

# Consolidated Financial Results

## For the Fiscal Year Ended March 31, 2021

Prepared in Conformity with Generally Accepted Accounting Principles in Japan

English Translation from the Original Japanese-Language Document



May 14, 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  
 General Meeting of the Shareholders : Scheduled for June 24, 2021  
 Payment of Dividends : -  
 Filing of *Yuka Shoken Hokokusho*, annual securities report : Scheduled for June 25, 2021  
 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 March 31, 2021)

#### (1) Consolidated Financial Results

(Percentage indicates change from 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	%
<b>FY2021</b>	<b>2,882,066</b>	(16.0)	<b>8,820</b>	(79.8)	<b>28,251</b>	(46.8)	<b>(31,651)</b>	-
FY2020	3,430,285	(3.8)	43,603	(47.0)	53,091	(54.3)	12,131	(80.8)

Note: Comprehensive income  
**FY2021** 20,457 millions of yen ( - %)   
**FY2020** (5,068) millions of yen ( - %)

	Net Income Per Share	Net Income Per Share (Diluted)	Return on Equity	Ordinary Income to Total Assets	Operating Income to Sales
	yen	yen	%	%	%
<b>FY2021</b>	<b>(50.26)</b>	-	<b>(2.7)</b>	<b>1.0</b>	<b>0.3</b>
FY2020	19.26	19.25	1.0	1.9	1.3

Reference: Equity in net income of affiliates (for the fiscal years ended March 31)  
**FY2021** 6,622 millions of yen   
**FY2020** 19,714 millions of yen

#### (2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	millions of yen	millions of yen	%	yen
<b>As of Mar. 31, 2021</b>	<b>2,917,414</b>	<b>1,195,830</b>	<b>40.5</b>	<b>1,876.40</b>
As of Mar. 31, 2020	2,787,640	1,205,846	42.1	1,865.63

Reference: Net assets excluding non-controlling interests and stock acquisition rights (as of March 31)  
**FY2021** 1,181,730 millions of yen   
**FY2020** 1,174,947 millions of yen

#### (3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Ending Cash & Cash Equivalents
	millions of yen	millions of yen	millions of yen	millions of yen
<b>FY2021</b>	<b>120,058</b>	<b>(78,862)</b>	<b>99,348</b>	<b>738,793</b>
FY2020	34,834	(127,578)	(24,274)	567,994

### 2. Dividends

	Dividends per Share					Total Amount of Annual Dividends	Dividends Payout Ratio (Consolidated)	Ratio of Dividends to Net Assets (Consolidated)
	1st.Qtr.	2nd.Qtr.	3rd.Qtr.	Year-End	Full Year			
	yen	yen	yen	yen	yen	millions of yen	%	%
FY2020	-	15.00	-	20.00	35.00	22,043	181.7	1.9
<b>FY2021</b>	-	<b>0.00</b>	-	<b>0.00</b>	<b>0.00</b>	-	-	-
FY2022 (Forecast)	-	0.00	-	15.00	15.00		27.0	

### 3. Consolidated Financial Forecast (April 1, 2021 through March 31, 2022)

(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
<b>FY2022 Full Year</b>	<b>3,400,000</b>	<b>18.0</b>	<b>65,000</b>	<b>637.0</b>	<b>55,000</b>	<b>94.7</b>	<b>35,000</b>	<b>-</b>	<b>55.57</b>

**\*Notes**

**(1) Changes in Significant Subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation):**

Newly added subsidiaries: None Excluded subsidiaries: None

**(2) 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 |

**(3) Number of outstanding shares (Common stock)**

1) Outstanding shares at period-end (including treasury stock)	<b>As of March 31, 2021</b>	<b>631,803,979</b> shares
	As of March 31, 2020	631,803,979 shares
2) Treasury stock at period-end	<b>As of March 31, 2021</b>	<b>2,018,122</b> shares
	As of March 31, 2020	2,017,360 shares
3) Average number of outstanding shares during the period	<b>Year ended March 31, 2021</b>	<b>629,786,284</b> shares
	Year ended March 31, 2020	629,781,654 shares

**(Reference)**

**Unconsolidated Financial Highlights (April 1, 2020 through March 31, 2021)**

**(1) Unconsolidated Financial Results**

(Percentage indicates change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
<b>FY2021</b>	<b>2,135,873</b>	<b>(17.4)</b>	<b>(82,882)</b>	-	<b>(23,083)</b>	-	<b>(35,813)</b>	-
FY2020	2,584,322	(3.1)	(43,523)	-	(13,060)	-	(23,870)	-

	Net Income Per Share	Net Income Per Share (Diluted)
	yen	yen
<b>FY2021</b>	<b>(56.86)</b>	-
FY2020	(37.90)	-

**(2) Unconsolidated Financial Position**

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	millions of yen	millions of yen	%	yen
<b>As of Mar. 31, 2021</b>	<b>2,309,305</b>	<b>966,004</b>	<b>41.8</b>	<b>1,533.24</b>
As of Mar. 31, 2020	2,090,940	1,001,820	47.9	1,590.25

Reference: Net Assets excluding stock acquisition rights (as of  
March 31)

<b>FY2021</b>	<b>965,622</b> millions of yen
FY2020	1,001,530 millions of yen

**This document is out of the scope of audit by certified public accountants or accounting auditor.**

**Cautionary Statements with Respect to Forward-Looking Statements and Other Notes**

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. Overview of Financial Results, etc. - (4) Financial Forecast" on page 4 of the attachment.

## Attachment

### Table of Contents

<b>1. Overview of Financial Results, etc. ....</b>	<b>P. 2</b>
<b>(1) Overview of Financial Results.....</b>	<b>P. 2</b>
<b>(2) Overview of Financial Position.....</b>	<b>P. 4</b>
<b>(3) Overview of Cash Flow.....</b>	<b>P. 4</b>
<b>(4) Financial Forecast.....</b>	<b>P. 4</b>
<b>(5) Basic Dividend Policy, Dividends for March 2021 and March 2022 Fiscal Years.....</b>	<b>P. 5</b>
<b>2. Basic Rationale for the Selection of Accounting Standards.....</b>	<b>P. 5</b>
<b>3. Consolidated Financial Statements and Major Footnotes.....</b>	<b>P. 6</b>
<b>(1) Consolidated Balance Sheets.....</b>	<b>P. 6</b>
<b>(2) Consolidated Statements of Operations and Comprehensive Income.....</b>	<b>P. 8</b>
<b>(3) Consolidated Statements of Changes in Net Assets.....</b>	<b>P. 10</b>
<b>(4) Consolidated Statements of Cash Flows.....</b>	<b>P. 12</b>
<b>(5) Footnotes to the Consolidated Financial Statements.....</b>	<b>P. 14</b>
<b>Note on the Assumptions as Going Concern.....</b>	<b>P. 14</b>
<b>Additional Information.....</b>	<b>P. 14</b>
<b>Segment Information.....</b>	<b>P. 15</b>
<b>Information on Amounts Per Share of Common Stock.....</b>	<b>P. 17</b>
<b>Significant Subsequent Events.....</b>	<b>P. 17</b>
<b>4. Unconsolidated Financial Statements and Major Footnotes.....</b>	<b>P. 18</b>
<b>(1) Unconsolidated Balance Sheets.....</b>	<b>P. 18</b>
<b>(2) Unconsolidated Statements of Operations.....</b>	<b>P. 20</b>
<b>(3) Unconsolidated Statements of Changes in Net Assets.....</b>	<b>P. 21</b>
<b>(4) Footnotes to the Unconsolidated Financial Statements.....</b>	<b>P. 23</b>
<b>Note on the Assumptions as Going Concern.....</b>	<b>P. 23</b>
<b>Additional Information.....</b>	<b>P. 23</b>

### (References)

Financial Summary (Consolidated) For the Fiscal Year Ended March 2021

Financial Summary (Unconsolidated) For the Fiscal Year Ended March 2021

# 1. Overview of Financial Results, etc.

## (1) Overview of Financial Results

The business environment surrounding the Mazda Group this fiscal year continued to be challenging as countries imposed lockdowns and issued state of emergency declarations, and the global economy rapidly worsened in the wake of the global spread of the novel coronavirus pandemic. In the second half, however, demand, spurred on by the resumption of economic activities and economic stimulus measures of governments in various countries, began to show signs of recovery particularly in the United States, and there were indications of an economic rebound in a number of countries. On the other hand, concerns over a semiconductor supply shortage emerged in the fourth quarter, and the outlook for the business environment continued to remain unclear.

Amid these conditions, the Company announced a revision to its medium-term management plan in November last year due to significant changes in the business environment precipitated by the spread of the novel coronavirus from February of the previous year onwards. In the course of the review, taking into account lessons learned during novel coronavirus conditions and future indications, the worldwide strengthening and acceleration of environmental regulations, and competition in new value creation in an era characterized by CASE, the Company announced specific measures for resolving structural issues. Bearing in mind these measures, we are now moving ahead with the plan to realize sound growth in the future. After completing preparations in all areas during the initial “foundation-building period” of two years, we will shift the focus of investment quality to electrification, IT and carbon neutrality.

In this consolidated fiscal year, we introduced an EV model of the new compact SUV Mazda MX-30 in the European market as the third of our new generation products in September last year. In Japan as well, we commenced sales of a “mild hybrid model” in October of the same year, followed by an EV model in January of this year. The EV model of the MX-30 is Mazda’s first mass-produced electric vehicle planned for the realization of carbon neutrality by 2050. In addition to these models, we made product improvements in our main models such as the Mazda CX-3, Mazda3, Mazda CX-5 and Mazda CX-8, and introduced engine output improvements and new generation Mazda Connect as part of our ongoing efforts to strengthen the appeal of our products. Through the joy of driving, which will continue to be the original attraction of cars, we aim to enrich the lives of people and society and realize a beautiful earth. Offering cars that stir the hearts of people, we aim to become a brand that shares a special bond with our customers.

### [Global sales]

Global sales volume for the fiscal year ended March 31, 2021 was 1,287 thousand units, down 9.3% year on year as sales declined in Japan, Europe, ASEAN and other countries due to the global spread of the novel coronavirus. On the other hand, in the U.S. and Australia, where sales have been robust, year-on-year increases in sales volume were achieved in both markets as Mazda sales outpaced the demand recovery.

Sales volume by market is as shown below.

#### <Japan>

In Japan, while sales of CX-5 and CX-8 were strong following the introduction of updated models, total sales declined due mainly to the impact of intense competition, resulting in sales of 176 thousand units, down 12.9% year on year.

#### <North America>

In the U.S., despite the decline in total demand, sales of Mazda vehicles rose 7.0% year on year to 295 thousand units, led by sales of newly introduced crossover SUVs such as Mazda CX-30 and CX-5. Although sales in both Canada and Mexico declined, sales in North America as a whole rose 1.6% year on year to 403 thousand units.

#### <Europe>

As lockdowns to quell the novel coronavirus pandemic continued longer than anticipated, sales declined substantially

in key markets such as Germany and the U.K., with overall sales in Europe falling 32.3% year on year to 178 thousand units.

#### <China>

In China, sales rose 7.8% year on year to 228 thousand units, with sales of crossover SUVs such as Mazda CX-4 and CX-5 and the newly introduced CX-30 contributing to growth. In the Chinese market, where demand for sedans is high, sales of the Mazda3, our top selling model in China, remained robust.

#### <Other markets>

In Australia, another key market, sales rose 2.8% year on year to 93 thousand units, as Mazda sales outpaced the demand recovery. Crossover SUVs in particular continue to record strong sales. On the other hand, sales in ASEAN markets such as Thailand contracted, resulting in other markets seeing an overall 12.7% year-on-year decline at 301 thousand units.

### [Consolidated financial result]

Financial performance on a consolidated basis for the fiscal year ended March 31, 2021 was as follows.

(In billion yen)

	FY2021			vs. Prior Year			
	1 <sup>st</sup> Half	2 <sup>nd</sup> Half	Full Year	1 <sup>st</sup> Half	2 <sup>nd</sup> Half	Full Year	
				Amount	Amount	Amount	Rate
Net sales	1,115.8	1,766.3	2,882.1	(590.8)	42.6	(548.2)	(16.0)%
Operating income/(loss)	(52.9)	61.7	8.8	(78.7)	43.9	(34.8)	(79.8)%
Ordinary income/(loss)	(53.3)	81.6	28.3	(87.3)	62.5	(24.8)	(46.8)%
Net income/(loss) attributable to owners of the parent	(93.0)	61.3	(31.7)	(109.6)	65.8	(43.8)	—%

And, operating income changes were as follows.

(In billion yen)

	1 <sup>st</sup> Half	2 <sup>nd</sup> Half	Full Year
Volume & mix	(144.0)	12.9	(131.1)
Exchange rate	(3.9)	(5.4)	(9.3)
Cost improvement	(0.7)	9.5	8.8
Fixed costs and others	49.4	26.9	76.3
Transfer to extraordinary loss by production suspension	20.5	—	20.5
Total	(78.7)	43.9	(34.8)

Financial results by segment were as follows.

(In billion yen)

		FY2021			vs. Prior Year			
		1 <sup>st</sup> Half	2 <sup>nd</sup> Half	Full Year	1 <sup>st</sup> Half	2 <sup>nd</sup> Half	Full Year	
					Amount	Amount	Amount	Rate
Net sales	Japan	894.2	1,437.4	2,331.6	(498.2)	58.8	(439.3)	(15.9)%
	North America	485.2	795.3	1,280.5	(143.0)	59.2	(83.8)	(6.1)%
	Europe	200.8	308.9	509.7	(178.7)	(45.9)	(224.6)	(30.6)%
	Other	205.6	349.2	554.8	(98.1)	46.7	(51.4)	(8.5)%
Operating income	Japan	(74.9)	10.2	(64.7)	(72.0)	32.6	(39.4)	—%
	North America	(1.1)	41.6	40.5	(2.8)	12.4	9.6	31.3%
	Europe	4.8	5.2	10.0	2.1	(2.3)	(0.3)	(2.5)%
	Other	5.5	12.3	17.8	(8.6)	(0.1)	(8.7)	(32.8)%

## **(2) Overview of Financial Position**

As of March 31, 2021, total assets increased ¥129.8 billion from the end of the previous fiscal year, to ¥2,917.4 billion. Total liabilities increased ¥139.8 billion from the end of the previous fiscal year to ¥1,721.6 billion. Interest-bearing debt as of March 31, 2021 increased to ¥755.9 billion mainly due to the increase in long-term loans.

Net Assets as of March 31, 2021 decreased ¥10.0 billion from the end of the previous fiscal year to ¥1,195.8 billion, reflecting net loss attributable to owners of the parent of ¥31.7 billion, the cash dividends of ¥12.6 billion, and increase in Accumulated Other Comprehensive Income mainly due to the rise in the stock price. Equity ratio decreased 1.6 percentage points from the end of the previous fiscal year to 40.5 % (Percentage after consideration of the equity credit attributes of the subordinated loan was 41.7 %).

## **(3) Overview of Cash Flow**

Cash and cash equivalent as of March 31, 2021 increased ¥170.8 billion from the end of the previous fiscal year to ¥738.8 billion. Interest-bearing debt as of March 31, 2021 increased ¥136.1 billion from the end of previous fiscal year to ¥755.9 billion. As a result, after subtracting cash and cash equivalents from the interest-bearing debt, net interest bearing debt amounted to ¥17.1 billion.

Cash flows for the fiscal year ended March 31, 2021 by activities were as follows.

### **Cash flows from operating activities**

Net cash provided by operating activities was ¥120.1 billion, mainly reflecting income before income taxes of ¥2.2 billion and decrease in inventories. (For the previous fiscal year, net cash provided by operating activities was ¥34.8 billion.)

### **Cash flows from investing activities**

Net cash used in investing activities was ¥78.9 billion, mainly reflecting capital expenditure for the acquisition of property, plant and equipment of ¥71.8 billion. (For the previous fiscal year, net cash used in investing activities was ¥127.6 billion.)

As a result, consolidated free cash flow (net of operating and investing activities) was positive ¥41.2 billion. (For the previous fiscal year, consolidated free cash flow was negative ¥92.7 billion.)

### **Cash flows from financing activities**

Net cash provided by financing activities was ¥99.3 billion, mainly reflecting the procurement of funds for capital risk due to the impact of the novel coronavirus. (For the previous fiscal year, net cash used in financing activities was ¥24.3 billion.)

## **(4) Financial Forecast**

In the fiscal year ending March 2022, although current business environment is still unclear including the concern over a semiconductor supply shortage and price increases in raw materials such as precious metal, the company will try to recover sales volume in each market to the level prior to the novel coronavirus crisis, and will expand sales volume in our favorable markets primarily U.S. and Australia. With regard to the consolidated financial forecast for the fiscal year ending March 2022, the Company will address to maximize earnings by an improvement of volume and mix throughout the global markets, and continuous enhancement of the efficiency of marketing expenses and fixed costs.

The outlook for the fiscal year ending March 31, 2022 is as follows.

Consolidated Financial Forecast (April 1, 2021 through March 31, 2022)

	Full Year	vs. Prior Year
Net sales	3,400 billion yen	18.0 %
Operating income	65 billion yen	637.0 %
Ordinary income	55 billion yen	94.7 %
Net income attributable to owners of the parent	35 billion yen	— %
Exchange rate		
USD	109 Yen	3 Yen
EUR	129 Yen	5 Yen

Global Retail Volume Forecast (April 1, 2021 through March 31, 2022)

	Full Year	vs. Prior Year
Japan	195 thousand units	10.5 %
North America	414 thousand units	2.8 %
Europe	225 thousand units	25.9 %
China	260 thousand units	14.0 %
Other	316 thousand units	4.9 %
Total	1,410 thousand units	9.5 %

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.

## (5) Basic Dividend Policy, Dividends for March 2021 and March 2022 Fiscal Years

Mazda's policy regarding the stock dividend is to determine the amount of dividend payments, taking into account current fiscal year's financial results, business environment, and financial condition, etc. And Mazda is striving for realization of a stable shareholder returns and its future steady increase.

With regard to the dividend for the fiscal year ended March 31, 2021, we regretfully have decided not to declare year-end dividend, as a result of comprehensively considering current business performance and financial condition.

For the next fiscal year ending March 31, 2022, our current forecast for dividends is ¥15 per share (comprised of an interim dividend of ¥0 and a year-end dividend of ¥15).

## 2. Basic Rationale for the Selection of Accounting Standards

We are considering to apply International Financial Reporting Standards (IFRS) in the future, in order to enhance the international comparability of its financial information, quality of Group management and corporate governance. In regard to its timing of IFRS application, we will examine it observing the trend of the adoption among Japanese companies as well as the domestic and overseas economic situations, etc.

### 3. Consolidated Financial Statements and Major Footnotes

#### (1) Consolidated Balance Sheets

(Millions of Yen)

	As of	FY2020 March 31, 2020	FY2021 March 31, 2021
<b>ASSETS</b>			
Current Assets:			
Cash and deposits		521,960	<b>591,101</b>
Trade notes and accounts receivable		169,007	<b>167,533</b>
Securities		47,000	<b>147,900</b>
Inventories		441,305	<b>433,049</b>
Other		136,310	<b>151,815</b>
Allowance for doubtful receivables		(970)	<b>(1,803)</b>
Total current assets		1,314,612	<b>1,489,595</b>
Non-current Assets:			
Property, plant and equipment:			
Buildings and structures (net)		191,064	<b>189,949</b>
Machinery, equipment and vehicles (net)		293,993	<b>277,160</b>
Tools, furniture and fixtures (net)		70,952	<b>56,682</b>
Land		418,104	<b>417,027</b>
Leased assets (net)		20,044	<b>20,617</b>
Construction in progress		78,357	<b>113,733</b>
Total property, plant and equipment		1,072,514	<b>1,075,168</b>
Intangible assets:			
Software		37,661	<b>40,500</b>
Other		2,436	<b>2,414</b>
Total intangible assets		40,097	<b>42,914</b>
Investments and other assets:			
Investment securities		214,000	<b>203,432</b>
Long-term loans receivable		6,807	<b>1,861</b>
Asset for retirement benefits		3,736	<b>6,660</b>
Deferred tax assets		91,829	<b>61,120</b>
Other		44,438	<b>37,009</b>
Allowance for doubtful receivables		(393)	<b>(345)</b>
Total investments and other assets		360,417	<b>309,737</b>
Total non-current assets		1,473,028	<b>1,427,819</b>
Total Assets		2,787,640	<b>2,917,414</b>



(Millions of Yen)

	FY2020	FY2021
As of	March 31, 2020	March 31, 2021
<b>LIABILITIES</b>		
Current Liabilities:		
Trade notes and accounts payable	364,784	363,679
Short-term loans payable	121,364	1,608
Long-term loans payable due within one year	37,130	11,323
Lease obligations	4,484	4,482
Income taxes payable	16,022	5,336
Other accounts payable	32,265	47,962
Accrued expenses	225,227	238,099
Reserve for warranty expenses	87,168	80,504
Other	44,499	54,657
Total current liabilities	932,943	807,650
Non-current liabilities:		
Bonds	50,000	50,000
Long-term loans payable	390,375	670,920
Lease obligations	16,515	17,595
Deferred tax liability related to land revaluation	64,553	64,537
Liability for retirement benefits	75,874	50,039
Other	51,534	60,843
Total non-current liabilities	648,851	913,934
Total Liabilities	1,581,794	1,721,584
<b>NET ASSETS</b>		
Capital and Retained Earnings:		
Common stock	283,957	283,957
Capital surplus	264,917	263,028
Retained earnings	552,993	508,784
Treasury stock	(2,186)	(2,187)
Total capital and retained earnings	1,099,681	1,053,582
Accumulated Other Comprehensive Income/(Loss):		
Net unrealized gain/(loss) on available-for-sale securities	2,231	16,002
Deferred gains/(losses) on hedges	321	(312)
Land revaluation	145,574	145,536
Foreign currency translation adjustment	(48,256)	(30,897)
Accumulated adjustments for retirement benefits	(24,604)	(2,181)
Total accumulated other comprehensive income/(loss)	75,266	128,148
Stock Acquisition Rights	290	382
Non-controlling Interests	30,609	13,718
Total Net Assets	1,205,846	1,195,830
Total Liabilities and Net Assets	2,787,640	2,917,414

**(2) Consolidated Statements of Operations and Comprehensive Income**  
**Consolidated Statements of Operations**

(Millions of Yen)

	FY2020	FY2021
For the years ended	March 31, 2020	March 31, 2021
Net sales	3,430,285	2,882,066
Cost of sales	2,683,647	2,268,422
Gross profit	746,638	613,644
Selling, general and administrative expenses	703,035	604,824
Operating income	43,603	8,820
Non-operating income		
Interest income	5,271	2,988
Dividend income	2,178	2,185
Rental income	1,731	1,682
Equity in net income of affiliated companies	19,714	6,622
Foreign exchange gain	-	16,062
Other	3,756	2,963
Total	32,650	32,502
Non-operating expenses		
Interest expense	6,132	8,034
Loss on transfer of receivables	1,478	891
Foreign exchange loss	10,466	-
Other	5,086	4,146
Total	23,162	13,071
Ordinary income	53,091	28,251
Extraordinary income		
Gain on sales of property, plant and equipment	89	352
Gain on sale of investment securities	413	400
Compensation for the exercise of eminent domain	109	180
Other	129	32
Total	740	964
Extraordinary losses		
Loss on sales and retirement of property, plant and equipment	3,734	4,915
Impairment loss	797	1,355
Loss on production suspension due to the novel coronavirus	-	20,460
Other	18	283
Total	4,549	27,013
Income before income taxes	49,282	2,202
Income taxes		
Current	27,539	17,400
Refund of income taxes for prior periods	(11,766)	-
Deferred	19,404	16,856
Total	35,177	34,256
Net income/(loss)	14,105	(32,054)
Net income/(loss) attributable to Non-controlling interests	1,974	(403)
Net income/(loss) attributable to owners of the parent	12,131	(31,651)

## Consolidated Statements of Comprehensive Income

(Millions of Yen)

	FY2020	FY2021
For the years ended	March 31, 2020	March 31, 2021
Net income/(loss)	14,105	(32,054)
Other comprehensive income/(loss)		
Net unrealized gain/(loss) on available-for-sale securities	(1,765)	13,754
Deferred gains/(losses) on hedges	(530)	(545)
Foreign currency translation adjustment	(15,855)	19,698
Adjustments for retirement benefits	(2,641)	22,384
Share of other comprehensive income/(loss) of affiliates accounted for using equity method	1,618	(2,780)
Total	(19,173)	52,511
Comprehensive income/(loss)	(5,068)	20,457
Comprehensive income/(loss) attributable to:		
Owners of the parent	(6,306)	21,269
Non-controlling interests	1,238	(812)

### (3) Consolidated Statements of Changes in Net Assets

(For the Year Ended March 31, 2020)

	Capital and Retained Earnings					Accumulated Other Comprehensive Income/(Loss)	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2019	283,957	264,913	562,904	(2,215)	1,109,559	4,008	804
Changes during the period:							
Dividends paid			(22,042)		(22,042)		
Net income/(loss) attributable to owners of the parent			12,131		12,131		
Purchase of treasury stock				(1)	(1)		
Sale of treasury stock		3		30	33		
Land revaluation					-		
Change in treasury shares of parent arising from transactions with non-controlling shareholders					-		
Changes in items other than capital and retained earnings, net						(1,777)	(483)
Total changes during the period	-	3	(9,911)	29	(9,878)	(1,777)	(483)
Balance at March 31, 2020	283,957	264,917	552,993	(2,186)	1,099,681	2,231	321

	Accumulated Other Comprehensive Income/(Loss)				Stock Acquisition Rights	Non-controlling Interests	Total Net Assets
	Land revaluation	Foreign currency translation adjustment	Accumulated adjustments for retirement benefits	Total			
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2019	145,574	(34,762)	(21,921)	93,703	255	29,924	1,233,441
Changes during the period:							
Dividends paid							(22,042)
Net income/(loss) attributable to owners of the parent							12,131
Purchase of treasury stock							(1)
Sale of treasury stock							33
Land revaluation							-
Change in treasury shares of parent arising from transactions with non-controlling shareholders							-
Changes in items other than capital and retained earnings, net	-	(13,494)	(2,683)	(18,437)	35	685	(17,716)
Total changes during the period	-	(13,494)	(2,683)	(18,437)	35	685	(27,595)
Balance at March 31, 2020	145,574	(48,256)	(24,604)	75,266	290	30,609	1,205,846

(For the Year Ended March 31, 2021)

	Capital and Retained Earnings					Accumulated Other Comprehensive Income/(Loss)	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges
	Milyen	Milyen	Milyen	Milyen	Milyen	Milyen	Milyen
<b>Balance at April 1, 2020</b>	<b>283,957</b>	<b>264,917</b>	<b>552,993</b>	<b>(2,186)</b>	<b>1,099,681</b>	<b>2,231</b>	<b>321</b>
<b>Changes during the period:</b>							
Dividends paid			(12,596)		(12,596)		
Net income/(loss) attributable to owners of the parent			(31,651)		(31,651)		
Purchase of treasury stock				(1)	(1)		
Sale of treasury stock					-		
Land revaluation			38		38		
Change in treasury shares of parent arising from transactions with non-controlling shareholders		(1,889)			(1,889)		
Changes in items other than capital and retained earnings, net						13,771	(633)
<b>Total changes during the period</b>	<b>-</b>	<b>(1,889)</b>	<b>(44,209)</b>	<b>(1)</b>	<b>(46,099)</b>	<b>13,771</b>	<b>(633)</b>
<b>Balance at March 31, 2021</b>	<b>283,957</b>	<b>263,028</b>	<b>508,784</b>	<b>(2,187)</b>	<b>1,053,582</b>	<b>16,002</b>	<b>(312)</b>

	Accumulated Other Comprehensive Income/(Loss)				Stock Acquisition Rights	Non-controlling Interests	Total Net Assets
	Land revaluation	Foreign currency translation adjustment	Accumulated adjustments for retirement benefits	Total			
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
<b>Balance at April 1, 2020</b>	<b>145,574</b>	<b>(48,256)</b>	<b>(24,604)</b>	<b>75,266</b>	<b>290</b>	<b>30,609</b>	<b>1,205,846</b>
<b>Changes during the period:</b>							
Dividends paid							(12,596)
Net income/(loss) attributable to owners of the parent							(31,651)
Purchase of treasury stock							(1)
Sale of treasury stock							-
Land revaluation							38
Change in treasury shares of parent arising from transactions with non-controlling shareholders							(1,889)
Changes in items other than capital and retained earnings, net	(38)	17,359	22,423	52,882	92	(16,891)	36,083
<b>Total changes during the period</b>	<b>(38)</b>	<b>17,359</b>	<b>22,423</b>	<b>52,882</b>	<b>92</b>	<b>(16,891)</b>	<b>(10,016)</b>
<b>Balance at March 31, 2021</b>	<b>145,536</b>	<b>(30,897)</b>	<b>(2,181)</b>	<b>128,148</b>	<b>382</b>	<b>13,718</b>	<b>1,195,830</b>

#### (4) Consolidated Statements of Cash Flows

(Millions of Yen)

	FY2020	FY2021
For the years ended	March 31, 2020	March 31, 2021
Cash flows from operating activities:		
Income before income taxes	49,282	2,202
Adjustments to reconcile income before income taxes to net cash provided by/(used in) operating activities:		
Depreciation and amortization	92,269	89,765
Impairment loss	797	1,355
Increase/(decrease) in allowance for doubtful receivables	(62)	847
Increase/(decrease) in reserve for warranty expenses	(11,099)	(6,664)
Increase/(decrease) in liability for retirement benefits	2,669	2,796
Interest and dividend income	(7,449)	(5,173)
Interest expense	6,132	8,034
Equity in net loss/(income) of affiliated companies	(19,714)	(6,622)
Loss/(gain) on sales and retirement of property, plant and equipment	3,536	4,383
Loss/(gain) on sales of investment securities	(413)	(120)
Decrease/(increase) in trade notes and accounts receivable	18,334	5,785
Decrease/(increase) in inventories	(50,871)	30,051
Decrease/(increase) in other current assets	14,403	(6,113)
Increase/(decrease) in trade notes and accounts payable	(61,553)	(6,864)
Increase/(decrease) in other current liabilities	(4,130)	19,591
Other	(2,750)	(4,467)
Subtotal	29,381	128,786
Interest and dividends received	30,766	23,452
Interest paid	(6,226)	(7,730)
Income taxes refunded/(paid)	(28,078)	(30,004)
Refund of income taxes for prior periods	8,991	5,554
Net cash provided by/(used in) operating activities	34,834	120,058
Cash flows from investing activities:		
Net decrease/(increase) in time deposits	60	759
Purchase of investment securities	(5,620)	(255)
Proceeds from sales and redemption of investment securities	1,063	1,785
Acquisition of property, plant and equipment	(107,549)	(71,776)
Proceeds from sales of property, plant and equipment	1,476	1,462
Acquisition of intangible assets	(14,809)	(14,263)
Net decrease/(increase) in short-term loans receivable	274	263
Payments of long-term loans receivable	(2,748)	(587)
Collections of long-term loans receivable	239	3,848
Other	36	(98)
Net cash provided by/(used in) investing activities	(127,578)	(78,862)

(Millions of Yen)

For the years ended	FY2020	FY2021
	March 31, 2020	March 31, 2021
Cash flows from financing activities:		
Net increase/(decrease) in short-term loans payable	(15)	(120,121)
Proceeds from long-term loans payable	31,149	291,436
Repayments of long-term loans payable	(28,052)	(36,545)
Proceeds from issuance of bonds	19,913	-
Redemption of bonds	(20,000)	-
Proceeds from sale and leaseback transactions	98	139
Repayments of lease obligations	(4,805)	(4,996)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	(17,831)
Cash dividends paid	(22,042)	(12,596)
Cash dividends paid to non-controlling interests	(552)	(137)
Net decrease/(increase) in treasury stock	32	(1)
Net cash provided by/(used in) financing activities	(24,274)	99,348
Effect of exchange rate fluctuations on cash and cash equivalents	(16,612)	30,255
Net increase/(decrease) in cash and cash equivalents	(133,630)	170,799
Cash and cash equivalents at beginning of the period	701,624	567,994
Cash and cash equivalents at end of the period	567,994	738,793

## **(5) Footnotes to the Consolidated Financial Statements**

### **(Note on the Assumptions as Going Concern)**

Not applicable

### **(Additional Information)**

- Accounting estimates regarding the impact of novel coronavirus

As the impact of the novel coronavirus pandemic is still unpredictable, the Company has assessed the recoverability of deferred tax assets assuming the limited impact will continue on the fiscal year ending March 31, 2022.

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)

### 1) Overview of Reportable Segments

The reportable segments of Mazda Group consist of business components for which separate financial statements are available. The reportable segments are the subject of periodical review by board of directors' meetings for the purpose of making decisions on the distribution of corporate resources and evaluating business performance.

Mazda Group is primarily engaged in the manufacture and sale of automobiles. Businesses in Japan are managed by Mazda Motor Corporation. Businesses in North America are managed by Mazda Motor of America, Inc. and Mazda Motor Corporation. And businesses in Europe regions are managed by Mazda Motor Europe GmbH and Mazda Motor Corporation. Areas other than Japan, North America and Europe are defined as Other areas, regarding it as one management unit. Business deployment in countries in Other areas are managed in an integrated manner by Mazda Motor Corporation.

Accordingly, Mazda Group consists of regional segments based on a system of managing production and sale. As such, Japan, North America, Europe and Other areas are designated as four reportable segments.

### 2) Measurement of Sales, Income or Loss, Assets, and Other Items by Reportable Segments

The accounting treatment of reportable segments are the same as that described under "Significant Accounting Policies in Preparing the Consolidated Financial Statements" in the latest securities report (submitted on June 25, 2020). In addition, inter-segment sales or transfer are based on the current market price.

### 3) Sales, Income or Loss, Assets, and Other Items by Reportable Segments

(For the fiscal year ended March 31, 2020)

(Millions of Yen)

Year Ended March 31, 2020	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	1,035,277	1,166,712	705,492	522,804	3,430,285	-	3,430,285
Inter-segment sales or transfer	1,735,605	197,582	28,816	83,324	2,045,327	(2,045,327)	-
Total	2,770,882	1,364,294	734,308	606,128	5,475,612	(2,045,327)	3,430,285
Segment income/(loss)	(25,320)	30,839	10,260	26,435	42,214	1,389	43,603
Segment assets	2,174,003	456,906	205,142	326,146	3,162,197	(374,557)	2,787,640
Other items							
Depreciation and amortization	59,098	21,220	5,621	6,330	92,269	-	92,269
Investments in equity method-applied affiliates	33,353	16,420	3,052	99,074	151,899	-	151,899
Increase in property, plant and equipment and intangible assets	89,241	38,229	1,661	3,447	132,578	-	132,578

Notes: 1. Notes on Adjustment:

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

(2) The adjustment on segment assets is mainly eliminations of inter-segment receivables and payables.

2. Segment income/(loss) is reconciled with the operating income in the consolidated statement of operations for the fiscal year ended March 31, 2020.

Segment assets are reconciled with the total assets in the consolidated balance sheet as of March 31, 2020.

(For the fiscal year ended March 31, 2021)

(Millions of Yen)

Year Ended March 31, 2021	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	866,977	1,027,856	490,134	497,099	2,882,066	-	2,882,066
Inter-segment sales or transfer	1,464,574	252,611	19,600	57,664	1,794,449	(1,794,449)	-
Total	2,331,551	1,280,467	509,734	554,763	4,676,515	(1,794,449)	2,882,066
Segment income/(loss)	(64,724)	40,477	10,002	17,761	3,516	5,304	8,820
Segment assets	2,343,476	449,287	198,115	354,802	3,345,680	(428,266)	2,917,414
Other items							
Depreciation and amortization	59,723	19,345	4,574	6,123	89,765	-	89,765
Investments in equity method- applied affiliates	32,612	5,230	2,444	82,776	123,062	-	123,062
Increase in property, plant and equipment and intangible assets	64,238	24,892	2,063	1,779	92,972	-	92,972

Notes: 1. Notes on Adjustment:

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

(2) The adjustment on segment assets is mainly eliminations of inter-segment receivables and payables.

2. Segment income/(loss) is reconciled with the operating income in the consolidated statement of operations for the fiscal year ended March 31, 2021.

Segment assets are reconciled with the total assets in the consolidated balance sheet as of March 31, 2021.

**(Information on Amounts Per Share of Common Stock)**

	FY2020 (April 1, 2019 to March 31, 2020)	FY2021 (April 1, 2020 to March 31, 2021)
Net assets per share of common stock (Yen)	1,865.63	<b>1,876.40</b>
Net income/(loss) per share of common stock (Basic) (Yen)	19.26	<b>(50.26)</b>
Net income per share of common stock (Diluted) (Yen)	19.25	-

Note1: For the fiscal year ended March 31, 2021, although potentially dilutive securities exist, since net loss was recorded, diluted information is not presented.

Note2: The calculation basis of Net income per share of common stock is as follows.

	FY2020 (April 1, 2019 to March 31, 2020)	FY2021 (April 1, 2020 to March 31, 2021)
Net income/(loss) per share of common stock:		
Net income/(loss) attributable to owners of the parent (Millions of Yen)	12,131	<b>(31,651)</b>
Amount not attribute to common stock shareholders (Millions of Yen)	-	-
Net income/(loss) attributable to owners of the parent related to common stock (Millions of Yen)	12,131	<b>(31,651)</b>
Average number of shares outstanding during the period (Thousands of shares)	629,781	<b>629,786</b>
Diluted net income per share of common stock		
Net income adjustment attributable to parent company shareholder (Millions of Yen)	-	-
Increase in common stock (Thousands of shares)	250	-
(of which Stock Acquisition Rights (Millions of Yen))	(250)	-
Overview of potentially dilutive common stock not included in the calculation of diluted net income per share because the stock have no dilution effect	-	-

Note3: The calculation basis of Net assets per share of common stock is as follows.

	FY2020 (As of March 31, 2020)	FY2021 (As of March 31, 2021)
Total Net assets (Millions of Yen)	1,205,846	<b>1,195,830</b>
Amount deducted from total Net assets (Millions of Yen)	30,899	<b>14,100</b>
(of which Stock Acquisition Rights (Millions of Yen))	(290)	<b>(382)</b>
(of which Non-controlling Interests (Millions of Yen))	(30,609)	<b>(13,718)</b>
Net assets related to common stock (Millions of Yen)	1,174,947	<b>1,181,730</b>
Number of common stock used in the calculation of net assets per share (Thousands of shares)	629,786	<b>629,785</b>

**(Significant Subsequent Events)**

Not applicable

## 4. Unconsolidated Financial Statements and Major Footnotes

### (1) Unconsolidated Balance Sheets

(Millions of Yen)

As of	FY2020 March 31, 2020	FY2021 March 31, 2021
<b>ASSETS</b>		
Current Assets:		
Cash and deposits	395,383	<b>389,259</b>
Accounts receivable - Trade	258,198	<b>273,780</b>
Securities	47,000	<b>147,900</b>
Finished products	56,664	<b>64,376</b>
Work in process	63,175	<b>57,910</b>
Raw materials and supplies	8,324	<b>11,131</b>
Prepaid expenses	6,875	<b>4,465</b>
Accounts receivable - Other	76,481	<b>89,692</b>
Short-term loans receivable	16,540	<b>93,615</b>
Other	30,282	<b>32,422</b>
Allowance for doubtful receivables	(129)	<b>(172)</b>
Total current assets	958,793	<b>1,164,378</b>
Non-current Assets:		
Property, plant and equipment:		
Buildings	84,721	<b>84,889</b>
Structures	14,462	<b>14,426</b>
Machinery and equipment	181,777	<b>180,031</b>
Vehicles	2,488	<b>2,424</b>
Tools, furniture and fixtures	20,833	<b>17,570</b>
Land	296,484	<b>296,430</b>
Leased assets	4,426	<b>3,554</b>
Construction in progress	61,247	<b>74,583</b>
Total property, plant and equipment	666,438	<b>673,907</b>
Intangible assets:		
Software	31,386	<b>34,953</b>
Leased assets	0	-
Total intangible assets	31,386	<b>34,953</b>
Investments and other assets:		
Investment securities	57,094	<b>75,789</b>
Stocks of subsidiaries and affiliates	230,267	<b>247,902</b>
Investments in capital	3	<b>3</b>
Investments in capital of subsidiaries and affiliates	42,629	<b>42,629</b>
Long-term loans receivable	2,359	-
Long-term loans receivable from employees	9	<b>4</b>
Long-term loans receivable from subsidiaries and affiliates	16,086	<b>9,825</b>
Long-term prepaid expenses	14,002	<b>16,765</b>
Deferred tax assets	54,185	<b>37,208</b>
Other	17,689	<b>5,942</b>
Total investments and other assets	434,323	<b>436,067</b>
Total non-current assets	1,132,147	<b>1,144,927</b>
Total Assets	2,090,940	<b>2,309,305</b>

(Millions of Yen)

	FY2020	FY2021
As of	March 31, 2020	March 31, 2021
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable - Trade	298,646	<b>300,583</b>
Long-term loans payable due within one year	16,880	-
Lease obligations	2,107	<b>1,794</b>
Accounts payable - Other	13,402	<b>14,971</b>
Accrued expenses	66,436	<b>67,479</b>
Income taxes payable	1,189	<b>222</b>
Advances received	659	<b>646</b>
Unearned revenue	356	<b>467</b>
Deposit received	42,088	<b>44,764</b>
Reserve for warranty expenses	87,168	<b>80,504</b>
Forward exchange contracts	754	<b>1,807</b>
Total current liabilities	529,685	<b>513,237</b>
Non-current Liabilities:		
Bonds	50,000	<b>50,000</b>
Long-term loans payable	368,000	<b>658,000</b>
Lease obligations	2,875	<b>2,212</b>
Deferred tax liability related to land revaluation	64,553	<b>64,537</b>
Reserve for retirement benefits	25,686	<b>27,671</b>
Reserve for loss on business of subsidiaries and affiliates	30,689	<b>8,493</b>
Long-term guarantee deposited	6,777	<b>6,618</b>
Asset retirement obligations	4,046	<b>4,019</b>
Other	6,809	<b>8,514</b>
Total non-current liabilities	559,435	<b>830,064</b>
Total Liabilities	1,089,120	<b>1,343,301</b>
<b>NET ASSETS</b>		
Capital and Retained Earnings:		
Common stock	283,957	<b>283,957</b>
Capital surplus		
Capital reserve	193,847	<b>193,847</b>
Other capital surplus	73,811	<b>73,811</b>
Total capital surplus	267,658	<b>267,658</b>
Retained earnings		
Other earned surplus		
Unappropriated retained earnings	303,291	<b>254,920</b>
Total retained earnings	303,291	<b>254,920</b>
Treasury stock	(2,181)	<b>(2,182)</b>
Total capital and retained earnings	852,725	<b>804,353</b>
Valuation and Translation Adjustments:		
Net unrealized gain/(loss) on available-for-sale securities	2,926	<b>15,973</b>
Deferred gains/(losses) on hedges	305	<b>(240)</b>
Land revaluation	145,574	<b>145,536</b>
Total valuation and translation adjustments	148,805	<b>161,269</b>
Stock Acquisition Rights	290	<b>382</b>
Total Net Assets	1,001,820	<b>966,004</b>
Total Liabilities and Net Assets	2,090,940	<b>2,309,305</b>

## (2) Unconsolidated Statements of Operations

		(Millions of Yen)	
For the years ended		FY2020 March 31, 2020	FY2021 March 31, 2021
Net sales		2,584,322	2,135,873
Cost of sales		2,276,098	1,915,570
Gross profit		308,224	220,303
Selling, general and administrative expenses		351,747	303,185
Operating income/(loss)		(43,523)	(82,882)
Non-operating income			
Interest income		4,403	2,356
Interest income of securities		35	11
Dividends income		34,816	44,094
Rental income		4,273	4,279
Foreign exchange gain		-	15,398
Other		1,531	815
Total		45,058	66,953
Non-operating expenses			
Interest expense		2,533	4,452
Interest paid on bonds		158	166
Foreign exchange loss		8,296	-
Other		3,608	2,536
Total		14,595	7,154
Ordinary income/(loss)		(13,060)	(23,083)
Extraordinary income			
Gain on sales of property, plant and equipment		18	20
Gain on sales of investment securities		635	39
Gain on reversal of reserve for loss on business of subsidiaries and affiliates		-	22,196
Reversal of provision for environmental measures		88	-
Other		-	3
Total		741	22,258
Extraordinary losses			
Loss on sales of property, plant and equipment		0	5
Loss on retirement of property, plant and equipment		3,143	3,058
Impairment loss		411	492
Loss on production suspension due to the novel coronavirus		-	16,915
Reserve for loss on business of subsidiaries and affiliates		4,442	-
Other		18	2
Total		8,014	20,472
Income/(loss) before income taxes		(20,333)	(21,297)
Income taxes			
Current		3,163	3,033
Refund of income taxes for prior periods		(17,005)	-
Deferred		17,379	11,483
Total		3,537	14,516
Net income/(loss)		(23,870)	(35,813)

### (3) Unconsolidated Statements of Changes in Net Assets

(For the Year Ended March 31, 2020)

	Capital and Retained Earnings					
	Common stock	Capital surplus		Retained earnings	Treasury stock	Total Capital and Retained earnings
		Capital reserve	Other capital surplus	Other earned surplus		
				Unappropriated retained earnings		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2019	283,957	193,847	73,807	349,203	(2,210)	898,604
Changes during the period:						
Dividends paid				(22,042)		(22,042)
Net loss				(23,870)		(23,870)
Purchase of treasury stock					(1)	(1)
Sale of treasury stock			3		30	33
Land revaluation						-
Changes in items other than capital and retained earnings, net						
Total changes during the period	-	-	3	(45,912)	29	(45,880)
Balance at March 31, 2020	283,957	193,847	73,811	303,291	(2,181)	852,725

	Valuation and Translation Adjustments				Stock Acquisition Rights	Total Net Assets
	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges	Land revaluation	Total valuation and translation adjustments		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2019	4,281	835	145,574	150,690	255	1,049,549
Changes during the period:						
Dividends paid						(22,042)
Net loss						(23,870)
Purchase of treasury stock						(1)
Sale of treasury stock						33
Land revaluation						-
Changes in items other than capital and retained earnings, net	(1,355)	(530)	-	(1,885)	35	(1,850)
Total changes during the period	(1,355)	(530)	-	(1,885)	35	(47,729)
Balance at March 31, 2020	2,926	305	145,574	148,805	290	1,001,820

(For the Year Ended March 31, 2021)

	Capital and Retained Earnings					
	Common stock	Capital surplus		Retained earnings	Treasury stock	Total Capital and Retained earnings
		Capital reserve	Other capital surplus	Other earned surplus Unappropriated retained earnings		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
<b>Balance at April 1, 2020</b>	<b>283,957</b>	<b>193,847</b>	<b>73,811</b>	<b>303,291</b>	<b>(2,181)</b>	<b>852,725</b>
<b>Changes during the period:</b>						
Dividends paid				(12,596)		(12,596)
Net loss				(35,813)		(35,813)
Purchase of treasury stock					(1)	(1)
Sale of treasury stock						-
Land revaluation				38		38
Changes in items other than capital and retained earnings, net						
<b>Total changes during the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(48,371)</b>	<b>(1)</b>	<b>(48,373)</b>
<b>Balance at March 31, 2021</b>	<b>283,957</b>	<b>193,847</b>	<b>73,811</b>	<b>254,920</b>	<b>(2,182)</b>	<b>804,353</b>

	Valuation and Translation Adjustments				Stock Acquisition Rights	Total Net Assets
	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges	Land revaluation	Total valuation and translation adjustments		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
<b>Balance at April 1, 2020</b>	<b>2,926</b>	<b>305</b>	<b>145,574</b>	<b>148,805</b>	<b>290</b>	<b>1,001,820</b>
<b>Changes during the period:</b>						
Dividends paid						(12,596)
Net loss						(35,813)
Purchase of treasury stock						(1)
Sale of treasury stock						-
Land revaluation						38
Changes in items other than capital and retained earnings, net	13,047	(545)	(38)	12,464	92	12,556
<b>Total changes during the period</b>	<b>13,047</b>	<b>(545)</b>	<b>(38)</b>	<b>12,464</b>	<b>92</b>	<b>(35,816)</b>
<b>Balance at March 31, 2021</b>	<b>15,973</b>	<b>(240)</b>	<b>145,536</b>	<b>161,269</b>	<b>382</b>	<b>966,004</b>



#### **(4) Footnotes to the Unconsolidated Financial Statements**

##### **(Note on the Assumptions as Going Concern)**

Not applicable

##### **(Additional Information)**

- Accounting estimates regarding the impact of novel coronavirus

As the impact of the novel coronavirus pandemic is still unpredictable, the Company has assessed the recoverability of deferred tax assets assuming the limited impact will continue on the fiscal year ending March 31, 2022.

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 unconsolidated financial results.

**Financial Summary (Consolidated)**  
**For the Fiscal Year Ended March 31, 2021**

May 14, 2021  
Mazda Motor Corporation

(In 100 millions of yen) (In thousands of units) (Upper left: return on sales)			FY 2020 Full Year (Apr.'19-Mar.'20)						FY 2021 Full Year (Apr.'20-Mar.'21)		FY 2022 Full Year Forecast (Apr.'21-Mar.'22)		
				%	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.				%	
	Domestic	1	6,299	(9.2)	1,005	1,603	1,392	1,945	5,945	(5.6)	6,400	7.7	
	Overseas	2	28,004	(2.4)	2,762	5,788	7,045	7,281	22,876	(18.3)	27,600	20.7	
Net sales		3	34,303	(3.8)	3,767	7,391	8,437	9,226	28,821	(16.0)	34,000	18.0	
Operating income		4	1.3%	436	(47.0)	(12.0%)	(1.0%)	2.5%	4.4%	0.3%	1.9%	650	637.0
Ordinary income		5	1.5%	531	(54.3)	(11.1%)	(1.6%)	2.6%	6.4%	1.0%	1.6%	550	94.7
Income before income taxes		6	1.4%	493	(54.2)	(16.7%)	(1.7%)	2.4%	6.1%	0.1%	1.4%	490	—
Net income attributable to owners of the parent		7	0.4%	121	(80.8)	(17.7%)	(3.6%)	1.8%	5.1%	(1.1%)	1.0%	350	—
Operating income by segment (geographic area)													
Japan		8	(253)		(563)	(186)	26	76	(647)				
North America		9	308		(62)	51	188	228	405				
Europe		10	103		28	20	21	31	100				
Other areas		11	264		25	30	49	74	178				
Operating income changes													
Volume & mix		12			(1,044)	(396)	49	80	(1,311)		747		
Exchange rate		13			(32)	(7)	(30)	(24)	(93)		335		
Cost improvement		14			3	(10)	9	86	88		(335)		
Fixed costs and others		15			345	149	116	153	763		20		
Transfer to extraordinary loss		16			205	—	—	—	205		(205)		
Total		17			(523)	(264)	144	295	(348)		562		
Average rate for the period (Yen)	USD	18	109		108	106	105	106	106		109		
	EUR	19	121		119	124	125	128	124		129		
Capital expenditures		20	1,326		149	212	185	384	930		1,550		
Depreciation and amortization		21	923		229	222	224	223	898		950		
R & D cost		22	1,350		297	330	303	344	1,274		1,280		
Total assets		23	27,876		28,780	29,920	29,376		29,174				
Net assets		24	11,749		10,989	10,654	10,877		11,817				
Financial debt		25	6,199		10,015	9,588	9,189		7,559				
Net financial debt		26	519		2,090	1,191	1,734		171				
Free cash flow (Operating & Investing)		27	(927)		(1,511)	951	(399)	1,371	412				
	Japan	28	202	(5.7)	26	48	40	63	176	(12.9)	195	10.5	
	North America	29	397	(5.8)	81	104	107	111	403	1.6	414	2.8	
	Europe	30	264	(2.3)	28	54	53	43	178	(32.3)	225	25.9	
	China	31	212	(14.4)	61	56	61	50	228	7.8	260	14.0	
	Other	32	345	(15.6)	48	73	90	90	301	(12.7)	316	4.9	
Global retail volume		33	1,419	(9.1)	244	334	352	358	1,287	(9.3)	1,410	9.5	
	Japan	34	187	(11.0)	25	48	37	56	166	(11.3)	185	11.3	
	North America	35	421	(0.6)	40	101	121	111	374	(11.2)	411	9.9	
	Europe	36	267	0.1	23	43	53	53	172	(35.6)	222	28.8	
	Other	37	357	(13.0)	25	62	85	106	278	(22.2)	318	14.4	
Consolidated wholesales volume		38	1,232	(6.0)	114	255	296	325	990	(19.7)	1,135	14.7	
	Domestic	39	972	(3.8)	60	213	242	233	748	(23.1)			
	Overseas	40	462	(17.4)	90	114	118	102	424	(8.3)			
Global production volume		41	1,434	(8.6)	150	327	359	335	1,171	(18.3)			
Number of employees (excluding dispatches)		42	50,479						49,786				

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).

# Financial Summary (Unconsolidated)

For the Fiscal Year Ended March 31, 2021

May 14, 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 Full Year (Apr.'19-Mar.'20)		FY 2021 Full Year (Apr.'20-Mar.'21)	
				%		%
	Domestic	1	4,488	(10.1)	3,971	(11.5)
	Export	2	21,355	(1.5)	17,388	(18.6)
Net sales		3	25,843	(3.1)	21,359	(17.4)
Operating income		4	(1.7%) (435)	-	(3.9%) (829)	-
Ordinary income		5	(0.5%) (131)	-	(1.1%) (231)	-
Income before taxes		6	(0.8%) (203)	-	(1.0%) (213)	-
Net income		7	(0.9%) (239)	-	(1.7%) (358)	-
Average rate for the period (Yen)		8	USD 109 EUR 121		USD 106 EUR 124	
Capital investment		9	838		584	
Depreciation & amortization		10	459		458	
R & D cost		11	1,321		1,280	
Total assets		12	20,909		23,093	
Net assets		13	10,018		9,660	
Financial debt		14	4,399		7,120	
Net financial debt		15	(25)		1,748	
	Japan	16	198	(9.7)	173	(12.8)
	North America	17	394	(2.7)	350	(11.2)
	Europe	18	259	(6.6)	180	(30.7)
	Others	19	311	(10.5)	233	(24.9)
Wholesales volume		20	1,162	(6.9)	936	(19.5)
Domestic production volume		21	972	(3.8)	748	(23.1)
Number of employees (excluding dispatches)		22	22,480		22,611	

Note: Wholesales volume does not include vehicles which are sold by other brands.