



FISCAL YEAR MARCH 2014 THIRD QUARTER FINANCIAL RESULTS



New Mazda Axela Sport XD

**Mazda Motor Corporation
February 5, 2014**

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PRESENTATION OUTLINE

- **Highlights**
- **Fiscal Year March 2014 Nine Month Results**
- **Fiscal Year March 2014 Full Year Forecast**
- **Progress of Structural Reform Plan**
- **Summary**

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HIGHLIGHTS

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HIGHLIGHTS (1) – NINE MONTH RESULTS

- **Achieved revenue growth and profit increase over prior year through increased sales of SKYACTIV models**
- **Revenue was ¥1,940.2 billion. Operating profit was ¥124.6 billion. Net income was ¥77.4 billion**
- **Global sales volume was 953,000 units**
- **Strong sales of CX-5 and Mazda6/Atenza continue**
- **New Mazda3/Axela selling well in the markets where it has been introduced**

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HIGHLIGHTS (2) – FULL YEAR FORECAST

- **Forecast global sales volume of 1,325,000 units**
- **Upward revision of full year forecast:
Operating profit of ¥180 billion and net income of ¥110 billion**
- **Production started at new plant in Mexico in January 2014**
- **Steady progress of the Structural Reform Plan**
- **Plan to pay a year-end dividend of ¥1 per share**
- **Plan the consolidation of shares and a change in the number of shares per share unit**

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FISCAL YEAR MARCH 2014 NINE MONTH RESULTS

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FY MARCH 2014 FINANCIAL METRICS

(Billion yen)	FY March 2014			Nine Month Change from Prior Year	
	First Half	Third Quarter	Nine Month	Amount	YOY(%)
Revenue	1,254.3	685.9	1,940.2	405.0	26%
Operating profit	74.0	50.6	124.6	105.0	534%
Ordinary profit	36.3	56.8	93.1	71.7	335%
Profit before tax	33.9	56.1	90.0	59.9	199%
Net income	25.0	52.4	77.4	51.8	203%
Operating ROS	5.9%	7.4%	6.4%	5.1 pts	
EPS (Yen)	8.4	17.5	25.9	17.3	
Exchange Rates (Yen)					
US Dollar	99	100	99	19	
Euro	130	137	132	30	

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GLOBAL SALES VOLUME

(000)	FY March 2014			Nine Month Change from Prior Year	
	First Half	Third Quarter	Nine Month	Volume	YOY(%)
Global sales volume					
Japan	111	51	162	12	8%
North America	199	90	289	19	7%
Europe	97	47	144	25	21%
China	79	62	141	12	9%
Other Markets	145	72	217	(8)	(4)%
Total	631	322	953	60	7%
<Breakdown>					
USA	142	64	206	11	5%
Australia	52	24	76	(1)	(1)%
ASEAN	39	19	58	(20)	(25)%

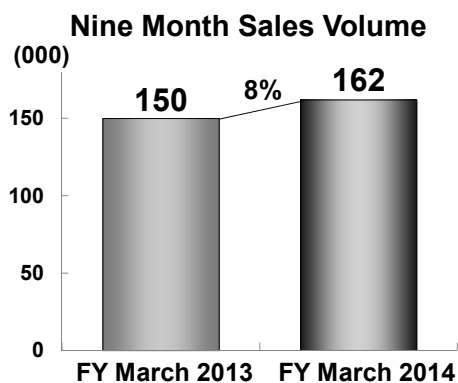
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GLOBAL

- Sales of CX-5 and Mazda6/Atenza continued to be strong
- New Mazda3/Axela was successfully launched
 - Introduced to Europe and Japan, following North America
- SKYACTIV models received high accolades in Japan and overseas
 - [Atenza]**
 - Won RJC Car of the Year and the Car of the Year Japan Emotional Award
 - [New Mazda3]**
 - Nominated for Car of the Year in North America and Europe
- Sales mix of SKYACTIV models increased to 48%

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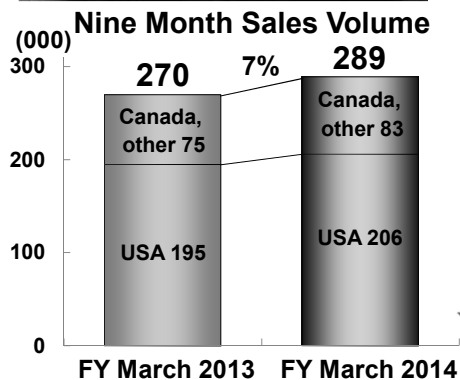
JAPAN



- Sales were 162,000 units, up 8% year on year
- Share gained 0.1 point year on year to 4.2%
- Sales driven by SKYACTIV models
 - Received approx. 21,000 orders for new Axela in only two months since its launch
 - CX-5 was the top-selling SUV in Japan for two consecutive years
 - Sales of Atenza and SKYACTIV-equipped minivans also remained strong

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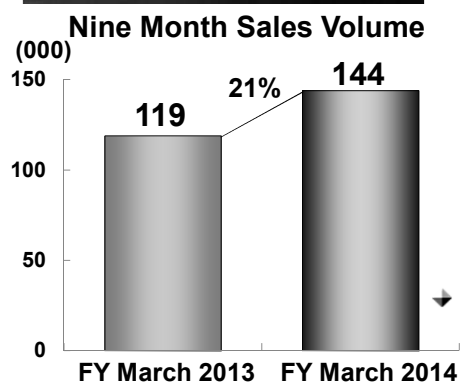
NORTH AMERICA



- ➔ Sales were 289,000 units, up 7% year on year
- ➔ USA: 206,000 units, up 5% year on year, with retail sales improved 16%
 - CX-5 and Mazda6 enjoyed brisk sales. They also maintained a large sales mix of high grade models
 - New Mazda3 awarded ALG's Residual Value Award for the Compact Car Segment
- ➔ Sales in Mexico hit an all-time high

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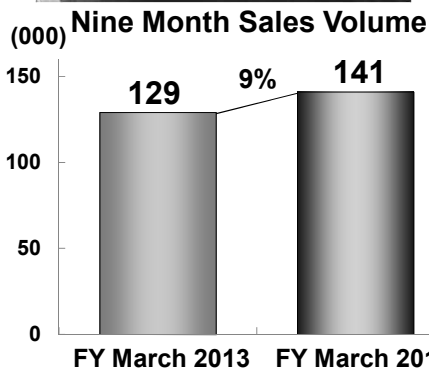
EUROPE



- ➔ Sales were 144,000 units, up 21% year on year while overall demand was almost flat
- ➔ Key markets such as Germany, Russia, and UK enjoyed strong sales
 - Germany: 33,000 units, up 20% year on year despite small drop in overall demand
 - Russia: 33,000 units, up 3.2% year on year. Locally produced SKYACTIV models drove the sales
 - UK: 22,000 units, up 34% year on year thanks to strong sales of Mazda6 and CX-5
- ➔ Introduction of new Mazda3 has begun in the third quarter, showing a brisk sales trend

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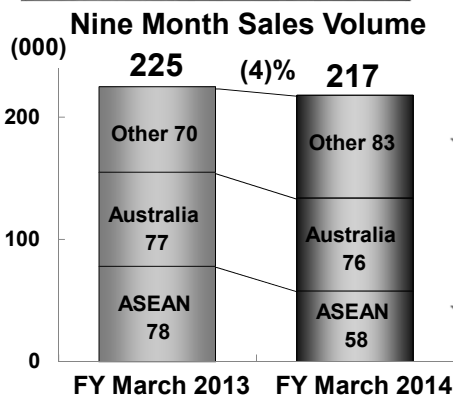
CHINA



- Sales were 141,000 units, up 9% year on year
- Locally produced CX-5 drove the sales
- Continued to enhance Mazda brand advertising focusing on SKYACTIV
- Increased the number of outlets to 432, up 36 from the end of March 2013 (As of the end of Dec. 2013)

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OTHER MARKETS

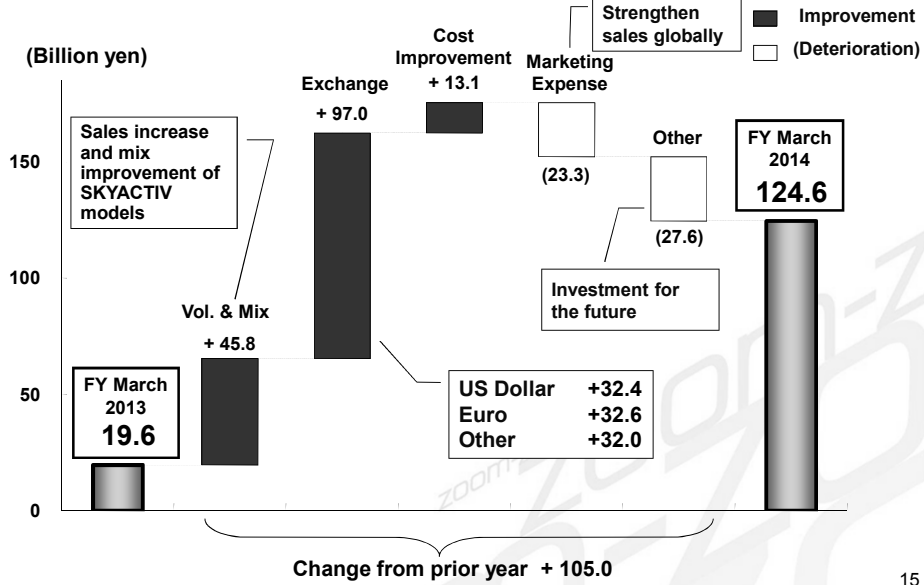


- Sales were 217,000 units
- Australia: Sales remained strong with 76,000 units and 8.9% share
 - Mazda ranked third in overall sales by brand
 - CX-5 achieved the highest sales in its segment
- ASEAN: Malaysia recorded highest ever sales, partially offsetting the decline in Thailand
- Other markets: Record high sales were posted by Chile, Peru, and Saudi Arabia

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OPERATING PROFIT CHANGE

FY March 2014 Nine Month vs. FY March 2013 Nine Month



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FISCAL YEAR MARCH 2014 FORECAST

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FY MARCH 2014 FINANCIAL METRICS

(Billion yen)	Full Year		Change from	
	FY March 2013	FY March 2014	Prior Year	October Forecast
Revenue	2,205.3	2,680.0	474.7	30.0
Operating profit	53.9	180.0	126.1	20.0
Ordinary profit	33.1	132.0	98.9	9.0
Profit before tax	39.1	123.0	83.9	11.0
Net income	34.3	110.0	75.7	10.0
Operating ROS	2.4 %	6.7%	4.3 pts	0.7pts
EPS (Yen)	11.5	36.8	25.3	3.3
Exchange Rates (Yen)				
US Dollar	83	99	16	2
Euro	107	133	26	5

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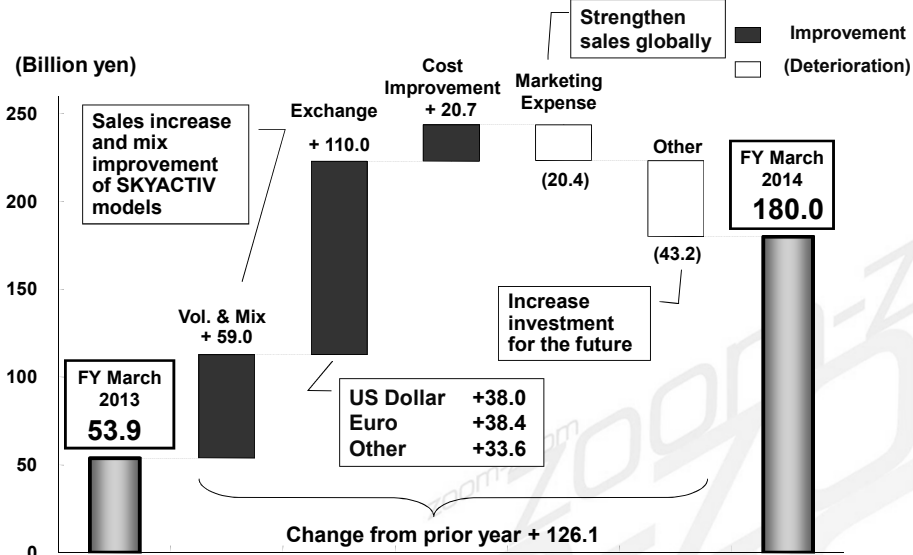
GLOBAL SALES VOLUME

(000)	Full Year		Change from	
	FY March 2013	FY March 2014	Prior Year	October Forecast
Global Sales Volume				
Japan	216	238	22	13
North America	372	402	30	(13)
Europe	172	200	28	0
China	175	200	25	0
Other Markets	300	285	(15)	(10)
Total	1,235	1,325	90	(10)
<Breakdown>				
USA	273	290	17	(10)
Australia	104	106	2	0
ASEAN	101	75	(26)	(10)

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OPERATING PROFIT CHANGE

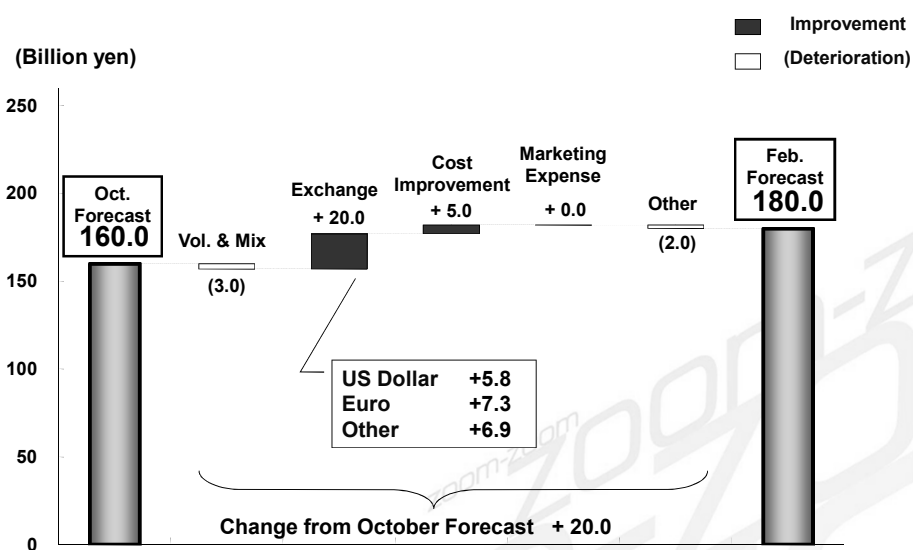
FY March 2014 Full Year vs. FY March 2013 Full Year



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OPERATING PROFIT CHANGE

FY March 2014 Full Year vs. October Forecast



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GLOBAL SALES INITIATIVES IN THE FOURTH QUARTER

<New Mazda3/Axela>

- Promote consistent sales at the right price in major countries by making an appeal for the product values, same as with CX-5 and Mazda6/Atenza
- Begin full-scale advertising in the United States. Start sales in Australia in February

<By Region>

- China: Further increase CX-5 orders by activities to raise the profile of SKYACTIV models and continuous participation in regional motor shows
- Thailand: Bolster sales with the CX-5 that was introduced last fall and pre-orders of new Mazda3 that will be introduced in March

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PROGRESS OF STRUCTURAL REFORM PLAN

Business Innovation by SKYACTIV TECHNOLOGY

- Promote sales at the right price
- Minimize fleet sales
- Maintain high residual value
- Thoroughly implement inside-out activities
- Enhance brand loyalty

Accelerate Further Cost Improvement Through Monotsukuri Innovation

- Achieved further cost improvement for new Mazda3/Axela
- Enhance efficiency of R&D and facility investment

Reinforce Business in Emerging Countries and Establish Global Production Footprint

- Preparations for production at the plant in Mexico went smoothly and mass production of the new Mazda3 started as planned in January 2014

Promote Global Alliances

- Continue to pursue complementary alliances in the areas of products, technology and regions

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SUMMARY

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SUMMARY

[Nine Month Results]

- Achieved revenue growth and profit increase over prior year through increased sales of SKYACTIV models
- Sales of new Mazda3/Axela are strong in the markets where it has been introduced and SKYACTIV models are driving sales globally

[Full Year Forecast]

- Upwardly revised forecast: Operating profit of ¥180 billion and net income of ¥110 billion
- Steady progress of the Structural Reform Plan
- Plan to pay a year-end dividend of ¥1 per share
- Plan the consolidation of shares and a change in the number of shares per share unit

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RETURNS TO SHAREHOLDERS, CONSOLIDATION OF SHARES AND
CHANGE IN THE NUMBER OF SHARES PER SHARE UNIT

Returns to Shareholders

- ➔ Plan to pay a year-end dividend of ¥1 per share
- ➔ Aim to provide dividends on a stable basis and realize a future steady increase

**Consolidation of shares and
Change in the number of shares per share unit**

- ➔ Consolidate 5 common shares into 1 share
- ➔ Change the number of shares per share unit from 1,000 shares to 100 shares

* To be submitted to the ordinary general meeting of shareholders scheduled in June 2014. Planned effective date is August 1, 2014.

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APPENDIX

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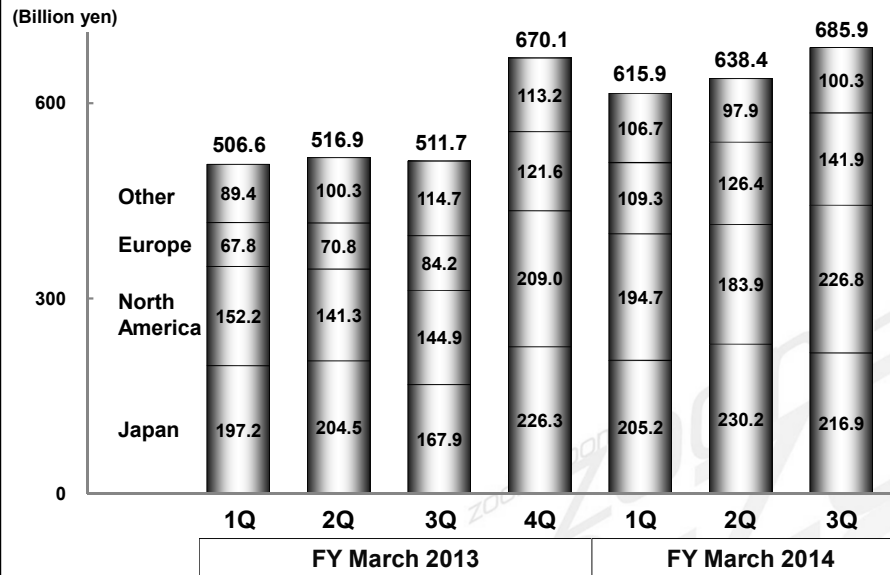
CASH FLOW AND NET DEBT

(Billion yen)	FY March 2014			Change from Prior FY End
	First Half	Third Quarter	Nine Month	
Cash Flow				
- From operating activities	7.7	35.4	43.1	-
- From investing activities	(49.2)	(24.6)	(73.8)	-
- Free Cash Flow	(41.5)	10.8	(30.7)	-
Cash and Cash Equivalents	394.2	426.7	426.7	(18.2)
Net Debt	315.8	304.5	304.5	(30.4)
Net Debt-to-equity Ratio	58 / 48*%	51 / 43*%	51 / 43*%	4 / 2*pts
Equity Ratio	28 / 29*%	29 / 30*%	29 / 30*%	4 / 3*pts

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

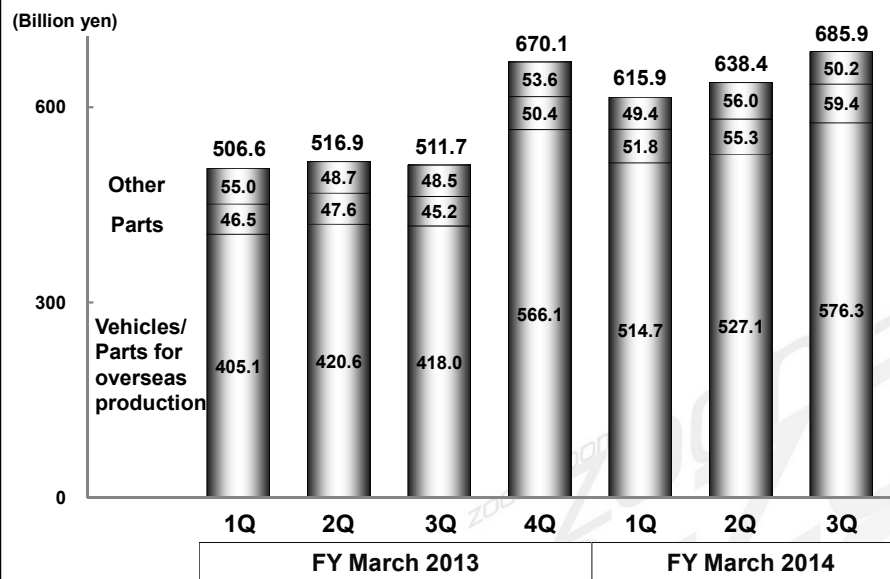
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REVENUE BY GEOGRAPHIC AREA



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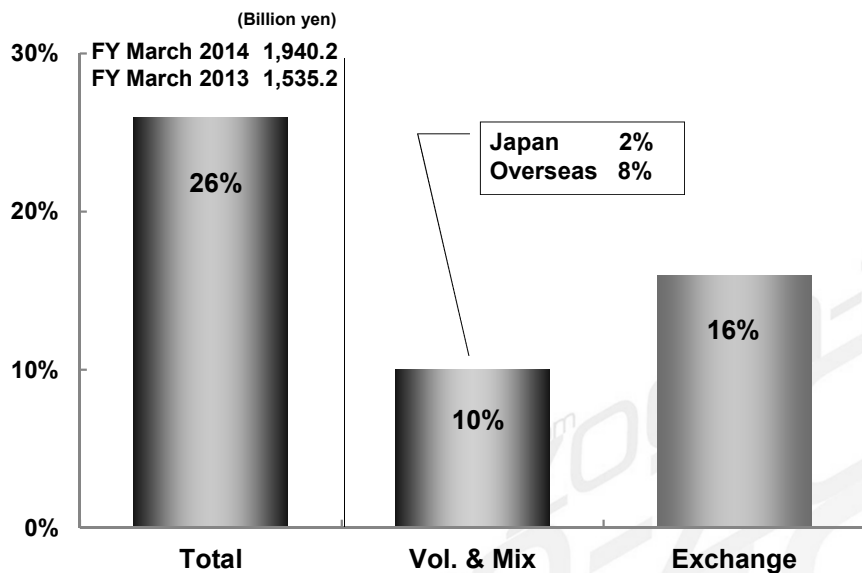
REVENUE BY PRODUCT



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REVENUE CHANGE

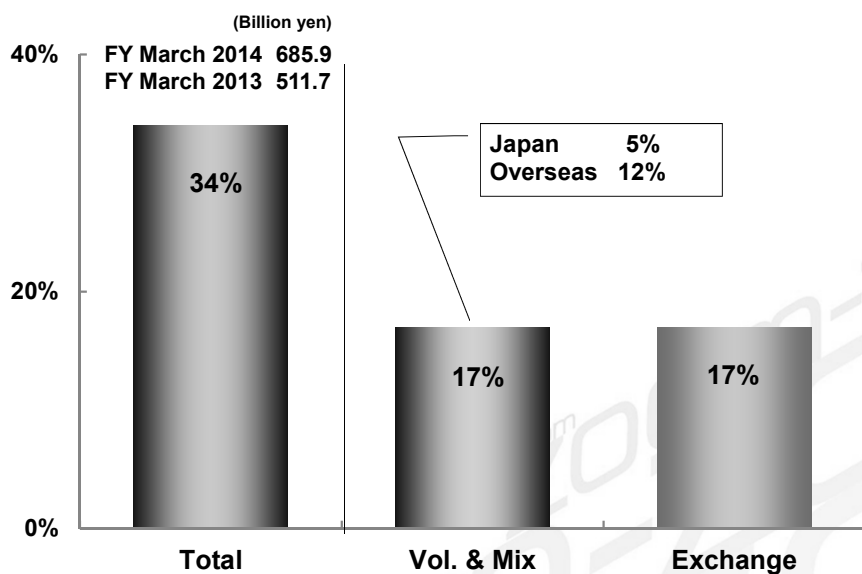
FY March 2014 Nine Month vs. FY March 2013 Nine Month



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REVENUE CHANGE

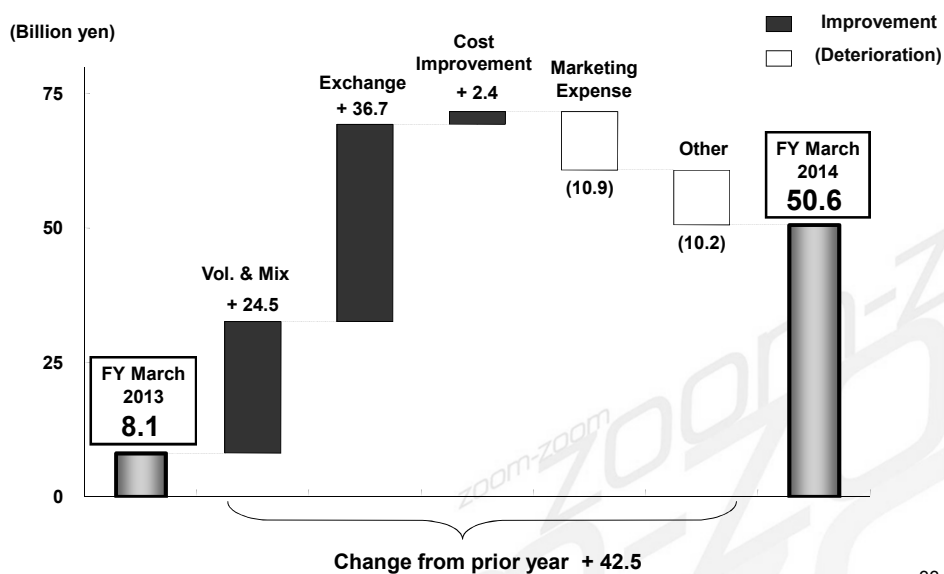
FY March 2014 Third Quarter vs. FY March 2013 Third Quarter



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OPERATING PROFIT CHANGE

FY March 2014 Third Quarter vs. FY March 2013 Third Quarter



CONSOLIDATED WHOLESALLES

(000)	FY March 2014			Nine Month Change from Prior Year
	First Half	Third Quarter	Nine Month	
Consolidated Wholesales				
Japan	116	52	168	11
North America	178	103	281	20
Europe	85	53	138	32
China	3	2	5	2
Other Markets	142	70	212	(7)
Total	524	280	804	58

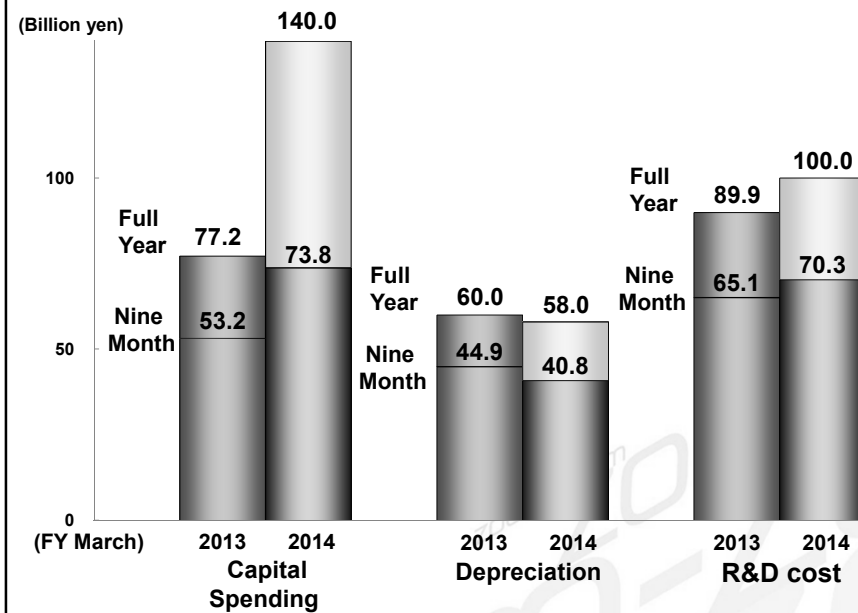
GLOBAL SALES VOLUME AND CONSOLIDATED WHOLESALES

(000)	FY March 2014			Change from Prior Year			Change from
	First Half	Second Half	Full Year	First Half	Second Half	Full Year	Oct. Forecast
Global Sales Volume							
Japan	111	127	238	1	21	22	13
North America	199	203	402	17	13	30	(13)
Europe	97	103	200	12	16	28	0
China	79	121	200	(11)	36	25	0
Other Markets	145	140	285	(1)	(14)	(15)	(10)
Total	631	694	1,325	18	72	90	(10)
Consolidated Wholesales							
Japan	116	129	245	1	18	19	13
North America	178	212	390	3	17	20	(13)
Europe	85	109	194	17	19	36	0
China	3	7	10	1	5	6	0
Other Markets	142	139	281	0	(14)	(14)	(10)
Total	524	596	1,120	22	45	67	(10)

* Volumes for FY March 2014 Second half and Full year are forecast

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KEY DATA



* Data for FY March 2014 full year are forecast

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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.

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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