- Thank you for joining our earnings presentation today.

PRESENTATION OUTLINE

- FY March 2023 First Quarter Results
- First Quarter Highlights
- Summary

- Here is the presentation outline.

FY MARCH 2023 FIRST QUARTER RESULTS

- I will explain first quarter results for FY March 2023.

FY MARCH 2023 FIRST QUARTER VOLUME RESULTS

- Production volume reduced due to Shanghai's Covid lockdown
- Despite a temporary fall in retail/wholesale volume due to vehicle supply shortages, demand remained strong. A return to normal operation is expected from the second quarter

(Thousand Units)	FY March 2022	FY March 2023	Change	
	First Quarter	First Quarter	First Quarter	
Production Volume*	268	209	-59	-22%
Consolidated Wholesales	261	166	-95	-36%
Global Sales Volume				
Japan	28	25	-3	-10%
North America	138	79	-58	-42%
Europe	55	30	-25	-45%
China	47	24	-23	-50%
Other Markets	86	75	-11	-13%
Total	353	233	-120	-34%

MAZDA MOTOR CORPORATION

*Based on our monthly disclosure（global production volume including volume in China, excluding vehicles received from other OEMs ）

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- In the first quarter of this fiscal year, we produced 209,000 units, down 22% from the prior year.
- Consolidated wholesale volume was 166,000 units, down 36% year on year.
- Global sales volume was 233,000 units, down 34% from the prior year.
- Production volume contracted due to parts supply shortages caused by Shanghai's Covid lockdown.
- As a result of vehicle supply shortages, sales and wholesale volumes in the first quarter sharply dropped temporarily, but demand in each market remains strong. We plan to recover operation and production to the normal level from the second quarter so that we can boost our sales volume.

FY MARCH 2023 FIRST QUARTER FINANCIAL METRICS

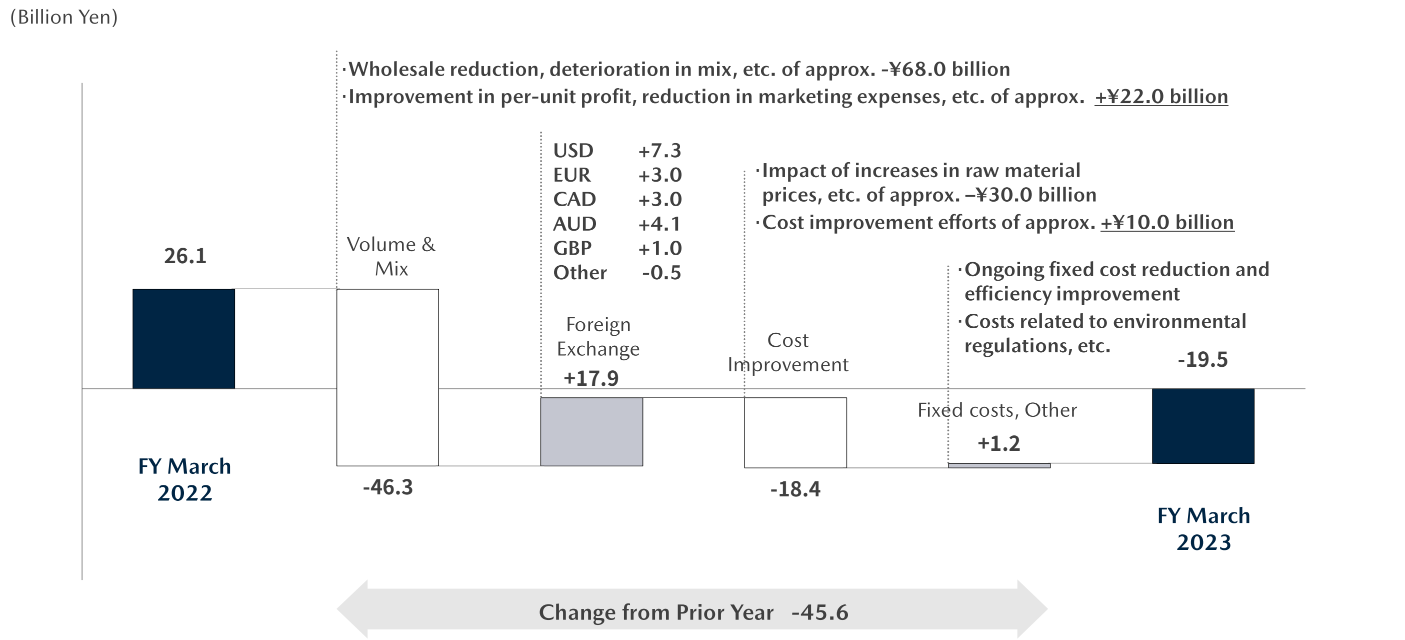
- Operating loss was ¥19.5 billion due largely to wholesale reductions
- Net income was ¥15.0 billion due mainly to FX valuation gains

(Billion Yen)	FY March 2022	FY March 2023	Change	
	First Quarter	First Quarter	First Quarter	
Net Sales	803.4	617.2	-186.2	-23%
Operating Income	26.1	-19.5	-45.6	-
Ordinary Income	26.5	20.7	-5.8	-22%
Profit before Tax	25.4	20.3	-5.1	-20%
Net Income	11.4	15.0	+3.6	+32%
Operating Income Ratio	3.2 %	-3.2 %	-6.4 pts	
EPS (Yen)	18.1	23.8	+5.7	
Exchange Rates (Yen)				
US Dollar	110	130	+20	
Euro	132	138	+6	

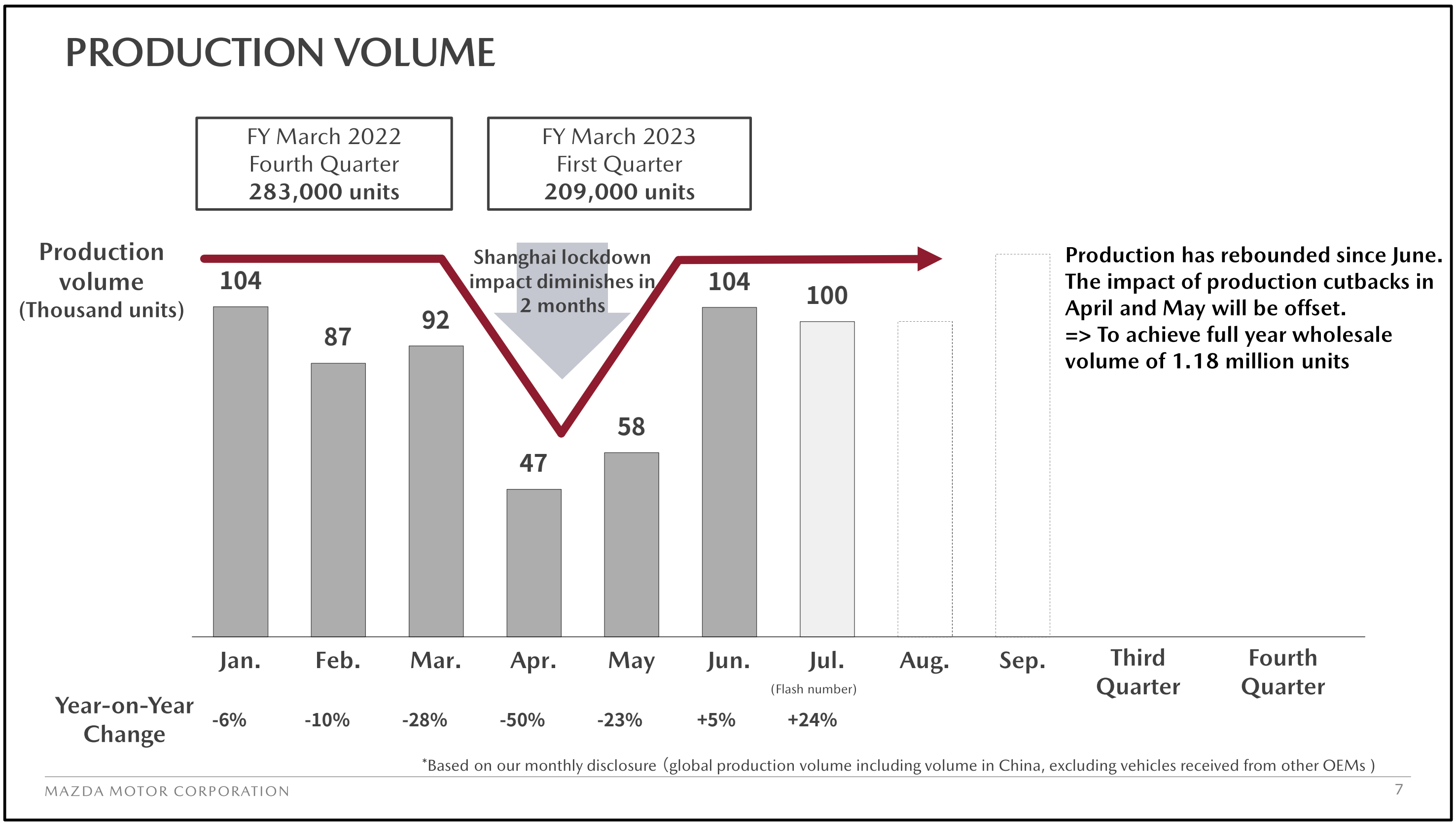
*Net income indicates net income attributable to owners of the parent

- Next, I would like to present the financial metrics of the first quarter.
- As the consolidated wholesale volume was down as much as 36% year on year, net sales finished at ¥617.2 billion, down 23% from the prior year, and operating loss was ¥19.5 billion.
- Net income attributable to owners of the parent was ¥15.0 billion, up 32% from the prior year, due mainly to foreign exchange valuation gains.
- Regarding exchange rates, the yen significantly weakened against US dollar, depreciating ¥20 from the prior year to ¥130, while the yen weakened ¥6 against the euro to ¥138.

CHANGE IN FY MARCH 2023 FIRST QUARTER OPERATING PROFIT (vs. FY March 2022 First Quarter)



- The first quarter operating profit fell ¥45.6 billion year on year, to an operating loss of ¥19.5 billion. Here is the breakdown:
- Volume and mix deteriorated approximately ¥68.0 billion due to factors such as a change in mix, in addition to lower wholesale volume. Against a background of constrained production, we had a higher sales mix in the US and Australia in the previous fiscal year; this fiscal year we are focusing on equal vehicle distributions on a global basis, giving consideration to the balance of supply to ensure the delivery of sufficient products to customers whose orders we could not fill last year. We were able to partially offset the impact of this decline in profit through improvement in per unit profit and a reduction in incentives of approximately ¥22 billion. As a result, we were able to limit the decline in profit to ¥46.3 billion.
- Foreign exchange improved ¥17.9 billion with the significant weakening of the yen against major currencies, especially against the US dollar.
- Variable costs had a negative impact of nearly ¥30 billion due to the impact of price hikes of various raw materials, including semiconductors and steel, and hikes in logistic costs but these are offset by about ¥10 billion through cost improvement efforts.
- Fixed costs and other improved only slightly due to an increase in costs relating to environmental regulations, despite ongoing efforts to reduce and streamline fixed costs in all areas.
- While results of the first quarter reflect the impacts of severe external business environment, such as lockdown of Shanghai due to Covid-19 and rising raw material prices, ongoing improvements are being achieved in areas such as improvement in per unit profit, reduction in marketing expenses, cost improvements, and fixed cost reductions.



- I would like to add more explanation about the recent production situation.
- Although the lockdown in Shanghai had a significant impact on production in April and May, the impact has diminished in about the 2 months and this reduction was already factored into the initial plan announced in May.
- Some of the vehicles produced in June did not result in consolidated wholesales, and in-transit inventories at the end of the quarter temporarily increased by approximately 40,000 units. These are included in the consolidated wholesales for the second quarter.
- With the lifting of the lockdown and progress in the procurement of alternative semiconductors, we expect production to recover to the 300,000 unit level in the second quarter.
- The impact of production cutbacks in April and May will be offset by the recovery in production, and we aim to achieve consolidated wholesale volume of 1.18 million units for the full year as planned.

FY MARCH 2023 FULL YEAR FORECAST

- Business environment remains uncertain. Full-year forecast unchanged
- Focus on recovery of production, wholesales, and retail volume from the second quarter

(Billion Yen)	FY March 2022	FY March 2023	Change	
	Full Year	Full Year	Full Year	
Global Sales Volume (Thousand Units)	1,251	1,349	+98	+8%
Consolidated Wholesales (Thousand Units)	991	1,180	+189	+19%
Net Sales	3,120.3	3,800.0	+679.7	+22%
Operating Income	104.2	120.0	+15.8	+15%
Net Income	81.6	80.0	-1.6	-2%
Operating Income Ratio	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

- Now I would like to talk about the full year forecast for FY March 2023.
- Although there are some benefits from the current trend of a weaker yen, the external environment remains uncertain due to rising interest rates, concerns about an economic recession, and other factors, so we have not made any changes from the forecast announced at the beginning of the fiscal year.
- As I explained in the previous slide, despite the impact of production cutbacks due to the lockdown in Shanghai in the first quarter, we will focus on recovery in production and wholesale and sales volume from the second quarter onward to achieve the full-year plan.

FIRST QUARTER HIGHLIGHTS AND SUMMARY

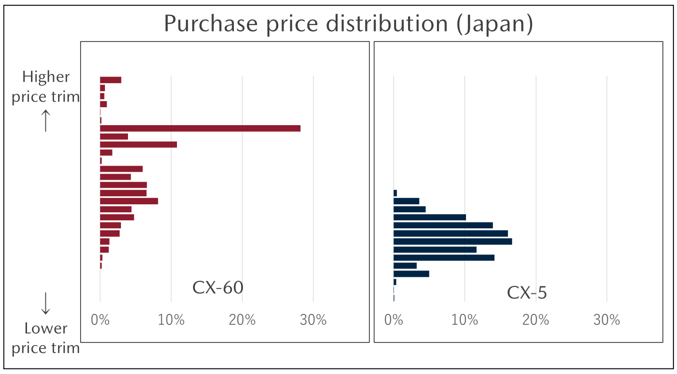
- I would like to share with you the highlights of the initiatives in the sales community during the first quarter.

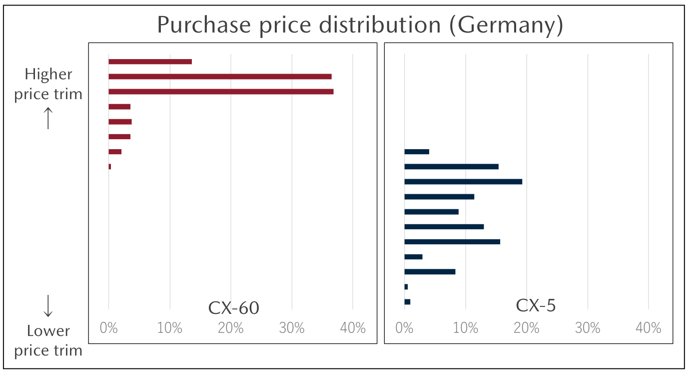
CX-60 ROLLOUT

■Cumulative order intake as of the end of July was 6,400 units in Japan and 11,600 units in Europe, resulting in order intake higher than planned

■CX-60 attracts a different customer segment from CX-5 customers

CX-60





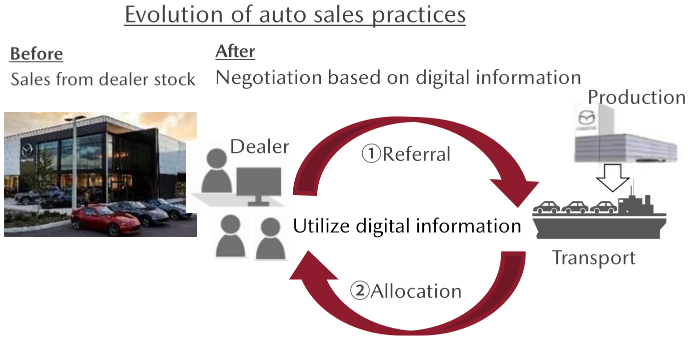
- Under our Medium-Term Management Plan, this fiscal year marks the first year of our stronger growth phase, supported by the foundation we built during the first three years. We will roll out the CX-60, our first Large product, and the CX-50, built at our new plant in Alabama, to reinforce our product lineup in the compact crossover segment in North America. Now I would like to discuss highlights of new product rollouts in the first quarter.
- Let me start with the CX-60 in Japan and Europe.
- In Japan, our order intake as of end of July was 6,400 units. Based on the good reputation of our clean diesel engine with the CX-5 and other models, the 3.3L in-line 6-cylinder diesel engine model is being very well received among CX-60 customers for its power and environmental performance. Many customers are replacing their CX-5 or other Mazda with the CX-60. Some of these customers are even newly switching from upscale segments of other brand. As you see on the slide, owners of CX-5s and also higher-price models are now purchasing the CX-60. As CX-5 sales are higher than last year, this product is clearly contributing to growth of our business in Japan.
- In Europe, we are taking orders of the 2.5L Plug-in Hybrid model only at the moment, but the number of pre-sale orders is higher than expected and the order intake as of end of July was 11,600 units. The shift to electrification is moving at a faster pace in Europe and the plug-in hybrid model has been long awaited as the first Mazda PHEV. The design, focusing on Japanese aesthetics, craftsmanship and a sporty vibe of the plug-in hybrid, is highly acclaimed in the market there. As shown on the slide, in Europe the owners of the high-trim CX-5 are the main customers of the CX-60. In addition to these customers, we are also approaching business users in areas such as corporate leasing, which will lead to customer diversification.

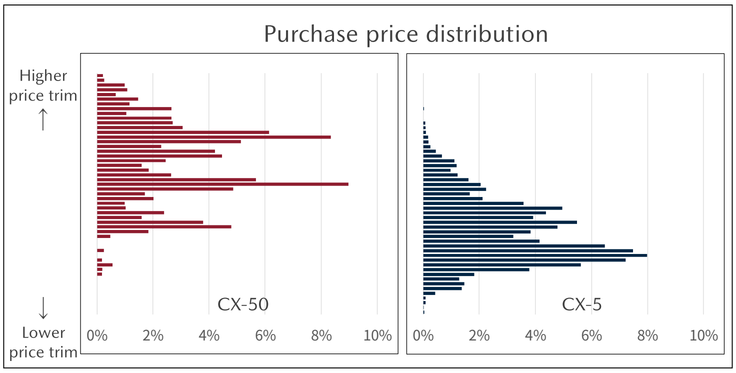
INITIATIVES IN US

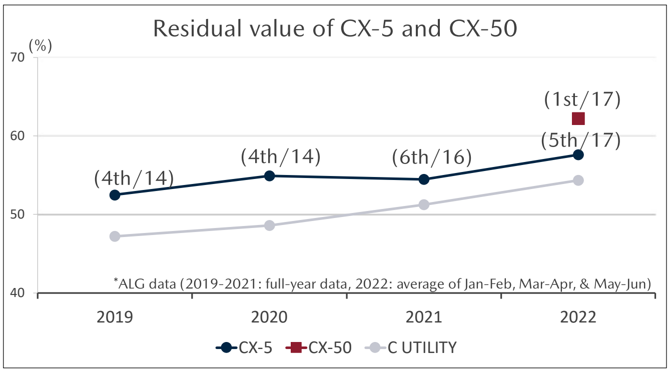
■Shift from car sales based on dealer stock to car sales negotiated using digital tools

■CX-50 is attracting new customers who are interested in off-road performance for outdoor activities

■CX-50 and CX-5 residual values remain high







- Next, I would like to talk about US market initiatives. Inventory fell to 2,000 units level from May to June, due to the impact of the Shanghai lockdown, which led to a decline in year-on-year sales in the first quarter.
- However, supply has resumed since then, and inventory recovered to about 6,900 units in July. We expect sales to resume their regular pace in August. As the sales momentum remains strong, we would like to get sales back on a solid growth trajectory from the second quarter onwards.
- With inventories depleted at stores, dealers have been moving away from the traditional sales model of stocking inventories at their stores and selling from these, and shifting to a model whereby vehicles are allocated to stores while they are still in the pipeline and in the process of transportation for delivery to dealers. Progress in this shift in sales model is accelerating the turnover of vehicles produced. This concept, known as “turn & earn” in the US, has been applied thoroughly, and all employees including dealers adopt this fast turnover approach to quickly deliver vehicles to customers.
- We started sales of the long-awaited CX-50 in April, and sold 7,700 units by July. Even during the pre-launch phase, we received a record-high level of positive product evaluation from dealers. While CX-5 customers are mainly city drivers, we are seeing outdoor-oriented customers for the CX-50, who had never considered Mazda cars before. This is making our dealers more confident of prospects for business growth.
- During the launch period, the CX-50 pricing was positioned to cover the high price range of the CX-5 due in part to the limited supply as shown in the slide, which contributed to growth.
- The residual value of the CX-50 is also in the top class, as incentives are being continuously reduced. Going forward, we will promote the CX-50 as a model that will steadily contribute to the growth of our business in the United States by increasing the supply from the new Alabama plant.

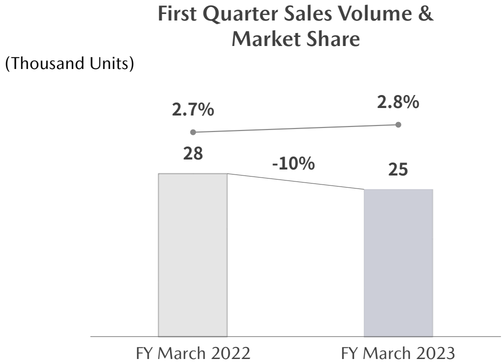
SUMMARY

- Operating loss of ¥19.5 billion in the first quarter
- Main reason for operating loss was temporary wholesales reduction due to production suspension resulting from parts supply disruptions caused by Shanghai's lockdown under its zero-Covid policy
- Secured net income of ¥15.0 billion due mainly to FX valuation gains
- Quality of sales operations continues to be favorable, and new models are off to a good start with high ratings
- Smooth recovery in sales is forecast in the second quarter with an anticipated increase in wholesales due to a recovery in production and utilization of in-transit inventory
- Ongoing efforts to realize stable parts procurement through measures such as having parts stock on site and switching to parts that use general-purpose semiconductors through design changes. In the medium to long term, initiatives to revamp the entire supply chain through methods such as multiple sourcing

- The first quarter this year got off to a slow start as expected.
- First of all, allow me to express our sincere apologies for the significant decline in production and wholesales, resulting in longer delivery times for our customers and causing substantial impacts on production and business operations of our suppliers.
- For the procurement of semiconductors, we have been making efforts to switch to alternative parts, and at the same time to promote multiple sourcing and change the design of components to use general-purpose semiconductors. We believe that our current supply situation is not unlike that of other OEMs.
- However, in the first quarter, the Shanghai lockdown prevented us from exporting parts produced and stocked in China, which temporarily but severely impacted our logistics and plant operations. Consequently, wholesales declined significantly and this was a direct cause of the slow start.
- Sales operations remained sound. The quality of sales continued to improve with per-unit variable profit, and new products were well received. We feel confident of our ability to bounce back, and we are working to achieve an early recovery.
- We will take speedy action to ensure that production, which is now recovering, will lead to increased wholesales. This includes the approximate 40,000 units of in-transit inventory, which were produced and shipped but did not result in consolidated wholesales. In the first half, we aim to improve the progress rate of operating profit to at least 40%.
- Furthermore, supply issues, which were at the root of the problem, exposed structural problems in our parts supply chain. We are now carefully reviewing this situation.
- At this time, we have already implemented short-term measures such as importing parts stock from manufacturing plants in China and keeping stockpiles on hand.
- In addition, to address the structural issues of our supply structure over the middle to long term, we will also continue efforts to review the supply chain from the standpoint of BCP in areas such as design standardization, multiple sourcing, and reallocation of parts that use semiconductors.
- The semiconductor procurement environment is improving due to various initiatives, but we expect the current uncertainty to persist for some time. Furthermore, as concerns of a possible downturn become apparent amid the trend of high oil and raw material prices and the prospect of higher interest rates, we recognize that we are not in a situation that allows for optimism.
- We will make company-wide efforts to drive rapid improvements through cost reductions and fixed cost management by keeping tight control over those areas that we can control.

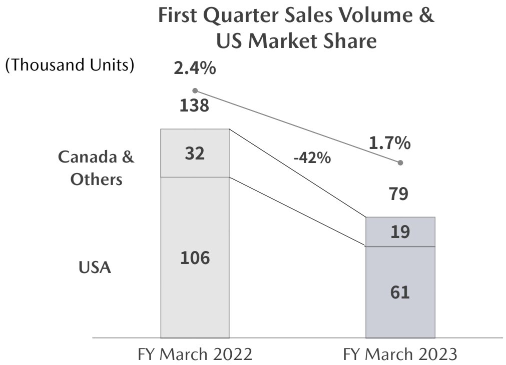
APPENDIX

JAPAN



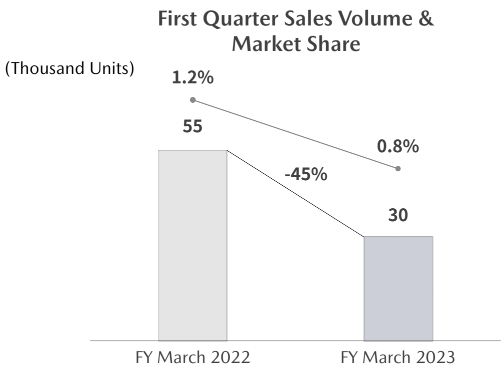
- 25,000 units sold, down 10% year on year
- Market share rose 0.1 points year on year to 2.8%, and registered vehicle market share rose 0.2 points to 3.4%
- While number of orders exceeded the plan, sales volume declined from prior year due to vehicle supply shortage
- Sales of CX-3, CX-5 and Roadster (MX-5) increased year on year mainly due to strong sales of their respective special edition models
- Started taking pre-orders of the new CX-60 from June. Off to a good start exceeding the plan

NORTH AMERICA



- 79,000 units sold, down 42% year on year
- USA: 61,000 units, down 43% year on year
  - Market share declined 0.7 points year on year to 1.7%
  - Sales volume decreased year on year due to production reduction caused by parts supply disruptions
  - Vehicle prices revised from April in response to the impact of soaring raw material prices and other factors
  - Continuous efforts made to lower marketing expenses by controlling incentives according to product supply conditions
  - CX-50 was well received, and continued to be sold and delivered as soon as it arrived at the stores
- Canada: 13,000 units, down 31% year on year
- Mexico: 5,000 units, down 56% year on year

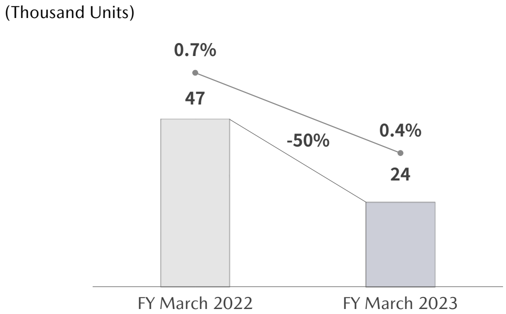
EUROPE



- 30,000 units sold, down 45% year on year
- Market share declined 0.4 points year on year to 0.8%
- Sales volume decreased year on year due to production reduction caused by parts supply disruptions
- CX-60, the first in the Large product group, is introduced this summer and saw strong order intake exceeding the plan
- Sales in key countries:
  - Germany: 6,000 units, down 48% year on year
  - UK: 5,000 units, down 41% year on year

CHINA

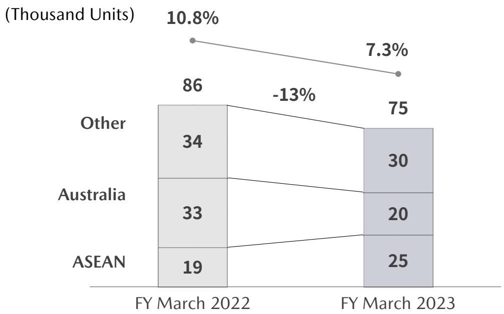
First Quarter Sales Volume & Market Share



- 24,000 units sold, down 50% year on year
- Market share declined 0.3 points year on year to 0.4%
- Sales volume decreased year on year due to production reduction caused by lockdown and restricted sales activities
- Sales volume bottomed out in April and monthly sales are on a recovery trend

OTHER MARKETS

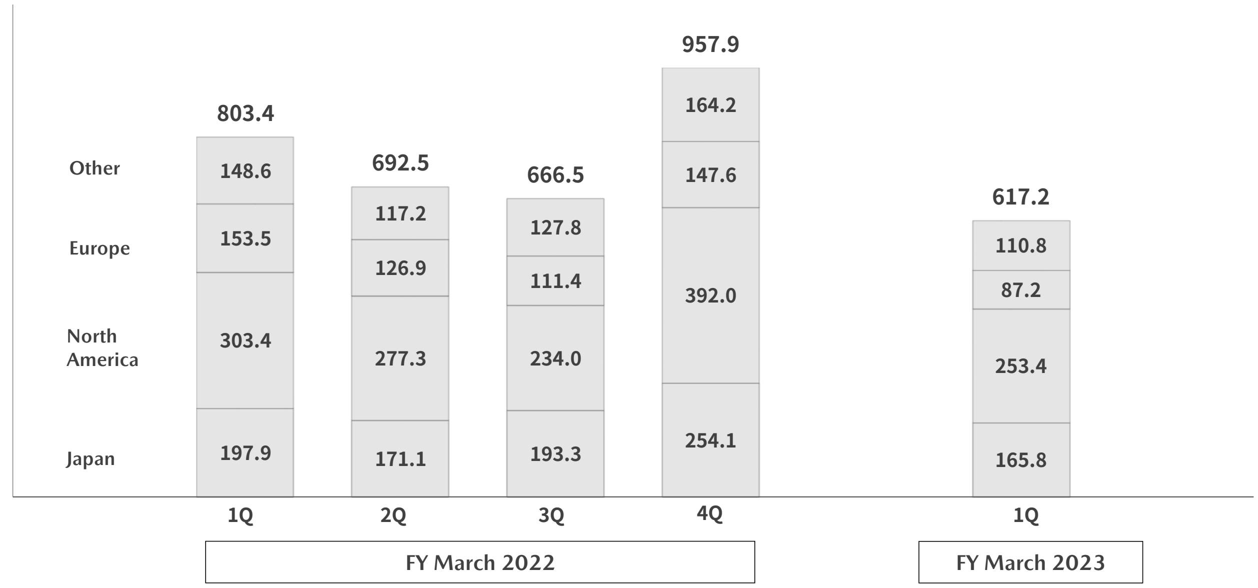
First Quarter Sales Volume & Australian Market Share



- 75,000 units sold, down 13% year on year
- Australia: 20,000 units, down 39% year on year
  - Market share declined 3.5 points year on year to 7.3%
  - Sales volume decreased year on year due to production reduction caused by parts supply disruptions
- ASEAN: 25,000 units, up 32% year on year
  - Thailand: 9,000 units, up 12% year on year
  - Vietnam: 10,000 units, up 91% year on year
  - Sales volume increased due to rebound in demand from the previous year's constraints on economic activities and the government stimulus packages

NET SALES BY GEOGRAHIC AREA

(Billion Yen)

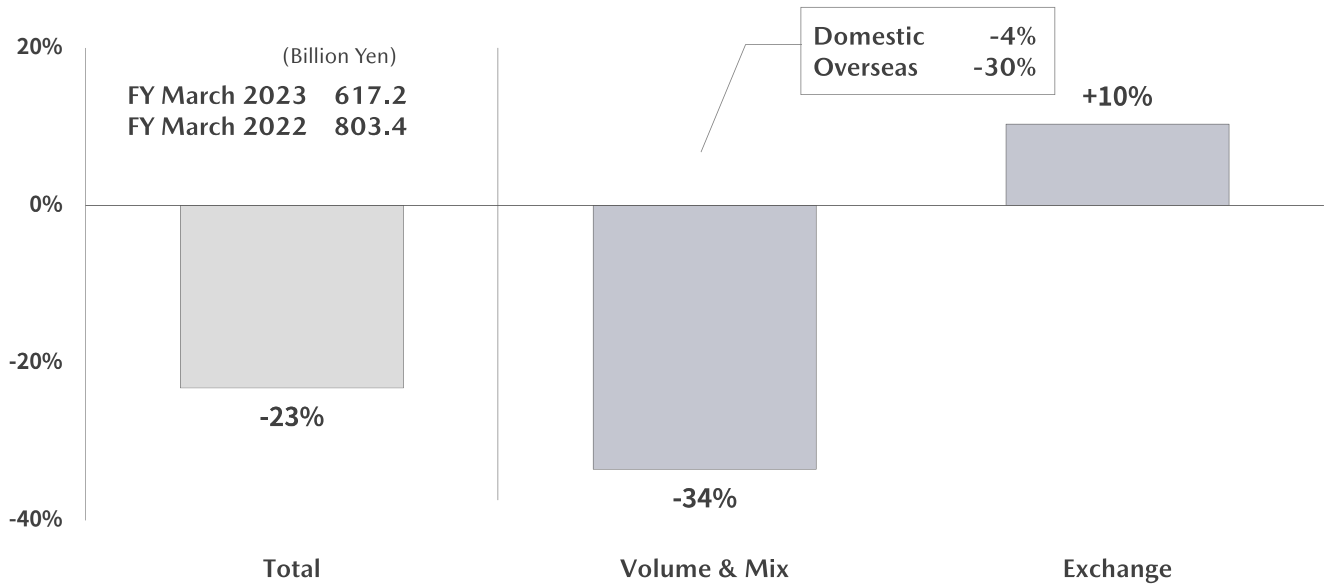


NET SALES BY PRODUCT

(Billion Yen)

BREAKDOWN OF CHANGE IN NET SALES

FY March 2023 First Quarter vs. FY March 2022 First Quarter



CASH FLOW AND NET CASH

(Billion Yen)	FY March 2022	FY March 2023	Change from
	Full Year	First Quarter	Prior FY End
Cash Flow from Operating Activities	189.2	-132.5	-
Cash Flow from Investing Activities	-136.2	-32.3	-
Free Cash Flow	52.9	-164.7	-
Cash and Cash Equivalents	740.4	734.2	-6.2
Interest-bearing Debt	680.8	812.8	+132.0
Net Cash	59.6	-78.6	-138.2
Total Assets	2,968.1	3,096.4	+128.3
Equity	1,301.1	1,338.8	+37.7
Equity Ratio	44 %	43 %	-1 pts

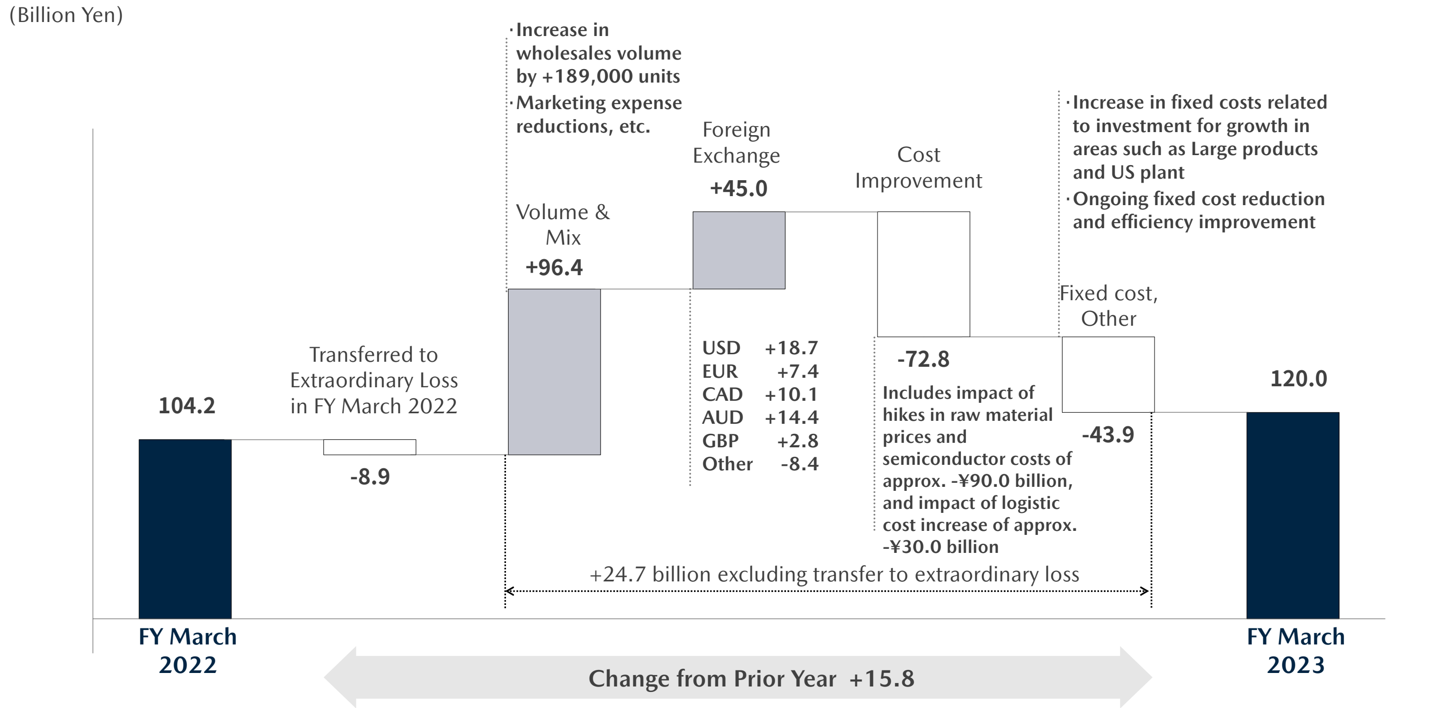
FY MARCH 2023 FIRST QUARTER GLOBAL SALES AND CONSOLIDATED WHOLESALES

(Thousand Units)	FY March 2022	FY March 2023	Change	
Global Sales Volume	First Quarter	First Quarter	First Quarter	
Japan	28	25	-3	-10%
North America	138	79	-58	-42%
Europe	55	30	-25	-45%
China	47	24	-23	-50%
Other Markets	86	75	-11	-13%
Total	353	233	-120	-34%
USA	106	61	-45	-43%
Australia	33	20	-13	-39%
ASEAN	19	25	+6	+32%
Conosolidated Wholesales	First Quarter	First Quarter	First Quarter	
Japan	38	28	-10	-27%
North America	101	64	-38	-37%
Europe	50	22	-28	-57%
Other Markets	72	53	-19	-26%
Total	261	166	-95	-36%
USA	77	47	-30	-39%

FY MARCH 2023 FULL YEAR GLOBAL SALES VOLUME AND 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%
USA	332	371	+40	+12%
Australia	103	103	0	0%
ASEAN	78	86	+8	+10%
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%

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

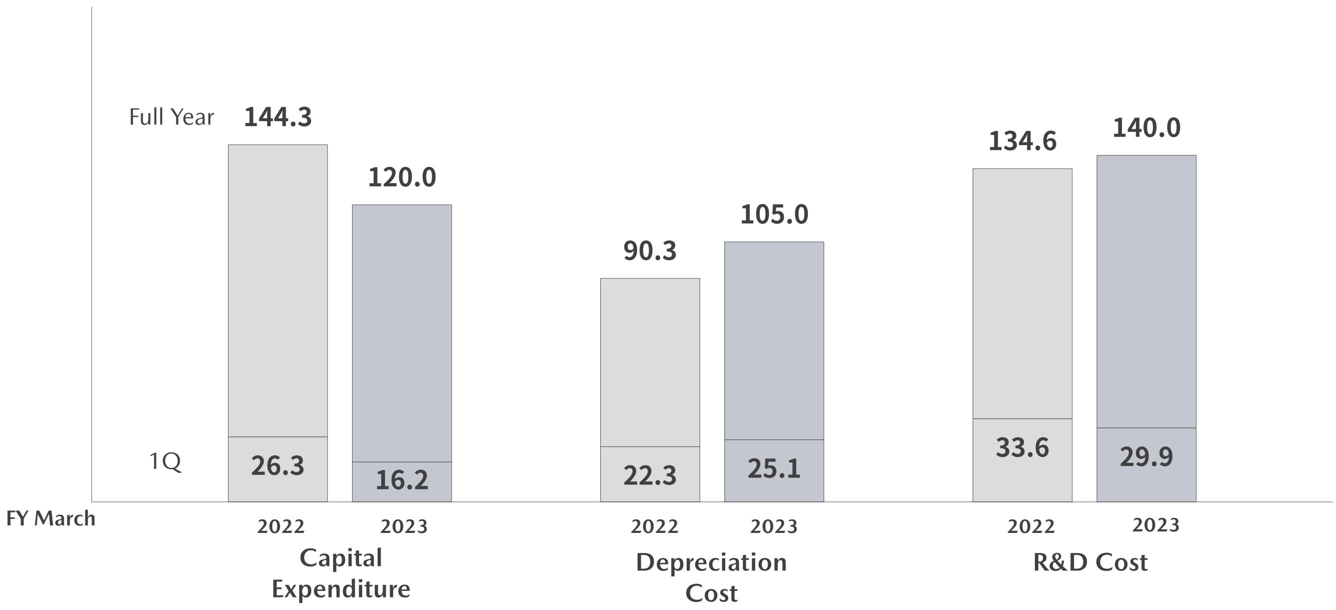


EXCHANGE RATE

(Yen)	FY March 2022	FY March 2023	Change
	Full Year	Full Year	Full Year
US Dollar	112	123	+11
Euro	131	133	+3
Canadian Dollar	90	97	+7
Australian Dollar	83	89	+6
British Pound	154	159	+5

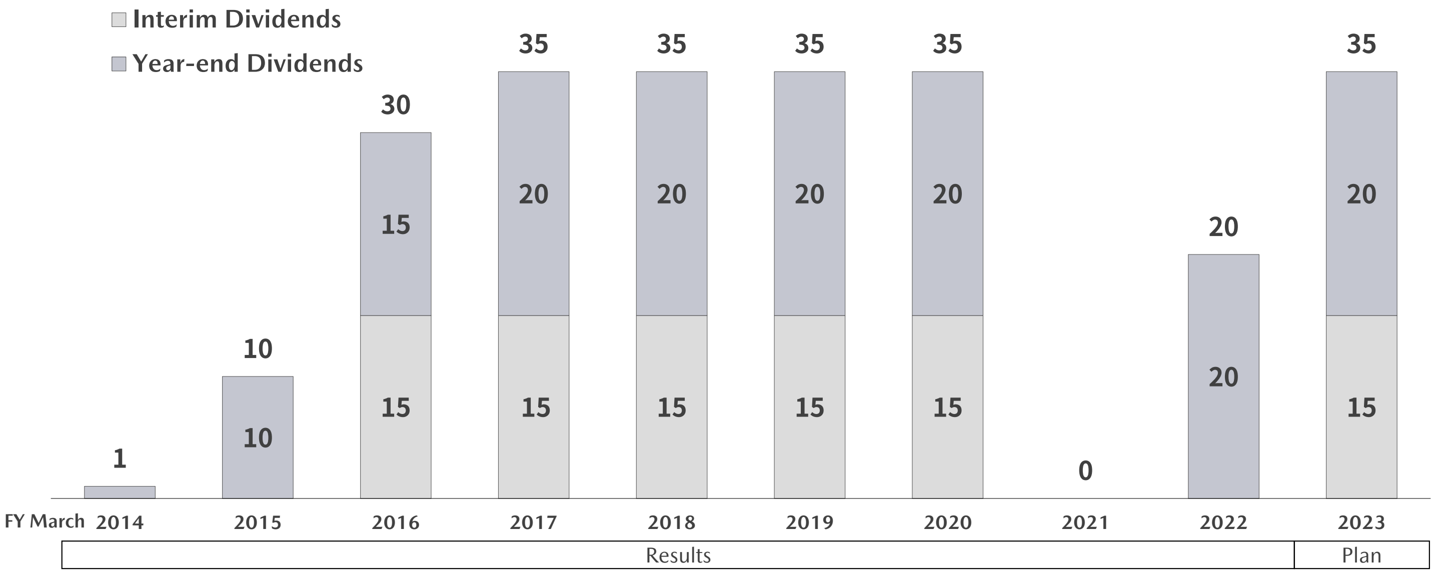
KEY DATA

(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, trends in the automotive industry, and the risk of exchangerate fluctuations. Consequently, Mazda's actual performance may differ substantially from these projections.

If you are interested in investing in Mazda, you are requested to take the foregoing into consideration and make a final investment decision at your own risk.
Please note that neither Mazda nor any third party providing information concerning Mazda will be liable for any damages incurred as a result of investment in Mazda based on the information in this presentation.