

February 5, 2014
Mazda Motor Corporation
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Code No. 7261

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Notice Concerning Consolidation of Shares, Change in the Number of Shares Per Share Unit, and Change in the Total Number of Shares that May Be Issued

Mazda Motor Corporation (hereinafter the “Company”) hereby announces that at its Board of Directors meeting on February 5, 2014 it resolved to submit a proposal for the consolidation of shares (at a rate of one share for every five shares), a change in the number of shares per share unit (from 1,000 shares to 100 shares), and a change in the total number of shares that may be issued (from 6 billion shares to 1.2 billion shares) to the Company’s 148th ordinary general meeting of shareholders to be held in June 2014 as described below. A resolution regarding the submission of these matters, including the partial revision of the Articles of Incorporation, to the ordinary general meeting of shareholders, is to be submitted at the Board of Directors meeting in May 2014.

1. Consolidation of Shares

(1) Purpose of consolidation

Under their “Action Plan for the Consolidation of Share Trading Units,” Japan’s stock exchanges, including the Tokyo Stock Exchange, seek to standardize the stock trading units of listed domestic corporations at 100 shares. As a listed corporation, the Company respects the purport of this plan and will change its shares per share unit to 100 shares. The Company will also consolidate five shares into one share in order to achieve an investment unit deemed desirable by Japan’s stock exchanges (50,000 yen or more and less than 500,000 yen) after the change in the share unit. Through the consolidation of shares, the Company would also like to make its total number of outstanding shares more appropriate relative to its market capitalization in comparison with other corporations in the same industry or of approximately the same size listed on the Tokyo Stock Exchange (first section).

(2) Details of consolidation

(i) Class of stock to be consolidated: Common stock

(ii) Consolidation plan and ratio: Consolidates every five shares to one share on Friday, August 1, 2014 by the number of shares held by shareholders listed in the Register of Shareholders as of the end of the day on Thursday, July 31, 2014

(iii) Decrease in number of shares due to consolidation

Number of outstanding shares before consolidation (as of September 30, 2013)	2,999,377,399
Decrease in number of shares after consolidation	2,399,501,920
Number of outstanding shares after consolidation	599,875,479

Note: “Decrease in number of shares after consolidation” and “Number of outstanding shares after consolidation” are theoretical values calculated based on the number of outstanding shares before consolidation and the consolidation ratio.

(3) Decrease in number of shareholders due to consolidation

After the consolidation of shares, 885 shareholders who hold less than five shares (the total number of shares held by those shareholders is 1,395) will lose their status as shareholders.

However, these shareholders may, up until the effective date of the consolidation of shares, ask the Company to sell an amount of shares that will, when added to the shares of less than one share unit held by the shareholder, constitute the number of shares in one full unit of shares in accordance with Paragraph 1, Article 194 of the Companies Act and Article 9 of the Company's Articles of Incorporation, or to purchase their shares constituting less than one share unit in accordance with Paragraph 1, Article 192 of the Companies Act.

Shareholder Composition as of September 30, 2013

No. of Shares Held	No. of Shareholders (%)	No. of Shares Held (%)
Total	121,220 (100.0%)	2,999,377,399 (100.0%)
Less than 5 (1 - 4)	885 (0.7%)	1,395 (0.0%)
5 or more	120,335(99.3%)	2,999,376,004 (100.0%)

(4) Handling of fractional shares

If a fraction of less than one share is created due to the consolidation of shares, such fractional shares will be sold together in accordance with Article 235 of the Companies Act, and the proceeds will be distributed to shareholders who held the fractional shares in proportion to the number of fractional shares they held.

(5) Conditions for consolidation

The consolidation of shares is subject to approval at the Company's 148th ordinary general meeting of shareholders to be held in June 2014 and to the approval at the said ordinary general meeting of the proposal to partially amend its Articles of Incorporation, including the change in the share unit and the change in the total number of shares that may be issued.

2. Change in the Number of Shares per Share Unit

(1) Reason for change

As described in "1. Consolidation of Shares (1) Purpose of consolidation" above, the Company respects the purport of the "Action Plan for the Consolidation of Share Trading Units" issued by Japan's stock exchanges and will change the number of shares per share unit from 1,000 to 100.

(2) Details of change

As of Friday, August 1, 2014, the Company will change the number of common shares per share unit from 1,000 to 100.

(3) Conditions for change

The consolidation of shares is subject to approval at the Company's 148th ordinary general meeting of shareholders to be held in June 2014 and to the approval at the said ordinary general meeting of the proposal to partially amend its Articles of Incorporation, including the change in the share unit and the change in the total number of shares that may be issued.

3. Change in the Total Number of Shares that May Be Issued

(1) Purpose of change

In light of the total number of outstanding shares to be reduced through the consolidation of shares described in “1. Consolidation of Shares (2) Details of consolidation” above, the Company will change the total number of shares that may be issued from 6 billion shares to 1.2 billion shares in line with the consolidation ratio.

(2) Details of change

As of Friday, August 1, 2014, the Company will change the total number of shares that may be issued from 6 billion shares to 1.2 billion shares.

(3) Conditions for change

The consolidation of shares is subject to approval at the Company’s 148th ordinary general meeting of shareholders to be held in June 2014, and to the approval at the said ordinary general meeting of the proposal to partially amend its Articles of Incorporation, including the change in the share unit and the change in the total number of shares that may be issued.

4. Schedule of key events

Board of directors meeting	February 5, 2014
Board of directors meeting (resolution to call shareholders meeting)	May 2014
Ordinary general meeting of shareholders	June 2014
Effective date of consolidation of shares	August 1, 2014
Effective date of change in number of shares per share unit	August 1, 2014
Effective date of change in total number of shares that may be issued	August 1, 2014

The Company will disclose the partial revision of the Articles of Incorporation (concerning the change in the number of shares per share unit and the change in the total number of shares that may be issued) in May 2014, after passing a resolution at its meeting of the Board of Directors to submit the proposals to the ordinary general meeting of shareholders.

As described above, while the effective date of the consolidation of shares and the change in the number of shares per share unit will be August 1, 2014, the trading unit will be changed from 1,000 shares to 100 shares at the Tokyo Stock Exchange on July 29, 2014 because of share transfer procedures to be carried out after the purchase and sales of the shares.

Appendix: Questions and Answers Concerning Consolidation of Shares and Change in the Number of Shares per Share Unit

Questions and Answers Concerning Consolidation of Shares and Change in the Number of Shares per Share Unit

Q1. What is meant by the consolidation of shares and change in the number of shares per share unit?

A. A consolidation of shares is the reduction of a certain number of shares into a smaller number of shares. A change in the number of shares per share unit is a change in the number of shares that constitute a voting right at the general meeting of shareholders and in the number of shares that constitute a trading unit at a stock exchange. The Company plans to consolidate five shares into one share and change the number of shares per unit from 1,000 shares to 100 shares.

Q2. What is the purpose of the consolidation of shares and change in the number of shares per share unit?

A. Japan's stock exchanges, including the Tokyo Stock Exchange, seek to standardize the stock trading units (number of shares per share unit) of their listed domestic corporations at 100 shares to enhance the convenience of investors and others who use the market. As a company listed on the Tokyo Stock Exchange, the Company respects the purport of this plan and has decided to take action accordingly.

Japan's stock exchanges have deemed an investment unit (the price per trading unit) of 50,000 yen or more and less than 500,000 yen as desirable. From the standpoint of the current stock price level, it is possible that simply by changing the number of shares per share unit of the Company's stock to 100 shares, the investment unit will not be appropriate. Therefore the Company plans to consolidate five shares into one share at the same time. (After the consolidation of shares, 100 shares will be equivalent to 500 shares before the consolidation, so theoretically the stock price will be five times the price prior to the consolidation. But because the number of shares per share unit will be reduced to one tenth (from 1,000 to 100 shares), in essence the investment unit will be half of what it was before the consolidation.)

Through the consolidation of shares, the Company would also like to make its total number of outstanding shares more appropriate relative to its market capitalization in comparison with other corporations in the same industry or of approximately the same size listed on the Tokyo Stock Exchange (first section).

Q3. How will the number of shares held and voting rights change?

A. After the consolidation of shares, the number of shares held by shareholders will be one fifth of the total number of shares by shareholders as listed in the Register of Shareholders as of the end of July 31, 2014. (Fractions of less than one share will be rounded down.) After the consolidation, the number of voting rights will be one per 100 shares held. Specifically, the number of shares and voting rights before and after the consolidation of shares and the change in the number of shares per share unit will be as follows:

	Before Changes Take Effect		After Changes Take Effect		
	No. of Shares	No. of Voting Rights	No. of Shares	No. of Voting Rights	Fractional Shares
Example 1	2,000	2	400	4	None
Example 2	1,100	1	220	2	None
Example 3	1,026	1	205	2	0.2
Example 4	500	0	100	1	None
Example 5	453	0	90	0	0.6
Example 6	4	0	0	0	0.8

If a fraction of less than one share (hereinafter “fractional shares”) is created due to the consolidation of shares (as in Examples 3, 5 and 6 above), the Company will sell all such fractional shares together, and the proceeds will be distributed to shareholders who held the fractional shares in proportion to the number of fractional shares they held. The Company plans to send notice of the amount to be paid (the proceeds from the sale of the fractional shares) around September 2014.

By making use of the system for adding to their holdings or for the purchase of their shares prior to the effective date of the consolidation of shares, shareholders may avoid the sale of their fractional shares. For specific procedures, please contact your securities company or the Company’s stock transfer agent noted below.

In the case of shareholders whose holdings were less than five shares prior to the consolidation of shares (as in Example 6 above), upon the consolidation of shares, their holdings will become fractional shares, and they will lose their status as shareholders.

Q4. With the consolidation of shares, the number of shares held will decrease. Will this affect the asset value?

A. Before and after the implementation of the consolidation of shares, there will be no change in the Company’s assets or capital. So, except for fluctuations in the stock market and other factors, there will be no change in the asset value of the Company’s shares held by its shareholders. The number of shares will be reduced to one fifth of the number before the consolidation, but the amount of net assets per share will increase five times. Theoretically, the price of each share price will increase by five times the price prior to the consolidation of shares.

Q5. Do shareholders have to carry out any procedures?

A. No special procedures are required. As noted in Question 3 above, because holdings in the amount of less than five shares will become fractional shares as a result of the consolidation of shares, the company will sell these shares as a block and the proceeds will be distributed to shareholders who held the fractional shares in proportion to the number of fractional shares they held. Shareholders whose holdings were less than five shares prior to the consolidation of shares will lose the opportunity to hold shares in the company.

Q6. Can shareholders acquire or dispose of shares constituting less than one share unit?

A. As with the effective date of the consolidation of shares, shareholders who hold shares constituting less than one share unit which are not marketable (as in Examples 2, 3 and 5 in Question 3 above) may use make use of the system for adding to their holdings or for the purchase of their shares. For specific procedures, please contact your securities company or the Company’s stock transfer agent noted below.

Q7. What is the specific schedule?

A. The schedule is as follows:

May 2014	Board of directors meeting (resolution to call shareholders meeting)
June 2014	Ordinary general meeting of shareholders
July 17, 2014	Public notice of consolidation of shares
July 28, 2014	Final day of sales of current share unit (1,000 shares)
July 29, 2014	Company’s share unit changed to 100 shares; effect of consolidation of shares reflected in share price
August 1, 2014	Consolidation of shares, change in number of shares per share unit and change in total number of shares that may be issued take effect

Stock Transfer Agent:
Sumitomo Mitsui Trust Bank, Ltd.
Stock Transfer Agency Business Planning Dept.
2-8-4 Izumi
Suginami Ward
Tokyo, Japan 168-0063
Phone: 0120 -782-031 (toll-free in Japan)
Hours: 9 a.m. to 5 p.m. (except weekends and public holidays)