



# FINANCIAL RESULTS FOR FISCAL YEAR MARCH 2026



NEW MAZDA CX-5

May 12, 2026  
Mazda Motor Corporation

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- Thank you for joining our earnings announcement today.

## PRESENTATION OUTLINE

- **FY March 2026 Results**
- **FY March 2027 Forecast**
- **Progress in Initiatives Based on Management Policy up to 2030**

Note: Net income/loss in this presentation indicates net income/loss attributable to owners of the parent

- Here is the outline for today's presentation.

# FY MARCH 2026 RESULTS

## FINANCIAL RESULTS HIGHLIGHTS

### FY March 2026 Results

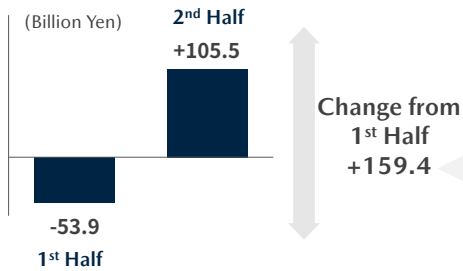
▪ Global sales volume	1.22 million units
▪ Net sales	¥4,918.2 billion
▪ Operating income	¥51.6 billion
▪ Net income	¥35.1 billion
▪ Annual dividend	¥55 per share

Strong second-half recovery from tariff-related losses, protected global supply chain, and achieved target cost improvements

- Before I talk about the numbers, I'd like to recap that we set out last year to do several things in the face of new tariffs in our largest market – first among them was to protect the long-run health of our global supply chain by building at least 700,000 vehicles in Japan and maintaining sufficient throughput in our dealer networks in the U.S. and elsewhere. Second was to engineer a full-scale turnaround from a record operating loss in the first quarter caused by tariffs. And third, earn a full year operating income of 50 billion yen.
- While we didn't fully achieve our overall sales targets, our dealer networks remain sound and optimistic, and I can say that we achieved what we set out to do.
- Now looking at the numbers:
- Global sales volume totaled 1.22 million units. Net sales were 4,918.2 billion yen, operating income was 51.6 billion yen. Net income was 35.1 billion yen.
- Operating income and net income exceeded our prior forecasts.
- Free cash flow was breakeven including paying US tariffs and funding new product investments.
- The dividend for the full year is unchanged at 55 yen per share.

## RETURN TO PROFITABILITY IN THE SECOND HALF

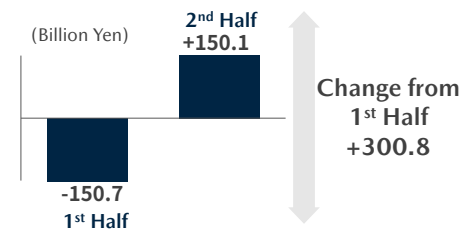
### Operating Income



- Improved volume and mix, cost reduction activities as well as external factors all contributed to the turnaround

Factors Behind Profit Increase		Factors Behind Profit Decrease	
		(Billion Yen)	
Volume & Mix	100.0	Raw Material, Logistics Costs, etc.	-20.0
Cost Improvement	20.0	Fixed Cost, Others	-40.6
Foreign Exchange	60.0		
Tariff Impact	40.0		
<b>Total</b>	<b>220.0</b>	<b>Total</b>	<b>-60.6</b>

### Free Cash Flow



- Dramatic improvement in cash flow reflects return to profitability as well as improved working capital
- Build on positive momentum toward FY March 2027

- In the first fiscal half, mostly in the first quarter itself, we experienced a record operating loss and negative free cash flow.
- The second half marked a dramatic turnaround. External factors also contributed, but steady cost reduction efforts, improved volume and mix, and improvement in per-unit profitability have clearly strengthened our business.
- We carry a number of these positive factors into the plan for this fiscal year, and we'll take a look at that in a few minutes.

## FY MARCH 2026 VOLUME RESULTS

(Thousand Units)	FY March 2025	FY March 2026	Change from Previous Year		Change from Feb. Forecast
	Full Year	Full Year	Full Year		Full Year
<b>Production Volume*</b>	<b>1,207</b>	<b>1,165</b>	<b>-42</b>	<b>-4%</b>	<b>-</b>
<b>Global Sales Volume</b>					
Japan	152	144	-8	-5%	-8
North America	617	582	-35	-6%	-28
Europe	174	164	-10	-6%	-6
China	74	71	-3	-4%	-5
Other Markets	285	262	-23	-8%	-10
<b>Total</b>	<b>1,303</b>	<b>1,223</b>	<b>-80</b>	<b>-6%</b>	<b>-57</b>
USA	435	395	-40	-9%	-21
Australia	97	89	-9	-9%	-3

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

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- Now, let me explain the details of the full-year results for FY March 2026.
- Global production volume decreased by 4% year-on-year to 1,165,000 units.
- This is mainly due to the decision to limit production volume considering the uncertain economic conditions and tariff in the United States.
- While we overachieved our targets for operating income and net income, sales were below our February forecast.
- Globally, sales were 6% lower than last fiscal year, reflecting primarily lower sales of CX-30 in the U.S. under conditions of high tariff, runout of prior generation CX-5 and Mazda2 in Europe, runout of Mazda6 in various markets and others, offset partly by higher sales of CX-50 in the U.S. and the introduction of the battery electric Mazda6e in Europe.
- Our sales plan in the final fiscal quarter was a bit too ambitious and attempted to recover from lower sales posted earlier in the year, especially in the U.S. market. Ultimately those efforts were limited by several factors, including extended quality confirmations for new CX-5, which has now launched and is doing well. Other challenges since February include the situation in the Middle East, a severe slowdown in the vehicle industry in China, and a greater than expected impact on sales of plug-in hybrid models in the U.S. after the termination of government incentives.
- As we will see later, we expect to grow our business substantially in the current fiscal year with full-scale launches of new CX-5 and mainstream electric models in Europe.

## FY MARCH 2026 FINANCIAL METRICS

(Billion Yen)	FY March 2025	FY March 2026	Change from Previous Year		Change from Feb. Forecast
	Full Year	Full Year	Full Year		Full Year
Consolidated Wholesales (Thousand Units)	1,219	1,147	-72	-6%	-25
Net Sales	5,018.9	4,918.2	-100.7	-2%	+98.2
Operating Income	186.1	51.6	-134.5	-72%	+1.6
Ordinary Income	189.0	131.8	-57.2	-30%	+53.8
Net Income	114.1	35.1	-79.0	-69%	+15.1
Operating Return on Sales	3.7 %	1.0 %	-2.7 pts		0 pts
EPS (Yen)	181.0	55.6	-125.4		+23.9
Exchange Rate (Yen)					
US Dollar	153	151	-2		0
Euro	164	175	+11		+1
Thai Baht	4.38	4.67	+0.29		+0.03
Mexican Peso	8.02	8.16	+0.14		+0.09

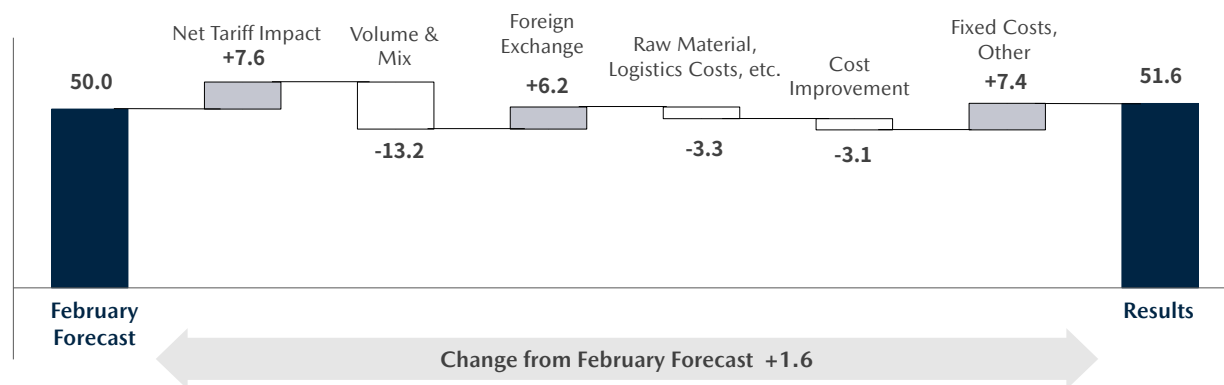
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- Next, let's look at the financial metrics.
- Consolidated wholesales volume decreased by 6% from the previous year to 1,147,000 units.
- Wholesales were down reflecting the aggressive sales plan I mentioned before, as well as external factors like the situation in the Middle East.
- Net sales totaled 4,918.2 billion yen.
- Operating income was 51.6 billion yen, exceeding the plan by 1.6 billion yen.
- Net income of 35.1 billion yen was also above our target. The main factors behind this increase are foreign exchange gains from the continued depreciation of the yen and increased interest income on U.S. dollar-denominated assets.
- These results also include the accounting impact of changes in environmental regulations in the United States, taken together, the favorable release of prior-year balance sheet provisions and the write-down of emissions credits already purchased make a small net impact on net income.
- On average during the fiscal year, the yen appreciated by 2 yen to 151 yen against the U.S. dollar, and depreciated 11 yen to 175 yen against the euro.

## CHANGE IN FY MARCH 2026 OPERATING INCOME (vs. FEBRUARY FORECAST)

(Billion Yen)



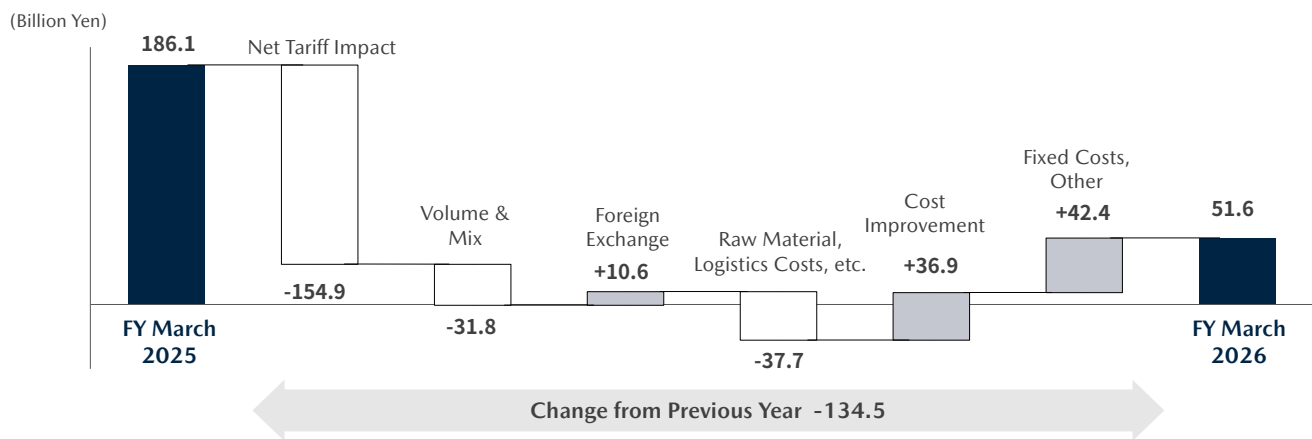
Volume & Mix	-13.2	Foreign Exchange	+6.2	Raw Material, Logistics Costs, etc.	-3.3	Cost Improvement	-3.1	Fixed Costs, Other	+7.4
Volume & Mix, Price	-28.4	USD	+0.1	Raw Material Costs	-4.1	Base CI	-3.0	R&D Costs	-0.9
Sales Incentives	-3.0	EUR	-0.3	Logistics Costs	+0.8	Structural Cost Reduction	-0.1	Depreciation Costs	-1.1
Other	+18.2	AUD	+3.3					Quality-related Costs	+5.6
		THB	-0.2					Advertising Costs	+3.0
		MXN	+1.6					Other	+0.8
		Other	+1.7						

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- Now, let's take a look at the changes in the full year operating income since the announcement in February.
- First, the impact of tariffs. The reduction in wholesale volume to the United States resulted in a positive impact of 7.6 billion yen compared to the previous forecast.
- In terms of volume and mix, the reduction in wholesale volume, as mentioned earlier, resulted in a negative impact of 13.2 billion yen. This includes positive factors such as gains from the reversal of environmental regulation compliance costs, but overall impact of volume and mix was negative.
- Foreign exchange had a positive impact of 6.2 billion yen due to the yen's depreciation against major currencies.
- Regarding raw materials and logistics costs, the recent surge in raw material prices resulted in a negative impact of 3.3 billion yen.
- Cost improvements were negatively impacted by the reduction in wholesale volume, resulting in a negative impact of 3.1 billion yen.
- Fixed costs and others had a positive impact of 7.4 billion yen, mainly due to efforts focused on quality costs.
- As a result of these factors, the operating income improved by 1.6 billion yen compared to the previous forecast.

## CHANGE IN FY MARCH 2026 OPERATING INCOME (vs. FY MARCH 2025)



Volume & Mix	-31.8	Foreign Exchange	+10.6	Raw Material, Logistics Costs, etc.	-37.7	Cost Improvement	+36.9	Fixed Costs, Other	+42.4
Volume & Mix, Price	-47.6	USD	-6.8	Raw Material Costs	-41.0	Base CI	+22.0	R&D Costs	+7.1
Sales Incentives	-3.0	EUR	+24.8	Logistics Costs	+3.3	Structural Cost Reduction	+14.9	Depreciation Costs	-3.5
Other	+18.8	AUD	-2.5					Quality-related Costs	+10.7
		THB	-10.5					Advertising Costs	+4.7
		MXN	+5.6					Other	+23.4
		Other	0.0						

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- Now let's look at how the full year operating income compared with the prior fiscal year.
- Increased U.S. tariffs reduced profits by about 155 billion yen, while all other factors taken as a group amounted to an improvement of 20.4 billion yen. Looking at these in more detail:
- Regarding volume and mix, the primary factor was a reduction in wholesale volume, resulting in a negative impact of 31.8 billion yen. Although this figure includes positive factors, such as gains from the reversal of environmental regulation compliance costs we talked about on prior slides, the overall impact of volume & mix impact remained negative.
- Foreign exchange improved 10.6 billion yen due to the yen's depreciation against major currencies, especially the euro.
- Raw materials and logistics costs resulted in a negative impact of 37.7 billion yen due to continued responses to rising labor costs at suppliers and recent increases in raw material prices.
- Cost improvements had a positive impact of 36.9 billion yen due to progress in base CI and structural cost reductions, almost offsetting the impact of the raw material price increases mentioned earlier. Despite fewer shipments of new-model CX-5, structural cost reductions essentially reached the target of 15 billion yen savings, and you'll see that strong progress reflected in the forecast for this fiscal year.
- Finally, fixed cost reductions amounted to 42.4 billion yen. This was somewhat better than our target mainly reflecting efforts to improve general expenses and quality costs.

## FY MARCH 2026 CASH FLOW AND NET CASH

(Billion Yen)	FY March 2025	FY March 2026
	Full Year	Full Year
Cash Flow from Operating Activities	305.6	0.2
Cash Flow from Investing Activities	-200.0	-0.9
Free Cash Flow	105.7	-0.6

(Billion Yen)	FY March 2025	FY March 2026	Change from Previous FY End
	Full Year	Full Year	
Cash and Cash Equivalents	1,105.6	1,293.2	+187.6
Interest-bearing Debt	705.2	850.1	+144.9
Net Cash	400.3	443.0	+42.7
Total Assets	4,090.1	4,479.5	+389.4
Equity	1,792.3	1,905.6	+113.3
Equity Ratio	44 %	43 %	-1 pts

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- Now the final topic for last fiscal year, let's look at cash flow.
- While executing planned investments in new product and electrification, and on top paying U.S. tariffs, free cash flow was essentially breakeven.
- Mazda ended the fiscal year with 443 billion yen in net cash.

# FY MARCH 2027 FORECAST

## FINANCIAL RESULTS HIGHLIGHTS

### FY March 2027 Forecast

- Global sales volume            1.32 million units  
100,000-unit product-led growth including new CX-5 launch
- Cumulative structural cost reduction impact exceeds ¥60 billion
- Operating income                ¥150 billion
- Net income                        ¥90 billion
- Annual dividend plan        ¥55 per share

Target improved business structure despite sharp increase in input costs.  
Aim to manage uncertainties in global environment

- Next, I will outline our outlook for FY March 2027.
- First and foremost, leveraging the new Mazda CX-5, we will pursue offensive, product-led growth.
- We continue intense efforts for cost reduction for both variable and fixed costs.
- Looking at specific numbers forecast includes global sales volume of 1.32 million units, operating income of 150 billion yen, and net income of 90 billion yen with steady generation of cash flow.
- Annual dividend of 55 yen per share is planned.
- Despite various uncertainties such as geopolitical risks, tariffs, and rising raw material prices, we aim to achieve substantial volume and profit growth this year.

## FULL-SCALE LAUNCH OF THE NEW MAZDA CX-5

- Now on sale in Europe and U.S., with deliveries progressing as planned
- Praise for evolved design, expanded cargo space, cabin comfort and large center display, along with enhanced usability of voice control and steering-wheel switches
- Sales will begin in Japan in May  
Plan to start the rollout in Australia and other global markets



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- Next, I would like to explain the rollout status of the all-new Mazda CX-5.
- The new CX-5 has already been launched in Europe and the United States, and the initial rollout is progressing smoothly, largely in line with our plan.
- In addition to its evolved design, the product enhancements including expanded cargo space and improved cabin comfort, as well as the large center display, along with enhanced usability of voice control and steering-wheel switches have been receiving positive feedback from both the market and our sales team.
- In Europe, orders are currently running ahead of plans, and we are working steadily to deliver the CX-5 to customers as quickly as possible.
- In the Japanese market, sales are scheduled to begin this month, and we also plan to start rollout in Australia and other global markets.
- This fiscal year, we will steadily advance the full-scale global rollout across our key markets, and we expect the new CX-5 to make a significant contribution to growth in global sales volume.

## FY MARCH 2027 VOLUME FORECAST

(Thousand Units)	FY March 2026	FY March 2027	Change from Previous Year	
	Full Year	Full Year	Full Year	
<b>Global Sales Volume</b>				
Japan	144	153	+9	+6%
North America	582	629	+47	+8%
Europe	164	197	+34	+21%
China	71	71	0	0%
Other Markets	262	274	+13	+5%
<b>Total</b>	<b>1,223</b>	<b>1,324</b>	<b>+102</b>	<b>+8%</b>
USA	395	435	+41	+10%
Australia	89	100	+11	+13%

- Now turning to our outlook for FY March 2027.
- First for sales volume, our global sales volume is forecast at 1.32 million units, up approximately 100,000 units, or 8% from the previous fiscal year.
- Underpinning the growth forecast are, of course, the rollout of new CX-5 globally, as well as ramp-up of battery electric models in Europe and other markets where EV share is growing. Also contributing is improved supply of Mazda3 and CX-50, especially for the U.S. market.

## FY MARCH 2027 FINANCIAL METRICS

(Billion Yen)	FY March 2026	FY March 2027	Change from Previous Year	
	Full Year	Full Year	Full Year	
<b>Consolidated Wholesales</b> (Thousand Units)	<b>1,147</b>	<b>1,233</b>	<b>+86</b>	<b>+8%</b>
<b>Net Sales</b>	<b>4,918.2</b>	<b>5,500.0</b>	<b>+581.8</b>	<b>+12%</b>
<b>Operating Income</b>	<b>51.6</b>	<b>150.0</b>	<b>+98.4</b>	<b>+191%</b>
Ordinary Income	<b>131.8</b>	<b>140.0</b>	<b>+8.2</b>	<b>+6%</b>
<b>Net Income</b>	<b>35.1</b>	<b>90.0</b>	<b>+54.9</b>	<b>+157%</b>
Operating Return on Sales	<b>1.0 %</b>	<b>2.7 %</b>	<b>1.7 pts</b>	
EPS (Yen)	<b>55.6</b>	<b>142.7</b>	<b>87.1</b>	
<b>Exchange Rate (Yen)</b>				
US Dollar	<b>151</b>	<b>155</b>	<b>+4</b>	
Euro	<b>175</b>	<b>180</b>	<b>+5</b>	
Thai Baht	<b>4.67</b>	<b>4.80</b>	<b>+0.13</b>	
Mexican Peso	<b>8.16</b>	<b>8.89</b>	<b>+0.73</b>	

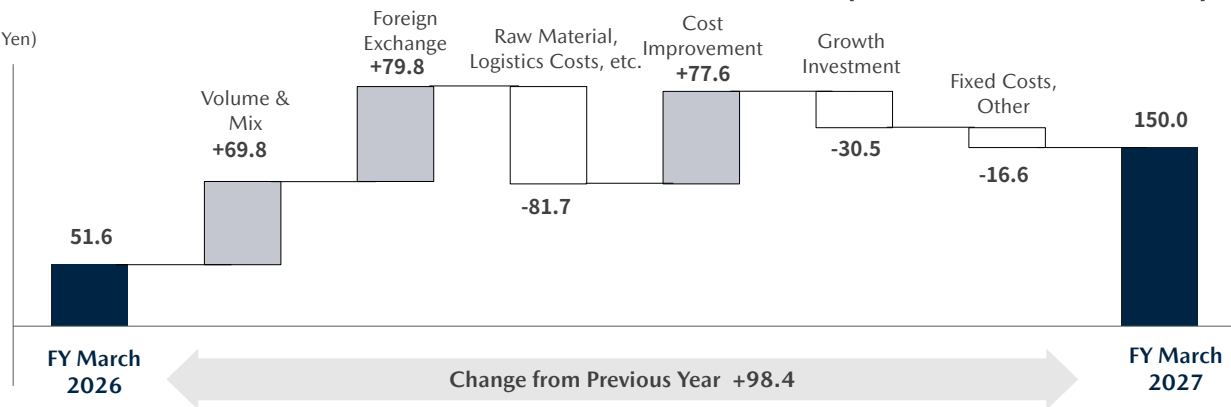
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- Turning to profits, consolidated wholesales will be 1.23 million units, up 8% from the previous fiscal year.
- Net sales will be 5.5 trillion yen, up 12% from the previous fiscal year.
- Based on full-year average exchange rate of 155 yen to US dollar, operating income is projected at 150 billion yen.
- Based on this assumption, net income will increase year on year to 90 billion yen.
- Operating return on sales is projected at 2.7%.

## CHANGE IN FY MARCH 2027 OPERATING INCOME (vs. FY MARCH 2026)

(Billion Yen)



Volume & Mix	+69.8	Foreign Exchange	+79.8	Raw Material, Logistics Costs, etc.	-81.7	Cost Improvement	+77.6	Growth Investment	-30.5	Fixed Costs, Other	-16.6
Volume & Mix, Price	+62.4	USD	+10.1	Raw Material	-74.0	Base CI	+29.5	IT	-7.4	R&D Costs	0.0
Sales Incentives	0.0	EUR	+8.2	Costs		Structural Cost Reduction	+48.1	Advertising Costs	-23.1	Depreciation Costs	0.0
Net tariff impact	+13.7	AUD	+27.4	Logistics Costs	-7.7					Quality-related Costs	-26.9
Other	-6.3	THB	-3.2							Other	+10.3
		MXN	+13.3								
		Other	+24.0								

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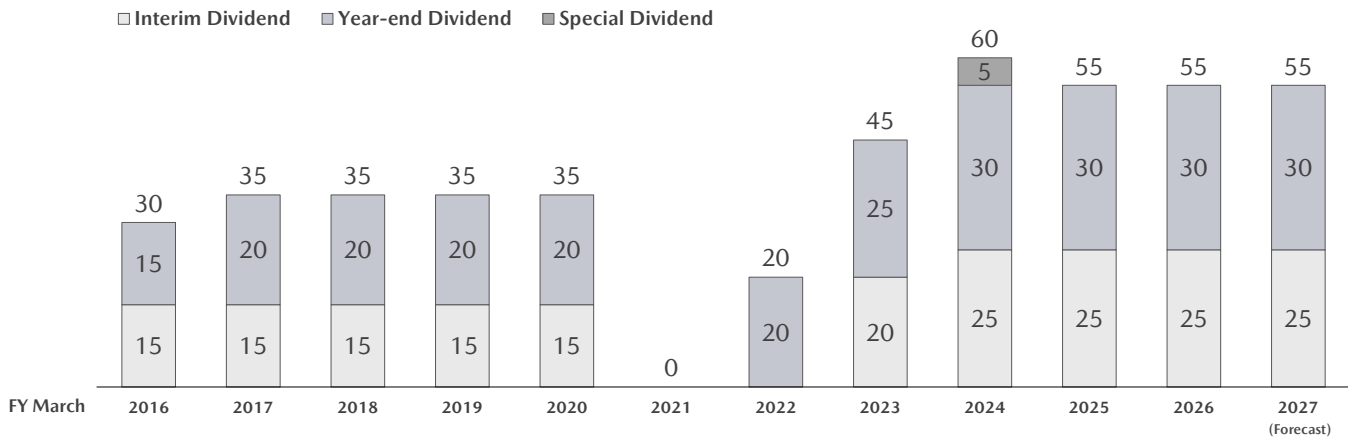
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- Now looking at the operating income forecast compared with the previous fiscal year.
- Volume and mix reflects product and supply actions I mentioned earlier.
- With respect to foreign exchange, we assume a weaker yen across major currencies, which is expected to improve profit by 79.8 billion yen.
- Raw material and logistics costs are expected to deteriorate 81.7 billion yen, mainly due to higher procurement parts prices driven by rising labor costs, as well as surges in prices of semiconductors, precious metals, and other materials. However, we expect to offset most of these impacts through ongoing cost improvement activities and expanded structural cost reductions, supported by the full-scale sales of the new CX-5.
- In terms of structural cost savings, the 48 billion yen here combines with 15 billion yen achieved in the last fiscal year amounting to 63 billion yen savings toward our Phase 2 goal of 100 billion yen.
- We are also on the road to saving 100 billion yen in fixed costs during the Phase 2 period, but we recognize this will not be a simple, linear path. This will be a year where certain strategic or necessary costs will run ahead faster than our trend of efficiencies.
- In total we expect operating income to improve by 98 billion yen.

## DIVIDEND PAYMENT

- Achieve both sustainable profit growth and shareholder returns
- Maintain stable and continuous dividends while prioritizing investment for growth and profit structure enhancement

### Dividends Per Share (Yen)



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- Finally, dividend.
- With earnings per share on a sharply recovering trend to about 80% of 2025 levels, we plan to keep the dividend stable this year at 55 yen per share.

# PROGRESS IN INITIATIVES BASED ON MANAGEMENT POLICY UP TO 2030

- In addition to the financial results, I would like to provide an update on our progress in implementing the 2030 Management Policy.

# 1. BUSINESS STRUCTURE TRANSFORMATION

- From management focused on adapting to the business environment, we are transitioning to a business structure that is resilient to changes in the external environment and capable of generating stable profits
  - In an external environment characterized by high uncertainty, in addition to changes in the industrial structure, the following three measures are the top management priority to “maintain future options”:



- We are currently transitioning from a management style that adapts to the business environment to a business structure that is resilient to external factors and capable of generating stable profits.
- The environment surrounding us is characterized by extreme uncertainty, driven not only by major shifts in industrial structure—such as the transition to electrification and software-driven vehicles—but also by the complex interplay of factors including geopolitical risks and economic security.
- Our aim is executing our business strategy regardless of the situation. We believe that retaining future options is the most important aspect of management.
- Based on this philosophy, our approach is clear: electrification through multi-solutions, business strategy centered on Lean Asset strategy and Partnership, and brand value management as the cornerstone of our operations.

## 2. MULTI-SOLUTION STRATEGY

- We operate in more than 130 markets while the pace of electrification varies by region and regulation
- This diversity itself is a key business asset
- Rather than converging on a single solution, by combining electrification, hybrid technology, and internal combustion engines, offering customers a choice is the most rational and practical strategy



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- First, regarding our multi-solution strategy. The pace of electrification varies between the regions, regulations, infrastructures, and customer acceptance levels. As we have been operating in more than 130 markets, this diversity itself is a key business asset.
- Therefore, rather than converging on a single solution, we believe that offering customers a choice by combining electrification, hybrid technology, and internal combustion engines is the most rational and practical strategy.

## 2. MULTI-SOLUTION STRATEGY

- Rather than investing across the board, we create diverse options with limited resources
- Flexibly achieve electrification by combining core technologies centered on model-based development
- Support electrification through a flexible production system capable of handling variations in models and volumes
- Our competitive advantage lies in the ability to implement a multi-solution approach without requiring large-scale investment



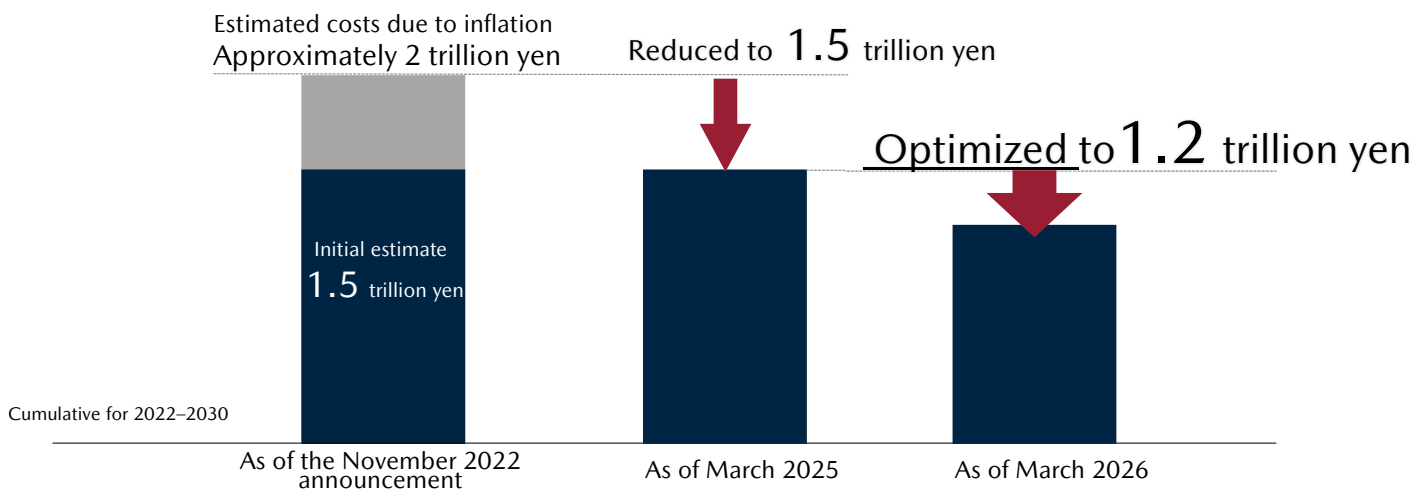
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- However, this does not mean we are investing in everything across the board. It is important to make diverse options viable with limited resources.
- Centered on model-based development, we build upon core technologies as building blocks and combine them to drive electrification in a flexible manner.
- Furthermore, on the production side, we are responding to electrification through a flexible production system that supports a variety of models with flexible production volumes, without large-scale investments in dedicated production lines.
- This allows us, as a smaller player, to offer multiple solutions without requiring large investments, which is our competitive advantage.

### 3. LEAN ASSET AND PARTNERSHIP STRATEGY

- Fundamentally review the approach to electrification investments and implement selective and focused investment
- Thoroughly review our in-house BEV program in light of market trends and optimize launch timing



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- Next, regarding capital efficiency and investments in electrification. Unlike traditional automotive manufacturing, the fields of electrification and software require massive investments, which sets them apart from conventional business models. For this reason, we have fundamentally reviewed our approach to investments related to electrification.
- We have optimized our total electrification investment through 2030. While we initially announced an investment of 1.5 trillion yen in 2022 and later revised this to 2 trillion yen to account for inflation, we have now adjusted this figure to 1.2 trillion yen.
- This is not merely a cutback, but a strategic optimization—a process of selection and concentration.
- First, we conducted a thorough review of our in-house BEV program. We streamlined our battery, electric drive, motor, and product lineups. We are also considering how to optimize launch timing based on market trends.

### 3. LEAN ASSET AND PARTNERSHIP STRATEGY

- Develop and launch four jointly developed electric vehicles with Changan Automobile in a short timeframe with high investment efficiency
- Intensively allocate resources to areas that create unique brand value such as strengthening our hybrid and large-platform offerings and investing in internal combustion engines in the electrification era
- Establish a framework to cover 200,000 to 250,000 BEVs -- approximately 15% of global sales by 2030
- With our Lean Asset Strategy, achieve maximum market coverage with minimal investment



MAZDA EZ-6 / Mazda6e  
(First model developed jointly with Changan Automobile)



MAZDA CX-50 Hybrid  
(Utilizing Toyota's hybrid system)



In-house BEV (concept image)

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- At the same time, we will expand investment in jointly developed vehicles, developing four electric vehicle models quickly, with high investment efficiency and profitability, launching them in markets where electrification is progressing rapidly.
- We have also concentrated our resource allocation on areas that create unique brand value for our company, such as investments to strengthen our hybrid and large-platform lineups, as well as continued investment in internal combustion engines in the era of electrification.
- As a result, we have established a system capable of covering approximately 200,000 to 250,000 electric vehicles by 2030, accounting for about 15% of global sales.
- In the early stages of electrification leading up to 2030, we will evaluate our business and clarify where we will win, then shift to a structure that changes the quality of our investments and enhances the efficiency of capital employed.
- To achieve this, we are moving away from our tradition of self-reliance, instead pursuing Lean Asset Strategy, which actively and flexibly utilizes our partners' assets, achieving maximum market coverage with minimum investment. This is the business model we pursue based on Management Policy up to 2030.

## 4. BUSINESS GROWTH THROUGH BRAND VALUE MANAGEMENT

- Deliver current profitability and future options / “optionality values” through a lean asset and partnership strategy while strengthening of the business structure

### Prioritizing resource allocation to areas directly linked to future growth and competitiveness

- Successfully launch the new CX-5 and contribute to stable profits throughout its lifecycle
- Invest in battery assembly plants, next-generation batteries, internal combustion engines and platform development for the electrification era, as well as carbon-neutral fuels
- Expand the hybrid lineup from one model to four, further strengthening the competitiveness of large-platform vehicles

### Market Strategy as the Foundation for Growth

- Expand Brand Value Management—a strategy that has proven successful in the U.S. to the Asian markets
- Introduce electric vehicles jointly developed with Changan Automobile sequentially in ASEAN, Europe and Australia
- Introduce the next-generation CX-3 (compact SUV), scheduled for production at AAT (in Thailand), next year to capture the volume segment

- Now, let me also talk about future business growth. We recognize that the likelihood of electrification accelerating in full scale after 2030 is increasing. Our fundamental approach is to improve current profit and broaden future options through Lean Asset Strategy, strategic partnerships, and strengthening our business structure.
- First, growth for the current fiscal year will be driven by the new CX-5. This is not merely a flagship product; it is the model with the largest global customer base and is exactly the profit-leading model outlined in our 2030 Management Policy. We will ensure its successful launch to secure stable profit contributions throughout its lifecycle.
- Furthermore, in Phase 2, we are prioritizing the allocation of resources to areas directly linked to future growth and competitiveness, such as battery assembly plants, next-generation batteries, the development of internal combustion engines and powertrains for the electrification era, as well as carbon-neutral fuels. In addition, we will respond to market demands by expanding our hybrid lineup from one model to four and further strengthening the competitiveness of our large-platform vehicles.
- In addition, as a market strategy to underpin our growth, building on our success in the North American market, we are rolling out the brand value management model that has proven successful in the U.S. to the Asian region, while strengthening our retail operations and marketing.
- Starting this fiscal year, we will sequentially introduce jointly developed electric vehicles in ASEAN, Europe, and Australia to adapt to the market, advancing our electrification efforts. Additionally, we are investing and developing in Thailand to launch the next-generation CX-3 next year to steadily capture the volume segment.

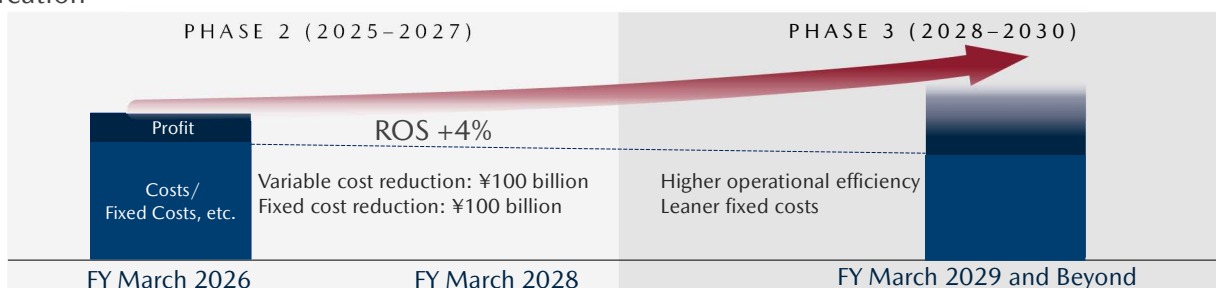
## 5. COST STRUCTURE REFORM AND CUSTOMER VALUE ENHANCEMENT

### Phase 2

- Aim for structural improvements with variable cost reductions of ¥100 billion and fixed cost reduction of ¥100 billion during Phase 2
- Enhance customer value per unit-cost through structural cost reductions achieved mainly through innovating R&D and production processes
- Strengthen and restructure the supply chain by promoting co-creation activities with business partners on an ongoing basis
- Improve the operating profit margin by approximately 4 percentage points to create a profit structure capable of absorbing fluctuations in the external environment

### Phase 3

- Significantly increase business speed and productivity through AI utilization, improve operational efficiency per unit, and enhance competitiveness
- Further streamline fixed costs, enhance customer value per unit-cost, and promote initiatives for value creation



MAZDA MOTOR CORPORATION

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- Finally, regarding the cost structure reform and customer value enhancement. During Phase 2, we will implement structural improvements totaling 200 billion yen, comprising 100 billion yen in variable cost reductions and 100 billion yen in fixed cost reductions.
- We will enhance customer value per unit-cost through model-based development, innovation in R&D and production processes, and structural cost reductions achieved through co-creation with our business partners. We are already advancing co-creation activities in areas accounting for 80% of our total purchase, working to strengthen and restructure our supply chain.
- This will enable us to improve our operating margin by approximately 4 percentage points and, within the Phase 2 period, transition to a profit structure capable of absorbing fluctuations in the external environment, such as the impact of U.S. tariffs.
- Furthermore, to further enhance competitiveness in Phase 3, we are promoting the MAX Project as a company-wide reform initiative leveraging AI. We will significantly increase business speed and productivity, and moving forward, we will advance initiatives to further streamline fixed costs, enhance customer value per unit-cost, and create value from Phase 3 onward.

# **Build a Business Structure Resilient to External Volatility— Generating Profits and Driving Sustainable Growth even Amid Uncertainty**

- That concludes my remarks, but finally, our company does not aim to compete purely with scale by relying on volume. We believe we should be a company that competes by offering compelling reasons to choose us. We will continue to refine our unique value while improving capital efficiency. Through Brand Value Management, we will achieve sustainable growth and enhance our corporate value.
- We are steadily evolving our management to build a structure capable of generating profits even in the face of uncertainty.



# APPENDIX

## JAPAN

### <Key Initiatives in FY March 2026 and FY March 2027>

- Driving structural reforms for renewed growth in the domestic market in line with the policy announced in June 2025
- Advancing three key initiatives: "Growth investments to nurture the brand," "Identification of priority markets (Metropolitan Area Strategy)," and "Thorough on-site support to enhance the in-store experience"
- Re-establishing the sales network through focused rollout of next-generation stores in key markets such as the Greater Tokyo Area. In FY March 2026, 20 stores (including 8 in the Greater Tokyo Area\*) have opened, making progress as planned
- Ahead of the May 2026 launch of the All-New CX-5, we aim to enhance sales quality and strengthen overall sales capabilities by introducing the "Mazda Brand Standard" to ensure that customers nationwide receive an experience that is truly Mazda, delivered by every staff member at every dealership, in addition to brand awareness campaigns and dealer training

\*The three areas of Tokyo, Kanagawa, and Saitama

### <FY March 2026 Results>

- 144,000 units were sold (down 5% year on year)  
While sales of the CX-80 and CX-30 declined, the CX-60, CX-5, and MX-5 Roadster sales remained strong
- Market share was 3.2% (down 0.1 percentage points year on year)



## NORTH AMERICA

### <Key Initiatives in FY March 2026 and FY March 2027>

- In response to a rapidly changing market environment, including tariffs and environmental regulations, we will drive growth by maximizing the strengths of existing models, including the current CX-5, and by delivering high-quality customer experiences and advancing sales network reforms under our Brand Value Management
- In the U.S., our Q4 efforts focused on accelerating sales of the CX-50 and large platform models, while selling through the current-generation CX-5 ahead of the all-new model launch in March 2026. Meanwhile, we continue to carefully manage sales volumes of the CX-30 and Mazda3 produced in Mexico, which are affected by U.S.- Mexico tariffs
- In Mexico, sales volumes are expected to remain on par with the previous year, supported by strong brand power and competitive advantages from import tariff benefits under the Japan–Mexico EPA
- In Canada, the current CX-5 and CX-30 models are leading sales, supported by the combined effects of strong product appeal and well-positioned pricing

### <FY March 2026 Results>

- U.S.: 395,000 units were sold (down 9% year on year)  
Sales of the CX-5 and CX-50 remained strong despite shrinking demand
- Mexico: 105,000 units were sold (same level as the previous year)  
Amid declining demand, strong sales of the CX-30 (up 13% year on year) helped maintain sales at prior-year levels
- Canada: 80,000 units were sold (up 7% year on year)  
Sales of the Mazda3, CX-30, and CX-5 were strong



## EUROPE

### <Key Initiatives in FY March 2026 and FY March 2027>

- Under our multi-solution strategy, we are strengthening our electrified lineup to meet the needs of the European market and comply with various regulations  
The Mazda6e, our first battery EV developed in partnership with Changan Automobile, was introduced in the autumn 2025, paving the way for the launch of the second jointly developed battery EV, the Mazda CX-6e crossover SUV around summer 2026
- We are focusing on the successful launch of the all-new CX-5, with cumulative orders\*exceeding 15,000 units, and outpacing sales
- With the Mazda6e winning the 2026 World Car Design of the Year award, we will clearly highlight our unique strengths, and through initiatives such as the Crafted in Japan campaign, we will strengthen the brand and pursue a renewed offensive to reverse the sales trend

### <FY March 2026 Results>

- 164,000 units were sold, down 6% year on year
- Sales of existing models increased year on year, except for the MX-5. Although sales volume declined in the first half of FY March 2026 due to the transition of several models and aggressive push of electric vehicles by Chinese OEMs, sales are trending toward recovery following the launch of the Mazda6e and the all-new CX-5
- Market share decreased by 0.1 percentage points year on year to 1.0%



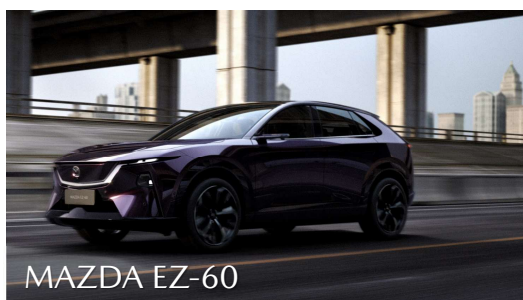
## CHINA

### <Key Initiatives in FY March 2026 and FY March 2027>

- To respond to the accelerating shift toward electrification and customer needs, we are focusing on the successful launch of the new electric vehicles EZ-6 and EZ-60, developed in partnership with Changan Automobile, and on building sales momentum
- These two models have garnered acclaim for Changan Automobile's electric technology and smart technologies, in addition to Mazda's signature design and "Jinba-ittai" (harmony of car and driver) driving performance. Sales of the EZ-60 have progressed steadily since its launch in September 2025. The EZ-6 won the "2026 World Car Design of the Year" award
- Focusing on regions where Mazda has strong sales and areas with high demand for new energy vehicles, we will leverage our model lineup to promote the image of "Mazda + New Energy Vehicle" and enhance brand recognition
- Furthermore, based on the Lean Asset Strategy, we are promoting the expanded introduction of both models into regions and markets where electrification is advancing rapidly

### <FY March 2026 Results>

- 71,000 units were sold, down 4% year on year
- Increased sales of the new electric vehicles EZ-6 and EZ-60, partially offset the decline in ICE vehicle sales



## OTHER MARKETS

### <Key Initiatives in FY March 2026 and FY March 2027>

- The Mazda6e, a battery electric vehicle developed in partnership with Changan Automobile, will be launched in Thailand and Australia in 2026, while the Mazda CX-6e in the second half of 2026 to Australia and New Zealand, flexibly responding to regions and markets where electrification is progressing rapidly
- In Australia, we will focus on developing and strengthening sales capabilities while maximizing the use of existing models in preparation for the introduction of new models, starting with the all-new CX-5, followed by the Mazda6e and Mazda CX-6e
- In ASEAN, we are promoting initiatives to improve sales quality, such as opening a flagship store in Vietnam
- In Thailand, the company is laying the groundwork for a sales turnaround, including a preview of the Mazda6e at the Bangkok International Motor Show
- Production plans for the next-generation CX-3 at AAT (Thailand) and the CX-30 (KD) in Indonesia are progressing smoothly. The next-generation CX-3 will launch in Thailand in 2027, after which AAT's role as an export hub for Japan and ASEAN will be strengthened

### <FY March 2026 Results>

- Australia: 89,000 units were sold, down 9% year on year. While sales of large platform models increased, models such as the Mazda2 and CX-3 decreased
- ASEAN: 59,000 units were sold, down 6% year on year. In Vietnam, sales reached a record high of 34,000 units



## FY MARCH 2027 CONSOLIDATED WHOLESALERS VOLUME

(Thousand Units)	FY March 2026	FY March 2027	Change from Previous Year	
	Full Year	Full Year	Full Year	
<b>Consolidated Wholesales</b>				
Japan	142	148	+5	+4%
North America	581	632	+51	+9%
Europe	169	184	+15	+9%
Other Markets	254	270	+16	+6%
<b>Total</b>	<b>1,147</b>	<b>1,233</b>	<b>+86</b>	<b>+8%</b>
USA	391	440	+49	+12%

## EXCHANGE RATES (AVERAGES DURING THE YEAR)

(Yen)	FY March 2026	FY March 2027	Change from Previous Year
	Full Year	Full Year	Full Year
US Dollar	151	155	+4
Euro	175	180	+5
Canadian Dollar	109	114	+5
Australian Dollar	100	112	+12
British Pound	202	208	+6
Thai Baht	4.67	4.80	+0.13
Mexican Peso	8.16	8.89	+0.73

## DISCLAIMER

The projections and future strategies described in this presentation are based on various uncertainties including but not limited to conditions of the world economy in the future, trends in the automotive industry, and the risk of exchange rate fluctuations. Consequently, Mazda's actual performance may differ substantially from these projections.

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