



FINANCIAL RESULTS FOR FY MARCH 2023

May 12, 2023

Mazda Motor Corporation



PRESENTATION OUTLINE

- **FY March 2023 Results**
- **FY March 2024 Forecast**
- **Overview of Initiatives in the Last 5 Years**
- **FY March 2024 Direction of Initiatives**

FY MARCH 2023 RESULTS

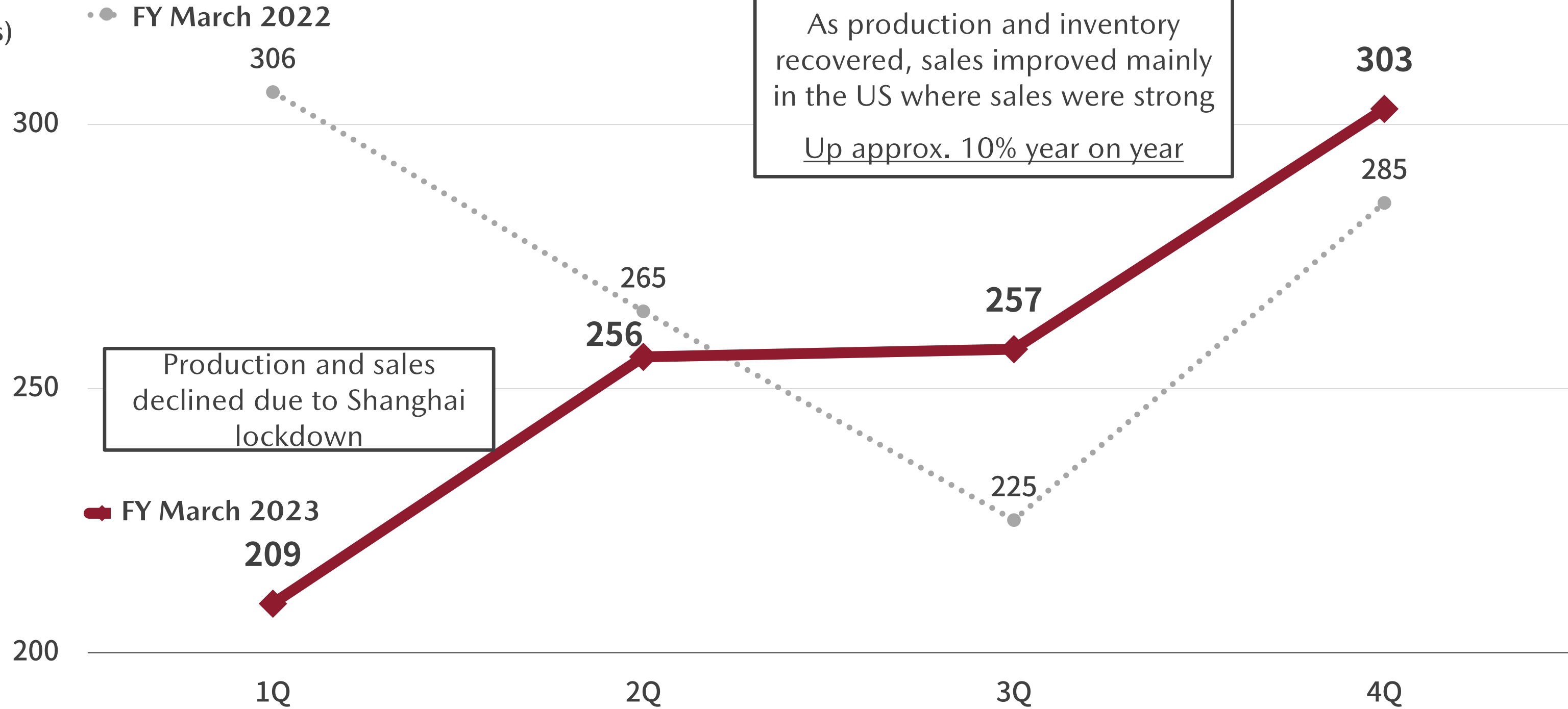
FY MARCH 2023 FULL YEAR VOLUME RESULTS

(Thousand Units)	FY March 2023			Change from Prior Year			
	1st Half	2nd Half	Full Year	1st Half	2nd Half	Full Year	
Production Volume*	503	632	1,135	+37	✓ +74	+111	+11%
Global Sales Volume							
Japan	68	97	165	+8	+8	+16	+11%
North America	181	226	407	-68	+35	-33	-7%
Europe	67	93	160	-40	+10	-30	-16%
Other Markets	150	145	294	-7	-3	-9	-3%
Sub Total (Excl. China)	465	560	1,026	-105	✓ +50	-55	-5%
China	49	35	84	-40	-45	-86	-50%
Total	514	596	✓ 1,110	-146	✓ +5	✓ -141	-11%
USA	133	168	301	-57	+26	-31	-9%
Australia	44	47	91	-12	0	-12	-12%
ASEAN	46	33	78	+14	-14	0	0%

*Based on our monthly disclosure (global production volume including volume in China, excluding vehicles received from other OEMs)

GLOBAL SALES VOLUME PERFORMANCE (EXCLUDING CHINA)

(Thousand Units)



US dealer inventory (Thousand units)

	Mar. End	Jun. End	Sep. End	Dec. End	Mar. End
FY Mar. 22	54	21	12	7	13
FY Mar. 23	13	4	12	24	29

Source: Autodata

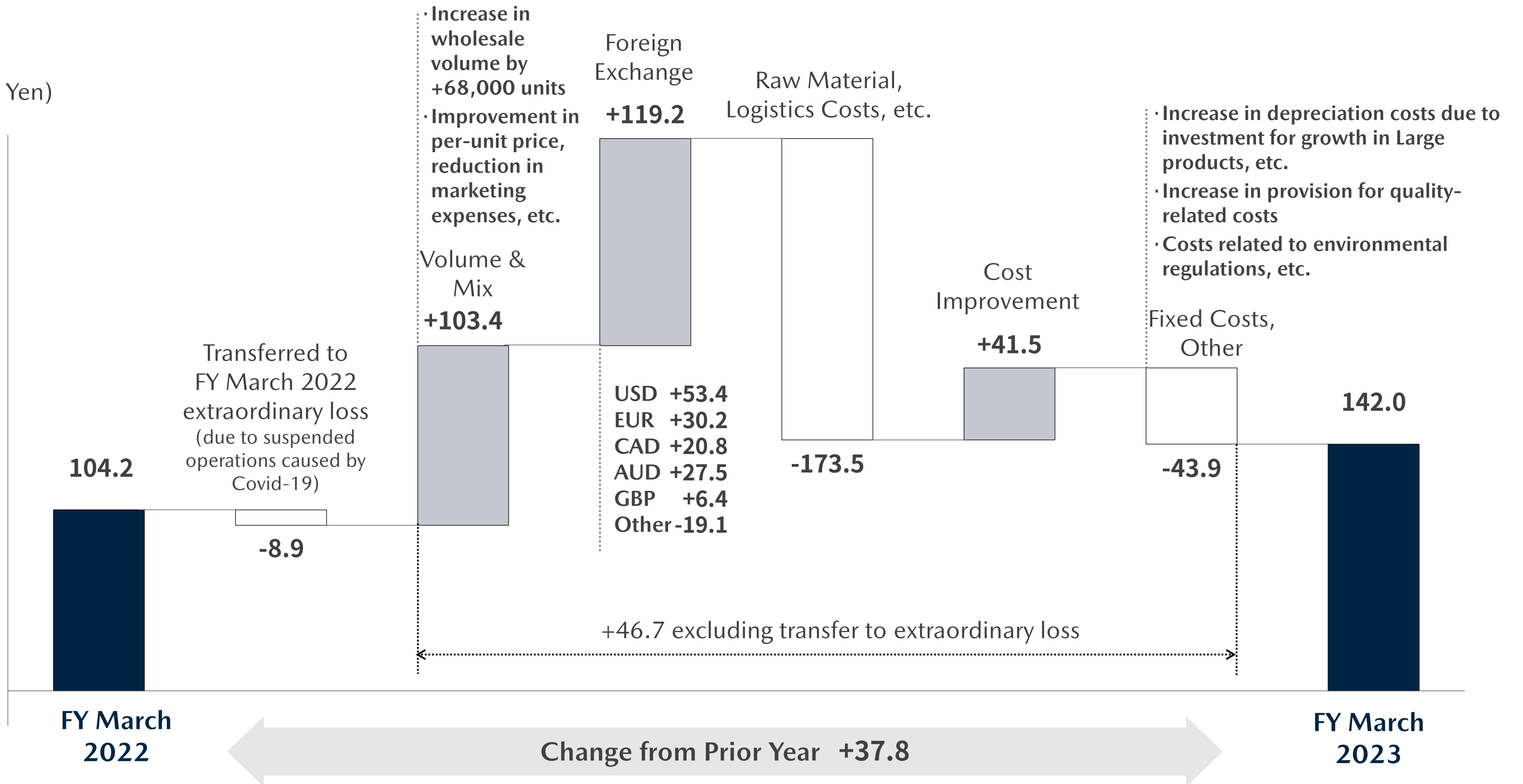
FY MARCH 2023 FULL YEAR FINANCIAL METRICS

(Billion Yen)	FY March 2023			Change from Prior Year				Change from Feb. Forecast
	1st Half	2nd Half	Full Year	1st Half	2nd Half	Full Year		Full Year
Consolidated Wholesales (Thousand Units)	450	609	✓ 1,059	-30	+99	+68	+7%	-28
Net Sales	1,642.5	2,184.3	3,826.8	+146.6	+559.9	+706.5	+23%	-73.2
Operating Income	55.2	86.8	✓ 142.0	+15.5	+22.3	+37.8	+36%	✓ -8.0
Ordinary Income	110.4	75.5	185.9	+76.5	-14.1	+62.4	+51%	+10.9
Income before Income Taxes	109.3	60.7	170.0	+73.4	-15.8	+57.6	+51%	+10.0
Net Income	85.9	56.9	✓ 142.8	+62.0	-0.8	+61.2	+75%	+2.8
Operating Return on Sales	3.4 %	✓ 4.0 %	✓ 3.7 %	+0.7 pts	0 pts	+0.4 pts		-0.1 pts
EPS (Yen)	136.3	90.4	226.7	+98.4	-1.2	+97.2		+4.5
Exchange Rate (Yen)								
US Dollar	134	137	136	+24	+22	+23		+1
Euro	139	143	141	+8	+13	+10		+1

*Net income indicates net income attributable to owners of the parent

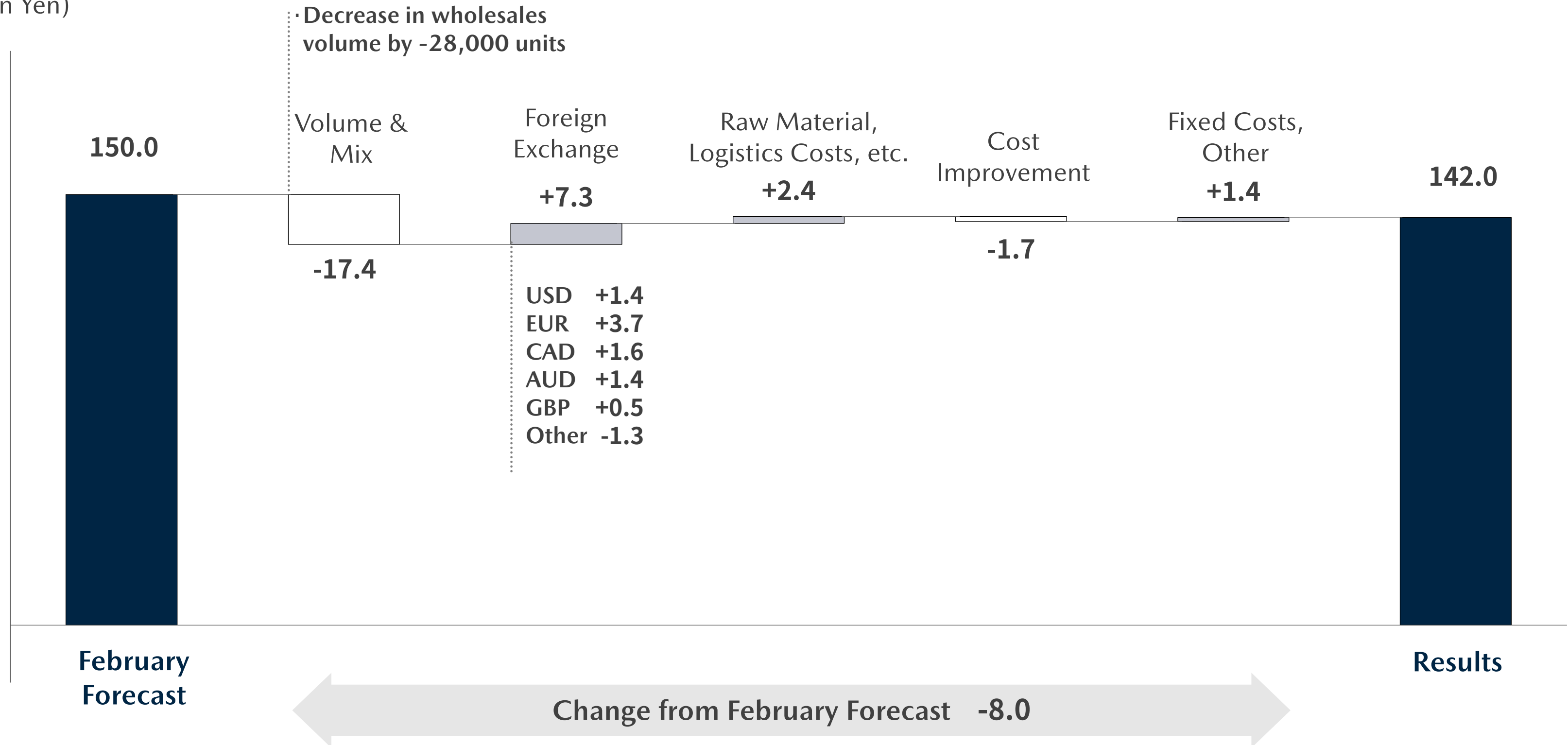
CHANGE IN FY MARCH 2023 FULL YEAR OPERATING INCOME (vs. FY MARCH 2022 FULL YEAR)

(Billion Yen)



CHANGE IN FY MARCH 2023 FULL YEAR OPERATING INCOME (vs. FEBRUARY FORECAST)

(Billion Yen)



FY MARCH 2024 FORECAST

FY MARCH 2024 FULL YEAR VOLUME FORECAST

(Thousand Units)	FY March 2023	FY March 2024	Change from Prior Year	
	Full Year	Full Year	Full Year	
Global Sales Volume				
Japan	165	183	+19	+11%
North America	407	496	+90	+22%
Europe	160	189	+29	+18%
Other Markets	294	306	+12	+4%
Sub Total (Excl. China)	1,026	1,175	+149	+15%
China	84	125	+41	+48%
Total	1,110	✓ 1,300	+190	+17%
USA	301	367	+66	+22%
Australia	91	100	+8	+9%
ASEAN	78	80	+1	+2%

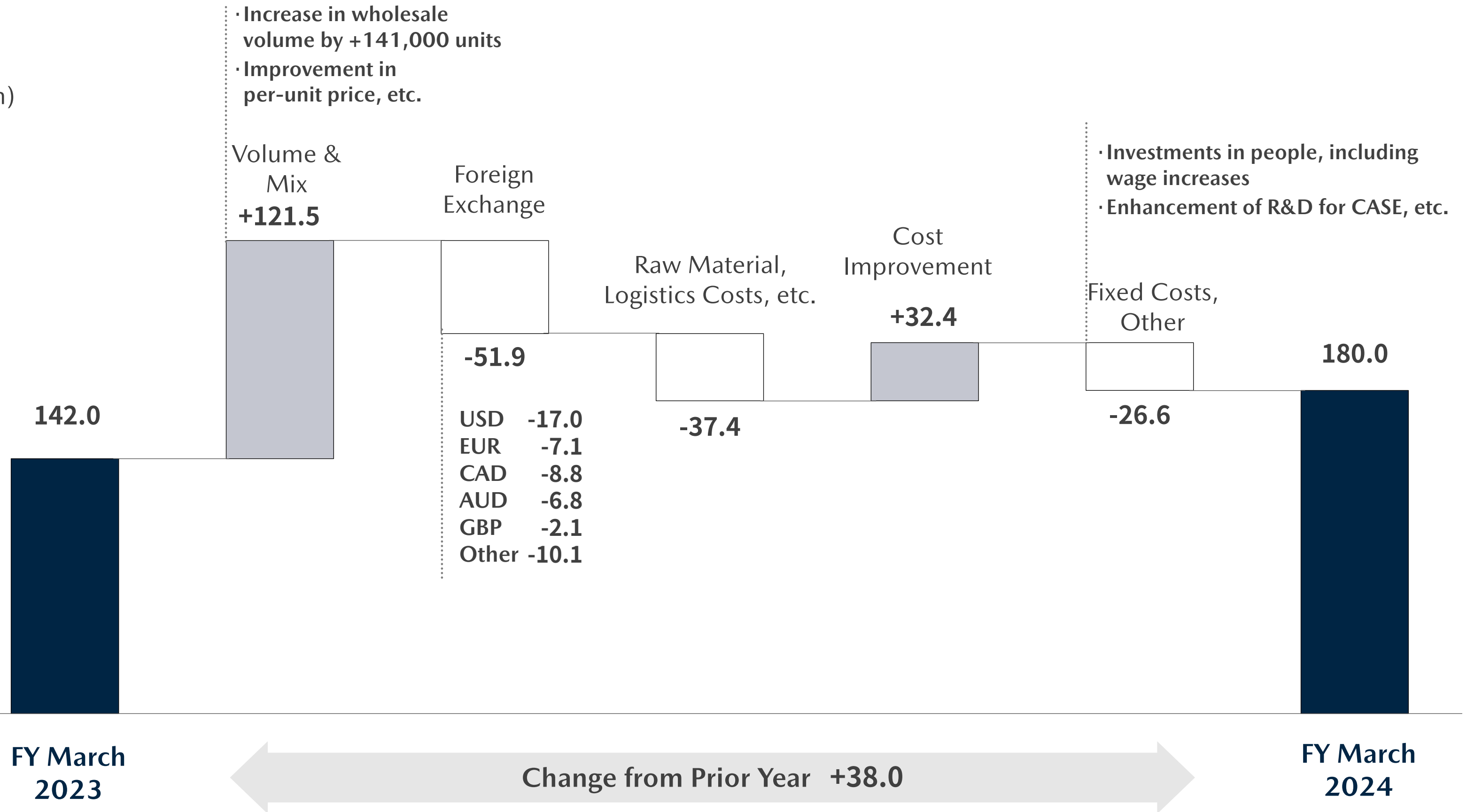
FY MARCH 2024 FULL YEAR FINANCIAL METRICS

(Billion Yen)	FY March 2023	FY March 2024	Change from Prior Year	
	Full Year	Full Year	Full Year	
Consolidated Wholesales (Thousand Units)	1,059	✓ 1,200	+141	+13%
Net Sales	3,826.8	4,500.0	+673.2	+18%
Operating Income	142.0	✓ 180.0	+38.0	✓ +27%
Ordinary Income	185.9	172.0	-13.9	-7%
Income before Income Taxes	170.0	168.0	-2.0	-1%
Net Income	142.8	✓ 130.0	-12.8	✓ -9%
Operating Return on Sales	3.7 %	4.0 %	+0.3 pts	
EPS (Yen)	226.7	206.4	-20.3	
Exchange Rate (Yen)				
US Dollar	136	128	-7	
Euro	141	139	-2	

*Net income indicates net income attributable to owners of the parent

CHANGE IN FY MARCH 2024 FULL YEAR OPERATING INCOME (vs. FY MARCH 2023 FULL YEAR)

(Billion Yen)



SUMMARY

■ FY March 2023 Results

- Sales and profit improved year on year. Operating return on sales grew 0.4 points year on year to 3.7%
- Increase in consolidated wholesales, initiatives to improve per-unit price and reduce marketing expenses, and the effects of a weaker yen contributed to offsetting the impact of material price hikes

■ FY March 2024 Forecast

- Consolidated wholesales at 1.2 million units, and global sales volume at 1.3 million units. Net sales at ¥4.5 trillion, operating income at ¥180 billion, and net income at ¥130 billion
- Operating return on sales is forecast at 4.0%, up 0.3 points year on year

■ Annual Dividend

- For FY March 2023, projected to be ¥45 /share with a year-end dividend of ¥25 /share, up ¥5 from the previous forecast
- For FY March 2024, projected to be ¥45 /share

*Net income indicates net income attributable to owners of the parent

OVERVIEW OF INITIATIVES IN THE LAST 5 YEARS

OVERVIEW OF INITIATIVES IN THE LAST 5 YEARS

■ Environmental change in the last 5 years

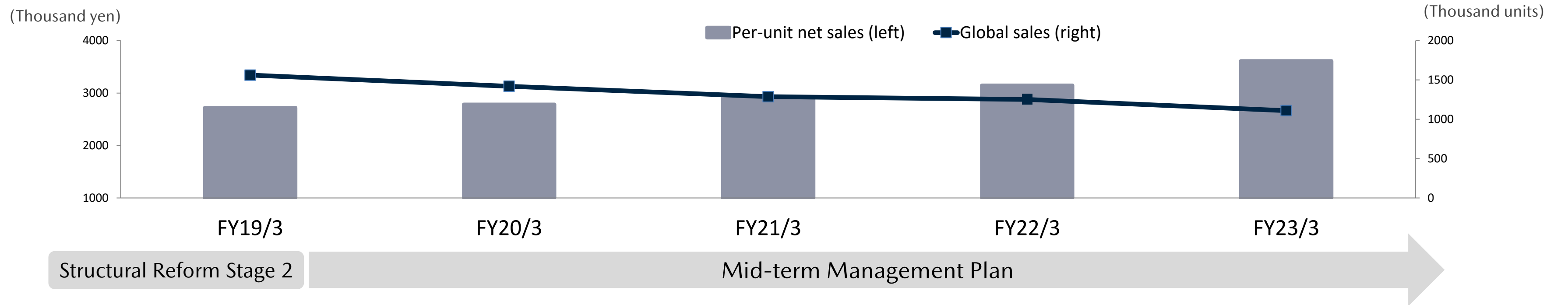
- Political turmoil, unstable exchange rates, torrential rains and flooding
- Sharp drop in demand and deterioration in cash flow due to Covid-19
- Decline in production due to semiconductor shortages
- Ongoing material price surges and logistics disruptions since the Covid outbreak
- Growing demand for corporate social responsibility

■ Business quality improvement and strengthening of business foundation

- Qualitative improvement in sales
- Advances in Monotsukuri Innovation
- Improvement in business efficiency through fixed cost/cost reductions
- Earlier than planned achievement of our break-even point target of lower than 1 million units in FY March 2022
- Ongoing investment and strengthening of partnerships for future growth

OVERVIEW OF INITIATIVES IN THE LAST 5 YEARS

■ Global sales volume and per-unit net sales*



【FY March 2019】

*Consolidated wholesale basis

Per-unit net sales*	¥2,719,000
Global sales volume	1,561,000 units

Net sales	¥3,564.2 billion
Operating profit (ROS)	¥82.3 billion (2.3%)
Net income	¥63.2 billion
Dividend per share	¥35
Equity ratio	41.8%

Earnings power improvement



Stakeholder focus

【FY March 2023】

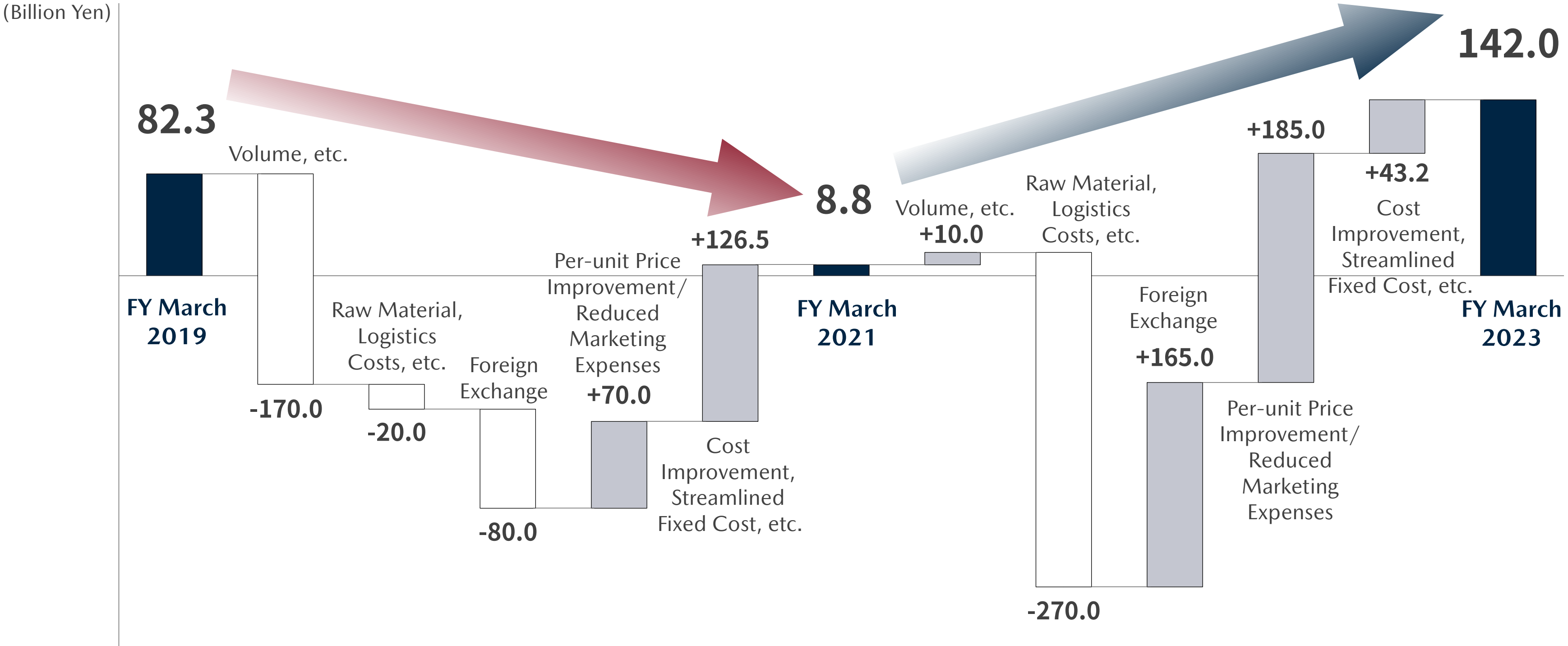
Per-unit net sales*	¥3,612,000
Global sales volume	1,110,000 units

Net sales	¥3,826.8 billion (Record-high)
Operating profit (ROS)	¥142.0 billion (3.7%)
Net income	¥142.8 billion (2 nd highest)
Dividend per share	¥45
Equity ratio	44.2%

OVERVIEW OF INITIATIVES IN THE LAST 5 YEARS - OPERATING INCOME CHANGES SINCE FY MARCH 2019

- ✓ In addition to declines in demand and impact on production due to Covid-19, the yen appreciated
- ✓ We maintained profitability by improving quality of sales and thoroughly streamlining fixed costs

- ✓ The impact of hikes in raw material and logistics costs and delays in production recovery due to semiconductor shortages was offset by per-unit price improvement, reduced marketing expenses and cost improvement
- ✓ We benefited from the weaker yen as sales increased through penetration of brand value in US



OVERVIEW OF INITIATIVES IN THE LAST 5 YEARS

■ Restructuring of the US sales network to improve sales quality

➤ Transaction price

Increased approximately \$7,000 from \$26,700 in 2018 to \$33,700 in 2022

Source: Power Information Network®

➤ Residual value improvement

[Residual Value Rate at launch]

CX-90	Launched 2023	63%	2nd/18 vehicles
CX-50	Launched 2022	62%	1st/21 vehicles
CX-30	Launched 2020	61%	1st/22 vehicles
CX-5	Launched 2017	57%	3rd/15 vehicles

Source: ALG

➤ Customer satisfaction

Improved substantially from 15th place in 2018 to 3rd place in 2022

Source: J. D. Power CSI

OVERVIEW OF INITIATIVES IN THE LAST 5 YEARS

- Start of operation of new US plant in Alabama



- Introduction of BEV and development/introduction of electrification technologies
 - MX-30 EV MODEL, CX-30 EV for China
 - PHEV, mild hybrid, R-EV

- Development and introduction of Large Products



MAZDA CX-60



MAZDA CX-90

- Announcement of mid-term management plan update and management policy up to 2030 (November 2022)

FY MARCH 2024 DIRECTION OF INITIATIVES

FY MARCH 2024 DIRECTION OF INITIATIVES

■ Achievement of growth through new products and sales

- This year is an important year for getting on a growth path by utilizing assets accumulated through our building block strategy
- The introduction of the CX-90 in North America and increase in the supply of CX-50s, and the start of CX-50 production in China will drive growth
- Our plan is to maintain quality sales and achieve ambitious sales targets in all markets

■ External environment

- Semiconductors: Despite expectations for an improvement in semiconductor supplies thanks to the progress of countermeasures, the situation remains unpredictable
- Logistics: Tight supply for transport vessels is expected to continue
- Foreign exchange/raw material prices: Strengthening of the yen and soaring raw material prices are expected to continue this fiscal year
- Trends in key overseas markets

US: The impact of the economic slowdown on automobiles will be limited in the first half

China: An economic upturn is expected, accelerating growth of new energy vehicles



Enhance the speed, transparency, and discipline of operations,
and respond quickly to changes in the business environment

FY MARCH 2024 INITIATIVES

1. Increase in net sales per unit
2. Market introduction of electrified products
3. Building of partnerships for electrification
4. Promotion of cost reduction activities across the company
5. Initiatives in carbon neutrality

FY MARCH 2024 INITIATIVES

1. Increase in net sales per unit

- Successful full-scale introduction of the CX-90 in the US in April
 - Customer feedback was used to develop product marketability. The response from customers/dealers from the beginning of publicity has been excellent
 - The CX-90 achieved one of the highest residual value ratings for its segment
 - The full-scale introduction of PHEV and other electrification technologies is underway
- Increase in the supply of CX-50s with the start of two-shift operations at the Alabama plant in the US
- Start of CX-50 production in China followed by full-scale sales



MAZDA CX-90



MAZDA CX-50 (Chinese version)



Increase the CX-5, CX-50 and Large Product sales mix, and boost net sales per unit

FY MARCH 2024 INITIATIVES

2. Market introduction of electrified products

- Utilizing multi-electrification technology, expand the introduction of PHEVs and mild hybrid applications to Large Products
- Introduce MX-30 e-SKYACTIV R-EV in Europe and Japan

3. Building of partnerships for electrification

- Continue efforts to develop electrification technologies, procure batteries, and reduce CO₂ emissions
- Steadily move ahead with preparations for the transition to electrification in Phase 2 (2025 - 2027) as indicated in the management policy up to 2030

4. Promotion of cost reduction activities across the company

- Appoint executive officers under the CFO to oversee/take charge of cost innovation in each area*
- Thoroughly eliminate inefficiency, inconsistency, and waste from the entire supply chain and value chain

* As of the close of the general meeting of shareholders in June

FY MARCH 2024 INITIATIVES

5. Initiatives in carbon neutrality

- Set targets and create a roadmap to carbon neutrality (CN), and accelerate initiatives based on the following principles
 - Using all available means and technologies, reduce carbon emissions as much as possible in our respective work operations
 - In addition to introducing vehicles with multi-electrification technologies into the market, promote the development and implementation of a variety of technologies including the development and increased use of CN fuels to contribute to CO₂ emission reductions of vehicles including vehicles on the road
 - Promote decarbonization initiatives and their social implementation based on the availability of renewable energy and the development of infrastructure

FY MARCH 2024 INITIATIVES

5. Initiatives in carbon neutrality

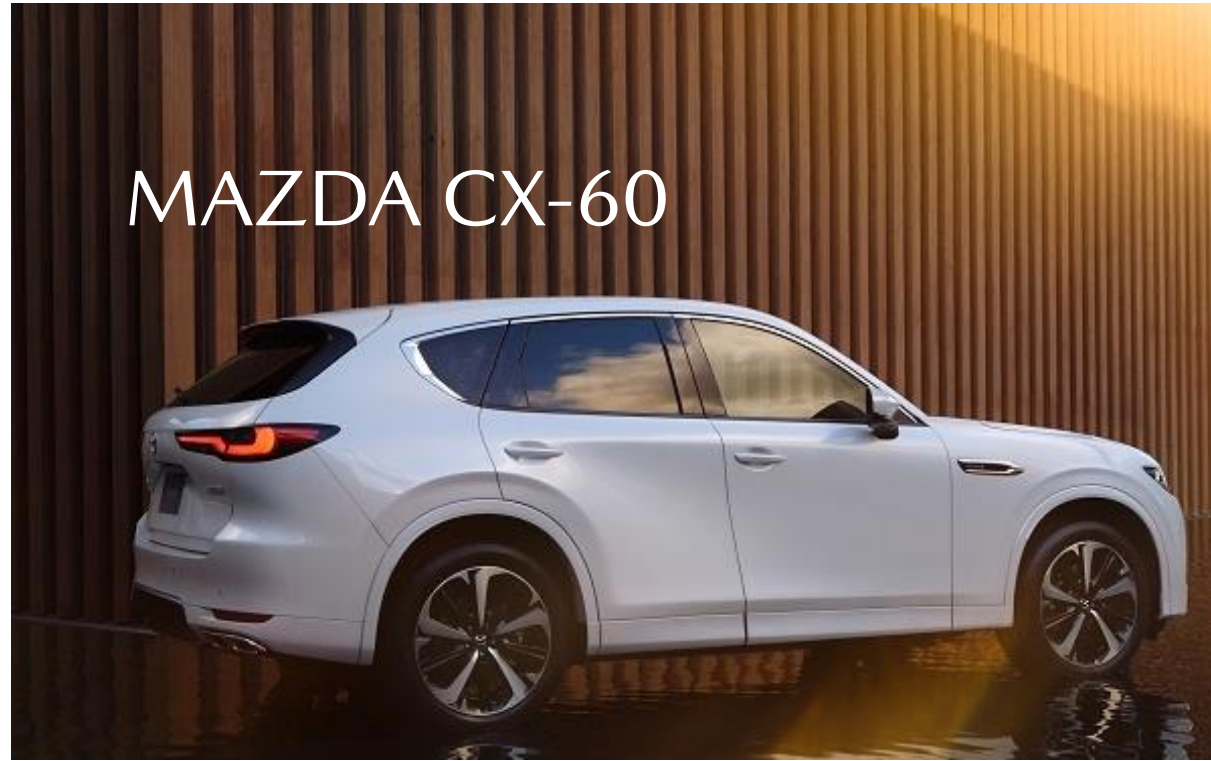
- Reduce Mazda's global CO₂ emissions in business areas by promoting energy conservation and the use of renewable energy and CN fuels (SCOPE1-2)
 - In FY2021 Mazda achieved an approximate 30% reduction in CO₂ emissions compared with emissions in FY2013
 - Step up initiatives with partners in the use of renewable energy and CN fuels throughout the entire energy supply chain
 - Expand use of renewable energy in this region based on activities of the Chugoku Region Carbon Neutrality Promotion Council
 - Concluded offsite corporate power purchase agreement (PPA) on solar power generation
 - Reduce fossil fuel usage by building a supply chain to produce, transport, and store CN fuel
 - Cooperation in biofuel production business through partnership with Euglena Co. Ltd.
 - Joined Research Association of Biomass Innovation for Next Generation Automobile Fuels
 - Established the Council for Utilizing Namikata Terminal as a Hub for Introducing Fuel Ammonia



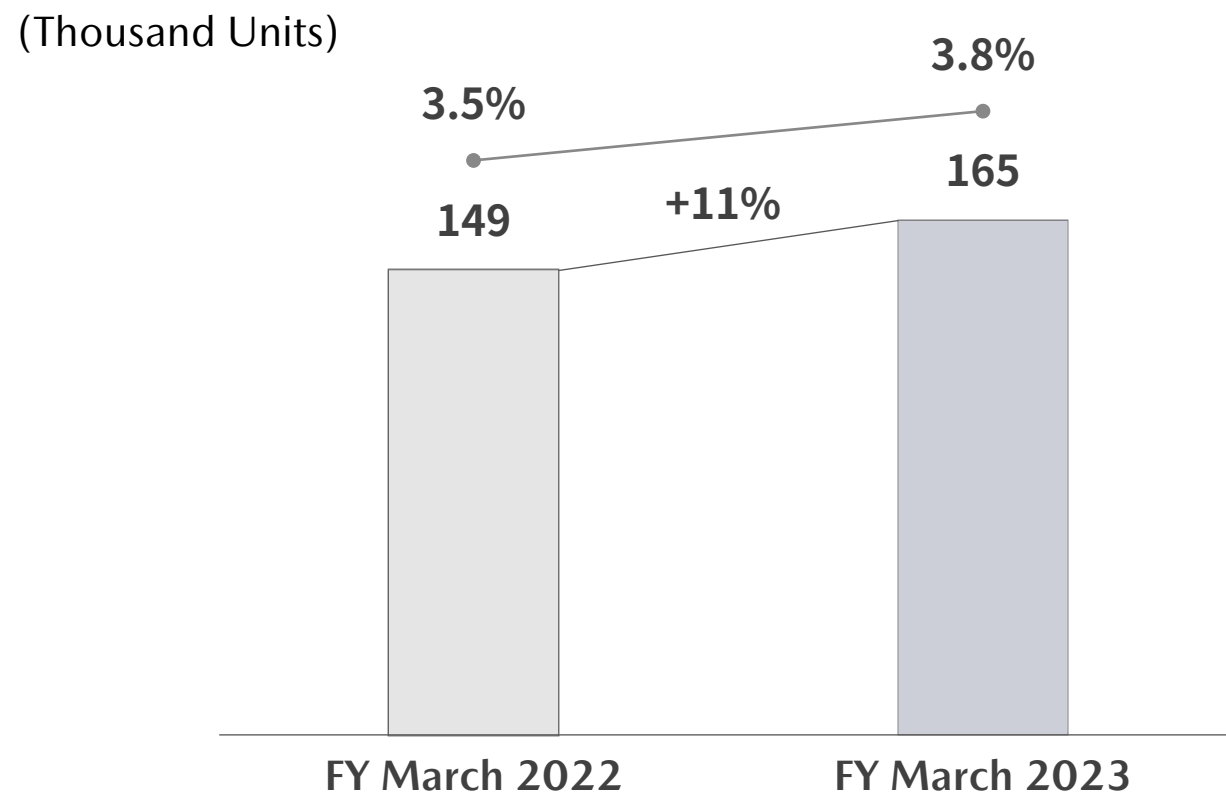
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APPENDIX

JAPAN



Full Year Sales Volume & Market Share



- Sales in the three months of the fourth quarter were up 6% year on year, continuing the trend from the second and third quarters of outperforming the prior year
- Full-year sales were 165,000 units, up 11% year on year. Market share increased 0.3 points year on year to 3.8%, while registered vehicle market share increased 0.4 points to 4.9%
- Sales of the new CX-60, the CX-5 and Roadster (MX-5) contributed to year-on-year increases in sales volume and market share
- Sales of the CX-60 have reached 17,000 units since September

NORTH AMERICA



■ USA:

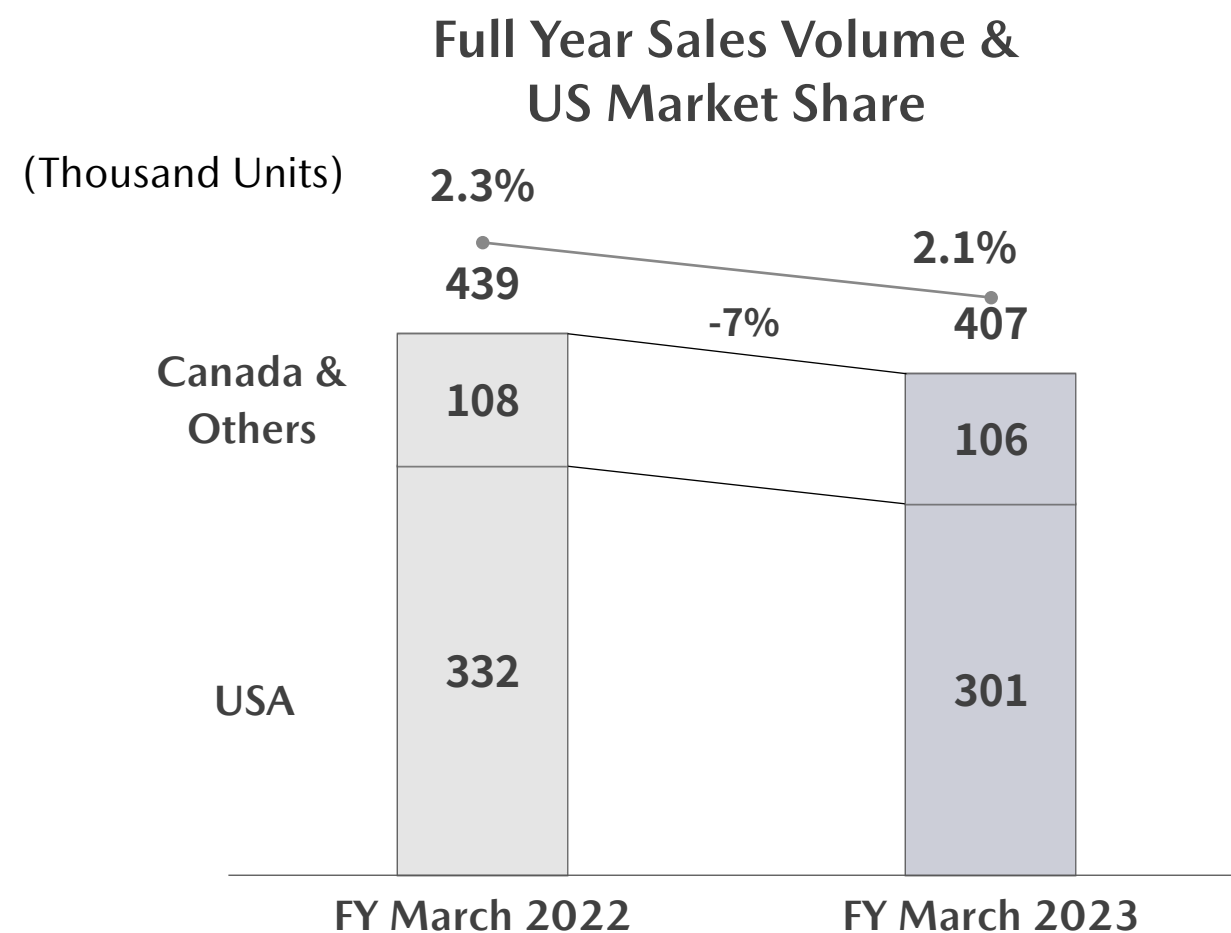
- Sales in the three months of the fourth quarter increased 7% year on year and also increased 11% from the third quarter. Sales performance continues to improve
- In addition to the CX-50 launched in April 2022, the CX-30 and other models contributed to the sales increase
- Full-year sales volume was down 9% year on year mainly due to cuts in production in the first half of the fiscal year. Market share declined 0.2 points year on year to 2.1%
- Sales of the CX-90, a new crossover SUV launched in April 2023, have got off to a good start

■ Canada:

- Full-year sales: 48,000 units, down 20% year on year

■ Mexico:

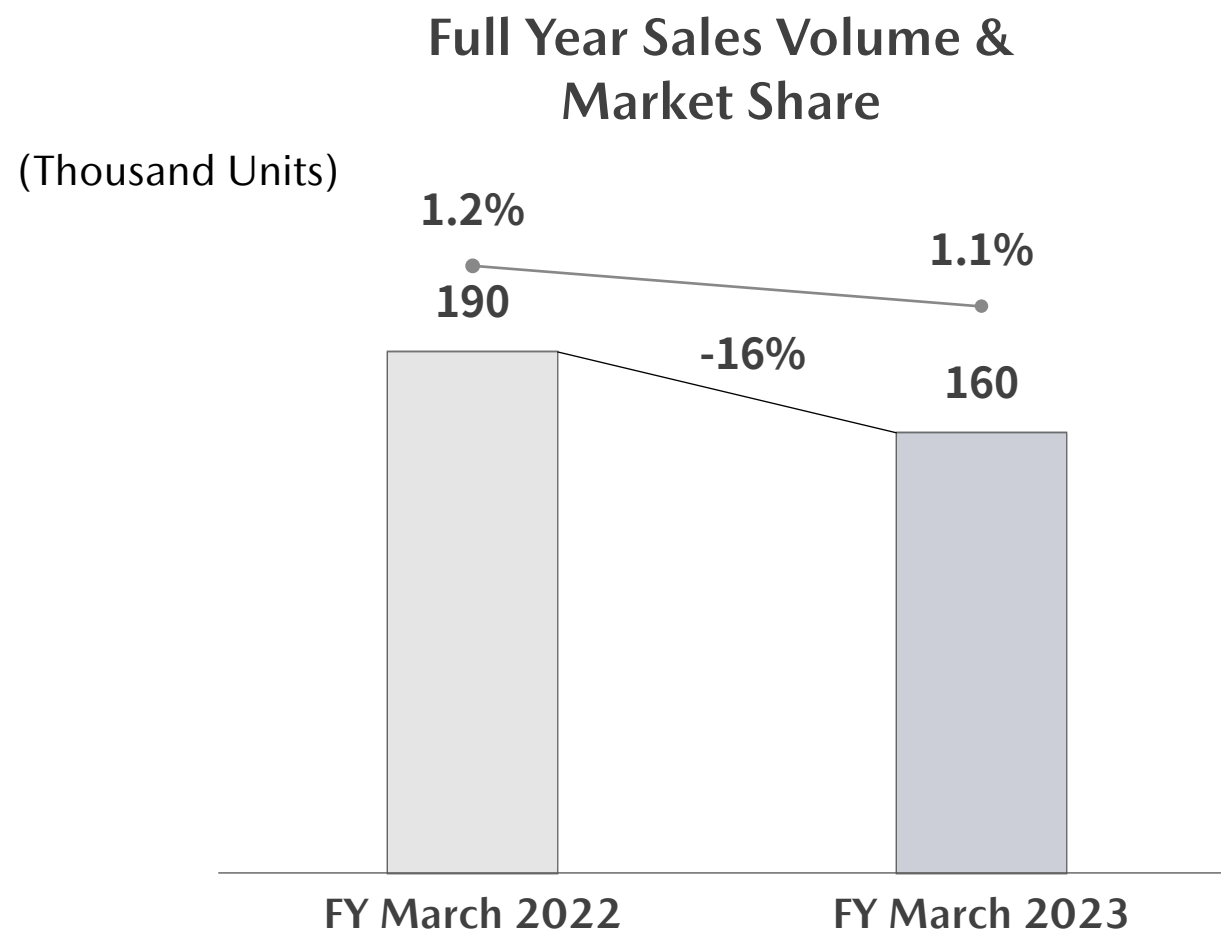
- Full-year sales: 56,000 units, up 23% year on year
- The Mazda2 and CX-5 are performing well and driving sales



EUROPE



- Sales in the three months of the fourth quarter, led by electrified models such as the Mazda2 Hybrid and the CX-60, rose 21% year on year
- Full-year sales: 160,000 units, down 16% year on year. Market share decreased 0.1 points year on year to 1.1%
- Full-year sales declined mainly due to cuts in production in the first half of the fiscal year and contractions in sales in Russia and Ukraine
- Sales of the CX-60 have reached 20,000 units since the summer 2022
- Sales in key countries (full year)
 - Germany: 38,000 units, down 8% year on year
 - UK: 27,000 units, the same level as the prior year

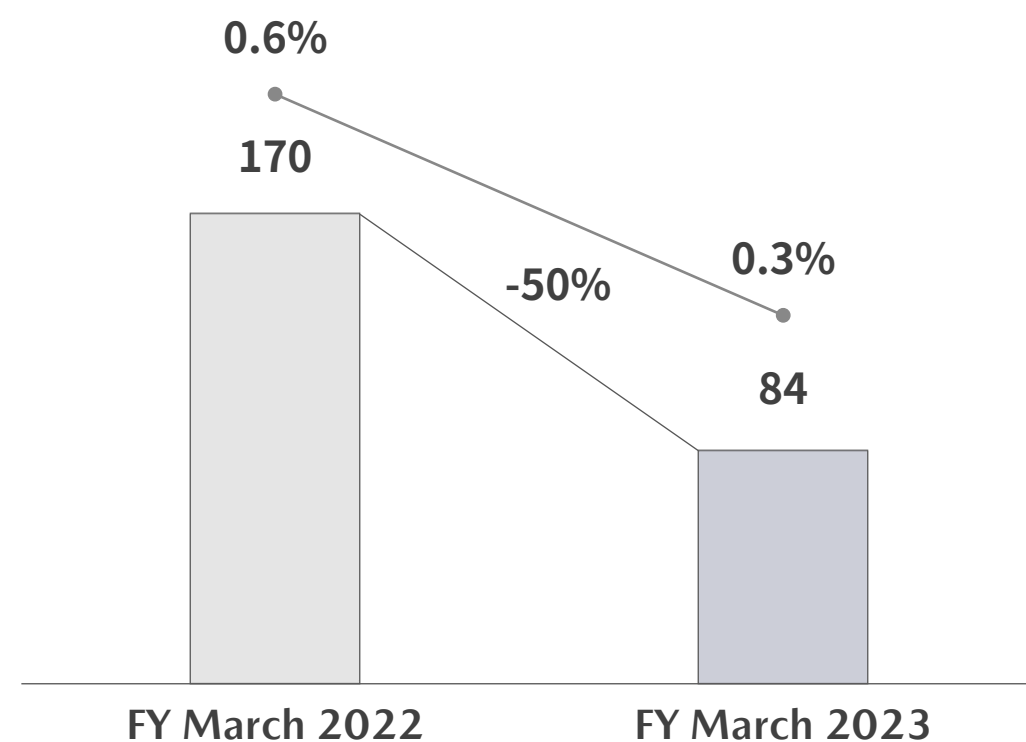


CHINA



Full Year Sales Volume & Market Share

(Thousand Units)

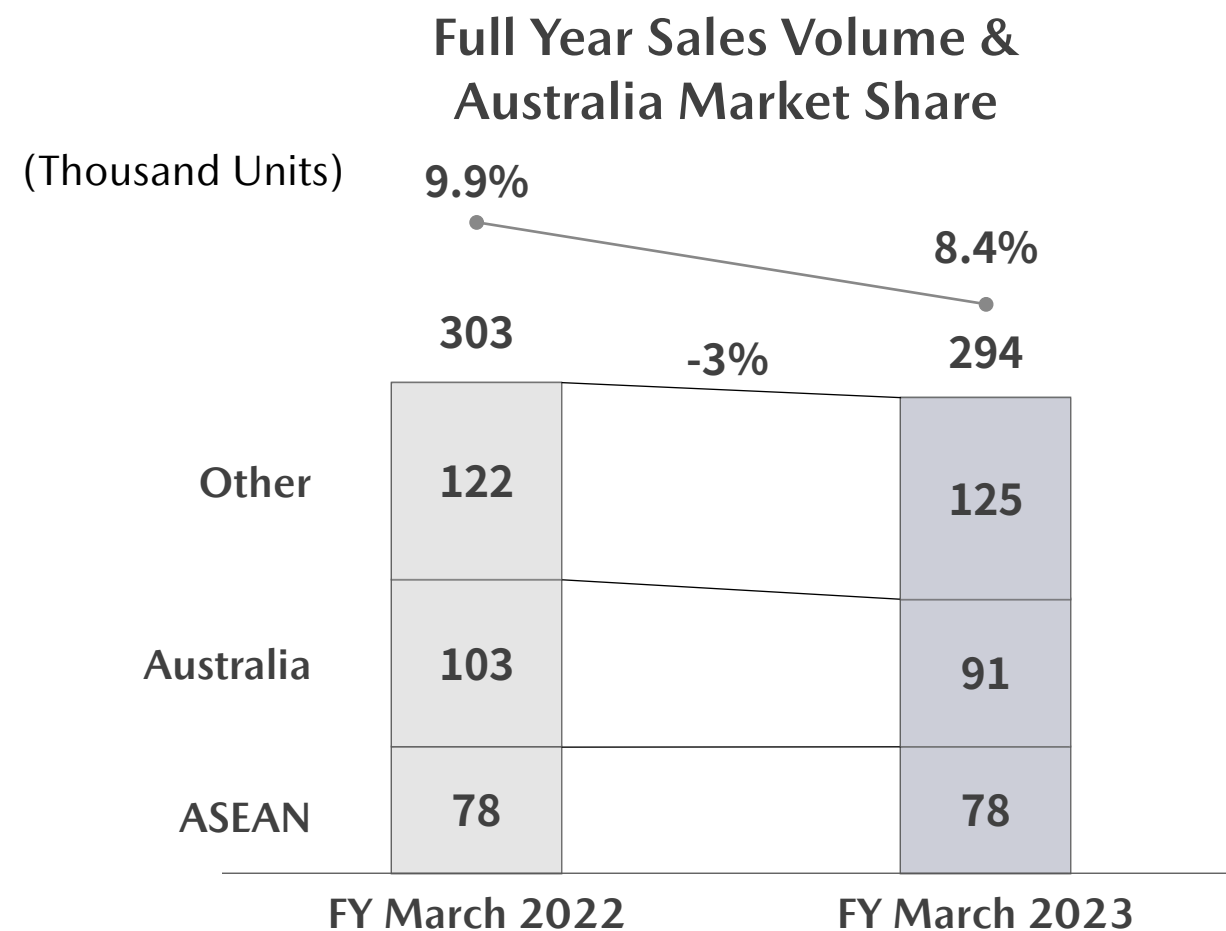


- Sales in the three months of the fourth quarter were down 66% year on year
- Full-year sales: 84,000 units, down 50% year on year. Market share declined 0.3 points to 0.3%
- Sales decreased year on year due to intensified price competition in addition to the completion of a round of key model cycles. Mazda continued to focus on strengthening its sales network while steering away from price competition
- The CX-50 is scheduled to launch in May 2023

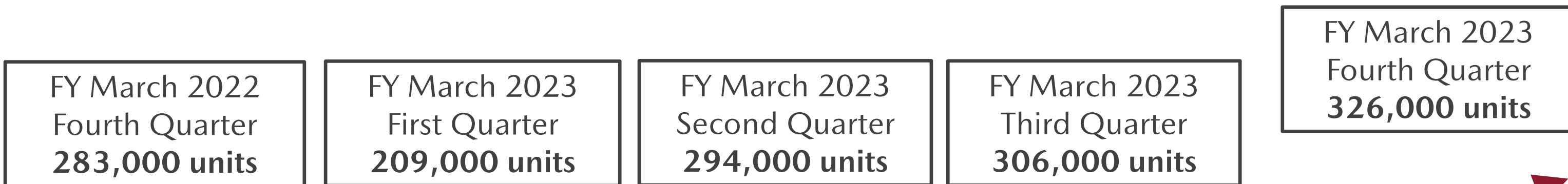
OTHER MARKETS



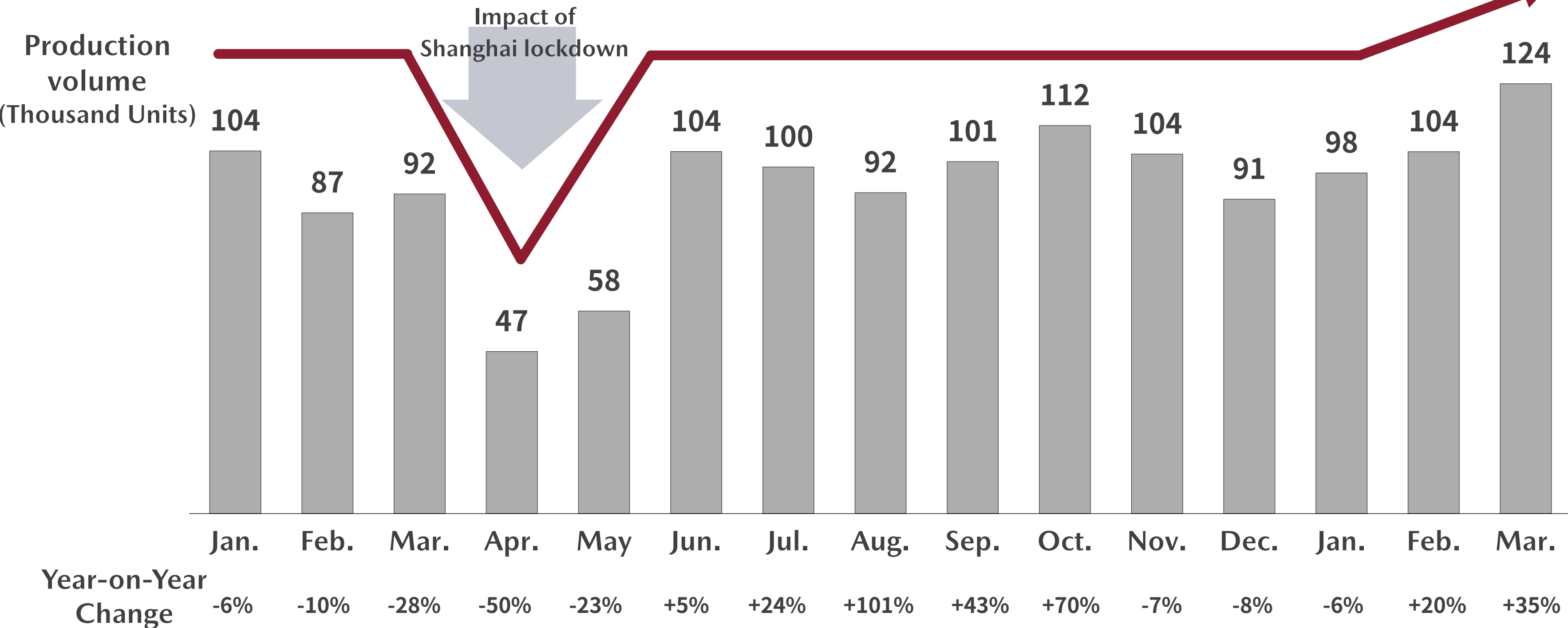
- Sales in the three months of the fourth quarter were down 8% year on year
- Full-year sales volume was 294,000 units, down 3% year on year
- Australia:
 - Full-year sales: 91,000 units, down 12% year on year. Market share declined 1.5 points to 8.4%
 - Sales in the three months of the fourth quarter were down 15% year on year. The authority tightened quarantines on incoming vehicles, resulting in logistical delays that affected sales
- ASEAN:
 - Full-year sales: 78,000 units, the same level as the prior year
 - Thailand: 25,000 units, down 30% year on year
 - Vietnam: 29,000 units, up 26% year on year



PRODUCTION VOLUME



FY March 2023
Fourth Quarter
326,000 units



*Based on our monthly disclosure (global production volume including volume in China, excluding vehicles received from other OEMs)

CASH FLOW AND NET CASH

(Billion Yen)	FY March 2022	FY March 2023	Change from
	Full Year	Full Year	Prior FY End
Cash Flow from Operating Activities	189.2	137.4	-
Cash Flow from Investing Activities	-136.2	-99.4	-
Free Cash Flow	52.9	38.0	-
Cash and Cash Equivalents	740.4	717.1	-23.3
Interest-bearing Debt	680.8	615.5	-65.3
Net Cash	59.6	101.6	+42.0
Total Assets	2,968.1	3,259.3	+291.2
Equity	1,301.1	1,439.6	+138.5
Equity Ratio	44 %	44 %	0 pts

FY MARCH 2023 FOURTH QUARTER GLOBAL SALES AND CONSOLIDATED WHOLESALERS (3 MONTHS)

(Thousand Units)	FY March 2022	FY March 2023	Change from Prior Year		Change from Feb. Forecast
Global Sales Volume	4th Quarter	4th Quarter	4th Quarter		Full Year
Japan	54	57	+3	+6%	-9
North America	107	119	✓ +12	+12%	-15
Europe	43	52	+9	+21%	-12
China	36	12	-24	-66%	-5
Other Markets	81	74	-7	-8%	-13
Total	321	315	-6	-2%	-53
USA	82	88	+6	+7%	-12
Australia	30	25	-5	-15%	-4
ASEAN	24	16	-8	-33%	-6
Consolidated Wholesales	4th Quarter	4th Quarter	4th Quarter		Full Year
Japan	48	50	+2	+4%	-4
North America	121	126	✓ +5	+4%	-14
Europe	46	53	+7	+15%	-2
Other Markets	88	93	+5	+6%	-8
Total	303	322	+19	+6%	-28
USA	95	93	-2	-2%	-8

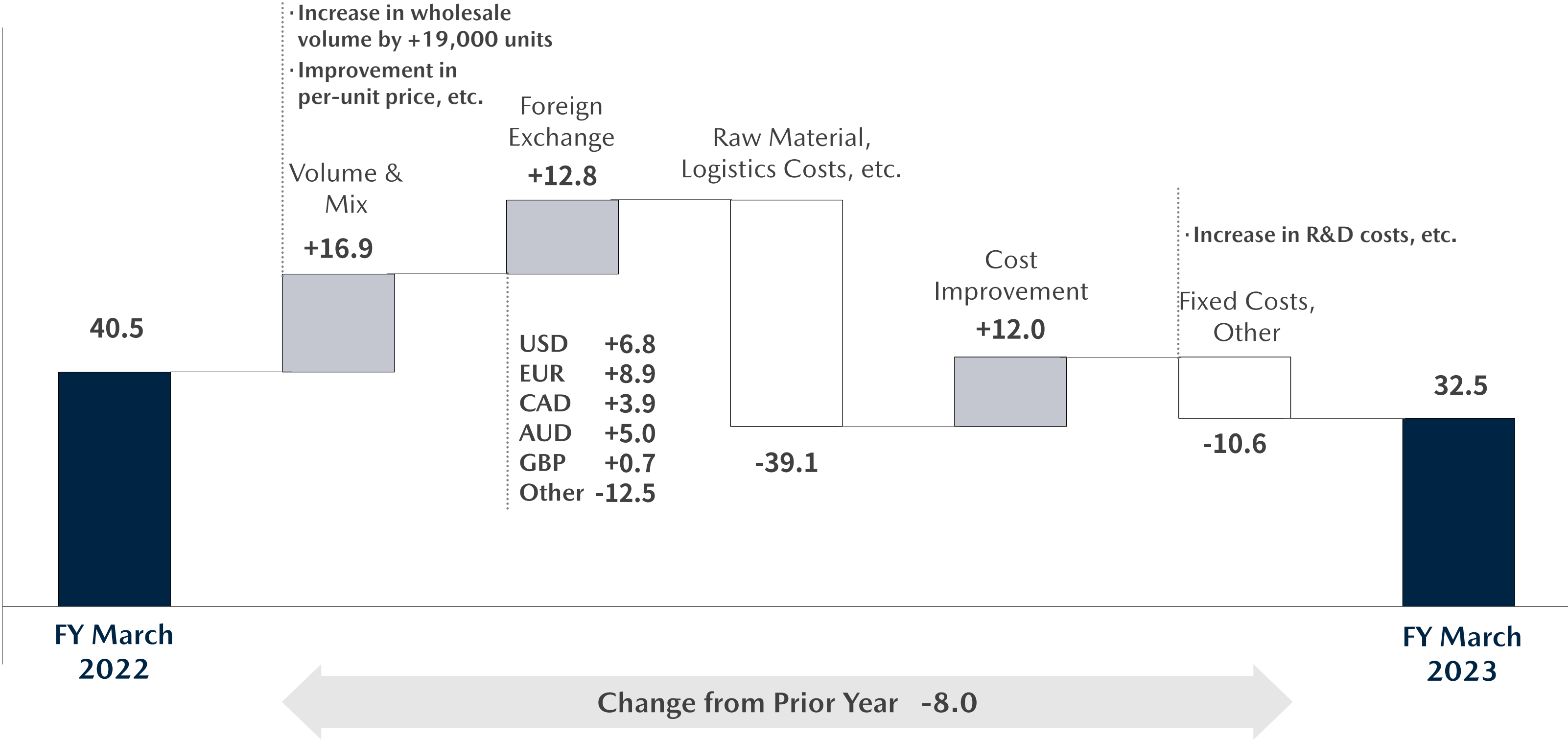
FY MARCH 2023 FOURTH QUARTER FINANCIAL METRICS (3 MONTHS)

(Billion Yen)	FY March 2022	FY March 2023	Change from Prior Year	
	4th Quarter	4th Quarter	4th Quarter	
Net Sales	957.9	1,130.5	+172.6	+18%
Operating Income	40.5	32.5	-8.0	-20%
Ordinary Income	63.9	50.5	-13.4	-21%
Income before Income Taxes	61.5	47.6	-13.9	-23%
Net Income	52.2	39.2	-13.0	-25%
Operating Return on Sales	4.2 %	2.9 %	-1.3 pts	
EPS (Yen)	82.8	62.3	-20.5	
Exchange Rates (Yen)				
US Dollar	116	132	+16	
Euro	130	142	+12	

*Net income indicates net income attributable to owners of the parent

CHANGE IN FY MARCH 2023 FOURTH QUARTER OPERATING INCOME (vs. FY MARCH 2022 FOURTH QUARTER)

(Billion Yen)



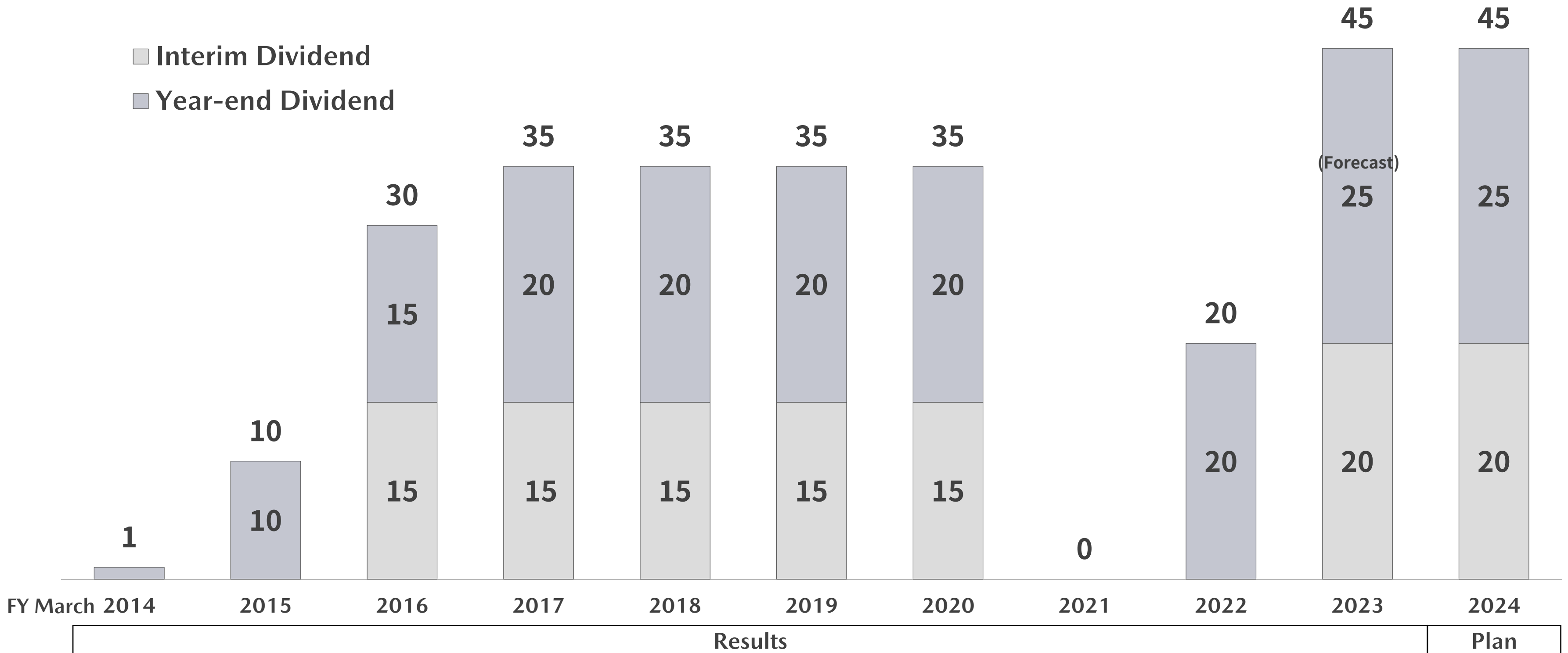
EXCHANGE RATE

(Yen)	FY March 2023	FY March 2024	Change from Prior Year
	Full Year	Full Year	Full Year
US Dollar	136	128	-7
Euro	141	139	-2
Canadian Dollar	102	97	-6
Australian Dollar	93	90	-3
British Pound	163	160	-4

DIVIDEND PAYMENT

Dividends Per Share (Yen)

- Interim Dividend
- Year-end Dividend



Note: A share consolidation was implemented on common stock with a ratio of five shares to one on August 1, 2014.
The dividends per share represent actual amounts applicable to the respective years

DISCLAIMER

The projections and future strategies shown in this presentation are based on various uncertainties including but not limited to conditions of the world economy in the future, trends in the automotive industry, and the risk of exchange rate fluctuations. Consequently, Mazda's actual performance may differ substantially from these projections.

If you are interested in investing in Mazda, you are requested to take the foregoing into consideration and make a final investment decision at your own discretion.

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