



FISCAL YEAR MARCH 2022 FINANCIAL RESULTS

May 13, 2022
Mazda Motor Corporation



PRESENTATION OUTLINE

- **Financial Results Summary**
- **Fiscal Year March 2022 Results**
- **Fiscal Year March 2023 Forecast**
- **Key Initiatives in FY March 2023**

RESULTS OF KEY INITIATIVES IN MEDIUM-TERM MANAGEMENT PLAN

1. Invest in brand value improvement

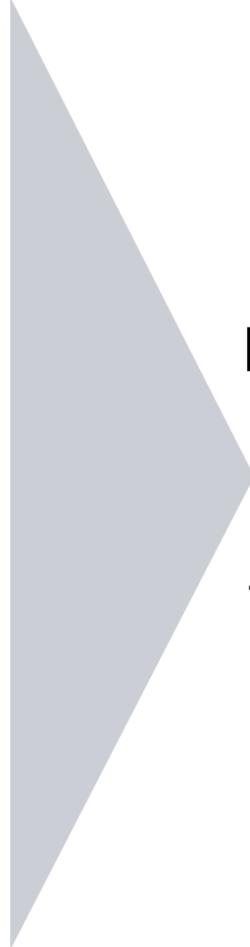
- Improve sales capability/brand power in US market
- Commence CX-50 production in new US plant
- Launch large product group model
- Raise residual value through collaboration with Toyota in sales finance

2. Curb expenses that depreciate brand value

- Generate cash flow by improving inventory turnover
- Reduce variable marketing expenses

3. Accelerate fixed cost/cost reductions to lower break-even volume

- Monotsukuri area: universal manufacturing equipment, homogenous production, continuous improvement in productivity
- Sales area: substantial efficiency improvement in advertising costs



Made some progress in regaining earning power by solidifying the foundation over the last three years

RESULTS OF KEY INITIATIVES IN MEDIUM-TERM MANAGEMENT PLAN

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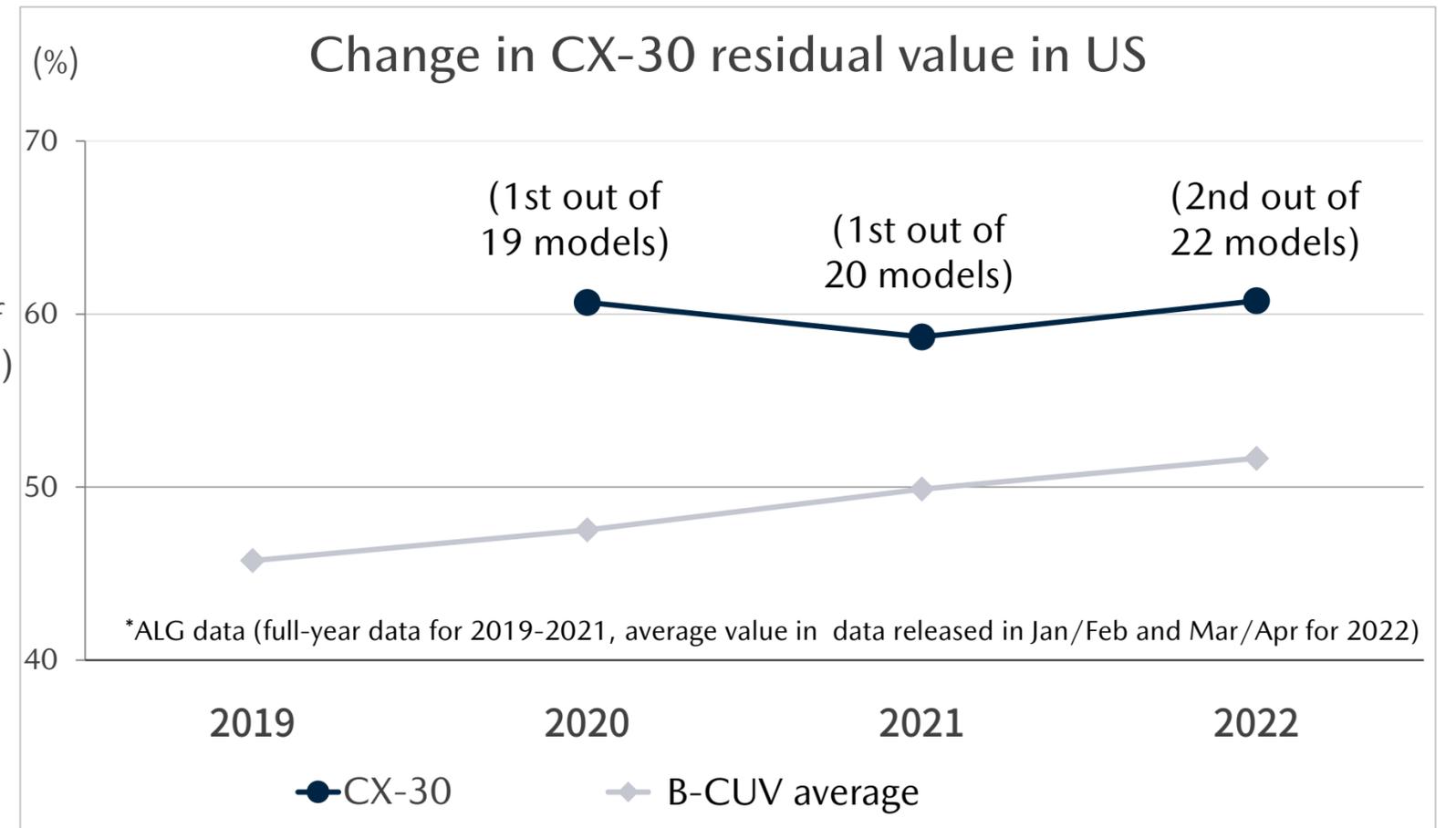
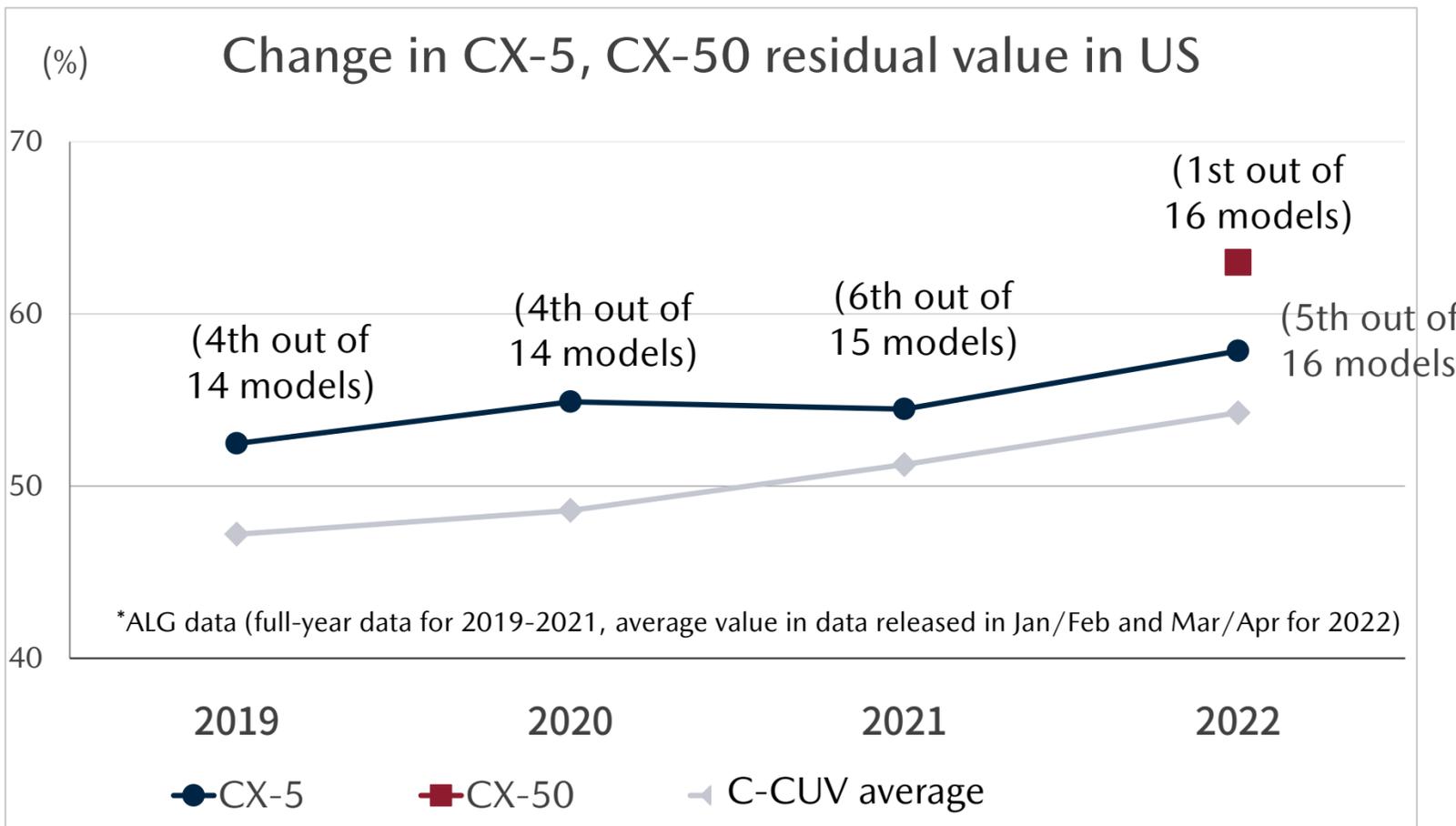
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CX-50



CX-60



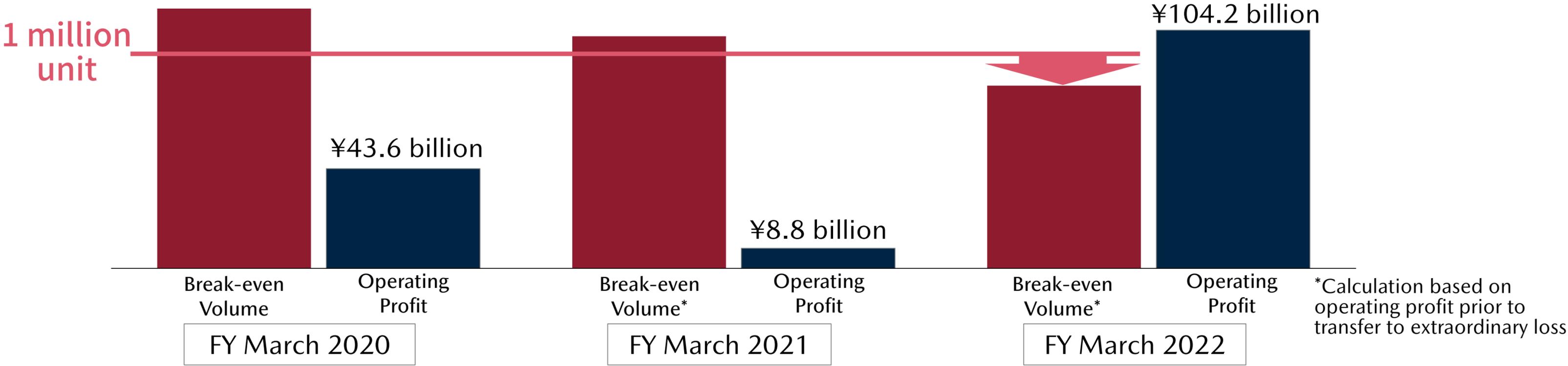
RESULTS OF KEY INITIATIVES IN MEDIUM-TERM MANAGEMENT PLAN

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REVIEW OF THE PERIOD TO SOLIDIFY FOUNDATION

- Despite the severe business environment, we made progress to a certain extent in strengthening the management structure and regaining earning power
- Shareholder return
Plans to pay ¥20 per share as the year-end dividend for FY March 2022

FISCAL YEAR MARCH 2022 RESULTS

FY MARCH 2022 FULL YEAR GLOBAL SALES VOLUME

- Global sales volume declined year on year due to production cuts attributable to semiconductor shortages and increasing Covid-19 cases
- Results exceeded those announced in February as a result of efforts in all markets/areas to deliver as many units as possible to customers

(Thousand Units)	FY March 2021	FY March 2022	Change		Change from Feb. Forecast	Change from FY March 2020	
Global Sales Volume	Full Year	Full Year	Full Year		Full Year	Full Year	
Japan	176	149	-28	-16%	-8	-54	-27%
North America	403	439	+36	+9%	+15	+42	+11%
Europe	178	190	+11	+6%	0	-74	-28%
China	228	170	-58	-26%	-6	-42	-20%
Other Markets	301	303	+2	+1%	+11	-42	-12%
Total	1,287	1,251	-37	-3%	+11	-168	-12%
USA	295	332	+37	+13%	+10	+56	+20%
Australia	93	103	+11	+12%	+3	+13	+15%
ASEAN	87	78	-9	-10%	+3	-25	-24%

FY MARCH 2022 FULL YEAR FINANCIAL METRICS

- Recorded better wholesale volume and profits than forecast in February as a result of multiple steady improvements and despite a deteriorating business environment caused by semiconductor shortages and an increase in raw material prices

(Billion Yen)	FY March 2021	FY March 2022	Change		Change from Feb. Forecast	Change from FY March 2020	
	Full Year	Full Year	Full Year		Full Year	Full Year	
Consolidated Wholesales (Thousand Units)	990	991	+1	0%	+11	-241	-20%
Net Sales	2,882.1	3,120.3	+238.2	+8%	+20.3	-310.0	-9%
Operating Profit	8.8	104.2	+95.4	-	+22.2	+60.6	+139%
Ordinary Profit	28.3	123.5	+95.2	+337%	+44.5	+70.4	+133%
Profit before Tax	2.2	112.4	+110.2	-	+44.4	+63.1	+128%
Net Income	-31.7	81.6	+113.3	-	+26.6	+69.5	+572%
Operating ROS	0.3 %	3.3 %	+3.0 pts		+0.7 pts	+2.0 pts	
EPS (Yen)	-50.3	129.5	+179.8		+42.2	+110.2	
Exchange Rate (Yen)							
US Dollar	106	112	+6		+1	+4	
Euro	124	131	+7		0	+10	

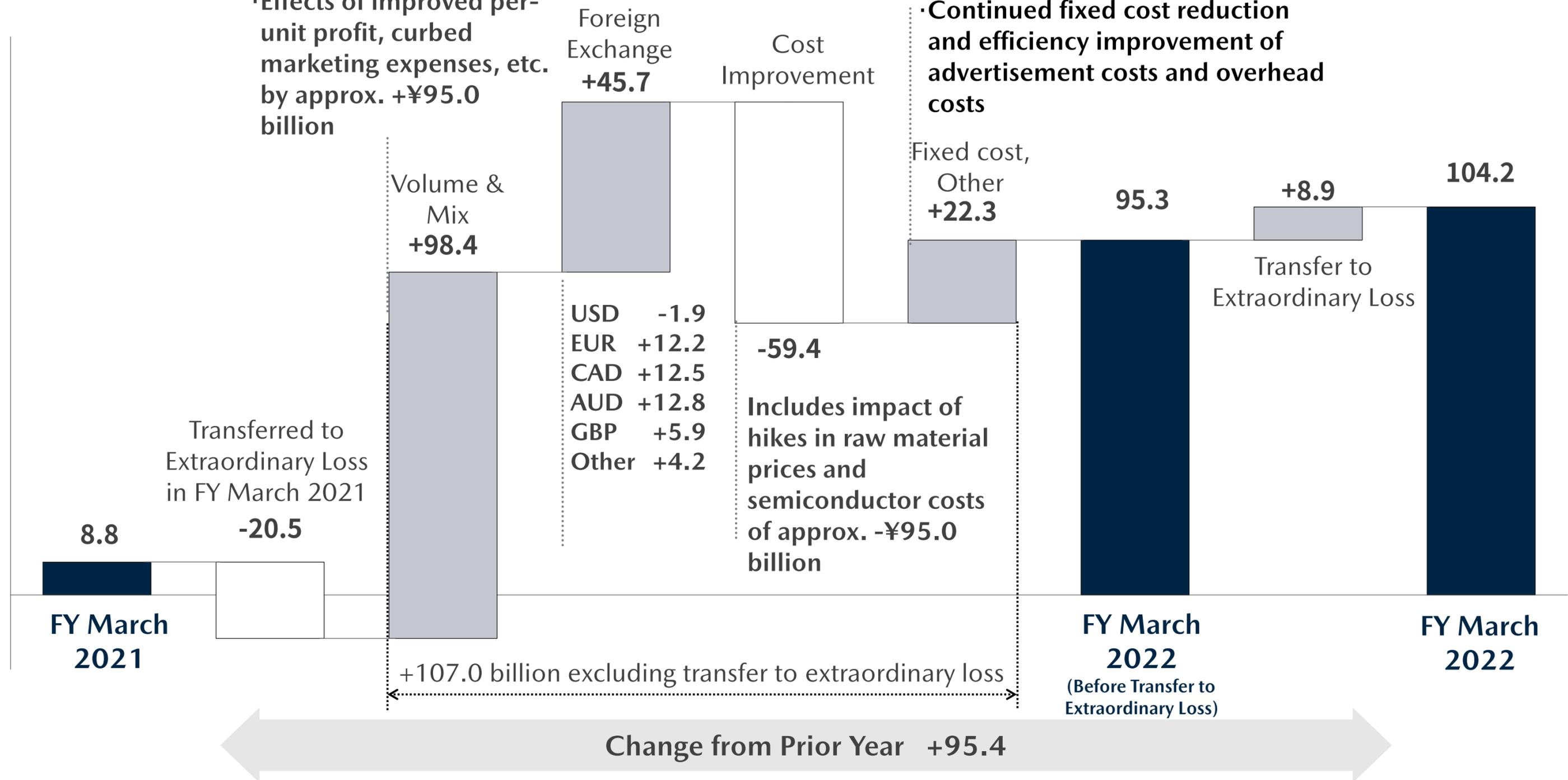
*Net income indicates net income attributable to owners of the parent

FY MARCH 2022 FULL YEAR OPERATING PROFIT CHANGE (vs FY MARCH 2021 FULL YEAR)

(Billion Yen)

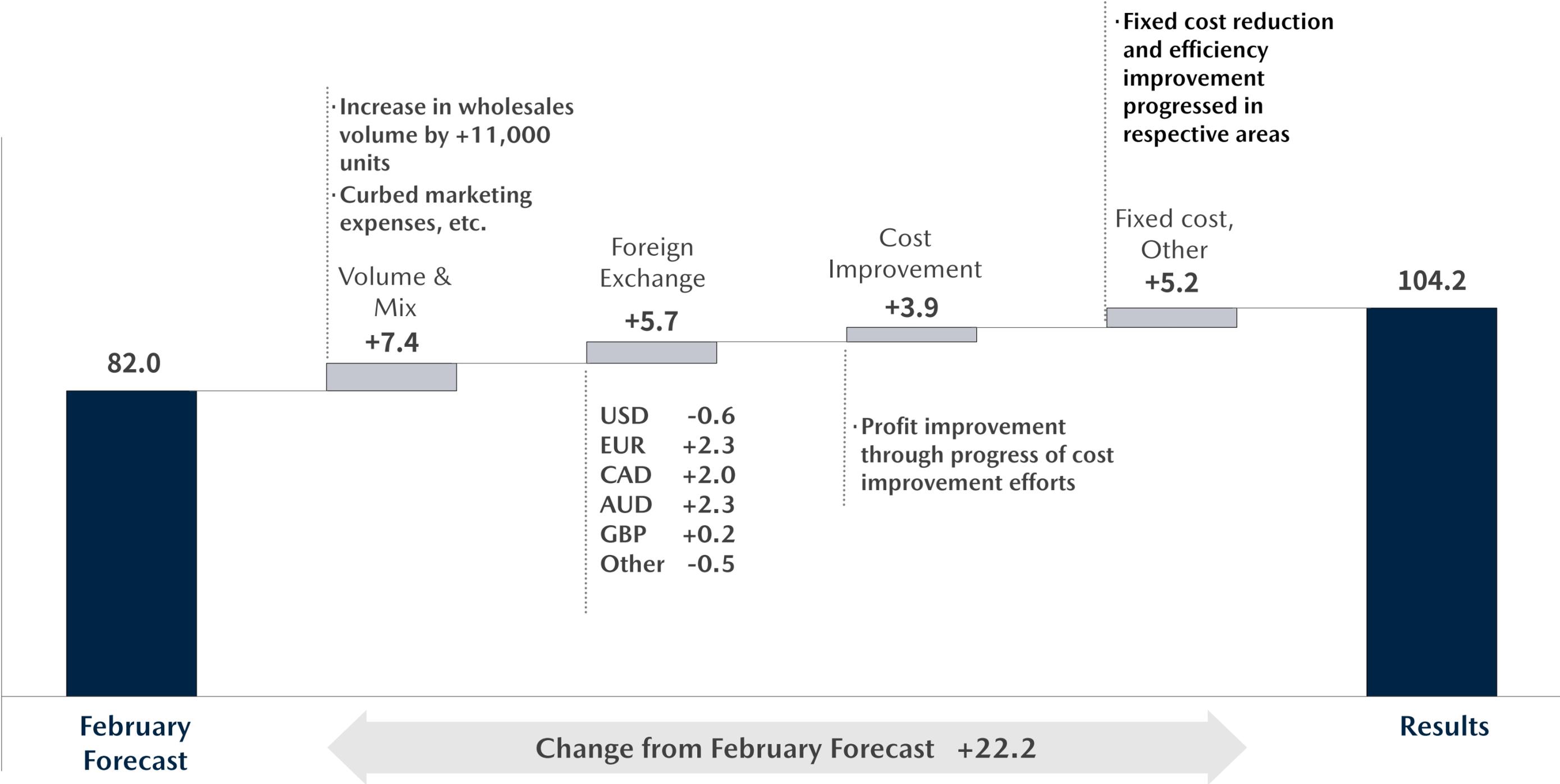
- Increase in wholesales volume by +1,000 units
- Effects of improved per-unit profit, curbed marketing expenses, etc. by approx. +¥95.0 billion

- Continued fixed cost reduction and efficiency improvement of advertisement costs and overhead costs



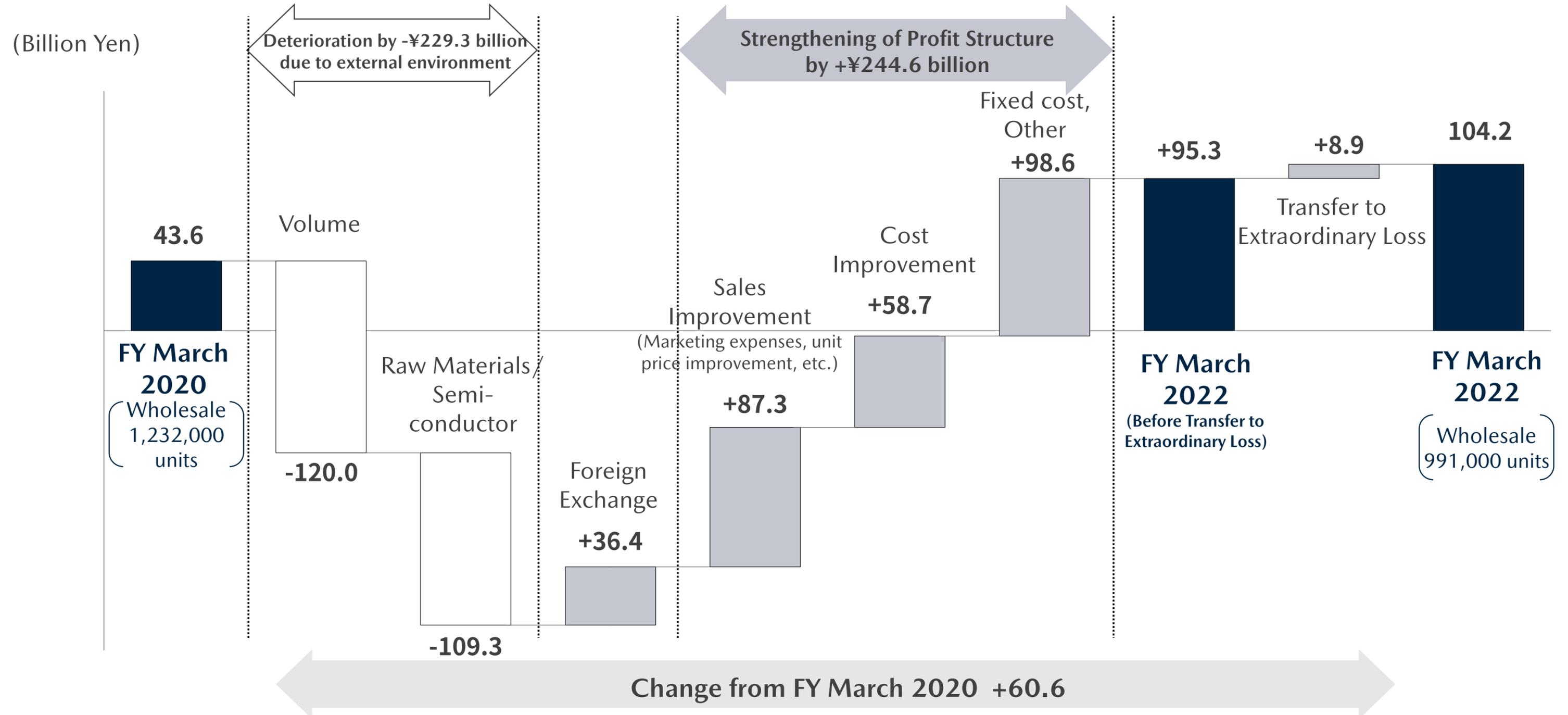
FY MARCH 2022 FULL YEAR OPERATING PROFIT CHANGE (vs FEBRUARY FORECAST)

(Billion Yen)



FY MARCH 2022 FULL YEAR OPERATING PROFIT CHANGE (vs FY MARCH 2020 DETERIORATION AND IMPROVEMENT FACTORS)

- Enhanced profit structure through sales quality improvements, cost improvements, and streamlining of fixed costs
- Making progress in lowering break-even volume, achieved profit growth vs FY March 2020 despite volume reduction



FISCAL YEAR MARCH 2023 FORECAST

FY MARCH 2023 FULL YEAR GLOBAL SALES VOLUME

- Continue enhancing sales quality and accelerate to achieve further volume growth by introducing the new CX-50 and CX-60
- Continue monitoring production, sales and inventory to deliver on our FY March 2023 forecast

(Thousand Units)	FY March 2022	FY March 2023	Change	
Global Sales Volume	Full Year	Full Year	Full Year	
Japan	149	191	+42	+28%
North America	439	483	+44	+10%
Europe	190	190	0	0%
China	170	170	0	0%
Other Markets	303	316	+12	+4%
Total	1,251	1,349	+98	+8%
USA	332	371	+40	+12%
Australia	103	103	0	0%
ASEAN	78	86	+8	+10%

FY MARCH 2023 FULL YEAR FINANCIAL METRICS

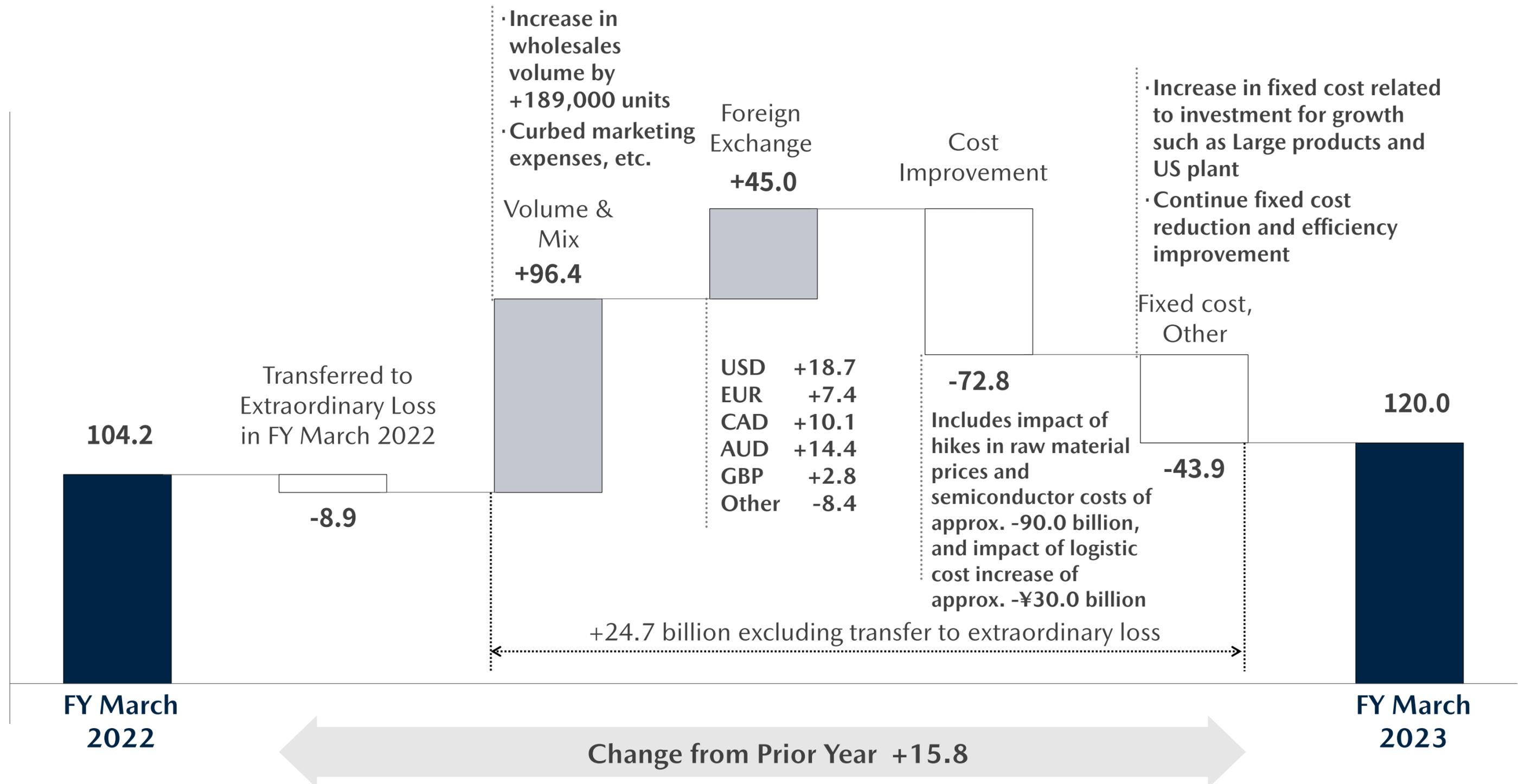
- While keeping the strong profit structure, achieve the stronger growth as planned in the medium-term management plan by quickly responding to external environment changes and risks

(Billion Yen)	FY March 2022	FY March 2023	Change	
	Full Year	Full Year	Full Year	
Consolidated Wholesales (Thousand units)	991	1,180	+189	+19%
Net Sales	3,120.3	3,800.0	+679.7	+22%
Operating Profit	104.2	120.0	+15.8	+15%
Ordinary Profit	123.5	105.0	-18.5	-15%
Profit before Tax	112.4	100.0	-12.4	-11%
Net Income	81.6	80.0	-1.6	-2%
Operating ROS	3.3 %	3.2 %	-0.1 pts	
EPS (Yen)	129.5	127.0	-2.5	
Exchange Rate (Yen)				
US Dollar	112	123	+11	
Euro	131	133	+3	

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

FY MARCH 2023 FULL YEAR OPERATING PROFIT CHANGE (vs FY MARCH 2022 FULL YEAR)

(Billion Yen)



KEY INITIATIVES IN FY MARCH 2023

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1. Management with a sense of speed

2. Management that keeps a finger on the business pulse

3. Successful launch of new products and stable operation of new plant

4. Investment in human resources and people development

KEY INITIATIVES IN FY MARCH 2023

1. Management with a sense of speed

- Continue to drive supply chain transformation
- Accelerate structural reforms

2. Management that keeps a finger on the business pulse

- Enhance brand value and improve net cash by continuously strengthening cost reduction activities in all areas
- Continue to reinforce efforts to lower break-even volume

KEY INITIATIVES IN FY MARCH 2023

3. Successful launch of new products and stable operation of new plant

【CX-50】

- Production started in January at the new US plant
- Sales started in April in USA



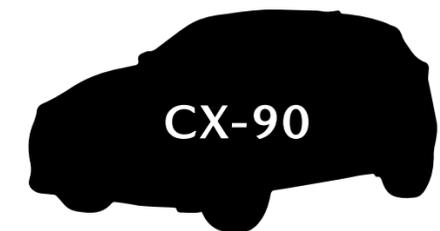
【CX-60】

- Announced in Europe in March and in Japan in April
- Sales to start globally in stages



【CX-90】

- Production for North American market to start by the end of this fiscal year



4. Investment in human resources and people development

- Key to success is maximum contribution of employees
 - Introduce system for extending retirement age
 - Make contract employees regular employees
 - Step up reskilling, digital education and mid-career hiring to shift skills more toward vehicle control and electrification

Shareholder return

Annual dividend for FY March 2023 is projected to be ¥35/share (¥15 interim dividend, ¥20 year-end dividend)



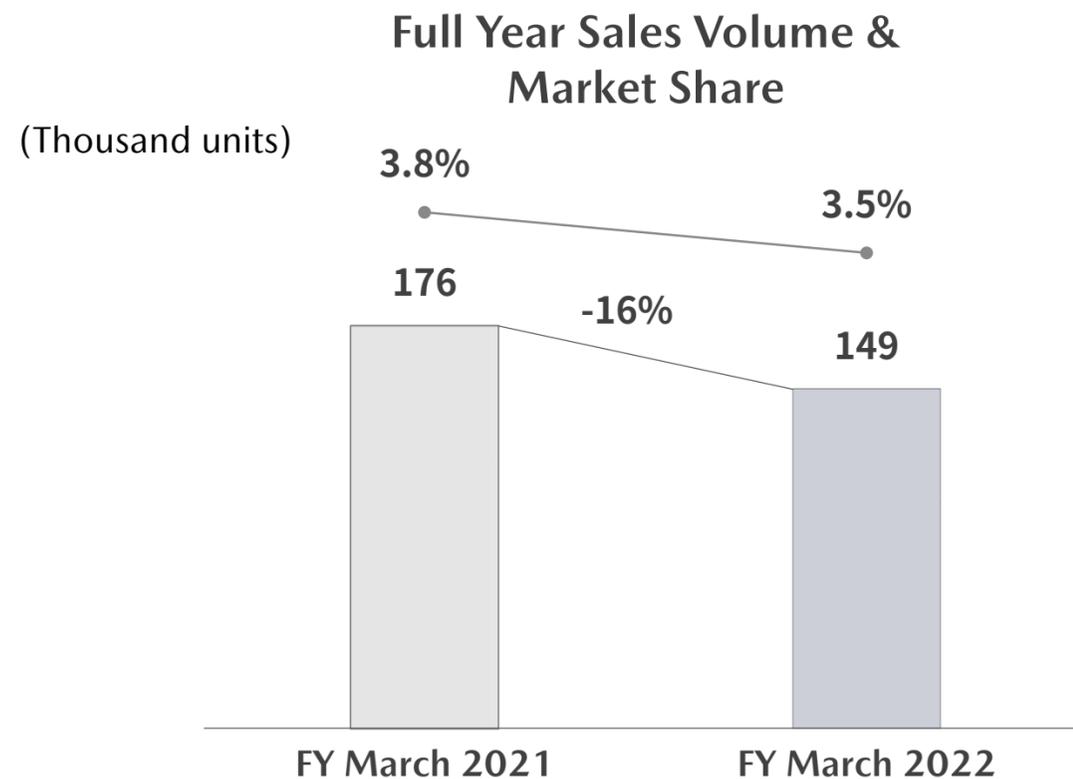
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APPENDIX

JAPAN



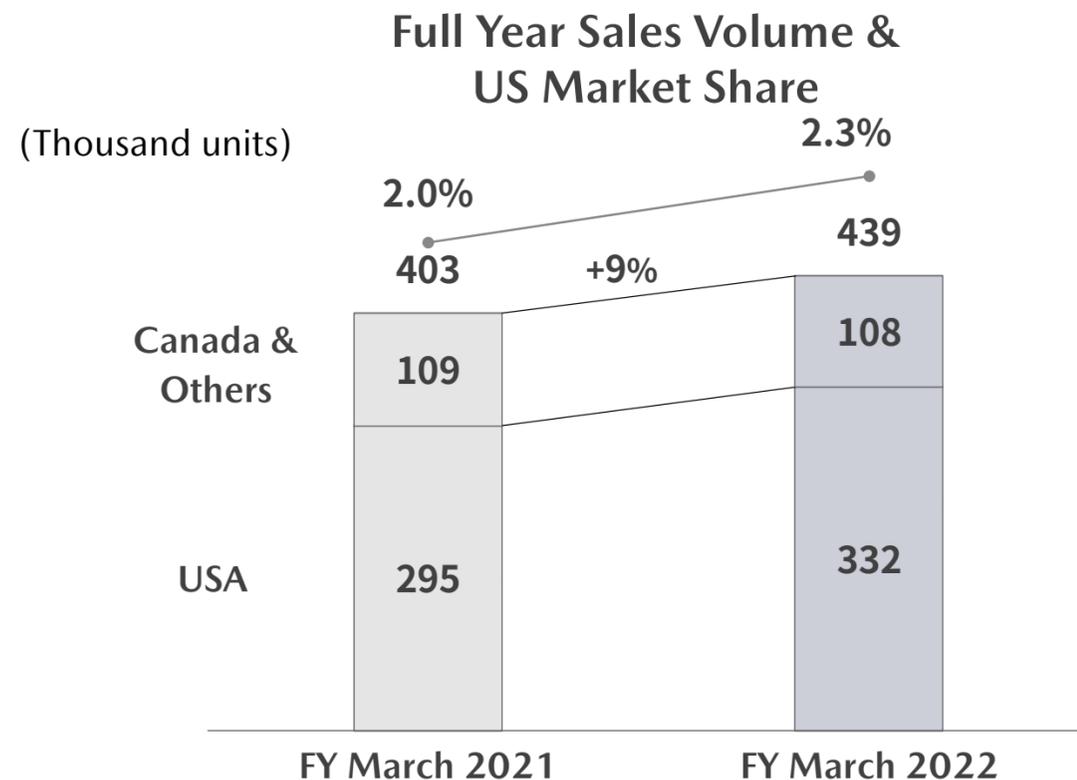
- 149,000 units sold, down 16% year on year
- Market share declined 0.3 points year on year to 3.5%, and registered vehicle market share decreased 0.4 points to 4.5%
- Sales volume declined from the prior year due to impact of vehicle supply shortages, etc.
- Update of main models continued. Sales of CX-5 and Roadster increased year on year mainly due to strong sales of their respective special specification models



NORTH AMERICA



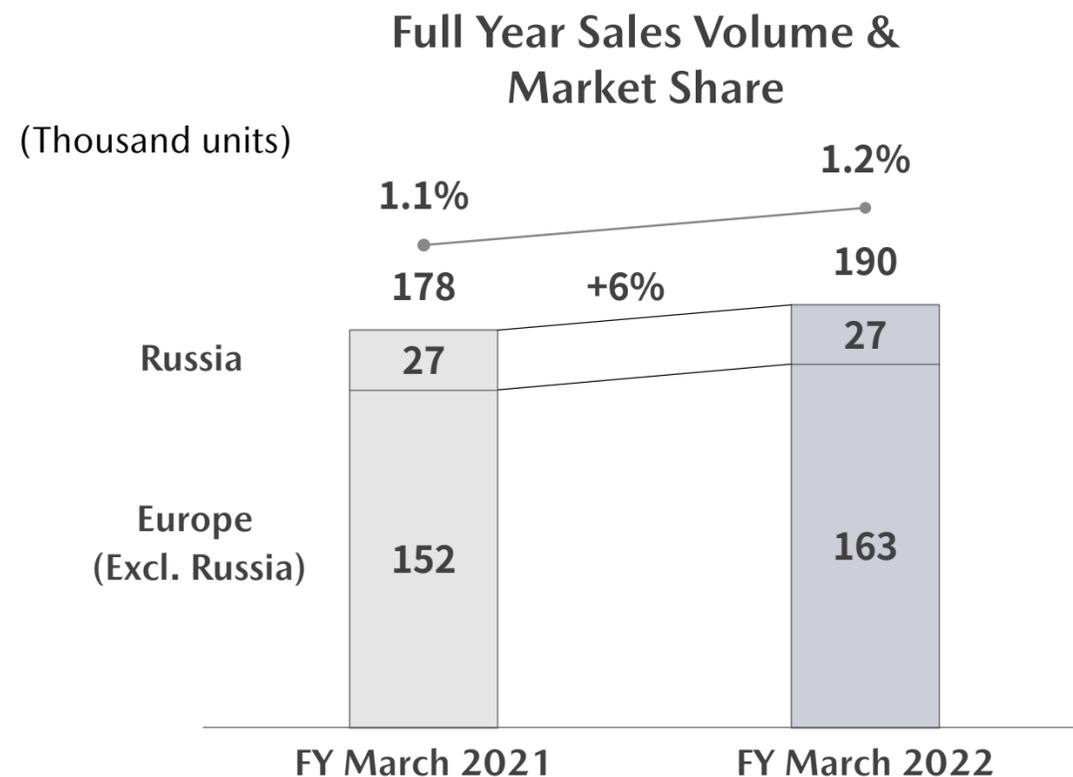
- 439,000 units sold, up 9% year on year
- **USA:** 332,000 units sold, up 13% year on year
 - Market share rose 0.3 points to 2.3%
 - Sales of CX-5, CX-9, and CX-30 remained strong
 - Continued efficient inventory management and streamlining of marketing expenses
 - Mass production of all new crossover SUV CX-50 started in the new US plant in January 2022. Its sales started in April.
- **Canada:** 60,000 units sold, down 2% year on year
- **Mexico:** 46,000 units sold, down 1% year on year



EUROPE



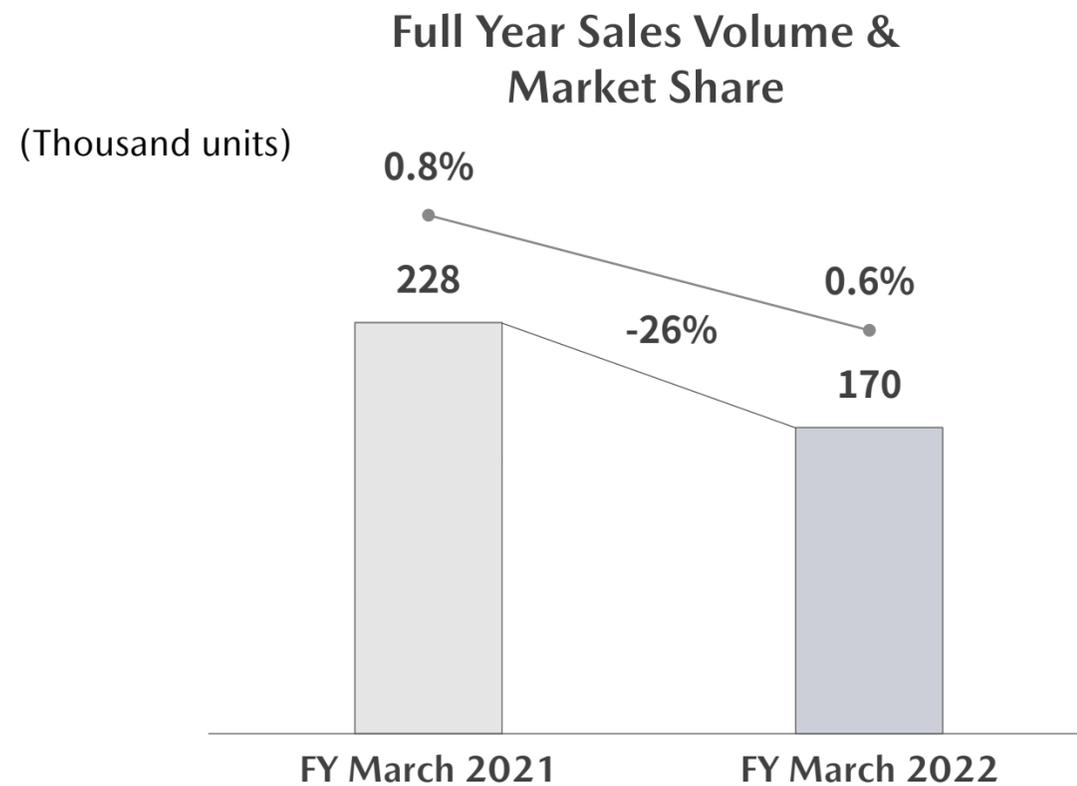
- 190,000 units sold, up 6% year on year
- Market share increased 0.1 points to 1.2%
- Sales of CX-30 remained strong
- Introduced Mazda2 Hybrid in March 2022
- Sales of main markets
 - **Germany:** 41,000 units, flat year on year
 - **UK:** 27,000 units, up 31% year on year
 - **Russia:** 27,000 units, down 1% year on year



CHINA



- 170,000 units sold, down 26% year on year
- Market share declined 0.2 points to 0.6%
- Sales of CX-4, CX-5, and Mazda6 declined year on year
- Mazda3 maintained as solid sales figures as last year at about 90,000 units.

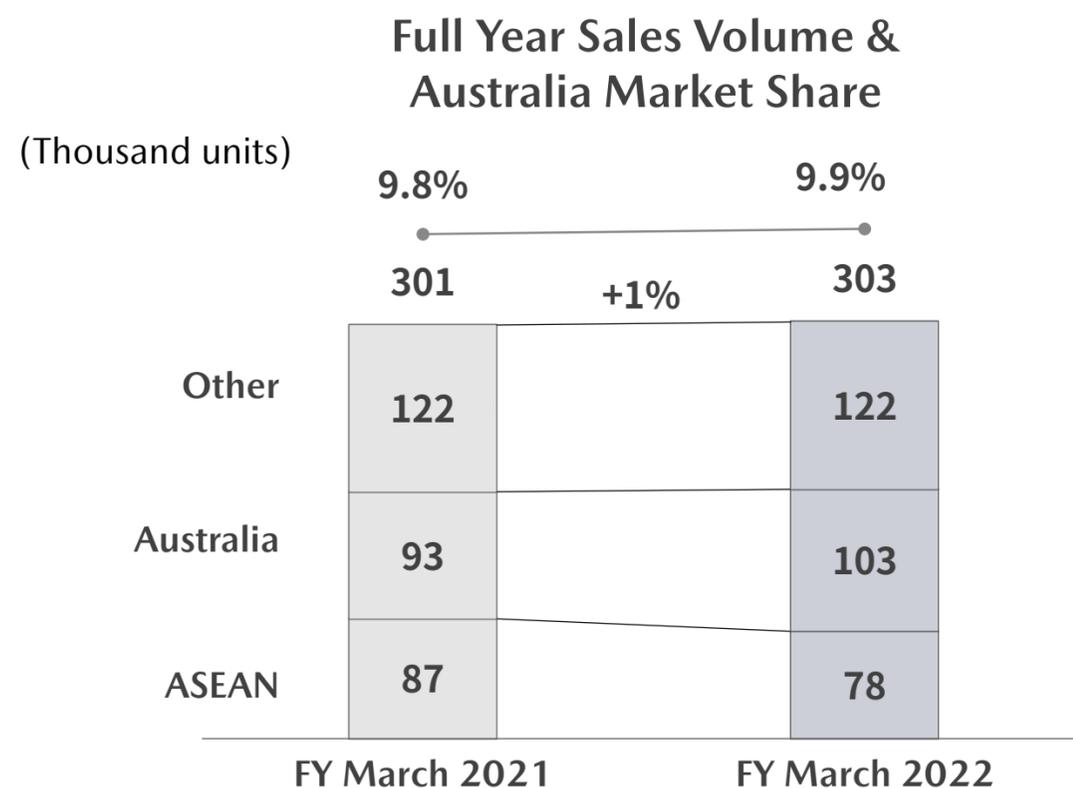


OTHER MARKETS



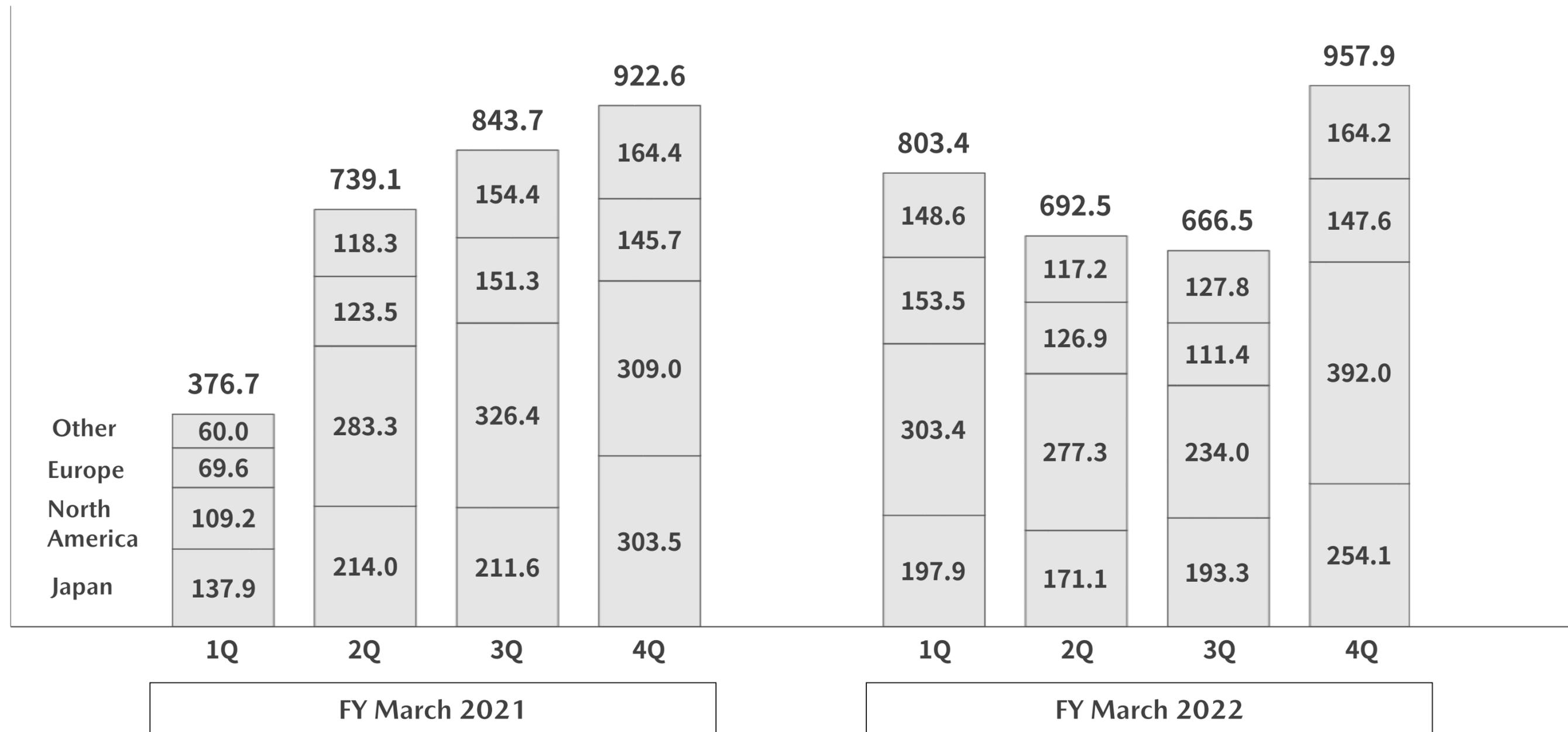
- 303,000 units sold, up 1% year on year
- **Australia:** 103,000 units, up 12% year on year
 - Market share rose 0.1 points year on year to 9.9%
 - Sales volume increased year on year, driven by strong sales of crossover SUV and BT-50

- **ASEAN:** 78,000 units, down 10% year on year
 - **Thailand:** 36,000 units, down 11% year on year
 - **Vietnam:** 23,000 units, down 13% year on year
 - Sales in ASEAN increased year on year in the fourth quarter, as the industry recovered and CX-3 and CX-5 contributed to sales growth



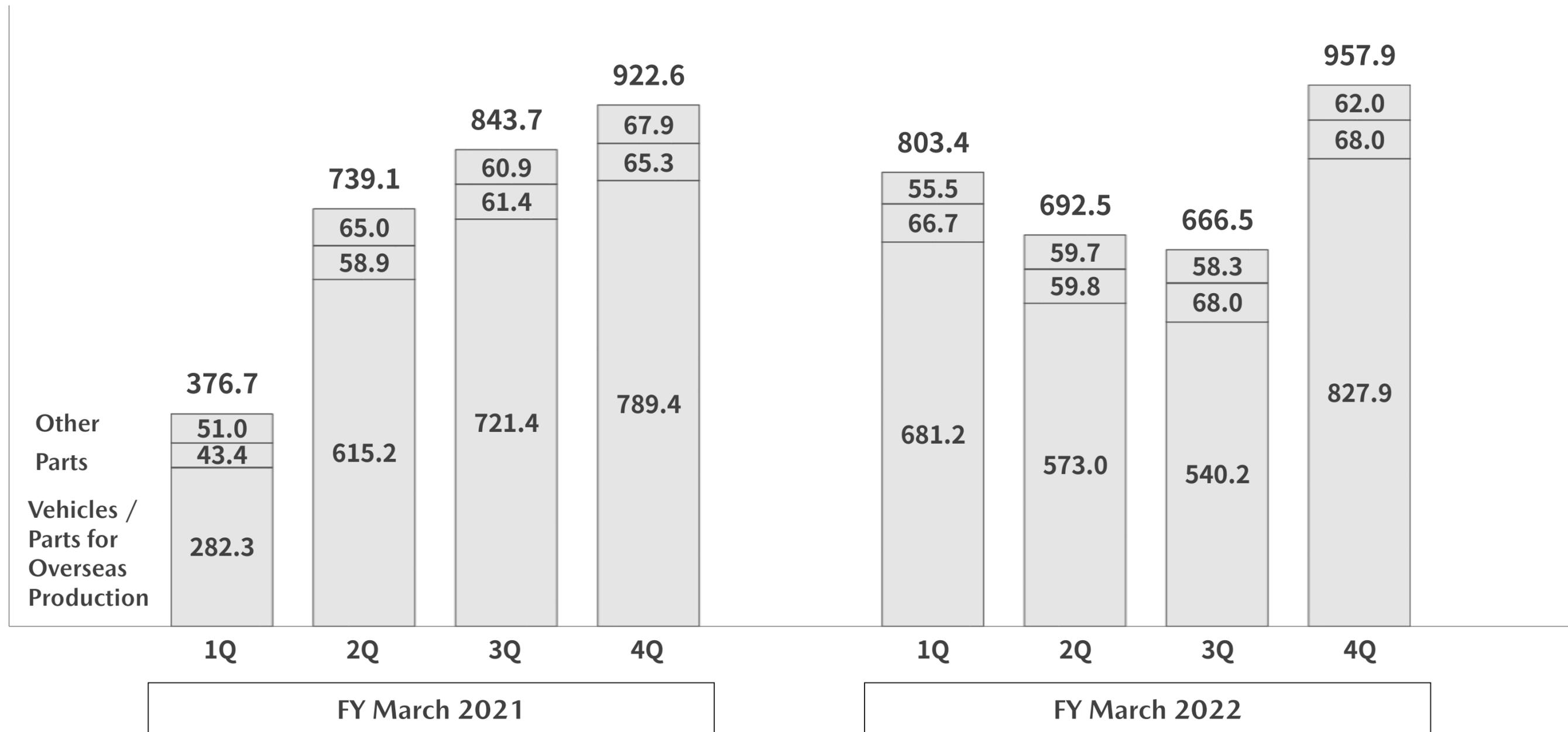
NET SALES BY GEOGRAPHIC AREA

(Billion Yen)



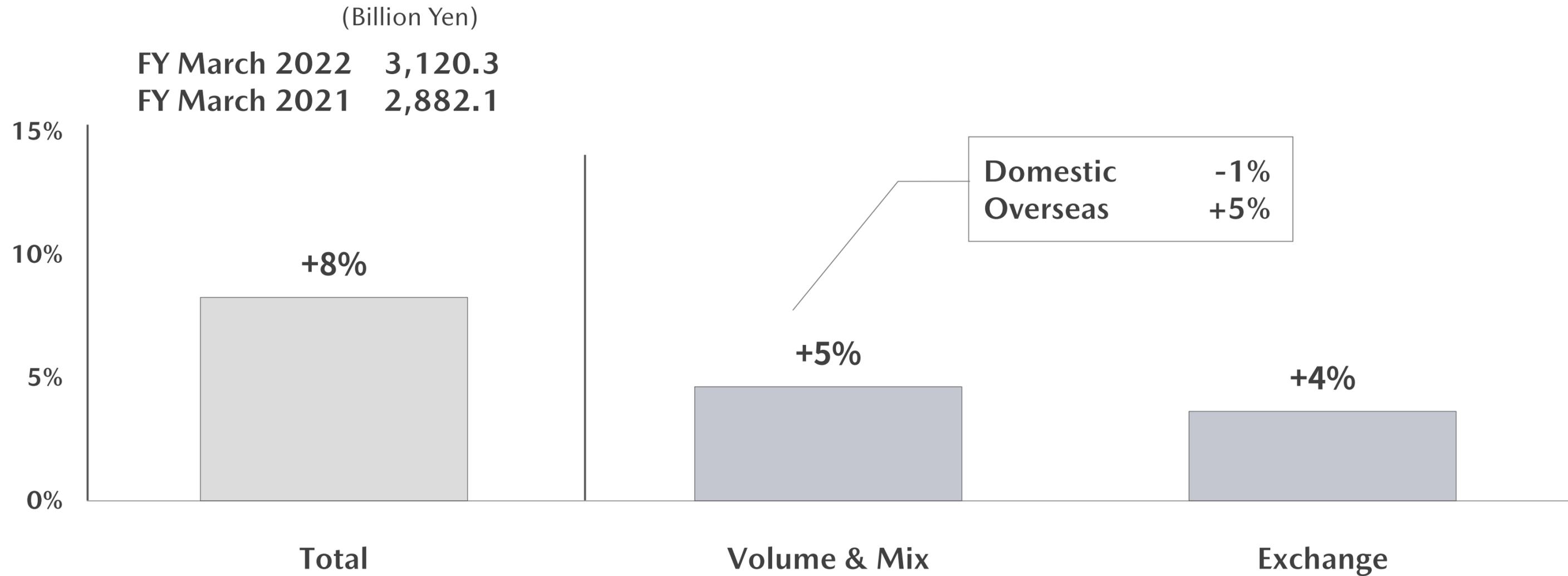
NET SALES BY PRODUCT

(Billion Yen)



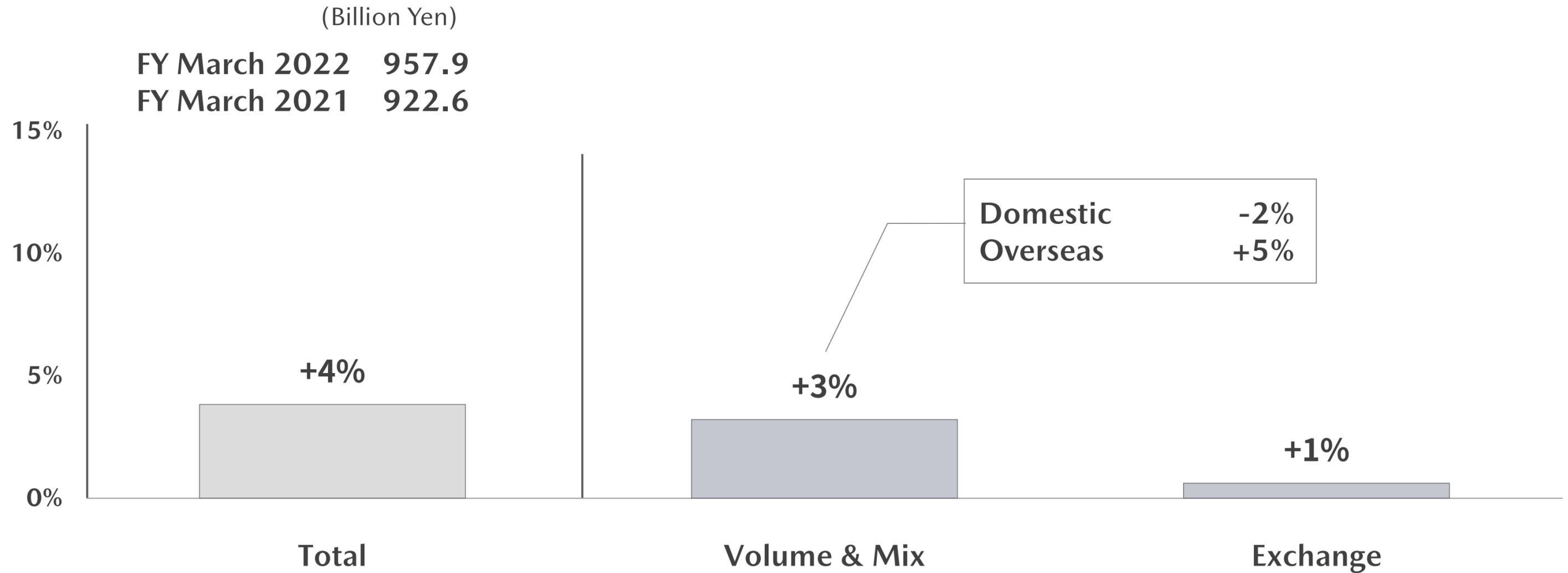
NET SALES CHANGE (FULL YEAR)

FY March 2022 Full Year vs. FY March 2021 Full Year



NET SALES CHANGE (3 MONTHS)

FY March 2022 Fourth Quarter vs. FY March 2021 Fourth Quarter



CASH FLOW AND NET CASH

(Billion Yen)	FY March 2021	FY March 2022	Change from
	Full Year	Full Year	Prior FY End
Cash Flow from Operating Activities	120.1	189.2	-
Cash Flow from Investing Activities	-78.9	-136.2	-
Free Cash Flow	41.2	52.9	-
Cash and Cash Equivalents	738.8	740.4	+1.6
Interest-bearing Debt	755.9	680.8	-75.1
Net Cash	-17.1	59.6	+76.7
Total Assets	2,917.4	2,968.1	+50.7
Equity	1,181.7	1,301.1	+119.4
Equity Ratio	41 %	44 %	+3 pts

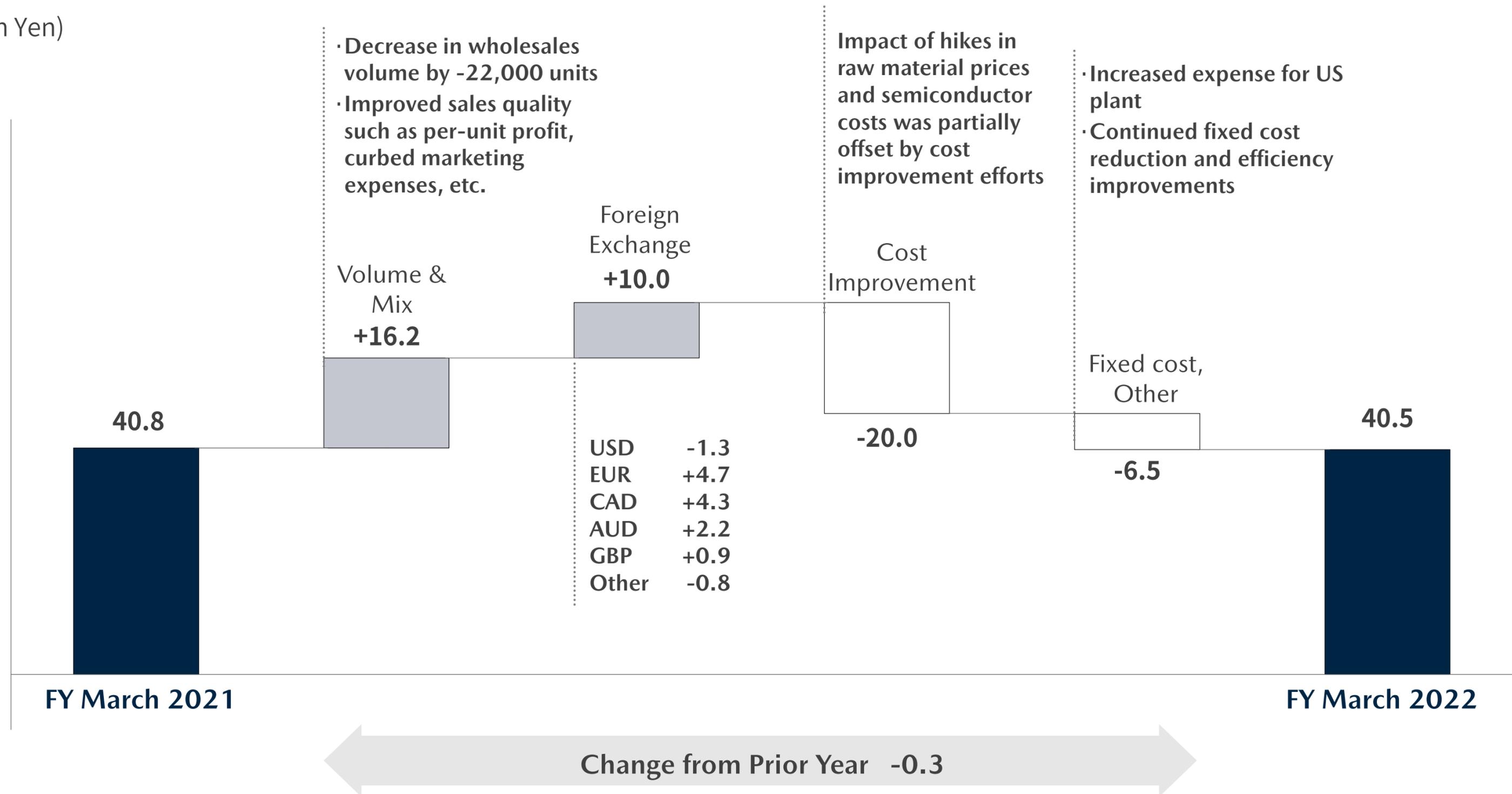
FY MARCH 2022 FOURTH QUARTER FINANCIAL METRICS (3 MONTHS)

(Billion Yen)	FY March 2021	FY March 2022	Change	
	Fourth Quarter	Fourth Quarter	Fourth Quarter	
Consolidated Wholesale (Thousand Units)	325	303	-22	-7%
Net Sales	922.6	957.9	+35.3	+4%
Operating Profit	40.8	40.5	-0.3	-1%
Ordinary Profit	59.5	63.9	+4.4	+8%
Profit before Tax	56.7	61.5	+4.8	+8%
Net Income	46.5	52.2	+5.7	+12%
Operating ROS	4.4	4.2 %	-0.2 pts	
EPS (Yen)	74.0	82.8	+8.8	
Exchange Rate (Yen)				
US Dollar	106	116	+10	
Euro	128	130	+3	

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

FY MARCH 2022 FOURTH QUARTER OPERATING PROFIT CHANGE (vs FY March 2021 FOURTH QUARTER)

(Billion Yen)



FY MARCH 2023 CONSOLIDATED WHOLESALES

(Thousand Units)	FY March 2022	FY March 2023	Change	
Global Sales Volume	Full Year	Full Year	Full Year	
Japan	149	191	+42	+28%
North America	439	483	+44	+10%
Europe	190	190	0	0%
China	170	170	0	0%
Other Markets	303	316	+12	+4%
Total	1,251	1,349	+98	+8%

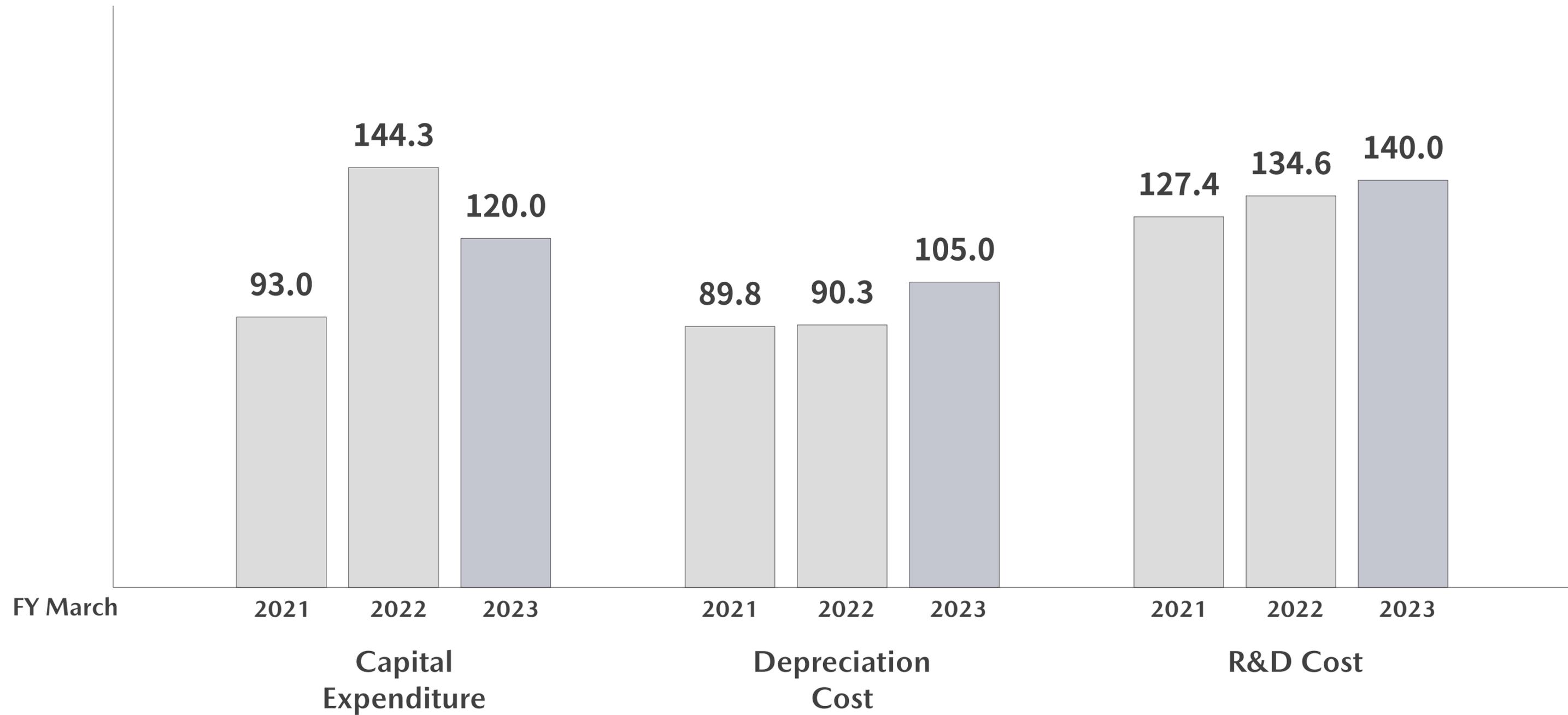
(Thousand Units)	FY March 2022	FY March 2023	Change	
Consolidated Wholesales	Full Year	Full Year	Full Year	
Japan	152	173	+21	+14%
North America	386	489	+104	+27%
Europe	169	187	+18	+10%
Other Markets	284	331	+46	+16%
Total	991	1,180	+189	+19%
USA	298	374	+76	+25%

EXCHANGE RATE

(Yen)	FY March 2022			FY March 2023	Change Full Year
	1st Half	2nd Half	Full Year	Full Year	
US Dollar	110	115	112	123	+11
Euro	131	130	131	133	+3
Canadian Dollar	88	91	90	97	+7
Australian Dollar	83	84	83	89	+6
British Pound	152	155	154	159	+5

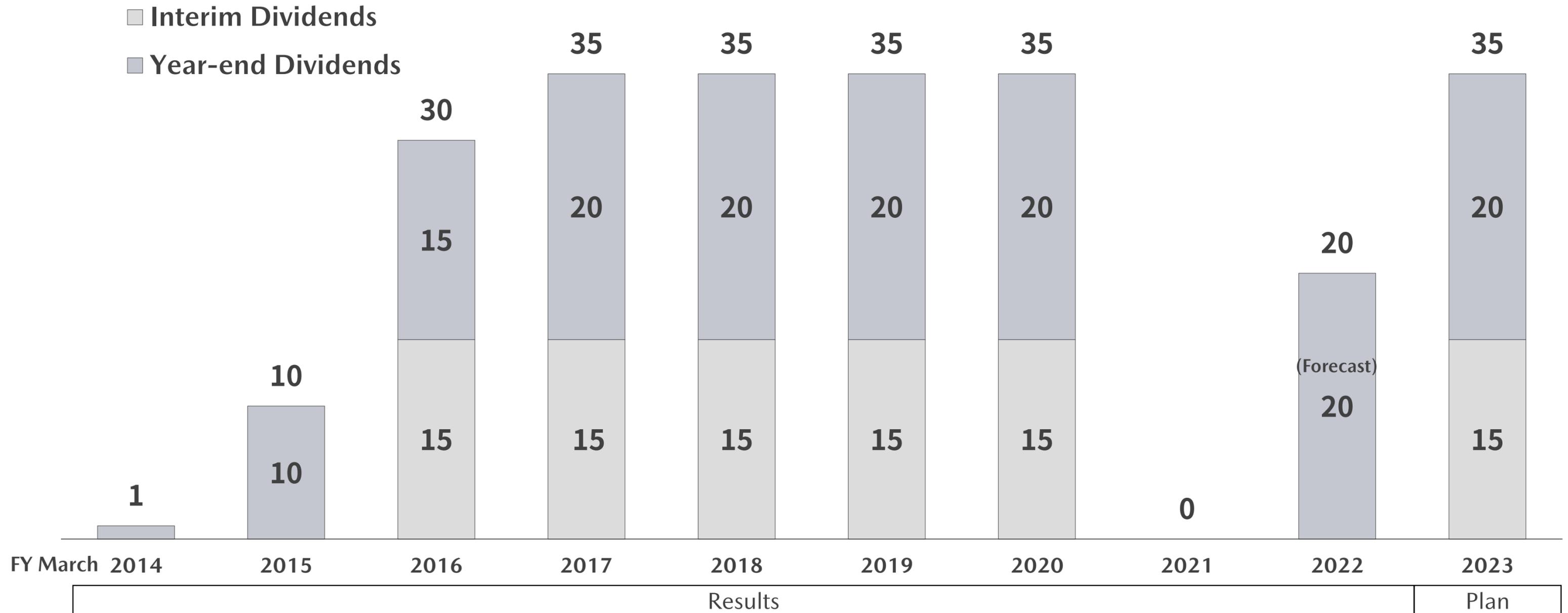
KEY DATA

(Billion Yen)



DIVIDEND PAYMENT

Dividends Per Share (Yen)



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

DISCLAIMER

The projections and future strategies shown in this presentation are based on various uncertainties including, but not limited to, the conditions of the world economy in the future, the trend of the automotive industry and the risk of exchange-rate fluctuations.

So, please be aware that Mazda's actual performance may differ substantially from the projections.

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

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