



FISCAL YEAR END MARCH 2013 FIRST QUARTER FINANCIAL RESULTS



New MAZDA CX-5

**Mazda Motor Corporation
July 31, 2012**

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PRESENTATION OUTLINE

- **Highlights**
- **Fiscal Year End March 2013
First Quarter Results**
- **Update of Structural Reform Plan**
- **Summary**



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HIGHLIGHTS

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HIGHLIGHTS (1) - First Quarter Results

<First Quarter Results>

- ➔ Revenue is ¥506.6 billion. Operating profit is ¥1.8 billion. Net loss is ¥6.5 billion.
- ➔ Achieved operating profit following the last 4th Quarter despite the strong yen environment.
- ➔ Good start to achieve the profit forecast in the full year.
- ➔ Global sales volume is 300,000 units, up 7% Year-over-Year.
- ➔ New CX-5 led the global sales achieving 47,000 units, exceeding our forecast.
Residual value in US and primary countries of Europe is the top class in the segment.
- ➔ Continued successful sales, especially in ASEAN, achieving record high sales volume and/or market share in Australia, Thailand, Indonesia and Malaysia.

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HIGHLIGHTS (2) - Full Year Forecast

<Implement Actions Against Further Yen Appreciation>

- Continue sales momentum of the new CX-5 which global sales are successful and introduce next-generation Mazda6/Atenza into key markets.
- Significantly improve profit with the new CX-5 and next-generation Mazda6/Atenza, both of which fully incorporate SKYACTIV TECHNOLOGY
- Pursue further improvement opportunity in cost area including variable cost and fixed cost.
- Accelerate structural reform plan.
- The forecast for the 1st Half and the full year remains unchanged.

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FISCAL YEAR END MARCH 2013 FIRST QUARTER RESULTS

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FY END MARCH 2013 FINANCIAL METRICS

(Billion yen)	First Quarter		Change	
	FY End	FY End	Amount	YOY (%)
	March 2013	March 2012		
Revenue	506.6	408.1	98.5	24
Operating profit	1.8	(23.1)	24.9	-
Ordinary profit	(8.9)	(25.8)	16.9	-
Profit before tax	(9.7)	(30.6)	20.9	-
Net income	(6.5)	(25.5)	19.0	-
Operating ROS	0.4 %	(5.7) %	6.1 pts	-

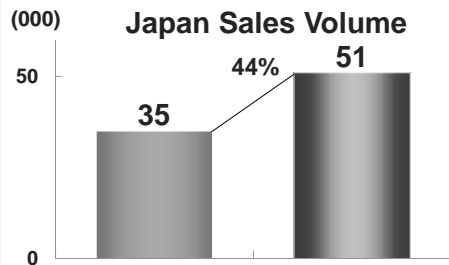
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KEY DATA

	First Quarter		Change	
	FY End	FY End	Volume	YOY(%)
	March 2013	March 2012		
Global sales volume (000)				
Japan	51	35	16	44
North America	90	86	4	4
USA	62	58	4	7
Europe	44	44	0	(1)
China	46	53	(7)	(12)
Other Markets	69	63	6	10
Total	300	281	19	7
Exchange rate				
US\$ / Yen	80	82	(2)	
€ / Yen	103	117	(14)	

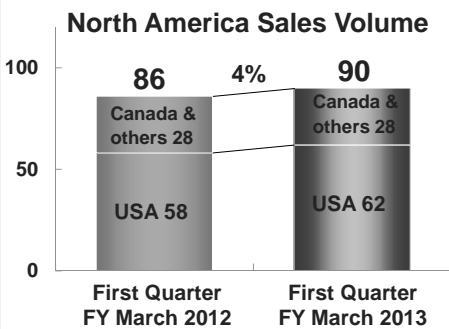
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MARKET SUMMARY (1)



<Japan>

- Sales were 51,000 units, up 44% YOY thanks to brisk sales of the new CX-5 and demand increase assisted by subsidy effect.
- The new CX-5 received 26,000 orders, double the original annual planned sales volume. Diesel engine model mix exceeds our expectation.
- Continued strong sales mainly with Demio (Mazda2), Axela (Mazda3) SKYACTIV and other subsidy eligible vehicles.

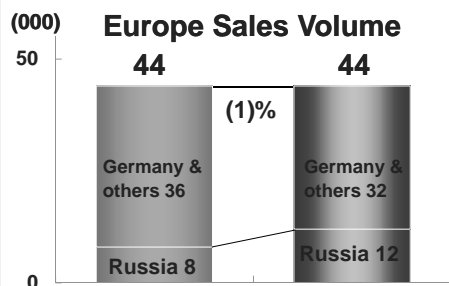


<North America>

- Sales in North America increased 4% YOY to 90,000 units. The new CX-5 and Mazda3 SKYACTIV model largely contributed to the increase.
- USA: Sales were 62,000 units, up 7% YOY. Continued initiatives such as holding down of incentives to improve brand value. Residual value of new CX-5 is top class in the segment.

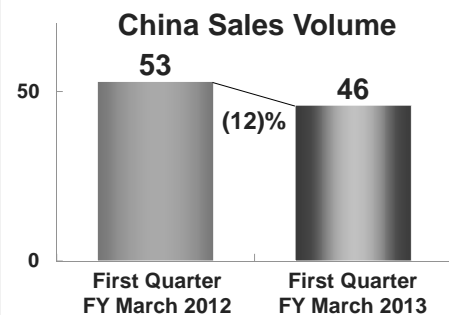
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MARKET SUMMARY (2)



<Europe>

- Europe total sales were 44,000 units, about the same as last year.
- The new CX-5 sales are strong with backorders of approx. 20,000 units. Residual value in the main countries of Europe is top class in the segment.
- Russia: Sales were up 45% YOY to 12,000 units due to demand increase and the new CX-5 launch.



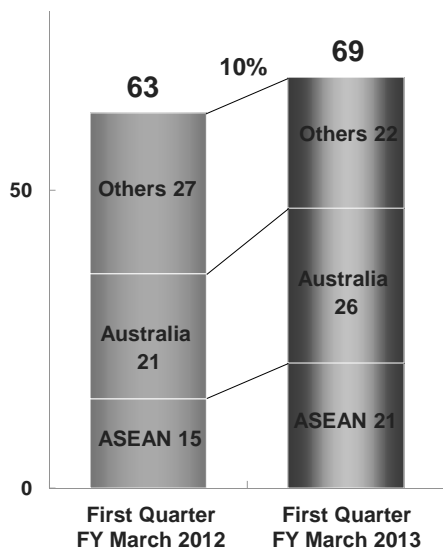
<China>

- Sales were down 12% YOY to 46,000 units due to intensified competition.
- Mazda3 sales volume increased from the first quarter prior year thanks to introduction of new Mazda3 produced at Nanjing Plant.
- The number of outlets increased to 382, up by 11 from the end of March.

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MARKET SUMMARY (3)

(000) Other Markets Sales Volume



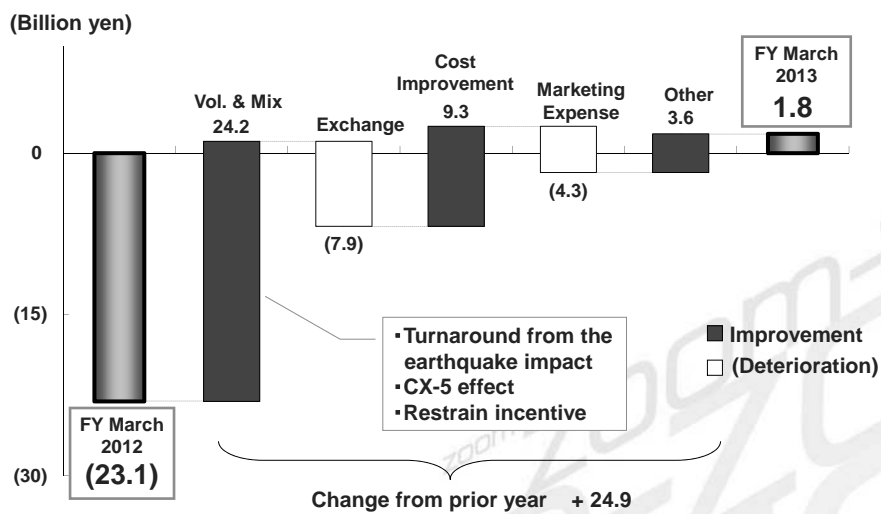
<Other markets>

- ➔ Sales were 69,000 units, up 10% YOY.
- ➔ Australia: Attained a record high sales volume of 26,000 units, 23% YOY, due to brisk sales of the new CX-5 and the new BT-50. Share also improved 0.5ppts to a record high of 8.9%.
- ➔ ASEAN: Continued strong sales up 41% YOY to 21,000 units. Achieved record high sales in Thailand where Mazda2 and the new BT-50 sold well, as well as in Indonesia and Malaysia.

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OPERATING PROFIT CHANGE

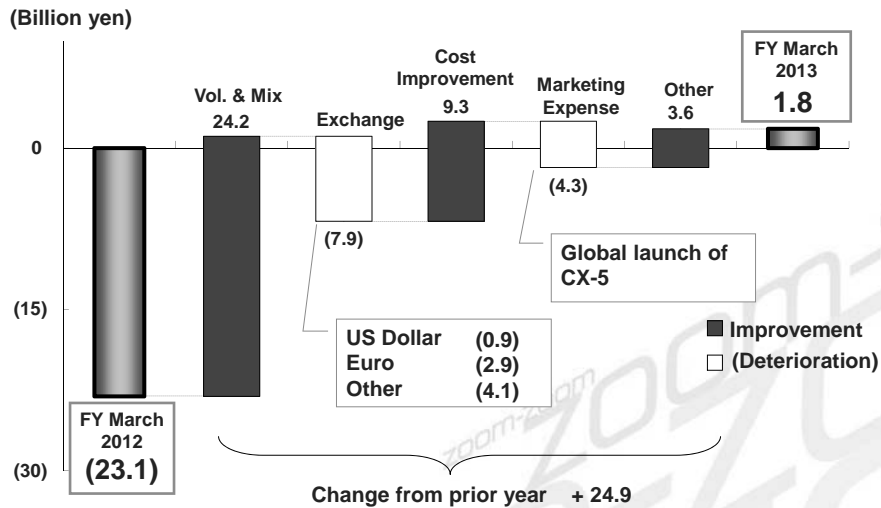
FY End March 2013 1st Quarter vs. FY End March 2012 1st Quarter



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OPERATING PROFIT CHANGE

FY End March 2013 1st Quarter vs. FY End March 2012 1st Quarter

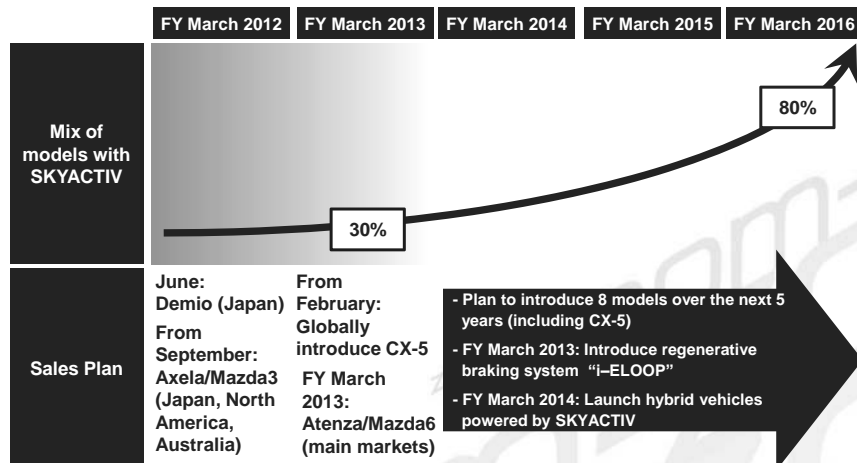


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UPDATE OF STRUCTURAL REFORM PLAN (1)

<Business innovation through SKYACTIV>

- New CX-5 achieves 1) Product attraction improvement with SKYACTIV TECHNOLOGY and KODO design and 2) Sales method innovation by using product attraction 3) Cost Improvement based on Monotsukuri Innovation.
- Accelerate actions to introduce next Mazda6/Atenza.
- Forecast that the sales mix of SKYACTIV vehicles will be 30% in this FY.



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UPDATE OF STRUCTURAL REFORM PLAN (2)

<Accelerate further cost improvement through Monotsukuri Innovation>

➔ Revise investment efficiency in SKYACTIV-G/D production facility upward from 60% to 70%

		Improve Cost / Efficiency
R&D Efficiency	→	30% or more
Investment in Production Facilities	SKYACTIV-G/D	70% or more
	Vehicles	20% or more
Cost Improvement	Vehicle (excl. additional equipment)	20% or more -> 30% (Target)
	SKYACTIV-D	Better than current engine
	SKYACTIV-G	Better than current direct-injection engine
	SKYACTIV-DRIVE	Same as current transmission

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UPDATE OF STRUCTURAL REFORM PLAN (3)

- ➔ Reinforce business in emerging countries and establish global production footprint.
 - Started discussion with Bermaz to establish a joint venture for production and sales in Malaysia.
 - Increased the production capacity of pickup trucks in the 1st Quarter at AAT. Studying further capacity increase including passenger car at AAT in the future.
 - Making good progress to start operation of the new plant in Mexico in the 4th Quarter of FY March 2014 and to start local assembly in Russia this fall.
- ➔ Business restructuring and concentration on auto business.
 - Improve efficiency of subsidiaries in the U.S and Europe.
 - Sold 70% of shares in Toyo Advanced Technologies Co., Ltd. and the fixed assets.
- ➔ Accelerate promotion of global alliances including the announcement with Fiat for next-generation MX-5 and Alfa Romeo roadster.

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SUMMARY

<First Quarter Results>

- ➔ Achieved operating profit of ¥1.8 billion following the last 4th Quarter despite the strong yen environment.
- ➔ Global sales volume is 300,000 units, up 7% Year-over-Year, led by new CX-5 which is being acclaimed globally and has top class residual value in its segment in US and the primary markets in Europe.
- ➔ Continued successful sales, especially in ASEAN, achieving record high sales volume and/or market share in Australia, Thailand, Indonesia and Malaysia.

<Full Year Forecast>

- ➔ Good start to achieve the profit forecast in the full year.
- ➔ The forecast for the 1st Half and the full year remains unchanged.

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WRAP-UP

<Implement Actions Against Further Yen Appreciation>

- ➔ Continue sales momentum of the new CX-5 which global sales are successful.
- ➔ Pull ahead production and introduction of the next-generation Mazda6 for Europe. Introduce it in Japan and Europe by the end of the year and in other key markets early next year.
- ➔ Significantly improve profit with the new CX-5 and next-generation Mazda6/Atenza
 - Expand global sales and secure production volume
(Increase production capacity of the new CX-5 from 160,000 units to 200,000 units in August and to 240,000 units per year from next March.)
 - Improve market mix and vehicle mix
- ➔ Pursue further improvement opportunity in cost area including variable cost and fixed cost.

<Accelerate the Structural Reform Plan>

- ➔ Expand sales of models incorporating SKYACTIVE TECHNOLOGY and secure production volume.
- ➔ Promote sales method innovation by using product attraction of models incorporating SKYACTIVE TECHNOLOGY.
- ➔ Reinforce business in emerging countries including expansion of production in ASEAN.
- ➔ Accelerate promotion of global alliances.

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APPENDIX

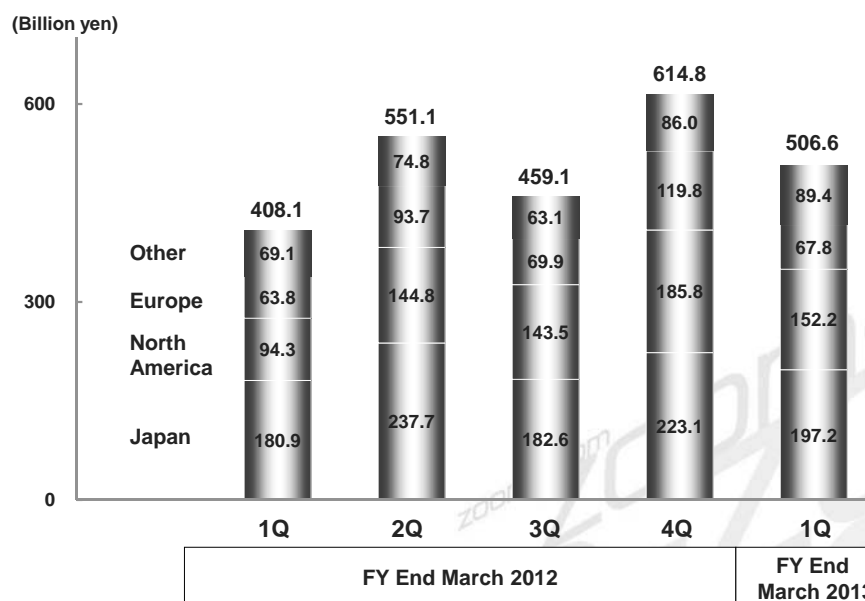
CASH FLOW AND NET DEBT

(Billion yen)	First Quarter		Better/ (Worse)
	FY March 2013	FY March 2012	
Free Cash Flow	(20.3)	(46.1)	-
Cash and Cash Equivalents	439.4	314.2	125.2
Net Debt	(326.5)	(413.7)	87.2
Net Debt-to-equity Ratio	69 / 58* %	101 %	32 / 43* pts
Equity Ratio	25 / 27* %	23 %	2 / 4* pts

*Reflecting "equity credit attributes" of the subordinated loan.

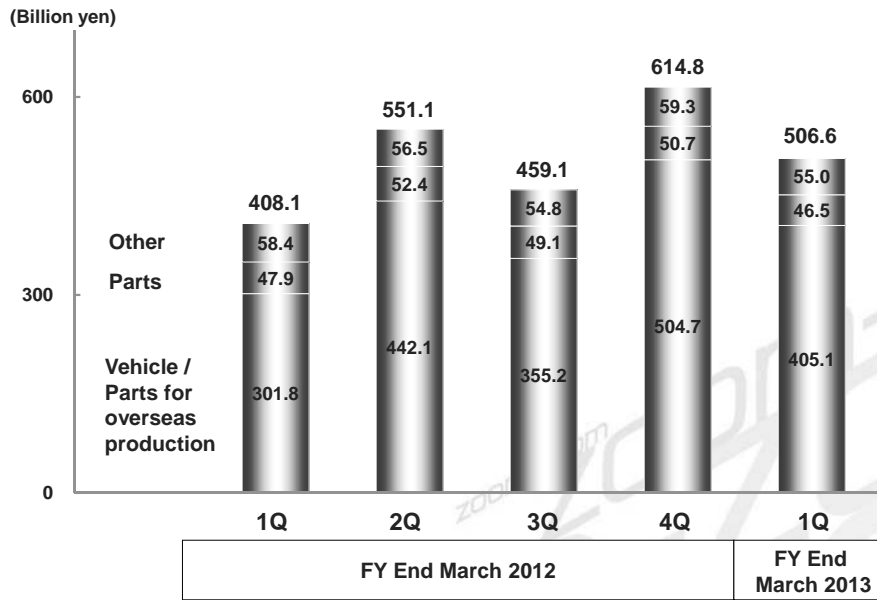
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REVENUE BY GEOGRAPHIC AREA



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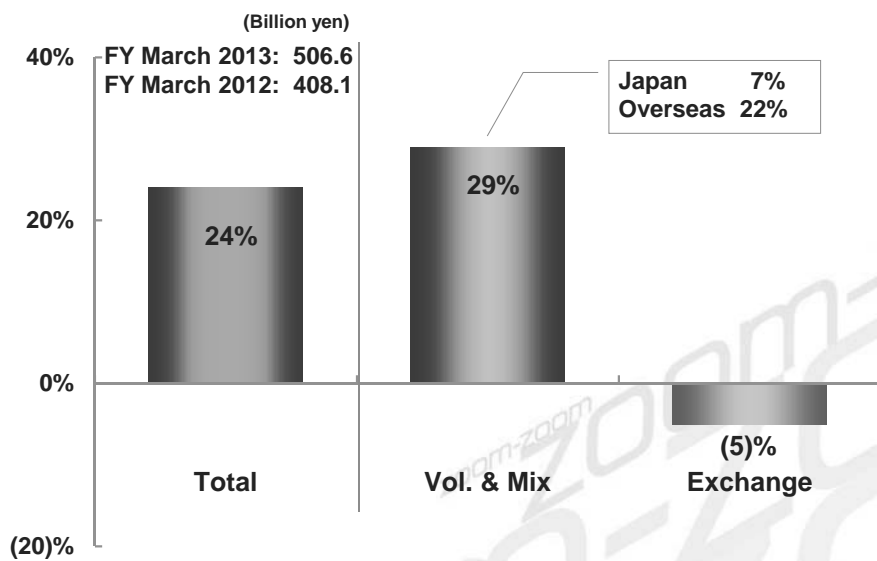
REVENUE BY PRODUCT



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REVENUE CHANGE

FY End March 2013 1st Quarter vs. FY End March 2012 1st Quarter



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KEY DATA

	First Quarter		Change	
	FY March	FY March	Volume	YOY(%)
	2013	2012		
Consolidated wholesales (000)				
Japan	54	43	11	26
North America	89	59	30	52
Europe	32	27	5	16
China	2	3	(1)	(16)
Other Markets	70	54	16	28
Total	247	186	61	33

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FY END MARCH 2013 FINANCIAL METRICS

(Billion yen)	FY March 2013			FY March	Full Year Change
	1st Half	2nd Half	Full Year	2012 Full Year	
Revenue	1,040.0	1,160.0	2,200.0	2,033.1	166.9
Operating profit	10.0	20.0	30.0	(38.7)	68.7
Ordinary profit	(2.0)	17.0	15.0	(36.8)	51.8
Profit before tax	2.0	15.0	17.0	(55.3)	72.3
Net income	5.0	5.0	10.0	(107.7)	117.7
Operating ROS	1.0 %	1.7 %	1.4 %	(1.9) %	3.3 pts

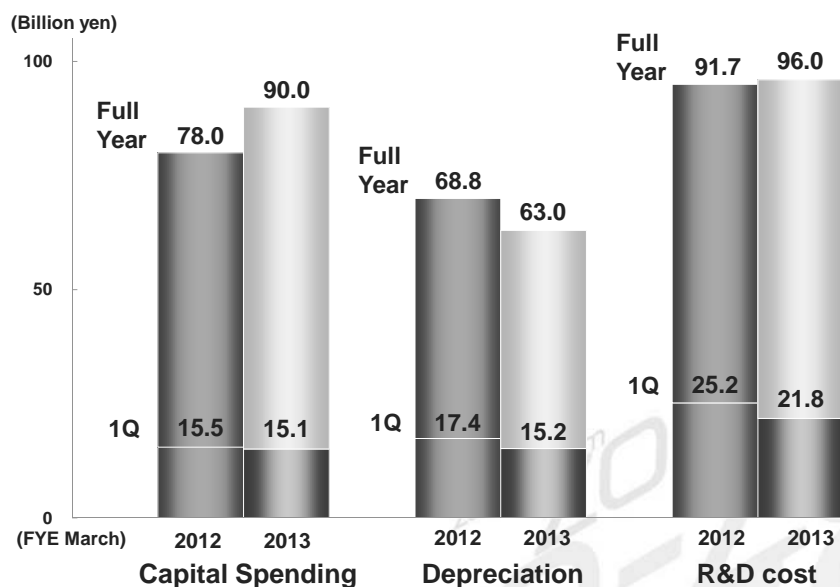
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KEY DATA

	FY March 2013			Change from Prior Year		
	1st Half	2nd Half	Full Year	1st Half	2nd Half	Full Year
Global sales volume (000)						
Japan	117	108	225	22	(3)	19
North America	193	197	390	11	7	18
Europe	95	90	185	4	(2)	2
China	122	133	255	15	17	32
Other Markets	143	142	285	14	8	22
Total	670	670	1,340	66	27	93
Consolidated wholesales (000)						
Japan	123	114	237	14	(3)	11
North America	176	216	392	24	6	30
Europe	72	99	171	(2)	2	0
China	7	11	18	(1)	9	8
Other Markets	139	133	272	12	13	25
Total	517	573	1,090	47	27	74
Exchange Rate						
US\$ / Yen	80	80	80	0	2	1
€ / Yen	105	105	105	(9)	1	(4)

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KEY DATA



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DISCLAIMER

The projections and future strategies shown in this presentation are based on various uncertainties including without limitation 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.

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