

March 22, 2012
Mazda Motor Corporation
Takashi Yamanouchi
Representative Director, President and CEO
Code No. 7261
Contact: Keiichi Wakabayashi
General Manager, Corporate Communications Division
Phone: Tokyo (03)35085056
Hiroshima (082)2825253

**Notice concerning Determination of the Number of New Shares
to be Issued by Capital Increase by way of Third-Party Allotment**

Mazda Motor Corporation (the “Company”) announces that, in relation to the issuance of new shares by way of third-party allotment, which was resolved at the meeting of the Board of Directors held on February 22, 2012, it has been notified by the allottee, SMBC Nikko Securities Inc., that it has elected to subscribe for all of the shares to be issued thereby as set forth below:

1. Number of New Shares 119,250,000 shares
(Number of shares issuable: 119,250,000 shares)
2. Total Amount to be Paid ¥ 14,176,440,000
(¥ 118.88 per share)
3. Amount of Stated Capital and Additional Paid-in Capital to be Increased The amount of stated capital to be increased ¥ 7,088,220,000
The amount of the additional paid-in capital to be increased ¥ 7,088,220,000
4. Subscription Period Monday, March 26, 2012
(Subscription Date)
5. Payment Date Tuesday, March 27, 2012

[For Reference]

1. This capital increase by way of third-party allotment was resolved at the meeting of the Board of Directors held on February 22, 2012, simultaneously with the issuance of new shares by way of primary offering (Public Offering) and the secondary offering of shares (Secondary Offering by way of Over-Allotment).

Note: This press release does not constitute an investment solicitation for any securities for sale. This press release has been prepared for the purpose of publicly announcing certain matters relating to the number of new shares to be issued in connection with the capital increase by way of third-party allotment, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. This press release does not constitute an offer of investment in nor solicitation for purchase of its shares of common stock within the United States. The Company has not, and will not, registered any of its shares of common stock under the U.S. Securities Act of 1933. The securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933. No offer of securities for sale in the United States will be made in connection with the above-mentioned transactions.

For the details of the capital increase by way of third-party allotment, please see “Notice Concerning Issuance of New Shares, Secondary Offering of Shares and Subordinated Loan Financing” announced on February 22, 2012 and “Notice concerning Determination of Issue Price and Selling Price and Other Matters relating to Issuance of New Shares and Secondary Offering of Shares” announced on March 5, 2012.

2. Change in the Total Number of Issued Shares as a Result of Capital Increase by way of Third-Party Allotment

Total number of issued shares at present:	2,880,127,399 shares (as of March 12, 2012)
Increase in the number of shares as a result of the capital increase by way of third-party allotment:	119,250,000 shares
Total number of issued shares after the capital increase by way of third-party allotment:	2,999,377,399 shares

3. Use of Proceeds to be Raised

Out of proceeds from the public offering of new shares and the capital increase by way of third-party allotment, which will be 144,207,720,000 yen in total, 40,000,000,000 yen is planned to be used for: (a) equity/debt investments with respect to the construction of the automobile and engine assembly factories and the facility investments by the Company’s subsidiary in Mexico and which is expected to start operations during the fiscal year ending March 2014 and (b) equity/debt investments with respect to the facility investments by equity-method affiliates to be newly incorporated in Russia and ASEAN countries. Also, 30,000,000,000 yen is planned to be used for manufacturing facility investments with respect to environmental and safety vehicles using SKYACTIV technology, and 74,207,720,000 yen is planned to be used for the research and development of the next-generation of environmental and safety technologies to further improve the environmental function of internal-combustion systems and to expand the use of electric device technologies.

The Company has stated in the “Structural Reform Plan”, which supplements the “Framework for Medium- and Long-term Initiatives” it issued in February 2012, that the Company will reinforce its business in emerging markets and establish a global production footprint, and the Company will revamp its income structure by heightening resistance to foreign exchange ratio fluctuations by strengthening its overseas manufacturing and sales footprint through investments in Mexico, Russia and ASEAN countries.

Further, the Company will make steady investments in facilities for manufacturing automobiles equipped with SKYACTIV technology to be introduced in the future, and will expand strategic investments and development, including development of next-generation environmental and safety technologies through further evolution of the existing SKYACTIV technology.

The detailed spending schedule is as follows:

Note: This press release does not constitute an investment solicitation for any securities for sale. This press release has been prepared for the purpose of publicly announcing certain matters relating to the number of new shares to be issued in connection with the capital increase by way of third-party allotment, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. This press release does not constitute an offer of investment in nor solicitation for purchase of its shares of common stock within the United States. The Company has not, and will not, registered any of its shares of common stock under the U.S. Securities Act of 1933. The securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933. No offer of securities for sale in the United States will be made in connection with the above-mentioned transactions.
--

(Thousands of yen)

Use of Proceeds	Contents	Fiscal Year ending March 2013	Fiscal Year ending March 2014	Fiscal Year ending March 2015	Total
Investment and Loan Program Funds	Construction of factories and automobile manufacturing facilities in Mexico	—	20,000,000	10,000,000	30,000,000
	Automobile manufacturing facilities in Russia	—	2,500,000	2,500,000	5,000,000
	Automobile manufacturing and sales facilities in ASEAN countries	5,000,000	—	—	5,000,000
Facility Investment	Manufacturing facilities for automobile using environmental and safety technologies at Hiroshima and Hofu Plants	10,000,000	10,000,000	10,000,000	30,000,000
Research and Development	Development of next-generation environmental and safety technologies	25,000,000	25,000,000	24,207,720	74,207,720
Total		40,000,000	57,500,000	46,707,720	144,207,720

For the details of the total amount stated in the facility investment plan of the Company and its consolidated subsidiaries for the fiscal year ending March 2013 to fiscal year ending March 2015, please see “Notice Concerning Issuance of New Shares, Secondary Offering of Shares and Subordinated Loan Financing” announced on February 22, 2012.

- End -

Note: This press release does not constitute an investment solicitation for any securities for sale. This press release has been prepared for the purpose of publicly announcing certain matters relating to the number of new shares to be issued in connection with the capital increase by way of third-party allotment, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. This press release does not constitute an offer of investment in nor solicitation for purchase of its shares of common stock within the United States. The Company has not, and will not, registered any of its shares of common stock under the U.S. Securities Act of 1933. The securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933. No offer of securities for sale in the United States will be made in connection with the above-mentioned transactions.