2006 Mazda In Brief

CONTENTS

Vision of Mazda

(1) Vision of Mazda

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

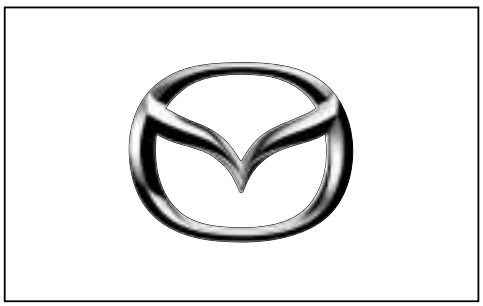
V i s i o n: To create new value, excite and delight our customers through the best automotive products and services.

Mission: 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 in 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)

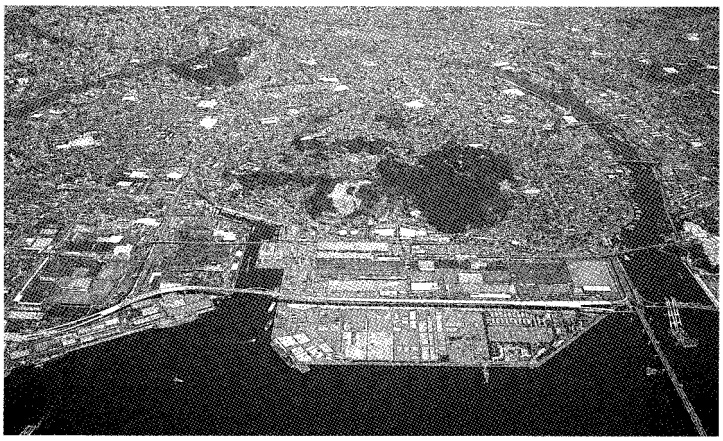
With the introduction of CI (Corporate Identity) in 1975, Mazda developed its corporate mark as a symbol for Mazda's communications. It was then positioned as an easy-to-read corporate mark in line with the establishment of the brand symbol in 1997.

(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 about 40 years. Overseas sales account for more than two thirds 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	FY 2005
Net Sales	2,364,512	2,916,130	2,695,564	2,919,823
Operating Income	50,656	70,174	82,947	123,435
Ordinary Income	40,710	58,029	73,056	101,470
Net Income	24,134	33,901	45,772	66,711
Total Assets	1,754,017	1,795,573	1,767,846	1,788,659

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.

2. Directors, Auditors and Executive Officers

(as of September 1, 2006)

<Directors and Auditors>

Representative Director and Chairman of the Board	Hisakazu Imaki
Representative Director and Vice Chairman of the Board	John G. Parker
Representative Director	Mutsumi Fujiwara
Representative Director	David E. Friedman
Director	Daniel T. Morris
Director	Takashi Yamanouchi
Director	Ryoichi Hasegawa
Director	Kiyoshi Ozaki
Director	Seita Kanai
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	Mutsumi Fujiwara	Assistant to President; In charge of Corporate Liaison and Purchasing
	Executive Vice President	Robert J. Graziano	Assistant to President; In charge of China Business, R&D, Quality Assurance, Marketing, Sales, IT Solutions and Environment
*	Senior Managing Executive Officer and CFO	David E. Friedman	In charge of Corporate Planning
*	Senior Managing Executive Officer	Daniel T. Morris	In charge of Marketing, Sales and Customer Service
*	Senior Managing Executive Officer	Takashi Yamanouchi	In charge of Corporate Affairs, Secretariat, Personnel & Human Development, Internal Auditing
*	Senior Managing Executive Officer	Ryoichi Hasegawa	In charge of Corporate Communications & Liaison and IT Solution; Assistant to the CFO
*	Senior Managing Executive Officer	Kiyoshi Ozaki	In charge of China Business
*	Senior Managing Executive Officer	Seita Kanai	In charge of R&D

Senior Managing Executive Officer	Masaharu Yamaki	In charge of Production and Business Logistics
Managing Executive Officer	Masazumi Wakayama	In charge of Domestic Marketing, Domestic Sales and Domestic Customer Service
Managing Executive Officer	Nobuhiro Hayama	In charge of R&D Quality and Powertrain Development
Managing Executive Officer	James J. O'Sullivan	President and CEO, Mazda Motor of America, Inc. (Mazda North American Operations)
Managing Executive Officer	Masaki Kanda	In charge of Corporate Affairs, Risk Management, CSR and Mazda Hospital
Managing Executive Officer	Akira Marumoto	In charge of Product Planning and Program Management
Managing Executive Officer	Keishi Egawa	In charge of Corporate Planning and Financial Services
Managing Executive Officer	Toru Oka	In charge of Purchasing
Managing Executive Officer	Malcolm D. Gough	In charge of Overseas Sales and Customer Service
Managing Executive Officer	James M. Muir	President and CEO, Mazda Motor Europe GmbH
Executive Officer	Nobuhide Inamoto	General Manager, Quality 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	Hirotaka Kanazawa	In charge of Vehicle Development, and Technical Research Center
Executive Officer	Masamichi Kogai	President, AutoAlliance (Thailand) Co., Ltd.
Executive Officer	Shiro Mikami	General Manager, Domestic Marketing Div.
Executive Officer	Kozo Kawakami	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	General Manager, Overseas Sales Div.
Executive Officer	A. Kumar Galhotra	General Manager, Program Management Div.
Executive Officer	Hiroshi Yamamoto	General Manager, Domestic Sales Div.
Executive Officer	Tatsuji Ikeda	General Manager, Powertrain Development Div.
Executive Officer	Minoru Mitsuda	General Manager, Personnel & Human Development Div.
Executive Officer	Masafumi Nakano	General Manager, Hofu Plant

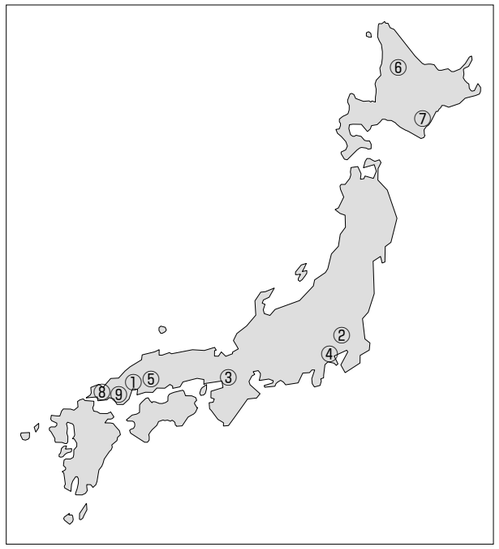
Note: "⋆" mark stands for the Executive Officers who also hold the post of Director.

3. Main Facilities

(1) Japan

(as of March 31, 2006)

Function		Facility Name	Location & Address	Start-up Date	Primary Business, Products, etc.
Head Office	①	Hiroshima	3-1 Shinchi, Fuchu-cho, Aki-gun, Hiroshima 730-8670	January 1920	
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		Product and engineering planning, Design development, Product development, Advanced research for significant new technology
	④	Mazda R&D Center Yokohama	2-5 Moriya-cho Kanagawa-ku, Yokohama-shi, Kanagawa 221-0022	June 1987	Advanced product engineering planning, Advanced design survey research and development, Advanced research for significant new technology
	⑤	Miyoshi Proving Ground	551-1 Higashisakaya-cho, Miyoshi-shi, Hiroshima 728-0023	June 1965	Vehicle development (testing)
	⑥	Kenbuchi Proving Ground	4-25 Nishihara-machi, Kenbuchi-cho, Kamikawa-gun, Hokkaido 098-0339	January 1990	Technology development and functional tests of systems on hazardous frozen/snow conditions
	⑦	Nakasatsunai Proving Ground	61 Nishisatsunai, Nakasatsunai-mura, Kasai-gun, Hokkaido 089-1356	January 2002	Technology development and functional tests of systems on hazardous frozen/snow conditions
	⑧	Mine Proving Ground	1173-1 Nagao, Nishiatsu-cho, Mine-shi, Yamaguchi 759-2152	May 2006	Vehicle development (testing)
Production, Logistics	①	Hiroshima Plant		March 1931	Reciprocating engines, manual transmissions,
		Plant Complex in Head Office District	3-1 Shinchi, Fuchu-cho, Aki-gun, Hiroshima 730-8670		Hiroshima Plant land area: approx. 2,240,000m^2
		Plant Complex in Ujina District		December 1964	Reciprocating, diesel, rotary engines
		Ujina Plant No.1		November 1966	Passenger cars, commercial vehicles
		Ujina Plant No.2		December 1972	Passenger cars
	⑨	Hofu Plant	888-1 Nishinoura, Hofu-shi, Yamaguchi 747-0835		Hofu Plant land area: approx. 1,329,000m^2
		Nishinoura District			
		Hofu Plant No.1		September 1982	Passenger cars
		Hofu Plant No.2		February 1992	Passenger cars
		Nakanoseki District	415-8 Hamakata, Hofu-shi, Yamaguchi 747-0833	December 1981	Manual transmissions
	⑤	Miyoshi Plant	551-1 Higashisakaya-cho, Miyoshi-shi, Hiroshima 728-0023	May 1974	Reciprocating, diesel engines
		Malox Co., Ltd.	3-19 Kusuna-cho, Minami-ku, Hiroshima 734-0032	May 1948	Car transport by sea and land, car storage, administration at harbors, warehouses and car packing
		Distribution Center	10 sites all over Japan		
Others		Mazda Call Center	See page 25.	February 1984	Customer call center for inquries regarding Mazda products and services
		Etre College of Business Arts Osaka	Umeda Sky Bld. Tower East, 1-1-88-800 Oyodonaka Kita-ku, Osaka 531-6008	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.
		Etre College of Business Arts Hiroshima	2F Mazda Education Center, 2-12-2 Nihoshinmachi, Minami-ku, Hiroshima 734-0024	May 1991	
		Mazda Training Center Taibi	2-6-7 Taibi, Saka-machi, Aki-gun, Hiroshima 731-4325	October 1972	Technical service training, business training Land area: 22,000m^2, building area: 7,500m^2
		Mazda Training Center Yokohama	2-5 Moriya-cho Kanagawa-ku, Yokohama-shi, Kanagawa 221-0022	November 2002	Technical service training, business training in Mazda R&D Center Yokohama
		Mazda Hospital	2-15 Aosakiminami, Fuchu-cho, Aki-gun, Hiroshima 735-8585	July 1961	Medical services for employees and their family, and for the general public in the local community
		Technical Service Training Center	See page 23.		



Sales Channels in Japan

(As of March 31, 2006)

Sales Channels	Dealer-ships	Outlets	Exclusive models	Cross-channel models
Mazda	40	800	(Registration passenger cars) Atenza Sports, Atenza Sportwagon, Atenza Sedan, RX-8, Roadster (Registration commercial vehicles) Bongo Brawny van, Titan, Titan Dash, Familia van	(Registration passenger cars) Demio, Verisa, Axela Sport, Axela, Premacy, MPV (Registration commercial vehicles) Bongo van, Bongo truck (Micro-mini passenger cars) Carol, AZ-Wagon, AZ-Offroad, Spiano, Scrum wagon (Micoro-mini commercial vehicles) Scrum van, Scrum truck
Mazda Anfini	19	88		
Mazda Autozam	245	268		
Total	304	1,156		

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

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

(2) Overseas

North America

(as of March 31, 2006)

Countries/ Regions		Facility Name	Function	Location & Address	Management	Start-up Date	Number of Employees	Notes (Primary Business, Products, etc.)	Investment Ratio
U. S. A.	① ②	Mazda Motor of America, Inc. (Mazda North American Operations) *1	Sales R&D	7755 Irvine Center Drive Irvine, CA 92618-2922, U. S. A. 27100 International Drive, Flat Rock, MI 48134, U. S. A.	President and CEO James J. O'Sullivan	February 1971	820	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% Sumitomo Corporation 4.28% ITOCHU Corporation 3.12%
	②	AutoAlliance International, Inc.	Production	1 International Drive, Flat Rock, MI 48134 U. S. A.	President and CEO Gary A. Roe	Start-up date: September 1987*2	3,831	Products: Mazda6, Ford Mustang Production Capacity: 240,000 units/year with two shifts (regular working hours) Production of Mazda vehicles: 74,261 units in 2005 Land area: 1.6 million m^2 (approx. 400 acre)	$760 million Mazda 50% Ford 50%
Canada	③	Mazda Canada Inc.	Sales	55 Vogell Road, Richmond Hill, Ontario, Canada, L4B 3K5	President Don Romano *3	July 1968	120	Importer and distributor of automobiles and repair parts	C$13 million Mazda 60% ITOCHU Corporation 40%
Mexico	④	Mazda Motor de Mexico, S. de R.L. de C.V.	Sales	Guillermo Gonzalez Camarena No. 1500 Col. Centro de la Ciudad Santa Fe, 01210 Mexico, DF	Managing Director Leopoldo Orellana	December 6, 2004	18	Importer and distributor of automobiles and repair parts	Mazda 99% Mazda Motor International 1%

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

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

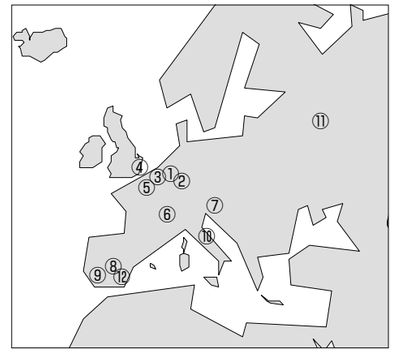
*3 Effective from April 20, 2006

Ford Plants producing Mazda vehicles

Countries/ Regions		Facility Name	Function	Location & Address	Management	Start-up Date	Number of Employees	Notes (Primary Business, Products, etc.)	Investment Ratio
U. S. A.	⑤	Ford Motor Kansas City Assembly Plant	Production	Kansas City, Missouri, U.S.A.	Director of Manufacturing Ken Macfarlane	1951	5,472	Manufactures: Mazda Tribute Land area: approx. 3,959,000m^2 Annual production volume of Mazda vehicles: 40,677 units	Ford 100%
	⑥	Ford Motor Twin Cities Assembly Plant	Production	St. Paul, Minnesota, U.S.A.	Director of Manufacturing William Russo	1925	1,885	Manufactures: Mazda B-Series Land area: approx. 1,793,000m^2 Annual production volume of Mazda vehicles: 7,844 units	Ford 100%

Europe

(as of March 31, 2006)



Countries/ Regions		Facility Name	Function	Location & Address	Management	Start-up Date	Number of Employees	Notes (Primary Business, Products, etc.)	Investment Ratio
Germany	①	Mazda Motor Europe G.m.b.H.	Office Sales	Hitdorfer Strasse 73 51371 Leverkusen, Germany	President and CEO James M. Muir	March 1998	202	Management planning, sales, PR, marketing, customer services	Mazda Motor Logistics Europe N.V. 100%
	②	(European R&D Centre)	R&D	Hiroshimastrasse 1 61440 Oberursel/Ts., Germany	Vice President Jiro Maebayashi	December 1987	84	Product planning, advanced product development, design and modeling, research, trend and engineering studies, accessory development, evaluation testing and tuning, vehicle certification procedures Land area: 76,000 m^2	
	①	Mazda Motors (Deutschland) G.m.b.H.	Sales	Hitdorfer Strasse 73 51371 Leverkusen, Germany	President and CEO Michael A. Bergmann	November 1972	178	Importer and distributor of automobiles and repair parts	Mazda 100%
Belgium	③	Mazda Motor Logistics Europe N.V. (Vehicles and Parts Distribution Center)	Office Logistics Sales	Blaasveldstraat 162 2830 Willebroek,Belgium	Managing Director Jorgen Olesen	August 1998	389	Dealers and Distributors of automobiles, parts and accessories in Europe	Mazda 100%
U. K.	④	Mazda Motors UK Ltd.	Sales	Riverbridge House, Anchor Boulevard, Dartford, Kent, UK. DA2 6QH	Managing Director Robert Lindley	May 2001	91	Importer and distributor of automobiles and repair parts	Mazda 100%
France	⑤	Mazda Automobiles France S.A.S	Sales	Z.I. Moimont 2 1, rue Eugène Pottier Marly-La-Ville 95 476 Fosses Cedex, France	President Thierry Guillemont	February 2001	48	Importer and distributor of automobiles and repair parts	Mazda 100%
Switzerland	⑥	Mazda (Suisse) S.A.	Sales	12, av. des Morgines CH-1213 Petit-Lancy, Switzerland	Managing Director Jerome de Haan	November 2001 *1	42	Importer and distributor of automobiles and repair parts	Mazda 100%
Austria	⑦	Mazda Austria G.m.b.H.	Sales	Ernst Diez Strasse 3, 9020 Klagenfurt, Austria	Managing Director Josef A. Schmid	September 2003 *1	93	Importer and distributor of automobiles and repair parts	Mazda 100%
Spain	⑧	Mazda Automoviles Espana, S.A.	Sales	c/Sor Angela de la Cruz, No.6-12, 28020 Madrid, Spain	President Jose María Terol	February 2000	39	Importer and distributor of automobiles and repair parts	Mazda 100%
Portugal	⑨	Mazda Motor de Portugal Lda.	Sales	NOVA MORADA Rua Rosa Araujo, n. 2-1. 1250-195 Lisboa, Portugal	General Manager Nuno P. Guerreiro	February 1995	21	Importer and distributor of automobiles and repair parts	Mazda 100%
Italy	⑩	Mazda Motor Italia S.p.A.	Sales	54,Via Argoli, 00143 Roma, Italy	President Carlo Simongini	December 1999	48	Importer and distributor of automobiles and repair parts	Mazda 100%
Russia	⑪	Mazda Motor Rus, OOO	Sales	Smolnaya Street, 24D, 7th floor, 125445 Moscow, Russian Federation	General Director Joerg Schreiber	December 2005	22	Importer and distributor of automobiles and repair parts	Mazda 100%

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

Ford Plants producing Mazda vehicles

Countries/ Regions		Facility Name	Function	Location & Address	Management	Start-up Date	Number of Employees	Notes (Primary Business, Products, etc.)	Investment Ratio
Spain	⑫	Ford Motor Valencia Body & Assembly	Production	46440 Almussafes Valencia, Spain		1976	6,657	Mazda2 Land area: approx.5,334,000m^2 Production of Mazda vehicles: 35,660 units in 2005	Ford 100%

East Asia

（as of March 31, 2006）

Countries/ Regions		Facility Name	Function	Location & Address	Management	Start-up Date	Vehicle Production 2005	Number of Employees	Notes (Primary Business, Products, etc.)	Investment Ratio
China	①	Mazda Motor Corporation Beijing Representative Office	Office	317 West Wing, China World Trade Center, 1 Jianguomenwai Street, Chaoyang District, 100004, China	Chief Representative Fumio Okana	March 23, 1985	—	4	—	—
	②	FAW HAIMA Automobile Co., Ltd.	Production/ Sales	Jinpan Industrial Development Area, Haikou, China	General Manager Qin Quanquan	May 2001	73,082	2,000	Importer and distributor of automobiles and repair parts Mazda 323, Mazda Premacy Production capacity: 150,000 units/year	Local 100%
	③	FAW Car Co. Ltd.	Production/ Sales	Dongfeng Street, Changchun, China	General Manager Zhang Pijie	March 2003	50,508	7,365	Mazda6 Production capacity: 70,000 units/year	Local 100%
	④	Mazda Motor (Shanghai) Business Management & Consulting Co., Ltd.	Management company	07-12 20F. Shanghai Information Tower, 211 Century Avenue, Pudong New District, Shanghai 200120, China	President Satoshi Tachikake	January 4, 2005	—	90 (including Engineering Support Center)	Provides various types of services to affiliated companies in China as consigned from Mazda Motor Corporation	US$ 9.5 million Mazda 100%
		Mazda Motor (Shanghai) Business Management & Consulting Co., Ltd. China Engineering Support Center	Branch Office / Workshop	No.3,358 ShenXia Road ,Jia Bang, JiaDing District, Shanghai, China 201818	Director and Vice President Akira Tanioka	August 4, 2005	—	53	Market reasearch and technology studies for the Chinese market, as well as technical support in areas such as R&D, Purchasing, Quality, and Services, covering Nanjing, Changchun and Hainan	—
	③	FAW Mazda Motor Sales Co., Ltd.	Sales	No. 112-1, Dongfeng Street, Luyuan District, Changchun, Jilin Province, China	President Noriaki Yamada	March 1, 2005	—	217	Wholesales of Mazda brand vehicles and repair parts in China	100 million yuan FAW Car 70%, Mazda 25%, FAW Group 5%
	⑥	Changan Ford Mazda Automobile Co., Ltd. (CFMA)	Production/ Sales	No.260 Jianxin East Road,Jiangbei District, Chongqing, China, 400023	President Phil Spender	April 25, 2001		approx. 3,700	Mazda3, Ford brand vehicle production	891 million yuan Changan Automobile 50%, Ford 35%, Mazda 15%
	⑤	Changan Ford Mazda Automobile Co., Ltd. (CFMA)(Nanjing)	Production	No.66, Su Yuan Road, Jiangning Economic and Technological Development Zone, Nanjing, China 211100		Operations scheduled to start in 2007		3,790	Mazda brand and Ford brand vehicle production	—
	⑤	Changan Ford Mazda Engine Co., Ltd. (CFME)	Engine Production/ Sales	Building #7, Hua Rui Industrial Park No.88, Cheng Xin Rd., Jiangning Development Zone, Nanjing, China 211100*1	President Motohide Tatsukawa	Operations scheduled to start in 2007		1,700	Engine production and sales	About 485.14 million yuan Changan Automobile 50%, Mazda 25%, Ford 25%
Taiwan	⑦	Ford Lio Ho Motor Co., Ltd.	Production	705 Chung Hwa Rd, Sec.1 Chung Li, Taiwan R.O.C	CEO Jeffery Shen	March 1987	27,297	2,332	Mazda3, Mazda 323, Mazda Premacy, Mazda Tribute, Ford brand vehicles Production capacity: approx. 130,000 units/year	Ford 70% Local 30%
	⑦	Ford Distribution Taiwan Ltd.	Sales	705 Chung Hwa Rd, Sec.1 Chung Li, Taiwan R.O.C	CEO Jason Liu	October 1998	—	22	Wholesales of Mazda brand and Ford brand vehicles and parts	Ford 100%

*1 Relocated in July 2006.

Southeast Asia

（as of March 31, 2006）

Countries/ Regions		Facility Name	Function	Location & Address	Management	Start-up Date	Vehicle Production 2005	Number of Employees	Notes (Primary Business, Products, etc.)	Investment Ratio
Thailand	①	AutoAlliance (Thailand) Company Limited	Production	Eastern Seaboard Industrial Estate 49 Moo.4 Tambol Pluakdang, Rayong 21140, Thailand	President Masamichi Kogai*1	November 28, 1995 (Established) May 29, 1998 (Start of operations)	35,003	3,434	Mazda BT-50, Ford Ranger, Courier, Ford Everest Production capacity: 173,000 units/year with two shifts (regular working hours) Land area: approx. 846,000m^2	5 billion Thai baht Mazda 45% Ford 50% Mazda Sales (Thailand) 5%
	②	Mazda South East Asia, Limited	Regional Management	Lake Rajada Office Complex 10th Floor 193/38 Ratchadapisek Road Klongtoey, Bangkok 10110, Thailand	Managing Director Will Angove	May 2005	—	5	Overseeing marketing, sales and distribution in the ASEAN region	—
	②	Mazda Sales (Thailand) Co., Ltd.	Sales	18th Floor,193/74-76 Lake Rajada Office Complex, Ratchadapisek Rd, Klongtoey, Bangkok 10110, Thailand	Managing Director John Ray*2	June 1990	—	37	—	Mazda 96.1% KKS 3.9%
India	③	Swaraj Mazda Ltd.	Production	(Head Office) S. C. O. No. 204-205, Sector 34-A Chandigarh-160 022, India (Works) Village Asron, Post Bag No. 38 Ropar (Punjab)140 001, India	Vice Chairman & Managing Director Yash Mahajan	May 1985	12,607	610	Mazda T-Series	Sumitomo Corporation 41% Punjab Tractors 14% Others 45%
Indonesia	④	P.T. Mazda Motor Indonesia	Sales	Wisma Indomobil, 9th Floor Jl M.T. Haryono Kav.8 Jakarta 13330, Indonesia	President Director Yoshinori Nishihara*3	February 7, 2006 (Established) June 2006 (Start of operations)	—	5 (July 1, 2006)	RX-8, Mazda3, Tribute, Pickup truck	Mazda 99.9% Other 0.1%
Vietnam	⑤	Vietnam Motors Corporation	Production/ Sales	Km 9th, Nguyen Trai Road, Thanh Xuan District Hanoi, Vietnam	Chairman and President Jose Ch. Alvarez	August 1991	697	593	Mazda3, Mazda6, Mazda Premacy	Corporation in Philippines 56.18% Corporation controlled by Vietnam gov-ernment 29.21% Sojitz 14.61%
Malaysia	⑥	Associated Motors Industries	Production	1 Jalan Sesiku 15/2, 40000 Shah Alam, Selangor Darul Ehsan, Malaysia	Managing Director Michael Pease	September 1968	998	640 (Apr. 2006)	Mazda B-Series, Ford Ranger, Ford Everest, Ford Escape, Others	Ford Malasia 100% (Ford 49%, Local 51%)
	⑥	Cycle & Carriage Bintang Bhd.	Sales	Lot 9, Jalan 219, Federal Highway, 41600 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Managing Director Steven G. Foster	1967	—	701 (Apr. 2006)	—	Corporation in Singapore 59.1% Others 40.9%
Philippines	⑦	Ford Motor Co. Philippines	Production	FGP Bldg., #1 American Road, Greenfield Automotive Park-SEZ, Santa Rosa, Laguna, 4026, Philippines	CEO Henry T. Co	February 2004*4	2,781	986	Mazda3, Mazda Tribute, Ford Focus, Ford Escape	Ford 100%
	⑦	Ford Group Philippines Inc.	Sales	FGP Bldg., #1 American Road, Greenfield Automotive Park-SEZ, Santa Rosa, Laguna, 4026, Philippines	CEO Henry T. Co	February 2004*4	—	95	—	Ford 100%

*1 Effective from April 28,2006
*2 Effective from October 1, 2006
*3 Effective from July 1, 2006
*4 The date are when it started production/sales of Mazda vehicles.

Central and South America

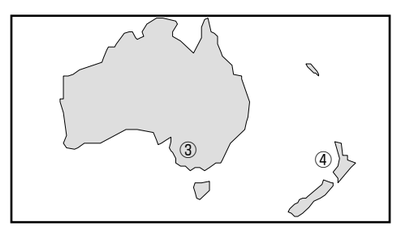
（as of March 31, 2006）

Countries/ Regions		Facility Name	Function	Location & Address	Management	Start-up Date	Vehicle Production 2005	Number of Employees	Notes (Primary Business, Products, etc.)	Investment Ratio
Colombia	①	Compania Colombiana Automotriz S. A.	Production/ Sales	Calle 13 No. 38-54 (Apdo Aereo 80342) Bogota, Colombia	Executive President Fabio Sanchez Forero	October 1973 *1	16,552	888	Mazda 323, Mazda3, Mazda6, Mazda B-Series, Mazda2 Production capacity: 22,800 units/year	Mazda 95% Mazda Motor International 5%
Ecuador	②	Manufacturas, Armadurias y Repuestos Equatorianos S. A. (M.A.R.E.S.A.)	Production/ Sales	Av.Manuel Cordova Galarza Km.12 1/2, Quito, Ecuador	Chief Executive Officer Francisco J. Restrepo	November 1986	5,019	300	Mazda 323, Mazda B-Series Production capacity: 8,500 units/year	Local 100%

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

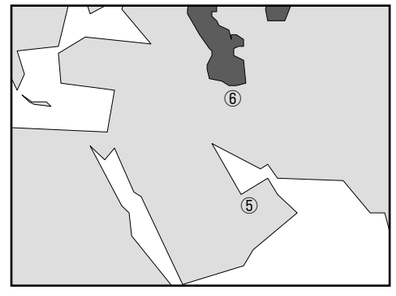
Oceania

Countries/ Regions		Facility Name	Function	Location & Address	Management	Start-up Date	Vehicle Production 2005	Number of Employees	Notes (Primary Business, Products, etc.)	Investment Ratio
Australia	③	Mazda Australia Pty Ltd	Sales	385 Ferntree Gully Road, Notting Hill, Victoria 3149, Australia	Managing Director Doug Dickson	April 1967	—	134		Mazda 100%
New Zealand	④	Mazda Motors of New Zealand Ltd.	Sales	70 Plunket Avenue, Wiri, Manukau City, Auckland 1730, New Zealand	Managing Director Peter Aitken	June 1972	—	23		Mazda 100%



Middle East

Countries/ Regions		Facility Name	Function	Location & Address	Management	Start-up Date	Vehicle Production 2005	Number of Employees	Notes (Primary Business, Products, etc.)	Investment Ratio
UAE	⑤	Mazda Representative Office (Middle East)	Office (service)	P.O.Box 31827, Dubai, UAE	Customer Service General Manager Hidehisa Matsuda	March 1982	—	4		—
Iran	⑥	Asr-e-Bahman Co.	Office (service)	No. 39, Saba blvd., Africa St., Tehran, Iran	Managing Director Saremi	April 1999	—	25		Local 100%
	⑥	Bahman Motor Center	Production	16 KM, Karadj Old Road, Tehran, Iran	Managing Director Safavi	1959	16,281	1,040	Mazda 323, Mazda B-Series Production capacity: 20,000 units/year	Local 100%

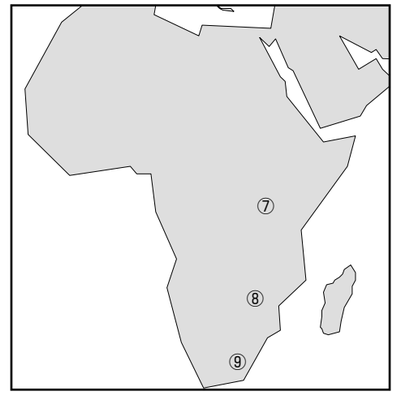


Africa

Countries/ Regions		Facility Name	Function	Location & Address	Management	Start-up Date	Vehicle Production 2005	Number of Employees	Notes (Primary Business, Products, etc.)	Investment Ratio
Kenya	⑦	Kenya Vehicle Manufacturers Ltd.	Production	Garissa Road, Thika (Box No.1436, Thika), Kenya	Managing Director D. Percival	September 1977	20	300	Mazda T-Series Land area: 1,725m^2	Local government 35%, Local 65%
Zimbabwe	⑧	Willowvale Mazda Motor Industries (PVT) Ltd.	Production	Dagenham Road, Willowvale, Harare (P.O.Box ST 520 Southerton, Harare), Zimbabwe	Chairman M.N. Nduzo	July 1980	1,740	225	Mazda 323, Mazda3, Mazda B-Series, Mazda T-Series Production capacity: 2,400 units/year Land area: 38,486m^2	MOTEC 58%, Mazda 25%, Workers Trust 9%, ITOCHU Corporation 8%
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 Chief Executive Officer Hal Feder*3	1998*3	10,595	4,850	Mazda3, Mazda B-Series Production capacity: approx.17,600 units/year	Ford 100%

*3 Effective from October 1, 2006

*3 Production and assembly of Mazda vehicles started in June 1963 under a licensing agreement with a partner company prior to the formation of FSA in 1998.



4. Purchasing Network

Suppliers to Mazda in Japan

(as of March 31, 2006)

Automotive component parts	440 companies
Metals	44 companies
Subsidiary materials (such as oxygen and acetylene gas)	148 companies
Construction and facility maintenance	396 companies
Total	1,028 companies

Overseas Suppliers to Mazda in Japan

	FY2005	FY2004	FY2003	FY2002	FY 2001	FY 2000
Number of Countries	22	22	25	24	24	25
Number of Companies	138	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 (as of March 31, 2006)

Plant Name	District	Production Lines		Start-up Date	Land Area
Hiroshima Plant	Plant Complex in Head Office		Reciprocating engines, manual transmissions	March 1931	551,000m^2
	Plant Complex in Ujina District	Plant Ⅰ(U1)	Mazda2, Mazda Verisa, Mazda MX-5, Mazda RX-8, Mazda MPV/Mazda8, Mazda E-series (Bongo van), Mazda E-series (Bongo Brawny van), J80 van *1, J100 van *1	November 1966	1,690,000m^2
		Plant Ⅱ(U2)	Mazda5, Mazda CX-7	December 1972	
			Reciprocating engines, diesel engines, rotary engines	December 1964	
Miyoshi Plant			Reciprocating engines, diesel engines	May 1974	1,667,000m^2
Hofu Plant	Nishinoura District	Plant Ⅰ(H1)	Mazda3	September 1982	792,000m^2
		Plant Ⅱ(H2)	Mazda6, Mazda3	February 1992	
	Nakanoseki District		Automatic transmissions, Manual transmissions	December 1981	537,000m^2

(as of March 31, 2006)

Press Kogyo Co., Ltd.	Onomichi Plant	Mazda E-Series (Titan Dash), Mazda E-Series (Bongo truck), Mazda E-Series (Bongo Brawny truck) *1

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 the Engine Plant.
J80 and J100 vans are Ford-brand vehicles.
*1 For export only

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); Germany (Oberursel), and China (Shanghai).

	Name	Location	Primary Business
Japan	Head Office R&D Divisions	Hiroshima	・Product and engineering planning ・Design development ・Product development ・Advanced research for significant new technology
	Mazda R&D Center (Yokohama)	Yokohama	・Advanced product engineering planning ・Advanced design survey research and development ・Product development and new technology development ・Advanced research for significant new technology
U.S.A.	Mazda North American Operations (MNAO)*	Irvine, California Flat Rock, Michigan	Product planning, advanced product development, design, market research, engineering studies, accessory development, evaluation testing and tuning, vehicle certification procedures June 1988 (originally as MRA in 1986)
Europe	Mazda Motor Europe G.m.b.H. (MME) European R&D Centre	Oberursel, State of Hessen, Germany	Product planning, advanced product development, design and modeling, research, trend and engineering studies, accessory development, evaluation testing and tuning, vehicle certification procedures December 1987 (Originally as Mazda Motor Corporation, Europe R&D Representative Office)
China	Mazda Motor (Shanghai) Business Management & Consulting Co., Ltd. China Engineering Support Center	JiaDing District, Shanghai	Market reasearch, trend and engineering studies in the Chinese market, technical support for R&D, purchasing, quality assurance and service activities in Nanjing, Chanchun and Hainan

* 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, Hiroshima, Japan	June 1965	1,667,000m^2	The main proving ground; a comprehensive facility for developing basic vehicle performance. 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.
Mine Proving Ground	Mine-shi Yamaguchi, Japan	May 2006	602,000m^2	Ongoing development of test course facilities that are currently unavailable at the Miyoshi Proving Ground in order to further promote product improvements.
Kenbuchi Proving Ground	Kenbuchi-cho, Kamikawa-gun, Hokkaido, Japan	January 1990	4,700,000m^2	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, Kasai-gun, Hokkaido, Japan	January 2002	260,000m^2	The second proving ground in Hokkaido is for developing vehicle functions for differing conditions in various climates. Mainly performs development tests for safe-driving systems such as ABS, TCS, and DSC under frozen conditions.

*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, 2006)

	Employees		Total
	Men	Women	
Plant Workers	9,110	162	9,272
Office/Technical Staff	9,401	1,220	10,621
Total	18,511	1,382	19,893

Workforce summary

Fiscal year end	Employees			Average Age of Employees	Average Length of Service (Years)
	Men	Women	Total		
2006	18,520	1,390	19,910	40.9	19.5
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) Safety and health

Mazda has formulated a new “Safety and Health Creed,” putting safety and health at the forefront of its corporate activities, and declared safety and health initiatives to be a top priority to be advanced throughout the company. Safety and health are the driving forces for a vibrant workplace and energetic workforce. Currently, the scope of this campaign is being expanded and continuous improvements are being sought to make Mazda an industry leader in safety and health control standards.

Goals of Safety and Health Activities

Safety	Aiming for a safe and accident-free workplace through increasing safety features in equipment and eliminating careless behavior.
Hygiene	Aiming for the creation of a comfortable workplace through improvements in working environment and operations.
Health	Aiming for reductions in sick leave and improvements in health through employee lifestyle reviews and mental health management.
Accident Prevention	Aiming for the prevention of accidents and fires through comprehensive risk management.
Transportation	Aiming for improvement in traffic safety awareness among all employees so they become role models, encouraging safe driving attitudes throughout society.

(3) Recent major personnel policies

(as of March 31, 2006)

Programs	Content	Start-up Date
Human Rights Counseling and Investigation Desk	In conjunction with the Female Employee Counseling Office, a 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. The center was expanded to care for 40 children in April 2005, and a sports ground was completed in March 2006.	April 2002
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
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
Family of Experts System	This system allows employees who do not wish to retire to be re-employed the day after retiring, in order to pass on their technical skills and knowledge or continue a specialist project. They have the option of one-year, renewable full-time contracts, up to the legal age limit of 65. In order to be rehired, retirees must meet company standards as well as occupational standards that cover the skills and experience required for each job.	April 2006

(4) Educational facilities (as of March 31, 2006)

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. Approx. 5,000 participants/month
Mazda Technical College	Recent high school graduates and selected employees	Hiroshima, Japan (Ujina District, Hiroshima)	April 1988	Ministry of Health, Labour and Welfare authorized company college (2 year curriculum) Cultivating technicians and skilled production staff. Capacity: 64 students/each grade
Etre College of Business Arts	From sales managers to sales staff of dealerships in Japan	Osaka and Hiroshima, Japan See page 6	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. Approx. 500 participants (Hiroshima), 150 participants (Osaka)/year
Technical Service Training Center 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. Approx. 1,600 participants/year
Technical Service Training Center Mazda Training Center Yokohama	Service staff in Japan	Yokohama, Kanagawa, Japan	November 2002	Technical service training for dealership service staff in Japan. Business training for dealership staff in Japan. Approx. 500 participants/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). 4,700 participants/year
Nishinoura Education Center, Hofu Plant	Employees	Hofu, Yamaguchi, Japan	August 1982	Training for management, administrative, engineering, and production staff. Approx. 500 participants/month
Skill Training Center, Hofu Plant	Employees	15 facilities in Nishinoura District, 4 facilities in Nakanoseki District, Hofu, Japan	Nishinoura: September 1982 Nakanoseki: 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). Nishinoura 1,500 participants/year; Nakanoseki 150 participants/year

(5) Employee education program (as of March 31, 2006)

Programs	Content	Reference
Business skills training program (New position courses, Optional courses)	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.	FY2005 figures: 17 optional courses, approx. 1,100 participants 10 optional e-learning courses, approx. 3,100 participants 9 new position courses, total approx. 1,500 participants
Technical skills training program (New position courses, Leadership courses)	Targeting technical staff, training is mainly focuses on individual growth and team building skills. Designed to supplement training provided by individual departments.	FY2005 figures: 4 leadership courses, approx. 600 participants 4 new position courses, total approx. 900 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 Conducted 6 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 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. Total number of participating technicians: 373 National Skills Competition: 27 champions, 145 prize winners World Skills Competition: 4 champions, 12 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. Total number of participating technicians: 33, (7 champions, 19 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 Completed master accreditation (technical meister): 39 employees in total Complete apprentice accreditation: 83 employees in total

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. Refer to "9. Mazda's Efforts to Strengthen the Mazda Brand" 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 and its dealerships to hear the 'voice of the customer,' gaining feedback and using their valuable opinions to further improve customer satisfaction.

Established: Feb. 1984 Staff: 50 employees (as of March 31, 2006)

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

Used by approx. 76,000 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

In 1962 Mazda initiated the Quality Control Circle to better provide its customers with satisfying products. Then in 1978, the company-wide Mazda Quality Initiative was implemented to spread quality improvements throughout Mazda's products, services and employee performance. Two new techniques, the globally recognized "Six Sigma," and "Quality Engineering," were combined with the Quality Control Circle in 2004. These activities are still alive today, continually improving the quality of everything that Mazda does for its customers.

- QC circles at Mazda have participated in the 'All Japan QC Circles Conference' (at Hibiya Public Hall, Tokyo) nine times, including five successive participations since 2001. The circles were honored to receive a General Manager Gold Prize Award three times.
- In fiscal year 2005, one of the Ujina Plant's QC circles was awarded a Kaoru Ishikawa Medal by the Union of Japanese Scientists and Engineers at the 'National QC Circles Conference.' This was the sixth time, and the fifth consecutive year that Mazda was awarded a medal.)

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.

* Department names may have changed since receiving awards.

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 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.

1. Service Skills Competition

This competition has been held since 1963 in order to improve the technical skills of our service personnel. Currently, the Japanese competition is divided into two separate contests, with Mazda and Mazda Anfini dealerships participating in one, and the other for Mazda Autozam dealerships. Similar programs are held in each overseas region and country, the victors progressing to the world final. The second "Worldwide Service Skills Competition," held in August 2006, included 2 teams from domestic dealerships.

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 marks the 18th such event. The presentations are held annually in all eight national blocks at the end of the year, with the winning dealership (group) announcing their results.

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.

(as of March 31, 2006)

World Wide Brand Positioning (WWBP)	
<Personality>	＜Product＞
・Stylish ・Insightful ・Spirited	・Distinctive Design ・Exceptional Functionality ・Responsive Handling and Performance

"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	Launch Year	Overseas Names	Domestic Cumulative Production*1	
Demio	1996	Mazda Demio/Mazda2	965,982	*3
Familia	1964	Mazda 323	10,594,212	*4
Verisa	2004	-	33,809	
Axela	2003	Mazda3	861,139	
Atenza	2002	Mazda6	615,694	
RX-8	2003	Mazda RX-8	148,317	
Roadster	1989	Mazda MX-5*2	761,921	
Premacy	1999	Mazda Premacy, Mazda5	382,280	
MPV	1988	Mazda MPV, Mazda8	991,491	
Tribute	2000	Mazda Tribute	119,016	*5
-	2006	Mazda CX-7	17	
Carol	1962	-	OEM supplied	*6
AZ-Wagon	1994	-	OEM supplied	
AZ-Offroad	1998	-	OEM supplied	
Spiano	2002	-	OEM supplied	

*1 As of March 31, 2006
*2 Has the sub-name of "Miata" in North America.
*3 Includes "Ford Festiva Mini Wagon" production.
*4 Includes "Ford Laser Lidea" production.
*5 Includes "Ford Escape" production.
*6 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	Launch Year	Overseas Names	Domestic Cumulative Production*1
Bongo (van/truck)	1966	Mazda E-Series (van/truck)	1,842,769
Bongo Brawny (van/truck)	1983	Mazda E-Series (van/truck)	840,903
-	1961	Mazda B-Series (pickup truck)	N.A.
Titan/Titan Dash	1971	Mazda T-Series	1,708,308
BT-50	2006	Mazda BT-50	-
Familia van	1964	-	OEM supplied
Scrum (van/truck)	1989	-	OEM supplied

*1 As of March 31, 2006

(3) Special needs 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: 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, Mazdaspeed Axela, Atenza, Mazdaspeed Atenza, MPV, RX-8, Roadster, Scrum wagon, AZ-Offroad, AZ-Wagon

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

July 1981: Overall winner (first time for a Japanese automaker) at Belgium's Spa-Francorchamps 24 Hour Endurance Race (Savanna RX-7)
February 1987: Overall winner of the World Rally Cup Swedish Rally (Familia 4WD)
September Savanna RX-7 exceeds 100 cumulative victories in the IMSA, GTO and GTU class (United States)
June 1991: First place (first time for a Japanese automaker) at Le Mans 24 Hour Endurance Race (Mazda 787B)

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.

11. Environmental Protection 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:

In August 2006, Mazda introduced the “Mazda Green Plan 2010” which sets specific targets, including: reducing fuel consumption and exhaust emissions, decreasing the use of environmentally harmful materials and increasing recyclability.

Overview of the Mazda Green Plan 2010

Initiatives	FY2010 targets	FY2005 results
Cleaner exhaust emissions	Japan - Achieve the Super Ultra Low Emission Vehicle (SU-LEV) standard in most of its passenger vehicles.	Japan - The SU-LEV standard was achieved for the Mazda MPV, Premacy (Mazda5), Demio (Mazda2), Atenza (Mazda6), Verisa, and Axela (Mazda3). - Mazda achieved the standard for 92.3% of its passenger vehicles (75.1% for SU-LEV and 17.2% for U-LEV).
	US - Promote introduction of low-emission vehicles that meet Tier2/LEV2 regulations.	US - The Tier2/LEV2 regulations were met for most vehicles.
	Europe - Develop and launch next-generation clean diesel vehicles.	Europe - DPF engine models were introduced for the Mazda3, Mazda5, and Mazda6.
Improved fuel economy	Japan - Continue to meet the fuel efficiency standards for 2010 for all weight classes of passenger vehicles, and promote further improvements in fuel economy for the Japanese market.	Japan - The 2010 fuel efficiency standards were achieved for all passenger vehicles except for the 1.5-ton passenger vehicle class.
	US - Continue to meet the Corporate Average Fuel Economy (CAFE) regulations, which are expected to become stricter in the future.	US - For both passenger cars and commercial vehicles, CAFE fuel economy standards were achieved.
	Europe - Promote reduction of the corporate average CO_2 emissions.	Europe - Corporate average CO_2 emissions were reduced by 4.6g/km from the FY2004 level（internal calculation）.

Initiatives	FY2010 targets	FY2005 results
Vehicle weight reduction	- Achieve Mazda's target vehicle weight.	- Plans to reduce vehicle weight were pursued, such as installing aluminum bonnets and trunk lids on the Mazda MX-5.
Vehicle noise reduction	- Meet Mazda's voluntary standards for noise reduction, which are stricter than the latest noise regulations.	- The vehicle noise reduction level for all vehicles met Mazda's voluntary standard figures.
Development of alternative fuel vehicles	- Develop and introduce more vehicles equipped with the hydrogen rotary engine.	- Mazda commenced leasing of the world's first hydrogen rotary engine cars, the Mazda RX-8 Hydrogen RE, and delivered one vehicle each to two energy-related companies. - The Premacy Hydrogen RE Hybrid was exhibited at the Tokyo Motor Show (2005).
	- Promote development of hybrid vehicles.	- Ten Tribute Hybrids were donated to the Orange County Fire Authority in California, in the United States.
	- Promote development of alternative fuel technologies for biomass fuels and synthetic fuels.	-Technology that enables use of B5 was introduced in Europe.
Reduce the use of environmental substances of concern	- Hexavalent chromium: zero use by the end of 2006	-Use of hexavalent chromium in some parts was eliminated through development of a substitution technique.
	- Lead: zero use (except for exempt parts)	- Use of lead was eliminated (except for exempt parts).
	- Mercury: zero use (except for exempt parts)	- Use of mercury was eliminated (except for exempt parts).
	- Cadmium: zero use	- Use of cadmium was eliminated (except for exempt parts).
	- Reduce the amount of refrigerants used in car air-conditioners: reduce the use of hydrofluorocarbons (HFCs) by 20% or more from the FY1995 level.	- Technologies which reduce the amount of HFCs by 10% or more compared to the FY1995 level were installed in the Mazda2, Verisa, Mazda3, Mazda5, Mazda6, MX-5, RX-8 and the Mazda MPV.
	- Promote development and application of new alternative air-conditioner refrigerants less harmful than CFCs, such as HFC134a.	- Mazda carried out research into new refrigerants for car air-conditioners that are less harmful to the environment.
Reduce amount of volatile organic compounds (VOCs) in vehicle cabin space	- Conform with the indoor aerial concentration guideline values stipulated by the Japan Ministry of Health, Labour and Welfare in all new models.	- A body sealer with reduced VOC emissions was adopted. - Measured to lower VOC emissions were employed for some interior parts. - A deodorizing filter with an aldehyde removal feature was offered as an option on core models.
End-of-life vehicle recycling (at the development stage)	- Create new vehicles that are easy to disassemble and recycle.	- The new MPV and MX-5 achieved a recyclability ratio of 90% or more.
	- Develop state-of-the-art bumper recycling technology and to use recycled materials for new vehicle parts.	- Recycled bumper material was used for the Mazda MPV as well as the RX-8.
	- Promote the development of bioplastics that have sufficient quality, strength and heat resistance to be used for interior parts.	- A high strength and heat resistant bioplastic was developed thanks to a joint industry-government-academia project.

Initiatives	FY2010 targets	FY2005 results
Reduction of waste substances	- Eradicate all landfill waste from domestic production operations.	- Direct landfill waste was reduced to 0.5% (356 tons/year) of FY1990's figure. - Stopped the incinerators as planned.
	- Reduce the consumption of packaging and wrapping materials by 30% from the FY1999 level.	- Reduced the consumption of packaging and wrapping materials by 20.5% from the FY1999 level.
Prevention of global warming	- Cut domestic production operations' CO_2 emissions by 10% compared to FY1990.	- Achieved a 24.2% emissions cut compared to FY1990.
	- Cut logistics operations' CO_2 emissions by 15% compared to FY1999.	- Achieved a 12% CO_2 emissions cut from logistics operations' compared to FY1999.
Vehicle recycling promotion	- Achieve 2015 regulation values ahead of time: Automobile Shredder Residue (ASR) recycling ratio: 70%; Total vehicle recycling ratio: 95%	An ASR recycling ratio of 63% and an effective total vehicle recycling ratio of 94% were achieved.
	- Collect more waste bumpers from Mazda dealerships in Japan.	- Collected 52,476 pieces.
Reduce VOC emissions	- Reduce VOC emissions to 30g/m^2 of coated surfaces.	- VOC emissions were reduced to 34.3g/m^2 of coated surfaces.
Promotion of cooperative activities with suppliers	- Promote the creation of environmental management systems (EMSs) at suppliers; Maintain and improve EMSs for suppliers.	- Achieved ISO14001 certification in 97% of major suppliers.
Promotion of environmental protection activities by sales companies	Japan - Create EMSs in consolidated dealers (19 companies). Gradually expand the scope to include major dealerships from FY2006.	Japan - The materials for MECA21 (Mazda's Environment Care Approach 21) confirmation sheets and business process were developed to ensure their introduction during FY2006. MECA21 introduction and trials commenced during the first half of FY2006.
Promotion of environmental protection activities with parts dealers	Japan - Introduce Mazda EMS at Mazda parts dealers (13 companies).	Japan EMS construction activities started at parts dealers（EMS explanatory meetings, with training seminars at five pilot companies).
Promotion of communications with society as a whole	- Host and positively participate in environmental events.	- Exhibited at the "Eco Car World" and Environmental Exhibition (at Mazda Museum) in Japan. - Published the *Social and Environmental Report 2005*.
Promotion of social contribution activities	- Participate actively in voluntary neighborhood clean-up activities. - Dispatch lecturers for environmental education.	- Participated in voluntary neighborhood clean-up activities. - Dispatched lecturers for environmental education.

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:

Active Safety Technologies (help prevent accidents from occurring) Improved driver field of vision/visibility and operability, high braking performance that supports accident-prevention maneuvers, improved handling and stability.
Passive Safety Technologies (help protect vehicle occupants in case of accident) In addition to the core safety protection of the 'Mazda Advanced Impact-energy Distribution and Absorption System', and 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.
Advanced Safety Features (Supports safe and smooth driving) Mazda actively participates in the Advanced Safety Vehicle (ASV) and the Advanced cruise-assist Highway Systems (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 on a crosswalk, an injury reduction system that can anticipate whiplash-causing rear end collisions, and a driver support system that utilizes roadway infrastructure.

(3) Safety awareness

- Endorsing mandatory seatbelt usage and safe driving speeds
- 'Safe Driving' Internet campaign
- Proactively encouraging people to wear seatbelts in the back seat, etc.

(4) Main safety features and technologies

1) Mazda Pre-crash Safety System

Front sensors judge the likelihood of an impact with the car in front or an obstacle on the road and alert the driver (possibly via an alarm). Additionally, if the system judges that the driver has failed to perform an evasive maneuver and a collision is inevitable, it will automatically apply the brakes to decrease the impact speed, and activate motors which pre-tension the seatbelts to minimize slack in the seatbelt webbing and restrain occupants even more effectively.

2) AFS (Adaptive Front Lighting System)

The low-beam headlights swivel left and right in response to speed and steering changes in order to illuminate the driver's intended path. The system acts to increase the field of vision and enable easier identification of features such as curves and intersections when driving at night. It has been combined with an auto-leveling feature that monitors the vehicle's height and adjusts the headlights' pitch to maintain a stable beam.

3) Parallel Parking Support System
The screen displays a projected parking orbit in response to steering wheel input from three cameras positioned inside the front grille, the rear fender and left door mirror. It assists the driver to view otherwise hard to see areas such as just behind the vehicle and around the bumpers, and provides vocal instructions to aid parking. It is also useful when driving down narrow lanes and navigating around tight corners, and helps prevent the wheels from getting stuck or veering off the road.

4) 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 since 1997. The H-shaped construction was further evolved with the Atenza (Mazda6) that went on sale in 2002, realizing more advanced collision safety.

5) Crashworthiness development using MDI (Mazda Digital Innovation)
Digital modeling is used for crash simulation before a prototype vehicle is made. In this way, a wide variety of tests can be carried out at 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 crash safety performance.

6) SRS* curtain and front side airbag system
With this system, airbags deploy to cover the front and rear door windows and pillar areas to minimize injuries to occupants' head area.
*Supplemental Restraint System

7) Crushable brake pedal
These are brake pedals with a collapsible construction to keep the pedals from being driven into the driver's feet and minimize injuries in the event of a frontal collision.

8) Impact 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 to the neck area. Additionally, the front seat structure has a seatback mechanism in which the seatback moves rearward to reduce impact to the neck area if there is a rear end collision.

9) ISO-FIX child seat anchoring mechanism with top tether (rear seat, both sides)
Fixed anchors for child seats that comply with "ISO-FIX type" 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 impact.

10) Pedestrian safety
Mazda 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.

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,' etc.
Social welfare	・'Postcard & Telephone Card Collection Campaign' as donations for social welfare equipment. ・Participation in 'V Heart Hiroshima,' a prefectural volunteer activities association, etc.
Environmental protection	・Cleanup activities in the local community and area around the Head Office district. ・Vehicle idling prevention ('idling stop') activities, etc.
Sports	・Investor in the Hiroshima Toyo Carp and Sanfrecce Hiroshima as well as dispatch of staff. ・Sponsors Hiroshima International Peace Marathon and Inter-Prefectural Men's 'Ekiden' Road Relay. ・Mazda Community 'Ekiden' Road Relay, etc.
Other activities	・Mazda Specialist Bank dispatches lecturers and experts. ・Mazda Volunteer Center dispatches volunteers, etc.

<Hofu Plant District>

Community exchange	・Plant tour open to the public. ・Participation in 'Hofu Flea Market' ・Participation in Hofu area community events such as the Hofu Festival, Hadakabo Festival, Fish Festival and the Setsubun festival at the Hofu Tenmangu Shrine. ・"We Love Hofu Campaign": A group originally formed in April 1993 consisting of 35 companies in the Hofu area (where the Mazda plant is located) under the slogan "companies are citizens too." The objective of campaign is to contribute to the revitalization of the city. Currently, some 160 companies are members of the campaign group. The secretariat is located in the General Affairs Dept. of the Hofu plant.
Environmental protection	・Cleanup activities in the local communities, Hofu and Yamaguchi, and the area around the Hofu Plant.
	・Exhibit at the "Yamaguchi Iki-Iki Eco Fair"
Sports	・Co-host of sporting events such as the Mazda Invitational Youth Soccer Tournament.
	・Participation, support and volunteer water supplier at the "Hofu Yomiuri Marathon"
Other activities	・Sponsor of the Mazda 'Ekiden' Road Relay
	・Hosts high school exchange students from high schools in Monroe, Michigan, USA.
	・Participation in the Traffic Safety Festa in Hofu

<Miyoshi Office District>

Community exchange	・Engine plant tours open to both public and technical trainees ・Participation in regional events such as the 'Miyoshi Kinsai Festival' and the 'Shobara Yoitoko Festival.'
Social welfare	・Donates some of the proceeds from the Mazda Corner at the Miyoshi Festival of industry to a welfare fund
Environmental protection	・Cleanup activities in the local community and the area around the Miyoshi Proving Ground, such as the Miyoshi Sakura Festival Hall Cleanup and cleaning the Miyoshi Ukai fishing pier.

<Mazda R&D Center Yokohama District>

Community Exchange Projects	・ Open to the public through events such as the Design and Technology Exhibition.
Social welfare	・ Participates in community service activities in conjunction with owners clubs and various nonprofit organizations. Examples ・ Holds a Charity Flea Market ・ Contributes to Make a Wish Foundation (to make the dreams of incurably sick children come true) ・ Holds an event to allow children in a juvenile nursing institution to experience riding in an open-top car ・ Particiaption in the local community via a staff member posing as Santa Claus at a social welfare institution, who distributes presents from a Mazda2 with a White Canvas Top instead of a sleigh.

(2) Overseas Contributions

Donated funds to Hurricane Katrina disaster relief and provided the financial means to establish Mazda Foundation New Zealand in Fiscal Year 2005

(3) Mazda Group Overseas Social Activites

North America	Loaned 30 clean-burning, fuel-efficient prototype Tribute Hybrid Electric Vehicles (HEVs) to fire agencies in southern California. Supports organisations such as Stop Gap, the Juvenile Diabetes Research Foundation International, and vehicle safety organizations.
Thailand	Provided a Mazda3 to the Chiang Mai-Hiroshima Peer Group; a volunteer group that helps HIV sufferers.
Europe	Contributes to AISM (Italian Association for Multiple Sclerosis), and provided an MPV to Peter Pan (a hospital transport service)
South Africa	Established the Mazda Wildlife and Environment Society in 1990 to assist in wildlife animal protection, environmental education, technical training, regional development and job creation.

(4) Foundation activities

(As of June 31, 2006)

<Japan: The Mazda Foundation>

Established in	October 1984
Administered by	Ministry of Education, Culture, Sports, Science and Technology
Endowment	1 billion yen
Board members	Chairperson Mutsumi Fujiwara, 13 Executive board members, 2 Auditors
Addresses	3-1 Shinchi, Fuchu-cho, Aki-gun, Hiroshima 730-8670 Japan
	TEL(082)285-4611 FAX(082)285-4612 http://mzaidan.mazda.co.jp
Financial report for main programs (Cumulative)(as of Apr. 1, 2006)	・ Research grants: 659 total grants, 934.88 million yen ・ Project grants: 512 total grants, 136.43 million yen ・ Total: 1,171 projects, 1,071.31 million yen ・ Lectures, symposiums: 24 held ・ University courses established (Guest lecturers, etc.): At five universities during FY2005
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.	

<USA: The Mazda Foundation (USA), Inc. >

Established in	September 1990
Endowment	$9 million USD
Board members	Chairperson James J. O'Sullivan (MNAO President and CEO), 4 Executive Board Members
Addresses	1025 Connecticut Ave., NW, Suite 910, Washington, DC 20036
URL	http://www.mazdafoundation.org/
Financial report	$5 million USD (Cumulative)
Organizations supported by the Mazda Foundation	Reading Is Fundamental®, Dillard University, Hispanic Scholarship Fund, Mission Hospital, Second Harvest Food Bank, Shoes That Fit, Student Conservation Association, The New Detroit Science Center and Youth For Understanding.
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 education, preserve and enrich the environment at state and national parks, promote cross-cultural understanding, and support medical research.	

<Australia: The Mazda Foundation >

Established in	August 1990
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), 5 external directors
Addresses	385 Ferntree Gully Road, Notting Hill, Victoria 3149, Australia
URL	http://www.mazdafoundation.org.au/
Financial report	A$3.4 million (Cumulative)
Established with initial grants from Mazda Motor Corporation and Mazda Australia, the foundation provides assistance to youth education, environmental conservation and technology promotion, and contributes to welfare. Since then it has been supported by contributions from Mazda Australia, Mazda dealers and public donations in Australia, and provided a number of projects and activities.	

<New Zealand: The Mazda Foundation >

Established in	November 2005
Endowment	Initial endowment of NZ$150,000 from Mazda Motor Corporation and Mazda Motors of New Zealand
Board members	Managing Director, Mazda Motors of New Zealand and 5 other directors
Addresses	70 Plunket Avenue, Wiri, Manukau City, Auckland 1730, New Zealand
URL	http://www.mazdafoundation.org.nz/
Financial report	NZ$210,000 (Cumulative) (June 30, 2006)
Established with the aim of providing assistance to individuals and organizations that are conducting projects to improve New Zealand's environment, culture and education. Its initiatives include providing computers to tutor hospitalized children, national environmental conservation projects, sponsoring cultural events and providing equipment for schools. Through these projects, Mazda is increasing its level of participation in the community.	

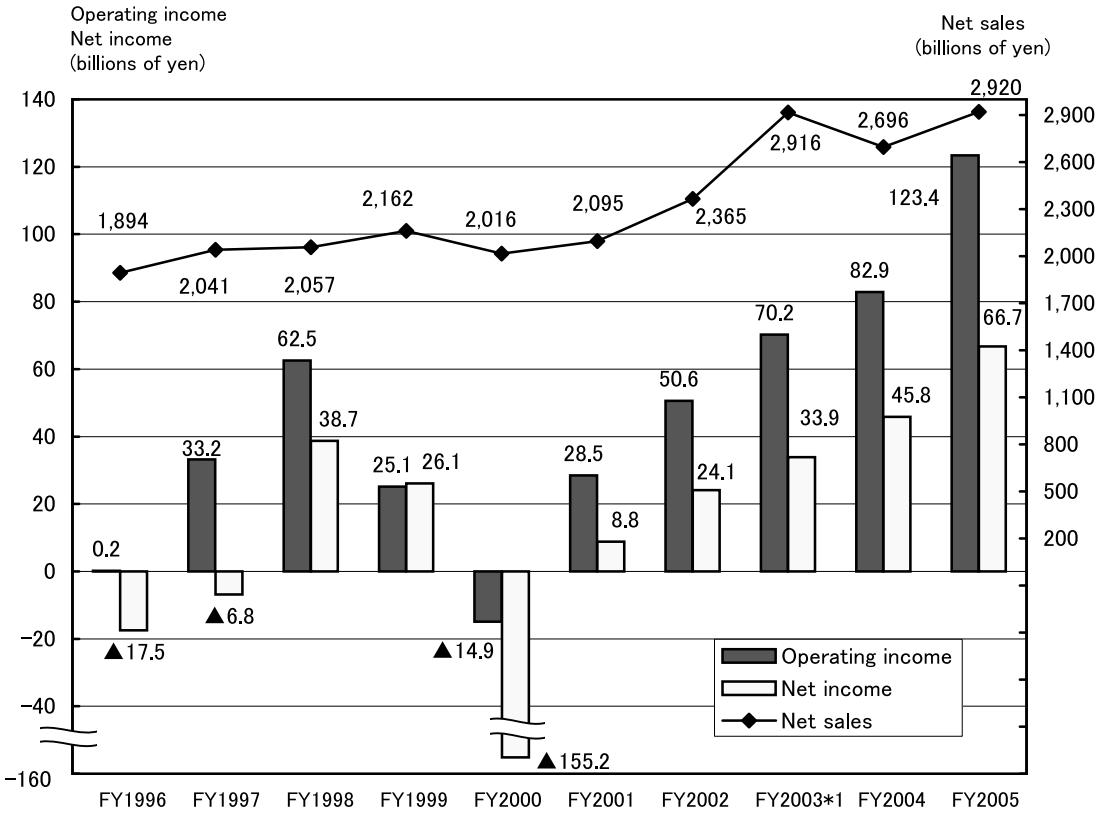
<Colombia: Fundacion Mazda >

Established in	December 1990
Board members	CCA Executive President and 4 external members
Addresses	Calle 13 No. 38-54 Bogota, Colombia
URL	http://www.mimazda.com/
Financial report	Col$ 5,292.2 (Cumulative)
Founded in 1990, Mazda decided to contribute to Colombian society through education and cultural promotion initiatives, and by providing grants for top students in physics, mathematics and arts, such as classic music. It has also sponsored concerts to bring into the country classical musicians from different countries, and has invited more than 120,000 people. Within the education strategy it has also promoted research projects among students on Classical Medieval studies, and supported the "Young Mazda Musician" contest.	

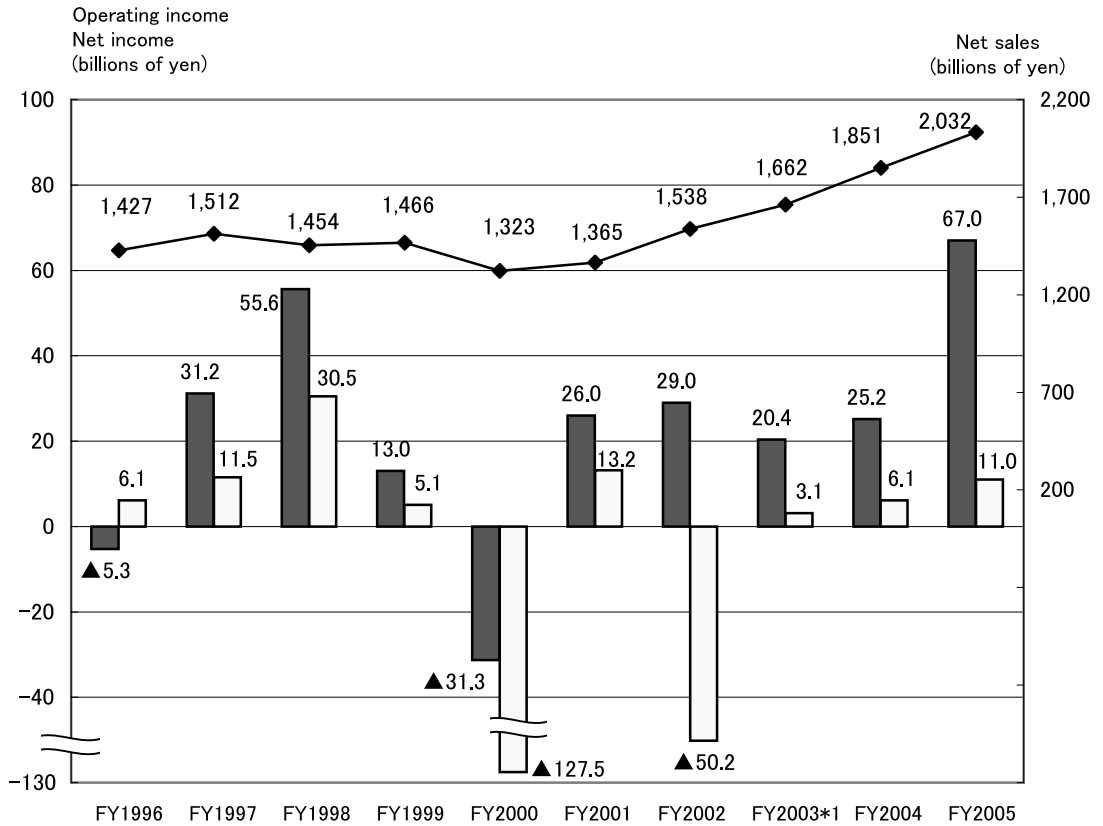
Ⅱ Operating Results

1. Trends in Operating Results

(1) Consolidated



(2) Unconsolidated



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.

(3) Trends in net sales by reportable segment

(Upper figure: Unconsolidated basis, Lower figure: Consolidated basis) (billions of yen)

Segment	FY 2001	FY 2002	FY 2003*1	FY 2004	FY 2005
Vehicle	1,045.0	1,135.9	1,197.5	1,384.1	1,525.1
	1,483.1	1,735.4	2,159.1	1,972.6	2,121.5
Parts for Overseas Production	59.5	103.9	159.5	162.3	154.1
	59.6	74.6	127.5	123.8	123.8
Parts	121.7	119.2	129.4	132.5	148.5
	147.9	147.6	209.8	194.0	227.7
Other	138.2	178.4	175.3	172.2	204.4
	404.1	406.7	419.7	405.1	446.9
Total	1,364.6	1,537.6	1,661.7	1,851.2	2,032.1
	2,094.9	2,364.5	2,916.1	2,695.6	2,919.8

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	FY 2001	FY 2002	FY 2003*1	FY 2004	FY 2005
	Domestic (Japan)	(billions of yen)	811.0	818.3	846.2	845.6	887.7
	Overseas	(billions of yen)	1,283.9	1,546.2	2,069.9	1,850.0	2,032.1
Net sales		(billions of yen)	2,094.9	2,364.5	2,916.1	2,695.6	2,919.8
Operating income/loss		(billions of yen)	28.5	50.6	70.2	82.9	123.4
Ordinary income/loss		(billions of yen)	19.2	40.7	58.0	73.1	101.5
Income/loss before tax		(billions of yen)	15.5	28.1	54.1	73.8	117.5
Net income/loss		(billions of yen)	8.8	24.1	33.9	45.8	66.7
Capital investment		(billions of yen)	56.6	44.0	45.6	67.9	72.1
Depreciation and amortization		(billions of yen)	44.8	36.9	37.9	40.0	45.8
R&D cost		(billions of yen)	94.9	87.8	87.8	90.8	95.7
Total assets		(billions of yen)	1,734.8	1,754.0	1,795.6	1,767.8	1,788.7
Net worth		(billions of yen)	172.8	194.0	222.6	267.8	398.0
Financial debts		(billions of yen)	686.3	678.2	630.4	528.1	455.4
Net financial debts		(billions of yen)	456.9	403.5	358.1	313.5	246.8
Cash flows*2		(billions of yen)	30.6	47.0	49.1	35.9	33.6
	Domestic (Japan)	(thousands of units)	288	294	291	294	290
	Overseas	(thousands of units)	660	723	934	810	859
Sales volume		(thousands of units)	948	1,017	1,225	1,104	1,149
Number of employees			37,824	36,184	35,627	35,680	36,626

2) Unconsolidated

Item		Unit	FY 2001	FY 2002	FY 2003*1	FY 2004	FY 2005
	Domestic (Japan)	(billions of yen)	561.7	587.5	622.2	630.0	670.8
	Exports	(billions of yen)	802.9	950.1	1,039.5	1,221.2	1,361.3
Net sales		(billions of yen)	1,364.6	1,537.6	1,661.7	1,851.2	2,032.1
Operating income/loss		(billions of yen)	26.0	29.0	20.4	25.2	67.0
Ordinary income/loss		(billions of yen)	28.3	24.5	12.0	17.0	60.2
Income/loss before tax		(billions of yen)	20.1	-43.3	5.6	15.2	58.9
Net income/loss		(billions of yen)	13.2	-50.2	3.1	6.1	11.0
Net income/loss per share		(yen)	10.85	-41.14	2.51	5.05	8.48
Dividend per share		(yen)	2	2	2	3	5
Avg. exchange rate	1 US$	(yen)	125	122	113	108	113
	1 EUR	(yen)	110	121	133	135	138
Capital investment		(billions of yen)	46.8	35.6	35.5	58.6	56.7
Depreciation and amortization		(billions of yen)	32.2	23.9	26.6	27.5	30.8
R&D cost		(billions of yen)	63.3	72.9	74.8	82.4	80.0
Total assets		(billions of yen)	1,373.1	1,373.6	1,412.7	1,408.6	1,395.6
Net worth		(billions of yen)	447.4	397.8	398.4	401.5	465.5
Financial debts		(billions of yen)	433.4	476.1	461.7	435.9	348.5
Net financial debts		(billions of yen)	280.0	306.1	261.8	288.0	210.1
	Domestic (Japan)	(thousands of units)	287	300	303	308	311
	Exports	(thousands of units)	534	572	590	686	752
Sales volume		(thousands of units)	821	872	893	994	1,063
Production volume		(thousands of units)	730	777	811	813	904
Number of employees*3			18,698	18,191	18,077	18,359	18,995

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)

	Passenger Cars	Commercial Vehicles	Total
CY 2005	806,064	58,865	864,929
CY 2004	758,269	60,461	818,730
CY 2003	733,295	67,789	801,084
CY 2002	716,117	57,301	773,418
CY 2001	657,241	72,038	729,279
CY 2000	697,686	80,454	778,140
CY 1999	705,134	76,357	781,491
CY 1998	706,562	131,617	838,179
CY 1997	688,478	180,531	869,009
CY 1996	599,446	174,121	773,567

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

Fiscal year (units)

	Passenger Cars	Commercial Vehicles	Total
FY 2005	838,760	65,460	904,220
FY 2004	759,779	52,993	812,772
FY 2003	742,773	68,560	811,333
FY 2002	719,259	57,423	776,682
FY 2001	661,294	68,677	729,971
FY 2000	659,918	78,025	737,943
FY 1999	726,855	78,036	804,891
FY 1998	707,593	110,883	818,476
FY 1997	703,695	169,432	873,127
FY 1996	596,884	184,479	781,363

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

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

Calendar year (units) (as of March 31, 2006)

Models	CY 2003	CY 2004	CY 2005	Cumulative Production
Passenger Cars				
Mazda Demio/Mazda 121 Metro/Mazda2	89,286	82,304	71,594	944,001
Mazda Verisa	0	14,384	15,707	30,091
Mazda 323/Mazda Protegé/Ford Laser Lidea	154,405	11,240	5,720	10,592,412
Mazda 626/Ford Telstar	2,080	1,460	1,220	4,346,499
Mazda6	174,699	142,406	141,185	574,022
Mazda3	86,452	316,524	364,668	767,644
Mazda Millenia/Mazda Xedos 9	274	0	0	230,427
Mazda MX-5/Mazda MX-5 Miata	30,106	24,232	29,950	748,904
Mazda RX-7	0	0	0	811,634
Mazda RX-8	60,100	50,813	27,837	138,750
Mazda Premacy/Ford Ixion/Mazda5	30,948	24,592	83,288	355,018
Mazda MPV/Mazda8	75,702	67,989	50,163	988,735
Mazda Tribute/Ford Escape	26,063	19,911	13,005	118,741
Mazda Bongo Friendee/Ford Freda	3,020	2,214	1,727	167,433
Mazda Bongo Wagon	160	200	0	41,895
Other passenger cars	0	0	0	5,921,057
Sub-total	733,295	758,269	806,064	26,777,263
Commercial Vehicles				
Mazda E–Series (Bongo van/truck)	48,679	45,530	45,719	1,829,926
Mazda E–Series (Bongo Brawny van/truck)	6,496	5,247	6,454	839,444
Mazda T–Series	12,614	9,684	6,692	1,706,351
Other commercial vehicles	0	0	0	7,394,844
Sub-total	67,789	60,461	58,865	11,770,565
Total	801,084	818,730	864,929	38,547,828
Rotary engine vehicles	60,100	50,813	27,837	1,942,797
Diesel engine vehicles	84,387	89,685	71,515	4,333,012

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, 2006)

Models	FY 2003	FY 2004	FY 2005	Cumulative Production
Passenger Cars				
Mazda Demio/Mazda 121 Metro/Mazda2	88,627	78,898	73,568	965,982
Mazda Verisa	0	19,473	14,336	33,809
Mazda 323/Mazda Protegé/Ford Laser Lidea	97,927	9,840	5,160	10,594,212
Mazda 626/Ford Telstar	1,760	1,380	780	4,346,499
Mazda6	160,807	145,184	148,375	615,694
Mazda3	161,787	337,377	361,975	861,139
Mazda Millenia/Mazda Xedos 9	214	0	0	230,427
Mazda MX-5/Mazda MX-5 Miata	24,647	18,115	41,514	761,921
Mazda RX-7	0	0	0	811,634
Mazda RX-8	75,736	38,708	33,873	148,317
Mazda Premacy/Ford Ixion/Mazda5	30,760	30,677	97,022	382,280
Mazda MPV/Mazda8	72,293	60,214	51,007	1,001,058
Mazda Tribute/Ford Escape	25,685	18,317	9,406	119,016
Mazda Bongo Friendee/Ford Freda	2,370	1,396	1,727	167,433
Mazda Bongo Wagon	160	200	0	41,895
Mazda CX-7	0	0	17	17
Other passenger cars	0	0	0	5,921,057
Sub-total	742,773	759,779	838,760	27,002,390
Commercial Vehicles				
Mazda E–Series (Bongo van/truck)	49,102	40,914	50,680	1,842,769
Mazda E–Series (Bongo Brawny van/truck)	6,302	4,318	7,475	840,903
Mazda T–Series	13,156	7,761	7,305	1,708,308
Other commercial vehicles	0	0	0	7,394,844
Sub-total	68,560	52,993	65,460	11,786,824
Total	811,333	812,772	904,220	38,789,214
Rotary engine vehicles	75,736	38,708	33,873	1,952,364
Diesel engine vehicles	80,483	89,680	84,859	4,365,206

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 2005	197,851	41,189	239,040	38,916	10,775	49,691	288,731	
CY 2004	198,363	41,247	239,610	33,286	9,612	42,898	282,508	*1
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	

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 2005	192,576	40,821	233,397	41,542	12,081	53,623	287,020	
FY 2004	200,396	42,903	243,299	32,921	9,974	42,895	286,194	*1
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	

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 2003	CY 2004	CY 2005	
Passenger Cars				
Carol	3,760	6,200	9,707	
AZ-Offroad	367	443	578	
Laputa	2,219	2,381	1,758	
AZ–Wagon	19,060	25,799	25,674	
Spiano	8,730	6,424	3,472	
Demio (Mazda Demio/Mazda 121 Metro/Mazda2)*2	88,157	75,753	67,046	
Verisa	0	12,810	16,352	
Familia (Mazda 323/Mazda Protegé)	9,062	1,350	4	
Premacy	11,283	6,590	28,883	
Capella (Mazda 626)	5	0	0	
Atenza (Mazda6)	25,854	18,717	17,208	
Axela (Mazda3)	5,522	29,917	26,332	
Tribute	2,022	3,326	2,364	
Millenia (Mazda Millenia/Mazda Xedos 9)	461	15	0	
Roadster (Mazda MX–5 /Mazda MX-5 Miata)	1,520	1,646	3,657	
RX-7	398	1	0	
RX-8	14,627	11,504	7,749	
Bongo Friendee	—	2,497	1,201	*1
MPV	34,570	32,286	25,215	
Other passenger cars	2,082	1,951	1,840	
Sub-total	229,699	239,610	239,040	
Commercial Vehicles				
Scrum	9,134	9,612	10,775	
Bongo Friendee	3,172	—	—	*1
Bongo Series (Mazda E–Series)	16,627	16,878	20,237	
Bongo Brawny Series (Mazda E–Series)	3,347	2,033	2,925	
Titan, Titan Dash (Mazda T –Series)	11,873	10,771	11,889	
Other commercial vehicles	3,837	3,604	3,865	
Sub-total	47,990	42,898	49,691	
Total	277,689	282,508	288,731	

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

*2 Overseas names are written in parentheses.

Fiscal year (units)

Models	FY 2003	FY 2004	FY 2005	
Passenger Cars				
Carol	3,543	8,534	9,154	
AZ-Offroad	343	485	647	
Laputa	2,150	2,211	1,411	
AZ–Wagon	21,567	26,338	26,383	
Spiano	8,100	5,335	3,226	
Demio (Mazda Demio/Mazda 121 Metro/Mazda2)*2	85,360	71,066	64,681	
Verisa	0	18,526	14,416	
Familia (Mazda 323/Mazda Protegé)	7,073	453	0	
Premacy	9,811	12,396	29,939	
Capella (Mazda 626)	2	0	0	
Atenza (Mazda6)	23,314	17,885	16,307	
Axela (Mazda3)	14,001	30,760	23,759	
Tribute	2,298	3,216	1,768	
Millenia (Mazda Millenia/Mazda Xedos 9)	305	2	0	
Roadster (Mazda MX–5 /Mazda MX-5 Miata)	1,594	1,377	4,910	
RX-7	133	0	0	
RX-8	18,366	10,344	7,253	
Bongo Friendee	2,748	1,777	1,663	*1
MPV	31,808	30,593	26,011	
Other passenger cars	1,898	2,001	1,869	
Sub-total	234,414	243,299	233,397	
Commercial Vehicles				
Scrum	9,182	9,974	12,081	
Bongo Friendee	—	—	—	*1
Bongo Series (Mazda E–Series)	16,784	16,519	22,010	
Bongo Brawny Series (Mazda E–Series)	3,034	1,726	3,692	
Titan, Titan Dash (Mazda T –Series)	12,213	10,998	12,123	
Other commercial vehicles	3,732	3,678	3,717	
Sub-total	44,945	42,895	53,623	
Total	279,359	286,194	287,020	

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

*2 Overseas names are written in parentheses.

4. Exports

(1) Exports summary

Calendar year (units)

	Passenger Cars	Commercial Vehicles	Total
CY 2005	603,929	5,118	609,047
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

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

Fiscal year (units)

	Passenger Cars	Commercial Vehicles	Total
FY 2005	645,086	5,539	650,625
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

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

(2) Model-based exports

Calendar year (units)

Models	CY 2003	CY 2004	CY 2005
Passenger Cars			
Mazda Demio[*1]/Mazda2	4,879	8,896	9,117
Mazda 323/Ford Laser Lidea	152,687	10,912	6,680
Mazda Premacy/Mazda5	22,952	18,788	50,777
Mazda 626	2,180	1,540	1,240
Mazda6	151,460	125,201	122,652
Mazda3	75,701	284,001	338,013
Mazda Tribute/Ford Escape	21,659	16,313	8,196
Mazda Millenia/Mazda Xedos 9	1	0	0
Mazda MX-5[*2]	29,054	23,153	25,264
Mazda RX-8	42,428	41,832	19,408
Mazda MPV/Mazda8	44,162	38,201	22,582
Other passenger cars	160	200	0
Sub-total	547,323	569,037	603,929
Commercial Vehicles			
Mazda T-Series	718	562	220
Mazda E-Series	5,960	6,582	4,898
Other commercial vehicles	0	0	0
Sub-total	6,678	7,144	5,118
Total	554,001	576,181	609,047

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

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

*2 Has the sub-name of 'Miata' in North America.

Fiscal year (units)

Models	FY 2003	FY 2004	FY 2005
Passenger Cars			
Mazda Demio[*1]/Mazda2	4,963	8,816	9,200
Mazda 323/Ford Laser Lidea	95,821	9,640	5,120
Mazda Premacy/Mazda5	21,744	16,607	67,118
Mazda 626	1,760	1,480	820
Mazda6	138,861	127,474	131,156
Mazda3	143,808	301,349	339,291
Mazda Tribute/Ford Escape	22,708	13,413	5,987
Mazda Millenia/Mazda Xedos 9	1	0	0
Mazda MX-5[*2]	22,860	16,728	36,204
Mazda RX-8	55,414	28,906	25,967
Mazda MPV/Mazda8	40,433	30,669	24,208
Mazda CX-7	0	0	15
Other passenger cars	160	200	0
Sub-total	548,533	555,282	645,086
Commercial Vehicles			
Mazda T-Series	525	461	260
Mazda E-Series	6,190	5,243	5,279
Other commercial vehicles	0	0	0
Sub-total	6,715	5,704	5,539
Total	555,248	560,986	650,625

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

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

*2 Has the sub-name of 'Miata' in North America.

(3) Export markets and number of importers/distributors

(as of March 31, 2006)

	Number of Destinations	Number of Importers/ Distributors	Dealerships (w/sales and Service Outlets)
Asia	14	14	554
Europe	38	28	2,516[*1]
North America	3	3	878
Oceania	14	14	185

*1 As of January 2006

	Number of Destinations	Number of Importers/ Distributors	Dealerships (w/sales and Service Outlets)
Central & South America	38	40	329
Middle East	13	12	191
Africa	21	21	233

5. Overseas Vehicle Production

(1) Summary of overseas vehicle production

Calendar year (units)

	Passenger Cars	Commercial Vehicles	Total
CY 2005	207,409	73,807	281,216
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 2005	229,449	77,382	306,831
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 2003	CY 2004	CY 2005
Passenger Cars			
Mazda 323	50,920	60,840	51,400
Mazda Premacy	15,580	19,200	20,080
Mazda6	106,140	139,360	117,680
Mazda3	0	8,520	12,889
Mazda Tribute	5,580	5,800	5,360
Other passenger cars	0	0	0
Sub-total	178,220	233,720	207,409
Commercial Vehicles			
Mazda B-Series	52,021	62,551	62,007
Mazda T-Series	10,580	19,420	11,800
Other commercial vehicles	0	0	0
Sub-total	62,601	81,971	73,807
Total	240,821	315,691	281,216

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 2003	FY 2004	FY 2005
Passenger Cars			
Mazda 323	50,460	59,920	52,520
Mazda Premacy	15,340	19,920	23,680
Mazda6	119,000	128,780	130,540
Mazda3	0	11,240	17,169
Mazda Tribute	4,960	6,420	5,540
Other passenger cars	0	0	0
Sub-total	189,760	226,280	229,449
Commercial Vehicles			
Mazda B-Series	54,178	62,098	65,042
Mazda T-Series	10,420	19,540	12,340
Other commercial vehicles	0	0	0
Sub-total	64,598	81,638	77,382
Total	254,358	307,918	306,831

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

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 Car of the Year Japan."

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.
- 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 vehicle.
- 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 29th 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 9001certification, 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.
- Mark Fields is appointed president.

2000

- 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.

- Cumulative production at AAT reaches 100,000 units.
- Mazda introduces MDI Ⅲ.
- Mazda introduces brand new Titan Dash.
- Mazda introduces brand new Tribute.

2001

- 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 MZR1.3/1.5L next generation engines.
- 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 36th 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.

2003

- 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.

- 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's 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 invests nearly 14 billion yen in new digital technology for future product development.
- Commences operations at retooled Ujina Plant No. 2.
- Mazda's RENESIS wins category 2.5-3.0 liter of International Engine of The Year for second year running.
- 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 tests 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 Premacy/Mazda5 exhibited at the 38th Tokyo Motor Show.
- Mazda Hydrogen Rotary RX-8 gets permission to test on public roads.
- Establishes Mazda Motor de Mexico to form official sales network.
- MX-Crossport concept debuts at 2005 North American International Auto Show.
- Ujina Plant No.1 fire.

2005

- Ford, Mazda and Changan Automotive Group gain government approval for new assembly plant in Nanjing.
- Newly-renovated Mazda Museum opens.
- Introduces all new Mazda5 packed with innovative ideas.
- Hydrogen fuel filling station starts operations.
- All-new Mazda MX-5 unleashed at the Geneva Motor Show.
- Establishes Mazda Motor (Shanghai) Business Management & Consulting Co., Ltd.
- Mazda MX-5 3rd Generation Limited debuts at New York International Auto Show.
- FAW Mazda Motor Sales Co., Ltd. (FMSC) holds opening ceremony.
- Commences an advanced automobile technology research project with the Hiroshima University Graduate School Engineering Research Dept.
- Mazda/Ford/Changan Automobile Nanjing engine production company joint venture contract signed.
- Operation of Ujina Plant No.1 paint line recommences.
- Wins Asahara Prize Science Promotion Award.
- Achieves bumper-to-bumper recycling.
- Gary A. Roe appointed President and CEO of AAI.
- Japan dealers sales staff uniforms redesigned.
- Mazda Global Environmental Charter revised. Mazda Environmental committee strengthened.
- Mazda Motor (Shanghai) Business Management & Consulting Co., Ltd. founded.

- Develops world's first steel-to-aluminum friction spot welding technology.
- Releases FY2004 end-of-life vehicle recycling results.
- Increases production of Mazda3 in Japan.
- Implements 55-point Action Plan to Prevent Global Warming.
- Opens China Engineering Support Center.
- Launches new generation MX-5.
- Establishes sales company, Mazda South East Asia, Limited, in Thailand.
- Fully redesigns Mazda Scrum Wagon and Scrum Van.
- Changan Ford Mazda Engine Co., Ltd. facility groundbreaking in Nanjing.
- Introduces next-generation telematics service Mazda G-BOOK ALPHA.
- Acquires all shares in New Zealand distributor, Mazda Motors of New Zealand Ltd.
- Campus grid computing used to achieve practical vehicle collision analysis in Hiroshima.
- Mazda MX-5 wins 2005-2006 Japan Car of the Year.
- Introduces "Family of Experts" human resources system.
- Increases MZR engine production (1.8-liter to 2.3-liter) to 705,000 units per annum.

2006

- Sales company "Mazda Motor Rus OOO" founded (operations begin in April 2006).
- Mazda and Mitsubishi Corporation establish new energy supply company for Japan operations.
- Announces the All-New Mazda CX-7 crossover SUV for the North American market.
- Launches all-new Mazda MPV.
- Mazda donates Tribute Hybrids to Orange County Fire Authority in California.
- Production of the Mazda3 begins at Changan Ford plant.
- Mazda MPV production reaches one million units.
- Establishes a new sales company in Indonesia.
- Global reveal of the Mazda BT-50 at 2006 Bangkok International Motor Show.
- Global production of the Mazda6 reaches one million units.
- Expands rollout of advanced customer relations presentation tools, "Visual IT Presentation", to Japanese dealers.
- Begins commercial leasing of world's first rotary hydrogen vehicle (RX-8 Hydrogen RE).
- Launches NR-A model MX-5 in Japan.
- Strengthens Madza/Ford/Changan Automobile partnership in China.
- Debuts all-new crossover SUV, CX-9, at New York International Motor Show.
- Mazda Autozam sales channel in Japan cumulative sales reach one million units.
- Delivers two rotary hydrogen vehicles to Hiroshima City and Prefecture government authorities.
- Wins the Asahara Prize Technology Promotion Award and the Asahara Design Award.
- Reports record profits for fiscal year 2005.
- Develops high-strength heat-resistant bioplastic with Hiroshima area partners.
- Holds opening ceremony for Mine Proving Ground.

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.
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.

Date		Event
2005	Jan.	Mazda, Ford, and Changan Auto Group receive Chinese government approval to build new joint venture Nanjing vehicle manufacturing plant.
	Apr.	Mazda, Ford and Changan Auto Group conclude contract for joint venture Nanjing engine plant.
	Sep.	Changan Ford Mazda Engine Co., Ltd. established in Nanjing and ground-breaking ceremony held.
2006	Mar.	Mazda invests in Changan Ford, the name is changed to Changan Ford Mazda Automobile Co., Ltd.

(2) Joint business with Ford Motor Company

Company	Country	Established	Investment Ratio	Primary Business
AutoAlliance International, Inc.	U.S.A.	June 1992 (Originally established as MMUC Jan 1985)	Mazda 50%, Ford 50%	Manufacturer and wholesaler of automobiles
AutoAlliance (Thailand) Company Limited	Thailand	November 1995 (Operation start-up in May 1998)	Mazda 45%, Ford 50%, 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%, Visteon International Holdings Inc. 33.3%, Matsushita Electric Industrial Company Ltd. 33.3%	Manufacturer of air conditioning units
Changan Ford Mazda Automobile Co.,Ltd.	China	April 2001	Mazda 15%, Ford 35%, Changan Auto Group 50%	Manufacture and sales of automobiles
Changan Ford Mazda Engine Co.,Ltd.	China	September 2005	Mazda 25%, Ford 25%, Changan Auto Group 50%	Manufacture and sales of automobile engines

(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 Auto 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 Co., Ltd.
	Jun.	Opening ceremony of Mazda Motor (Shanghai) Business Management & Consulting Co., Ltd.
	Aug.	China Engineering Support Center established at Mazda Motor (Shanghai) Business Management & Consulting Co., Ltd.
	Sep.	Changan Ford Mazda Engine Co., Ltd. established in Nanjing and ground-breaking ceremony held.
2006	Mar.	Mazda invests in Changan Ford, the name is changed to Changan Ford Mazda Automobile Co., 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.
2005	May	Mazda South East Asia, Limited established in Bangkok.
2006	Mar.	Mazda BT-50, Mazda MX-5 and Mazda3 exhibited at 2006 Bangkok Interbational Motor Show.

3. Overseas Subsidiaries and Affiliates

Overseas subsidiaries*1 (as of March 31, 2006)

Company	Abbrev.	Location	Established	Representative	Primary Business
Mazda Motor of America, Inc.*2	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	Don Romano*3 (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)	Jorgen Olesen (Managing Director)	Dealers and Distributors of automobiles, parts and accessories in Europe
Mazda Motors UK Ltd.	MUK	Dartford, Kent, U.K.	May 2001	Robert Lindley (Managing Director)	Importer and distributor of automobiles, repair parts
Mazda Automobiles France S.A.S	MAF	Paris, France	Feb. 2001	Thierry Guillemont (President)	Importer and distributor of automobiles, repair parts
Mazda Automoviles Espana, S.A.	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 (Suisse) S.A.	MS	Petit-Lancy, Switzerland	Nov. 2001*4	Jerome de Haan (Managing Director)	Importer and distributor of automobiles, repair parts
Mazda Austria G.m.b.H.	MAG	Klagenfurt, Austria	Sep. 2003*4 (Apr. 1962)	Josef A. Schmid (Managing Director)	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 Motor Rus, OOO	MMR	Moscow, Russian Federation	Dec. 2005	Joerg Schreiber (General Director)	Importer and distributor of automobiles and repair parts
Mazda Sales (Thailand) Co., Ltd.	MST	Bangkok, Thailand	Jun. 1990	John Ray*5 (Managing Director)	Distributor of automobiles and repair parts
P.T. Mazda Motor Indonesia	PT.MMI	Jakarta, Indonesia	Feb. 2006	Yoshinori Nishihara*6 (President Director)	Distributor of automobiles and repair parts
Mazda Motor (Shanghai) Business Management & Consulting Co., Ltd.	MCO	Shanghai, China	Jan. 2005	Satoshi Tachikake (President)	Support of associated companies, marketing and public relations
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 Aitken (Managing Director)	Importer and distributor of automobiles and repair parts
Compania Colombiana Automotriz S.A.	CCA	Bogota, Colombia	Oct. 1973	Fabio Sanchez Forero (Executive President)	Assembler and wholesaler of automobiles

Note: Year and month in parentheses indicates establishment date of former company.
*1 Subsidiaries indicate a company 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 Effective from April 20, 2006
*4 The dates are when Mazda took control of these sales companies.
*5 Effective from October 1, 2006
*6 Effective from July 1, 2006

Overseas affiliates[*7]

(as of March 31, 2006)

Company	Abbrev.	Location	Established	Representative	Primary Business
AutoAlliance International, Inc.	AAI	Flat Rock, Michigan, U.S.A.	Jun. 1992[*8]	Gary A. Roe (President and CEO)	Manufacturer and wholesaler of automobiles
AutoAlliance (Thailand) Company Limited	AAT	Rayong, Thailand	Nov. 1995	Masamichi Kogai[*9] (President)	Manufacturer and wholesaler of automobiles, assembler and wholesaler of engines
FAW Mazda Motor Sales Co., Ltd.	FMSC	Changchun, China	Mar. 2005	Noriaki Yamada (President)	Importer and distributor of automobiles and repair parts
Changan Ford Mazda Automobile Co.,Ltd.	CFMA	Chongqing, China	Apr. 2001	Phil Spender (President)	Manufacturer and wholesaler of automobiles
Changan Ford Mazda Engine Co.,Ltd.	CFME	Nanjing, China	Sep. 2005	Motohide Tatsukawa (President)	Manufacturer and wholesaler of automobile engine

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

*7 Affiliates indicate a company with a Mazda capital investment between 20% and 50%, or an equity-method affiliate.

*8 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 Motor Company was started.

*9 Effective from April 28, 2006

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