

FY2007 FIRST QUARTER RESULTS

MAZDA MOTOR CORPORATION

July 31, 2007

- **Overview**
- **FY2007 1Q Results**
- **Key Marketing Initiatives Update**
- **In Summary**

OVERVIEW

FY2007 1Q HIGHLIGHTS

- **Operating Profit Up 9% to ¥32.3 Billion**
- **Revenues Up 11%**
- **Expanded Investment for the Future**
- **Inventory Adjustment on Track**
- **Joint Venture Operation in China Commenced Engine Mass Production**

FY2007 1Q RESULTS

FY2007 1Q FINANCIAL METRICS

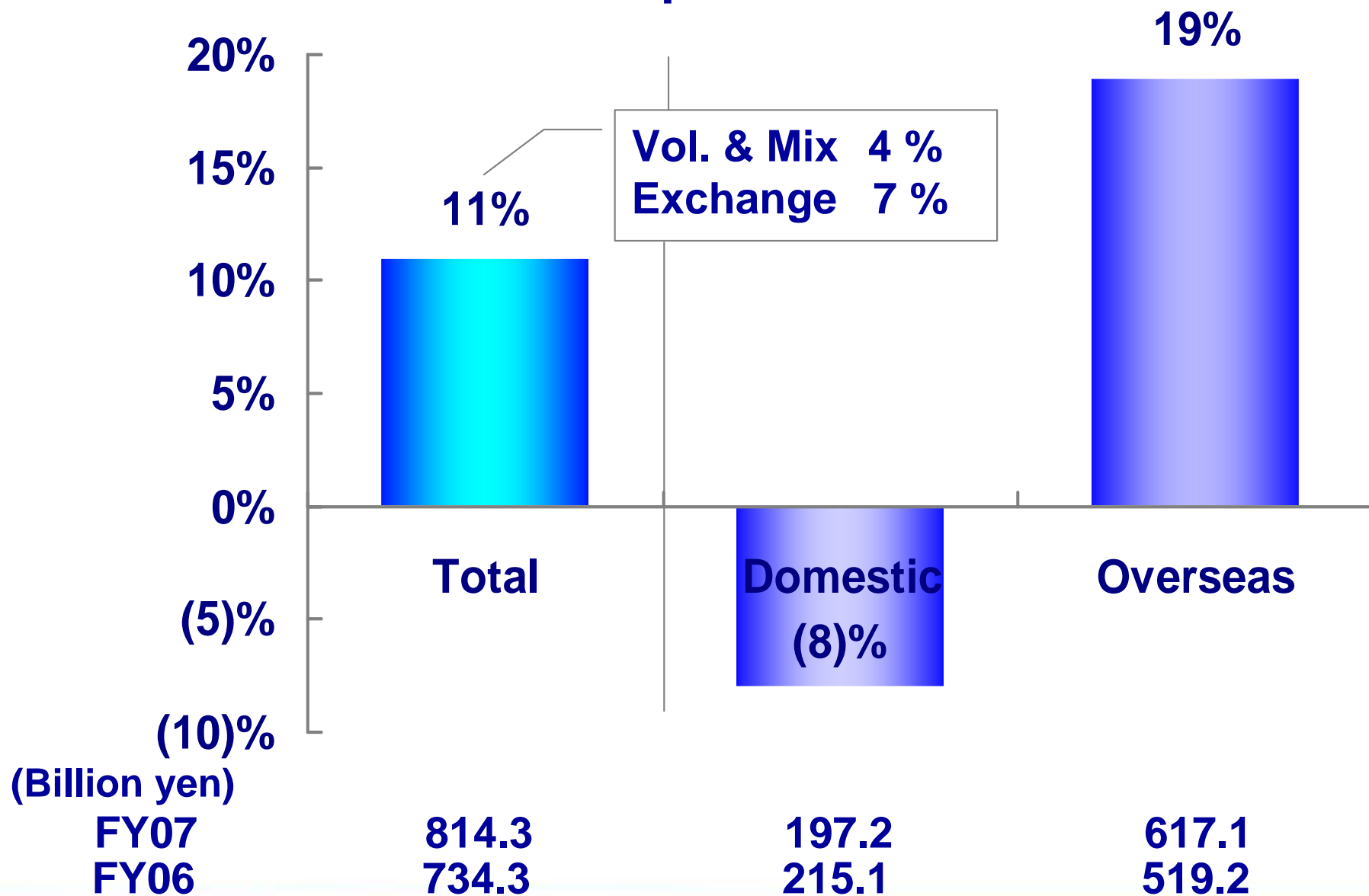
(Billion yen)	First Quarter		Change	
	<u>FY2007</u>	<u>FY2006</u>	<u>Amount</u>	<u>Pct.</u>
Revenues	814.3	734.3	80.0	11 %
Operating Profit	32.3	29.6	2.7	9 %
Ordinary Profit	21.2	24.0	(2.8)	(12) %
Profit Before Tax	19.4	22.9	(3.5)	(15) %
Net Income	2.5	6.6	(4.1)	(62) %
Operating ROS	4.0 %	4.0 %	0.0 Pts	-
EPS (Yen/Share)	1.8	4.7	(2.9)	(62) %

KEY DATA

	First Quarter		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Global Retail Volume (000)	323	325	(1) %
(Excl Volume Produced in Hainan)	323	309	4 %
Exchange Rates			
Yen / U.S. Dollar	121	115	¥ 6
Yen / Euro	163	144	¥ 19

DOMESTIC & OVERSEAS REVENUE CHANGES

FY2007 1Q Compared With FY2006 1Q



	First Quarter		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000)*	57	61	(7) %

Maintained Share Despite Fierce Market Environment



* Excluding volume sold under Ford Brand

NORTH AMERICA

Retail Volume (000)	First Quarter		Change
	FY2007	FY2006	
United States	74	73	0 %
Canada & Other *	34	29	20 %
North America Total	<u>108</u>	<u>102</u>	6 %

Canada and Mexico Contributed to Volume Growth



* Including Mexico and Puerto Rico

	<u>First Quarter</u>		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000)*	78	77	0 %

Sales Growth in Russia Offset Lower Sales in Germany



* Including Turkey

	<u>First Quarter</u>		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000)	16	29	(44) %
Excl. Volume Produced in Hainan	16	13	26 %

Sales of Mazda3 Increased



OTHER MARKETS

	<u>First Quarter</u>		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000)	64	56	15 %

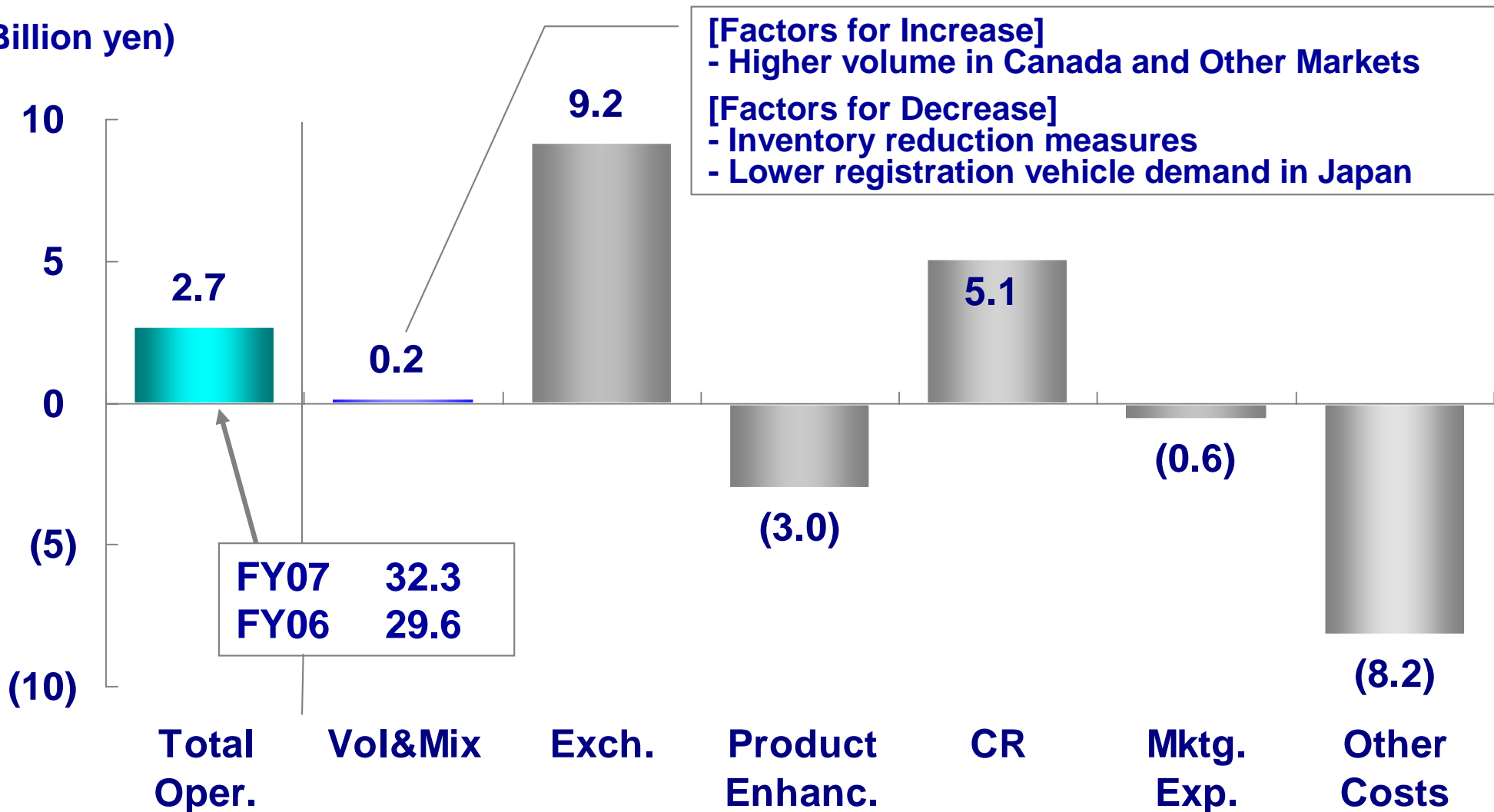
CX-7, BT-50 and Mazda3 Contributed to Sales Increase



OPERATING PROFIT CHANGES

FY2007 1Q Compared With FY2006 1Q

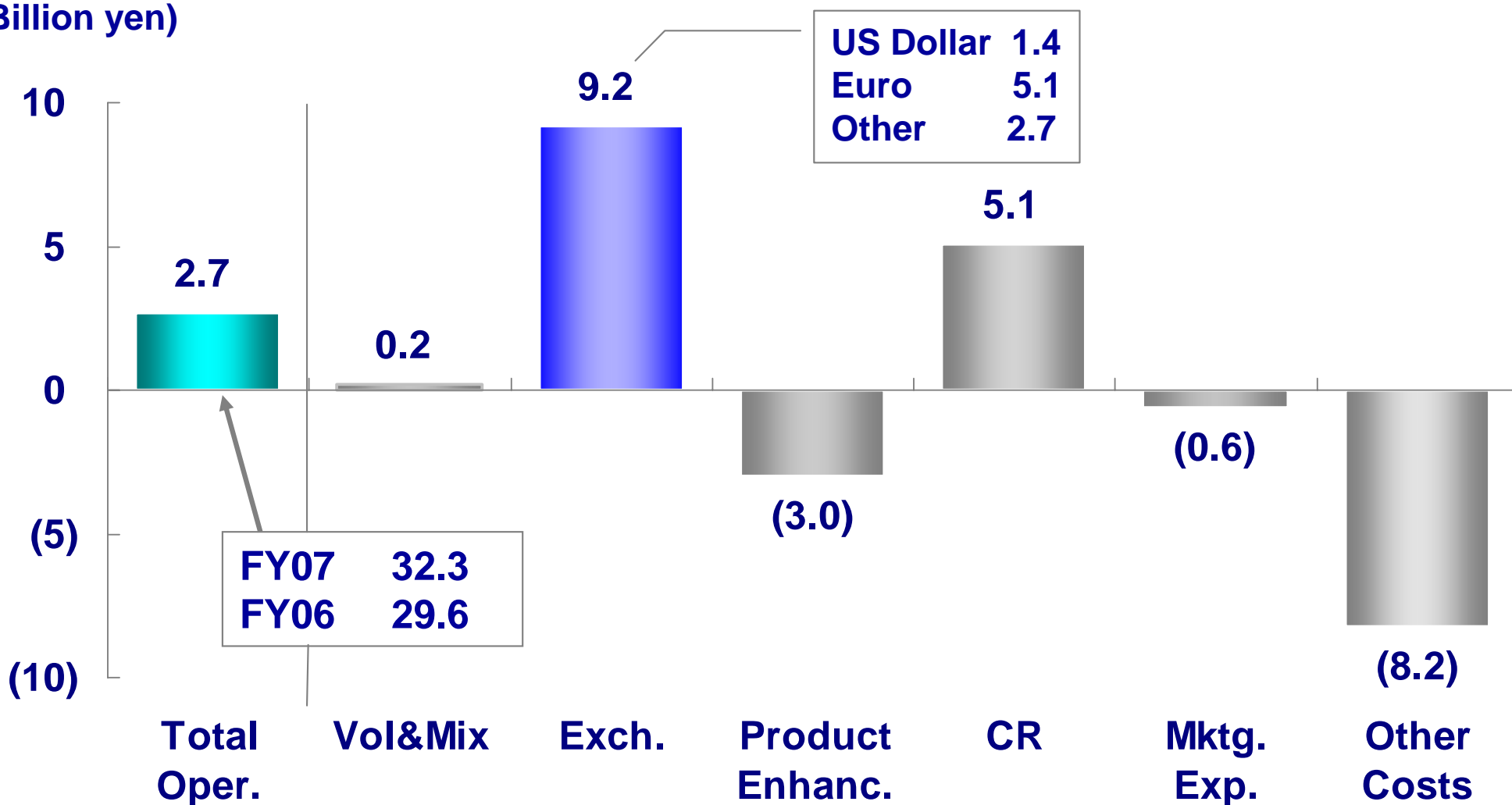
(Billion yen)



OPERATING PROFIT CHANGES

FY2007 1Q Compared With FY2006 1Q

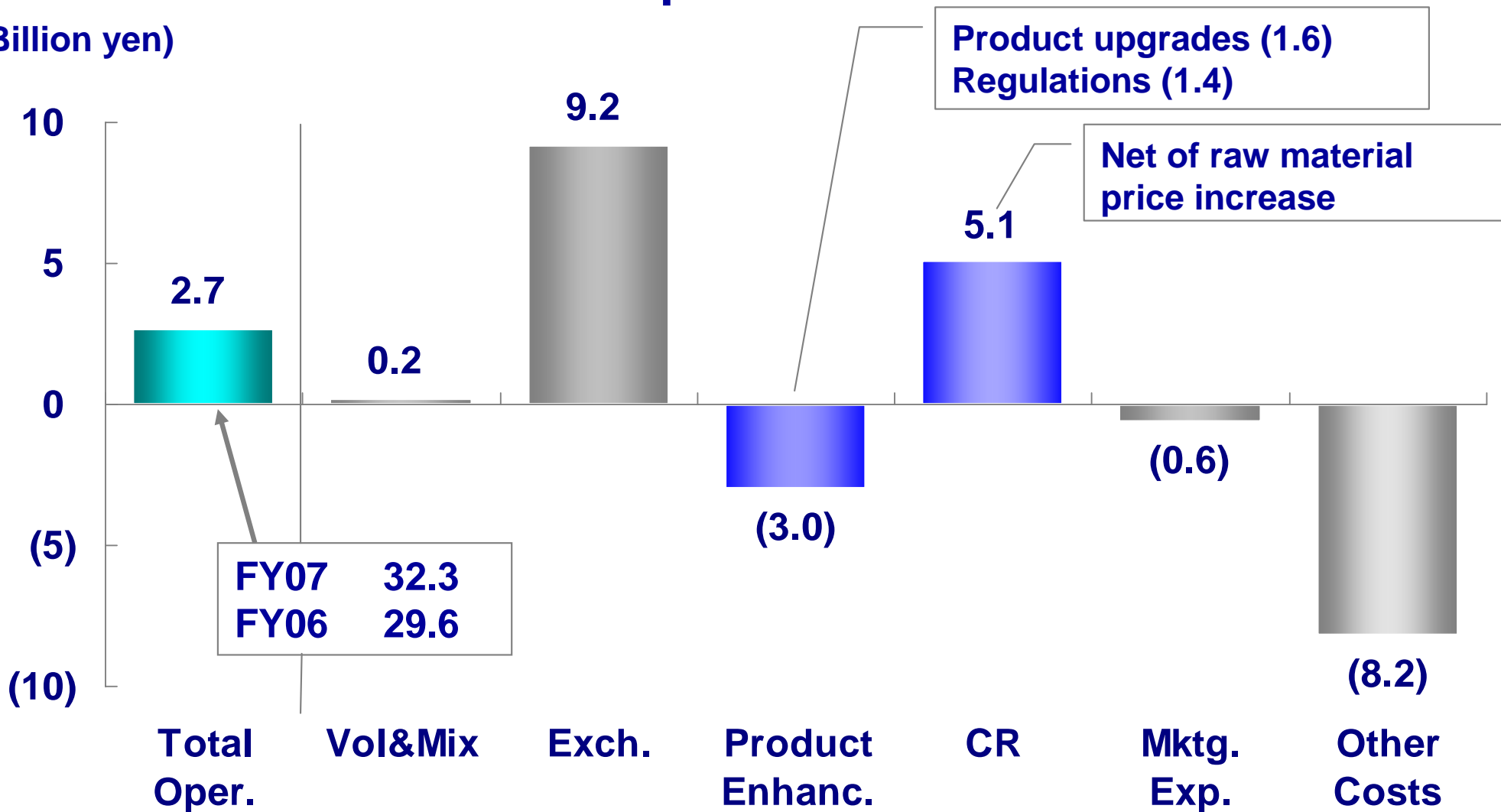
(Billion yen)



OPERATING PROFIT CHANGES

FY2007 1Q Compared With FY2006 1Q

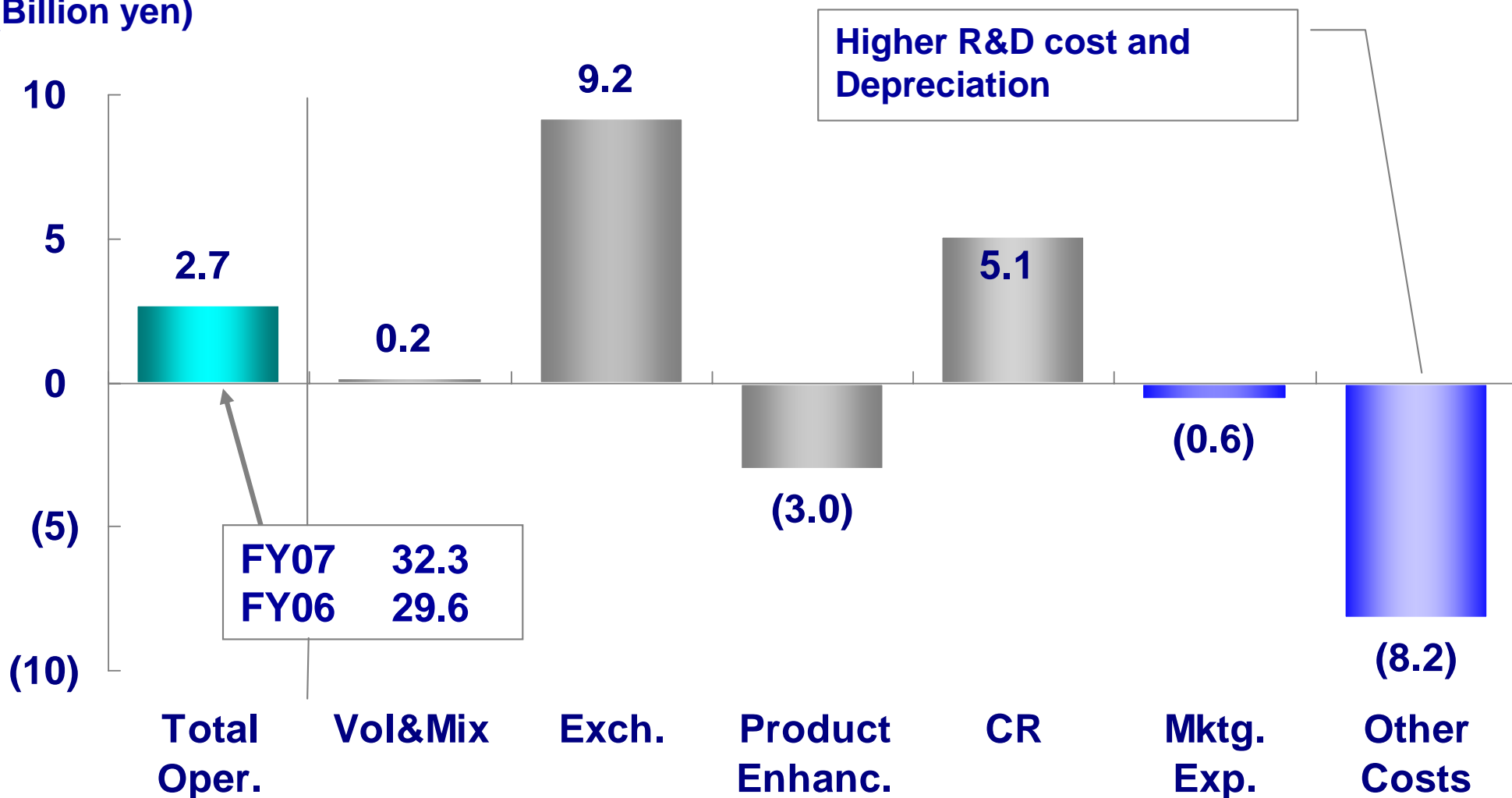
(Billion yen)



OPERATING PROFIT CHANGES

FY2007 1Q Compared With FY2006 1Q

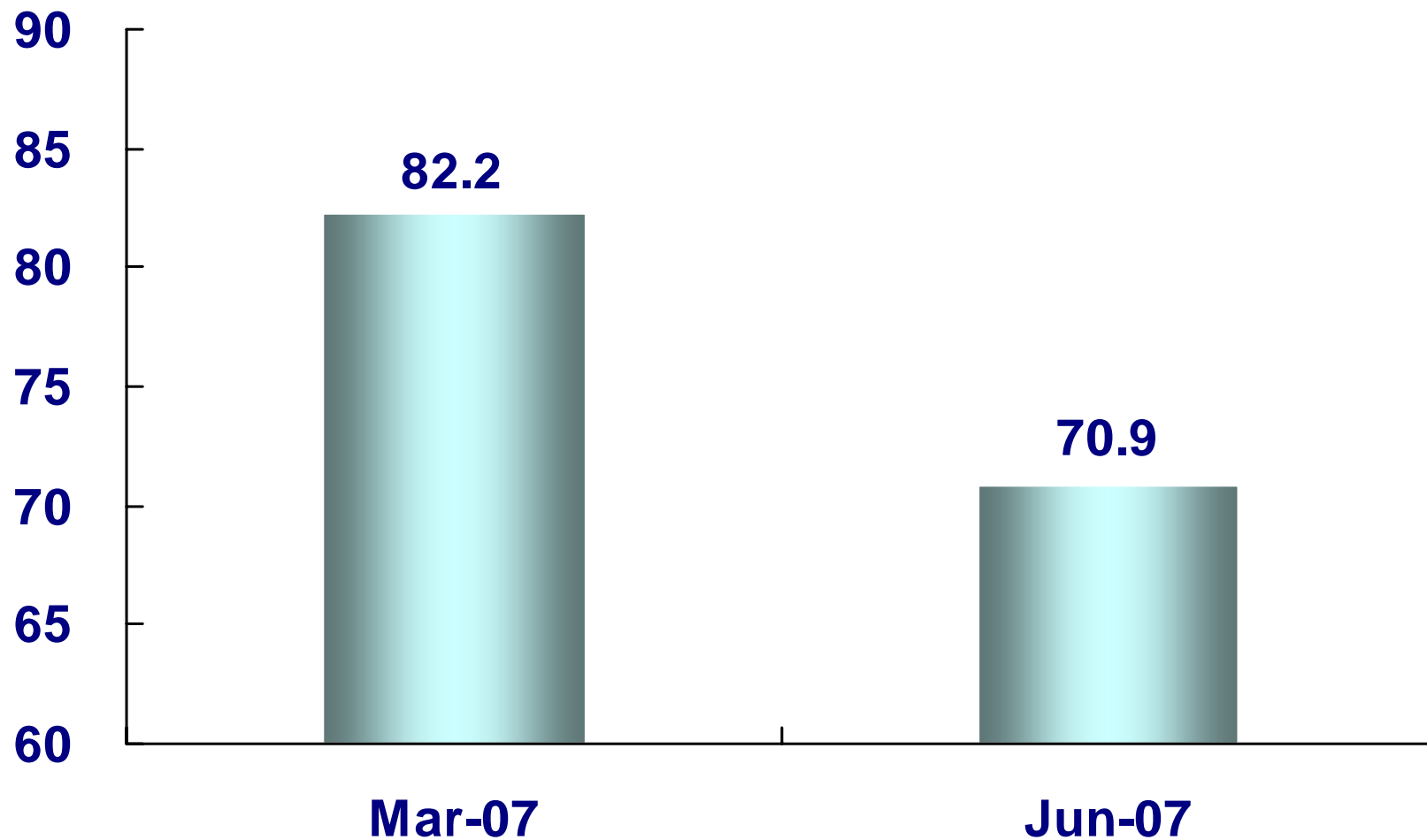
(Billion yen)



KEY MARKETING INITIATIVES UPDATE

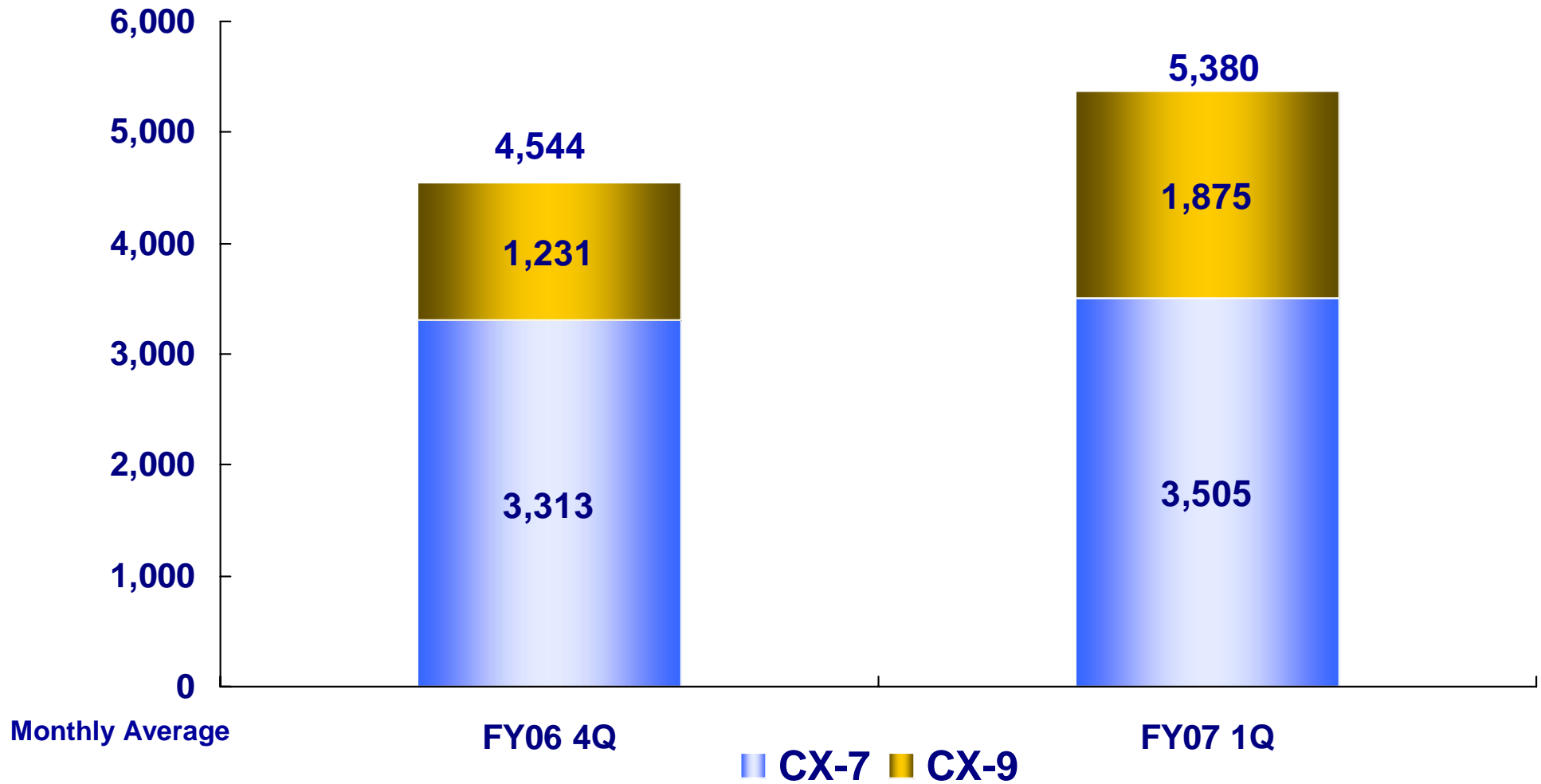
U.S. DEALER INVENTORY

(000 units)



U.S. Dealer Inventory Reduction is On Track.

U.S. CROSSOVER MONTHLY VOLUME



U.S. CX-7/CX-9 Monthly Sales Volumes Have Grown.

U.S. CX-9 LAUNCH ACTIONS



Strong support is planned for FY07 to maintain a consistent presence and build awareness

- **Mix adjusted to promote faster selling GT model.**
- **Launch plan is on track.**

JAPAN - NEW DEMIO LAUNCH STATUS



- **Order pace exceeding expectations.**
- **Higher than planned mix of “Sport” and CVT models.**
- **Area-by-area program and display events planned to further promote awareness.**

EUROPE - NEW MAZDA2 / CX-7 LAUNCH STATUS



Mazda2

- Sales start planned for September.
- Positive feedback from the press especially on downsizing & weight reduction concept, low emissions, crisp handling and design.

CX-7

- Sales start planned for August.
- Enquiries exceeding expectation; pre-orders in Russia more than 2,000 units.

STATUS IN OTHER MARKETS

Australia

- Six consecutive month of record sales in June.
- CX-7 sales started from November '06, contributing to growth.
- Two upcoming launches, Mazda2 in September, CX-9 in December will further support sales momentum.

Israel

- Mazda is No. 1 Brand this year. Targeting 12th consecutive year of No. 1 position achievement.

Colombia

- Achieving growth with Mazda3 and newly launched BT-50, reinforcing Mazda Brand promotion.

IN SUMMARY

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- **Operating Profit Up 9% to ¥32.3 Billion**
- **Revenues Up 11%**
- **Introduce New Demio in Japan, Europe and Other Markets**
- **Steadily Improve North America Business**
- **Dealer Inventory Optimization is On Track**
- **No Change in First Half and Full Year Projections**

FY2007 FINANCIAL METRICS

(Billion yen)	FY2007		
	<u>1st Half</u>	<u>2nd Half</u>	<u>Full Year</u>
Revenues	1580.0	1740.0	3320.0
Operating Profit	60.0	100.0	160.0
Ordinary Profit	50.0	90.0	140.0
Profit Before Tax	45.0	85.0	130.0
Net Income	25.0	60.0	85.0
Operating ROS	3.8 %	5.7 %	4.8 %
EPS (Yen/Share)	17.8	42.6	60.4



mazda

APPENDIX

KEY DATA

	First Quarter		
	<u>FY2007</u>	<u>FY2006</u>	<u>Change</u>
Consol. Wholesales (000)			
Japan	57	65	(8)
North America*	97	98	(1)
Europe	68	62	6
Other Markets	58	47	11
Total	<u>280</u>	<u>272</u>	<u>8</u>
Global Retail Volume (000)			
Japan	57	61	(4)
North America*	108	102	6
Europe	78	77	1
China	16	29	(13)
Other Markets	64	56	8
Total	<u>323</u>	<u>325</u>	<u>(2)</u>

* Including Puerto Rico

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.

Please note that neither Mazda nor any third party providing information shall be responsible for any damage you may suffer due to investment in Mazda based on the information shown in this presentation.