Consolidated Financial Results for FY2001 First Half

(April 1, 2001 through September 30, 2001)

November 12, 2001

Mazda Motor Corporation

Code No: 7261 Listed in : Tokyo, Osaka, Nagoya, Fukuoka and Sapporo Stock Exchanges

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Meeting of the Board of Directors for Consolidated Account Settlement: November 12, 2001

Adoption of the United States Generally Accepted Accounting Principles: Not Adopted

1. Consolidated Financial Highlights (April 1, 2001 through September 30, 2001)

(1) Consolidated Financial Results

(in Japanese yen rounded to millions, except amounts per share)

	Net Sales		Operating Income/(Loss)		Ordinary Income/(Loss)	
	million yen	%	million yen	%	million yen	%
FY2001 1st. Half	1,038,263	3.2	11,202	-	4,807	-
FY2000 1st. Half	1,006,112	-	(4,707)	-	(16,666)	-
FY2000	2,015,812		(14,937)		(29,770)	

	Net Income/(Loss)		Net Income/(Loss) per Share	Net Income/(Loss) per Share (Diluted)
	million yen	%	yen	yen
FY2001 1st. Half	1,313	-	1.07	-
FY2000 1st. Half	(9,594)	-	(7.85)	-
FY2000	(155,243)		(126.99)	-

Notes: ① Equity in net income of unconsolidated subsidiaries and affiliates accounted for by the equity method:

FY2001 1st. Half	3,283	million yen
FY2000 1st. Half	2,126	million yen
FY2000	2,356	million yen

② Average no. of shares of common stock issued (on a consolidated basis):

FY2001 1st. Half	1,222,123,584	shares
FY2000 1st. Half	1,222,493,891	shares
FY2000	1,222,494,579	shares

③ Accounting changes: Yes

④ Changes in net sales, operating income, ordinary income, and net income from the prior period are shown in percentage.

(2) Consolidated Financial Position

	Total Assets	Shareholders' Equity	Equity Ratio	Equity per Share
	million yen	million yen	%	Yen
FY2001 1st. Half	1,667,839	161,927	9.7	132.59
FY2000 1st. Half	1,354,674	177,813	13.1	145.45
FY2000	1,743,627	158,872	9.1	129.96

Notes: No. of shares of common stock issued as of period end (on a consolidated basis):

FY2001 1st. half	1,221,292,975	shares
FY2000 1st. Half	1,222,490,532	shares
FY2000	1,222,495,323	shares

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Ending Cash & Cash Equivalents
	million yen	million yen	million yen	million yen
FY2001 1st. Half	(20,066)	(21,604)	(17,272)	234,551
FY2000 1st. Half	22,681	(6,761)	(42,282)	207,966
FY2000	84,351	(32,094)	2,971	292,615

(4) Scope of Consolidation and Equity Method

Consolidated subsidiaries	79 companies
Non-consolidated subsidiaries accounted for by the equity method	8 companies
Affiliates accounted for by the equity method	19 companies

(5) Changes in Scope of Consolidation and Equity Method

Consolidation	(Addition)	4 companies	Equity method	(Addition)	0 companies
	(Exclusion)	7 companies		(Exclusion)	4 companies

2. FY2001 Consolidated Financial Forecast (April 1, 2001 through March 31, 2002)

	Net Sales	Ordinary Income/(Loss)	Net Income/(Loss)
	million yen	million yen	million yen
Full Year	2,090,000	2,000	1,300

Reference: Net income per share for the full year 1.06 yen

Supplementary Information

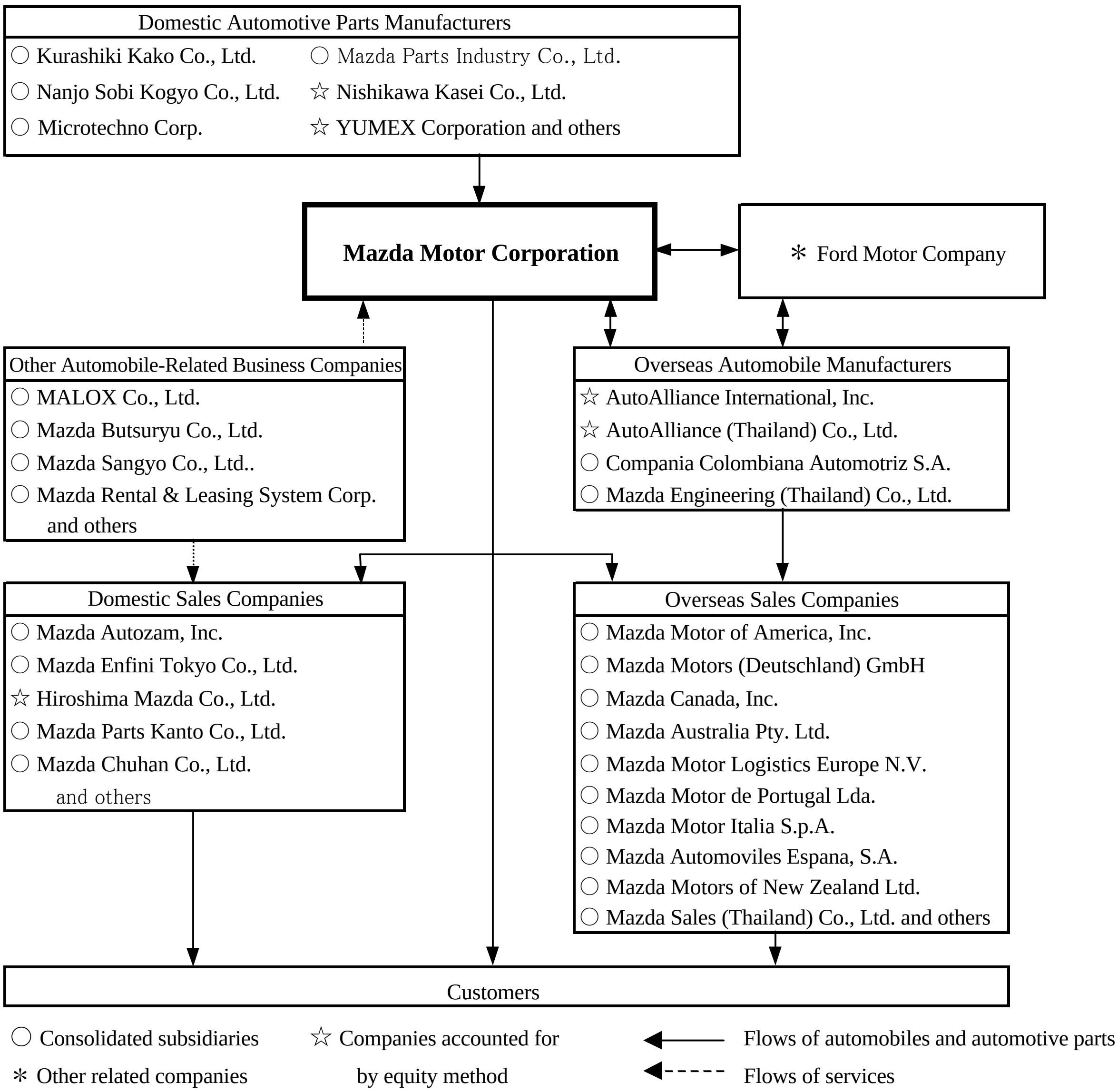
1. Mazda Group of Companies

Mazda group of companies consists of Mazda Motor Corporation, 79 consolidated subsidiaries and 27 equity method-applied companies and is mainly engaged in the manufacturing and sales of automobiles and automotive parts as well as in other automobile-related businesses.

In Japan, Mazda Motor Corporation manufactures automobiles. Mazda Motor Corporation, Kurashiki Kako Co., Ltd. and other companies manufacture automotive parts. In overseas, AutoAlliance International, Inc. and other companies manufacture automobiles and automotive parts. The automobiles and automotive parts manufactured by our group of companies are sold to our customers by our sales companies. In Japan, Mazda Autozam, Inc., Mazda Enfini Tokyo Co., Ltd. and other companies sell our automobiles and automotive parts to customers. To certain corporate customers, Mazda Motor Corporation directly sells our automobiles. In overseas, Mazda Motor of America, Inc., Mazda Motors (Deutschland) GmbH and other companies sell our automobiles and automotive parts to customers.

In addition, Mazda Motor Corporation, having an equity relationship with Ford Motor Company, has expanded its relationship with Ford to a strategic cooperative relationship on a global scale.

The following diagram approximately illustrates the roles of Mazda Motor Corporation and its main related companies in conducting the group's business:



Note: None of the consolidated subsidiaries is listed at a stock exchange in Japan.

2. Management Policy

1) Our Corporate Vision, Mission and Value

At Mazda Motor Corporation, our corporate vision is as follows: "To create new value, excite and delight our customers through the best automotive products and services." We believe that achieving this vision will lead to increased shareholder value and enhance the value of association with the corporation for our employees, our suppliers, the communities in which we operate, and other stakeholders.

Based on this vision, our corporate mission is as follows: "With passion, pride and speed, we actively communicate with our customers to deliver insightful automotive products and services that exceed their expectations."

Under this mission, we are working to create the following three types of values:

a) We value integrity, customer focus, creativity, and efficient and nimble actions. We respect highly motivated people and team spirit.

b) We positively support actions to improve the environment, safety and society in general.

c) Guided by these values, we expect to provide superior rewards to all people associated with Mazda.

2) Our Policy on Distribution of Earnings

Our policy on distribution of earnings is to declare dividends by carefully considering each fiscal year's financial results and business environment. Our intent is to provide our stockholders with dividends on a stable basis. Our policy on earnings retained in the company is to utilize the financial resources to enhance our business competitiveness, e.g., capital investments in facilities and equipment and investments in research and development.

3) Our Mid-Term Plan and Challenges

In November 2000, we announced the "Mazda Millennium Plan". Built on the foundation of various actions taken over the past few years to streamline and strengthen our operations, the Millennium Plan will position Mazda to compete successfully and profitably in an increasingly difficult environment. The Millennium Plan provides a clear roadmap for our future through a focus on the following four core areas:

a) Brand- and Product-Based Growth

Vital for our future success is growth. Our growth strategy is predicated on several fundamentals: 1) full incorporation of our brand strategy and DNA in our next-generation products, which will begin showing up in dealerships in selected markets in early Fiscal Year 2002; 2) a significant increase in spending for new products; 3) a focus on our major markets and actions to strengthen distribution in each one; and 4) aggressive integration of the Internet in all areas of our business.

b) Restructuring Actions to Further Improve the Fundamentals of Mazda

Our restructuring and reform initiatives have focused on aligning our facility assembly capacity in Japan with requirements, reducing our indirect workforce in Japan and streamlining decision-making, reducing our exposure to volatile changes in exchange rates, and continuing to reform our subsidiary companies.

Consistent with this, we closed our Ujina 2 assembly plant on September 14, 2001. We reduced our indirect labor force by 2,210 persons through the execution of an "Early Retirement Special Program" in March 2001. And we announced a plan to establish production in early 2003 of our next-generation small car at Ford Motor Company's plant in Valencia, Spain to reduce exposure to changes in the value of the yen against European currencies. We also intend to increase the percentage of components that we source from overseas sources for use in production in Japan.

c) Clarification and Strengthening of Mazda's Role in Ford Group

Mazda is an indispensable part of the Ford group as a unique brand and a center of excellence for large, inline 4-cylinder engines, as well as for mid-size front-wheel-drive vehicle architectures. We are a valued partner of Ford's in achieving synergies over a broad range of business operations and activities.

d) Enabling Our People

Strategies and plans are only as good as the people that develop and execute them. We have been taking actions to more fully capture the strength of our people.

The Millennium Plan establishes external metrics that we will use to track our performance. Among the metrics, we are targeting to achieve 3% net return on sales and 6% net return on assets in Fiscal Year 2004, as well as a 50% net-debt equity ratio and a prime credit rating.

3. Financial Results and Projection

1) Financial Results

Progress and Results of Operations

During the First Half of Fiscal Year 2001 (April 1 through September 30, 2001), the global economy slowed, with the major economies of the world in a rare period of synchronization led by the U.S. The Japanese economy continued to suffer from lower capital expenditures and consumer spending, as well as structural impediments, which the Koizumi government has signaled it intends to address.

In the First Half, automotive sales in Japan, including micro-mini vehicles, totaled 2.8 million units, down 0.3% compared with the same period a year ago. Vehicle exports, at 2.1 million units, decreased by 7.8%, reflecting lower industry sales and slower economic growth in the North American and European markets. U.S. industry sales in the First Half of the calendar year totaled 8.6 million units, down 4.7% from the same period in the prior year, while sales in Western Europe were 9.3 million units, down 1.6%. Although sales in both markets were down, the absolute level, supported in part by high incentive spending by many manufacturers, remained relatively strong from a historical standpoint.

During the First Half, Mazda moved ahead with the strategies and actions included in our Millennium Plan.

Our growth initiatives covered a number of different activities. With enthusiasm mounting as we near the introduction early next year of the first of our next-generation products, we implemented several product enhancements for existing models to maintain the momentum of our business. In July, we introduced a freshened Premacy, adding a 2-liter DOHC engine and other improvements in exterior appearance, interior features, handling, performance, and safety. Other product actions included a new 3.0-liter front-wheel-drive model for the Tribute SUV and new series for Demio called "Purel" and "Aeroactive" targeted at young female and male customers respectively. We also introduced special version series such as the "@NAVI SPORTS" for MPV, Capella Wagon and Familia S-Wagon; "MAZDASPEED ROADSTAR" and "MAZDASPEED FAMILIA"; and Bongo Frendee "CITY RUNNER III". All these models supported Mazda's brand DNA and contributed to Mazda sales performance in the First Half.

We remained on track in the development of our next-generation products, the first of which will enter production later this year. We also continued to implement various initiatives to improve our distribution networks in Japan and abroad. In the Japanese market, our domestic dealers continued to improve their business structure, remaining profitable at all levels in this fiscal half and generating strong positive cash. Further progress was made in One Operation initiatives including the merger of dealers across prefectures in Kyushu.

In overseas markets, our strategy to assume greater control of local distribution in Europe resulted in the establishment of Mazda Automobiles France S.A.S., which started operation in April, and Mazda Motors UK Limited, which started operation in August. A Memorandum of Understanding was signed with our present distributor in Switzerland in October, and negotiations progressed with our Austrian distributor. Including these markets, Mazda will control distribution covering more than 70% of our volume sold in Europe.

We continued to focus on reform and restructuring, including implementation of process re-engineering initiatives to establish a more efficient and robust workforce following the Early Retirement Special Program at the end of the last fiscal year. The closure of our Ujina 2 assembly plant aligns our facility capacity to our projected sales performance. And we progressed the restructuring of our subsidiaries with several actions completed in the First Half.

Synergies with Ford continued to advance as planned in areas such as the development of the large I4 engine family with Job #1 in Hiroshima projected to occur in the Second Half of the fiscal year. Work also progressed on the establishment of production of Mazda's next-generation small car at Ford’s plant in Valencia, Spain in early 2003.

Initiatives to fully unleash the potential of our employees were further accelerated with the start of the second round of the “Mazda Business Leader Development” training program, approval of a stock option plan for management-level employees, the introduction of the “Mazda Flexible Benefit Plan” -- a new fringe benefit plan, and the announcement of the “21st Century Mazda Labor-Management Joint Declaration”, confirming the mutual understanding and confidence required between labor and management to succeed in the new century.

Mazda's sales in the Japanese market in the First Half totaled 147,000 units, down 11.2% compared with the same period a year ago reflecting the absence of any all-new product launches, coupled with severe competitive pressures due to a number of new-model launches by our competitors. Our retail sales in the Japanese market in the First Half were 138,000 units, down 9.5% from the same period a year ago. Our registered vehicle share in the domestic market was 6.1%, down 0.7 points from a year ago. Our total share, including micro-mini vehicles, was 4.9%, down half a point.

Overseas sales totaled 346,000 units, up 5.3% from the same period of the previous fiscal term. A slowdown in sales in Europe was more than offset by higher sales in North America, Asia, Oceania and South America. Retail sales in the U.S. were up 12.9%, to 141,000 units. Sales in Canada and Australia were up over 30%. On the other hand, total retail sales in Europe were down 28.6%. Combined domestic and overseas sales totaled 493,000 units, down 0.2%.

Turning to financial results in the First Half, consolidated sales revenue was ¥1,038.2 billion, up 3.2% from the same period of the previous fiscal term. Operating income was ¥11.2 billion, ¥15.9 billion better than the same period a year ago. Ordinary income was ¥4.8 billion, ¥21.4 billion better than a year ago. Net income was ¥1.3 billion. This was ¥10.8 billion better, more than explained by cost reductions. Partial offsets were adverse volume and mix. These results were better than the commitments management made in May.

Cash flow (operating and investing activities) was negative ¥41.6 billion, more than explained by payouts made to those employees who participated in the Early Retirement Special Program at the end of the last fiscal year. The cash flow was ¥43.4 billion better than our May Plan. Consolidated net debt (the balance of interest-bearing debt minus cash and cash equivalents) was ¥525.2 billion, ¥40.6 billion higher than at March 31, 2001.

Unconsolidated sales revenue totaled ¥673.5 billion, up 1.6% from the same period in the previous fiscal term. Operating income was ¥8.7 billion, up ¥22.1 billion from a year ago. Ordinary income was ¥10.9 billion, ¥27.2 billion better, and net income was ¥6.7 billion, ¥19.4 billion better. These improvements reflected cost reductions offset partially by adverse volume and mix.

Cash flow was negative ¥61.6 billion, and net debt stood at ¥292.4 billion, up ¥61.9 billion from March 31, 2001. In July, Mazda established a commitment line of ¥100 billion with 27 major financial institutions to improve funding stability under increasingly difficult banking conditions and domestic economic challenges.

No interim dividends will be declared in the First Half. We offer sincere apologies to our shareholders, and we ask for their understanding in this matter.

2) Financial Projection

The near-term external environment has deteriorated with the impact of the September terrorist attacks in the U.S. casting a shadow over the global economy. Competitors are expected to introduce a number of new models, many of which will offer enhanced value, and raise the level of their marketing expense.

As a result, Fiscal Year 2001 will continue to be a challenging year for Mazda. We have delivered thus far, however, on the commitments that we made in our Millennium Plan. We will continue to maintain strong product activity during the balance of the year by introducing special versions of our existing product lineup supported by innovative sales and marketing initiatives, creating momentum for the introduction of next-generation and environmentally friendly products starting next year.

Under these conditions, our projection of financial results for FY2001 Full Year (from April 1, 2001 to March 31, 2002) is as follows[1]. The following projections reflect a yen exchange rate versus the U.S. dollar of ¥121 and ¥108 versus the Euro.

Consolidated		
Sales volume	950 thousand units	(down 1.5% compared to the prior year)
Sales revenue	2,090.0 billion	(up 3.7% compared to the prior year)
Ordinary income	2.0 billion	
Net income	1.3 billion	
Cash flow (operating and investing)	5.0 billion	
Unconsolidated		
Sales volume	820 thousand units	(down 0.9% compared to the prior year)
Sales revenue	1,360.0 billion	(up 2.8% compared to the prior year)
Ordinary income	10.0 billion	
Net income	11.0 billion	
Cash flow (operating and investing)	(48.0) billion	

We expect to declare a year-end dividend of ¥2.00 per share.

[1] The financial projection is the judgement of our management based on the information presently available. By nature, such financial projection is subject to uncertainty and a risk. Therefore, we advise against making an investment decision by solely relying on this projection. Variables that could affect the actual financial results include, but are not limited to, economic environments related to our business areas and fluctuations in yen-to-dollar and other exchange rates.

4. Consolidated Financial Statements

(1) Consolidated Statement of Operations

Six months ended September 30, 2001

With comparative figures for the six months ended September 30, 2000 and for the fiscal year ended March 31, 2001

(in millions of yen)

		FY2001 1st. Half (Apr. 2001 - Sep. 2001)	FY2000 1st. Half (Apr. 2000 - Sep. 2000)	Increase/ (Decrease)	FY2000 (Apr. 2000 - Mar. 2001)
Net sales	1	**1,038,263**	1,006,112	32,151	2,015,812
Costs of sales	2	**777,210**	780,109	(2,899)	1,555,130
Gross profit on sales	3	**261,053**	226,003	35,050	460,682
Selling, general and administrative expenses	4	**249,851**	230,710	19,141	475,619
Operating income/(loss)	5	**11,202**	(4,707)	15,909	(14,937)
Non-operating income					
Interest and dividend income	6	**1,088**	1,592	(504)	3,176
Equity in net income of unconsolidated subsidiaries and affiliates	7	**3,283**	2,126	1,157	2,356
Other	8	**5,300**	7,079	(1,779)	12,013
Total	9	**9,671**	10,797	(1,126)	17,545
Non-operating expenses					
Interest expense	10	**12,561**	13,267	(706)	25,457
Net transition obligation of new accounting standard for severance and retirement benefits	11	**-**	5,059	(5,059)	-
Other	12	**3,505**	4,430	(925)	6,921
Total	13	**16,066**	22,756	(6,690)	32,378
Ordinary income/(loss)	14	**4,807**	(16,666)	21,473	(29,770)
Extraordinary profits					
Profit on sale of tangible fixed assets	15	**1,641**	396	1,245	1,809
Profit on sale of investment securities	16	**1,351**	3,534	(2,183)	4,504
Reversal of reserve for loss on restructuring of subsidiaries and affiliates	17	**1,280**	-	1,280	-
Other	18	**328**	643	(315)	391
Total	19	**4,600**	4,573	27	6,704
Extraordinary losses					
Loss on retirement and sale of tangible fixed assets	20	**1,515**	2,507	(992)	7,847
Loss on sale of investment securities	21	**280**	3,841	(3,561)	3,896
Valuation loss on investment securities	22	**87**	1,569	(1,482)	2,250
Accrual for directors' and corporate auditors' retirement benefits	23	**572**	-	572	-
Loss on restructuring of subsidiaries and affiliates	24	**-**	316	(316)	5,335
Investment valuation allowance	25	**582**	-	582	351
Provision for loss on guarantees of loans	26	**-**	-	-	2,140
Net transition obligation of new accounting standard for severance and retirement benefits	27	**-**	-	-	154,608
Severance pay for early retirement	28	**-**	-	-	36,608
Loss on business restructuring	29	**-**	-	-	3,011
Other	30	**553**	374	179	3,330
Total	31	**3,589**	8,607	(5,018)	219,376
Income/(loss) before income taxes	32	**5,818**	(20,700)	26,518	(242,442)
Income taxes					
Current	33	**6,011**	12,706	(6,695)	6,089
Deferred	34	**(2,994)**	(23,656)	20,662	(92,552)
Minority interests of consolidated subsidiaries	35	**1,488**	(156)	1,644	(736)
Net income/(loss)	36	**1,313**	(9,594)	10,907	(155,243)

(2) Consolidated Balance Sheet

September 30, 2001
With comparative figures for March 31, 2001 and for September 30, 2000

(in millions of yen)

ASSETS		FY2001 1st. Half (September 30, 2001)	FY2000 (March 31, 2001)	Increase/ (Decrease)	FY2000 1st. Half (September 30, 2000)
Current Assets:					
Cash and time deposits	1	**235,494**	294,891	(59,397)	210,430
Trade notes and accounts receivable	2	**110,583**	125,724	(15,141)	129,858
Inventories	3	**207,451**	207,098	353	186,976
Deferred taxes	4	**50,679**	42,785	7,894	42,494
Other	5	**40,907**	42,464	(1,557)	35,610
Allowance for doubtful receivables	6	**(4,312)**	(4,877)	565	(8,742)
Total current assets	7	**640,802**	708,085	(67,283)	596,626
Fixed Assets:					
Tangible fixed assets:					
Buildings and structures	8	**153,828**	158,539	(4,711)	161,984
Machinery and vehicles	9	**120,543**	130,829	(10,286)	130,700
Land	10	**441,626**	443,874	(2,248)	230,311
Construction in progress	11	**47,368**	36,092	11,276	32,028
Other	12	**44,532**	45,885	(1,353)	48,317
Total tangible fixed assets	13	**807,897**	815,219	(7,322)	603,340
Intangible fixed assets:	14	**14,504**	14,088	416	10,884
Investments and other fixed assets:					
Investment securities	15	**48,505**	45,229	3,276	48,617
Long-term loans receivable	16	**25,913**	25,795	118	27,495
Deferred taxes	17	**118,828**	121,294	(2,466)	50,861
Other	18	**34,497**	33,455	1,042	36,633
Allowance for doubtful receivables	19	**(21,463)**	(18,441)	(3,022)	(18,080)
Investment valuation allowance	20	**(1,685)**	(1,130)	(555)	(1,787)
Total investments and other fixed assets	21	**204,595**	206,202	(1,607)	143,739
Total fixed assets	22	**1,026,996**	1,035,509	(8,513)	757,963
Deferred assets	23	**41**	33	8	85
Total Assets	24	**1,667,839**	1,743,627	(75,788)	1,354,674

(in millions of yen)

		FY2001 1st. Half (September 30, 2001)	FY2000 (March 31, 2001)	Increase/ (Decrease)	FY2000 1st. Half (September 30, 2000)
LIABILITIES					
Current Liabilities:					
Trade notes and accounts payable	1	**195,802**	206,399	(10,597)	157,074
Short-term loans payable	2	**303,303**	344,804	(41,501)	374,131
Long-term loans payable due within one year	3	**34,540**	35,465	(925)	29,882
Bonds due within one year	4	**50,000**	30,000	20,000	25,000
Accrued expenses	5	**142,122**	131,537	10,585	104,107
Reserve for warranty expenses	6	**15,395**	15,298	97	18,820
Reserve for loss on restructuring of subsidiaries and affiliates	7	**2,345**	4,545	(2,200)	-
Reserve for loss on guarantees of loans	8	**2,140**	2,140	-	-
Reserve for loss on business restructuring	9	**121**	3,011	(2,890)	-
Other	10	**96,130**	154,210	(58,080)	105,978
Total current liabilities	11	**841,898**	927,409	(85,511)	814,992
Fixed Liabilities					
Bonds	12	**141,900**	131,900	10,000	111,900
Long-term loans payable	13	**230,014**	235,123	(5,109)	188,464
Deferred tax liability related to land revaluation	14	**93,379**	93,429	(50)	-
Employees' severance and retirement benefits	15	**173,868**	173,209	659	36,688
Directors' and corporate auditors' retirement benefits	16	**1,421**	-	1,421	-
Other	17	**15,172**	16,434	(1,262)	18,042
Total fixed liabilities	18	**655,754**	650,095	5,659	355,094
Total Liabilities	19	**1,497,652**	1,577,504	(79,852)	1,170,086
Minority Interests in Consolidated Subsidiaries	20	**8,260**	7,251	1,009	6,775
SHAREHOLDERS' EQUITY					
Common stock	21	**120,078**	120,078	-	120,078
Capital surplus	22	**104,216**	104,216	-	104,216
Land revaluation	23	**124,501**	124,570	(69)	-
Retained earnings (deficit)	24	**(135,257)**	(136,639)	1,382	9,374
Net unrealized loss on available-for-sale securities	25	**(652)**	-	(652)	-
Foreign currency translation adjustments	26	**(50,654)**	(53,353)	2,699	(55,854)
Treasury stock	27	**(305)**	(0)	(305)	(1)
Total shareholders' equity	28	**161,927**	158,872	3,055	177,813
Total Liabilities and Shareholders' Equity	29	**1,667,839**	1,743,627	(75,788)	1,354,674

Starting in FY2001 First Half, reserve for employees' bonuses are included in accrued expenses. For consistency, therefore, FY2000 Full Year and FY2000 First Half statements have been reclassified.

(3) Consolidated Statement of Retained Earnings

Six months ended September 30, 2001
With comparative figures for the six months ended September 30, 2000 and for the fiscal year ended March 31, 2001

(in millions of yen)

		FY2001 1st. Half (Apr. 2001 - Sep. 2001)	FY2000 1st. Half (Apr. 2000 - Sep. 2000)	FY2000 (Apr. 2000 - Mar. 2001)
Balance at the beginning of the period	1	**(136,639)**	21,415	21,415
Increases due to:				
Reversal of land revaluation	2	**69**	-	-
Decreases due to:				
Dividends	3	**-**	2,444	2,444
Bonuses to directors and corporate auditors	4	**-**	3	3
Inclusion of newly consolidated subsidiaries and companies newly accounted for by the equity method	5	**-**	-	364
Total	6	**-**	2,447	2,811
Net income/(loss)	7	**1,313**	(9,594)	(155,243)
Balance at the end of the period	8	**(135,257)**	9,374	(136,639)

(4) Consolidated Statement of Cash Flows

Six months ended September 30, 2001

With comparative figures for the six months ended September 30, 2000 and for the fiscal year ended March 31, 2001

(in millions of yen)

		FY2001 1st. Half (Apr. 2001 - Sep. 2001)	FY2000 1st. Half (Apr. 2000 - Sep. 2000)	FY2000 (Apr. 2000 - Mar. 2001)
Cash flows from operating activities:				
Income/(loss) before income taxes	1	**5,818**	(20,700)	(242,442)
Adjustments to reconcile income/(loss) before income taxes to net cash provided by operating activities:				
Depreciation and amortization	2	**22,624**	24,274	49,531
Allowance for doubtful receivables	3	**2,457**	(5,239)	(9,176)
Investment valuation allowance	4	**555**	(3,040)	(3,697)
Reserve for warranty expenses	5	**97**	(1,148)	(4,670)
Reserve for loss on guarantees of loans	6	**-**	-	2,140
Reserve for loss on business restructuring	7	**(2,890)**	-	3,011
Reserve for retirement allowances	8	**-**	(33,353)	(33,353)
Employees' severance and retirement benefits	9	**659**	36,688	173,163
Interest and dividend income	10	**(1,088)**	(1,592)	(3,176)
Interest expense	11	**12,561**	13,267	25,457
Equity in net income of unconsolidated subsidiaries and affiliates	12	**(3,283)**	(2,126)	(2,356)
Loss/(gain) on sale of fixed assets	13	**(126)**	2,111	6,038
Loss/(gain) on sale of investment securities	14	**(1,071)**	307	(608)
Loss on restructuring of subsidiaries and affiliates	15	**-**	316	5,335
Decrease/(increase) in trade notes and accounts receivable	16	**15,429**	23,248	25,526
Decrease/(increase) in inventories	17	**8,847**	(5,372)	(9,244)
Increase/(decrease) in trade notes and accounts payable	18	**(14,410)**	(35,040)	13,942
Accrued severance pay for early retirement	19	**-**	-	45,232
Increase/(decrease) in other current liabilities	20	**(4,080)**	-	57,259
Other	21	**(3,348)**	43,941	14,358
Subtotal	22	**38,751**	36,542	112,270
Interest and dividends received	23	**1,615**	2,405	4,028
Interest paid	24	**(11,874)**	(12,793)	(25,767)
Severance pay for early retirement paid	25	**(45,232)**	-	-
Income taxes paid	26	**(3,326)**	(3,473)	(6,180)
Net cash provided by/(used in) operating activities	27	**(20,066)**	22,681	84,351
Cash flows from investing activities:				
Sale of marketable securities	28	**-**	1,393	1,312
Purchase of investment securities	29	**(159)**	(1,263)	(2,082)
Sale of investment securities	30	**3,723**	10,110	13,327
Sale of investment in subsidiaries affecting scope of consolidation	31	**(883)**	660	228
Acquisition of distribution rights	32	**-**	-	(7,190)
Acquisition of tangible fixed assets	33	**(36,287)**	(26,443)	(45,060)
Proceeds from sale of tangible fixed assets	34	**12,864**	9,073	16,303
Decrease/(increase) in short-term loans receivable	35	**(141)**	985	1,427
Long-term loans made	36	**(447)**	(2,877)	(9,613)
Collections of long-term loans receivable	37	**340**	981	1,203
Other	38	**(614)**	620	(1,949)
Net cash used in investing activities	39	**(21,604)**	(6,761)	(32,094)
Cash flows from financing activities:				
Increase/(decrease) in short-term loans payable	40	**(43,141)**	(3,506)	(37,044)
Proceeds from long-term loans payable	41	**18,264**	36,209	96,828
Repayment of long-term loans payable	42	**(21,536)**	(42,341)	(49,172)
Proceeds from issuance of bonds	43	**30,000**	-	50,000
Redemption of bonds	44	**-**	(30,000)	(55,000)
Cash dividends paid	45	**-**	(2,444)	(2,444)
Other	46	**(859)**	(199)	(197)
Net cash provided by/(used in) financing activities	47	**(17,272)**	(42,282)	2,971
Effect of exchange rate fluctuations on cash and cash equivalents	48	**171**	(450)	511
Net increase/(decrease) in cash and cash equivalents	49	**(58,771)**	(26,812)	55,739
Cash and cash equivalents at beginning of the period	50	**292,615**	233,593	233,593
Increase in cash and cash equivalents due to newly consolidated subsidiaries	51	**707**	1,185	1,200
Increase in cash and cash equivalents due to mergers	52	**-**	-	2,083
Cash and cash equivalents at end of the period	53	**234,551**	207,966	292,615

Notes to Consolidated Financial Statements

1. Consolidation Scope and Application of Equity Method

1) Consolidated Subsidiaries 79

Overseas	15	Mazda Motor of America, Inc., Mazda Motors (Deutchland) GmbH and 13 others
Domestic	64	47 dealers and 17 others

2) Equity Method-Applied Companies 27

Overseas	2	AutoAlliance International, Inc. and AutoAlliance (Thailand) Co., Ltd.
Domestic	25	7 dealers, 11 automotive parts sales companies, and 7 others

2. Changes in Consolidation Scope and Application of Equity Method

1) Consolidated Subsidiaries

Newly added:	4	
Overseas	2	Mazda Automobiles France S.A.S. and Mazda Motors UK Limited
Domestic	2	Mazda Motor International Co., Ltd. and Mazda Parts Kinki Co. Ltd.
Excluded:	7	
Domestic	7	Mazda Seiki Co., Ltd., Mazda Sunmech Co., Ltd. (sold), and 5 dealers (merged)

2) Equity Method-Applied Companies

Excluded:	4	
Domestic	4	Hiroshima Aluminum Industry Co., Ltd. (sold) and 3 automotive parts sales companies (merged and reclassified into consolidated subsidiary category)

3. Accounting Periods of Consolidated Subsidiaries

The first-half consolidated balance sheet date is September 30. Among the consolidated subsidiaries, 16 companies (including Mazda Motor of America, Inc.) have a first-half balance sheet date different from the first-half consolidated balance sheet date, all of which are June 30.

In preparing the first half consolidated financial statements, the financial statements of each of these companies were used. However, adjustments necessary in consolidation were made for material transactions that occurred between the first-half balance sheet date of the above subsidiaries and the first-half consolidated balance sheet date.

4. Accounting Policies

1) Valuation Standards and Methods of Significant Assets

a) Securities

Available-for-sale securities

With available fair value:	Recorded at fair value estimated based on quoted market prices at the balance sheet date, with unrealized gains and losses excluded from income and reported in a separate component of shareholders' equity net of tax. The bases of cost are on a historical cost basis based on a moving average method.
Without available fair value:	Recorded at cost on a historical cost basis on a moving average method

b) Derivative instruments:	Fair value method
c) Inventories	Mainly a historical cost basis based on an average method

2) Depreciation and Amortization Methods of Significant Fixed Assets

a) Tangible Fixed Assets

Mainly declining balance method, except for buildings (excluding fixtures) acquired on or after April 1, 1998 and tools that are accounted for by straight-line method. Useful life and residual value are estimated by a method equivalent to the provisions of the Corporate Tax Law.

b) Intangible Fixed Assets

Mainly straight-line method with periods of useful life estimated by a method equivalent to the provisions of the Corporate Tax Law. Software for internal use is amortized on a straight-line basis over the period of internal use, i.e., 5 years.

3) Standards for Recognition of Reserves

a) Reserve for warranty expenses

Reserve for warranty expenses provides for after-sales expenses of products (vehicles). The amount is estimated per product warranty provisions and actual costs incurred in the past, taking future prospects into consideration.

b) Reserve for loss on restructuring of subsidiaries and affiliates

Reserve for loss on restructuring of subsidiaries and affiliates provides for losses related to restructuring of subsidiaries and affiliates. The amount is estimated in light of the financial positions and other conditions of the subsidiaries and affiliates.

c) Reserve for loss on guarantees of loans

Reserve for loss on guarantees of loans provides for losses related to guarantees of loans. The amount is estimated in light of the financial positions and other conditions of the guarantee companies.

d) Reserve for loss on business restructuring

Reserve for loss on business restructuring provides for losses related to the closure of a plant in accordance with Mazda’s business restructuring plan. The amount estimated in a reasonable manner is recognized.

e) Employees’ severance and retirement benefits

Employees’ severance and retirement benefits provide for the costs of severance and retirement benefits to employees. The amount is recognized based on the estimated amount of liabilities for severance and retirement benefits and the estimated fair value of the pension plan assets at the end of the current first-half year. The recognition of prior service cost is deferred on a straight-line basis over a period equal to or less than the average remaining service period of employees at the time such cost is incurred (mainly 12 years). The recognition of actuarial differences is also deferred on a straight-line basis over a period equal to or less than the average remaining service period of employees at the time such gains or losses are realized (mainly 13 years). The amortization of net gains or losses starts from the fiscal year immediately following the year in which such gains or losses are realized.

f) Directors’ and corporate auditors’ retirement benefits

Directors’ and corporate auditors’ retirement benefits provide for the payment of retirement benefits to directors and corporate auditors. The equivalent of the amount that would be required by the internal corporate policy if all the directors and corporate auditors retired at the end of this half-year period is recognized.

g) Allowance for doubtful receivables

Allowance for doubtful receivables provides for the losses from bad debt. The amount estimated to be uncollectible is recognized. For receivables at an ordinary risk, the amount is estimated based on the past default ratio. For receivables at a high risk and receivables from debtors under bankruptcy proceedings, the amount is estimated based on the financial standing of the debtor.

h) Investment valuation allowance

Investment valuation allowance provides for losses from investments. The amount is estimated in light of the financial standings of the investee companies.

4) Accounting policies of foreign consolidated subsidiaries

Among the foreign consolidated subsidiaries, Compania Colombiana Automotriz S.A. prepares its financial statements based on the accounting principles generally accepted in Colombia to reflect adjustments for the country's inflationary economy and changing prices.

5) Foreign currency translation

Receivables and payables denominated in foreign currencies are translated into Japanese yen at the rate on the half-year end; gains and losses in foreign currency translation are included in the income of the current period. Balance sheets of consolidated overseas subsidiaries are translated into Japanese yen at the rates on the half-year ends of the subsidiaries' accounting periods except for shareholders' equity accounts, which are translated at the historical rates. Income statements of consolidated overseas subsidiaries are translated at average rates of the subsidiaries' half-year periods, with the translation differences prorated and included in the shareholders' equity as foreign currency translation adjustments and minority interests.

6) Accounting for Leases

Lease transactions other than those finance leases with an unconditional title transfer clause are accounted for by the method equivalent to rental transactions.

7) Accounting for Hedging Activities

Full-deferral hedge accounting is mainly applied. However, certain hedging instruments, such as a forward exchange contract designated as hedging a foreign-currency-denominated receivable or payable, are translated into yen at the fixed exchange rate stipulated in the contract. Also, for certain interest swap contracts that are used as hedges and meet certain hedging criteria, the net amount to be paid or received under the interest rate swap contract is added to or deducted from the interest on the assets or liabilities for which the swap contract was executed.

8) Accounting for Consumption Taxes

Tax-excluding method

5. Cash and Cash Equivalents in the Consolidated Statement of Cash Flows

Cash and cash equivalents consist of cash on hand, bank deposits that can be readily withdrawn, and short-term, highly liquid investments with maturities of three months or less at the time of acquisition that present insignificant risk of changes in value.

<u>Accounting Changes</u>

Directors' and corporate auditors' retirement benefits

Until the year ended March 31, 2001, Mazda Motor Corporation (the "Company") accounted for directors' and corporate auditors' retirement benefits on a cash basis. Starting in this first-half period, however, the Company changed its method of accounting for directors' and corporate auditors' retirement benefits from a cash basis to an accrual basis. In the new accrual method, the equivalent of the amount that would be required by the internal corporate policy if all the directors and corporate auditors retired at the end of this half-year period is recognized.

The Company believes that this change provides a better matching of costs and revenues over the period of service and results in an improvement in the financial condition in light of the increasing trend in accounting practice to accrue the costs of retirement benefits to directors and corporate auditors.

The portion of the accrual relating to the current period, i.e., 81 million yen, has been included in selling, general and administrative expenses; the remaining portion relating to the prior periods, i.e., 572 million yen, has been included in extraordinary losses.

The effects of this change were to decrease operating income and ordinary income by 81 million yen and to decrease income before income taxes by 653 million yen.

Changes in Presentation

Consolidated Statement of Cash Flows

In the prior first-half period, the adjustment for the changes in other current liabilities was included in the Other category of the cash flows from operating activities. In this first-half period, however, the adjustment is separately presented as Increase/(Decrease) in Other Current Liabilities for clarity.

Additional Information

1. Employees' Severance and Retirement Benefits

For the prior first-half period, the recognition of net transition obligation was deferred on a straight-line basis over 15 years. Accordingly, the amount estimated to be incurred as of the end of the prior first-half period was recognized in non-operating expense. For the prior full-year period, however, the entire transition obligation was immediately recognized in extraordinary loss.

2. Securities

Starting in this first-half period, available-for-sale securities that have a market value are accounted for in accordance with the new Japanese accounting standard for financial instruments ("Opinion Concerning Establishment of Accounting Standard for Financial Instruments" issued by the Business Accounting Deliberation Council on January 22, 1999). As a result, net unrealized loss on available-for-sale securities has been recognized for the amount of 652 million yen.

3. Real Estate Trust Contract

In September of 1999, Mazda Motor Corporation entered into a real estate trust contract. The beneficial ownership of property was transferred to a third party, and the real estate was leased back to Mazda. The real estate includes an educational facility, a research and development facility, distribution centers, and stores of domestic dealers. In addition, Mazda entered a "*Tokumei Kumiai*" agreement with, and made an investment in the transferee. The balance of the investment of 4,706 million yen is included in the Other category of the Investment and Other Fixed Assets.

Footnotes

(in millions of yen)

	FY2001 1st. Half (September 30, 2001)	FY2000 1st. Half (September 30, 2000)	FY2000 (March 31, 2001)
(Consolidated Balance Sheet)			
1. Accumulated depreciation on tangible fixed assets	1,153,923	1,187,143	1,178,601
2. Assets offered as collateral and collateralized loans			
Assets offered as collateral	461,446	323,995	474,738
Collateralized loans	355,643	304,734	361,378
3. Contingent liabilities for guarantee and similar agreements	53,354	60,335	58,947
4. Notes and other receivables discounted			
Discounted notes receivable	1,608	1,788	2,782
Endorsed notes receivable	6	37	13
Factoring of receivables with recourse	10,282	13,652	10,666
5. Accounting for notes payable and receivable matured on the balance sheet date Maturing notes payable and receivable are removed from the corresponding asset and liability accounts on the day the notes are actually settled. On the balance sheet dates presented, those notes matured on the balance sheet dates are included in the corresponding accounts on the balance sheet, as the balance sheet day was a holiday and financial institutions were off.			
Notes receivable	1,973	1,453	1,178
Notes payable	2,568	1,321	887

(in millions of yen)

	FY2001 1st. Half (Apr. 2001-Sep. 2001)	FY2000 1st. Half (Apr. 2000-Sep. 2000)	FY2000 (Apr. 2000-Mar. 2001)
(Consolidated Statement of Operations)			
Research and development expenses	47,324	39,624	83,617

(in millions of yen)

	FY2001 1st. Half (Apr. 2001-Sep. 2001)	FY2000 1st. Half (Apr. 2000-Sep. 2000)	FY2000 (Apr. 2000-Mar. 2001)
(Consolidated Statement of Cash Flows)			
Reconciliation of cash and time deposits in the consolidated balance sheet to cash and cash equivalents in the consolidated statement of cash flows			
Cash and time deposits	235,494	210,430	294,891
Time deposits with original maturities that exceed 3 months	(943)	(2,464)	(2,276)
Cash and cash equivalents	234,551	207,966	292,615

Leases

	FY2001 1st. Half (Apr. 2001 - Sep. 2001)	FY2000 1st. Half (Apr. 2000 - Sep. 2000)	FY2000 (Apr. 2000 - Mar. 2001)
			(in millions of yen)
1. Finance lease transactions other than those with an unconditional title transfer clause to lessee			
(Lessees)			
1) Equivalent of acquisition costs	150,298	157,090	157,308
Equivalent of accumulated depreciation	82,970	81,287	84,100
Equivalent of net book value as of balance sheet date	67,328	75,803	73,208
2) Future minimum lease payments as of balance sheet date	73,069	82,630	79,688
(due within 1 year)	(20,472)	(21,033)	(21,741)
3) Lease fees paid for this fiscal period	12,390	13,133	25,357
Equivalent of depreciation	10,175	10,892	21,276
Equivalent of interest	1,613	2,103	3,838
4) Depreciation of leased assets is calculated at 100% of acquisition costs or up to the contracted residual value for the assets, using the straight-line method over the lease term.			
5) Interest included in lease fees is computed as a difference between total lease fees and acquisition costs of the leased assets. This amount is allocated to each fiscal period by interest method.			
(Lessors)			
1) Acquisition costs	6,070	6,122	6,201
Accumulated depreciation	4,025	3,937	4,457
Net book value as of balance sheet date	2,045	2,185	1,744
2) Future minimum lease payments to be received as of balance sheet date	3,098	3,328	2,582
(due within 1 year)	(878)	(820)	(794)
3) Lease fees received for this fiscal period	584	565	1,130
Depreciation	300	259	566
Equivalent of interest	43	48	86
4) Interest included in lease fees is computed as a difference between total lease fees and acquisition costs of the leased assets. This amount is allocated to each fiscal period by interest method.			
2. Operating lease transactions			
(Lessees)			
Future minimum lease payments as of balance sheet date	48,833	36,401	48,499
(due within 1 year)	(5,896)	(3,007)	(5,535)
(Lessors)			
Future minimum lease payments to be received as of balance sheet date	10,402	10,312	10,140
(due within 1 year)	(4,601)	(4,676)	(4,517)

Fair Value Information of Securities

FY2001 First Half (As of September 30, 2001)

1. Available-for-sale securities that have a market value

(in millions of yen)

	Acquisition cost	Balance sheet amount	Unrealized gain/loss
1) Equity securities	3,674	2,793	(881)
2) Debt securities			
Corporate bonds	16	16	-
Others	12	15	3
3) Others	806	803	(3)
Total	4,508	3,627	(881)

2. Securities that are not valued at fair value

(in millions of yen)

	Balance sheet amount
Available-for-sale securities Unlisted stocks (excluding those traded over-the-counter)	11,598

FY2000 First Half (As of September 30, 2000)

1. Available-for-sale securities that have a market value

Fair value information is omitted in accordance with the Ministerial Ordinance No. 11-3, promulgated in 2000.

2. Securities that are not valued at fair value

(in millions of yen)

	Balance sheet amount
Available-for-sale securities Unlisted stocks (excluding those traded over-the-counter)	2,306

FY2000 (As of March 31, 2001)

1. Available-for-sale securities that have a market value

Fair value information is omitted in accordance with the Ministerial Ordinance No. 9-3, promulgated in 2000.

2. Securities that are not valued at fair value

(in millions of yen)

	Balance Sheet Amount
Available-for-sale securities Unlisted stocks (excluding those traded over-the-counter)	8,999

Derivative Transactions

The following table summarizes fair value information of derivative transactions for which hedge accounting has not been applied:

(in millions of yen)

	FY2001 First Half (September 30, 2001)			FY2000 First Half (September 30, 2000)			FY2000 (March 31, 2001)		
Forward foreign exchange contracts:	Contract amount	Estimated fair value	Recognized gain/(loss)	Contract amount	Estimated fair value	Recognized gain/(loss)	Contract amount	Estimated fair value	Recognized gain/(loss)
Sell:									
U.S. dollars	197	195	2	-	-	-	6,508	7,516	(1,008)
Canadian dollars	399	378	21	-	-	-	770	784	(14)
Australian dollars	2,127	1,984	143	-	-	-	1,466	1,368	98
Euro	2,027	2,029	(2)	-	-	-	2,701	2,708	(7)
Others	1,016	1,027	(11)	-	-	-	-	-	-
Total	5,766	5,613	153	-	-	-	11,445	12,376	(931)

Notes:

1) Fair values at the end of each accounting period are estimated based on prevailing forward exchange rates at that date.
2) Derivative contracts that are accounted for by hedge accounting are excluded.

Segment Information

1. Information by Industry Segment

The company and its consolidated subsidiaries are primarily engaged in the manufacture and sale of passenger and commercial vehicles. Net sales and operating income (loss) related to this industry have exceeded 90% of the respective consolidated amounts. Accordingly, information by industry segment is not shown.

2. Information by Geographic Areas

(in millions of yen)

FY2001 1st. Half (Period ended Sep. 30, 2001)	Japan	North America	Europe	Other areas	Total	Elimination or corporate	Consolidated
Net sales:							
Outside Customers	549,003	362,635	80,667	45,958	1,038,263	-	1,038,263
Inter-areas	251,082	14,209	242	2	265,535	(265,535)	-
Total	800,085	376,844	80,909	45,960	1,303,798	(265,535)	1,038,263
Operating expenses	793,684	371,780	82,676	44,185	1,292,325	(265,264)	1,027,061
Operating income (loss)	6,401	5,064	(1,767)	1,775	11,473	(271)	11,202

(in millions of yen)

FY2000 1st. Half (Period ended Sep. 30, 2000)	Japan	North America	Europe	Other areas	Total	Elimination or corporate	Consolidated
Net sales:							
Outside Customers	611,510	268,531	90,843	35,228	1,006,112	-	1,006,112
Inter-areas	184,713	4,525	324	7	189,569	(189,569)	-
Total	796,223	273,056	91,167	35,235	1,195,681	(189,569)	1,006,112
Operating expenses	799,226	275,014	92,958	35,010	1,202,208	(191,389)	1,010,819
Operating income (loss)	(3,003)	(1,958)	(1,791)	225	(6,527)	1,820	(4,707)

(in millions of yen)

FY2000 (Year ended March 31, 2001)	Japan	North America	Europe	Other areas	Total	Elimination or corporate	Consolidated
Net sales:							
Outside Customers	1,195,609	580,767	168,957	70,479	2,015,812	-	2,015,812
Inter-areas	393,783	10,321	725	13	404,842	(404,842)	-
Total	1,589,392	591,088	169,682	70,492	2,420,654	(404,842)	2,015,812
Operating expenses	1,603,048	595,180	170,653	69,709	2,438,590	(407,841)	2,030,749
Operating income (loss)	(13,656)	(4,092)	(971)	783	(17,936)	2,999	(14,937)

Notes:

1) Method of segmentation and principal countries or regions belonging to each segment
   a) Method: Segmentation by geographic adjacency
   b) Principal countries or regions belonging to each segment
      North America: U.S.A. and Canada
      Europe: Germany and Belgium
      Other areas: Australia and Colombia

3. Overseas Sales

FY2001 1st. Half (Period ended Sep. 30, 2001)	North America	Europe	Other areas	Total
	(in millions of yen)			
Overseas sales	378,979	102,080	142,626	623,685
Consolidated sales	-	-	-	1,038,263
Percentage of overseas sales to consolidated sales	36.5%	9.8%	13.8%	60.1%

FY2000 1st. Half (Period ended Sep. 30, 2000)	North America	Europe	Other areas	Total
	(in millions of yen)			
Overseas sales	286,955	133,107	131,972	552,034
Consolidated sales	-	-	-	1,006,112
Percentage of overseas sales to consolidated sales	28.5%	13.2%	13.1%	54.9%

FY2000 (Year ended March 31, 2001)	North America	Europe	Other areas	Total
	(in millions of yen)			
Overseas sales	618,076	236,324	249,444	1,103,844
Consolidated sales	-	-	-	2,015,812
Percentage of overseas sales to consolidated sales	30.7%	11.7%	12.4%	54.8%

Notes:

1) Overseas sales include exports by Mazda Motor Corporation and its domestic consolidated subsidiaries as well as sales (other than exports to Japan) by overseas consolidated subsidiaries.

2) Method of segmentation and principal countries or regions belonging to each segment
   a) Method: Segmentation by geographic adjacency
   b) Principal countries or regions belonging to each segment

North America:	U.S.A. and Canada
Europe:	Germany and England
Other areas:	Australia, Thailand and Colombia

5. Production and Sales Information

1. Production Volume

Type	FY 2001 1st. Half (Apr. 2001 to Sep. 2001)	FY 2000 1st. Half (Apr. 2000 to Sep. 2000)	Increase/ (Decrease)	FY 2000 (Apr. 2000 to Mar. 2001)
	units	units	units	units
Passenger cars	335,617	325,527	10,090	659,918
Trucks	38,540	40,714	(2,174)	78,025
Vehicles Total	374,157	366,241	7,916	737,943

Note: Production volume figures do not include those Mazda-brand vehicles produced by the following joint venture assembly plants with Ford (that are accounted for by the equity method):

	FY 2001 1st. Half	FY 2000 1st. Half	Increase/ (Decrease)	FY 2000
AutoAlliance International, Inc.	29,080 units	44,617 units	(15,537) units	68,203 units
AutoAlliance (Thailand) Co., Ltd.	13,598 units	13,621 units	(23) units	30,515 units

2. Sales Volume and Revenue

Type	FY 2001 1st. Half (Apr. 2001 to Sep. 2001)		FY 2000 1st. Half (Apr. 2000 to Sep. 2000)		Increase/ (Decrease)		FY 2000 (Apr. 2000 to Mar. 2001)	
	Volume	Revenue	Volume	Revenue	Volume	Revenue	Volume	Revenue
	units	million yen	units	million yen	units	million yen	units	million yen
Vehicles	493,106	730,637	494,122	673,616	(1,016)	57,021	963,991	1,355,752
Knockdown Parts (Overseas)	—	28,961	—	32,532	—	(3,571)	—	59,513
Parts	—	92,729	—	106,206	—	(13,477)	—	203,042
Others	—	185,936	—	193,758	—	(7,822)	—	397,505
Total	—	1,038,263	—	1,006,112	—	32,151	—	2,015,812

＜Sales Volume by Market＞

Type	FY 2001 1st. Half (Apr. 2001 to Sep. 2001)	FY 2000 1st. Half (Apr. 2000 to Sep. 2000)	Increase/ Decrease	FY 2000 (Apr. 2000 to Mar. 2001)
	units	units	units	units
Japan	147,204	165,748	(18,544)	333,803
North America	183,782	147,049	36,733	299,655
Europe	74,643	100,151	(25,508)	175,421
Others	87,477	81,174	6,303	155,112
Overseas Total	345,902	328,374	17,528	630,188
Total	493,106	494,122	(1,016)	963,991

＜Reference for the First Half of FY2001 Consolidated Financial Results＞

Nov. 12, 2001
Mazda Motor Corporation

(in 100 millions of yen) (in thousands of units)		FY2000 1st.HF (Apr.00-Sep.00)		FY2001 1st.HF (Apr.01-Sep.01)		FY2000 (Apr.00-Mar.01)		FY2001 (Apr.01-Mar.02) Projection	
			%		%		%		%
Domestic	1	4,540	(2.7)	4,145	(8.7)	9,120	(4.6)	8,200	(10.1)
Overseas	2	5,520	(11.1)	6,236	13.0	11,038	(8.5)	12,700	15.1
Net sales	3	10,061	(7.5)	10,382	3.2	20,158	(6.7)	20,900	3.7
Operating income/(loss)	4	(47)	–	112	–	(149)	–	170	–
Ordinary income/(loss)	5	(166)	–	48	–	(297)	–	20	–
Income/(loss) before tax	6	(207)	–	58	–	(2,424)	–	70	–
Net income/(loss)	7	(95)	–	13	–	(1,552)	–	13	–
Net income/(loss) by geographic area: Mazda	8	(127)		67		(1,275)		110	
Other		87		(56)		(221)		(100)	
Japan		(40)		11		(1,496)		10	
North America		(19)		29		(31)		37	
Europe		(30)		(34)		(42)		(53)	
Other		(6)		7		17		19	
Capital investment	9	170		211		472		630	
Depreciation and amortization	10	242		226		495		490	
R & D cost	11	396		473		836		960	
Total assets	12	13,546		16,678		17,436		16,200	
Net worth	13	1,778		1,619		1,588		1,600	
Financial debts	14	7,293		7,597		7,772		6,732	
Net financial debts	15	5,214		5,252		4,846		4,599	
Cash flow	16	159		(416)		522		50	
Performance of operation	17			Back in the black for the fiscal period				Back in the black for the fiscal period	
Domestic	18	166	0.8	147	(11.2)	334	(3.4)	292	(12.5)
North America	19	147	4.6	184	25.0	300	1.0	348	16.1
Europe	20	100	(12.9)	75	(25.5)	175	(27.1)	147	(16.2)
Other	21	81	33.4	87	7.8	155	(19.4)	163	5.1
Overseas	22	328	3.8	346	5.3	630	(5.6)	658	4.4
Sales volume	23	494	2.8	493	(0.2)	964	(4.8)	950	(1.5)
Retail volume: Share		5.4%		4.9%		5.1%		4.7%	
Domestic	24	152	(2.1)	138	(9.5)	307	(5.2)	273	(11.0)
USA *	25	125	3.7	141	12.9	256	4.8	278	8.7
Europe *	26	125	(10.5)	89	(28.6)	211	(12.6)	160	(24.0)

Note : * Retail volumes of USA and Europe are of calendar year basis.

Five Year Financial Summary (Consolidated/Unconsolidated)

Nov. 12, 2001
Mazda Motor Corporation

Upper left: Unconsolidated

(in 100 millions of yen) (in thousands of units)		FY1997 *1 (Apr.97-Mar.98)		FY1998 (Apr.98-Mar.99)		FY1999 (Apr.99-Mar.00)		FY2000 (Apr.00-Mar.01)		FY2001 (Apr.01-Mar.02) Projection	
Domestic	1	6,311 7,037	(6.3) (6.2)	6,034 6,702	(4.4) (4.8)	6,514 9,554	8.0 42.6	6,396 9,120	(1.8) (4.6)	5,800 8,200	(9.3) (10.1)
Overseas	2	8,812 13,376	17.0 16.9	8,505 13,868	(3.5) 3.7	8,146 12,061	(4.2) (13.0)	6,830 11,038	(16.2) (8.5)	7,800 12,700	14.2 15.1
Net sales	3	15,123 20,414	6.0 7.8	14,540 20,570	(3.9) 0.8	14,661 21,615	0.8 5.1	13,227 20,158	(9.8) (6.7)	13,600 20,900	2.8 3.7
Operating income/(loss)	4	312 332	- -	556 625	78.2 88.2	130 251	(76.5) (59.8)	(313) (149)	- -	100 170	- -
Ordinary income/(loss)	5	259 92	86.7 -	497 469	91.8 409.9	77 61	(84.5) (86.8)	(323) (297)	- -	100 20	- -
Income/(loss) before tax	6	115 (55)	87.8 -	305 235	164.6 -	87 226	(71.5) (3.5)	(2,186) (2,424)	- -	170 70	- -
Net income/(loss)	7	115 (68)	88.4 -	305 387	165.2 -	51 261	(83.2) (32.4)	(1,275) (1,552)	- -	110 13	- -
Net income/(loss) by geographic area — Mazda	8	115		305		51		(1,275)		110	
Other		(16)		(93)		218		(221)		(100)	
Japan		99		212		269		(1,496)		10	
North America		(100)		191		73		(31)		37	
Europe		(31)		26		1		(42)		(53)	
Other		(36)		(42)		(82)		17		19	
Capital investment	9	341 551		374 434		415 488		399 472		510 630	
Depreciation and amortization	10	380 465		373 485		363 518		350 495		340 490	
R & D cost	11	700 714		828 854		670 761		685 836		670 960	
Total assets	12	10,148 14,563		10,749 14,790		11,046 14,695		14,283 17,436		13,750 16,200	
Net worth	13	3,857 3,385		4,163 3,779		4,399 2,457		4,345 1,588		4,445 1,600	
Financial debts	14	3,941 7,355		4,233 7,287		4,011 7,706		4,562 7,772		4,339 6,732	
Net financial debts	15	2,699 5,802		3,101 5,759		2,340 5,370		2,305 4,846		2,789 4,599	
Cash flow	16	337 —		(401) —		760 2,750	*2	59 522		(480) 50	
Performance of operation	17									Back in the black for the fiscal period	
Domestic	18	345 345	(8.5) (8.5)	337 337	(2.4) (2.4)	344 345	2.4 2.5	337 334	(2.1) (3.4)	292 292	(13.5) (12.5)
North America	19	137 250	18.1 (2.2)	119 261	(13.3) 4.1	177 297	48.7 13.8	178 300	0.7 1.0	225 348	26.1 16.1
Europe	20	220 227	30.3 11.4	272 268	23.8 17.9	236 241	(13.4) (10.2)	158 175	(32.9) (27.1)	146 147	(7.8) (16.2)
Other	21	200 193	10.3 7.9	155 159	(22.3) (17.0)	122 130	(21.4) (18.6)	154 155	25.6 19.4	157 163	2.6 5.1
Overseas	22	557 670	19.5 5.0	546 688	(1.9) 2.8	535 668	(2.1) (3.0)	490 630	(8.4) (5.6)	528 658	7.8 4.4
Sales volume	23	902 1,015	7.0 (0.0)	883 1,025	(2.1) 1.0	879 1,013	(0.4) (1.2)	827 964	(5.9) (4.8)	820 950	(0.9) (1.5)
Retail volume — Share Domestic	24	5.1% 322	(9.1)	5.4% 314	(2.2)	5.5% 323	2.8	5.1% 307	(5.2)	4.7% 273	(11.0)
USA *3	25	222	(6.9)	241	8.4	244	1.3	256	4.8	278	8.7
Europe *3	26	210	9.8	237	13.1	241	1.7	211	(12.6)	160	(24.0)

Note: *1 Certain FY1997 information was reclassified for consistency.
*2 Consolidated cash flow of positive ¥275 billion includes debt reduction(¥148.4 billion) from divestiture of equity in subsidiaries.
*3 Retail volumes of USA and Europe are of calendar year basis.