

FY2007 FIRST HALF RESULTS & FULL YEAR PROJECTIONS

MAZDA MOTOR CORPORATION

November 2, 2007

- **Overview**
- **FY2007 First Half Results**
- **FY2007 Full Year Projection**
- **In Summary**

OVERVIEW

FY2007 FIRST HALF HIGHLIGHTS

- ➡ **Operating Profit Up 5% to ¥73.1 Billion**
- ➡ **Revenues Up 9%**
- ➡ **Achieved Improved Profits at All Levels**
- ➡ **Inventory Optimization Completed**
- ➡ **Introduced the First Model of Second Generation Zoom-Zoom Products, New Demio/Mazda2**
- ➡ **Capacity Enhancement on Track**
- ➡ **Resume Interim Dividend**

FY2007 FULL YEAR HIGHLIGHTS

- **Keep Full Year Projections Unchanged**
- **Introduce the New Atenza/Mazda6**
- **Expand Sales to Other Markets**
- **Continue to Increase Investment in Product Development**

FY2007 FIRST HALF RESULTS

FY2007 FIRST HALF FINANCIAL METRICS

(Billion yen)	First Half		Change	
	<u>FY2007</u>	<u>FY2006</u>	<u>Amount</u>	<u>Pct.</u>
Revenues	1,656.2	1,521.4	134.8	9 %
Operating Profit	73.1	69.8	3.3	5 %
Ordinary Profit	57.6	56.6	1.0	2 %
Profit Before Tax	54.3	52.4	1.9	4 %
Net Income	29.1	27.2	1.9	7 %
Operating ROS	4.4 %	4.6 %	(0.2) Pts	-
EPS (Yen/Share)	20.6	19.4	1.2	6 %

CASH FLOW & NET DEBT

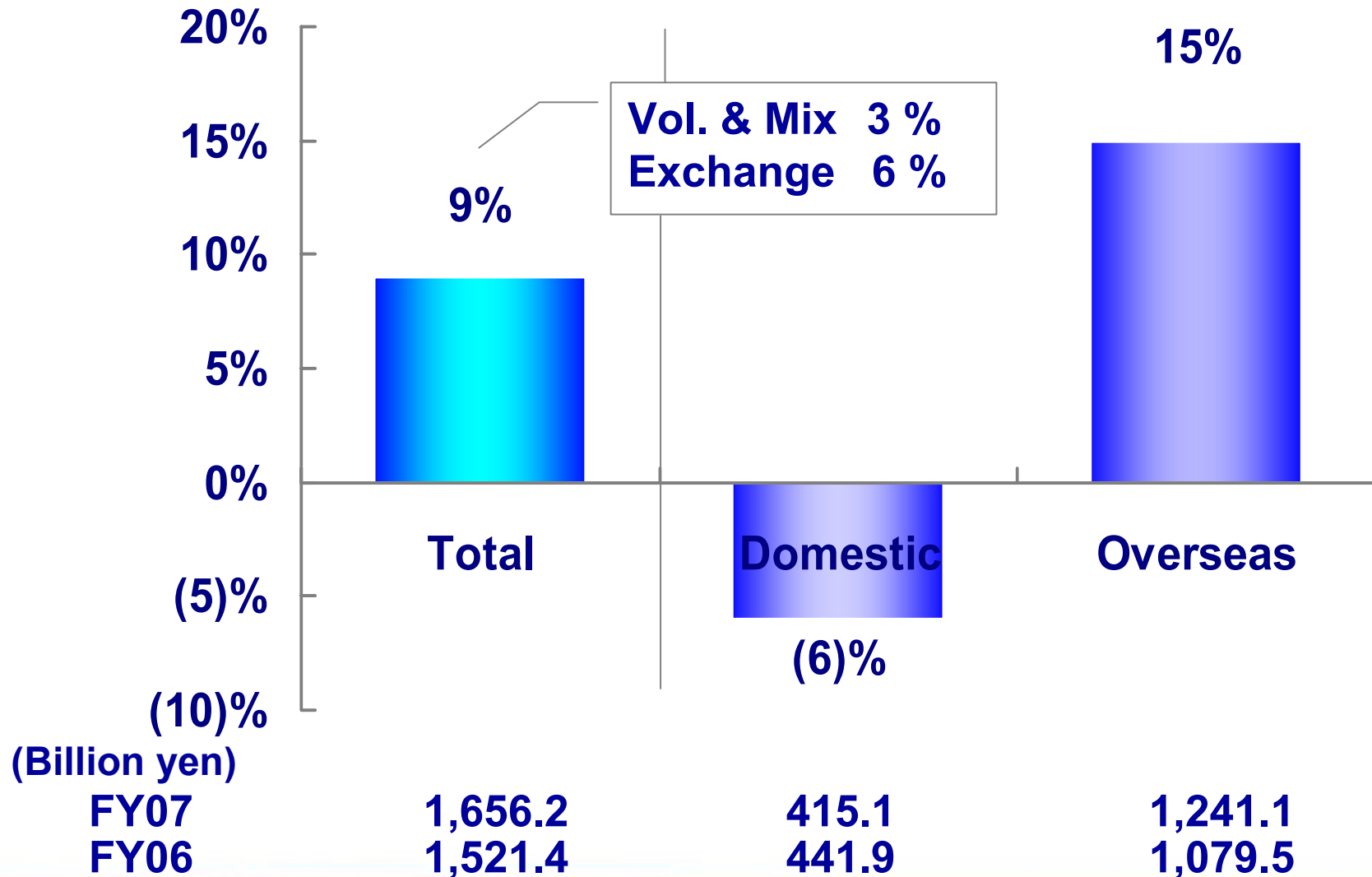
(Billion yen)	<u>FY2007 1st Half</u>	<u>FY2006 Full Year</u>	<u>Change</u>
Cash Flow			
- Operating C/F	40.3	116.4	-
- Investment C/F	<u>(48.8)</u>	<u>(95.4)</u>	-
- Free C/F	(8.5)	21.0	-
Net Debt	287.5	232.2	(55.3)
Net Debt-to-Equity	58 %	49 %	(9) Pts

KEY DATA

	First Half		Change
	<u>FY2007</u>	<u>FY2006</u>	
Global Retail Volume (000)	659	654	1 %
Excl. Volume Produced in Hainan	659	615	7 %
Exchange Rates			
Yen / U.S. Dollar	119	115	¥ 4
Yen / Euro	162	146	¥ 16

DOMESTIC & OVERSEAS REVENUE CHANGES

FY2007 First Half Compared With FY2006 First Half



	<u>First Half</u>		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000)*	123	131	(6) %

Introduced New Demio



* Excluding volume sold under Ford Brand

NORTH AMERICA

Retail Volume (000)	First Half		Change
	FY2007	FY2006	
United States	149	142	5 %
Canada & Other *	64	57	12 %
North America Total	213	199	7 %

Mazda3 and CX-7 Led the Growth



* Including Mexico and Puerto Rico

	First Half		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000)*	153	153	0 %

Introduced CX-7 and New Mazda2



* Including Turkey

	<u>First Half</u>		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000)	41	62	(33) %
Excl. Volume Produced in Hainan	41	23	78 %

Added 1.6L Model to Mazda3



OTHER MARKETS

	<u>First Half</u>		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000)*	129	109	18 %

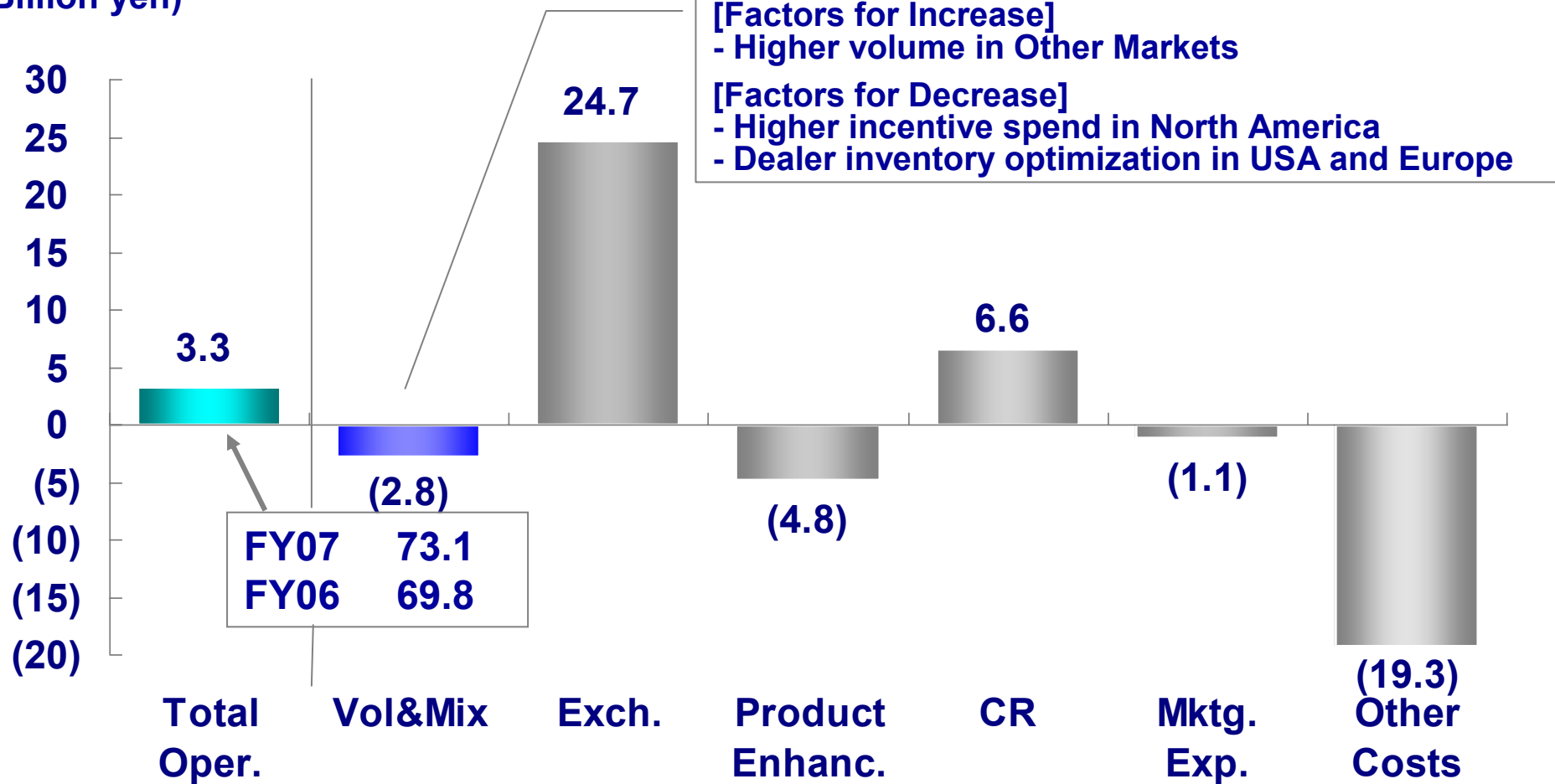
Hit Record Sales in 4 Countries



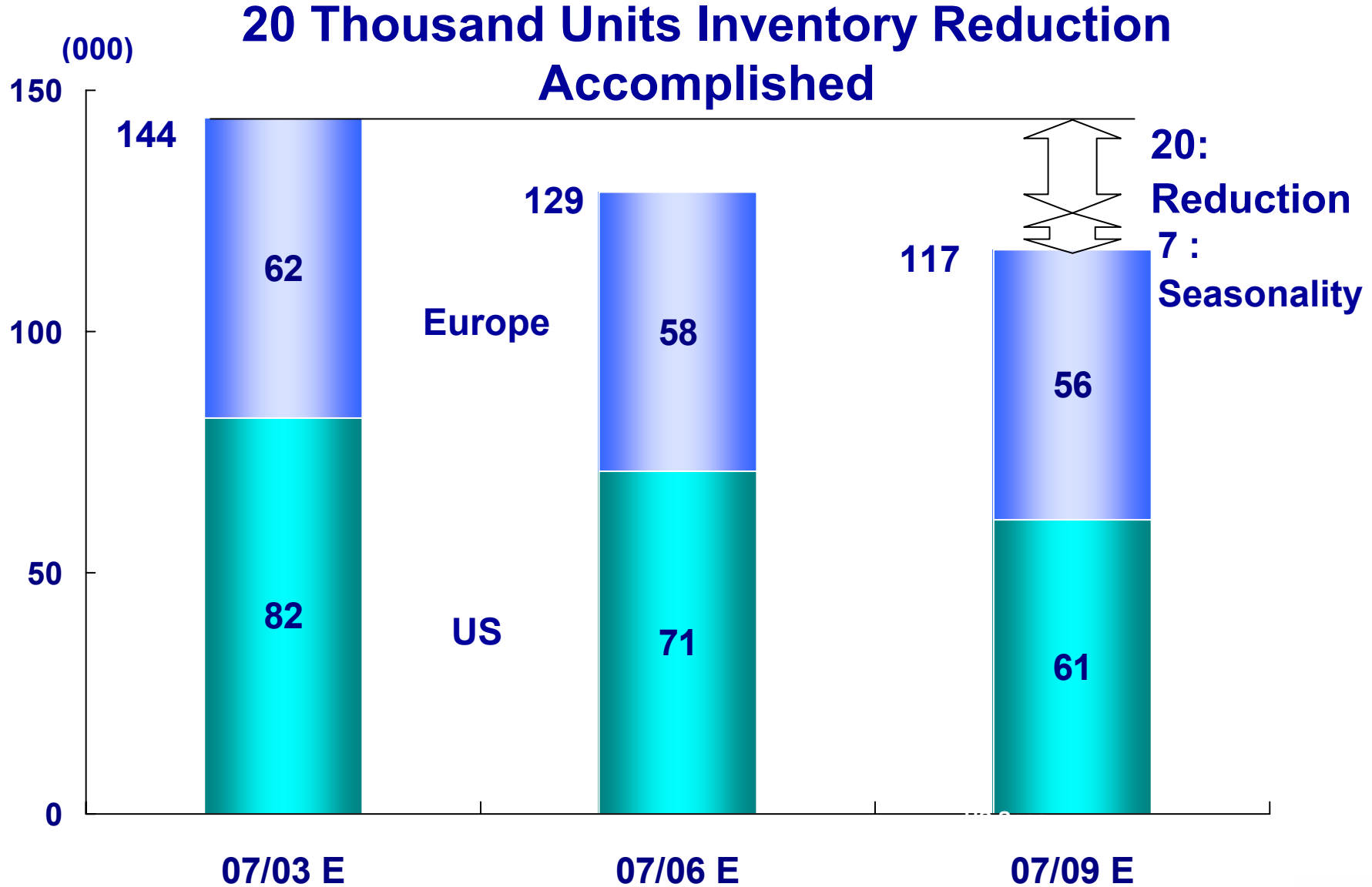
OPERATING PROFIT CHANGES

FY2007 First Half Compared with FY2006 First Half

(Billion yen)



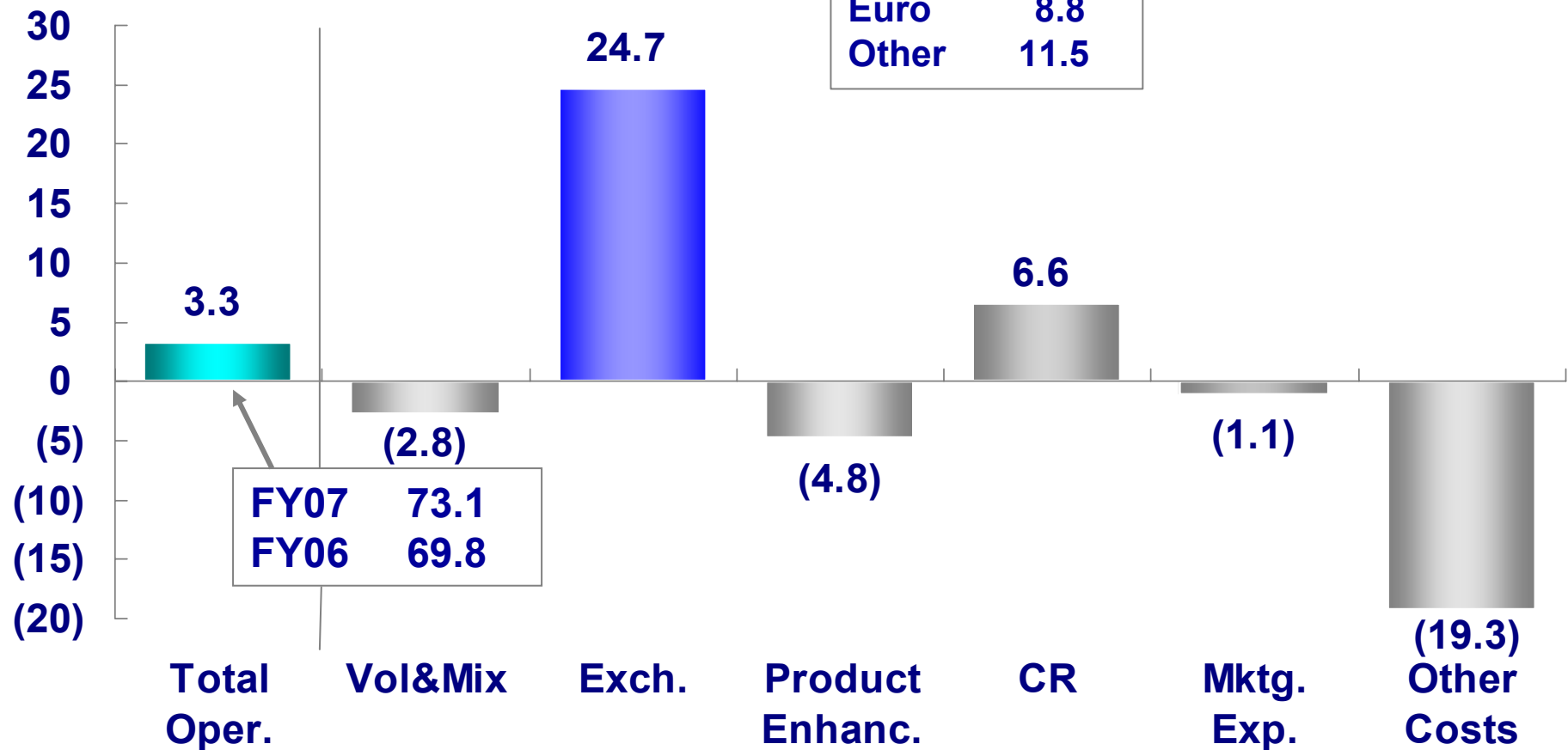
DEALER INVENTORY OPTIMIZATION – US & EUROPE



OPERATING PROFIT CHANGES

FY2007 First Half Compared with FY2006 First Half

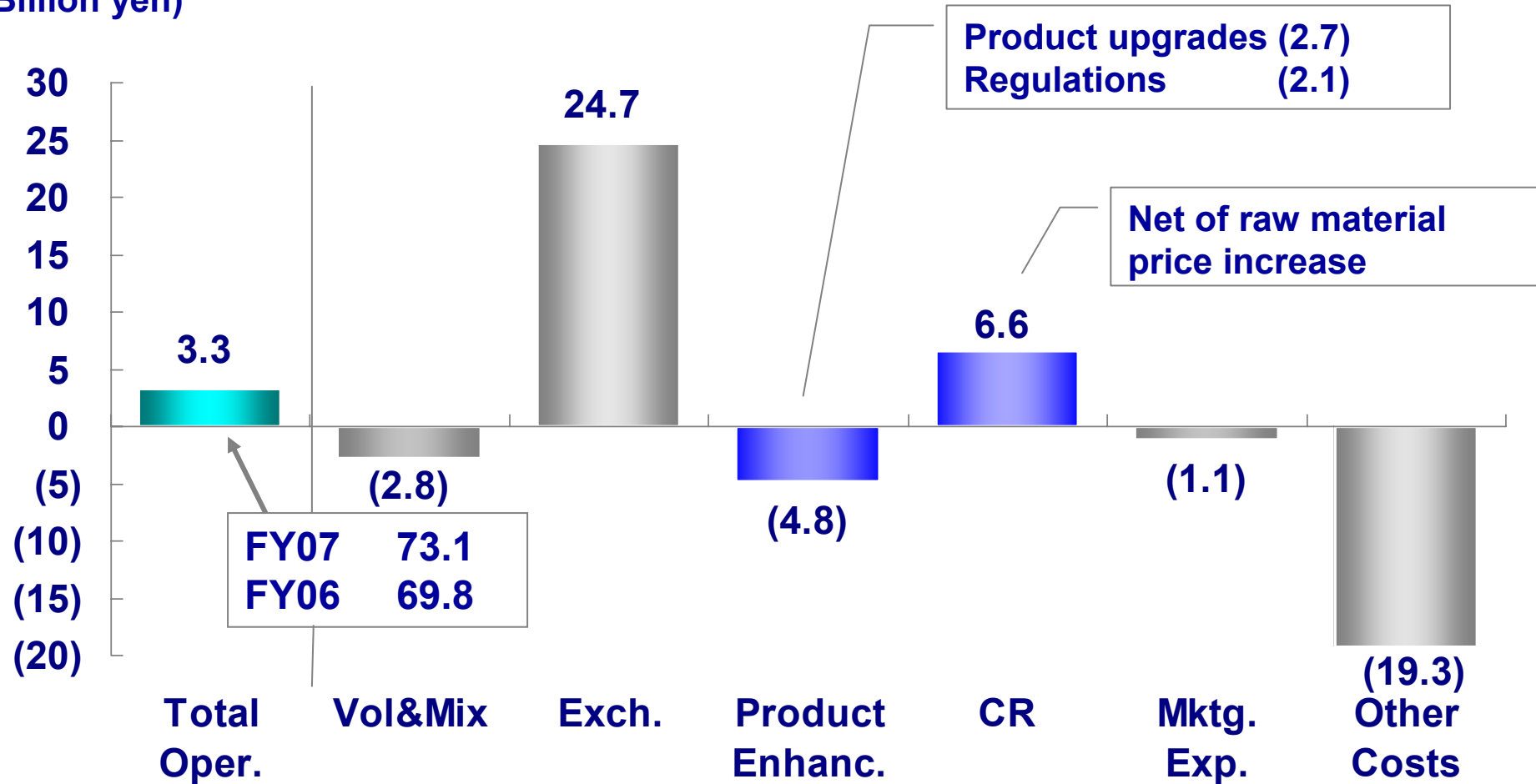
(Billion yen)



OPERATING PROFIT CHANGES

FY2007 First Half Compared with FY2006 First Half

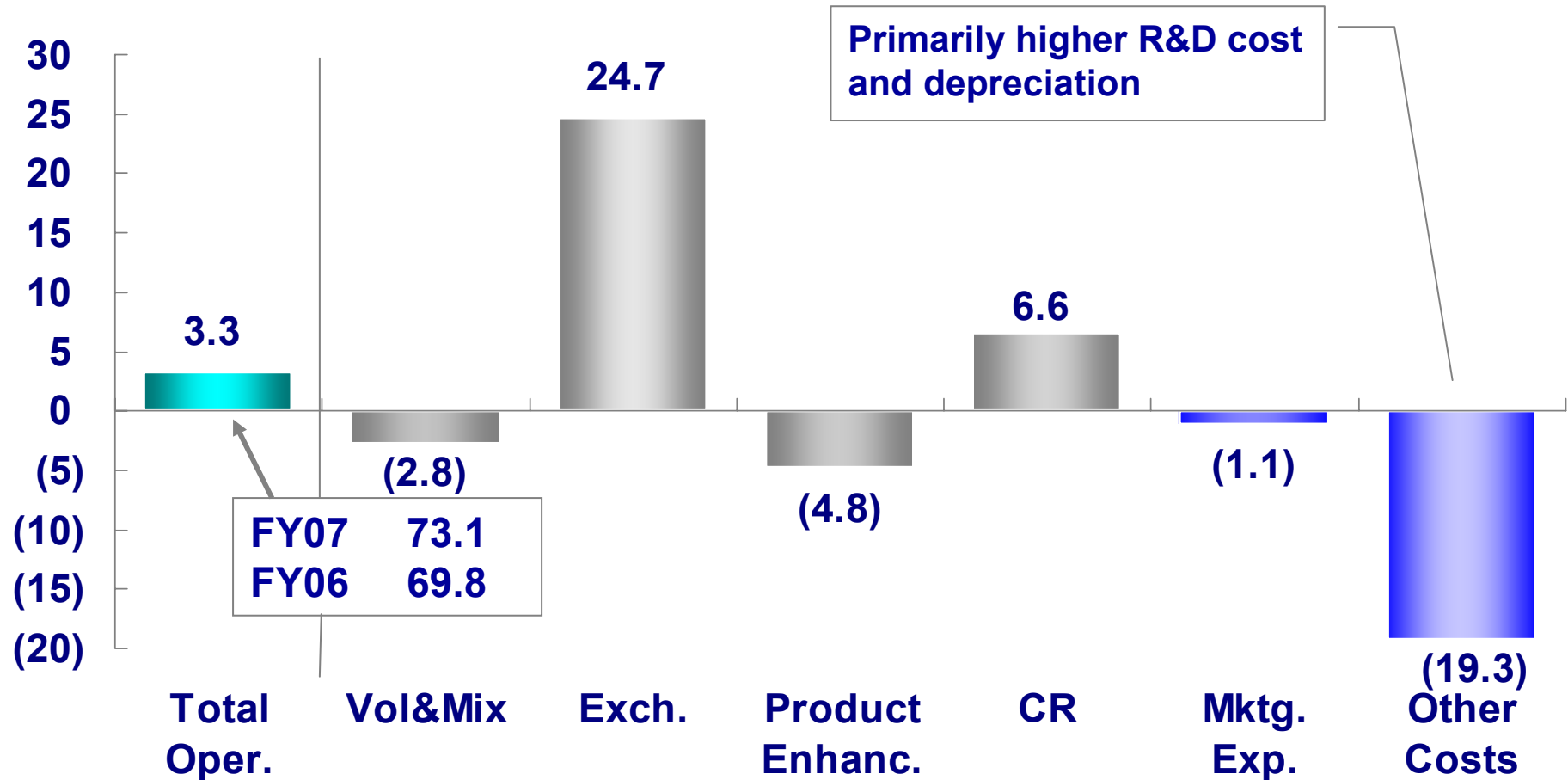
(Billion yen)



OPERATING PROFIT CHANGES

FY2007 First Half Compared with FY2006 First Half

(Billion yen)



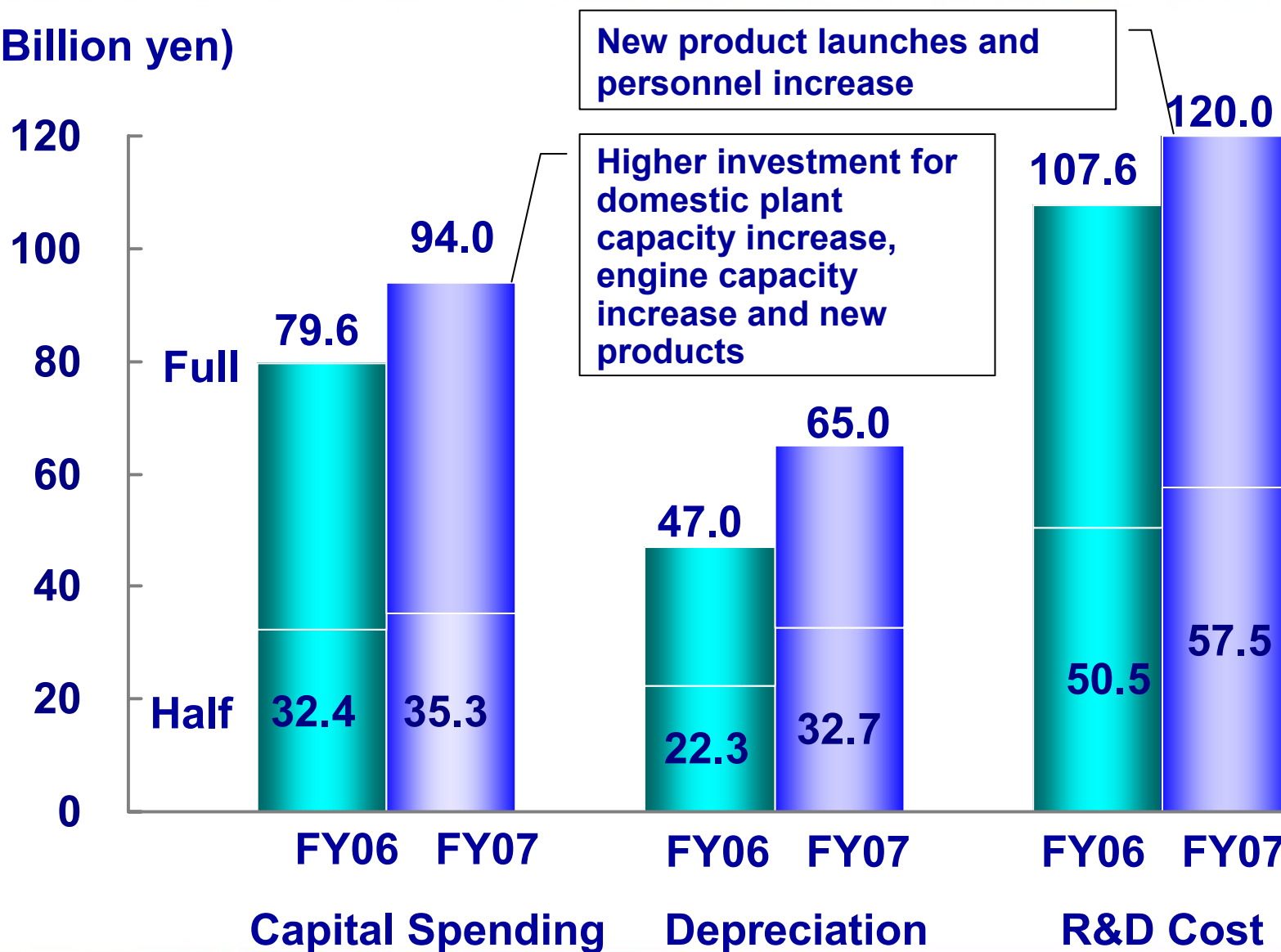
FY2007 PROJECTIONS

FY2007 FINANCIAL METRICS

(Billion yen)	Full Year		Change	
	<u>FY2007</u>	<u>FY2006</u>	<u>Amount</u>	<u>Pct.</u>
Revenues	3,320.0	3,247.5	72.5	2 %
Operating Profit	160.0	158.5	1.5	1 %
Ordinary Profit	140.0	127.8	12.2	10 %
Profit Before Tax	130.0	118.5	11.5	10 %
Net Income	85.0	73.7	11.3	15 %
Operating ROS	4.8 %	4.9 %	(0.1) Pts	-
EPS (Yen/Share)	60.3	52.6	7.7	15 %

KEY DATA

(Billion yen)



KEY DATA

	Full Year		Change
	<u>FY2007</u>	<u>FY2006</u>	
Global Retail Volume (000)	1,360	1,302	4 %
Exchange Rates			
Yen / U.S. Dollar	115	117	¥ (2)
Yen / Euro	159	150	¥ 9

Full Year		Change
<u>FY2007</u>	<u>FY2006</u>	

Retail Volume (000)	252	261	(3) %
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Unveiled New Atenza



NORTH AMERICA

Retail Volume (000)	Full Year		Change
	FY2007	FY2006	
United States	296	281	5 %
Canada & Other *	111	99	12 %
North America Total	407	380	7 %

Mazda3 Keeps Sales Momentum



* Including Mexico and Puerto Rico

	Full Year		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000) *	321	304	6 %

Introduce New Mazda6



* Including Turkey

	Full Year		Change
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000)	105	129	(19) %
Excl. Volume Produced in Hainan	105	53	98 %

Mazda2 Production Start



OTHER MARKETS

	<u>Full Year</u>		<u>Change</u>
	<u>FY2007</u>	<u>FY2006</u>	
Retail Volume (000) *	275	228	21 %

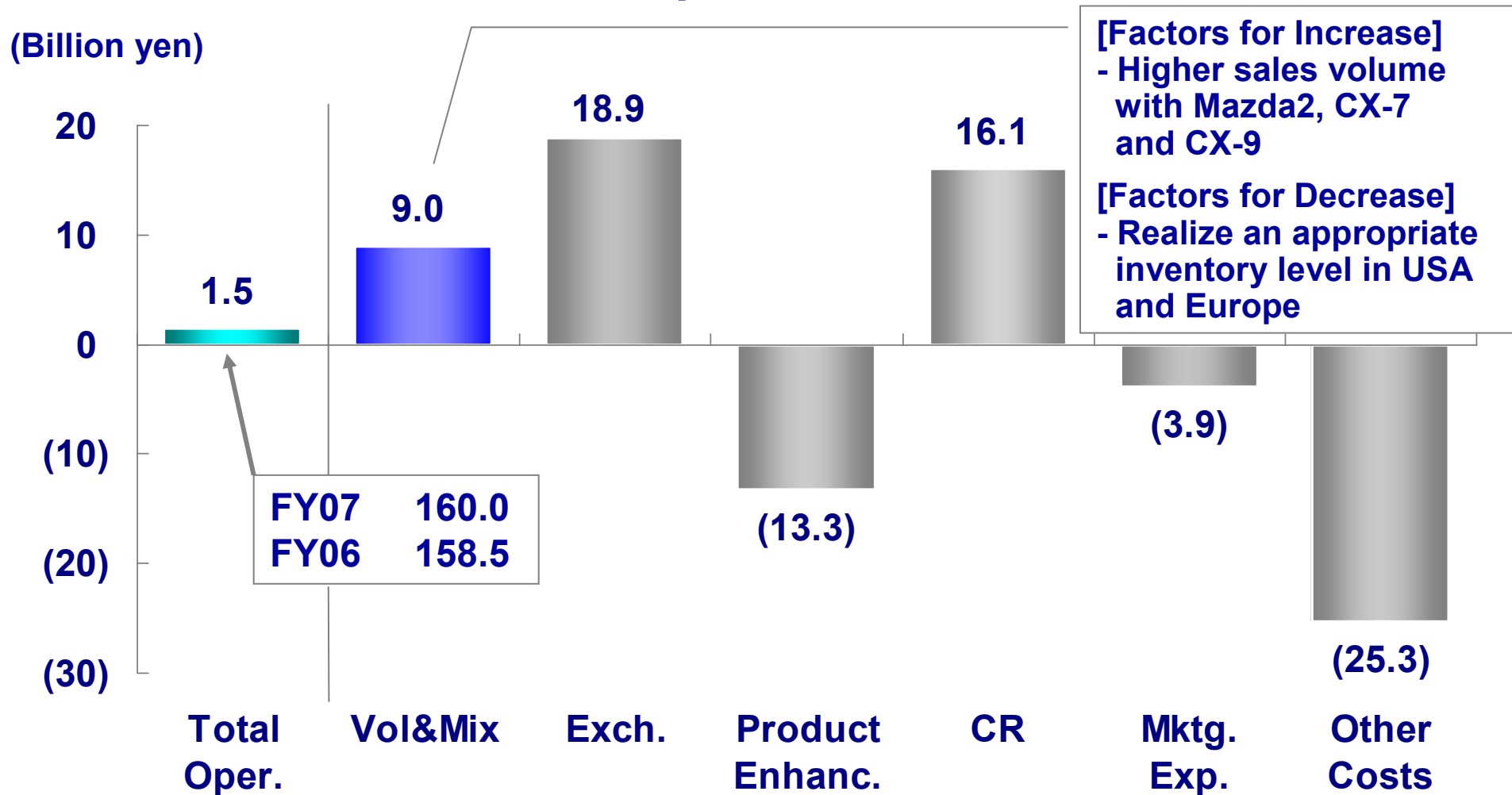
Introduce CX-9 and Mazda2 in Australia



* Excluding Turkey

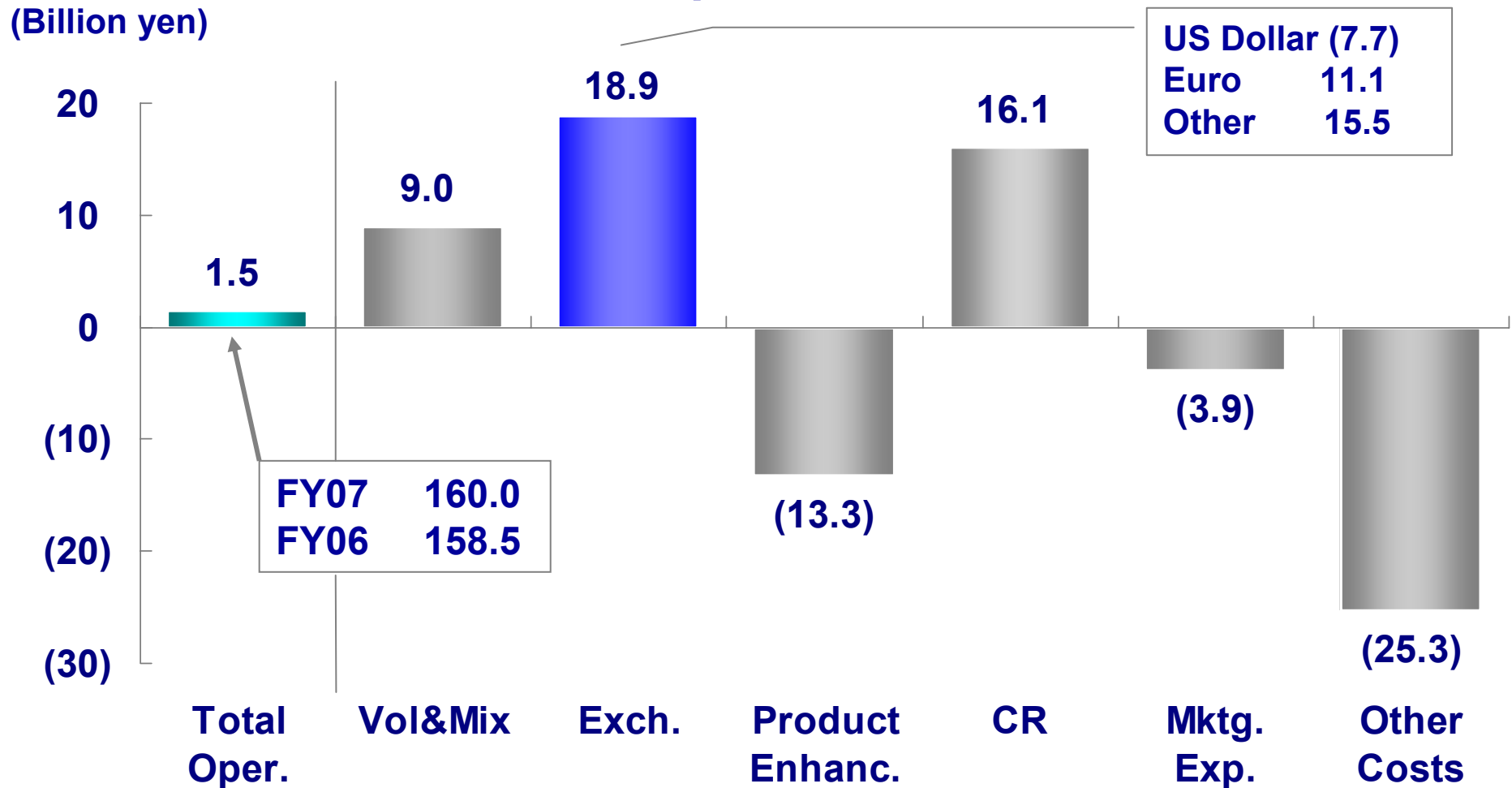
OPERATING PROFIT CHANGES

FY2007 Compared With FY2006



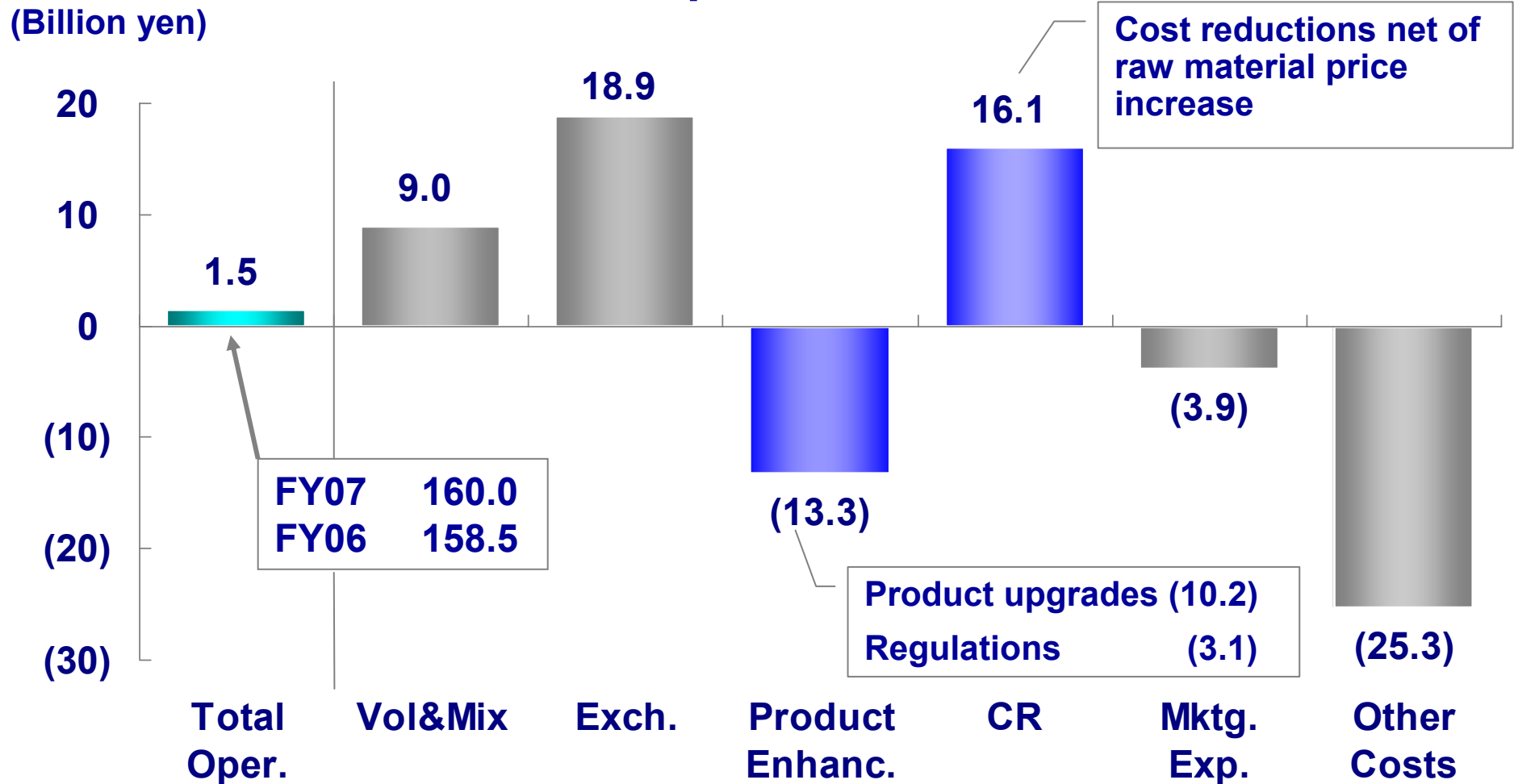
OPERATING PROFIT CHANGES

FY2007 Compared With FY2006



OPERATING PROFIT CHANGES

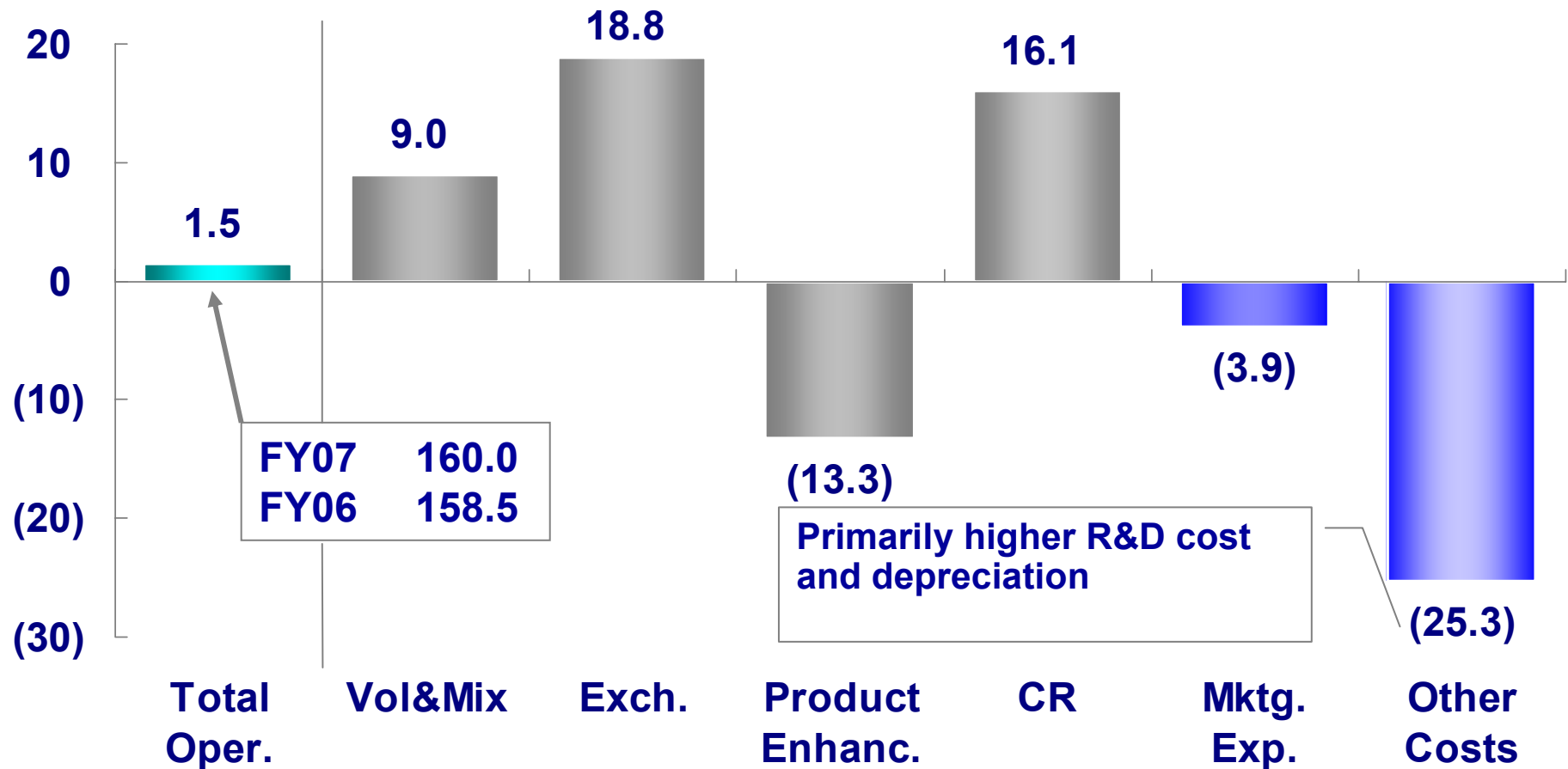
FY2007 Compared With FY2006



OPERATING PROFIT CHANGES

FY2007 Compared With FY2006

(Billion yen)



IN SUMMARY

IN SUMMARY

- **First Half Operating Profit Up 5% to ¥73.1 Billion**
- **Achieved Improved Profits at All Levels**
- **Inventory Optimization Completed**
- **Continue Introduction of Second Generation Zoom-Zoom Products**
- **Unchanged Full Year Projections**
- **Successful Start of Mazda Advancement Plan**



mazda

APPENDIX

KEY DATA

	First Half		
	FY2007	Better/(Worse)	
		Apr. Pub	FY2006
Consol. Wholesales (000)			
Japan	124	(4)	(10)
North America*	185	8	(2)
Europe	140	8	4
Other Markets	126	13	23
Total	575	25	15
Global Retail Volume (000)			
Japan	123	(3)	(8)
North America*	213	(5)	14
Europe	153	(2)	0
China	41	(2)	(21)
Other Markets	129	1	20
Total	659	(11)	5

* Including Puerto Rico

KEY DATA

	Full Year		
	FY2007	Better/(Worse)	
		Apr. Pub	FY2006
Consolidated Wholesales (000)			
Japan	251	(14)	(13)
North America*	383	4	(19)
Europe	316	0	19
Other Markets	260	20	46
Total	1,210	10	33
Global Retail Volume (000)			
Japan	252	(10)	(9)
North America*	407	4	27
Europe	321	0	17
China	105	0	(24)
Other Markets	275	16	47
Total	1,360	10	58

* 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.

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