

October 31, 2002

Mazda Motor CorporationLewis Booth
Representative Director and President

Code No. 7261

Contact: Kiyoshi Ozaki

Executive Officer

General Manager, Financial Services Division

Phone: Hiroshima (082) 282-1111

Tokyo (03) 3508-5040

Revision of Financial Result Projections for FY2002 First Half and Full Year

Mazda Motor Corporation hereby revises its projections of financial results for FY2002 First Half (for the 6-month period from April 1, 2002 to September 30, 2002) and Full Year (for the year from April 1, 2002 to March 31, 2003). The previous projections were released on May 15, 2002 at the time of financial result announcement for FY2001. The new projections described in the following revise those previous projections.

1. Revision of Financial Result Projection for FY2002 First Half (from April 1, 2002 to September 30, 2002)**A) Consolidated**

(in million yen; %)

		Net sales	Ordinary income/(loss)	Net income/(loss)
Previous projection (A)		1,130,000	3,000	2,000
Revised projection (B)		1,159,300	9,100	5,500
Variance in amount (B) - (A)		29,300	6,100	3,500
Variance in percentage		2.6	203.3	175.0
Ref: FY2001 First-Half Results		1,038,263	4,807	1,313

B) Non-consolidated

(in million yen; %)

		Net sales	Ordinary income/(loss)	Net income/(loss)
Previous projection (A)		730,000	1,000	3,000
Revised projection (B)		736,800	7,400	3,900
Variance in amount (B) - (A)		6,800	6,400	900
Variance in percentage		0.9	640.0	30.0
Ref: FY2001 First-Half Results		673,589	10,922	6,706

2. Reasons for the Revision

The revised outlook for the First Half reflects mainly greater-than-expected material, fixed and other cost reductions, as well as a weaker yen. Volume and mix factors are adverse reflecting lower-than-expected sales of carryover products in Japan, mainly MPV, Premacy, Familia, and Tribute, offset partially by the successful launch of Atenza and new Demio.

3. Revision of Financial Result Projection for FY2002 Full Year (from April 1, 2002 to March 31, 2003)

A) Consolidated

(in million yen; %)

		Net sales	Ordinary income/(loss)	Net income/(loss)
Previous projection	(A)	2,250,000	37,000	20,000
Revised projection	(B)	2,340,000	36,000	26,500
Variance in amount	(B) - (A)	90,000	(1,000)	6,500
Variance in percentage		4.0	(2.7)	32.5
Ref: FY2001 Full Year Results		2,094,914	19,221	8,830

B) Non-consolidated

(in million yen; %)

		Net sales	Ordinary income/(loss)	Net income/(loss)
Previous projection	(A)	1,500,000	25,000	16,000
Revised projection	(B)	1,530,000	13,000	(35,000)
Variance in amount	(B) - (A)	30,000	(12,000)	(51,000)
Variance in percentage		2.0	(48.0)	-
Ref: FY2001 Full Year Results		1,364,682	28,348	13,260

4. Reasons for the Revision

The revised outlook for the Full Year reflects better-than-expected improvements in material, fixed and other costs, a weaker yen, and tax efficiencies associated with planned domestic dealer restructuring initiatives in the second half of the year. Volume and mix is a partial offset reflecting mainly higher variable marketing expense in the United States. The contrast of the favorable outlook on a consolidated basis and the unfavorable outlook on an unconsolidated basis is explained by the planned domestic dealer restructuring actions; these actions will result unconsolidated extraordinary losses which do not affect consolidated results.

Reference for the Revision of Financial Result Projections for FY2002 First Half and Full Year--Consolidated

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(in 100 millions of yen) (in thousands of units)		FY2001 1st.HF (Apr.01-Sep.01)		FY2002 1st.HF (Apr.02-Sep.02) Projection		FY2001 (Apr.01-Mar.02)		FY2002 (Apr.02-Mar.03) Projection		
			%		%		%		%	
	Domestic	1	4,145	(8.7)	4,063	(2.0)	8,110	(11.1)	8,430	3.9
	Overseas	2	6,236	13.0	7,530	20.7	12,839	16.3	14,970	16.6
Net sales		3	10,382	3.2	11,593	11.7	20,949	3.9	23,400	11.7
Operating income/(loss)		4	112	-	146	31.0	285	-	500	75.1
Ordinary income/(loss)		5	48	-	91	91.3	192	-	360	87.3
Income/(loss) before tax		6	58	-	71	22.6	155	-	260	67.7
Net income/(loss)		7	13	-	55	324.6	88	-	265	200.1
Operating income/(loss) by geographic area	Japan	8	64		163		245		314	
	North America	8	51		(72)		82		58	
	Europe	8	(18)		28		10		79	
	Other	8	18		18		33		45	
Capital investment		9	211		206		566		440	
Depreciation and amortization		10	226		187		448		370	
R & D cost		11	473		469		949		930	
Total assets		12	16,678		16,985		17,348		17,000	
Net worth		13	1,619		1,742		1,728		1,930	
Debt		14	7,597		6,673		6,863		6,727	
Net debt		15	5,252		4,530		4,569		4,124	
Cash flow		16	(416)		(21)		306		400	
Performance of operation		17	Sales and profit to increase			Sales and profit to increase				
	Domestic	18	147	(11.2)	142	(3.3)	288	(13.7)	300	4.1
	Overseas	19	184	25.0	179	(2.6)	347	15.8	344	(0.9)
		20	75	(25.5)	91	22.0	150	(14.3)	195	29.7
		21	87	7.8	86	(1.7)	163	5.0	176	8.1
	22	346	5.3	356	2.9	660	4.8	715	8.3	
Sales volume		23	493	(0.2)	498	1.1	948	(1.6)	1,015	7.0
Retail volume	Share Domestic	24	4.9%		4.6%		4.6%		4.9%	
	USA *	25	138	(9.5)	129	(6.4)	268	(12.5)	280	4.3
	Europe *	26	141	12.9	129	(8.5)	270	5.5	270	0.1
	Europe *	26	89	(28.6)	87	(2.3)	165	(21.9)	182	10.6

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

< Revision of Unconsolidated Financial Result Projections for FY 2002 First Half and Full Year >

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Mazda Motor Corporation

		FY2001 1st .HF (Apr.01-Sep.01)			FY2002 1st (Apr.02-Sep.02) Projection			FY2001 (Apr.01-Mar.02)			FY2002 (Apr.02-Mar.03) Projection			
				%			%			%		%		
	Domestic	1	42.9%	2,891	(8.1)	40.0%	2,949	+2.0	41.2%	5,617	(12.2)	39.9%	6,100	+8.6
	Overseas	2	57.1%	3,844	+10.4	60.0%	4,419	+15.0	58.8%	8,029	+17.6	60.1%	9,200	+14.6
	Net sales	3	100.0%	6,735	+1.6	100.0%	7,368	+9.4	100.0%	13,646	+3.2	100.0%	15,300	+12.1
	Ratio on sales		1.3%			1.2%			1.9%			1.2%		
	Operating income/ (loss)	4		87	-		85	(2.6)		260	-		180	(30.9)
	Ratio on sales		1.6%			1.0%			2.1%			0.8%		
	Ordinary income/ (loss)	5		109	-		74	(31.5)		283	-		130	(54.1)
	Ratio on sales		1.4%			0.7%			1.5%			(2.1%)		
	Income/ (loss) before tax	6		94	-		48	(48.3)		201	-		(325)	-
	Ratio on sales		1.0%			0.5%			1.0%			(2.3%)		
	Net income/ (loss)	7		67	-		39	(41.8)		132	-		(350)	-
	Exchange rate(Yen)	8		US\$@122 EUR@108			US\$@123 EUR@117			US\$@125 EUR@110			US\$@122 EUR@117	
	Capital investment	9		167			177			468			380	
	Depreciation and amortization	10		158			119			322			240	
	Ratio on sales		4.1%			5.1%			4.6%					
	R & D cost	11		278			381			633			740	
	Labor cost	12		776			817			1,546			1,640	
	Total assets	13		13,775			13,868			13,731			13,800	
	Equity ratio		32.0%			32.4%			32.6%			29.7%		
	Net worth	14		4,402			4,498			4,474			4,101	
	Financial debts	15		4,641			4,409			4,334			4,780	
	Net financial debts	16		2,924			2,943			2,800			3,032	
	Cash flow	17		(616)			(119)			(491)			(200)	
	Performance of operation	18				Sales:Up Income:Down						Sales:Up Income:Down		
	Domestic production volume	19		374	+2.2		395	+5.7		730	(1.1)		780	+6.9
	Registered	20		129	(11.6)		125	(2.7)		247	(16.7)		258	+4.6
	Micro-Mini	21		18	(14.3)		23	+26.9		40	(2.1)		45	+12.9
	Domestic	22		147	(11.8)		148	+1.0		287	(14.9)		303	+5.7
	North America	23		113	+33.0		101	(10.7)		226	+26.9		196	(13.4)
	Europe	24		74	(10.3)		102	+37.8		151	(4.9)		200	+32.6
	Other	25		86	+8.1		88	+2.4		157	+2.5		172	+10.2
	Overseas	26		273	+10.5		291	+6.5		534	+9.0		568	+6.5
	Sales volume	27		420	+1.5		439	+4.6		821	(0.8)		871	+6.2
	Share		4.9%			4.6%			4.6%			4.9%		
	Retail sales volume	28		138	(9.2)		129	(6.4)		268	(12.5)		280	+4.3
	Number of employees (excluding dispatchees)	29		19,274			18,448			18,698			18,055	

Five Year Financial Summary (Consolidated/Unconsolidated)

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Upper left: Unconsolidated

(in 100 millions of yen)
(in thousands of units)

		FY1998 (Apr.98-Mar.99)		FY1999 (Apr.99-Mar.00)		FY2000 (Apr.00-Mar.01)		FY2001 (Apr.01-Mar.02)		FY2002 (Apr.02-Mar.03) Projection		
Domestic	1	6,034	(4.4)	6,514	8.0	6,396	(1.8)	5,617	(12.2)	6,100	8.6	
		6,702	(4.8)	9,554	42.6	9,120	(4.6)	8,110	(11.1)	8,430	3.9	
Overseas	2	8,505	(3.5)	8,146	(4.2)	6,830	(16.2)	8,029	17.6	9,200	14.6	
		13,868	3.7	12,061	(13.0)	11,038	(8.5)	12,839	16.3	14,970	16.6	
Net sales	3	14,540	(3.9)	14,661	0.8	13,227	(9.8)	13,646	3.2	15,300	12.1	
		20,570	0.8	21,615	5.1	20,158	(6.7)	20,949	3.9	23,400	11.7	
Operating income/(loss)	4	556	78.2	130	(76.5)	(313)	-	260	-	180	(30.9)	
		625	88.2	251	(59.8)	(149)	-	285	-	500	75.1	
Ordinary income/(loss)	5	497	91.8	77	(84.5)	(323)	-	283	-	130	(54.1)	
		469	409.9	61	(86.8)	(297)	-	192	-	360	87.3	
Income/(loss) before tax	6	305	164.6	87	(71.5)	(2,186)	-	201	-	(325)	-	
		235	-	226	(3.5)	(2,424)	-	155	-	260	67.7	
Net income/(loss)	7	305	165.2	51	(83.2)	(1,275)	-	132	-	(350)	-	
		387	-	261	(32.4)	(1,552)	-	88	-	265	200.1	
Operating income/(loss) by geographic area	Japan	605		169		(136)		245		314		
	North America	31		6		(41)		82		58		
	Europe	54		33		(10)		10		79		
	Other	(6)		(5)		8		33		45		
Capital investment	9	374		415		399		468		380		
		434		488		472		566		440		
Depreciation and amortization	10	373		363		350		322		240		
		485		518		495		448		370		
R & D cost	11	828		670		685		633		740		
		854		761		836		949		930		
Total assets	12	10,749		11,046		14,283		13,731		13,800		
		14,790		14,695		17,436		17,348		17,000		
Net worth	13	4,163		4,399		4,345		4,474		4,101		
		3,779		2,457		1,588		1,728		1,930		
Debt	14	4,233		4,011		4,562		4,334		4,780		
		7,287		7,706		7,772		6,863		6,727		
Net debt	15	3,101		2,340		2,305		2,800		3,032		
		5,759		5,370		4,846		4,569		4,124		
Cash flow	16	(401)		760		59		(491)		(200)		
		—		2,750	*1	522		306		400		
Performance of operation	17									Uncon: sale up/profit down Consol: sale up/profit up		
Domestic	18	337	(2.4)	344	2.4	337	(2.1)	287	(14.9)	303	5.7	
		337	(2.4)	345	2.5	334	(3.4)	288	(13.7)	300	4.1	
North America	19	119	(13.3)	177	48.7	178	0.7	226	26.9	196	(13.4)	
		261	4.1	297	13.8	300	1.0	347	15.8	344	(0.9)	
Europe	20	272	23.8	236	(13.4)	158	(32.9)	151	(4.9)	200	32.6	
		268	17.9	241	(10.2)	175	(27.1)	150	(14.3)	195	29.7	
Other	21	155	(22.3)	122	(21.4)	154	25.6	157	2.5	172	10.2	
		159	(17.0)	130	(18.6)	155	19.4	163	5.0	176	8.1	
Overseas	22	546	(1.9)	535	(2.1)	490	(8.4)	534	9.0	568	6.5	
		688	2.8	668	(3.0)	630	(5.6)	660	4.8	715	8.3	
Sales volume	23	883	(2.1)	879	(0.4)	827	(5.9)	821	(0.8)	871	6.2	
		1,025	1.0	1,013	(1.2)	964	(4.8)	948	(1.6)	1,015	7.0	
Retail volume	Share	5.4%		5.5%		5.1%		4.6%		4.9%		
	Domestic	24	314	(2.2)	323	2.8	307	(5.2)	268	(12.5)	280	4.3
	USA *2	25	241	8.4	244	1.3	256	4.8	270	5.5	270	0.1
Europe *2	26	237	13.1	241	1.7	211	(12.6)	165	(21.9)	182	10.6	

Note: *1 Consolidated cash flow of positive ¥275 billion includes debt reduction(¥148.4 billion) from divestiture of equity in subsidiaries.

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