. The plant located at Hofu has a capacity of nearly 400,000 units. Overseas sites include joint ventures based in the United States, and in Thailand with Ford Motor Company, Mazda's largest shareholder.

Mazda boasts an illustrious history of engineering innovation, symbolized by the rotary engine. Although many leading firms attempted to adapt the concept, only Mazda persevered and succeeded in creating a commercial sports car engine. Today, Mazda is the only manufacturer in the world that makes gasoline, diesel and rotary internal combustion engines. The latest incarnation of the rotary engine powers the new Mazda RX-8, a car that truly embodies Mazda DNA.

Mazda's raison-d'être is to make cars that are fun to drive-cars that enthuse but are also affordable. The brand message "Zoom-Zoom" aims to capture this feeling, expressing the passionate spirit of motoring enjoyment that drives Mazda forward.

### Financial highlights

(Millions of yen)

| Fiscal Year      | FY 2002   | FY 2003 *1 | FY 2004   |
|------------------|-----------|------------|-----------|
| Net Sales        | 2,364,512 | 2,916,130  | 2,695,564 |
| Operating Income | 50,656    | 70,174     | 82,947    |
| Ordinary Income  | 40,710    | 58,029     | 73,056    |
| Net Income       | 24,134    | 33,901     | 45,772    |
| Total Assets     | 1,754,017 | 1,795,573  | 1,767,846 |

Note: Fiscal years begin in April and end in March.

\*1 FY2003 results include 15-month activities of major overseas subsidiaries that changed their fiscal year.

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## 2. Directors, Auditors and Executive Officers

(as of August 1, 2005)

### <Directors and Auditors>

|  |                    |
|--|--------------------|
| Representative Director<br>and Chairman of the Board | Kazuhide Watanabe  |
| Representative Director                              | Hisakazu Imaki     |
| Representative Director                              | John G. Parker     |
| Representative Director                              | Gideon Wolthers    |
| Director   | Daniel T. Morris   |
| Director   | Mutsumi Fujiwara   |
| Director   | Takashi Yamanouchi |
| Director   | Ryoichi Hasegawa   |
| Director   | Kiyoshi Ozaki      |
| Corporate Auditor (Full time)                        | Koji Kurosawa      |
| Corporate Auditor (Full time)                        | Junichi Yamamoto   |
| Corporate Auditor                                    | Takaharu Dohi      |
| Corporate Auditor                                    | Kenichi Komatsu    |
| Corporate Auditor                                    | Shigeo Shirakura   |

### <Executive Officers>

|   |                    |  |
|---|--------------------|--|
| * President and CEO                         | Hisakazu Imaki     |  |
| * Executive Vice President                  | John G. Parker     | Assistant to President;<br>In charge of R&D, Purchasing, Quality Assurance, Marketing, Sales, IT Solutions and Environment |
| * Senior Managing Executive Officer and CFO | Gideon Wolthers    | In charge of Corporate Planning and Product Profit Control   |
| * Senior Managing Executive Officer         | Daniel T. Morris   | In charge of Marketing, Sales and Customer Service   |
| * Senior Managing Executive Officer         | Mutsumi Fujiwara   | In charge of Purchasing  |
| * Senior Managing Executive Officer         | Takashi Yamanouchi | In charge of Secretariat, Personnel & Human Development, Internal Auditing and Mazda Hospital                              |
| * Senior Managing Executive Officer         | Ryoichi Hasegawa   | In charge of IT Solution, Corporate Affairs, Risk Management and CSR; Assistant to the CFO                                 |
| * Senior Managing Executive Officer         | Kiyoshi Ozaki      | In charge of China Business  |
| Managing Executive Officer                  | Seita Kanai        | In charge of R&D   |

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|                            |                     |   |
|----------------------------|---------------------|---|
| Managing Executive Officer | Masao Furuta        | In charge of Domestic Marketing, Domestic Sales and Domestic Customer Service   |
| Managing Executive Officer | Masaharu Yamaki     | In charge of Production and Business Logistics  |
| Managing Executive Officer | Masazumi Wakayama   | In charge of Corporate Communications & Liaison   |
| Managing Executive Officer | Nobuhiro Hayama     | In charge of R&D Quality  |
| Managing Executive Officer | James J. O'Sullivan | President and CEO, Mazda Motor of America, Inc. (Mazda North American Operations)                                     |
| Managing Executive Officer | Masaki Kanda        | General Manager, Personnel & Human Development Div.   |
| Managing Executive Officer | David E. Friedman   | In charge of Corporate Planning   |
| Executive Officer          | Akira Marumoto      | In charge of Product Planning, Program Management   |
| Executive Officer          | Keishi Egawa        | In charge of Financial Services; General Manager, Financial Services Div.   |
| Executive Officer          | Hiroshi Hosaka      | General Manager, Domestic Sales Div.  |
| Executive Officer          | Nobuhide Inamoto    | General Manager, Quality Div.   |
| Executive Officer          | Kazuhiko Tanaka     | General Manager, Corporate Affairs Div.   |
| Executive Officer          | Toru Oka            | General Manager, Purchasing Div.  |
| Executive Officer          | Satoshi Tachikake   | President, Mazda Motor (Shanghai) Business Management & Consulting Co., LTD. and General Manager, China Business Div. |
| Executive Officer          | Yasuto Tatsuta      | General Manager, Production Engineering Div.  |
| Executive Officer          | Hiroataka Kanazawa  | In charge of Vehicle Development, Vehicle Engineering, Powertrain Development and Technical Research Center           |
| Executive Officer          | Malcolm D. Gough    | General Manager, Overseas Sales Div.  |
| Executive Officer          | Kazuyuki Okada      | General Manager, Vehicle Development Div.   |
| Executive Officer          | Masamichi Kogai     | General Manager, Hofu Plant   |
| Executive Officer          | Shiro Mikami        | General Manager, Domestic Marketing Div.  |
| Executive Officer          | Kozo Kawakami       | Deputy General Manager, Purchasing Div.   |
| Executive Officer          | Noriaki Yamada      | President, FAW Mazda Motor Sales Co., Ltd.  |
| Executive Officer          | Toshinori Kusuhashi | General Manager, Hiroshima Plant  |
| Executive Officer          | Yuji Nakamine       | President, AutoAlliance (Thailand) Co.,Ltd.   |
| Executive Officer          | Moray S. Callum     | General Manager, Design Div.  |
| Executive Officer          | James M. Muir       | President and CEO, Mazda Motor Europe GmbH  |
| Executive Officer          | A. Kumar Galhotra   | General manager, Program Management Div.  |

Note: "\*" mark stands for the Executive Officers who also hold the post of Director.

### 3. Main Facilities

#### (1) Japan

| Function              |   | Facility Name   | Location & Address   |
|-----------------------|---|---|--|
| Head Office           | ① | Hiroshima   | 3-1 Shinchi, Fuchu-cho, Aki-gun, Hiroshima 730-8670  |
| Head Office           | ② | Tokyo   | 1-1-7 Uchisaiwai-cho Chiyoda-ku, Tokyo 100-0011  |
| Branch                | ③ | Osaka   | Umeda Sky Bld. Tower East, 1-1-88-800 Oyodonaka Kita-ku, Osaka 531-6008                            |
| R&D                   | ① | Hiroshima   | 3-1 Shinchi, Fuchu-cho, Aki-gun Hiroshima 730-8670   |
|                       | ④ | Mazda R&D Center Yokohama   | 2-5 Moriya-cho Kanagawa-ku, Yokohama-shi, Kanagawa 221-0022  |
|                       | ⑤ | Miyoshi Proving Ground  | 551-1 Higashisakaya-cho, Miyoshi-shi, Hiroshima 728-0023   |
|                       | ⑥ | Kenbuchi Proving Ground   | 6151-2, Kenbuchi-cho, Kamikawa-gun, Hokkaido 098-0308  |
|                       | ⑦ | Nakasatsunai Proving Ground   | 61 Nishisatsunai, Nakasatsunai-mura, Kasai-gun, Hokkaido 089-1356                                  |
| Production, Logistics | ① | Hiroshima Plant<br>Plant Complex in Head Office District<br><br>Plant Complex in Ujina District<br>Ujina Plant No.1<br>Ujina Plant No.2 | 3-1 Shinchi, Fuchu-cho, Aki-gun, Hiroshima 730-8670  |
|                       | ⑧ | Hofu Plant<br>Nishinoura District<br>Hofu Plant No.1<br>Hofu Plant No.2<br><br>Nakanoseki District                                      | 888-1 Nishinoura, Hofu-shi, Yamaguchi 747-0835<br><br>415-8 Hamakata, Hofu-shi, Yamaguchi 747-0833 |
|                       | ⑤ | Miyoshi Plant   | 551-1 Higashisakaya-cho, Miyoshi-shi, Hiroshima 728-0023   |
|                       |   | Malox Co., Ltd. *1  | 3-19 Kusuna-cho, Minami-ku, Hiroshima 734-0032   |
|                       |   | Distribution Center   | 10 sites all over Japan  |
| Others                |   | Mazda Call Center   | See page 26.   |
|                       |   | Etre College of Business Arts Osaka   | Umeda Sky Bld. Tower East, 1-1-88-800 Oyodonaka Kita-ku, Osaka 531-6008                            |
|                       |   | Etre College of Business Arts Hiroshima   | 2F Mazda Education Center, 2-12-2 Nihoshinmachi, Minami-ku, Hiroshima 734-0024                     |
|                       |   | Mazda Training Center Taibi   | 2-6-7 Taibi, Saka-machi, Aki-gun, Hiroshima 731-4325   |
|                       |   | Mazda Training Center Yokohama  | 2-5 Moriya-cho Kanagawa-ku, Yokohama-shi, Kanagawa 221-0022  |
|                       |   | Mazda Hospital  | 2-15 Aosakiminami, Fuchu-cho, Aki-gun, Hiroshima 735-8585  |
|                       |   | Technical Service Training Center   | See page 24.   |

\*1 Malox Co., Ltd. and Mazda Butsuryu Co. consolidated on October 1, 2004.

#### Sales Channels in Japan

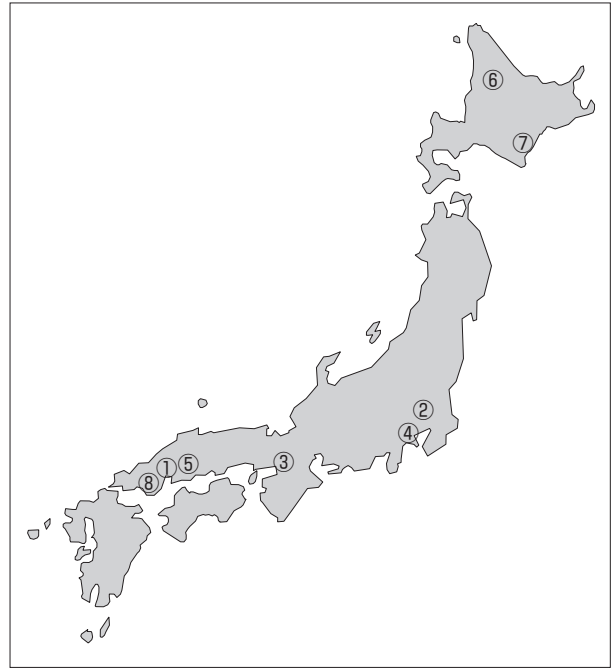
| Sales Channels | Dealer-ships | Outlets | Exclusive models   |
|----------------|--------------|---------|--|
| Mazda          | 40           | 800     | (Registration passenger cars) Atenza Sports, Atenza Sportwagon, Atenza Sedan, RX-8, Roadster |
| Mazda Anfini   | 20           | 89      | (Registration commercial vehicles) Bongo Brawny van, Titan, Titan Dash, Familia van          |
| Mazda Autozam  | 254          | 277     |  |
| Total          | 314          | 1,166   |  |

Note: Passenger cars and commercial vehicles are classified according to segments set by Japan Automobile Dealers Association and Japan Mini Vehicles Association.

Note: On March 1, 2004, six micro-minis and three registrations were made available at Mazda, Mazda Anfini and Mazda Autozam dealerships.

(as of April 1, 2005)

| Established    | Primary Business, Products, etc.  |
|----------------|---|
| January 1920   |   |
|                |   |
|                | Product and engineering planning, Design development, Product development, Advanced research for significant new technology   |
| June 1987      | Advanced product engineering planning, Advanced design survey research and development, Advanced research for significant new technology  |
| June 1965      | Vehicle development (testing)   |
| January 1990   | Technology development and functional tests of systems on hazardous frozen/snow conditions  |
| January 2002   | Technology development and functional tests of systems on hazardous frozen/snow conditions  |
| March 1931     | Reciprocating engines, manual transmissions, Hiroshima Plant land area: approx. 2,241,000m <sup>2</sup>   |
| December 1964  | Reciprocating, diesel, rotary engines   |
| November 1966  | Passenger cars, commercial vehicles   |
| December 1972  | Passenger cars  |
|                | Hofu Plant land area: approx. 1,329,000m <sup>2</sup>   |
| September 1982 | Passenger cars  |
| February 1992  | Passenger cars  |
| December 1981  | Manual transmissions  |
| May 1974       | Reciprocating, diesel engines   |
| May 1948       | Car transport by sea and land, car storage, administration at harbors, warehouses and car packing   |
|                |   |
| February 1984  | Reception and response to customer calls regarding Mazda products   |
| May 1991       | From executive sales managers to new employees and sales staff of dealerships in Japan, practical hands-on and goal-oriented education, tailored to match their knowledge and experience. |
| May 1991       |   |
| October 1972   | Technical service training, business training<br>Land area: 22,000m <sup>2</sup> , building area: 7,500m <sup>2</sup>   |
| November 2002  | Technical service training, business training in Mazda R&D Center Yokohama  |
| July 1961      | Medical services for employees and their family, and for the general public in the local community  |
|                |   |



(March 31, 2005)

| Cross-channel models   |
|--|
| (Registration passenger cars) Demio, Verisa, Axela Sport, Axela, Premacy, Tribute, MPV, Bongo Friendee |
| (Registration commercial vehicles) Bongo van, Bongo truck  |
| (Micro-mini passenger cars) Carol, AZ-Wagon, AZ-Offroad, Laputa, Spiano, Scrum wagon                   |
| (Micro-mini commercial vehicles) Scrum van, Scrum truck  |



(2) Overseas

**North America**

| Countries/<br>Regions |   | Facility Name  | Function     | Location & Address  | Management                               |  |
|-----------------------|---|--|--------------|---|--|--|
| U. S. A.              | ① | Mazda Motor of America, Inc.<br>(Mazda North American Operations) *1 | Sales<br>R&D | 7755 Irvine Center Drive Irvine,<br>CA 92618-2922, U. S. A.                                       | President and CEO<br>James J. O'Sullivan |  |
|                       | ② |  |              | 27100 International Drive, Flat<br>Rock, MI 48134, U. S. A.                                       |  |  |
|                       | ② | AutoAlliance International, Inc.                                     | Production   | 1 International Drive, Flat Rock,<br>MI 48134 U. S. A.  | President and CEO<br>Gary A. Roe *2      |  |
| Canada                | ③ | Mazda Canada Inc.  | Sales        | 55 Vogell Road, Richmond Hill,<br>Ontario, Canada, L4B 3K5  | President<br>Mike Benchimol              |  |
| Mexico                | ④ | Mazda Motor de Mexico, S. de<br>R.L. de C.V.                         | Sales        | Guillermo Gonzalez Camarena<br>No. 1500 Col. Centro de la<br>Ciudad Santa Fe, 01210 Mexico,<br>DF | Managing Director<br>Leopoldo Orellana   |  |

\*1 Mazda Motor of America, Inc.(MMA) is operated under the business name of Mazda North American Operations (MNAO) (Consolidated in October 1997).

\*2 Effective May 1, 2005

\*3 Established as Mazda Motor Manufacturing (USA) Corporation (MMUC). In June 1992, MMUC was renamed AAI, which is the current name.

**Ford Plants producing Mazda vehicles**

| Countries/<br>Regions |   | Facility Name                            | Function   | Location & Address            | Management |  |
|-----------------------|---|--|------------|-------------------------------|------------|--|
| U. S. A.              | ⑤ | Ford Motor Kansas City<br>Assembly Plant | Production | Kansas City, Missouri, U.S.A. |            |  |
|                       | ⑥ | Ford Motor Twin Cities<br>Assembly Plant | Production | St. Paul, Minnesota, U.S.A.   |            |  |

\*4 Ford Motor Edison Assembly Plant produced the B-Series truck until March 2004. Production volume from January-March 2004 was 4,747 units.

(as of March 31, 2005)

| Established                                 | Number of Employees | Notes (Primary Business, Products, etc.)  | Investment Ratio  |
|---|---------------------|---|---|
| February 1971                               | 790                 | Importer and distributor of Mazda vehicles, parts and accessories in the U.S. and Canada. Technical trend surveys and research, Design development, Evaluation testing and vehicle certification for the North American market. | Mazda 92.6%<br>Sumitomo Corporation 4.28%<br>ITOCHU Corporation 3.12% |
| Start-up date: September 1987* <sup>3</sup> | 3,766               | Products: Mazda6<br>Production Capacity: 240,000 units/year with two shifts (regular working hours)<br>Production of Mazda vehicles: 91,342 units in 2004<br>Land area: 1.6 million m <sup>2</sup> (approx. 400 acre)           | \$760 million<br>Mazda 50%<br>Ford 50%                                |
| July 1968                                   | 119                 | Importer and distributor of automobiles and repair parts  | C\$13 million<br>Mazda 60%<br>ITOCHU Corporation 40%                  |
| December 6, 2004                            | 5                   | Importer and distributor of automobiles and repair parts  | Mazda 99%<br>Mazda Motor International 1%                             |



| Established | Number of Employees | Notes (Primary Business, Products, etc.)  | Investment Ratio |
|-------------|---------------------|---|------------------|
| 1957        | 5,455               | Manufactures: Mazda Tribute<br>Land area: 3,958,865 m <sup>2</sup><br>Annual production volume of Mazda vehicles: 46,718 units                | Ford 100%        |
| 1925        | 1,965               | Manufactures: Mazda B-Series<br>Land area: 1,793,435 m <sup>2</sup><br>Annual production volume of Mazda vehicles: 4,087 units * <sup>4</sup> | Ford 100%        |

## Europe

| Countries/<br>Regions |   | Facility Name   | Function                     | Location & Address   | Management                               |  |
|-----------------------|---|---|------------------------------|--|--|--|
| Germany               | ① | Mazda Motor Europe G.m.b.H.   | Office<br>Sales              | Hitdorfer Strasse 73<br>51371 Leverkusen, Germany  | President and CEO<br>James M. Muir       |  |
|                       | ② | (European R&D and Production/<br>MRE European R&D Centre)                       | R&D                          | Hiroshimastrasse 1<br>61440 Oberursel/Ts., Germany                                       | Vice President<br>Jiro Maebayashi *1     |  |
|                       | ① | Mazda Motors (Deutschland)<br>G.m.b.H.  | Sales                        | Hitdorfer Strasse 73<br>51371 Leverkusen, Germany  | President and CEO<br>Michael A. Bergmann |  |
| Belgium               | ③ | Mazda Motor Logistics Europe<br>N.V.(Vehicles and Parts<br>Distribution Center) | Office<br>Logistics<br>Sales | Blaasveldstraat 162<br>2830 Willebroek,Belgium   | President and CEO<br>James M. Muir       |  |
| U. K.                 | ④ | Mazda Motors UK Ltd.  | Sales                        | Riverbridge House, Anchor<br>Boulevard, Dartford, Kent, UK.<br>DA2 6QH                   | Managing Director<br>Philip J. Waring    |  |
| France                | ⑤ | Mazda Automobiles France<br>S.A.S   | Sales                        | Z.I. Moimont 2<br>1, rue Eugène Pottier<br>Marly-La-Ville 95 476 Fosses<br>Cedex, France | Managing Director<br>Jean-Luc Gerard     |  |
| Switzerland           | ⑥ | Mazda (Suisse) S.A.   | Sales                        | 12, av. des Morgines<br>CH-1213 Petit-Lancy, Switzerland                                 | Managing Director<br>Jerome de Haan      |  |
| Austria               | ⑦ | Mazda Austria G.m.b.H.  | Sales                        | Ernst Diez Strasse 3, 9020<br>Klagenfurt, Austria  | Managing Director<br>Josef A. Schmid     |  |
| Spain                 | ⑧ | Mazda Automoviles España,<br>S.A.U  | Sales                        | c/Sor Angela de la Cruz, No.6-12,<br>28020 Madrid, Spain                                 | President<br>Jose María Terol            |  |
| Portugal              | ⑨ | Mazda Motor de Portugal Lda.  | Sales                        | NOVA MORADA<br>Rua Rosa Araujo, n. 2-1. 1250-<br>195 Lisboa, Portugal                    | General Manager<br>Nuno P. Guerreiro     |  |
| Italy                 | ⑩ | Mazda Motor Italia S.p.A.   | Sales                        | 54,Via Argoli, 00143 Roma, Italy   | President<br>Carlo Simongini             |  |

\*1 Effective June 24, 2005

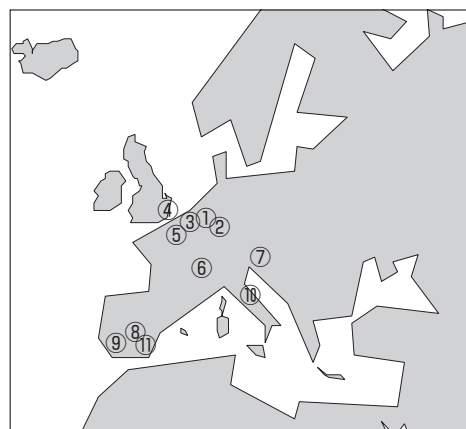
\*2 The dates are when Mazda took control of these sales companies.

## Ford Plants producing Mazda vehicles

| Countries/<br>Regions |   | Facility Name                          | Function   | Location & Address                  | Management |  |
|-----------------------|---|--|------------|-------------------------------------|------------|--|
| Spain                 | ⑪ | Ford Motor Valencia Body &<br>Assembly | Production | 46440 Almussafes Valencia,<br>Spain |            |  |

(as of March 31, 2005)

| Established          | Number of Employees | Notes<br>(Primary Business, Products, etc.)  | Investment Ratio                          |
|----------------------|---------------------|--|---|
| March 1998           | 187                 | Strategic development and daily management of Mazda's activities in Europe   | Mazda Motor Logistics Europe N.V.<br>100% |
| December 1987        | 85                  | Product planning, advanced product development, design and modeling, research, trend and engineering studies, accessory development, evaluation testing and tuning, vehicle certification procedures<br>Land area: 76,000 m <sup>2</sup> |   |
| November 1972        | 195                 | Importer and distributor of automobiles and repair parts   | Mazda 100%                                |
| August 1998          | 411                 | Dealers and Distributors of automobiles, parts and accessories in Europe   | Mazda 100%                                |
| May 2001             | 85                  | Importer and distributor of automobiles and repair parts   | Mazda 100%                                |
| February 2001        | 54                  | Importer and distributor of automobiles and repair parts   | Mazda 100%                                |
| November 2001<br>*2  | 45                  | Importer and distributor of automobiles and repair parts   | Mazda 100%                                |
| September 2003<br>*2 | 91                  | Importer and distributor of automobiles and repair parts   | Mazda 100%                                |
| February 2000        | 39                  | Importer and distributor of automobiles and repair parts   | Mazda 100%                                |
| February 1995        | 22                  | Importer and distributor of automobiles and repair parts   | Mazda 100%                                |
| December 1999        | 46                  | Importer and distributor of automobiles and repair parts   | Mazda 100%                                |



| Established | Number of Employees | Notes<br>(Primary Business, Products, etc.)  | Investment Ratio |
|-------------|---------------------|--|------------------|
| 1976        | 7,256               | Mazda2<br>Land area: approx.5,333,960m <sup>2</sup><br>Production of Mazda vehicles:<br>41,409 units in 2004 | Ford 100%        |

### East Asia

| Countries/<br>Regions |   | Facility Name   | Function              | Location & Address  | Management   |  |
|-----------------------|---|---|-----------------------|---|--|--|
| China                 | ① | Mazda Motor Corporation<br>Beijing Representative Office                | Office                | 317 West Wing, China World<br>Trade Center, 1 Jianguomenwai<br>Street, Chaoyang District,<br>100004, P.R. China | Chief Representative<br>Fumio Okana * <sup>1</sup> |  |
|                       | ② | FAW HAIMA Automobile Co.,<br>Ltd * <sup>2</sup>                         | Production/<br>Sales  | Jinpan Industrial Development<br>Area, Haikou, P.R. China   | General Manager<br>Qin Quanquan                    |  |
|                       | ③ | FAW Car Co. Ltd.  | Production/<br>Sales  | Dongfeng Street, Changchun,<br>P.R. China   | General Manager<br>Zhang Pijie                     |  |
|                       | ④ | Mazda Motor (Shanghai)<br>Business Management &<br>Consulting Co., Ltd. | Management<br>company | 20F. Shanghai Information<br>Tower, 211 Century Avenue,<br>Pudong New District, Shanghai<br>200120, P.R. China  | President<br>Satoshi Tachikake                     |  |
|                       | ③ | FAW Mazda Motor Sales Co.,<br>Ltd.                                      | Sales                 | No. 112-1, Dongfeng Street,<br>Luyuan District, Changchun, Jilin<br>Province, P.R.China                         | President<br>Noriaki Yamada                        |  |
| Taiwan                | ⑤ | Ford Lio Ho Motor Co., Ltd.   | Production            | 705 Chung Hwa Rd, Sec.1<br>Chung Li, Taiwan R.O.C   | CEO<br>Jeffery Shen                                |  |
|                       | ⑤ | Ford Distribution Taiwan Ltd.   | Sales                 | 705 Chung Hwa Rd, Sec.1<br>Chung Li, Taiwan R.O.C   | CEO<br>K.C. Hu                                     |  |

\*1 Effective July 1, 2005

\*2 In July 2004, the corporate name changed from "FAW Hainan Motor Co. Ltd." to "FAW HAIMA Automobile Co. Ltd."

\*3 At the time of Mazda vehicle production start.

### Plants producing other brand models with Mazda KD set

| Countries/<br>Regions |   | Facility Name         | Function   | Location & Address                                     | Management     |  |
|-----------------------|---|-----------------------|------------|--|----------------|--|
| Korea                 | ⑥ | KIA Motor Corporation | Production | 231, Yangjae-Dong, Seocho-Ku,<br>Seoul, 137-130, Korea | Chung, Mong Ku |  |

(as of March 31, 2005)

| Established     | Vehicle Production 2004 | Number of Employees        | Notes (Primary Business, Products, etc.)  | Investment Ratio   |
|-----------------|-------------------------|----------------------------|---|--|
| March 23, 1985  | —                       | 4                          | —   | —  |
| May 2001        | 66,269                  | 2,000                      | Importer and distributor of automobiles and repair parts Mazda 323, Mazda Premacy<br>Production capacity: 80,000 units/year | Local 100%   |
| March 2003 *3   | 30,053                  | 7,365                      | Mazda6<br>Production capacity: 70,000 units/year  | Local 100%   |
| January 4, 2005 | —                       | 25<br>(As of June 1, 2005) | Provides various types of services to affiliated companies in China as consigned from Mazda Motor Corporation               | US\$ 750 million<br>Mazda 100%                                 |
| March 1, 2005   | —                       | 127                        | Wholesales of Mazda brand vehicles in China   | 100 million yuan<br>FAW Car 70%,<br>Mazda 25%,<br>FAW Group 5% |
| March 1987      | 14,797                  | 2,200                      | Mazda3, Mazda 323, Mazda Premacy, Mazda Tribute, Ford brand vehicles<br>Production capacity: approx. 130,000 units/year     | Ford 70%<br>Local 30%  |
| October 1998    | —                       | 17                         | Importer and distributor of automobiles   | Ford 100%  |



| Established | Vehicle Production 2004 | Number of Employees | Notes (Primary Business, Products, etc.) | Investment Ratio |
|-------------|-------------------------|---------------------|--|------------------|
| 1962        | —                       | 32,663              | Manufacture and sales of cars            | Local 100%       |

## Southeast Asia

| Countries/<br>Regions |   | Facility Name                           | Function             | Location & Address   | Management   |  |
|-----------------------|---|---|----------------------|--|--|--|
| Thailand              | ① | AutoAlliance (Thailand) Company Limited | Production           | Eastern Seaboard Industrial Estate 49 Moo.4 Tambol Pluakdang, Rayong 21140, Thailand   | President<br>Yuji Nakamine                           |  |
|                       | ② | Mazda Sales (Thailand) Co., Ltd.        | Sales                | 18th Floor, 193/74-76 Lake Rajada Office Complex, Ratchadapisek Rd, Klongtoey, Bangkok 10110, Thailand   | Managing Director<br>Fumio Tone                      |  |
| India                 | ③ | Swaraj Mazda Ltd.                       | Production           | (Head Office) S. C. O. No. 204-205, Sector 34-A Chandigarh-160 022, India<br>(Works) Village Asron, Post Bag No. 38 Ropar (Punjab)140 001, India | Vice Chairman &<br>Managing Director<br>Yash Mahajan |  |
| Indonesia             | ④ | P.T. National Assembler                 | Production           | Jl. Raya Bekasi KM 18, Pulogadung Jakarta-Utara, Indonesia   | Director<br>Agus Toha                                |  |
|                       | ④ | P.T. Unicorn Prima Motor                | Sales                | 9th Floor Jl. Letjen Haryono M.T. Kav. 8, Jakarta 13330, Indonesia   | CEO<br>Frans C. Harsono                              |  |
| Vietnam               | ⑤ | Vietnam Motors Corporation              | Production/<br>Sales | Km 9th, Nguyen Trai Road, Thanh Xuan District Hanoi, Vietnam   | Chairman and<br>President<br>Jose Ch. Alvarez        |  |
| Malaysia              | ⑥ | Associated Motors Industries            | Production           | 1 Jalan Sesiku 15/2, 40000 Shah Alam, Selangor Darul Ehsan, Malaysia   | Managing Director<br>Michael Pease                   |  |
|                       | ⑥ | Cycle & Carriage Bintang Bhd.           | Sales                | Lot 9, Jalan 219, Federal Highway, 41600 Petaling Jaya, Selangor Darul Ehsan, Malaysia   | Managing Director<br>Steven G. Foster                |  |
| Philippines           | ⑦ | Ford Motor Co. Philippines              | Production           | FGP Bldg., #1 American Road, Greenfield Automotive Park-SEZ, Santa Rosa, Laguna, 4026, Philippines   | CEO<br>Henry T. Co                                   |  |
|                       | ⑦ | Ford Group Philippines Inc.             | Sales                | FGP Bldg., #1 American Road, Greenfield Automotive Park-SEZ, Santa Rosa, Laguna, 4026, Philippines   | CEO<br>Henry T. Co                                   |  |

(as of March 31, 2005)

| Established  | Vehicle Production 2004 | Number of Employees | Notes (Primary Business, Products, etc.)  | Investment Ratio   |
|--|-------------------------|---------------------|---|--|
| November 28, 1995<br>(Established)<br>May 29, 1998<br>(Start operations) | 37,847                  | 2,978               | Mazda B-Series, Ford Ranger, Courier, Ford Everest<br>Production capacity: 155,000 units/year with two shifts (regular working hours)<br>Land area: approx. 846,000m <sup>2</sup> | 5 billion Thai baht<br>Mazda 45%<br>Ford 50%<br>Mazda Sales (Thailand) 5%                        |
| June 1990  | —                       | 37                  | —   | Mazda 96.1%<br>KKS 3.9%  |
| May 1985   | 12,236                  | 641                 | Mazda T-Series  | Mazda 15.6%<br>Sumitomo Corporation 10.4%<br>Others 74.0%  |
| October 1971   | 203                     | 700<br>(Feb. 2005)  | Mazda E-Series, others<br>Production capacity: 24,000 units/year  | Indomobil 79%<br>Unicor Prima Motor 20%<br>Others 1%   |
| February 2003  | —                       | 84<br>(Apr. 2005)   | —   | Indomobil 96.27%<br>Others 3.73%   |
| August 1991  | 1,581                   | 634                 | Mazda3, Mazda6, Mazda Premacy   | Corporation in Philippines 56%<br>Corporation controlled by Vietnam government 29%<br>Sojitz 15% |
| September 1968   | 942                     | 680<br>(May 2005)   | Mazda B-Series, Ford Ranger, Ford Everest, Ford Escape, Others  | Ford Malasia 100%<br>(Ford 49%, Local 51%)   |
| 1967   | —                       | 947<br>(Apr. 2005)  | —   | Corporation in Singapore 59.1%<br>Others 40.9%   |
| February 2004  | 4,956                   | 778<br>(Apr. 2005)  | Mazda3, Mazda Tribute, Ford Lynx, Ford Escape   | Ford 100%  |
| February 2004  | —                       | 97<br>(Apr. 2005)   | —   | Ford 100%  |





### Central and South America

| Countries/<br>Regions |   | Facility Name   | Function             | Location & Address                                     | Management                                       |  |
|-----------------------|---|---|----------------------|--|--|--|
| Colombia              | ① | Compania Colombiana Automotriz S. A.                                  | Production/<br>Sales | Calle 13 No. 38-54 (Apdo Aereo 80342) Bogota, Colombia | Executive President<br>Jose Fernando Isaza       |  |
| Ecuador               | ② | Manufacturas, Armaduras y Repuestos Equatorianos S. A. (M.A.R.E.S.A.) | Production/<br>Sales | Av.Manuel Cordova Galarza Km.12 1/2, Quito, Ecuador    | Chief Executive Officer<br>Francisco J. Restrepo |  |

\*1 Started production/assembly of Mazda vehicles in April 1983.

### Oceania

| Countries/<br>Regions |   | Facility Name                    | Function | Location & Address  | Management                           |  |
|-----------------------|---|----------------------------------|----------|---|--------------------------------------|--|
| Australia             | ③ | Mazda Australia Pty, Ltd.        | Sales    | 385 Ferntree Gully Road, Notting Hill, Victoria 3149,Australia    | Managing Director<br>Doug Dickson    |  |
| New Zealand           | ④ | Mazda Motors of New Zealand Ltd. | Sales    | 70 Plunket Avenue, Wiri, Manukau City, Auckland 1730, New Zealand | Managing Director<br>Peter J. Aitken |  |

### Middle East

| Countries/<br>Regions |   | Facility Name                             | Function         | Location & Address                           | Management  |  |
|-----------------------|---|---|------------------|--|---|--|
| UAE                   | ⑤ | Mazda Representative Office (Middle East) | Office (service) | P.O.Box 31827, Dubai, UAE                    | Customer Service<br>General Manager<br>Hidehisa Matsuda |  |
| Iran                  | ⑥ | Asr-e-Bahman Co.                          | Office (service) | No. 39, Saba blvd., Africa St., Tehran, Iran | Managing Director<br>Saremi                             |  |
|                       | ⑥ | Bahman Motor Center                       | Production       | 16 KM, Karadj Old Road, Tehran, Iran         | Managing Director<br>Safavi                             |  |

### Africa

| Countries/<br>Regions |   | Facility Name                                     | Function   | Location & Address  | Management                              |  |
|-----------------------|---|---|------------|---|---|--|
| Kenya                 | ⑦ | Kenya Vehicle Manufacturers Ltd.                  | Production | Garissa Road, Thika (Box No.1436, Thika), Kenya   | Managing Director<br>D. Percival        |  |
| Zimbabwe              | ⑧ | Willowvale Mazda Motor Industries (PVT) Ltd.      | Production | Dagenham Road, Willowvale, Harare (P.O.Box ST 520 Southerton, Harare), Zimbabwe               | Chairman<br>M.N. Nduzo                  |  |
| South Africa          | ⑨ | Ford Motor Company of Southern Africa. (Pty) Ltd. | Production | Simon Vermooten Road, Silverton, Pretoria, Gauteng (P.O.Box 411, Pretoria 0001), South Africa | President and C.E.O.<br>Robert Graziano |  |

(as of March 31, 2005)

| Established        | Vehicle Production 2004 | Number of Employees | Notes (Primary Business, Products, etc.)   | Investment Ratio                          |
|--------------------|-------------------------|---------------------|--|---|
| October 1973<br>*1 | 14,470                  | 930                 | Mazda 323, Mazda 626, Mazda3, Mazda6, Mazda B-Series, Mazda2<br>Production capacity: 22,800 units/year | Mazda 95%<br>Mazda Motor International 5% |
| November 1986      | 3,405                   | 300                 | Mazda 323, Mazda B-Series<br>Production capacity: 8,500 units/year                                     | Local 100%                                |



| Established | Vehicle Production 2004 | Number of Employees   | Notes (Primary Business, Products, etc.) | Investment Ratio                      |
|-------------|-------------------------|-----------------------|--|---------------------------------------|
| April 1967  | —                       | 133<br>(October 2004) |  | Mazda 100%                            |
| June 1972   | —                       | 23<br>(May 2005)      |  | Mazda 56%<br>Sumitomo Corporation 44% |



| Established | Vehicle Production 2004 | Number of Employees | Notes (Primary Business, Products, etc.)                            | Investment Ratio |
|-------------|-------------------------|---------------------|---|------------------|
| March 1982  | —                       | 4                   |   | —                |
| April 1999  | —                       | 25                  |   | Local 100%       |
| 1959        | 13,153                  | 1,040               | Mazda 323, Mazda B-Series<br>Production capacity: 15,000 units/year | Local 100%       |



| Established    | Vehicle Production 2004 | Number of Employees | Notes (Primary Business, Products, etc.)   | Investment Ratio  |
|----------------|-------------------------|---------------------|--|---|
| September 1977 | 40                      | 300                 | Mazda T-Series<br>Land area: 1,725m <sup>2</sup>   | Local government 35%<br>Local 65%                                   |
| July 1980      | 1,180                   | 219                 | Mazda 323, Mazda 626, Mazda B-Series, Mazda T-Series<br>Production capacity: 2,400 units/year<br>Land area: 38,486m <sup>2</sup> | MOTEC 58%<br>Mazda 25%<br>Workers Trust 9%<br>ITOCHU Corporation 8% |
| June 1963      | 8,001                   | 3,769               | Mazda 323, Mazda B-Series<br>Production capacity: approx. 11,000 units/year  | Ford 100%   |



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#### 4. Purchasing Network

Suppliers to Mazda in Japan

(as of March 31, 2005)

|  |                 |
|--|-----------------|
| Automotive component parts                                 | 434 companies   |
| Metals   | 44 companies    |
| Subsidiary materials<br>(such as oxygen and acetylene gas) | 149 companies   |
| Construction and facility maintenance                      | 423 companies   |
| Total  | 1,050 companies |

Japan

(as of March 31, 2005)

|                     | FY2004 | FY2003 | FY2002 | FY 2001 | FY 2000 |
|---------------------|--------|--------|--------|---------|---------|
| Number of Countries | 22     | 25     | 24     | 24      | 25      |
| Number of Companies | 131    | 148    | 143    | 144     | 136     |

Note: The number of overseas suppliers to Mazda in Japan is included in the figure for suppliers to Mazda in Japan.

## 5. Production Operations in Japan

### Production facilities in Japan

| Plant Name      | District                        | Production Lines (as of May 31, 2005) |  | Start-up Date           | Land Area (as of March 31, 2005) |
|-----------------|---------------------------------|---------------------------------------|--|-------------------------|----------------------------------|
| Hiroshima Plant | Plant Complex in Head Office    |                                       | Reciprocating engines, manual transmission   | March 1931              | 551,000m <sup>2</sup>            |
|                 | Plant Complex in Ujina District | Plant I (U1)                          | Mazda2, Mazda Verisa, Mazda MX-5, Mazda RX-8, Mazda MPV, Mazda E-series (Bongo van), Mazda E-series (Bongo Brawny van), Mazda Bongo Friendee, J80 van <sup>*1</sup> , J100 van <sup>*1</sup> | November 1966           |                                  |
|                 |                                 | Plant II (U2)                         | Mazda5, Mazda3 <sup>*2</sup>   | December 1972           |                                  |
|                 |                                 |                                       | Reciprocating engines, diesel engines, rotary engines  | December 1964           |                                  |
| Miyoshi Plant   |                                 | Reciprocating engines, diesel engines | May 1974   | 1,667,000m <sup>2</sup> |                                  |
| Hofu Plant      | Nishinoura District             | Plant I (H1)                          | Mazda3   | September 1982          | 792,000m <sup>2</sup>            |
|                 |                                 | Plant II (H2)                         | Mazda6, Mazda3, Tribute/Escape   | February 1992           |                                  |
|                 | Nakanoseki District             |                                       | Automatic transmissions, Manual transmissions  | December 1981           | 537,000m <sup>2</sup>            |

(as of May 31, 2005)

|                       |                |   |  |
|-----------------------|----------------|---|--|
| Press Kogyo Co., Ltd. | Onomichi Plant | T-Series(Titan Dash), Mazda E-Series(Bongo truck), Mazda E-Series(Bongo Brawny truck) <sup>*1</sup> |  |
|-----------------------|----------------|---|--|

Note: Head Office District includes the surrounding area (Fuchizaki district).

Miyoshi and Hofu Plants do not include company housing.

Miyoshi Plant land area encompasses the Vehicle Proving Grounds and Engine Plant.

J80 and J100 vans and Escape model are Ford-brand vehicles.

Production of the "All-New Titan" was outsourced to Isuzu Motors Ltd. (introduced June 2004).

<sup>\*1</sup> For export only

<sup>\*2</sup> Production from June 2005

## 6. R&D Efforts

### (1) R&D facilities

Mazda is dedicated to developing vehicles that are distinctive and innovative using the latest and most advanced technologies to satisfy the diverse needs of motorists worldwide. To accomplish this, Mazda created a global R&D network with operations in Japan (Hiroshima and Yokohama); the United States (Irvine, California and Flat Rock, Michigan); and Germany (Oberursel).

|               | Name   | Location                                     | Primary Business  |
|---------------|--|--|---|
| <b>Japan</b>  | Product Planning & Business Strategy Div.<br>Design Div.<br>Program Management Div.<br>Vehicle Development Div.<br>Vehicle Engineering Div.<br>Powertrain Development Div.<br>Technical Research Center etc. | Head Office<br>(Hiroshima)                   | Product and engineering planning<br>Design development<br>Product development<br>Advanced research for significant new technology   |
|               | Product Planning & Business Strategy Div.<br>Design Div.<br>Technical Research Center etc.   | Mazda R&D Center<br>(Yokohama)               | Advanced product engineering planning,<br>Advanced design survey research and development,<br>Advanced research for significant new technology  |
| <b>U.S.A.</b> | Mazda North American Operations (MNAO)*  | Irvine,<br>California                        | Product planning, advanced product development, design, market research, engineering studies, accessory development, evaluation testing and tuning, vehicle certification procedures  |
|               |  | Flat Rock,<br>Michigan                       | June 1988 (originally as MRA in 1986)   |
| <b>Europe</b> | Mazda Motor Europe G.m.b.H. (MME)<br>European R&D Centre   | Oberursel,<br>State of<br>Hessen,<br>Germany | Product planning, advanced product development, design and modeling, research, trend and engineering studies, accessory development, evaluation testing and tuning, vehicle certification procedures<br>December 1987 (Originally as Mazda Motor Corporation, Europe R&D Representative Office) |

\* Mazda Motor of America, Inc. (MMA) is operated under the business name of Mazda North American Operations (MNAO). (Consolidated in October 1997)

(2) Comprehensive vehicle proving grounds/testing bases

| Name                        | Location   | Start-up Date | Land Area                | Primary Business   |
|-----------------------------|--|---------------|--------------------------|--|
| Miyoshi Proving Ground      | Miyoshi-shi<br>Hiroshima,<br>Japan                   | June 1965     | 1,667,000 m <sup>2</sup> | Contributes to the creation of more comfortable and safer vehicles through the use of various tests, such as handling stability, collision protection, and endurance tests while also improving the basic vehicle functions: driving, cornering, and stopping. |
| Kenbuchi Proving Ground     | Kenbuchi-cho<br>Kamikawa-gun<br>Hokkaido,<br>Japan   | January 1990  | 4,700,000 m <sup>2</sup> | Technology development and functional tests on frozen roads of systems such as AWD, ABS, TCS*1, and DSC*2 that ensure safe driving under hazardous frozen/snow conditions.   |
| Nakasatsunai Proving Ground | Nakasatsunai-mura<br>Kasai-gun<br>Hokkaido,<br>Japan | January 2002  | 260,000 m <sup>2</sup>   | The second proving ground in Hokkaido is for developing vehicle functions under frozen conditions. Mainly performs development tests for safe-driving systems such as ABS, TCS, and DSC.   |

\*1 Traction Control System (TCS): Mechanism to optimize the drive force according to the driving conditions.

\*2 Dynamic Stability Control (DSC): DSC integrates the 4-wheel Anti-lock Braking System (ABS) and Traction Control System to optimally control the engine output and 4-wheel individual brake force for side skid prevention. In addition, the system maintains stable driving conditions while cornering on slippery roads or during evasive steering to avoid hazards.

## 7. Workforce

### (1) Employees

Composition of employees (as of April 1, 2005)

|                        | Employees     |              | Total         |
|------------------------|---------------|--------------|---------------|
|                        | Men           | Women        |               |
| Plant Workers          | 9,245         | 142          | 9,387         |
| Office/Technical Staff | 9,465         | 1,269        | 10,734        |
| <b>Total</b>           | <b>18,710</b> | <b>1,411</b> | <b>20,121</b> |

### Workforce summary

| Fiscal year end | Employees |       |        | Average Age of Employees | Average Length of Service (Years) |
|-----------------|-----------|-------|--------|--------------------------|-----------------------------------|
|                 | Men       | Women | Total  |                          |                                   |
| 2005            | 17,943    | 1,304 | 19,247 | 41.4                     | 20.2                              |
| 2004            | 17,791    | 1,243 | 19,034 | 41.8                     | 20.7                              |
| 2003            | 18,105    | 1,185 | 19,290 | 41.7                     | 20.7                              |
| 2002            | 18,759    | 1,189 | 19,948 | 41.5                     | 20.4                              |
| 2001            | 19,516    | 1,189 | 20,705 | 41.4                     | 20.3                              |
| 2000            | 22,104    | 1,445 | 23,549 | 42.5                     | 21.0                              |

Note: Fiscal years end in March.

### (2) Health and safety

Mazda has formulated a new "Safety and Health Basic Philosophy" with safety and health as the foundation of its corporate activity, and declared health and safety initiatives to be a top priority to be expanded throughout the company. Safety and health are the driving forces for a vibrant workplace and energetic workforce. Currently, the scope of this campaign has been enlarged and continuous improvements are sought in safety and health control standards.

#### Activities

|                     |  |
|---------------------|--|
| Safety              | Aiming for a safe and accident-free workplace through management of sick leave and accident statistics.                                |
| Hygiene             | Aiming for improvements in areas of the workplace that may be subject to health concerns, and the creation of a comfortable workplace. |
| Health              | Careful planning of physical and mental health management for individual employees, with the aim of reducing sick leave.               |
| Accident Prevention | Aiming for the prevention of accidents and fires through risk management.  |
| Transportation      | Aiming for improvement in traffic safety awareness, along with an increased awareness of safety issues when driving among all people.  |

## (3) Recent major personnel policies

(as of March 31, 2005)

| Programs   | Content   | Start-up Date |
|--|---|---------------|
| Human Rights Counseling and Investigation Desk     | In conjunction with the existing Female Employee Counseling Office, an additional function was established in this office to accept human rights inquiries from all employees. This office's mandate is to promote human rights, investigate any alleged human rights issues and achieve solutions.   | October 2000  |
| Super-Flextime                                     | A flextime system without core time has been introduced to improve work efficiency by harmonizing employees' working time with their private life.  | October 2000  |
| Mazda Flex Benefit                                 | Mazda has introduced an alternative benefits package named 'Mazda Flex Benefit', that allows employees to utilize a benefits menu according to their needs, within the range of their assigned points. In addition, Mazda is a corporate member of the company that manages the benefits system, which grants employees use of various facilities such as hotels and leisure facilities at low prices without having to use their points. | October 2001  |
| On-site Daycare Center "Mazda Waku-Waku Kids Land" | An in-house day-care center has been established to assist employees who have children, so that they can work without undue worries. Features include extended operating hours, temporary child-care, hand-made lunches, and a medical room for sick children.  | April 2002    |
| Defined Contribution Pension Plan                  | This program allows individual employees to proactively invest their pension premiums, with payments received based on individual results over the long term. This plan is designed according to each individual's life needs and is received at maturity as a pension or lump-sum payment after they turn 60 years of age.   | July 2004     |
| Free Agent (FA) System                             | This is one policy that supports employee career development. Employees are able to utilize their accumulated experience and take on new challenges by transferring to the area or division of their choice. The target of this policy is to allow employees to carefully consider their career path by involving them in their own career development.   | January 2004  |



## (4) Educational facilities

(as of March 31, 2005)

| Name  | Participants   | Location  | Established                     | Content  |
|---|--|---|---------------------------------|--|
| Mazda Education Center  | Employees  | Hiroshima, Japan  | February 1979                   | Training for management, administrative, engineering, and production staff is provided. Also provides internationalization training, department-specific training among others.<br>Approx. 5,000 users/month   |
| Mazda Technical College   | Recent high school graduates and selected employees        | Hiroshima, Japan (Ujina District, Hiroshima)  | April 1988                      | The aim of the college is to train mid-career employees who will forge the future of the production department. Basic knowledge and skills are taught in the first year curriculum, and the second year includes subjects and practical skills that mainly focus on skills application, and company staff education.<br>Capacity: 65 students/each grade |
| Etre College of Business Arts                                       | From sales managers to sales staff of dealerships in Japan | Osaka and Hiroshima, Japan<br>See page 8  | November 1991                   | Practical hands-on and goal-oriented education for all staff, from executive managers to new employees, tailored to match their knowledge and experience.<br>Approx. 300 users (Hiroshima), 150 users (Osaka)  |
| Technical Service Training Center<br>Mazda Training Center Taibi    | Service staff in Japan and overseas                        | Hiroshima, Japan  | October 1972                    | Skills training for dealership service staff in Japan and overseas, and business training for dealerships in Japan.<br>Approx. 1,600 users/year  |
| Technical Service Training Center<br>Mazda Training Center Yokohama | Service staff in Japan                                     | Yokohama, Kanagawa, Japan   | November 2002                   | Technical service training for dealership service staff in Japan.<br>Business training for dealership staff in Japan.<br>Approx. 500 users/year  |
| Skill Training Center, Hiroshima Plant                              | Employees  | 28 facilities in Hiroshima Plant, Japan   | April 1997                      | Courses to upgrade field-specific skills (materials, machining, assembly, vehicle body, painting, body assembly, maintenance and improvement) according to level (from new employees to advanced technicians).<br>4,700 users/year   |
| Nishinoura Education Center, Hofu Plant                             | Employees  | Hofu, Yamaguchi, Japan  | August 1982                     | Training for management, administrative, engineering, and production staff.<br>Approx. 500 users/month   |
| Skill Training Center, Hofu Plant                                   | Employees  | 6 facilities in Nishinoura District, 2 facilities in Nakanoseki District, Hofu, Japan | September 1982 - September 2003 | Courses to upgrade field-specific skills materials, machining, assembly, vehicle body, painting, body assembly, maintenance and improvement) in according level (from new employees to advanced technicians).<br>1000 users/year   |

## (5) Employee education program

(as of March 31, 2005)

| Programs  | Content  | Reference  |
|---|--|--|
| Optional Training Program (Training Sessions, e-Learning) | Targeting administrative and technical staff, this training is mainly focused on improving business skills (business performance, problem-solving, interpersonal skills) and better approaches to business initiatives.  | FY2004 participants record:<br>17 group training courses, approx. 1,200 participants<br>9 e-learning courses, approx. 1,300 participants   |
| MBLD (Mazda Business Leader Development)                  | Targeted at all employees, this training is designed to: 1) cascade corporate management strategy for positive execution and goal achievement, 2) provide in-house training at each level for business leaders who have management vision and also 3) further transform the corporate culture.               | Started July 2000<br>Conducted 5 times to date (once per year)   |
| Leading Mazda 21  | Targeted at selected middle managers, this training aims at developing next-generation leaders who can demonstrate leadership in company initiatives, and for a global outlook in strategic decision making.   | Started April 1, 2002<br>Total of 180 participants to date.  |
| Technical Olympics Training Program                       | A training course to strengthen the technical skills of young technicians aiming to be medal winners at the National Skills Competition and World Skills Competition. Participants compete in the following categories: plate bending, vehicle plating, vehicle painting, wood molding, and lathe operation. | Technicians have participated in the National and World Skills Competition since 1962.<br>Total number of participating technicians: 333<br>National Skills Competition: 24 champions, 88 prize winners<br>World Skills Competition: 4 champions, 10 prize winners |
| Welding Skill Training Program                            | Intensive welding skills training course operation for selected young technical staff aiming for the Japan Welding Contest and intended to create top arc welding technicians.   | Technicians have participated in the Japan Welding Contest from 1984.<br>Total number of participating technicians: 31, (7 champions, 17 prize winners)  |
| Advanced Technical Skills Training Course                 | Targeting highly skilled production staff, this is one-to-one (master and apprentice) training intended to hand down 24 core technical skills related to vehicle production and to develop proficient technicians.   | Started in July 1996<br>Completed master accreditation (technical meister): 45 employees in total<br>Complete apprentice accreditation: 99 employees in total  |

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## 8. Main Strategies to Improve Customer Satisfaction

Improving customer service is given top priority at Mazda. We have adopted the following three initiatives to achieve this goal.

1. Improve product quality: We strive to achieve an industry-wide top level of customer vehicle satisfaction and product quality.
2. Improve overall customer satisfaction: We strive to achieve an industry-wide top level of customer satisfaction and actively promote customer satisfaction activities throughout the complete cycle of vehicle production – delivery – replacement (sales, service, parts, and distribution).
3. Create attractive products: We strive to create products based on the Zoom-Zoom\* spirit, and enrich and enhance the lifestyles of our customers.

\* Mazda's brand message. See page 29 for more details.

### (1) Mazda Call Center

Mazda has created a Call Center for its customers in an effort to answer any questions and give advice regarding all aspects of Mazda vehicles and the company's business activities. The Call Center allows Mazda to hear the 'voice of the customer' for feedback within the company and make use of their valuable opinions to further improve customer satisfaction.

Established: Feb. 1984

Staff: 50 employees

Location: 3-1 Shinchi, Fuchu-cho, Aki-gun, Hiroshima 730-8670 Japan

Used by approx. 74,000 customers per year

Hours of operation: Monday - Friday 9:00 to 17:00

Weekend and holidays 9:00 to 12:00, 13:00-17:00

Official Site: <http://www.mazda.com/>

### (2) Quality control systems

#### 1) Mazda Quality activities

Mazda seeks to increase the satisfaction level of customers by improving the quality of its products and services. To this end, Mazda has initiated various strategies to improve product quality, such as Quality Control Circle activities started in 1962, and Mazda Quality activities that began in 1978. Mazda has engaged in companywide quality improvement activities since then. In 2004, 2001's six sigma activities and quality circles were integrated, indicating the direction of Mazda Quality (MQ).

- QC circles at Mazda have participated in the 'All Japan QC Circles Conference' (at Hibiya Public Hall, Tokyo) eight times, including four successive participations since 2001. The circles were honored to receive a General Manager Gold Prize Award twice.
- For fiscal year 2004, the two QC circle teams from the Prototype Fabrication Dep't at Mazda HQ and from the Hofu Plant were awarded a Kaoru Ishikawa Medal at the 'National QC Circles Conference.' This was the fifth time, and the fourth consecutive year that Mazda was awarded a medal.)

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## 2) ISO 9000 series accreditation

Mazda has been certified by the ISO, an international quality control management system. ISO 9002 accreditation was received in November 1994 for areas except design and development. Then in June 1996, Mazda was the first Japanese automaker to receive ISO 9001 accreditation, the widest ranging type for automobile production and one that covers areas from design/development to production, sales and after-sales service.

Note: ISO 9000 Series: This is an international quality control management system, established by the ISO (International Organization for Standardization), which can be applied to all types of industry and business. Use of this system provides efficient production standards and is a required component for attaining customer satisfaction.

## 3) TPM\* activities

Mazda and the Mazda Group have been implementing TPM activities since the late 1980s, with the aim of creating a corporate structure that allows improvements in the overall efficiency of their manufacturing systems to the maximum extent possible. Currently, TPM activities are being carried out at 13 Mazda Group workplaces and 11 of these have been certified with TPM awards. Among them, the Hiroshima Plant Engine Production Dept. No.2, won the 2004 Japan Institute of Plant Maintenance's World Class TPM Award. Only five companies in Japan have won this award.

### <Mazda TPM achievements>

- Hofu Plant Powertrain Production Dept. No. 2: '94 Award for TPM Achievement, '96 Award for Excellence in Consistent TPM Commitment, '99 Special Award for TPM Achievement, '02 Advanced Special Award for TPM Achievement
- Hiroshima Plant Engine Production Dept. No. 1 (Miyoshi Engine Plant): '96 Award for TPM Achievement, '98 Award for Excellence in Consistent TPM Commitment, '00 Special Award for TPM Achievement
- Hiroshima Plant Engine Production Dept. No. 2: '97 Award for TPM Achievement, '99 Award for Excellence in Consistent TPM Commitment, '01 Special Award for TPM Achievement, '04 World Class Award for TPM Achievement
- Hiroshima Plant Engine Production Dept. No. 1 (Hiroshima Dist.): '00 Award for TPM Achievement, '03 Special Award for TPM Achievement
- Hiroshima Plant Powertrain Production Dept. No. 1: '01 Award for TPM Achievement; '04 Special Award for TPM Achievement
- Hofu Plant Vehicle Production Dept. No. 4 Body Group: '02 Award for TPM Achievement
- Hiroshima Plant Vehicle Production Dept. No. 1 and No. 3 (combined team): '03 Award for TPM Achievement

\* TPM stands for Total Productive Maintenance. TPM activities are applied the whole life cycle of the production system and designed to prevent losses due to accidents, substandard products, malfunctions and similar occurrences. All employees participate in small overlapping group activities that function to foster skilled personnel and improve corporate vitality.

Guidance and inspection provided by the Japan Institute of Plant Maintenance.

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#### 4) Dealership initiatives

Mazda strives to create a service staff that can provide excellent service to its customers. In order to achieve this goal, Mazda not only maintains educational facilities to conduct management and human resources training for its dealership personnel but Mazda also holds the 'Walk Around Contest' and the 'Service Skills Competition.' Additionally, Mazda has instituted a Customer Satisfaction commendation program directed at our dealerships.

Mazda also supports case study contests that are held separately in regional blocks in Japan to promote CS improvements.

There is also the 'Mazda Excellent Navigator', an activity manual that is distributed to dealership sales and service staff, which also includes a collection of examples of excellence in regard to environmental regulation adherence and environmental improvement.

##### 1. Service Skills Competition

This competition has been held since 1963 in order to improve the technical skills of our service personnel. Currently, it is divided into two separate competitions with Mazda and Mazda Anfini dealerships participating in one, and the other for Mazda Autozam dealerships. Also, on June 17, 2004, the first "Worldwide Service Skills Competition" was held in Cologne, Germany with the participation of representatives from nine countries.

##### 2. Walk Around Contest

This contest is held once a year in Japan for sales staff to improve their customer reception skills and product knowledge. Currently, it is divided into two separate competitions with Mazda and Mazda Anfini dealerships participating in one, and the other for Mazda Autozam dealerships.

##### 3. CS Promotion Case Study Presentations

Mazda has sponsored the case study presentations since 1989 to work toward better customer service. This year there were 17 events held to improve CS consciousness at dealerships. The presentations are held annually in all eight national blocks at the end of the year, with the winning dealership (group) announcing their results.

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## 9. Mazda's Efforts to Strengthen the Mazda Brand

In order to globally communicate Mazda's unique value, Mazda established a "World Wide Brand Positioning" (WWBP) in April 1998, as part of the overall brand management strategy. The WWBP incorporates the Brand Personality of "Stylish," "Insightful" and "Spirited"; and the Product attributes of "Distinctive Design," "Exceptional Functionality," and "Responsive Handling and Performance" to create the Mazda Brand DNA. Mazda's DNA is summed up in the new brand message "Zoom-Zoom (love of motion experienced as a child)," which is promoted in the major markets around the world. All corporate activities worldwide, including vehicle planning, manufacturing, and internal and external communication are in line with the WWBP.

| World Wide Brand Positioning" (WWBP)  |  |
|---|--|
| <Personality>   | <Product>  |
| <ul style="list-style-type: none"><li>• Stylish</li><li>• Insightful</li><li>• Spirited</li></ul> | <ul style="list-style-type: none"><li>• Distinctive Design</li><li>• Exceptional Functionality</li><li>• Responsive Handling and Performance</li></ul> |

### "Zoom-Zoom"

Mazda introduced the new brand message, "Zoom-Zoom (love of motion experienced as a child), as a plain and simple expression of what Mazda stands for.

## 10. Products

### (1) Passenger cars

| Domestic Names | Introduction Year | Overseas Names                   | Cumulative Production <sup>*1</sup> |
|----------------|-------------------|----------------------------------|-------------------------------------|
| Demio          | 1996              | Mazda Demio/Mazda2 <sup>*2</sup> | 892,414 <sup>*4</sup>               |
| Familia        | 1964              | Mazda 323 <sup>*3</sup>          | 10,589,052 <sup>*5</sup>            |
| Verisa         | 2004              | -                                | 19,473                              |
| Axela          | 2003              | Mazda3                           | 499,164                             |
| Atenza         | 2002              | Mazda6                           | 467,319                             |
| RX-8           | 2003              | Mazda RX-8                       | 114,444                             |
| Roadster       | 1989              | Mazda MX-5 <sup>*3</sup>         | 720,407                             |
| Premacy        | 1999              | Mazda Premacy, Mazda5            | 285,258                             |
| MPV            | 1988              | Mazda MPV                        | 950,051                             |
| Tribute        | 2000              | Mazda Tribute                    | 109,610 <sup>*6</sup>               |
| Bongo Friendee | 1995              | Mazda Bongo Friendee             | 165,706                             |
| Carol          | 1962              | -                                | OEM supplied <sup>*7</sup>          |
| AZ-Wagon       | 1994              | -                                | OEM supplied                        |
| Laputa         | 1999              | -                                | OEM supplied                        |
| AZ-Offroad     | 1998              | -                                | OEM supplied                        |
| Spiano         | 2002              | -                                | OEM supplied                        |

\*1 As of March 31, 2005

\*2 Has the sub-name of "121 Metro" in Australia.

\*3 The Mazda 323 and the Mazda MX-5 are sold as "Protegé" and "Miata" respectively in North America.

\*4 Includes "Ford Festiva Mini Wagon" production.

\*5 Includes "Ford Laser Lidea" production.

\*6 Includes "Ford Escape" production.

\*7 OEM supplied: (Original Equipment Manufacturing) Built-unit vehicles are supplied to Mazda by other manufacturers and sold under the Mazda brand.

### (2) Commercial vehicles

| Domestic Names           | Introduction Year | Overseas Names                | Cumulative Production <sup>*1</sup> |
|--------------------------|-------------------|-------------------------------|-------------------------------------|
| Bongo (van/truck)        | 1966              | Mazda E-Series (van/truck)    | 1,792,089                           |
| Bongo Brawny (van/truck) | 1983              | Mazda E-Series (van/truck)    | 833,428                             |
| -                        | 1961              | Mazda B-Series (pickup truck) | N.A.                                |
| Titan/Titan Dash         | 1971              | Mazda T-Series                | 1,701,003                           |
| Scrum (van/truck)        | 1989              | -                             | OEM supplied                        |

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### (3) Welfare vehicles

As part of Mazda's aim to make cars that are safe and fun to drive, Mazda offers vehicles equipped with easy-to-use features designed for the special needs of the elderly and physically challenged.

Car lineup in Japan

Wheelchair access ramp/Extra-low floor: Demio i, AZ-Wagon i

Passenger-side seat lifter: Premacy, MPV

Secondary seat lifter: MPV

Rotating passenger seat: Demio, Verisa

### (4) Customized vehicles

Web tune factory (URL <http://www.w-tune.com>)

Through this Japanese site, customers can receive an estimate for various combinations of features and accessories and view their desired car. They can also order special combinations that are available only through this site and schedule an appointment with the dealer of their choice.

Car lineup in Japan

Models: Demio, Verisa, Premacy, Axela, Atenza, Mazdaspeed Atenza, MPV, RX-8

January 2000: Internet-limited Web-tuned@Demio introduced

February 2001: Japan's first build-to-order automobile site 'Web Tune Factory' opens

### (5) Motor sports

#### 1) Motor sports activities

Mazda supports Roadster and RX-8 Party Races that are geared toward the participation of Mazda customers together with their family and friends.

|                                     |                        |
|-------------------------------------|------------------------|
| Roadster Party Race started in 2001 | Tsukuba Circuit, Japan |
| RX-8 Party Race started in May 2004 | Tsukuba Circuit, Japan |

#### 2) Achievements

June 1991: First place (first time for a Japanese automaker) at Le Mans 24 Hour Endurance Race (Mazda 787B)

September 1990: Savanna RX-7 exceeds 100 cumulative victories in the IMSA, GTO and GTU class (United States)

February 1987: Overall winner of the World Rally Cup Swedish Rally (Familia 4WD)

July 1981: Overall winner (first time for a Japanese automaker) at Belgium's Spa-Francorchamps 24 Hour Endurance Race (Savanna RX-7)

Note: Mazda revamped its motor sports activities in October 1992 and has not participated in the top category of major races such as the Le Mans 24 Hour Race, prototype sports car races or WRC Group A races since that time.



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## 11. Environmental Protection Technology and Policies

### (1) Initiatives regarding global environmental problems

<Environmental Principles> (Established in 1992, revised in 2005)

"The Mazda Group aims to promote environmental protection and contribute to a better society, while maintaining harmony with nature in our business activities all over the world."

<Basic Policy>

- A. We will contribute to society by creating environmentally friendly technologies and products.
- B. We will use the Earth's resources and energy sparingly, and never overlook environmental considerations when conducting our business.
- C. We will play our part in improving the environment, hand in hand with local communities and society at large.

(Development of promotional framework)

April 1992: "Mazda Global Environmental Charter" adopted.

March 1993: "Environment-Related Activity Promotion Plan (Mazda Environmental Voluntary Plan)" formulated.

March 1993: "Mazda Global Environmental Conference" (Chair: President of Mazda Motor Corporation) established.

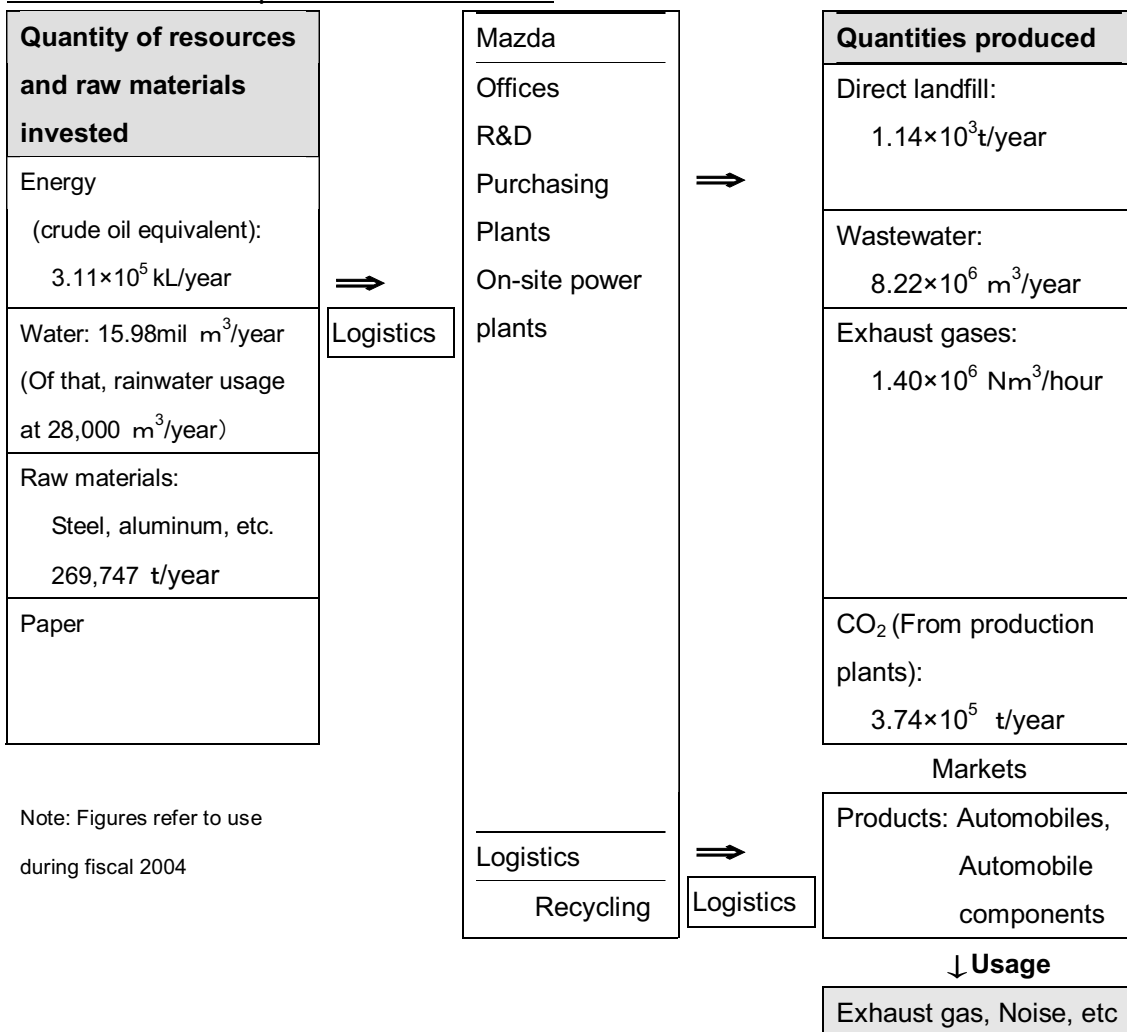
April 2005: "Mazda Global Environmental Charter" revised and expanded to the entire Mazda Group.

June 2005: Assigned senior executives to be in charge of environmental issues

### (2) Objective:

- ◆ Achieve Japanese 2010 fuel efficiency standards in all weight categories of passenger cars by fiscal 2005.
- ◆ Raise the percentage of SU-LEV/U-LEV passenger cars to 90% by the end of CY 2005.
- ◆ Achieve a 90%-plus recyclability for all new models from 2002 onwards.
- ◆ Achieve a 95% effective recycling rate for vehicles by 2015.
- ◆ Achieve a 5% reduction in CO<sub>2</sub> output compared with that of fiscal 1990 by the end of 2005, and a 10% reduction by end of fiscal 2010.
- ◆ Achieved a 1% or less ratio of direct-to-landfill waste by the end of fiscal year 2004 compared with that of 1990.

### Mazda's relationship with the environment



### (3) Reduction of CO<sub>2</sub> emissions

|                         |   |
|-------------------------|---|
| Plant CO <sub>2</sub>   | November 1987: Industry's first large-scale in-house co-generation system installed at Hiroshima Plant      |
|                         | July 1993: The world's first co-generation system (Mazda-patented) installed at Hofu Plant                  |
|                         | December 2000: Changeover to low CO <sub>2</sub> emissions natural gas for the Hiroshima Plant power supply |
|                         | November 2002: Changeover to low CO <sub>2</sub> emissions natural gas for the Hofu Plant power supply      |
|                         | January 2005: Hofu Plant changed fuels from heavy oil boiler to a natural gas boiler                        |
| Vehicle CO <sub>2</sub> | S-VT (sequential valve timing) engine with improved combustion efficiency                                   |
|                         | High efficiency all-aluminum block MZR 1.3/1.5-liter and MZR 2.0/2.3-liter engines developed                |
|                         | Vehicles powered by a common rail direct injection diesel engine introduced in Europe and Japan             |
|                         | Rotary engine improved for better fuel economy  |

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(Technologies to reduce vehicle weight)

- Weight reduction of part group units (Through technologies such as high-strength plastic for new-generation carriers for the front end and door modules etc.)  
Adopted for the Mazda6 (Atenza), Mazda2 (Demio), Mazda3 (Axela), and Mazda5 (Premacy).
- Aluminum doors and hood adopted for the RX-8.
- Aluminum hood and trunk lid adopted for the MX-5 (Roadster)

#### (4) Purifying exhaust emissions

- The Mazda2 (Demio) and 1.5-liter Mazda3 (Axela) introduced in April 2004 are certified 'SU-LEV' (2005 Exhaust Emissions Standards 75% Reduction Level). They also meet the 'Green Tax' standards (Japan's tax-reduction regulation for eco-friendly vehicles).
- The Verisa, introduced in June 2004, is certified 'SU-LEV' (2005 Exhaust Emissions Standards 75% Reduction Level). All the Verisa models meet the 'Green Tax' standards (Japan's tax-reduction regulation for eco-friendly vehicles).
- New T-series (Titan trucks) that were introduced in June 2004 were equipped with the ultra-low PM emissions diesel engine that comply with the 2003 Exhaust Emissions Standards (new short-term regulations).
- The Mazda5 (Premacy) that went on sale in February 2005 in Japan, acquired SU-LEV certification (2005 Exhaust Emissions Standards 75% Reduction Level). The 2.0L Mazda5 (Premacy) also meets Japan's "Green Tax" standards, the tax reduction regulations for eco-friendly vehicles.

#### (5) Development of clean-energy vehicles

##### Hydrogen-fueled vehicles

In 2003, the Mazda RX-8 Hydrogen RE was developed. It has a dual fuel system that can be switched to operate on either gasoline or hydrogen.

Established the Hydrogen Station within the Mazda head office grounds.

##### Fuel cell electric vehicles (FC-EV)

In 2001, the Premacy FC-EV was developed. The vehicle received government approval to conduct the first FC-EV test drives on public roads in Japan.

##### Electric vehicles

A research program was initiated in 1966 and approximately 100 vehicles, such as the Bongo EV, have been sold.

##### Natural gas vehicles (NGV)

A compressed natural gas vehicle (CNGV) that used the Mazda 626 (Capella Cargo) as a base was developed in 1992.

In February 1994, a CNGV using the T-series (Titan) as a base was introduced to the market.

In June 2000, a CNGV using the Mazda2 (Demio) as a base went on sale.

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In April 2001 a CNGV using the T-series (Titan Dash) went on sale.

(6) Activities to promote recycling

1) Collection of damaged bumpers for bumper recycling

From January 1992 at dealerships in some regions of Japan, Mazda started collecting unwanted, damaged bumpers that accumulated from repaired vehicles and recycled them into parts for automobiles. This collection program was expanded to cover the whole country by the end of 1999. The damaged bumpers are gathered and used as raw materials for parts such as underbody coating.

Starting in February 2001, Mazda began utilizing paint stripping technology to produce recycled materials that are used to make bumper reinforcement parts.

In March 2005, Mazda started to use a unique technology developed in-house that uses recycled materials created by removing almost all resins adhering to old bumpers, to produce bumpers for new vehicles.

2) Improved recycling rates

New models released from 2002 onward have a 90% or more recyclability rate thanks to the use of recyclable materials and advances in vehicle fabrication research.

(7) Reduced lead usage (Reduced usage of environment-impacting substances)

The total weight of lead used in Mazda vehicles (excluding batteries) was less than one-third the 1996 amount for all new models produced since 2002.

December 2002 The amount of direct reclamation wastes is reduced in all domestic production bases on a zero level (it will be less than 5% at the ratio in the 1990 fiscal year).

(8) Reduction of direct-to-landfill manufacturing waste

By December 2002, Mazda reduced its direct-to-landfill waste to zero for all its domestic production facilities (less than 5% of FY1990 ratio).

From January 2005, further waste reduction is implemented, achieving less than 1% of 1990 levels.

(9) Introduction of new environment- and people-friendly production technology

- The 'semi-dry process' was introduced in July 2002 and adopted for the MZR 1.3/1.5-liter engine machining lines.
- The 'three layer wet paint system' was introduced in July 2002 and was launched at Hofu Plant No. 1.
- The world's first 'aluminum joining technology' using friction heat was introduced in February 2003 and adopted for the aluminum automobile body assembly process.
- Mazda developed the world's first steel and aluminum joining technology using friction heat.

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## 12. Vehicle Safety

### (1) Safety policy

Based on the awareness that safety is a primary requirement for the enjoyment of life with automobiles, we commit to the following:

1. Research into methods of automobile use by customers and the social and traffic environment in which such automobiles are being used.
2. The search for ever-safer technology, and the application of such in ways that are most appropriate to our customers.

### (2) Safety technology development

Safety technology development is ongoing in the following three areas:

|   |
|---|
| <p><u>Active Safety Technology (Prevents accidents from occurring)</u></p> <p>Improved driver field of vision/visibility and operability, high braking performance that supports accident-prevention maneuvers, improved handling stability.</p>  |
| <p><u>Passive Safety Technology (Protects vehicle occupants in case of accident)</u></p> <p>In addition to the core safety protection of 'Mazda Advanced Impact-energy Distribution and Absorption System', Mazda's high-rigidity protective body structure, other passive safety features include a supplemental restraint system, secondary collision protection in the vehicle interior, post-accident fire prevention and rescue facilitation, and pedestrian protection.</p>   |
| <p><u>Advanced Safety Features (Support safe and smooth driving)</u></p> <p>Mazda actively participates in ASV and AHS projects organized by the Japanese Ministry of Land, Infrastructure and Transport in an effort to develop advanced safety features for our vehicles. Features currently under development include a warning system that detects hazardous objects in the vehicle's path and pedestrians in a crosswalk, an injury reduction system that can anticipate whiplash-causing rear end collisions, and a driver support system that utilizes roadway infrastructure.</p> |

### (3) Safety awareness

- Mandatory seatbelt usage and safe driving speeds endorsement
- 'Safe Driving' internet campaign

### (4) Main safety features and technologies

#### 1) Mazda Advanced Impact-energy Distribution and Absorption System

The Mazda Advanced Impact-energy Distribution and Absorption System disperses and absorbs impacts through front and rear crushable zones, and limits cabin deformation through the use of rigidly assembled 'H'-shaped construction in the floors, sides, and roof, adopted from the Capella (Mazda 626) introduced in 1997. The H-shaped construction was further evolved with the Atenza (Mazda6) that went on sale in 2002, realizing more advanced collision safety.

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## 2) Crashworthiness development using MDI (Mazda Digital Innovation)

Digital modeling is used for collision simulation before a prototype vehicle is made. In this way, a wide variety of tests can be carried out various times under the same conditions; something that is very difficult when using only a prototype vehicle. Moreover, various units can be simulated yielding highly refined collision data that is used to further enhance development of collision and safety features. A prototype vehicle is used for the final verification of safety features.

## 3) SRS\* curtain and front side airbag system

With this system, airbags deploy to cover the front and rear door windows and pillar areas to alleviate injuries to passengers' head area. These were first available in 2002 on the Atenza (Mazda6).

\*Supplemental Restraint System

## 4) Crushable brake pedal

These are brake pedals with a collapsible construction to keep the brake pedal away from the driver's feet and minimize injuries in the event of a frontal collision. This system was introduced on the Atenza (Mazda6) in 2002.

## 5) Impact shock minimizing front seat headrests

In the event of a rear end collision, a device that modulates headrest height in relation to the occupant's head position has been employed to minimize impact shock to the neck area. Additionally, the front seat structure has a seatback mechanism that lessens rearward motion to modulate pressure against the occupant's torso if there is a collision. They were introduced on the Atenza (Mazda6) in 2002.

## 6) ISOFIX child seat anchoring mechanism with top tether (rear seat, both sides)

Fixed anchor child seats that comply with ISOFIX that can be securely fixed in place with one push have been adopted in the rear seats (both sides). In the event of collision, the top tether anchors the top and suppresses forward movement of the child seat, lessening the shock of impact. It was introduced on the Familia (Mazda 323) in 2000.

## 7) Rear seat construction to prevent luggage from entering passenger cabin

Trunk cargo may enter the passenger cabin in a frontal collision, endangering the occupants. In order to minimize this danger, a stiff rear seat back frame and shock hinge with a latch that firmly supports the seat back were adopted. This measure was introduced on the Atenza (Mazda6) in 2002.

## 8) Pedestrian safety

Mazda has developed a new shock cone aluminum hood and with a modified ribbed structure for the underside of its hoods that are designed to minimize head injuries sustained by pedestrians in the event that they are struck by cars. The lightweight aluminum hood's inner panel is formed with uniquely crater-shaped indentations (shock cones) that have a very high impact absorption rate. This technology was introduced on the RX-8 in 2003.

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## 13. Social and Cultural Activities

Mazda's philosophy regarding community services activities:

In an effort to be an enterprise trusted and loved by the community in its role as a good corporate citizen, Mazda is engaged in a wide array of activities that contribute to the community. We promote activities ranging from volunteering to humanitarian contributions that are adapted to the needs of regional communities.

### (1) Mazda Community Services Committee

The Mazda Community Services Committee was established in 1993 for the purpose of community service. This involves volunteers visiting local institutions, and also carrying out local cleanup events. In addition, for every area of Japan where Mazda has a business location, local community activities are being expanded.

<Head Office District>

#### **Community exchange**

- Mazda participates in and sponsors a stage at the Hiroshima Flower Festival held every year in May.
- The Mazda Museum, located next to the Ujina Plant, is open to the public.
- 'Letter from Mazda' community newsletter is published.
- 'Craftsmanship Experience Workshop.'

#### **Social welfare**

- 'Postcard & Telephone Card Collection Campaign' as donations for social welfare equipment.
- Participation in 'V Heart Hiroshima,' a prefectural volunteer activities association.

#### **Environmental protection**

- Cleanup activities in the local community and area around the Head Office district.
- Vehicle idling prevention ('idling stop') activities.

#### **Sports**

- Investor in the Hiroshima Toyo Carp and Sanfrece Hiroshima as well as provider of personnel.
- Sponsors Hiroshima International Peace Marathon and Inter-Prefectural Men's 'Ekiden' Road Relay.
- Mazda Community 'Ekiden' Road Relay.

#### **Other activities**

- Mazda Specialist Bank dispatches lecturers and experts.
- Mazda Volunteer Center dispatches volunteers.

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<Hofu Plant District> In support of the 'We Love Hofu Campaign\*\*'

- Plant tour open to the public.
- Cleanup activities in the local community and area around the Hofu Plant.
- Participation in 'Hofu Flea Market.'
- Participation in Hofu area community events such as the *Hadakabo* Festival.
- Co-host of sporting events such as the Mazda Invitational Youth Soccer Tournament.

\* We Love Hofu Campaign: A group originally consisting of 35 companies in Hofu (location of the Mazda plant) that formed in April 1993 under the slogan 'Companies are citizens also' with the objective of contributing to the revitalization of the city. Currently, some 160 companies are members of the campaign. The secretariat is located in the General Affairs Dept. of the Hofu Plant.

<Miyoshi Office District>

- Engine Plant tours open to the public.
- Continuing clean-up activities in the local community and area around Miyoshi Proving Grounds.
- Participation in regional events such as the 'Miyoshi *Kinsai* Festival.'

<Mazda R&D Center Yokohama District>

- Open to the public through events such as the Technology Exhibition.
- Participates in community service activities in conjunction with owners clubs and various nonprofit organizations.

(2) Foundation activities

**Mazda Foundation (Japan)**

The Mazda Foundation offers assistance to projects that promote science and technology, and that foster the development of well-rounded youth. It was founded with the objective of contributing to the creation of a society where the citizens of the world can share in their prosperity and live rich, fulfilling lives.

While the Foundation concentrates its assistance, offered through grants, on research and programs that will vitalize civic activity in matters such as the creation of a recycling-based society, it also supports community-based programs such as the 'Experiencing Science' seminars. The '*Waku-Waku* Science Project', administered jointly with Hiroshima University, is aimed at fostering a 'science-oriented spirit' and is targeted at elementary to high school students as a means of addressing the increasing trend away from the study of science by young people. Additionally, in conjunction with other foundations and businesses in Hiroshima City, the Mazda Foundation provides an exciting opportunity to study science in a camp. Finally, the Foundation also offers guest lecturers and courses to numerous universities in the Hiroshima area.



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(as of April 1, 2005)

Established in: October 1984

Administered by: Ministry of Education, Culture, Sports, Science and Technology

Endowment: 1 billion yen

Board members: Chairperson Kazuhide Watanabe, 13 Executive board members, 2 Auditors

Address: 3-1 Shinchi, Fuchu-cho, Aki-gun, Hiroshima 730-8670 Japan

<http://mzaidan.mazda.co.jp>

Financial report for main programs (Cumulative amount)

Research grants: 628 total grants, 894.88 million yen

Project grants: 471 total grants, 126.43 million yen

Total: 1,099 projects, 1,021.31 million yen

Lectures, symposiums: 23 held

University courses established (Guest lecturers, etc.): At five universities during FY2004

### **Mazda Foundation (USA)**

The Mazda Foundation (USA), Inc. is dedicated to building a better future through support of imaginative programs that make a difference in communities across the United States. Through the organizations the foundation supports, Mazda is helping to enhance youth literacy, expand diversity in higher education, preserve and enrich the environment at state and national parks, promote cross-cultural understanding, and support medical research. Since 1992, the foundation has donated over \$4.9 million (as of August 31, 2005) to outstanding charitable organizations in the U.S.

One example of a Mazda Foundation (USA) funded program is the cross-cultural Mazda-YFU Scholarship Program. Mazda provides scholarships to U.S. high school students who participate in a homestay program in Japan organized by Youth For Understanding (YFU), a non-profit student exchange organization.

Originally established to provide exchange opportunities for Japanese and U.S. students in 1984, the Mazda-YFU scholarship program gives young participants the chance to experience a different culture while staying with host families for six weeks.

As of 2005, a total of 357 U.S. students have visited Japan through the YFU cultural exchange program, while 58 students had traveled to the U.S. before the exchange program for Japanese students ended in 2000.

Other organizations supported by the Mazda Foundation in 2005 include: Reading Is Fundamental®, Dillard University, Hispanic Scholarship Fund, Student Conservation Association, Juvenile Diabetes

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Research Foundation, Orangewood Children's Foundation, THINK Together, and University of North Carolina at Pembroke.

Please visit [www.mazdafoundation.org](http://www.mazdafoundation.org) for further information on the Mazda Foundation (USA).

(as of August 31, 2005)

|  |
|--|
| Established in: September 1990   |
| Funding: \$9 million USD   |
| Board members: Chairperson James J. O'Sullivan (MNAO President and CEO), 3 Executive board members |
| Address: 1025 Connecticut Ave., NW, Suite 910, Washington, DC 20036                                |
| Financial report: \$4.9 million USD (Cumulative)   |

### **Mazda Foundation (Australia)**

Established in 1990 with initial grants from Mazda Motor Corporation and Mazda Australia the charter of the Foundation was to provide assistance to youth, the underprivileged and the environment within Australia. Money from every Mazda sold in Australia is donated to the Foundation and annual fundraising dinners and golf days also contribute to its funds.

To date approximately \$3.3M has been donated to various organizations within Australia including the Royal Victorian Institute for the Blind, National Trauma Research Institute and Victoria's Adult Burn Unit, university research grants, Landcare, Alzheimer's Association, Asialink, theatre and dance groups etc. Most recently a grant of \$250,000 has been given to the Reach Foundation, which has a focus on youth development and works to build their confidence and self esteem in order to prevent negative emotions and destructive behaviour that can lead to problems such as alcohol and drug abuse and suicide.

In 2005-2006 the emphasis is on Mental Health projects being undertaken by community based providers for the support of people with social and mental health issues including projects directed towards prevention and raising public awareness.

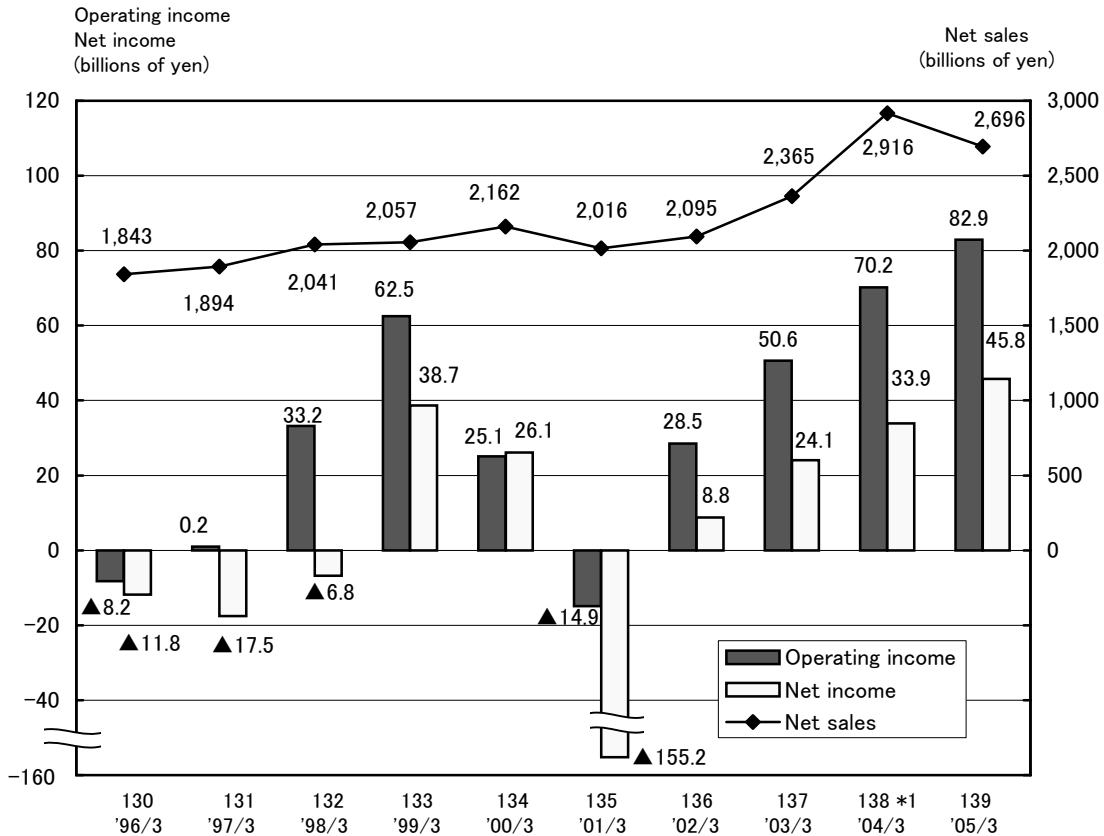
(as of June 30, 2005)

|   |
|---|
| Established in: August 1990   |
| Basic endowment: Initial endowment of A\$500,000 (A\$200,000 from Mazda and A\$300,000 from Mazda Australia)    |
| Board members: Doug Dickson (Managing Director, Mazda Australia), 6 Directors (From other Australian companies) |
| Address: 385 Ferntree Gully Road, Notting Hill, Victoria 3149, Australia  |
| Financial report: A\$3.3 million (Cumulative)   |

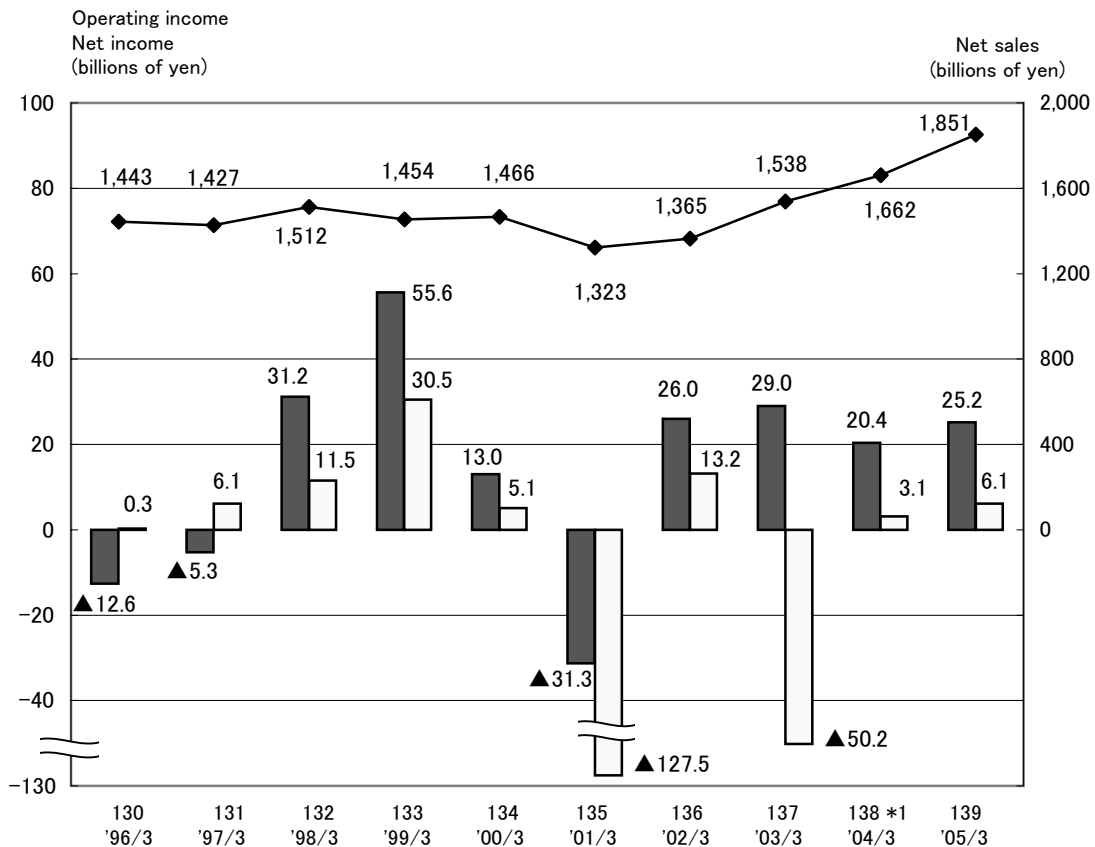
# II Operating Results

## 1. Transition of Operating Results

### (1) Consolidated



### (2) Unconsolidated



\*1 FY2003 results reflect a 15-month fiscal term for main foreign subsidiary companies that changed their fiscal term.

### (3) Transition of net sales by reportable segment

(Upper figure: Unconsolidated basis, Lower figure: Consolidated basis)

(billions of yen)

| Segment                       | FY2000             | FY 2001            | FY 2002            | FY 2003*1          | FY 2004            |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Vehicle                       | 983.9<br>1,355.7   | 1,045.0<br>1,483.1 | 1,135.9<br>1,735.4 | 1,197.5<br>2,159.1 | 1,384.1<br>1,972.6 |
| Parts for Overseas Production | 59.4<br>59.5       | 59.5<br>59.6       | 103.9<br>74.6      | 159.5<br>127.5     | 162.3<br>123.8     |
| Parts                         | 139.4<br>203.0     | 121.7<br>147.9     | 119.2<br>147.6     | 129.4<br>209.8     | 132.5<br>194.0     |
| Other                         | 139.8<br>397.5     | 138.2<br>404.1     | 178.4<br>406.7     | 175.3<br>419.7     | 172.2<br>405.1     |
| Total                         | 1,322.7<br>2,015.8 | 1,364.6<br>2,094.9 | 1,537.6<br>2,364.5 | 1,661.7<br>2,916.1 | 1,851.2<br>2,695.6 |

Note: Fiscal years begin in April and end in March.

\*1 FY2003 results reflect a 15-month fiscal term for main foreign subsidiary companies that changed their fiscal term.

### (4) Recent operating results

#### 1) Consolidated

| Item                          | Unit                 | FY2000  | FY 2001 | FY 2002 | FY 2003*1 | FY 2004 |
|-------------------------------|----------------------|---------|---------|---------|-----------|---------|
| Domestic (Japan)              | (billions of yen)    | 912.0   | 811.0   | 818.3   | 846.2     | 845.6   |
| Overseas                      | (billions of yen)    | 1,103.8 | 1,283.9 | 1,546.2 | 2,069.9   | 1,850.0 |
| Net sales                     | (billions of yen)    | 2,015.8 | 2,094.9 | 2,364.5 | 2,916.1   | 2,695.6 |
| Operating income/loss         | (billions of yen)    | -14.9   | 28.5    | 50.6    | 70.2      | 82.9    |
| Ordinary income/loss          | (billions of yen)    | -29.7   | 19.2    | 40.7    | 58.0      | 73.1    |
| Income/loss before tax        | (billions of yen)    | -242.4  | 15.5    | 28.1    | 54.1      | 73.8    |
| Net income/loss               | (billions of yen)    | -155.2  | 8.8     | 24.1    | 33.9      | 45.8    |
| Capital investment            | (billions of yen)    | 47.2    | 56.6    | 44.0    | 45.6      | 67.9    |
| Depreciation and amortization | (billions of yen)    | 49.5    | 44.8    | 36.9    | 37.9      | 40.0    |
| R&D cost                      | (billions of yen)    | 83.6    | 94.9    | 87.8    | 87.8      | 90.8    |
| Total assets                  | (billions of yen)    | 1,743.6 | 1,734.8 | 1,754.0 | 1,795.6   | 1,767.8 |
| Net worth                     | (billions of yen)    | 158.8   | 172.8   | 194.0   | 222.6     | 267.8   |
| Financial debts               | (billions of yen)    | 777.2   | 686.3   | 678.2   | 630.4     | 528.1   |
| Net financial debts           | (billions of yen)    | 484.6   | 456.9   | 403.5   | 358.1     | 313.5   |
| Cash flows*2                  | (billions of yen)    | 52.2    | 30.6    | 47.0    | 49.1      | 35.9    |
| Domestic (Japan)              | (thousands of units) | 334     | 288     | 294     | 291       | 294     |
| Overseas                      | (thousands of units) | 630     | 660     | 723     | 934       | 810     |
| Sales volume                  | (thousands of units) | 964     | 948     | 1,017   | 1,225     | 1,104   |
| Number of Employees           |                      | 39,601  | 37,824  | 36,184  | 35,627    | 35,680  |

#### 2) Unconsolidated

| Item                          | Unit                 | FY2000  | FY 2001 | FY 2002 | FY 2003*1 | FY 2004 |
|-------------------------------|----------------------|---------|---------|---------|-----------|---------|
| Domestic (Japan)              | (billions of yen)    | 639.6   | 561.7   | 587.5   | 622.2     | 630.0   |
| Exports                       | (billions of yen)    | 683.0   | 802.9   | 950.1   | 1,039.5   | 1,221.2 |
| Net sales                     | (billions of yen)    | 1,322.7 | 1,364.6 | 1,537.6 | 1,661.7   | 1,851.2 |
| Operating income/loss         | (billions of yen)    | -31.3   | 26.0    | 29.0    | 20.4      | 25.2    |
| Ordinary income/loss          | (billions of yen)    | -32.3   | 28.3    | 24.5    | 12.0      | 17.0    |
| Income/loss before tax        | (billions of yen)    | -218.6  | 20.1    | -43.3   | 5.6       | 15.2    |
| Net income/loss               | (billions of yen)    | -127.5  | 13.2    | -50.2   | 3.1       | 6.1     |
| Net income/loss per share     | (yen)                | -104.36 | 10.85   | -41.14  | 2.51      | 5.05    |
| Dividend per share            | (yen)                | -       | 2       | 2       | 2         | 3       |
| Avg. exchange rate            | 1 US\$ (yen)         | 111     | 125     | 122     | 113       | 108     |
|                               | 1 EUR (yen)          | 100     | 110     | 121     | 133       | 135     |
| Capital investment            | (billions of yen)    | 39.9    | 46.8    | 35.6    | 35.5      | 58.6    |
| Depreciation and amortization | (billions of yen)    | 35.0    | 32.2    | 23.9    | 26.6      | 27.5    |
| R&D cost                      | (billions of yen)    | 68.5    | 63.3    | 72.9    | 74.8      | 82.4    |
| Total assets                  | (billions of yen)    | 1,428.3 | 1,373.1 | 1,373.6 | 1,412.7   | 1,408.6 |
| Net worth                     | (billions of yen)    | 434.5   | 447.4   | 397.8   | 398.4     | 401.5   |
| Financial debts               | (billions of yen)    | 456.2   | 433.4   | 476.1   | 461.7     | 435.9   |
| Net financial debts           | (billions of yen)    | 230.5   | 280.0   | 306.1   | 261.8     | 288.0   |
| Domestic (Japan)              | (thousands of units) | 337     | 287     | 300     | 303       | 308     |
| Exports                       | (thousands of units) | 490     | 534     | 572     | 590       | 686     |
| Sales volume                  | (thousands of units) | 827     | 821     | 872     | 893       | 994     |
| Production volume             | (thousands of units) | 738     | 730     | 777     | 811       | 813     |
| Number of Employees*3         |                      | 19,478  | 18,698  | 18,191  | 18,077    | 18,359  |

Note: Fiscal years begin in April and end in March.

\*1 FY2003 results reflect a 15-month fiscal term for main foreign subsidiary companies that changed their fiscal term.

This adjustment results in an increase of 149,000 units sales volume and 341.4 billion yen in net sales on an consolidated basis as compared to the current figures.

\*2 Cash flows represent net cash flow from operating activities and that from investing activities.

\*3 Number of employees does not include loaned employees.

## 2. Domestic Vehicle Production (Japan)

### (1) Summary of vehicle production

| Calendar year (units) |                |                     |         | Fiscal year (units) |                |                     |         |
|-----------------------|----------------|---------------------|---------|---------------------|----------------|---------------------|---------|
|                       | Passenger Cars | Commercial Vehicles | Total   |                     | Passenger Cars | Commercial Vehicles | Total   |
| CY 2004               | 758,269        | 60,461              | 818,730 | FY 2004             | 759,779        | 52,993              | 812,772 |
| CY 2003               | 733,295        | 67,789              | 801,084 | FY 2003             | 742,773        | 68,560              | 811,333 |
| CY 2002               | 716,117        | 57,301              | 773,418 | FY 2002             | 719,259        | 57,423              | 776,682 |
| CY 2001               | 657,241        | 72,038              | 729,279 | FY 2001             | 661,294        | 68,677              | 729,971 |
| CY 2000               | 697,686        | 80,454              | 778,140 | FY 2000             | 659,918        | 78,025              | 737,943 |
| CY 1999               | 705,134        | 76,357              | 781,491 | FY 1999             | 726,855        | 78,036              | 804,891 |
| CY 1998               | 706,562        | 131,617             | 838,179 | FY 1998             | 707,593        | 110,883             | 818,476 |
| CY 1997               | 688,478        | 180,531             | 869,009 | FY 1997             | 703,695        | 169,432             | 873,127 |
| CY 1996               | 599,446        | 174,121             | 773,567 | FY 1996             | 596,884        | 184,479             | 781,363 |
| CY 1995               | 606,232        | 165,218             | 771,450 | FY 1995             | 606,934        | 163,633             | 770,567 |

Note: Except parts for overseas production (KD set).

Note: Except parts for overseas production (KD set).

### (2) Model-based vehicle production/cumulative number in Japan

| Calendar year                            |         | (units) (as of March 31, 2005) |         |                       |  |
|--|---------|--------------------------------|---------|-----------------------|--|
| Models                                   | CY 2002 | CY 2003                        | CY 2004 | Cumulative Production |  |
| <b>Passenger Cars</b>                    |         |                                |         |                       |  |
| Mazda Demio/Mazda 121 Metro/Mazda2       | 85,297  | 89,286                         | 82,304  | 872,407               |  |
| Mazda Verisa                             | 0       | 0                              | 14,384  | 14,384                |  |
| Mazda 323/Mazda Protégé/Ford Laser Lidea | 260,915 | 154,405                        | 11,240  | 10,586,692            |  |
| Mazda 626/Ford Telstar                   | 12,094  | 2,080                          | 1,460   | 4,345,279             |  |
| Mazda6                                   | 116,112 | 174,699                        | 142,406 | 432,837               |  |
| Mazda3                                   | 0       | 86,452                         | 316,524 | 402,976               |  |
| Mazda Millenia/Mazda Xedos 9             | 14,903  | 274                            | 0       | 230,427               |  |
| Mazda MX-5/Mazda MX-5 Miata              | 40,754  | 30,106                         | 24,232  | 718,954               |  |
| Mazda RX-7                               | 3,903   | 0                              | 0       | 811,634               |  |
| Mazda RX-8                               | 0       | 60,100                         | 50,813  | 110,913               |  |
| Mazda Premacy/Ford Ixion                 | 48,742  | 30,948                         | 24,592  | 271,730               |  |
| Mazda MPV                                | 105,074 | 75,702                         | 67,989  | 938,572               |  |
| Mazda Tribute/Ford Escape                | 23,560  | 26,063                         | 19,911  | 105,736               |  |
| Mazda Bongo Friendee/Ford Freda          | 4,963   | 3,020                          | 2,214   | 165,706               |  |
| Mazda Bongo Wagon                        | 180     | 160                            | 200     | 41,895                |  |
| Other passenger cars                     | 0       | 0                              | 0       | 5,921,057             |  |
| Sub-total                                | 716,117 | 733,295                        | 758,269 | 25,971,199            |  |
| <b>Commercial Vehicles</b>               |         |                                |         |                       |  |
| Mazda E-Series (Bongo van/truck)         | 38,332  | 48,679                         | 45,530  | 1,784,207             |  |
| Mazda E-Series (Bongo Brawny van/truck)  | 7,545   | 6,496                          | 5,247   | 832,990               |  |
| Mazda T-Series                           | 11,424  | 12,614                         | 9,684   | 1,699,659             |  |
| Other commercial vehicles                | 0       | 0                              | 0       | 7,394,844             |  |
| Sub-total                                | 57,301  | 67,789                         | 60,461  | 11,711,700            |  |
| Total                                    | 773,418 | 801,084                        | 818,730 | 37,682,899            |  |
| Rotary engine vehicles                   | 3,903   | 60,100                         | 50,813  | 1,914,960             |  |
| Diesel engine vehicles                   | 74,745  | 84,387                         | 89,685  | 4,261,497             |  |

Note: Except parts for overseas production (KD set).

Cumulative production units includes overseas production (KD set) until December 1987.

| Fiscal year                              |         | (units) (as of March 31, 2005) |         |                       |  |
|--|---------|--------------------------------|---------|-----------------------|--|
| Models                                   | FY 2002 | FY 2003                        | FY 2004 | Cumulative Production |  |
| <b>Passenger Cars</b>                    |         |                                |         |                       |  |
| Mazda Demio/Mazda 121 Metro/Mazda2       | 90,778  | 88,627                         | 78,898  | 892,414               |  |
| Mazda Verisa                             | 0       | 0                              | 19,473  | 19,473                |  |
| Mazda 323/Mazda Protégé/Ford Laser Lidea | 248,877 | 97,927                         | 9,840   | 10,589,052            |  |
| Mazda 626/Ford Telstar                   | 4,594   | 1,760                          | 1,380   | 4,345,719             |  |
| Mazda6                                   | 159,553 | 160,807                        | 145,184 | 467,319               |  |
| Mazda3                                   | 0       | 161,787                        | 337,377 | 499,164               |  |
| Mazda Millenia/Mazda Xedos 9             | 8,865   | 214                            | 0       | 230,427               |  |
| Mazda MX-5/Mazda MX-5 Miata              | 38,712  | 24,647                         | 18,115  | 720,407               |  |
| Mazda RX-7                               | 2,928   | 0                              | 0       | 811,634               |  |
| Mazda RX-8                               | 0       | 75,736                         | 38,708  | 114,444               |  |
| Mazda Premacy/Ford Ixion                 | 42,771  | 30,760                         | 30,677  | 285,258               |  |
| Mazda MPV                                | 95,018  | 72,293                         | 60,214  | 950,051               |  |
| Mazda Tribute/Ford Escape                | 22,924  | 25,685                         | 18,317  | 109,610               |  |
| Mazda Bongo Friendee/Ford Freda          | 4,059   | 2,370                          | 1,396   | 165,706               |  |
| Mazda Bongo Wagon                        | 180     | 160                            | 200     | 41,895                |  |
| Other passenger cars                     | 0       | 0                              | 0       | 5,921,057             |  |
| Sub-total                                | 719,259 | 742,773                        | 759,779 | 26,163,630            |  |
| <b>Commercial Vehicles</b>               |         |                                |         |                       |  |
| Mazda E-Series (Bongo van/truck)         | 39,272  | 49,102                         | 40,914  | 1,792,089             |  |
| Mazda E-Series (Bongo Brawny van/truck)  | 6,709   | 6,302                          | 4,318   | 833,428               |  |
| Mazda T-Series                           | 11,442  | 13,156                         | 7,761   | 1,701,003             |  |
| Other commercial vehicles                | 0       | 0                              | 0       | 7,394,844             |  |
| Sub-total                                | 57,423  | 68,560                         | 52,993  | 11,721,364            |  |
| Total                                    | 776,682 | 811,333                        | 812,772 | 37,884,994            |  |
| Rotary engine vehicles                   | 2,928   | 75,736                         | 38,708  | 1,918,491             |  |
| Diesel engine vehicles                   | 82,581  | 80,483                         | 89,680  | 4,280,347             |  |

Note: Except parts for overseas production (KD set).

Cumulative production units includes overseas production (KD set) until December 1987.

### 3. Domestic Retail Sales (Japan)

#### (1) Summary of retail sales in Japan

| Calendar year | (units)        |             |         |                     |             |         |         |
|---------------|----------------|-------------|---------|---------------------|-------------|---------|---------|
|               | Passenger Cars |             |         | Commercial Vehicles |             |         | Total   |
|               | Registrations  | Micro-minis | Total   | Registrations       | Micro-minis | Total   |         |
| CY 2004       | 198,362        | 41,247      | 239,609 | 33,286              | 9,612       | 42,898  | 282,507 |
| CY 2003       | 195,563        | 34,136      | 229,699 | 38,856              | 9,134       | 47,990  | 277,689 |
| CY 2002       | 181,252        | 34,293      | 215,545 | 37,634              | 9,809       | 47,443  | 262,988 |
| CY 2001       | 194,809        | 29,694      | 224,503 | 47,492              | 9,405       | 56,897  | 281,400 |
| CY 2000       | 221,069        | 31,043      | 252,112 | 51,060              | 10,165      | 61,225  | 313,337 |
| CY 1999       | 216,395        | 35,263      | 251,658 | 53,030              | 10,564      | 63,594  | 315,252 |
| CY 1998       | 211,393        | 29,082      | 240,475 | 69,192              | 9,199       | 78,391  | 318,866 |
| CY 1997       | 194,572        | 31,902      | 226,474 | 100,829             | 11,749      | 112,578 | 339,052 |
| CY 1996       | 164,496        | 35,122      | 199,618 | 123,143             | 14,066      | 137,209 | 336,827 |
| CY 1995       | 178,689        | 39,110      | 217,799 | 134,292             | 16,676      | 150,968 | 368,767 |

Note: Except actual Ford vehicle imports.

\*1 Classification changed from commercial to passenger vehicle based on JADA notification from Jan. 2004.

| Fiscal year | (units)        |             |         |                     |             |         |         |
|-------------|----------------|-------------|---------|---------------------|-------------|---------|---------|
|             | Passenger Cars |             |         | Commercial Vehicles |             |         | Total   |
|             | Registrations  | Micro-minis | Total   | Registrations       | Micro-minis | Total   |         |
| FY 2004     | 200,390        | 42,902      | 243,292 | 32,920              | 9,974       | 42,894  | 286,186 |
| FY 2003     | 198,711        | 35,703      | 234,414 | 35,763              | 9,182       | 44,945  | 279,359 |
| FY 2002     | 189,562        | 34,847      | 224,409 | 36,520              | 9,157       | 45,677  | 270,086 |
| FY 2001     | 183,035        | 31,032      | 214,067 | 44,237              | 10,052      | 54,289  | 268,356 |
| FY 2000     | 215,930        | 30,106      | 246,036 | 50,894              | 9,748       | 60,642  | 306,678 |
| FY 1999     | 225,980        | 35,110      | 261,090 | 51,605              | 10,650      | 62,255  | 323,345 |
| FY 1998     | 210,612        | 31,353      | 241,965 | 63,149              | 9,372       | 72,521  | 314,486 |
| FY 1997     | 193,006        | 28,651      | 221,657 | 88,878              | 11,007      | 99,885  | 321,542 |
| FY 1996     | 182,128        | 36,521      | 218,649 | 121,347             | 13,689      | 135,036 | 353,685 |
| FY 1995     | 162,958        | 38,541      | 201,499 | 137,979             | 16,262      | 154,241 | 355,740 |

Note: Except actual Ford vehicle imports.

\*1 Classification changed from commercial to passenger vehicle based on JADA notification from Jan. 2004.

#### (2) Model-based domestic retail sales

| Calendar year   | (units) |         |         |
|---|---------|---------|---------|
| Models  | CY 2002 | CY 2003 | CY 2004 |
| <b>Passenger Cars</b>                                   |         |         |         |
| Carol   | 5,734   | 3,760   | 6,200   |
| AZ-Offroad  | 522     | 367     | 443     |
| Laputa  | 3,243   | 2,219   | 2,381   |
| AZ-Wagon  | 17,521  | 19,060  | 25,799  |
| Spiano  | 7,273   | 8,730   | 6,424   |
| Demio (Mazda Demio/Mazda 121 Metro/Mazda2) <sup>2</sup> | 63,030  | 88,157  | 75,753  |
| Verisa  | 0       | 0       | 12,810  |
| Familia (Mazda 323/Mazda Protegé)                       | 15,973  | 9,062   | 1,350   |
| Premacy   | 18,296  | 11,283  | 6,590   |
| Capella (Mazda 626)                                     | 2,960   | 5       | 0       |
| Atenza (Mazda6)   | 20,756  | 25,854  | 18,717  |
| Axela (Mazda3)  | 0       | 5,522   | 29,917  |
| Tribute   | 5,600   | 2,022   | 3,326   |
| Millenia (Mazda Millenia/Mazda Xedos 9)                 | 1,313   | 461     | 15      |
| Roadster (Mazda MX-5 /Mazda MX-5 Miata)                 | 2,934   | 1,520   | 1,646   |
| RX-7  | 3,717   | 398     | 1       |
| RX-8  | 0       | 14,627  | 11,504  |
| Bongo Friendee  | —       | —       | 2,497   |
| MPV   | 43,419  | 34,570  | 32,286  |
| Other passenger cars                                    | 3,254   | 2,082   | 1,950   |
| Sub-total   | 215,545 | 229,699 | 239,609 |
| <b>Commercial Vehicles</b>                              |         |         |         |
| Scrum   | 9,809   | 9,134   | 9,612   |
| Bongo Friendee  | 5,649   | 3,172   | —       |
| Bongo Series (Mazda E-Series)                           | 14,613  | 16,627  | 16,878  |
| Bongo Brawny Series (Mazda E-Series)                    | 3,241   | 3,347   | 2,033   |
| Titan, Titan Dash (Mazda T-Series)                      | 9,598   | 11,873  | 10,771  |
| Other commercial vehicles                               | 4,533   | 3,837   | 3,604   |
| Sub-total   | 47,443  | 47,990  | 42,898  |
| Total   | 262,988 | 277,689 | 282,507 |

\*1 Classification changed from commercial to passenger vehicle based on JADA notification from Jan. 2004.

| Fiscal year   | (units) |         |         |
|---|---------|---------|---------|
| Models  | FY 2002 | FY 2003 | FY 2004 |
| <b>Passenger Cars</b>                                   |         |         |         |
| Carol   | 4,823   | 3,543   | 8,533   |
| AZ-Offroad  | 440     | 343     | 485     |
| Laputa  | 2,670   | 2,150   | 2,211   |
| AZ-Wagon  | 17,726  | 21,567  | 26,338  |
| Spiano  | 9,188   | 8,100   | 5,335   |
| Demio (Mazda Demio/Mazda 121 Metro/Mazda2) <sup>2</sup> | 76,919  | 85,360  | 71,066  |
| Verisa  | 0       | 0       | 18,526  |
| Familia (Mazda 323/Mazda Protegé)                       | 12,802  | 7,073   | 453     |
| Premacy   | 15,114  | 9,811   | 12,396  |
| Capella (Mazda 626)                                     | 1,336   | 2       | 0       |
| Atenza (Mazda6)   | 29,512  | 23,314  | 17,885  |
| Axela (Mazda3)  | 0       | 14,001  | 30,760  |
| Tribute   | 3,622   | 2,298   | 3,216   |
| Millenia (Mazda Millenia/Mazda Xedos 9)                 | 861     | 305     | 2       |
| Roadster (Mazda MX-5 /Mazda MX-5 Miata)                 | 2,204   | 1,594   | 1,376   |
| RX-7  | 2,935   | 133     | 0       |
| RX-8  | 0       | 18,366  | 10,343  |
| Bongo Friendee  | —       | 2,748   | 1,777   |
| MPV   | 41,416  | 31,808  | 30,593  |
| Other passenger cars                                    | 2,841   | 1,898   | 1,997   |
| Sub-total   | 224,409 | 234,414 | 243,292 |
| <b>Commercial Vehicles</b>                              |         |         |         |
| Scrum   | 9,157   | 9,182   | 9,974   |
| Bongo Friendee  | 4,701   | —       | —       |
| Bongo Series (Mazda E-Series)                           | 14,824  | 16,784  | 16,518  |
| Bongo Brawny Series (Mazda E-Series)                    | 3,167   | 3,034   | 1,726   |
| Titan, Titan Dash (Mazda T-Series)                      | 9,513   | 12,213  | 10,998  |
| Other commercial vehicles                               | 4,315   | 3,732   | 3,678   |
| Sub-total   | 45,677  | 44,945  | 42,894  |
| Total   | 270,086 | 279,359 | 286,186 |

\*1 Classification changed from commercial to passenger vehicle based on JADA notification from Jan. 2004.

## 4. Exports

### (1) Exports summary

| Calendar year | (units)        |                     |         |
|---------------|----------------|---------------------|---------|
|               | Passenger Cars | Commercial Vehicles | Total   |
| CY 2004       | 569,037        | 7,144               | 576,181 |
| CY 2003       | 547,323        | 6,678               | 554,001 |
| CY 2002       | 513,515        | 7,757               | 521,272 |
| CY 2001       | 463,339        | 15,590              | 478,929 |
| CY 2000       | 450,304        | 18,595              | 468,899 |
| CY 1999       | 481,960        | 25,800              | 507,760 |
| CY 1998       | 480,205        | 75,512              | 555,717 |
| CY 1997       | 447,637        | 93,714              | 541,351 |
| CY 1996       | 384,218        | 69,907              | 454,125 |
| CY 1995       | 380,992        | 59,400              | 440,392 |

Note: Except parts for overseas production (KD set).

| Fiscal year | (units)        |                     |         |
|-------------|----------------|---------------------|---------|
|             | Passenger Cars | Commercial Vehicles | Total   |
| FY 2004     | 555,282        | 5,704               | 560,986 |
| FY 2003     | 548,533        | 6,715               | 555,248 |
| FY 2002     | 522,981        | 7,551               | 530,532 |
| FY 2001     | 471,558        | 13,074              | 484,632 |
| FY 2000     | 432,674        | 17,950              | 450,624 |
| FY 1999     | 486,027        | 21,820              | 507,847 |
| FY 1998     | 484,245        | 62,373              | 546,618 |
| FY 1997     | 462,449        | 93,847              | 556,296 |
| FY 1996     | 387,578        | 75,937              | 463,515 |
| FY 1995     | 368,425        | 58,478              | 426,903 |

Note: Except parts for overseas production (KD set).

### (2) Model-based exports

| Calendar year                             | (units) |         |         |
|---|---------|---------|---------|
| Models                                    | CY 2002 | CY 2003 | CY 2004 |
| <b>Passenger Cars</b>                     |         |         |         |
| Mazda Demio <sup>*1</sup> /Mazda2         | 13,883  | 4,879   | 8,896   |
| Mazda 323 <sup>*2</sup> /Ford Laser Lidea | 243,017 | 152,687 | 10,912  |
| Mazda Premacy                             | 27,772  | 22,952  | 18,788  |
| Mazda 626                                 | 10,400  | 2,180   | 1,540   |
| Mazda6                                    | 87,389  | 151,460 | 125,201 |
| Mazda3                                    | 0       | 75,701  | 284,256 |
| Mazda Tribute/Ford Escape                 | 16,459  | 21,659  | 16,313  |
| Mazda Millenia/Mazda Xedos 9              | 14,022  | 1       | 0       |
| Mazda MX-5 <sup>*2</sup>                  | 37,586  | 29,054  | 23,153  |
| Mazda RX-8                                | 0       | 42,428  | 41,577  |
| Mazda MPV                                 | 62,787  | 44,162  | 38,201  |
| Other passenger cars                      | 200     | 160     | 200     |
| Sub-total                                 | 513,515 | 547,323 | 569,037 |
| <b>Commercial Vehicles</b>                |         |         |         |
| Mazda T-Series                            | 1,754   | 718     | 562     |
| Mazda E-Series                            | 6,003   | 5,960   | 6,582   |
| Other commercial vehicles                 | 0       | 0       | 0       |
| Sub-total                                 | 7,757   | 6,678   | 7,144   |
| Total                                     | 521,272 | 554,001 | 576,181 |

Note: Except parts for overseas production (KD set).

\*1 Has the sub-name of '121 Metro' in Australia.

\*2 The Mazda 323 and the Mazda MX-5 have the sub-names Protégé and Miata respectively in North America.

| Fiscal year                               | (units) |         |         |
|---|---------|---------|---------|
| Models                                    | FY 2002 | FY 2003 | FY 2004 |
| <b>Passenger Cars</b>                     |         |         |         |
| Mazda Demio <sup>*1</sup> /Mazda2         | 12,003  | 4,963   | 8,816   |
| Mazda 323 <sup>*2</sup> /Ford Laser Lidea | 237,333 | 95,821  | 9,640   |
| Mazda Premacy                             | 26,616  | 21,744  | 16,607  |
| Mazda 626                                 | 4,886   | 1,760   | 1,480   |
| Mazda6                                    | 125,722 | 138,861 | 127,474 |
| Mazda3                                    | 0       | 143,808 | 301,604 |
| Mazda Tribute/Ford Escape                 | 16,947  | 22,708  | 13,413  |
| Mazda Millenia/Mazda Xedos 9              | 8,254   | 1       | 0       |
| Mazda MX-5 <sup>*2</sup>                  | 36,486  | 22,860  | 16,728  |
| Mazda RX-8                                | 0       | 55,414  | 28,651  |
| Mazda MPV                                 | 54,554  | 40,433  | 30,669  |
| Other passenger cars                      | 180     | 160     | 200     |
| Sub-total                                 | 522,981 | 548,533 | 555,282 |
| <b>Commercial Vehicles</b>                |         |         |         |
| Mazda T-Series                            | 1,844   | 525     | 461     |
| Mazda E-Series                            | 5,707   | 6,190   | 5,243   |
| Other commercial vehicles                 | 0       | 0       | 0       |
| Sub-total                                 | 7,551   | 6,715   | 5,704   |
| Total                                     | 530,532 | 555,248 | 560,986 |

Note: Except parts for overseas production (KD set).

\*1 Has the sub-name of '121 Metro' in Australia.

\*2 The Mazda 323 and the Mazda MX-5 have the sub-names Protégé and Miata respectively in North America.

### (3) Export markets and number of importers/distributors

|                           | Number of Destinations | Number of Importers/Distributors | Dealerships (w/sales and Service Outlets) |
|---------------------------|------------------------|----------------------------------|---|
| Asia                      | 11                     | 11                               | 289                                       |
| Middle East <sup>*1</sup> | 15                     | 12                               | 282                                       |
| Europe                    | 37                     | 28                               | 2,380 <sup>*2</sup>                       |
| North America             | 2                      | 2                                | 867                                       |

\*1 As of December 31, 2004

\*2 As of January 1, 2004

(as of March 31, 2005)

|                         | Number of Destinations | Number of Importers/Distributors | Dealerships (w/sales and Service Outlets) |
|-------------------------|------------------------|----------------------------------|---|
| Central & South America | 38                     | 40                               | 155                                       |
| Africa <sup>*1</sup>    | 23                     | 24                               | 270                                       |
| Oceania                 | 14                     | 14                               | 185                                       |

## 5. Overseas Vehicle Production

### (1) Summary of overseas vehicle production

Calendar year (units)

|         | Passenger Cars | Commercial Vehicles | Total   |
|---------|----------------|---------------------|---------|
| CY 2004 | 233,720        | 81,971              | 315,691 |
| CY 2003 | 178,220        | 62,601              | 240,821 |
| CY 2002 | 104,883        | 64,657              | 169,540 |
| CY 2001 | 79,295         | 60,183              | 139,478 |
| CY 2000 | 94,388         | 58,632              | 153,020 |
| CY 1999 | 109,403        | 40,572              | 149,975 |
| CY 1998 | 111,802        | 13,693              | 125,495 |

Note: Overseas Production units are calculated based on the parts and component shipments for Mazda brand models to be assembled at overseas production facilities.

Fiscal year (units)

|         | Passenger Cars | Commercial Vehicles | Total   |
|---------|----------------|---------------------|---------|
| FY 2004 | 226,280        | 81,638              | 307,918 |
| FY 2003 | 189,760        | 64,598              | 254,358 |
| FY 2002 | 129,290        | 62,949              | 192,239 |
| FY 2001 | 77,415         | 63,877              | 141,292 |
| FY 2000 | 84,264         | 60,339              | 144,603 |
| FY 1999 | 109,926        | 41,318              | 151,244 |
| FY 1998 | 108,625        | 23,535              | 132,160 |

Note: Overseas Production units are calculated based on the parts and component shipments for Mazda brand models to be assembled at overseas production facilities.

### (2) Model-based overseas vehicle production

Calendar year (units)

| Models                     | CY 2002 | CY 2003 | CY 2004 |
|----------------------------|---------|---------|---------|
| <b>Passenger Cars</b>      |         |         |         |
| Mazda 323                  | 32,860  | 50,920  | 60,840  |
| Mazda Premacy              | 9,660   | 15,580  | 19,200  |
| Mazda 626                  | 25,243  | 0       | 0       |
| Mazda6                     | 32,000  | 106,140 | 139,360 |
| Mazda3                     | 0       | 0       | 8,520   |
| Mazda Tribute              | 5,120   | 5,580   | 5,800   |
| Other passenger cars       | 0       | 0       | 0       |
| Sub-total                  | 104,883 | 178,220 | 233,720 |
| <b>Commercial Vehicles</b> |         |         |         |
| Mazda B-Series             | 56,597  | 52,021  | 62,551  |
| Mazda T-Series             | 7,660   | 10,580  | 19,420  |
| Mazda E-Series (van/truck) | 400     | 0       | 0       |
| Other commercial vehicles  | 0       | 0       | 0       |
| Sub-total                  | 64,657  | 62,601  | 81,971  |
| Total                      | 169,540 | 240,821 | 315,691 |

Note: Overseas Production units are calculated based on the parts and component shipments for Mazda brand models to be assembled at overseas production facilities.

Fiscal year (units)

| Models                     | FY 2002 | FY 2003 | FY 2004 |
|----------------------------|---------|---------|---------|
| <b>Passenger Cars</b>      |         |         |         |
| Mazda 323                  | 39,800  | 50,460  | 59,920  |
| Mazda Premacy              | 11,000  | 15,340  | 19,920  |
| Mazda 626                  | 16,650  | 0       | 0       |
| Mazda6                     | 56,140  | 119,000 | 128,780 |
| Mazda3                     | 0       | 0       | 11,240  |
| Mazda Tribute              | 5,700   | 4,960   | 6,420   |
| Other passenger cars       | 0       | 0       | 0       |
| Sub-total                  | 129,290 | 189,760 | 226,280 |
| <b>Commercial Vehicles</b> |         |         |         |
| Mazda B-Series             | 53,949  | 54,178  | 62,098  |
| Mazda T-Series             | 8,780   | 10,420  | 19,540  |
| Mazda E-Series (van/truck) | 220     | 0       | 0       |
| Other commercial vehicles  | 0       | 0       | 0       |
| Sub-total                  | 62,949  | 64,598  | 81,638  |
| Total                      | 192,239 | 254,358 | 307,918 |

Note: Overseas Production units are calculated based on the parts and component shipments for Mazda brand models to be assembled at overseas production facilities.



# III Supplemental Information

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## 1. History of Mazda Motor Corporation

- 1920** ▪ Toyo Cork Kogyo Co., Ltd is founded in Hiroshima, Japan.
- 1927** ▪ Company becomes Toyo Kogyo Co., Ltd.
- 1929** ▪ Manufacturing of Toyo machine tools begins.
- 1931** ▪ Three-wheel truck production starts.
- 1932** ▪ Begins export with 3-wheel trucks for China.
- 1935** ▪ Production of rock drills and gauge blocks begins.
- 1960** ▪ Introduces Mazda R360 Coupe, first Mazda 2-door passenger car.
- 1961** ▪ Enters into technical cooperation with NSU/Wankel (formerly in West Germany) on rotary engines.
  - Mazda Proceed (B-series 1500) compact pickup is introduced.
- 1962** ▪ Introduces Mazda Carol 600, first Mazda 4-door passenger car.
- 1963** ▪ Cumulative production reaches 1 million vehicles.
- 1964** ▪ First generation Mazda Familia (800/1000) is introduced.
- 1965** ▪ Technical cooperation begins with Perkins Services N.V. (U.K.) on diesel engines.
  - Miyoshi Proving Ground is completed.
- 1966** ▪ New passenger car plant (Ujina) in Hiroshima is completed.
- 1967** ▪ Full-scale export to the European market starts.
  - Introduces Mazda Cosmo Sports (110S), Mazda's first rotary engine vehicle.
  - Mazda 1000/1200 is introduced.
  - Reaches a technical collaboration agreement with Kia Motors Corp.
- 1968** ▪ Introduces Mazda Familia Rotary Coupe (R100).
- 1970** ▪ Exports to the U.S. begin.
  - Mazda Capella (RX-2) is introduced.
- 1971** ▪ Introduces Mazda Savanna (RX-3).
- 1972** ▪ Introduces Mazda Luce (RX-4).
  - Cumulative production reaches 5 million units.
- 1973** ▪ Cumulative export reaches 1 million units.
- 1977** ▪ Introduces Mazda Familia (Original GLC/323).
  - Introduces Mazda Capella (626).
- 1978** ▪ Introduces Mazda Savanna RX-7 (RX-7).
  - Cumulative production reaches 1 million units for rotary-engine cars.
- 1979** ▪ Mazda Education Center is established.
  - Cumulative production reaches 10 million vehicles.
  - Ford Motor Company and Mazda enter into a capital tie-up; Ford acquires a 25% equity stake in Mazda.
- 1980** ▪ FWD Mazda Familia (GLC/323) is introduced.
  - Mazda Familia (GLC/323) receives "1980-1981 Japanese Car of the Year."
- 1981** ▪ Mazda (North America), Inc. and Mazda Motors Representative Office (Europe) are established.
  - Introduces Mazda Cosmo/Luce (929) series.
- 1982** ▪ Production begins at Hofu plant.
  - Introduces FWD Mazda Capella (626).
  - "Japanese Car of the Year" is awarded to FWD Mazda Capella (626).
- 1983** ▪ Mazda Capella (626) is named *Motor Trend* magazine's "Import Car of the Year" and receives other prestigious overseas awards.
  - Introduces new Mazda Bongo/Bongo Brawny van and wagon series (E-series) in Japan.
  - Enters into an 8% capital tie-up with Kia Motors.
  - An aerodynamic testing laboratory (ATL) is completed at Miyoshi Proving Ground.
- 1984** ▪ Company is renamed as Mazda Motor Corporation.
- 1985** ▪ Established Mazda Motor manufacturing (USA) Corporation (MMUC).
  - Opens Hiroshima Technical Research Center.
  - Introduces all-new FWD Mazda Familia (323) series in Japan.
  - Global Road Circuit opens at Miyoshi Proving Ground.
  - Celebrates total cumulative production of 10 million passenger cars.
  - Mazda Savanna RX-7 (RX-7) breaks the IMSA record for a single model car with 67 victories.
  - Introduces all-new Mazda Savanna RX-7 (RX-7).
  - Introduces new Mazda B-series.
- 1986** ▪ Mazda Savanna RX-7 (RX-7) is named 1986 "Import Car of the Year" by *Motor Trend* magazine.
  - Cumulative production of Mazda rotary-engine vehicles reaches 1.5 million units.

- Cumulative total exports reach 10 million units.
  - Mazda Savanna RX-7 (RX-7) sets Bonneville National Speed Trial record of 383.724 km/h (238.442 miles/h) in the SCTA's C/Grand Touring Class.
  - Introduces all-new Mazda Luce (929) in Japan.
- 1987**
- Cumulative production reaches 20 million vehicles in Japan.
  - Mazda opens a new research center in Yokohama, Japan.
  - Introduces Mazda Savanna RX-7 (RX-7) Cabriolet in Japan to commemorate the 20th anniversary of Mazda's rotary-engine.
  - Mazda begins vehicle production at a new U.S. facility, Mazda Motor Manufacturing (USA) Corporation (MMUC), in Flat Rock, Michigan.
  - Introduces Mazda-produced Ford Festiva (121).
  - Mazda reaches an OEM agreement for micro-mini vehicles with Suzuki Motors Co., Ltd.
- 1988**
- Introduces Mazda Capella (626) Cargo van and wagon models in Japan.
  - Establishes Mazda Motor of America Inc. (MMA) to consolidate importation and distribution functions in the U.S.
  - Consolidates Mazda's U.S. R&D operations with the establishment of Mazda Research and Development of North America, Inc. (MRA).
  - Introduces Mazda MPV into the North American market.
  - Mazda develops Hi-Reflex coating, a new quality painting technology.
- 1989**
- Unveils Mazda MX-5 Miata at the Chicago Auto Show in the U.S.
  - Introduces new Mazda Familia (323) series.
  - Mazda begins importing the Citroën BX to Japan.
  - Introduces Autozam Carol in Japan.
- 1990**
- Introduces Proceed and Mazda MPV in Japan.
  - Holds grand opening for the European R&D Representative Office (MRE) in Germany.
  - P.T. Mazda Indonesia Manufacturing (MIM) begins manufacturing engines in Indonesia.
  - Mazda establishes COMPREX GmbH in Austria to manufacture and market PWS's for diesel engines.
  - Cumulative production reaches 25 million units.
- 1991**
- Introduces Mazda Sentia (929) luxury sedan in Japan.
- Mazda 787B No.55 wins the Le Mans 24-Hour Endurance Race claiming the first victory for a Japanese automobile and the rotary engine.
  - Mazda, Rockwell International in the U.S. and two Japanese companies form a joint venture automotive parts and systems company (Nippon Automotive Body Systems) in Japan.
  - Cumulative production reaches 10 million commercial vehicles in Japan (since 1931).
  - HR-X hydrogen rotary engine concept car is shown at the 29<sup>th</sup> Tokyo Motor Show.
  - Establishes Anfini sales channel (formerly Mazda Auto) in Japan.
- 1992**
- Introduces Eunos 500 (Xedos 6) in Japan.
  - A joint venture company is established with Hainan Mazda Motor & Stamping Co., Ltd. to manufacture van-type bodies for commercial vehicles in China.
  - The 'Mazda Global Environmental Charter' is adopted.
  - A new decomposing catalyst that recovers oil from all types of plastic is developed.
  - Mazda develops the world's first repeatedly-recyclable plastic composite.
  - MMUC, Mazda's wholly-owned subsidiary in Michigan, becomes AutoAlliance International, Inc., (AAI) an equal partnership between Mazda and Ford.
- 1993**
- Electric-powered vehicles based on the Mazda MX-5 are developed in conjunction with Chugoku Electric Power Co., Inc.
  - Mazda enters the passenger car market in the Philippines.
  - An agreement for technological cooperation in the production of pick-up trucks in Fuchou, China is signed.
  - Cumulative production of Hofu-produced vehicles reaches 3 million units.
  - Purchasing of new compact pick-up trucks from Ford for release in Canada and the U.S. starts.
  - Unveils HR-X2 and Eunos 800 (Xedos 9) at the Frankfurt Motor Show.
  - ASV (Advanced Safety Vehicle) concept loaded with a collision-avoidance system and other future safety technologies are developed.
  - Mazda and Ford enter into a long-term strategic relationship to enhance competitive strength.
  - Cumulative production of Mazda MX-5 reaches 300,000 units.
- 1994**
- Mazda develops a compressed-natural-gas-powered truck.
  - An electric-powered vehicle based on the E-series van is made.

- An LPG fueled 3-ton truck based on the 4-liter diesel-powered version is developed.
  - Mazda Museum opens.
  - Introduces new Mazda Familia with a new lean-burn engine version that uses a new three way catalyst in Japan.
  - Mazda Training Center opens in Miami, Florida.
  - Mazda Training Center opens in Beijing, China.
  - Mazda acquires the ISO 9002 certificate, first among Japanese auto makers.
- 1995**
- Cumulative production in Japan reaches 30 million units.
  - Mazda begins testing of hydrogen-fueled vehicles on public roads in Japan.
  - Introduces Mazda Bongo Friendee in Japan.
  - Introduces new MPV multi-purpose vehicle in Japan.
  - Introduces new Mazda Sentia in Japan.
  - Cumulative production of the Mazda Familia/323 series in Japan reaches 10 million units.
  - Mazda and Ford jointly establish AutoAlliance (Thailand) Company Limited (AAT) to manufacture pickup trucks in Thailand beginning in mid-1998.
- 1996**
- Introduces Ford-produced Mazda 121 into major European markets.
  - Mazda acquires ISO 9001 certification, the highest attainable quality mark in the ISO 9000 series, first among Japanese automakers.
  - New parts distribution center opens in Mississippi, U.S.
  - Cumulative production of passenger cars in Japan reaches 20 million units.
  - Henry D.G. Wallace becomes president.
  - Introduces Demio in Japan.
  - Overseas sales of the Mazda Demio begin.
  - Mazda Demio receives the '96-'97 RJC "New Car of the Year" award.
  - Cumulative production of MX-5 reaches 400,000 units.
  - Mazda launches Mazda Digital Innovation (MDI).
  - Cumulative production of the 2.5-liter new diesel engine (WL type) reaches 100,000 units.
- 1997**
- New Familia (323) 3-door hatchback is introduced in Europe.
  - Mazda implements a new merit-based personnel system.
  - Mazda inaugurates its new brand symbol, the Mazda M.
  - Mazda resumes exports to Taiwan.
  - Introduces an all-new Capella/626 sedan and station wagon in Japan and Europe.

- James E. Miller is appointed president.
  - Mazda develops the Demio FCEV, fuel-cell electric vehicle.
- 1998**
- Mazda strengthens its drive into Europe.
  - Mazda participates in the Ford/ Daimler-Benz/ Ballard alliance to develop fuel-cell technology for future vehicles through its close relationship with Ford Motor Company.
  - Mazda begins production of small direct injection turbo diesel engines.
  - Mazda opens a Female Employee Counseling Office.
  - AAT starts production.
  - Introduces the New Familia.
  - Mazda starts to sell the AAT-produced new pickup trucks in Thailand.
  - Sales of the Demio starts in Europe.
  - Mazda establishes the Mazda Motor Logistics Europe N.V. (MLE).
  - Hofu Nishinoura Plant acquires ISO 14001 certification .
  - AAT starts exporting pickup trucks.
- 1999**
- Cumulative production of the MX-5 reaches 500,000 units.
  - Introduces the brand new Premacy.
  - Introduces the new Bongo van and truck.
  - Cumulative production at AAI reaches 2,000,000 units.
  - Mazda reaches an agreement with Mitsubishi to supply small commercial vehicles to Mitsubishi.
  - Mazda introduces the New MPV.
  - Mazda improves female employees' job conditions.
  - Entire Hofu Plant obtains environmental ISO certification.
  - Mazda develops advanced safety vehicle MAZDA ASV-2.
  - Mazda announces the development and production of new global engine family in cooperation with Ford.
- 2000**
- Mark Fields is appointed president.
  - AAT starts producing the Mazda 323.
  - Cumulative production of MPV reaches 500,000 units.
  - Mazda participates in the joint project of the test run of fuel cell vehicles in cooperation with DaimlerChrysler Japan Holding Ltd. and Nippon Mitsubishi Oil.
  - Introduces New Titan in Japan.
  - Mazda establishes Mazda Telematics Center.
  - Mazda headquarters and Hiroshima plant acquire environmental ISO 14001 certification.
  - Mazda Roadster is recognized in Guinness World Book of Records.
  - Mazda makes major changes to Roadster and Millenia.

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## 2001

- Cumulative production at AAT reaches 100,000 units.
- Mazda introduces MDI III.
- Mazda introduces brand new Titan Dash.
- Mazda introduces brand new Tribute.
- Mazda expands uses of recycled materials made from replaced bumpers.
- Roadster wins the "Auto Color Award 2001" Grand Prix.
- Mazda introduces the 'build-to-order' system for Roadster and Familia S-Wagon.
- Takes control of distribution in France.
- Introduces a new fuel cell electric vehicle, Premacy FC-EV.
- Introduces the Early Retirement Special Program.
- Continues OEM procurement from Suzuki for micro-mini vehicles.
- Cumulative production of transmissions manufactured at Mazda Hofu Plant reaches 20,000,000 units.
- Mazda makes major changes to Premacy.
- Establishes Committed Credit Facilities.
- Takes control of distribution in the UK.
- Takes control of distribution in Switzerland.
- Ujina No.2 Plant is closed.
- Mazda introduces the new Bongo Friendee.
- Develops high-strength plastic technology for new module carriers.

## 2002

- Mazda opens company day-care center.
- Cumulative production volume at Hofu Plant reaches 5 million units.
- Cumulative production at AAT reaches 200,000 units.
- Mazda commences production of MZR engines.
- Provides service to 'create drive routes' on mobile phones.
- Introduces new brand message 'Zoom-Zoom.'
- Introduces personnel development program.
- Mazda makes major changes to MPV.
- Launches distribution joint venture in Austria.
- Mazda takes new initiative to enhance corporate governance.
- Launches the brand new Mazda Atenza.
- Adds Atenza SPORT WAGON 4WD.
- Lewis Booth confirmed Mazda President.
- Mazda collaborates in celebrating 100th birthday of inventor of rotary engine, Dr. Wankel.
- Launches enhanced Roadster.
- Develops next generation engines MZR 1.3/1.5.
- Minimizes environmental impact in machining line of new engines.
- Builds presence in China with Mazda 323 launch.
- Develops world's first environmentally friendly coating technology.
- Launches the new Demio.

- Issues convertible bonds.
- Adds five-speed manual transmission model to Mazda Atenza SPORT and SPORT WAGON.
- Launches North America's first functional integration modules.
- Mazda sets goals for fuel efficiency and emission levels.
- Establishes broadband network for domestic dealers.
- Notifies of terms and conditions of stock acquisition rights of convertible bonds.
- Introduces web version of electronic parts catalog.
- Unveils enhanced Millenia.
- Showcases Titan Dash and Bongo Van at the 36<sup>th</sup> Tokyo Motor Show 2002.
- Introduces Bongo Friendee City Runner IV.
- New Mazda6 Sports Sedan launched at AAI.
- Mazda RX-8 stars in Twentieth Century Fox's X-Men Sequel.
- Mazda6 named NBR Car of the Year.
- Mazda strengthens domestic dealer network.
- Launches sportier limited edition Premacy.
- Announces first half financial targets.
- Mazda Atenza wins 2003 RJC Car of The Year.
- Mazda releases limited edition Roadster SG Limited.
- Begins public road trials of Advanced Safety Vehicle.
- Establishes Management Advisory Committee.
- Adds special edition 'Aeroremix' to MPV lineup.
- Upgrades Familia S-Wagon SPORT20.
- Mazda Atenza wins 23 awards around the globe.
- Mazda showcases Mazda Washu concept and Mazda RX-8 production model at North American International Auto Show.
- Announces price of RX-8, dealers begin taking orders.
- Production of the Mazda2 begins in Europe.
- Mazda holds a ceremony to mark first production of Mazda6 at FAW Car Company in China.
- Begins production of RENESIS rotary engine.
- Starts production of Mazda RX-8.
- Mazda develops aluminum joining technology using friction heat.
- Mazda MX Sportif design concept makes debut at Geneva International Motor Show.
- James O'Sullivan named President and CEO of Mazda North American Operations.
- Mazda Demio gains U-LEV rating.
- Mazda develops impact-absorbing hood.
- Adds Demio to Internet customization system.

## 2003

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- Releases all-new Mazda RX-8.
  - Receives FY2002 JSME medal for development of high-strength plastic.
  - Mazda employees receive JSAE Award for development of high-strength plastic.
  - Daniel T. Morris named President and CEO of Mazda Motor Europe GmbH.
  - Develops technology to reduce diesel emissions.
  - Mazda's RENESIS wins International Engine of the Year 2003.
  - Mazda begins production of Axela.
  - Mazda and Isuzu agree on OEM supply of Isuzu small truck.
  - Mazda adds new '23Z' to Atenza brand.
  - Releases limited edition Premacy.
  - Mazda Kusabi' design concept makes debut at Frankfurt Auto Show.
  - Hisakazu Imaki appointed President and CEO.
  - Mazda notices of application for delisting of stock.
  - Introduces new employee ID card.
  - Mazda develops new paint stripping technology for recycling bumpers.
  - Mazda Roadster receives a facelift.
  - Mazda completes takeover of Austrian distribution network.
  - Sponsors introductory race for RX-8 in Japan.
  - Mazda, Ford Announce US\$500 million investment in AAT in Thailand.
  - Unveils Hydrogen Rotary Engine at 2003 Tokyo Motor Show.
  - Unveils the next sports compact 'Mazda Axela'.
  - Mazda RX-8 wins 2004 "RJC Car of The Year".
  - Electric 4WD model added to Mazda Demio series.
  - Mazda Bongo first in class to employ diesel engine with DPF.
  - Mazda6 named 2004 Car of The Year in China.
  - Mazda's Three Layer Wet Paint System receives JSPMI prize.
- 2004**
- Mazda RX-8 wins Wheels Car of the Year in Australia.
  - Mazda, Toyota collaborate on in-vehicle information service.
  - Mazda3 wins Canadian Car of The Year for 2004.
  - Mazda launches a whole new family of Mazda6 vehicles at AAI.
  - Builds Roadster number 700,000.
  - Mazda to invest nearly 14 billion yen in new digital technology for future product development.
  - Commences operations at Ujina Plant No. 2.
  - Mazda's RENESIS wins category 2.5-3.0 liter of International Engine of The Year by two-year continuation.
- 2005**
- Mazda introduces all new 'Titan' truck series in Japan.
  - Mazda, Ford celebrate 25-year partnership.
  - Introduces the new compact "Mazda Verisa" in Japan.
  - Changan Ford signs investment agreement in Nanjing.
  - Mazda and NEC to test grid-based core system.
  - Mazda launches Mazda6 MPS and Mazda5.
  - Releases new Carol micro-mini.
  - Mazda RX-8 number 100,000 rolls out.
  - The all-new Mazda Premacy to be exhibited at the 38th Tokyo Motor Show.
  - Mazda Hydrogen Rotary get public permission to road-test.
  - Establishes Mazda Motor de Mexico to form official sales network.
  - MX-Crossport concept to debut at 2005 North American International Auto Show.
  - Ujina No.1 Plant on fire.
  - Ford, Mazda and Changan Automotive Group gain government approval for new assembly plant in Nanjing.
  - Newly-renovated Mazda Museum opens.
  - Introduced all new Mazda Premacy packed with innovative ideas.
  - Hydrogen filling station start operations.
  - All-new Mazda MX-5 unleashed in Geneva Motor Show.
  - Establishes Mazda Motor (Shanghai) Business Management & Consulting Co., Ltd.
  - Mazda MX-5 3rd generation limited to debut at New York International Auto Show.
  - FAW Mazda Motor Sales Co. Ltd. (FMSC) holds opening ceremony.

## 2. Overseas Activities

### (1) Mazda's relationship with Ford Motor Company

| Date | Event   |
|------|---|
| 1969 | Oct. Japan Automatic Transmission Company (JATCO) is formed as a joint venture among Mazda, Ford and Nissan for automatic transmission manufacturing (since 1981 only Mazda and Nissan remain). |
| 1971 | Dec. Supply of Courier (B-series based) pickup trucks to Ford begins.   |
| 1979 | Nov. Ford and Mazda enter into a capital tie-up; Ford acquires a 25% equity stake in Mazda.   |
| 1980 | Mar. Four-speed manual transaxles for passenger cars are supplied to Ford.  |
| 1982 | Oct. Mazda markets Ford brand vehicles through the Autorama sales channel.  |
| 1987 | Jun. Mazda, Ford and Matsushita Electric Industrial Co., Ltd. form a new company, Japan Climate Systems, to produce automotive air conditioners and heating units.                              |
| 1988 | Jan. Mazda produces the Ford Probe at Mazda Motor Manufacturing (USA) Corporation (MMUC).   |
| 1990 | Sep. Marketing of Ford-produced Mazda Navajo starts through Mazda's U.S. sales network.   |
|      | Mazda, Ford and SANYO Electric Co., Ltd. establish FMS Audio Sdn. Bhd. to manufacture automotive audio products in Malaysia (currently owned by SANYO only).                                    |
| 1992 | Jun. Mazda and Ford become equal partners in a joint venture named AutoAlliance International, Inc (AAI) (formerly MMUC).   |
|      | Jul. Mazda and Ford each buy equal equity interest in Autorama, Inc.  |
| 1993 | Jun. Mazda purchases new compact pickup trucks from Ford for sales in Canada and the U.S.   |
|      | Dec. Mazda and Ford enter into a long-term strategic relationship to enhance competitive power.   |
| 1994 | Nov. Mazda agrees to supply Ford Fiesta-based passenger cars for the European market.   |
|      | Dec. Cumulative transmission supply from Mazda to Ford exceeds 10 million units.  |
| 1995 | Nov. Mazda and Ford jointly establish AutoAlliance (Thailand) Company Limited (AAT) to manufacture pickup trucks in Thailand beginning in mid-1998.   |
| 1996 | Mar. Ford-supplied Mazda 121 is introduced into major European markets.   |
|      | May. Mazda and Ford enter into a closer tie-up increasing its equity share from 25% to 33.4%.   |
|      | Jun. Henry D.G. Wallace is appointed president of Mazda Motor Corporation.  |
| 1997 | Jan. Autorama Inc. becomes Ford Sales Japan.  |
|      | Mar. Mazda and Ford agree to a synchronized product cycle plan and to communize platforms and powertrains progressively.  |
|      | Nov. James E. Miller is appointed president of Mazda Motor Corporation.   |
| 1998 | Apr. Mazda participates in Ford/DaimlerChrysler/Ballard alliance to develop fuel-cell technology for future vehicles.   |
|      | May. AAT begins manufacturing small pickup trucks for Mazda and Ford.   |
|      | Oct. Mazda outsources distribution in Taiwan to Taiwan Ford.  |
|      | Dec. AAT begins exporting Mazda and Ford pickup trucks.   |
| 1999 | Feb. Mazda and Ford enter into a business tie-up for vehicle logistics and parts in New Zealand.  |
|      | Mar. Mazda sells its own stock of Ford Sales Japan to Ford of Japan.  |
|      | Jun. AAI achieves 2,000,000 vehicle manufacturing mark.   |
|      | Jul. Mazda and Ford begin mutual OEM product supply in Colombia and Venezuela.  |
|      | Aug. Mazda sells its equity stake in Mazda Credit to Ford Credit.   |
|      | Nov. Mazda and Ford decide to jointly develop and produce a new global inline engine family for passenger cars and light trucks beginning in the 2001 model year.                               |
|      | Dec. Mark Fields is appointed president of Mazda Motor Corporation.   |
| 2000 | Jan. AAT begins manufacturing Mazda 323 and Ford Laser.   |
|      | Jun. Mazda establishes a new distributor in Argentina, in cooperation with Ford Argentina.  |
|      | Aug. Mazda launches "Tribute," jointly developed with Ford, in the U.S.   |
|      | Nov. Mazda launches "Tribute," jointly developed with Ford, in Japan.   |
| 2002 | Jan. Mazda commences domestic production of the all-new MZR Engine which Mazda has developed as the "Center of Excellence" in the Ford Group.   |
|      | Jun. Lewis Booth is appointed president of Mazda Motor Corporation.   |
| 2003 | Jan. Production of the Mazda2 begins at Ford's Valencia Plant in Spain.   |
|      | Aug. Hisakazu Imaki is appointed president and CEO. Concurrently, John G. Parker is named executive vice president.   |

| Date | Event |  |
|------|-------|--|
| 2004 | Jun.  | Ford Chairman and CEO visits Mazda, celebrates 25th anniversary of capital tie-up  |
|      | Jul.  | Signing of agreement for investment with Changan Ford in Nanjing. Changan Ford agrees to purchase the second plant area land in the Jiangning Economic and Technological Development Zone (NJDZ) in Nanjing. |
| 2005 | Jan.  | Mazda, Ford and Changan Automotive Group establish joint venture for Nanjing vehicle manufacturing plant.  |
|      | Apr.  | Mazda, Ford and Changan Automotive Group conclude contract for joint venture Nanjing engine plant.   |

### (2) Joint business with Ford Motor Company

| Company                                 | Country  | Established  | Investment Ratio  | Primary Business  |
|---|----------|--|---|---|
| AutoAlliance International, Inc.        | U.S.A.   | June 1992<br>(Originally established as MMUC Jan 1985) | Mazda 50%,<br>Ford 50%  | Manufacturer and wholesaler of automobiles                                      |
| AutoAlliance (Thailand) Company Limited | Thailand | November 1995<br>(Operation start-up in May 1998)      | Mazda 45%,<br>Ford 50%,<br>Mazda Sales Thailand Co., Ltd. 5%  | Manufacturer and wholesaler of automobiles, assembler and wholesaler of engines |
| Japan Climate Systems                   | Japan    | June 1987  | Mazda 33.3%,<br>Visteon International Holdings Inc. 33.3%,<br>Matsushita Electric Industrial Company Ltd. 33.3% | Manufacturer of air conditioning units  |

### (3) Business development in China

| Date | Event   |   |
|------|---|---|
| 1932 | -   | Start of exports to China   |
| 1985 | Mar.  | Mazda Motor Corporation Beijing Representative Office established   |
| 1992 | Sep.  | Start of production in Hainan Province  |
| 2001 | May   | CKD assembly production of Premacy is started in Haikou, China by FAW Hainan Motor Co. (Named changed to present FAW Haima Automobile Co. Ltd. )  |
| 2002 | Jul.  | Start of CKD assembly production of Mazda 323 by FAW Hainan   |
| 2003 | Mar.  | Start of CKD assembly production of Mazda6 in Changchun by FAW Car Co. Ltd. (FCC)   |
|      | Dec.  | Mazda6 wins Car of the Year in China for 2004 award   |
| 2004 | Jun.  | Mazda displays at Beijing Auto show   |
| 2005 | Jan.  | Mazda, Ford, and Changan Automotive Group receive Chinese government approval to build new joint venture Nanjing vehicle manufacturing plant  |
|      |   | Establishment of new Mazda China Operations (MCO) management company with 100% capital investment (official company name: Mazda Motor (Shanghai) Business Management & Consulting Co. Ltd.) |
|      | Mar.  | Establishment of FAW Mazda Motor Sales Co. Ltd. (FMSC) in a joint venture with First Auto Works (FAW) and FAW Car Co. (FCC)   |
| May  | Mazda, Ford and Changan Ford receive Chinese government approval for the joint venture Changan Ford Mazda Engine Company Ltd. |   |

### (4) Business development in Thailand

| Date | Event |   |
|------|-------|---|
| 1952 | Aug.  | Start of exports to Thailand  |
| 1975 | Jan.  | Start of local assembly in Thailand                                       |
| 1990 | Jun.  | Sukosol & Mazda Co., Ltd. (SMC) established in Bangkok                    |
| 1995 | Nov.  | Establishment of AutoAlliance Thailand (AAT) in a joint venture with Ford |
| 1996 | Feb.  | AAT constructions work begins   |
| 1998 | May   | Start of production for compact pickup truck at AAT                       |
|      | Dec.  | Start of exports from AAT   |
| 2000 | Aug.  | AAT achieves 100,000 vehicle manufacturing mark                           |
| 2002 | Jan.  | AAT achieves 200,000 pickup truck manufacturing mark                      |
| 2003 | May   | AAT achieves 300,000 vehicle manufacturing mark                           |

### 3. Overseas Subsidiaries and Affiliates

Overseas subsidiaries\*<sup>1</sup> (as of July 1, 2005)

| Company   | Abbrev. | Location                       | Established                         | Representative                            | Primary Business   |
|---|---------|--------------------------------|-------------------------------------|---|--|
| Mazda Motor of America, Inc. * <sup>2</sup>                       | MMA     | Irvine, California, U.S.A.     | Feb. 1971                           | James J. O'Sullivan (President and CEO)   | Importer and distributor of vehicles, parts and accessories in the U.S. and Canada. Product planning, advanced product development, research, evaluation testing and vehicle certification |
| Mazda Canada Inc.   | MCI     | Richmond Hill, Ontario, Canada | Jul. 1968                           | Mike Benchimol (President)                | Importer and distributor of automobiles and repair parts   |
| Mazda Motor de Mexico, S. de R.L. de C.V.                         | MdM     | Mexico City, Mexico            | Dec. 2004                           | Leopoldo Orellana (Managing Director)     | Importer and distributor of automobiles and repair parts   |
| Mazda Motor Europe G.m.b.H.                                       | MME     | Leverkusen, Germany            | Mar. 1998                           | James M. Muir (President and CEO)         | Strategic development and daily management of Mazda's activities in Europe   |
| Mazda Motors (Deutschland) G.m.b.H.                               | MMD     | Leverkusen, Germany            | Nov. 1972                           | Michael A. Bergmann (President and CEO)   | Importer and distributor of automobiles and repair parts   |
| Mazda Motor Logistics Europe N.V.                                 | MLE     | Willebroek, Belgium            | Aug. 1998 (Aug. 1968)               | James M. Muir (President and CEO)         | Dealers and Distributors of automobiles, parts and accessories in Europe   |
| Mazda Motors UK Ltd.  | MUK     | Dartford, Kent, U.K.           | May 2001                            | Philip J. Waring (Managing Director)      | Importer and distributor of automobiles, repair parts  |
| Mazda Automobiles France S.A.S                                    | MAF     | Paris, France                  | Feb. 2001                           | Jean-Luc Gerard (Managing Director)       | Importer and distributor of automobiles, repair parts  |
| Mazda (Suisse) S.A.   | MS      | Petit-Lancy, Switzerland       | Nov. 2001* <sup>3</sup>             | Jerome de Haan (Managing Director)        | Importer and distributor of automobiles, repair parts  |
| Mazda Automoviles España, S.A.U                                   | MAE     | Madrid, Spain                  | Feb. 2000                           | Jose María Terol (President)              | Importer and distributor of automobiles and repair parts   |
| Mazda Motor de Portugal Lda.                                      | MMP     | Lisboa, Portugal               | Feb. 1995                           | Nuno P. Guerreiro (General Manager)       | Importer and distributor of automobiles and repair parts   |
| Mazda Motor Italia S.p.A.   | MMI     | Roma, Italy                    | Dec. 1999                           | Carlo Simongini (President)               | Importer and distributor of automobiles and repair parts   |
| Mazda Austria G.m.b.H.  | MAG     | Klagenfurt, Austria            | Sep. 2003* <sup>3</sup> (Apr. 1962) | Josef A. Schmid (Managing Director)       | Importer and distributor of automobiles and repair parts   |
| Mazda Sales (Thailand) Co., Ltd.                                  | MST     | Bangkok, Thailand              | Jun. 1990                           | Fumio Tone (Managing Director)            | Distributor of automobiles and repair parts  |
| Compañía Colombiana Automotriz S.A.                               | CCA     | Bogota, Colombia               | Oct. 1973                           | Jose Fernando Isaza (Executive President) | Assembler and wholesaler of automobiles  |
| Mazda Australia Pty., Ltd.  | MA      | Victoria, Australia            | Apr. 1967                           | Doug Dickson (Managing Director)          | Importer and distributor of automobiles and repair parts   |
| Mazda Motors of New Zealand Ltd.                                  | MMNZ    | Auckland, New Zealand          | Jun. 1972                           | Peter J. Aitken (Managing Director)       | Importer and distributor of automobiles and repair parts   |
| Mazda Motor (Shanghai) Business Management & Consulting Co., Ltd. | MCO     | Shanghai, P.R. China           | Jan. 2005                           | Satoshi Tachikake (President)             | Support of associated companies, marketing and public relations  |

Note: Year and month in parentheses indicates establishment date of former company.

\*1 Subsidiaries indicate companies with a Mazda capital investment of more than 50%.

\*2 Mazda Motor of America, Inc.(MMA) is operated under the business name of Mazda North American Operations (MNAO).

(Consolidated in October 1997)

\*3 The dates are when Mazda took control of these sales companies.

Overseas affiliates \*<sup>4</sup> (as of July 1, 2005)

| Company                                 | Abbrev. | Location                    | Established              | Representative                  | Primary Business  |
|---|---------|-----------------------------|--------------------------|---------------------------------|---|
| AutoAlliance International, Inc.        | AAI     | Flat Rock, Michigan, U.S.A. | Jun. 1992 * <sup>5</sup> | Gary A. Roe (President and CEO) | Manufacturer and wholesaler of automobiles                                      |
| AutoAlliance (Thailand) Company Limited | AAT     | Rayong, Thailand            | Nov. 1995                | Yuji Nakamine (President)       | Manufacturer and wholesaler of automobiles, assembler and wholesaler of engines |
| FAW Mazda Motor Sales Co., Ltd.         | FMSC    | Changchun, P.R.China        | Mar. 2005                | Noriaki Yamada (President)      | Importer and distributor of automobiles and repair parts                        |

Note: Year and month in parentheses indicates establishment date of former company.

\*4 Affiliates indicate companies with a Mazda capital investment between 20% and 50%.

\*5 MMUC was incorporated as an American manufacturing company in January 1985. Operations began in September 1987. The company name was officially changed to its present form in June 1992, and joint management with Ford was started.



|                |   |
|----------------|---|
| Head Office:   | 3-1 Shinchi, Fuchu-cho, Aki-gun<br>Hiroshima 730-8670, Japan<br>Phone: +81-82-282-1111<br><Global Communications Planning Dept.><br>Phone:+81-82-282-5253<br>Fax: +81-82-287-5225 |
| Tokyo Office:  | 1-1-7 Uchisaiwai-cho<br>Chiyoda-ku, Tokyo 100-0011, Japan<br><Domestic Corporate Communications Dept.><br>Phone: +81-3-3508-5056<br>Fax: +81-3-3508-5094                          |
| Osaka Branch:  | Umeda Sky Bldg. Tower East<br>1-1-88-800 Oyodonaka<br>Kita-ku, Osaka 531-6008, Japan<br>Phone: +81-6-6440-5811  |
| Mazda Web Site |   |
| URL:           | <a href="http://www.mazda.com/">http://www.mazda.com/</a><br>Mazda in Brief is available on the above web site.   |



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