



# FISCAL YEAR MARCH 2015 FIRST QUARTER FINANCIAL RESULTS



Mazda Roadster 25<sup>th</sup> Anniversary Model

**Mazda Motor Corporation**  
**July 31, 2014**

# PRESENTATION OUTLINE

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- **Highlights**
- **Fiscal Year March 2015 First Quarter Results**
- **Summary**





# HIGHLIGHTS

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- **Global sales volume was 319,000 units, up 6% from the prior year**
- **In addition to the continued success of CX-5 and Mazda6/Atenza, the new Mazda3/Axela contributed to global sales**
- **Revenue was ¥705.6 billion. Operating profit was ¥56.4 billion. Net income was ¥48.9 billion.**
- **Operations at the Mexico Plant are running smoothly and preparations to launch the new automatic transmission plant in Thailand are on schedule**
- **No change in the profit forecast for the first half and full year**



# **FISCAL YEAR MARCH 2015 FIRST QUARTER RESULTS**

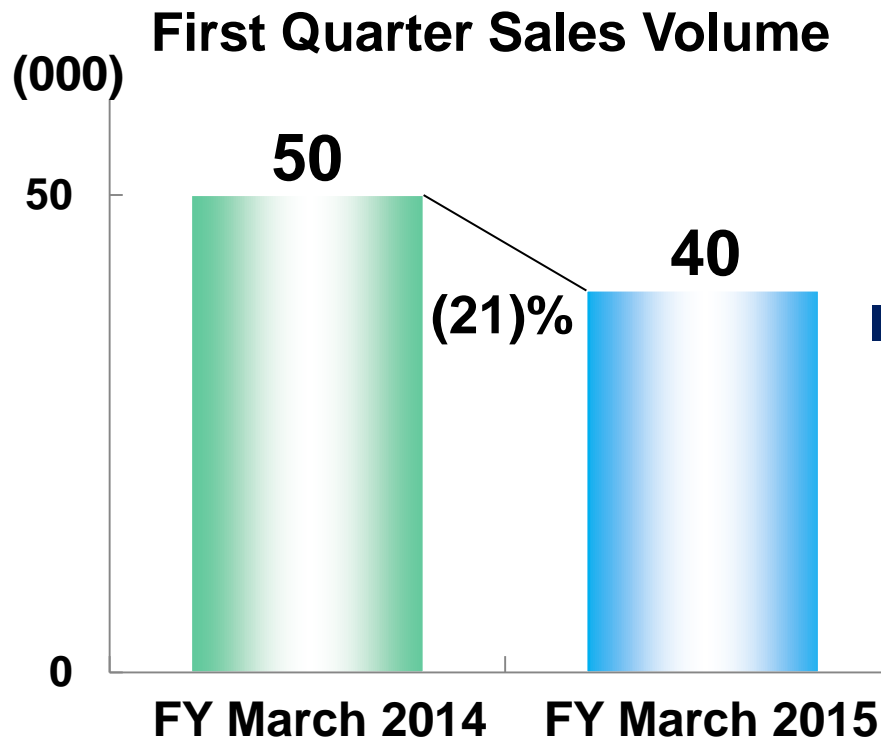
# GLOBAL SALES VOLUME

(000)	First Quarter		Change from	
	FY March 2014	FY March 2015	Prior Year Volume	YOY(%)
<b>Global sales volume</b>				
Japan	50	40	(10)	(21)%
North America	95	110	15	16%
Europe	46	56	10	23%
China	37	44	7	18%
Other Markets	73	69	(4)	(4)%
<b>Total</b>	<b>301</b>	<b>319</b>	<b>18</b>	<b>6%</b>
<b>&lt;Breakdown&gt;</b>				
USA	67	78	11	18%
Australia	26	24	(2)	(6)%
ASEAN	20	19	(1)	(7)%

# FY MARCH 2015 FINANCIAL METRICS

(Billion yen)	First Quarter		Change from	
	FY March	FY March	Prior Year	
	2014	2015	Amount	YOY(%)
Revenue	615.9	705.6	89.7	15%
Operating profit	36.5	56.4	19.9	54%
Ordinary profit	8.4	54.6	46.2	550%
Profit before tax	8.2	52.8	44.6	548%
Net income	5.5	48.9	43.4	796%
Operating ROS	5.9%	8.0%	2.1pts	
EPS (Yen)	1.8	16.4	14.6	
Exchange rate (Yen)				
US Dollar	99	102	3	
Euro	129	140	11	

# JAPAN



- Sales were 40,000 units, down 21% from the prior year
- The new Axela continued to sell well
- However, sales declined year-on-year due to the impact of the consumption tax and aging of high-volume model, Demio
- Moving forward, minimize full-year impact of consumption tax by introducing new products and enhancing advertising for SKYACTIV products



# NORTH AMERICA



- Sales were 110,000 units, up 16% year-on-year

- USA: 78,000 units, up 18% year-on-year

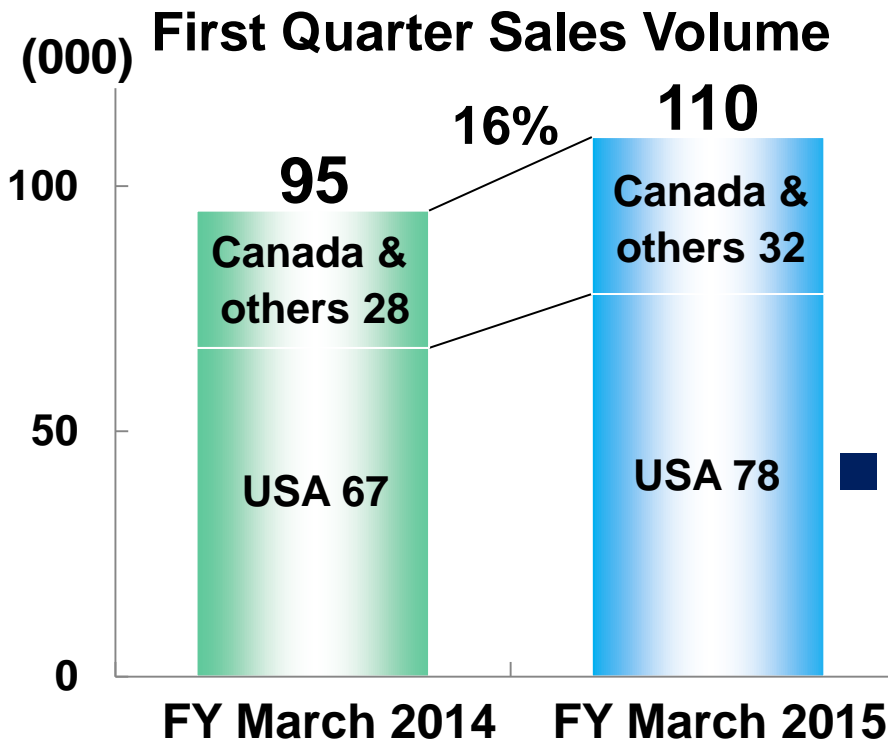
- New Mazda3: Competition remains fierce, but sales increased while incentives were suppressed

- CX-5 and Mazda6: Maintained strong sales

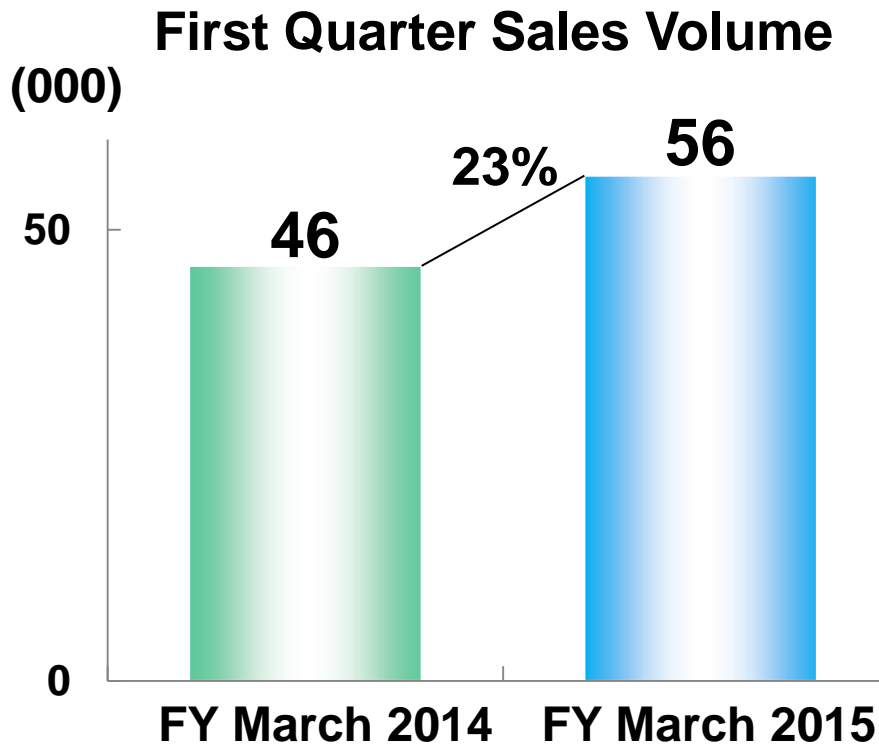
- Continued to suppress fleet sales

- Mexico: 9,000 units, up 10% year-on-year

- Record-high volume and share



# EUROPE

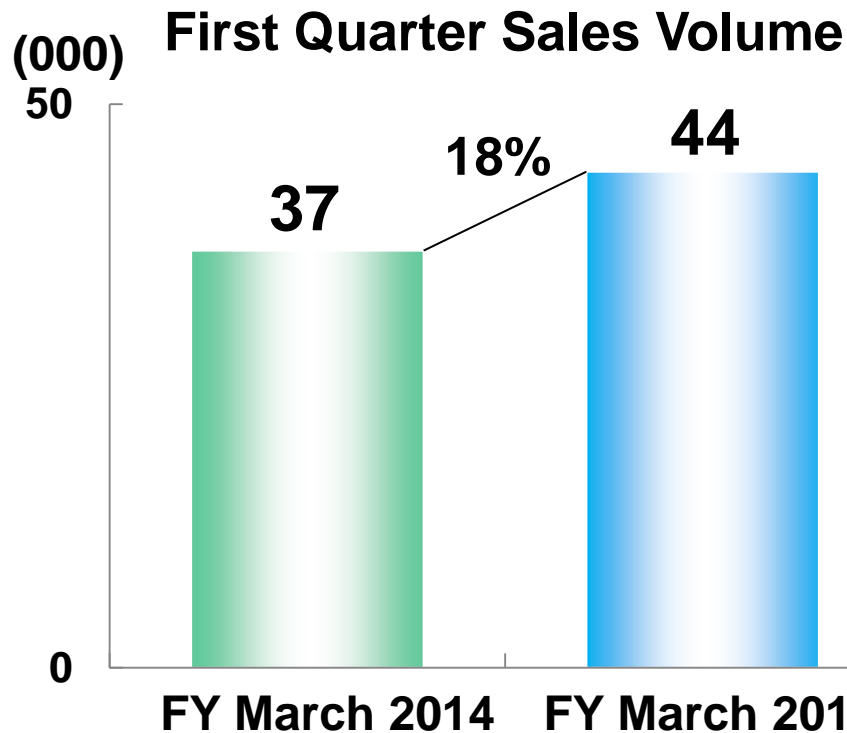


- Sales were 56,000 units, up 23% year-on-year
- The new Mazda3 and CX-5 drove sales. Sales stayed strong in major markets including Germany
  - Germany: 14,000 units, up 24% year-on-year
  - UK: 7,000 units, up 12% year-on-year
  - Russia: The locally-produced CX-5 led sales growth despite overall decreasing demand. Sales were up 28% year-on-year to 12,000 units

# CHINA



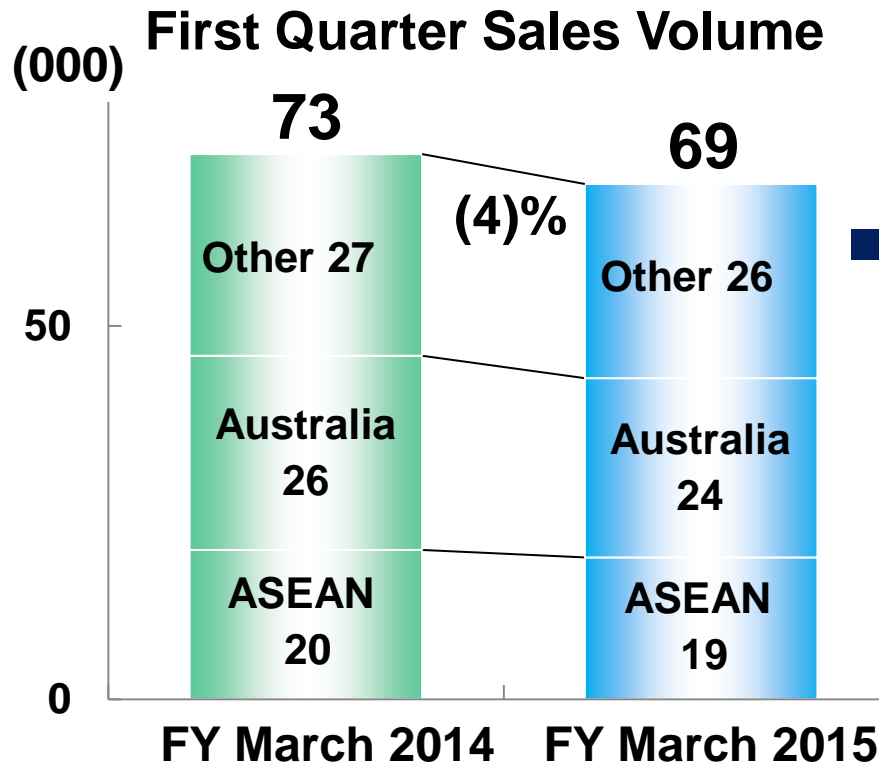
- Sales were 44,000 units, up 18% year-on-year
- In addition to strong sales of Mazda6, CX-5 contributed to the growth
- Following strong sales of CX-5, the locally-produced new Mazda6 Atenza and new Mazda3 Axela were introduced and orders have been strong



# OTHER MARKETS



- Sales were 69,000 units, down 4% year-on-year
- Australia: Due to market slowdown, sales were 24,000 units, down 6% year-on-year
  - CX-5 remained the top seller in its segment as it was in the last fiscal year
  - The new Mazda3 was launched in February and sales have been strong
- ASEAN: Sales were 19,000 units, down 7% year-on-year, due mainly to declining demand in Thailand
  - Thailand: Local production of the new Mazda3 started in March and orders for the model are strong. Mazda3 and CX-5 partially offset the drop in sales of other models





# GLOBAL SALES VOLUME

(000)	FY March 2015			Change from	Change from	
	First Half	Second Half	Full Year	Prior Year	April Forecast	
				Full Year	First Half	Full Year
Global sales volume						
Japan	94	136	230	(6)%	(10)	0
North America	227	213	440	13%	0	0
Europe	109	111	220	6%	0	0
China	100	130	230	17%	0	0
Other Markets	142	158	300	2%	0	0
<b>Total</b>	<b>672</b>	<b>748</b>	<b>1,420</b>	<b>7%</b>	<b>(10)</b>	<b>0</b>
<Breakdown>						
USA	162	158	320	13%	0	0
Australia	51	54	105	1%	0	0
ASEAN	33	47	80	8%	0	0

# FY MARCH 2015 FINANCIAL METRICS

(Billion yen)	FY March 2015			Change from Prior Year	Change from April Forecast	
	First Half	Second Half	Full Year	Full Year	First Half	Full Year
Revenue	1,390.0	1,510.0	2,900.0	207.8	(30.0)	0
Operating profit	100.0	110.0	210.0	27.9	0	0
Ordinary profit	98.0	112.0	210.0	69.3	0	0
Profit before tax	94.0	106.0	200.0	102.6	0	0
Net income	75.0	85.0	160.0	24.3	0	0
Operating ROS	7.2%	7.3%	7.2%	0.4pts	0.2pts	0.0pts
EPS* (Yen)	125.5	142.1	267.6		0.0	0.0
* Reflecting impact of share consolidation						
Exchange rate (Yen)						
US Dollar	100	100	100	0	0	0
Euro	135	135	135	1	0	0

# EXPANSION OF SKYACTIV LINE-UP

## [New Mazda3/Axela]

### ■ Sales are strong globally

- Japan: Sales are strong thanks to wide range of available engines including gasoline, diesel and hybrid
- North America: Sales were increased and incentives suppressed despite fierce competition
- Europe: Sales are strong in key markets, driving the volume growth
- Sales are also strong in Australia and Thailand. New Mazda3 was launched in China in May

## [New Mazda2/Demio]

### ■ Global launches will begin this autumn, starting from Japan

- SKYACTIV Technology and KODO design
- i-ACTIVSENSE advanced safety technology
- Available with the SKYACTIV-D 1.5, a newly developed small-displacement clean diesel engine



New Mazda2/Demio (Japanese model)



# ESTABLISH GLOBAL PRODUCTION FOOTPRINT

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## ■ Operations at the Mexico Plant

- Started production of new Mazda3 in January 2014
- Produced 10,000 units in the fourth quarter of the last fiscal year and 15,000 units in the first quarter of this fiscal year
- Began operating on two shifts in July

## ■ Preparations to launch the new automatic transmission plant in Thailand are on schedule

- Operations start : January 2015
- Annual production capacity: Approx. 400,000 units
- Will supply to global production bases including AAT



# SUMMARY

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- **Global sales volume was 319,000 units, up 6% over the prior year due to the full-scale contribution of new Mazda3/Axela**
- **Sales mix of SKYACTIV models increased to 67%**
- **Operations at the Mexico Plant are running smoothly and preparations to launch the new automatic transmission plant in Thailand are on schedule**
- **Operating profit in the first quarter was ¥56.4 billion (ROS 8%) partially due to the effect of exchange rates – progressing toward profit targets as planned**
- **Progress of Structural Reform Plan**
  - **Expanding the line-up of SKYACTIV models**
  - **Steadily establishing a global production footprint**
  - **Strengthening marketing activities and accelerating the brand strategy**



**mazda**



# APPENDIX

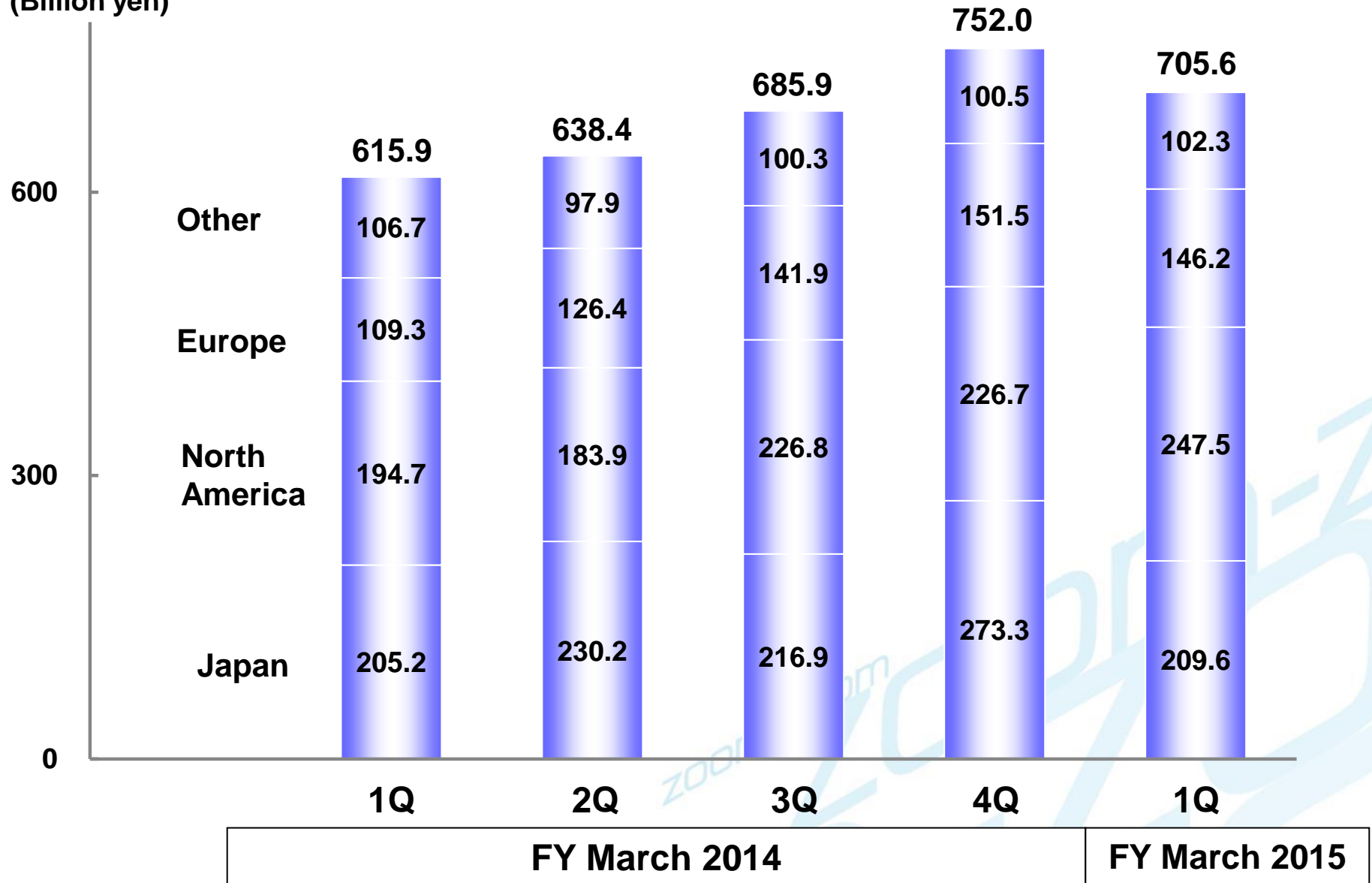
# CASH FLOW AND NET DEBT

(Billion yen)	FY March 2014 Full Year	FY March 2015 First Quarter	Change from Prior FY End
<b>Cash Flow</b>			
- From Operating activities	136.4	38.1	-
- From Investing activities	(120.1)	(36.5)	-
- Free Cash Flow	16.3	1.6	-
<b>Cash and Cash Equivalents</b>	479.8	476.6	(3.2)
<b>Net Debt</b>	263.0	263.6	(0.6)
<b>Net Debt-to-equity Ratio</b>	40 / 33*%	37 / 31*%	3 / 2* pts
<b>Equity Ratio</b>	29 / 31*%	31 / 33*%	2 / 2* pts

\*Reflecting “equity credit attributes” of the subordinated loan.

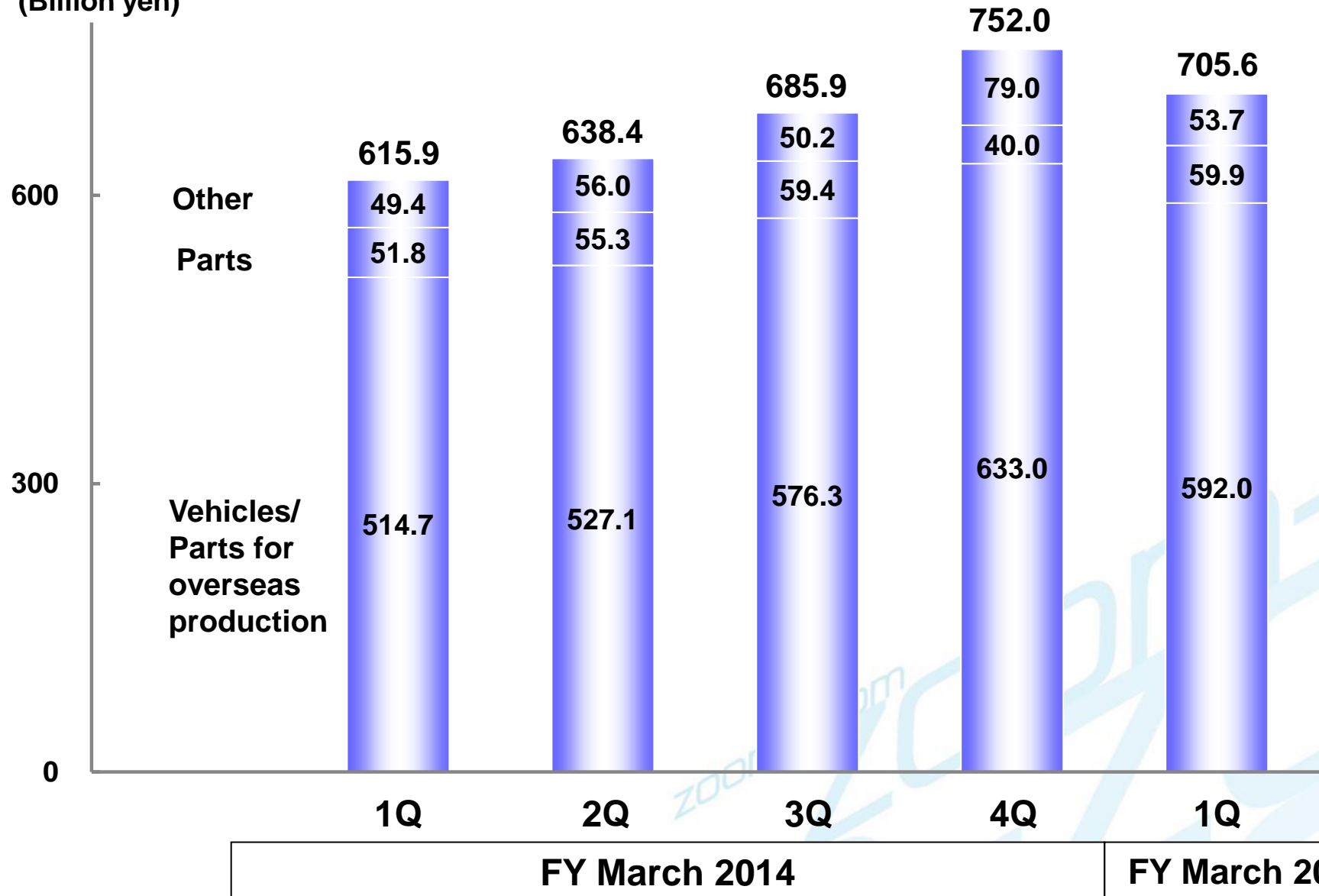
# REVENUE BY REGION

(Billion yen)



# REVENUE BY PRODUCT

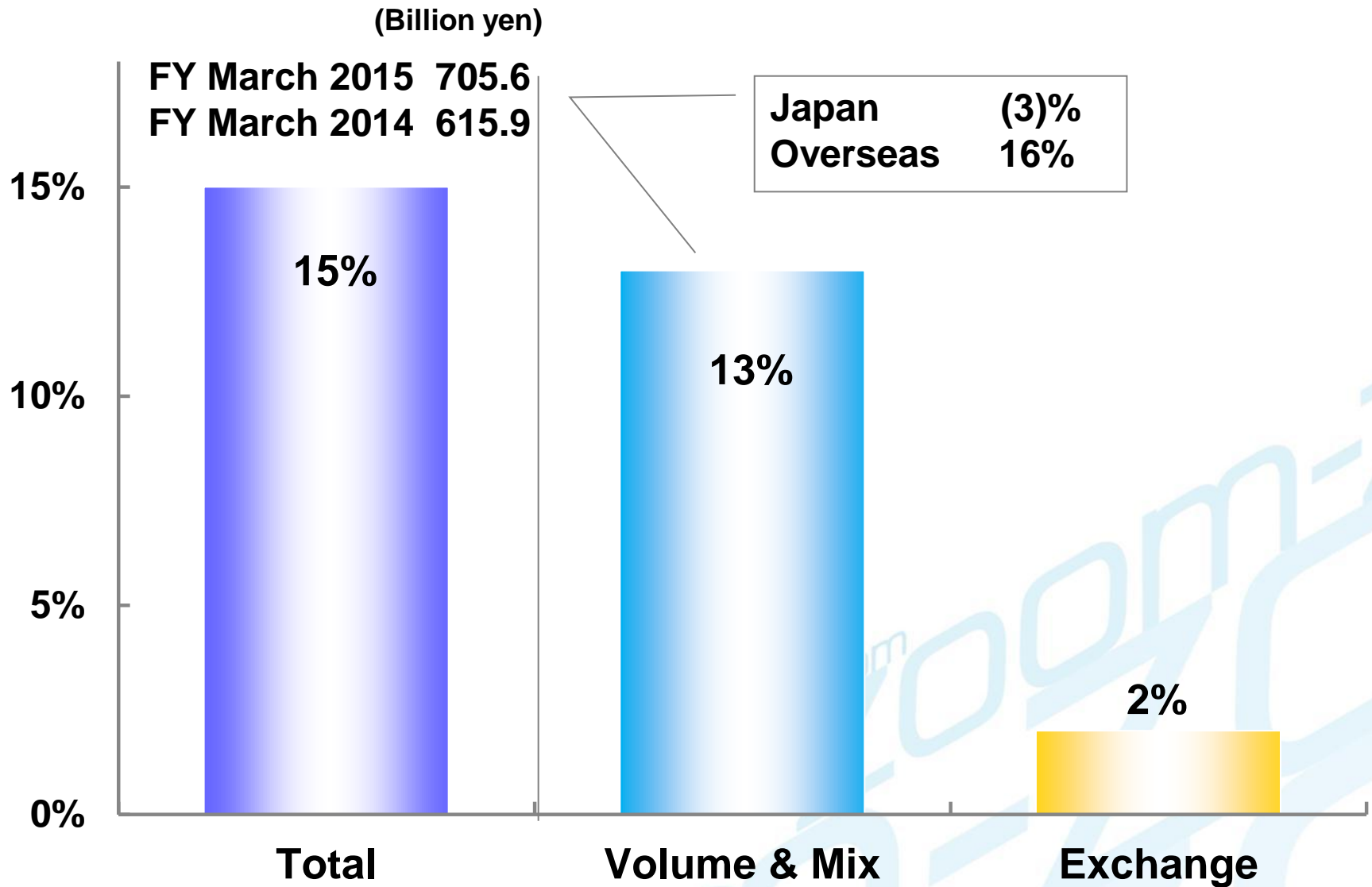
(Billion yen)





# REVENUE CHANGE

FY March 2015 First Quarter vs. FY March 2014 First Quarter



# CONSOLIDATED WHOLESALLES

(000)	First Quarter		Change from Prior Year
	FY March 2014	FY March 2015	
<b>Consolidated Wholesales</b>			
Japan	54	43	(11)
North America	91	111	20
Europe	39	52	13
China	1	1	0
Other Markets	70	72	2
<b>Total</b>	<b>255</b>	<b>279</b>	<b>24</b>

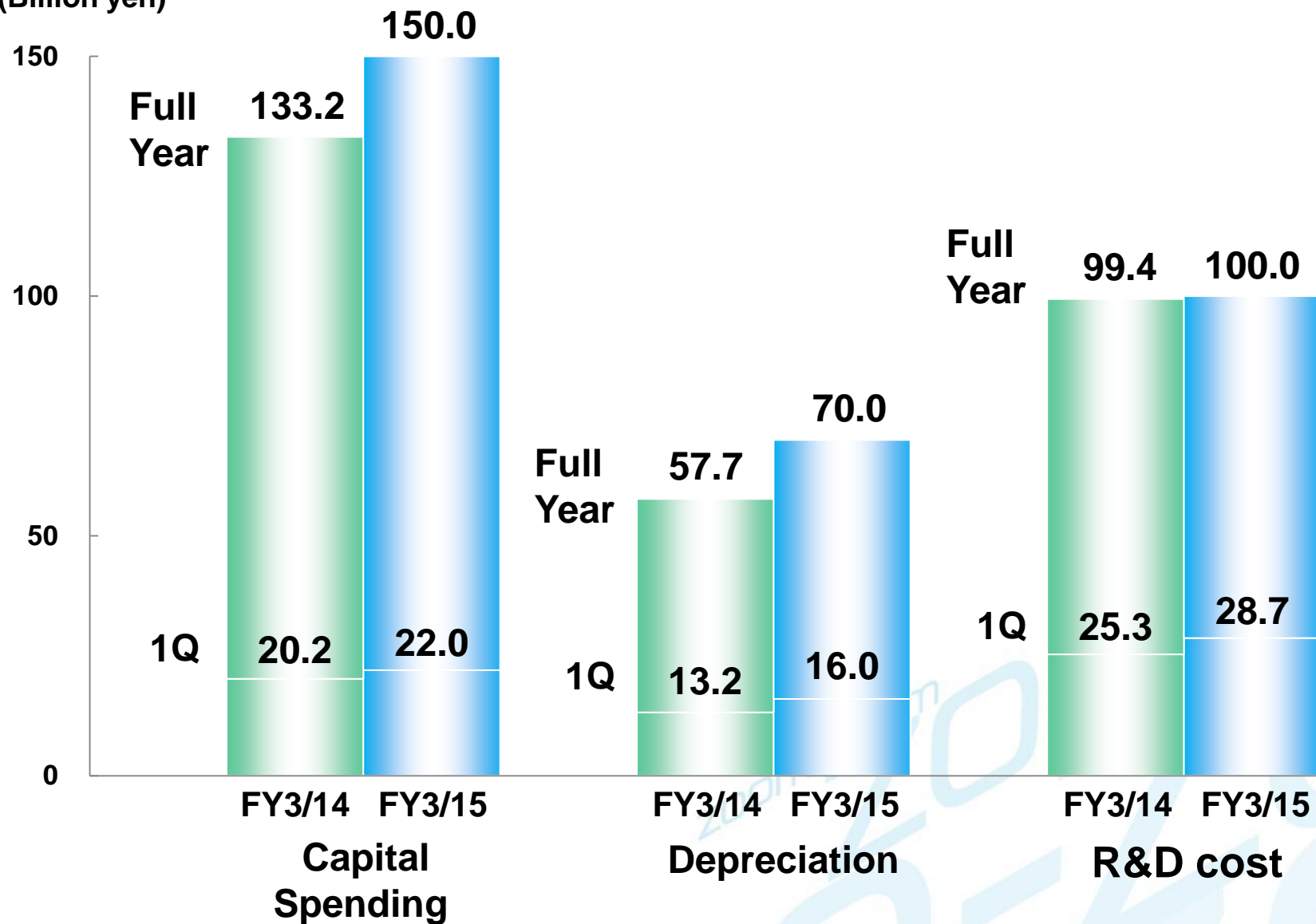
# GLOBAL SALES VOLUME AND CONSOLIDATED WHOLESALES

(000)	FY March 2015			Change from Prior Year		
	First Half	Second Half	Full Year	First Half	Second Half	Full Year
<b>Global sales volume</b>						
Japan	94	136	230	(17)	3	(14)
North America	227	213	440	28	21	49
Europe	109	111	220	12	1	13
China	100	130	230	21	13	34
Other Markets	142	158	300	(3)	10	7
<b>Total</b>	<b>672</b>	<b>748</b>	<b>1,420</b>	<b>41</b>	<b>48</b>	<b>89</b>
<b>Consolidated Wholesales</b>						
Japan	97	138	235	(19)	4	(15)
North America	224	216	440	46	11	57
Europe	108	112	220	23	3	26
China	2	2	4	(1)	(1)	(2)
Other Markets	144	157	301	2	17	19
<b>Total</b>	<b>575</b>	<b>625</b>	<b>1,200</b>	<b>51</b>	<b>34</b>	<b>85</b>

※ Volume for FY March 2015 is forecast

# KEY DATA

(Billion yen)



\* Data for FY March 2015 Full Year are forecast

# DIVIDEND FORECAST, CONSOLIDATION OF SHARES AND CHANGE IN THE NUMBER OF SHARES PER SHARE UNIT

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## Dividend Forecast

- FY March 2015 year-end dividend ¥10\* per share (Plan)  
\* After share consolidation
- Work to provide stable dividends and realize 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

\* Approved at the ordinary general meeting of shareholders in June 2014.  
Effective date is August 1, 2014.

# DISCLAIMER

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**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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