

Consolidated Financial Results
For the Third Quarter of the Fiscal Year Ending March 31, 2021
(For the First Nine Months Ended December 31, 2020)



Prepared in Conformity with Generally Accepted Accounting Principles in Japan
English Translation from the Original Japanese-Language Document

February 4, 2021

Company Name : **Mazda Motor Corporation** (Tokyo Stock Exchange / Code No. 7261)
URL : <https://www.mazda.com/>
Representative Person : Akira Marumoto, Representative Director and President
Contact Person : Nobuhiko Kageyama, General Manager, Accounting Department, Financial Services Division
Phone 082-282-1111

Filing of *Shihanki Hokokusho*,
quarterly securities report : Scheduled for February 12, 2021
Payment of Dividends : -
Supplementary Material : Yes
Briefing Session : Yes (Intended for securities analysts, institutional investors and media)

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

1. Consolidated Financial Highlights (April 1, 2020 through December 31, 2020)

(1) Consolidated Financial Results (for the first nine months)

(Percentage indicates change from same period of the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2021 3rd quarter	1,959,457	(23.3)	(31,998)	-	(31,156)	-	(78,248)	-
FY2020 3rd quarter	2,556,280	(2.5)	32,345	(43.3)	50,054	(39.6)	32,375	(8.4)

Note: Comprehensive income **FY2021 3rd quarter** **(74,607) millions of yen** (- %)
FY2020 3rd quarter 40,372 millions of yen (33.8 %)

	Net Income Per Share	Net Income Per Share (Diluted)
	yen	yen
FY2021 3rd quarter	(124.25)	-
FY2020 3rd quarter	51.41	51.39

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	millions of yen	millions of yen	%
As of December 31, 2020	2,937,596	1,100,766	37.0
March 31, 2020	2,787,640	1,205,846	42.1

Reference: Net Assets excluding non-controlling interests

As of December 31, 2020 **1,087,679 millions of yen**
As of March 31, 2020 1,174,947 millions of yen

2. Dividends

	Dividends Per Share				
	1st. Qtr.	2nd. Qtr.	3rd. Qtr.	Year End	Full-Year
	yen	yen	yen	yen	yen
FY2020	-	15.00	-	20.00	35.00
FY2021	-	0.00	-		
FY2021 (Forecast)				0.00	0.00

Note: Revision of the dividend forecast most recently announced: None

3. Consolidated Financial Forecast (April 1, 2020 through March 31, 2021)

(Percentage indicates change from the previous fiscal year)

	Net sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent		Net Income Per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
FY2021 Full Year	2,900,000	(15.5)	0	(100.0)	6,000	(88.7)	(50,000)	-	(79.39)

Note: Revision of the consolidated financial forecast most recently announced: Yes

Notes:

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly added subsidiaries: None

Excluded subsidiaries: None

(2) Application of accounting treatment specific to preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies / Changes in accounting estimates / Restatement:

1) Changes in accounting policies with accompanying revision of accounting standards	None
2) Voluntary changes in accounting policies except 1)	None
3) Changes in accounting estimates	None
4) Restatement	None

(4) Number of outstanding shares (Common stock)

1) Number of outstanding shares (including treasury stock)		
	As of December 31, 2020	631,803,979 shares
	As of March 31, 2020	631,803,979 shares
2) Number of treasury stock		
	As of December 31, 2020	2,017,889 shares
	As of March 31, 2020	2,017,360 shares
3) Average number of outstanding shares		
	For 9 months ended December 31, 2020	629,786,387 shares
	For 9 months ended December 31, 2019	629,780,150 shares

This document is out of the scope of the quarterly review by certified public accountants or accounting auditor.

Cautionary Statements with Respect to Forward-Looking Statements

The financial forecast and other descriptions of the future presented in this document are an outlook based on our judgments and projections. The judgments and projections are based on information presently available. As such, the financial forecast and future descriptions are subject to uncertainties and risks, and are not contemplated to ensure the fulfillment thereof. Accordingly, the actual financial performance may vary significantly due to various factors.

For detail such as precondition of the financial forecast, please refer to "1. Qualitative Information on Consolidated Results for the Quarterly Period - (3) Future Estimates such as Consolidated Financial Forecast" on page 3 of the attachment.

ATTACHMENT

Table of Contents

1. Qualitative Information on Consolidated Results for the Quarterly Period.....	P. 2
(1) Consolidated Financial Results.....	P. 2
(2) Consolidated Financial Position and Cash Flows.....	P. 3
(3) Future Estimates such as Consolidated Financial Forecast.....	P. 3
2. Quarterly Consolidated Financial Statements and Major Footnotes.....	P. 5
(1) Quarterly Consolidated Balance Sheets.....	P. 5
(2) Quarterly Consolidated Statements of Operations and Comprehensive Income.....	P. 7
For the first nine months ended December 31, 2020 and 2019	
Quarterly Consolidated Statements of Operations.....	P. 7
Quarterly Consolidated Statements of Comprehensive Income.....	P. 8
For the three months ended December 31, 2020 and 2019	
Quarterly Consolidated Statements of Operations.....	P. 9
Quarterly Consolidated Statements of Comprehensive Income.....	P. 10
(3) Quarterly Consolidated Statements of Cash Flows.....	P. 11
(4) Footnotes to the Quarterly Consolidated Financial Statements.....	P. 13
Note on the Assumptions as Going Concern.....	P. 13
Significant Changes in the Amount of Equity.....	P. 13
Additional Information.....	P. 13
Segment Information.....	P. 14
Significant Subsequent Events.....	P. 14

(Reference)

Financial Summary (Consolidated)

For the Third Quarter of the Fiscal Year Ending March 31, 2021

1. Qualitative Information on Consolidated Results for the Quarterly period

(1) Consolidated Financial Results

(Global Sales)

Global sales volume for the first nine months of the fiscal year ending March 31, 2021 was 930 thousand units, down 15.9 % year on year, due to the sales volume decrease in our major markets except U.S. and China.

(In thousands of units)				
	FY 2020 First 9 Months (Apr.'19-Dec.'19)	FY 2021 First 9 Months (Apr.'20-Dec.'20)	vs. Prior Year	
			Volume	Rate (%)
Japan	139	114	(25)	(18.2) %
North America	305	292	(13)	(4.2) %
Europe	219	135	(83)	(38.1) %
China	175	178	3	1.7 %
Other	269	211	(58)	(21.5) %
Total	1,106	930	(176)	(15.9) %

<Breakdown>

U.S.	208	211	4	1.8 %
------	-----	-----	---	-------

(Consolidated Financial Results)

Financial performance on a consolidated basis for the first nine months of the fiscal year ending March 31, 2021 was as follows. Net sales amounted to ¥1,959.5 billion, a decrease of ¥596.8 billion or 23.3 % compared to the corresponding period in the previous fiscal year. Operating loss amounted to ¥32.0 billion. (For the first nine months of the previous fiscal year, operating income was ¥32.3 billion.) Ordinary loss amounted to ¥31.2 billion. (For the first nine months of the previous fiscal year, ordinary income was ¥50.1 billion.) Net loss attributable to owners of the parent amounted to ¥78.2 billion, with the posting of a ¥20.5 billion extraordinary loss of fixed cost during production suspension due to the impact of the novel coronavirus. (For the first nine months of the previous fiscal year, net income attributable to owners of the parent was ¥32.4 billion.)

And, operating loss changes (a decrease of ¥64.3 billion compared to the corresponding period in the previous fiscal year) were as follows.

Volume & mix	(139.1)	billion yen
Exchange rate	(6.9)	billion yen
Cost improvement	0.2	billion yen
Fixed costs and others	61.0	billion yen
Transfer to extraordinary loss by production suspension	20.5	billion yen
Total	(64.3)	billion yen

(2) Consolidated Financial Position and Cash Flows

(Assets, Liabilities and Net Assets)

As of December 31, 2020, total assets increased ¥150.0 billion from the end of the previous fiscal year, to ¥2,937.6 billion. Total liabilities increased ¥255.0 billion from the end of the previous fiscal year to ¥1,836.8 billion. Interest-bearing debt as of December 31, 2020 increased ¥299.1 billion from the end of previous fiscal year to ¥918.9 billion mainly due to the increase in long-term loans.

Net Assets as of December 31, 2020 decreased ¥105.1 billion from the end of the previous fiscal year to ¥1,100.8 billion, reflecting net loss attributable to owners of the parent of ¥78.2 billion and the cash dividends of ¥12.6 billion. Equity ratio decreased 5.1 percentage points from the end of the previous fiscal year to 37.0 % (Percentage after consideration of the equity credit attributes of the subordinated loan was 38.2 %).

(Cash Flows)

Cash and cash equivalent as of December 31, 2020 increased ¥177.6 billion from the end of the previous fiscal year to ¥745.6 billion. Interest-bearing debt as of December 31, 2020 increased ¥299.1 billion from the end of previous fiscal year to ¥918.9 billion. As a result, after subtracting cash and cash equivalents from the interest-bearing debt, net interest bearing debt amounted to ¥173.4 billion.

Cash flows for the first nine months of the fiscal year ending March 31, 2021 by activities were as follows.

Cash flows from operating activities

Net cash used in operating activities was ¥36.4 billion, reflecting loss before income taxes of ¥54.5 billion, decrease in trade notes and accounts receivable, etc. (For the first nine months of the previous fiscal year, net cash used in operating activities was ¥34.7 billion.)

Cash flows from investing activities

Net cash used in investing activities was ¥59.5 billion, mainly reflecting capital expenditure for the acquisition of property, plant and equipment of ¥51.7 billion. (For the first nine months of the previous fiscal year, net cash used in investing activities was ¥104.6 billion.)

As a result, consolidated free cash flow (net of operating and investing activities) was negative ¥95.9 billion. (For the first nine months of the previous fiscal year, consolidated free cash flow was negative ¥139.3 billion.)

Cash flows from financing activities

Net cash provided by financing activities was ¥264.3 billion, mainly reflecting the procurement of funds for capital risk due to the impact of the novel coronavirus. (For the first nine months of the previous fiscal year, net cash provided by financing activities was ¥6.0 billion.)

(3) Future Estimates such as Consolidated Financial Forecast

In light of recent trends in our business performance, we have revised the consolidated financial forecast for the fiscal year ending March 2021, as shown below. The prior forecast was announced on November 9, 2020.

For more information, please refer to "Notice of Revision of Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2021" that has been released today.

Consolidated Financial Forecast and Global Retail Volume Forecast (April 1, 2020 through March 31, 2021)

Consolidated Financial Forecast

	Full Year		vs. Prior Year		
Net Sales	2,900	billion yen	down	15.5	%
Operating Income	0	billion yen	down	100.0	%
Ordinary Income	6	billion yen	down	88.7	%
Net Income Attributable to Owners of the parent	(50)	billion yen		-	%

Exchange rate assumptions

	Full Year		vs. Prior Year	
USD	105	Yen	(3)	Yen
EUR	123	Yen	3	Yen

Global Retail Volume Forecast

	Full Year		vs. Prior Year		
Japan	177	thousand units	down	12.4	%
North America	400	thousand units	up	0.9	%
Europe	182	thousand units	down	31.0	%
China	240	thousand units	up	13.4	%
Other	300	thousand units	down	13.0	%
Total	1,300	thousand units	down	8.4	%

Note: The forecast stated above is based on management's judgment and views in light of information presently available. By nature, such forecasts are subject to risks and uncertainties, and are not contemplated to ensure the fulfillment thereof. Therefore, we advise against making an investment decision by solely relying on this forecast. Variables that could affect the actual financial results include, but are not limited to, the economic environments surrounding our business areas and fluctuations in exchange rates.

2. Quarterly Consolidated Financial Statements and Major Footnotes

(1) Quarterly Consolidated Balance Sheets

		(Millions of Yen)	
		FY2020	FY2021
As of		March 31, 2020	December 31, 2020
ASSETS			
Current Assets:			
Cash and deposits		521,960	623,377
Trade notes and accounts receivable		169,007	144,245
Securities		47,000	122,900
Inventories		441,305	476,749
Other		136,310	170,585
Allowance for doubtful receivables		(970)	(1,701)
Total current assets		1,314,612	1,536,155
Non-current Assets:			
Property, plant and equipment:			
Buildings and structures (net)		191,064	188,705
Machinery, equipment and vehicles (net)		293,993	274,067
Land		418,104	417,103
Leased assets (net)		20,044	20,536
Other (net)		149,309	145,183
Total property, plant and equipment		1,072,514	1,045,594
Intangible assets:		40,097	42,316
Investments and other assets:			
Investment securities		214,000	202,731
Asset for retirement benefits		3,736	4,099
Other		143,074	107,087
Allowance for doubtful receivables		(393)	(386)
Total investments and other assets		360,417	313,531
Total non-current assets		1,473,028	1,401,441
Total Assets		2,787,640	2,937,596

(Millions of Yen)

	FY2020	FY2021
As of	March 31, 2020	December 31, 2020
LIABILITIES		
Current Liabilities:		
Trade notes and accounts payable	364,784	341,769
Short-term loans payable	121,364	154,183
Long-term loans payable due within one year	37,130	19,009
Lease obligations	4,484	4,614
Income taxes payable	16,022	3,660
Accrued expenses	225,227	217,383
Reserve for warranty expenses	87,168	79,522
Other	76,764	83,931
Total current liabilities	932,943	904,071
Non-current Liabilities:		
Bonds	50,000	50,000
Long-term loans payable	390,375	673,852
Lease obligations	16,515	17,286
Deferred tax liability related to land revaluation	64,553	64,537
Liability for retirement benefits	75,874	75,942
Other	51,534	51,142
Total non-current liabilities	648,851	932,759
Total Liabilities	1,581,794	1,836,830
NET ASSETS		
Capital and Retained Earnings:		
Common stock	283,957	283,957
Capital surplus	264,917	263,033
Retained earnings	552,993	462,187
Treasury stock	(2,186)	(2,187)
Total capital and retained earnings	1,099,681	1,006,990
Accumulated Other Comprehensive Income/(Loss):		
Net unrealized gain/(loss) on available-for-sale securities	2,231	11,878
Deferred gains/(losses) on hedges	321	(294)
Land revaluation	145,574	145,537
Foreign currency translation adjustment	(48,256)	(47,244)
Accumulated adjustments for retirement benefits	(24,604)	(29,188)
Total accumulated other comprehensive income/(loss)	75,266	80,689
Stock Acquisition Rights	290	382
Non-controlling Interests	30,609	12,705
Total Net Assets	1,205,846	1,100,766
Total Liabilities and Net Assets	2,787,640	2,937,596

(2) Quarterly Consolidated Statements of Operations and Comprehensive Income
(For the first nine months ended December 31, 2020 and 2019)

Quarterly Consolidated Statements of Operations

(Millions of Yen)

	FY2020	FY2021
For the first nine months ended	December 31, 2019	December 31, 2020
Net sales	2,556,280	1,959,457
Cost of sales	2,011,811	1,556,921
Gross profit	544,469	402,536
Selling, general and administrative expenses	512,124	434,534
Operating income/(loss)	32,345	(31,998)
Non-operating income		
Interest income	4,240	2,281
Equity in net income of affiliated companies	15,131	2,270
Foreign exchange gain	2,323	425
Other	4,331	4,455
Total	26,025	9,431
Non-operating expenses		
Interest expense	4,778	6,262
Other	3,538	2,327
Total	8,316	8,589
Ordinary income/(loss)	50,054	(31,156)
Extraordinary income		
Gain on sales of property, plant and equipment	67	303
Gain on sale of investment securities	374	328
Other	205	94
Total	646	725
Extraordinary losses		
Loss on sales and retirement of property, plant and equipment	2,555	2,500
Impairment loss	309	851
Loss on production suspension due to the novel coronavirus	-	20,460
Other	18	267
Total	2,882	24,078
Income/(loss) before income taxes	47,818	(54,509)
Income taxes		
Current	15,839	9,295
Refund of income taxes for prior periods	(11,769)	-
Deferred	10,168	15,432
Total	14,238	24,727
Net income/(loss)	33,580	(79,236)
Net income/(loss) attributable to Non-controlling interests	1,205	(988)
Net income/(loss) attributable to owners of the parent	32,375	(78,248)

Quarterly Consolidated Statements of Comprehensive Income

(Millions of Yen)

	FY2020	FY2021
For the first nine months ended	December 31, 2019	December 31, 2020
Net income/(loss)	33,580	(79,236)
Other comprehensive income/(loss)		
Net unrealized gain/(loss) on available-for-sale securities	6,710	9,642
Deferred gains/(losses) on hedges	(1,380)	(550)
Foreign currency translation adjustment	1,064	6,199
Adjustments for retirement benefits	1,755	(4,587)
Share of other comprehensive income/(loss) of affiliates accounted for using equity method	(1,357)	(6,075)
Total	6,792	4,629
Comprehensive income	40,372	(74,607)
Comprehensive income/(loss) attributable to:		
Owners of the parent	39,328	(72,788)
Non-controlling interests	1,044	(1,819)

(For the three months ended December 31, 2020 and 2019)

Quarterly Consolidated Statements of Operations

(Millions of Yen)

	FY2020	FY2021
For the three months ended	December 31, 2019	December 31, 2020
Net sales	849,706	843,698
Cost of sales	676,895	667,392
Gross profit	172,811	176,306
Selling, general and administrative expenses	166,277	155,441
Operating income	6,534	20,865
Non-operating income		
Interest income	1,363	704
Equity in net income of affiliated companies	3,849	1,944
Foreign exchange gain	5,804	516
Other	1,150	1,150
Total	12,166	4,314
Non-operating expenses		
Interest expense	1,507	2,067
Other	1,160	941
Total	2,667	3,008
Ordinary income	16,033	22,171
Extraordinary income		
Gain on sales of property, plant and equipment	14	228
Gain on sale of investment securities	12	108
Other	126	48
Total	152	384
Extraordinary losses		
Loss on sales and retirement of property, plant and equipment	905	1,174
Impairment loss	156	460
Other	12	265
Total	1,073	1,899
Income before income taxes	15,112	20,656
Income taxes		
Current	933	4,321
Refund of income taxes for prior periods	(11,769)	-
Deferred	8,660	1,616
Total	(2,176)	5,937
Net income	17,288	14,719
Net income/(loss) attributable to Non-controlling interests	1,530	(61)
Net income attributable to owners of the parent	15,758	14,780

Quarterly Consolidated Statements of Comprehensive Income

(Millions of Yen)

	FY2020	FY2021
For the three months ended	December 31, 2019	December 31, 2020
Net income	17,288	14,719
Other comprehensive income/(loss)		
Net unrealized gain/(loss) on available-for-sale securities	3,140	6,784
Deferred gains/(losses) on hedges	(971)	(461)
Foreign currency translation adjustment	7,129	3,889
Adjustments for retirement benefits	477	229
Share of other comprehensive income/(loss) of affiliates accounted for using equity method	(811)	(1,294)
Total	8,964	9,147
Comprehensive income	26,252	23,866
Comprehensive income/(loss) attributable to:		
Owners of the parent	24,234	24,161
Non-controlling interests	2,018	(295)

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of Yen)

	FY2020	FY2021
For the first nine months ended	December 31, 2019	December 31, 2020
Cash flows from operating activities:		
Income/(loss) before income taxes	47,818	(54,509)
Adjustments to reconcile income/(loss) before income taxes to net cash provided by/(used in) operating activities:		
Depreciation and amortization	68,986	67,475
Impairment loss	309	851
Increase/(decrease) in allowance for doubtful receivables	(76)	772
Increase/(decrease) in reserve for warranty expenses	(11,823)	(7,646)
Increase/(decrease) in liability for retirement benefits	502	1,838
Interest and dividend income	(5,309)	(3,375)
Interest expense	4,778	6,262
Equity in net loss/(income) of affiliated companies	(15,131)	(2,270)
Loss/(gain) on sales and retirement of property, plant and equipment	2,476	2,180
Loss/(gain) on sales of investment securities	(374)	(63)
Decrease/(increase) in trade notes and accounts receivable	3,338	25,719
Decrease/(increase) in inventories	(65,636)	(24,341)
Decrease/(increase) in other current assets	7,254	(24,999)
Increase/(decrease) in trade notes and accounts payable	(44,377)	(22,394)
Increase/(decrease) in other current liabilities	(2,799)	7,505
Other	(24,556)	(1,005)
Subtotal	(34,620)	(28,000)
Interest and dividends received	29,425	21,882
Interest paid	(4,432)	(5,715)
Income taxes refunded/(paid)	(25,093)	(24,556)
Net cash provided by/(used in) operating activities	(34,720)	(36,389)
Cash flows from investing activities:		
Purchase of investment securities	(5,656)	(240)
Proceeds from sales and redemption of investment securities	925	1,448
Acquisition of property, plant and equipment	(88,014)	(51,705)
Proceeds from sales of property, plant and equipment	377	797
Acquisition of intangible assets	(10,018)	(10,680)
Payments of long-term loans receivable	(2,667)	(567)
Collections of long-term loans receivable	202	1,017
Other	267	408
Net cash provided by/(used in) investing activities	(104,584)	(59,522)

(Millions of Yen)

For the first nine months ended	FY2020	FY2021
	December 31, 2019	December 31, 2020
Cash flows from financing activities:		
Net increase/(decrease) in short-term loans payable	18,937	31,646
Proceeds from long-term loans payable	31,149	291,054
Repayments of long-term loans payable	(18,334)	(24,171)
Proceeds from issuance of bonds	19,913	-
Redemption of bonds	(20,000)	-
Proceeds from sale and leaseback transactions	87	108
Repayments of lease obligations	(3,573)	(3,741)
Cash dividends paid	(22,042)	(12,596)
Cash dividends paid to non-controlling interests	(122)	(137)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	(17,831)
Net decrease/(increase) in treasury stock	32	(1)
Net cash provided by/(used in) financing activities	6,047	264,331
Effect of exchange rate fluctuations on cash and cash equivalents	454	9,138
Net increase/(decrease) in cash and cash equivalents	(132,803)	177,558
Cash and cash equivalents at beginning of the period	701,624	567,994
Cash and cash equivalents at end of the period	568,821	745,552

(4) Footnotes to the Quarterly Consolidated Financial Statements

(Note on the Assumptions as Going Concern)

Not applicable

(Significant Changes in the Amount of Equity)

Not applicable

(Additional Information)

- Material impact of the global spread of the novel coronavirus on the accounting estimates

There are no significant changes to the accounting estimates assumptions, including an impact of the novel coronavirus pandemic, from the Additional Information described in the consolidated financial results for the second quarter of the fiscal year ending March 31, 2021, released on November 9, 2020.

It should be noted that the changes in the assumptions including the global spread of the novel coronavirus in the future may affect the Company's consolidated financial results.

(Segment Information)

I. FY2020 First Nine Months (April 1, 2019 through December 31, 2019)

1) Sales and Income or Loss by Reportable Segments

(Millions of Yen)

FY2020 First Nine Months Ended December 31, 2019	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	762,192	846,523	549,824	397,741	2,556,280	-	2,556,280
Inter-segment	1,323,221	111,625	22,259	59,335	1,516,440	(1,516,440)	-
Total	2,085,413	958,148	572,083	457,076	4,072,720	(1,516,440)	2,556,280
Segment income/(loss)	(17,300)	17,754	6,988	19,052	26,494	5,851	32,345

Notes: 1. The adjustment on segment income/(loss) is eliminations of inter-segment transactions.

2. Segment income/(loss) is reconciled with the operating income in the consolidated statement of operations for FY2020 first nine months ended December 31, 2019.

2) Impairment Loss on Property, Plant and Equipment and Goodwill by Reportable Segment

Impairment losses on property, plant and equipment, gains from negative goodwill and changes in the amount of goodwill, that were material, were not recognized.

II. FY2021 First Nine Months (April 1, 2020 through December 31, 2020)

1) Sales and Income or Loss by Reportable Segments

(Millions of Yen)

FY2021 First Nine Months Ended December 31, 2020	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	563,536	718,904	344,407	332,610	1,959,457	-	1,959,457
Inter-segment	1,055,978	171,425	13,401	43,828	1,284,632	(1,284,632)	-
Total	1,619,514	890,329	357,808	376,438	3,244,089	(1,284,632)	1,959,457
Segment income/(loss)	(72,312)	17,677	6,851	10,432	(37,352)	5,354	(31,998)

Notes: 1. The adjustment on segment income/(loss) is eliminations of inter-segment transactions.

2. Segment income/(loss) is reconciled with the operating loss in the consolidated statement of operations for FY2021 first nine months ended December 31, 2020.

2) Impairment Loss on Property, Plant and Equipment and Goodwill by Reportable Segment

Impairment losses on property, plant and equipment, gains from negative goodwill and changes in the amount of goodwill, that were material, were not recognized.

(Significant Subsequent Events)

Not applicable

Financial Summary (Consolidated)

For the Third Quarter of the Fiscal Year Ending March 31, 2021

(For the Nine Months Ended December 31, 2020)

February 4, 2021

Mazda Motor Corporation

(In 100 millions of yen)
(In thousands of units)
(Upper left: return on sales)

(In 100 millions of yen) (In thousands of units) (Upper left: return on sales)			FY 2020 First 9 months (Apr.'19-Dec.'19)					FY 2021 First 9 months (Apr.'20-Dec.'20)		FY 2020 Full Year Ended March 31, 2020		FY 2021 Full Year Forecast Ending March 31, 2021	
				%					%		%		%
	Domestic	1	4,417	(9.6)	1,005	1,603	1,392	4,000	(9.4)	6,299	(9.2)	6,300	0.0
	Overseas	2	21,146	(0.8)	2,762	5,788	7,045	15,595	(26.3)	28,004	(2.4)	22,700	(18.9)
Net sales		3	25,563	(2.5)	3,767	7,391	8,437	19,595	(23.3)	34,303	(3.8)	29,000	(15.5)
Operating income		4	1.3%	323	(43.3)	(12.0%)	(1.0%)	209	(1.6%)	436	(47.0)	0	(100.0)
Ordinary income		5	2.0%	501	(39.6)	(11.1%)	(1.6%)	221	(1.6%)	531	(54.3)	60	(88.7)
Income before income taxes		6	1.9%	478	(38.2)	(16.7%)	(1.7%)	207	(2.8%)	493	(54.2)	(210)	—
Net income attributable to owners of the parent		7	1.3%	324	(8.4)	(17.7%)	(3.6%)	148	(4.0%)	121	(80.8)	(500)	—
Operating income by segment (geographic area)													
Japan		8	(173)		(563)	(186)	26	(723)	(253)				
North America		9	178		(62)	51	188	177	308				
Europe		10	70		28	20	21	69	103				
Other areas		11	191		25	30	49	104	264				
Operating profit changes													
Volume & mix		12			(1,044)	(396)	49	(1,391)	(1,280)				
Exchange rate		13			(32)	(7)	(30)	(69)	(140)				
Cost improvement		14			3	(10)	9	2	70				
Fixed costs and others		15			345	149	116	610	709				
Transfer to extraordinary loss by production suspension		16			205	—	—	205	205				
Total		17			(523)	(264)	144	(643)	(436)				
Average rate for the period (Yen)	USD	18	109		108	106	105	106	109	105			
	EUR	19	121		119	124	125	122	121	123			
Capital expenditures		20	983		149	212	185	546	1,326	1,000			
Depreciation and amortization		21	690		229	222	224	675	923	940			
R & D costs		22	1,012		297	330	303	930	1,350	1,300			
Total assets		23	28,704		28,780	29,920		29,376	27,876				
Net assets		24	12,206		10,989	10,654		10,877	11,749				
Financial debt		25	6,512		10,015	9,588		9,189	6,199				
Net financial debt		26	824		2,090	1,191		1,734	519				
Free cash flow (Operating & Investing)		27	(1,393)		(1,511)	951	(399)	(959)	(927)				
	Japan	28	139	(7.3)	26	48	40	114	(18.2)	202	(5.7)	177	(12.4)
	North America	29	305	(4.7)	81	104	107	292	(4.2)	397	(5.8)	400	0.9
	Europe	30	219	11.3	28	54	53	135	(38.1)	264	(2.3)	182	(31.0)
	China	31	175	(10.1)	61	56	61	178	1.7	212	(14.4)	240	13.4
	Other	32	269	(13.0)	48	73	90	211	(21.5)	345	(15.6)	300	(13.0)
Global retail volume		33	1,106	(5.4)	244	334	352	930	(15.9)	1,419	(9.1)	1,300	(8.4)
	Japan	34	131	(10.6)	25	48	37	110	(15.7)	187	(11.0)	171	(8.6)
	North America	35	302	(4.2)	40	101	121	263	(13.1)	421	(0.6)	369	(12.4)
	Europe	36	211	8.8	23	43	53	119	(43.5)	267	0.1	176	(33.9)
	Other	37	271	(11.7)	25	62	85	173	(36.3)	357	(13.0)	284	(20.6)
	Consolidated wholesales volume	38	915	(4.9)	114	255	296	665	(27.3)	1,232	(6.0)	1,000	(18.9)
	Domestic	39	740	0.0	60	213	242	515	(30.4)	972	(3.8)		
	Overseas	40	356	(18.7)	90	114	118	322	(9.6)	462	(17.4)		
Global production volume		41	1,096	(6.9)	150	327	359	837	(23.6)	1,434	(8.6)		

Note: Global retail volume refers to the total retail units of Mazda-brand vehicles sold on a global basis.

Consolidated wholesales volume does not include vehicles which are sold by other brands.

Global production volume refers to the total volume of the units produced in the domestic plant and Mexico plant (including other brands) plus the units of Mazda-brand vehicles produced in other overseas plants (mainly in China and Thailand).