

April 28, 2005

To Whom It May Concern:

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Decrease of the Legal reserves

This is to notify you, as detailed below, that at the board meeting held on April 28, 2005, Mazda decided to propose the Decrease of the Legal reserves to our 139th Ordinary General Meeting of Shareholders to be held on June 24, 2005.

1.The purpose of the Decrease of the Legal reserves

Both for the source of the dividend from the next fiscal year and preparing for the flexible reaction in case of the business environment changes.

2.The amount of the Decrease of the Legal reserves

(1)Decrease the Capital reserve 74,248,263,272 yen from 104,433,122,034 yen to 30,184,858,762 yen.

(2)Decrease all the Earned surplus reserve 15,751,736,728 yen to zero.

3.The method of the Decrease

Decrease of the Capital reserve 74,248,263,272 yen is to be transferred to the Other capital surplus
Earned surplus reserve 15,751,736,728 yen is to be transferred to the Unappropriated profit.

4.The schedule for the Decrease of the Legal reserves

(1)BOD approval date May 12, 2005
of the agenda for the Shareholders meeting

(2)Shareholders meeting approval date June 24, 2005

Effective date of the Decrease is going to be late in July 2005 after the term when the creditors can claim for.

(Note)The above contents are under the condition that the bill "Decrease of the Regal reserves" is approved at our 139th Ordinary General Meeting of shareholders to be held on June 24, 2005.