MAZDA MOTOR CORPORATION

ANALYST MEETING

Hisakazu Imaki

Tokyo Motor Show

October 18, 2005

PRESENTATION OUTLINE

◆ **Status of Mazda Momentum**

◆ **Product Strategy**

◆ **Environmental Technologies**

◆ **Mazda Digital Innovation II**

STATUS OF MAZDA MOMENTUM

KEY MEASURES

- **Reinforce Research & Development**

- **Strengthen Key Markets**

- **Enhance Global Efficiencies and Synergies**

- **Leverage Human Resources**

NEW PRODUCT INTRODUCTIONS

New Mazda5

New MX-5/MX-5 Miata

Mazdaspeed6/Mazda6 MPS

KEY MARKETS

Japan

- Enhance Sales Network by Opening New Outlets
- Introduce Domestic Market-focused Mini Vans

North America

- Increase Exclusive Dealerships to 50% by Fiscal Year 2006
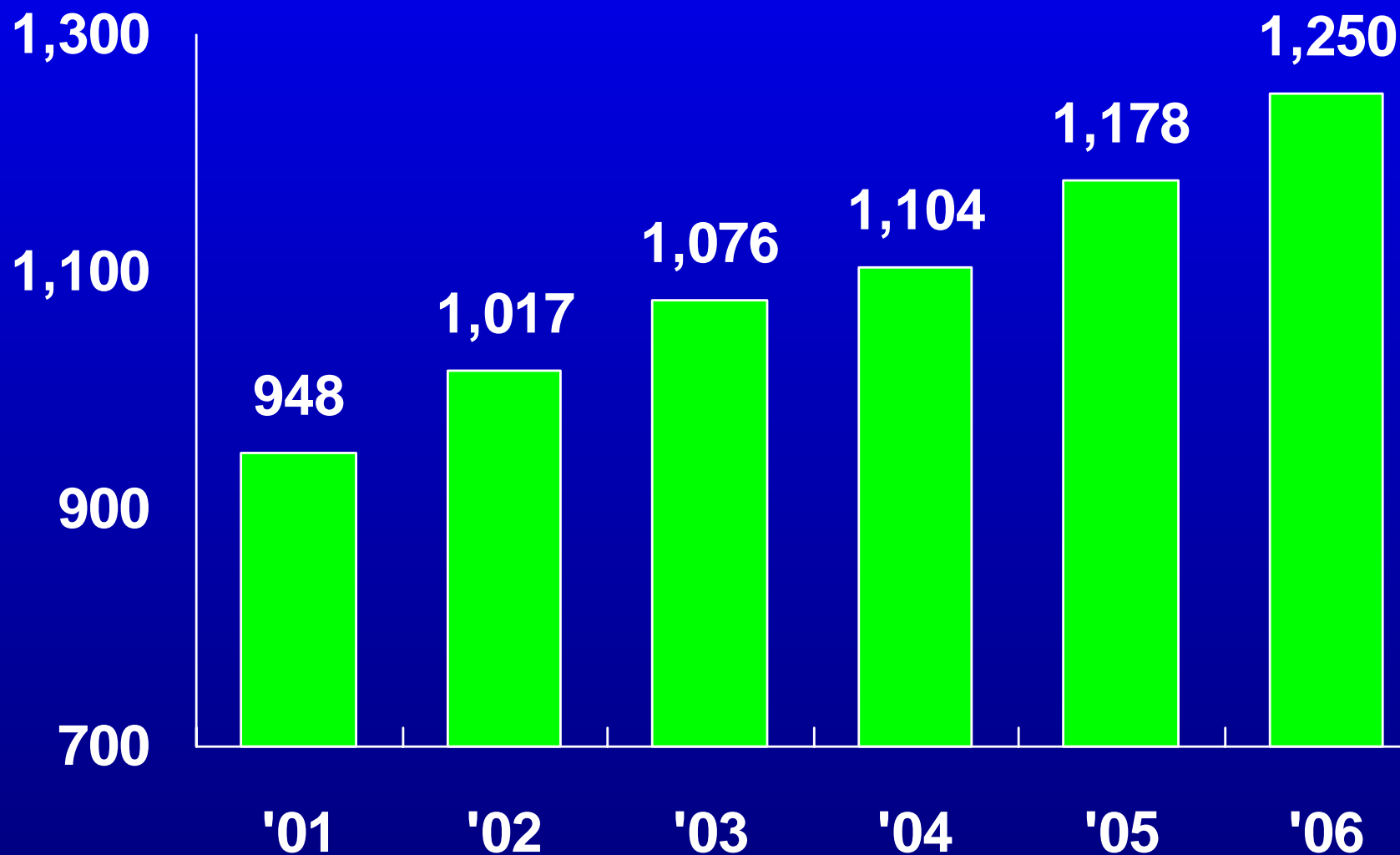- Introduce 3 SUV Models in North America

Europe

- Expand Sales Network in Russia
- Increase growth with the new Mazda5, MX-5 and Mazda6 MPS

China

- Local Plant Construction Started
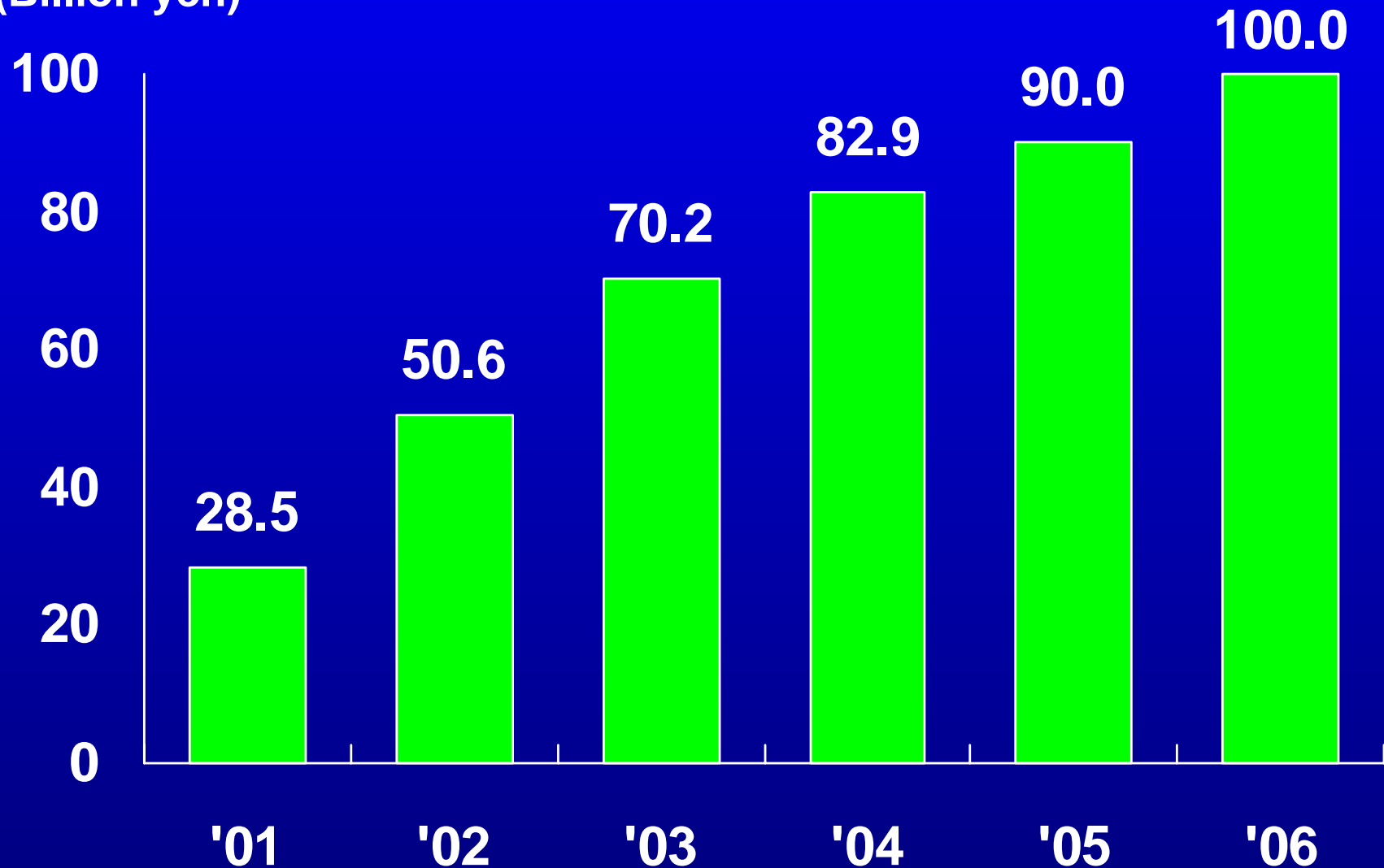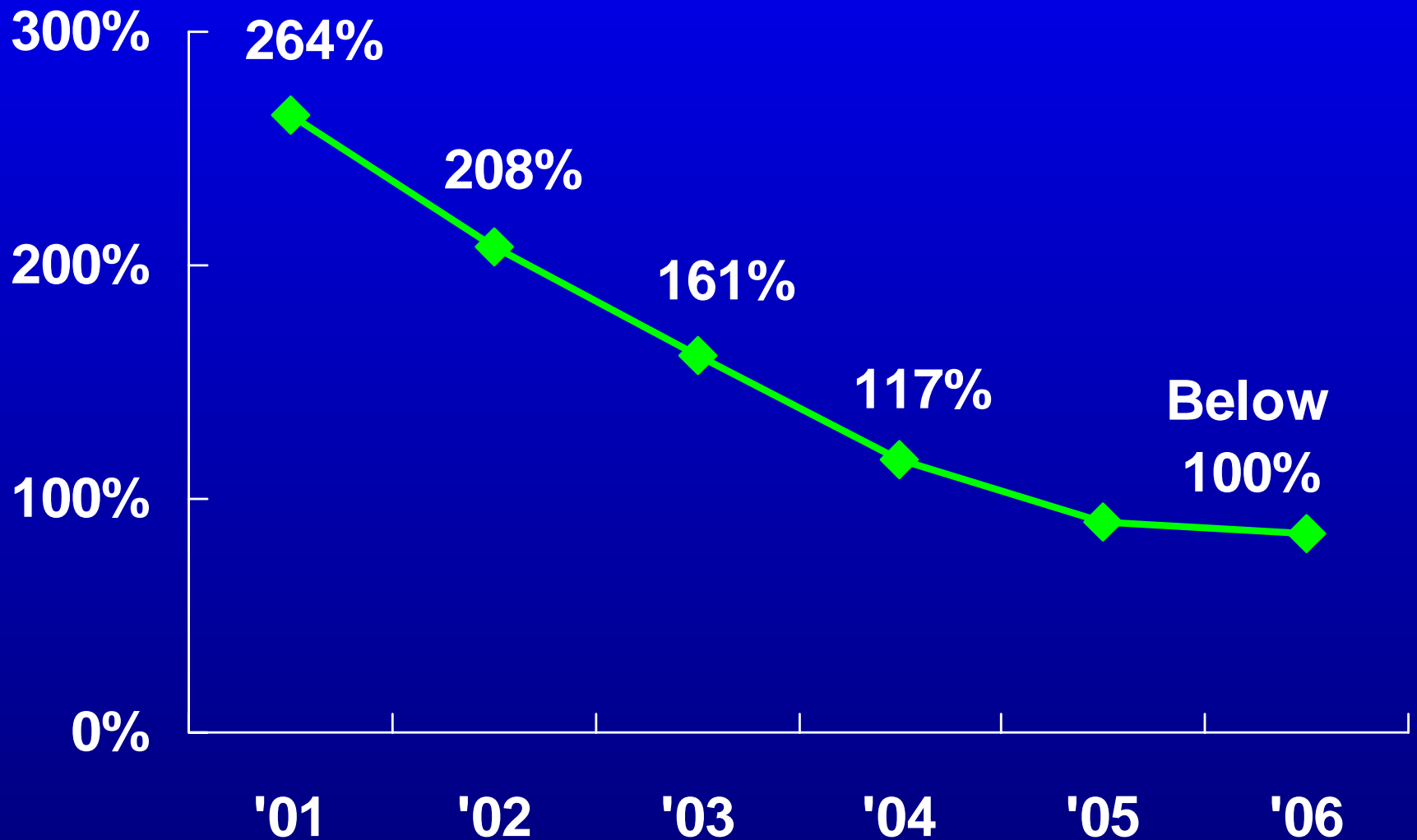- Sales in the First Half up 52% from Last Year

CONS. WHOLESALES

(000 units)

Year	Units
'01	948
'02	1,017
'03	1,076
'04	1,104
'05	1,178
'06	1,250

CONS. OPERATING PROFIT

(Billion yen)

Year	Value
'01	28.5
'02	50.6
'03	70.2
'04	82.9
'05	90.0
'06	100.0

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NET DEBT-TO-EQUITY RATIO

300%

264%

208%

200%

161%

117%

Below 100%

100%

0%

'01　'02　'03　'04　'05　'06

PRODUCT STRATEGY

BRAND PHASE-IN STRATEGY

Millennium Plan   *Mazda Momentum*

| '98- | '00 | '01 | '02 | '03 | '04 | '05 | '06 | '07 | '08 | '09 | '10 | - |

Phase 1 / 2
Enhancement of Core & RV Products

Phase 3
Full-Freshening of Core B/C/CD/Sports

*Mazda6
*Mazda2
*RX-8
*Mazda3

Phase 4
New Products Based on Core Platform
*Verisa
*Mazda5
*Next MX-5/Miata
*Next MPV
*CX-7
*Medium Crossover SUV

Phase 5 - 6
Evolution of Next-Generation Core B/C/CD
*Next Mazda2
*Next Mazda6
*Next Mazda3

New Products Based on Evolved Core Platform

Create Products for New Segment

Mazda Brand

NEW MPV

MX-CROSSPORT CONCEPT

MAZDA SENKU

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ENVIRONMENTAL TECHNOLOGIES

ENVIRONMENTAL PYRAMID

H_2RE
FCEV

HEV

Highly Efficient and Clean Engines

Recycling

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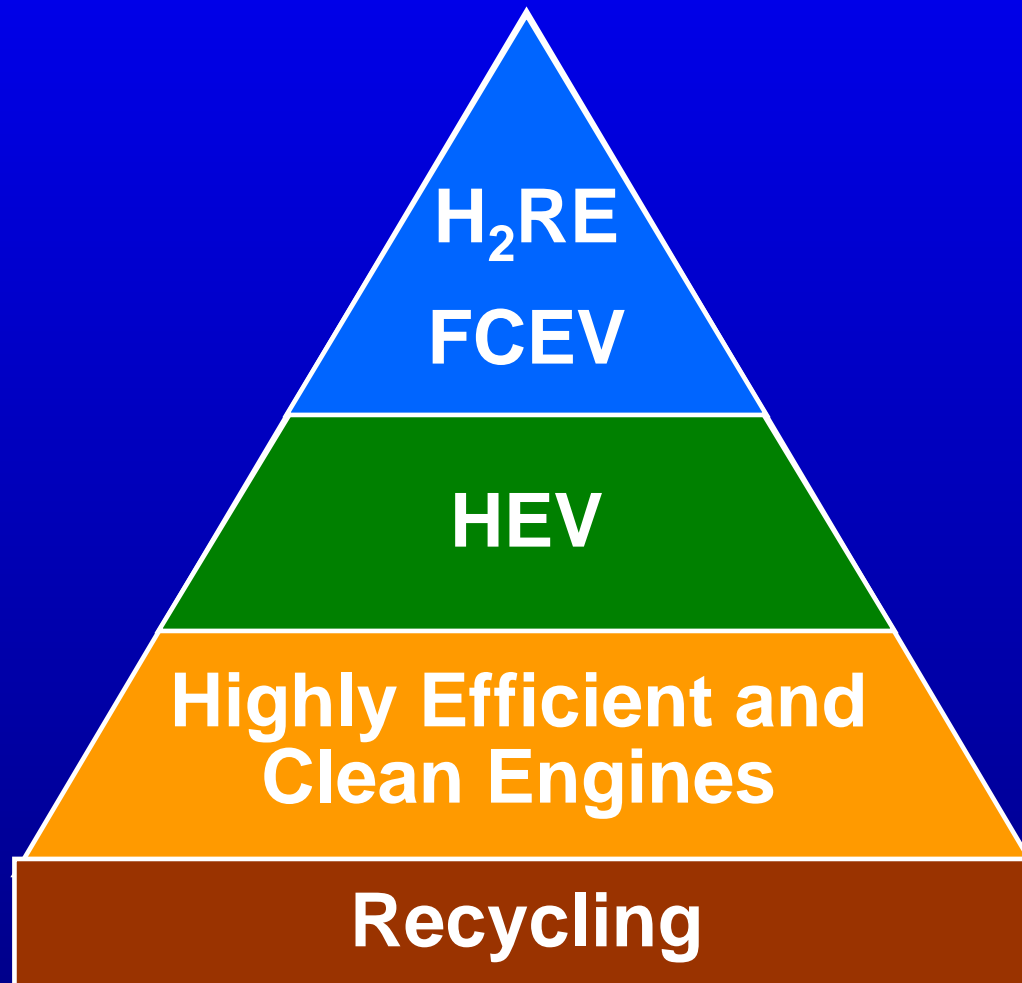
ENVIRONMENTAL ACTIONS

◆ **Gasoline Direct Injection System**
  - Active Introduction of DISI Engine
    Line-up
  - Smart Idling Stop System

◆ **Hybrid System**

◆ **Hydrogen Rotary Engine**

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DISI TURBO ENGINE

SMART IDLING STOP SYSTEM
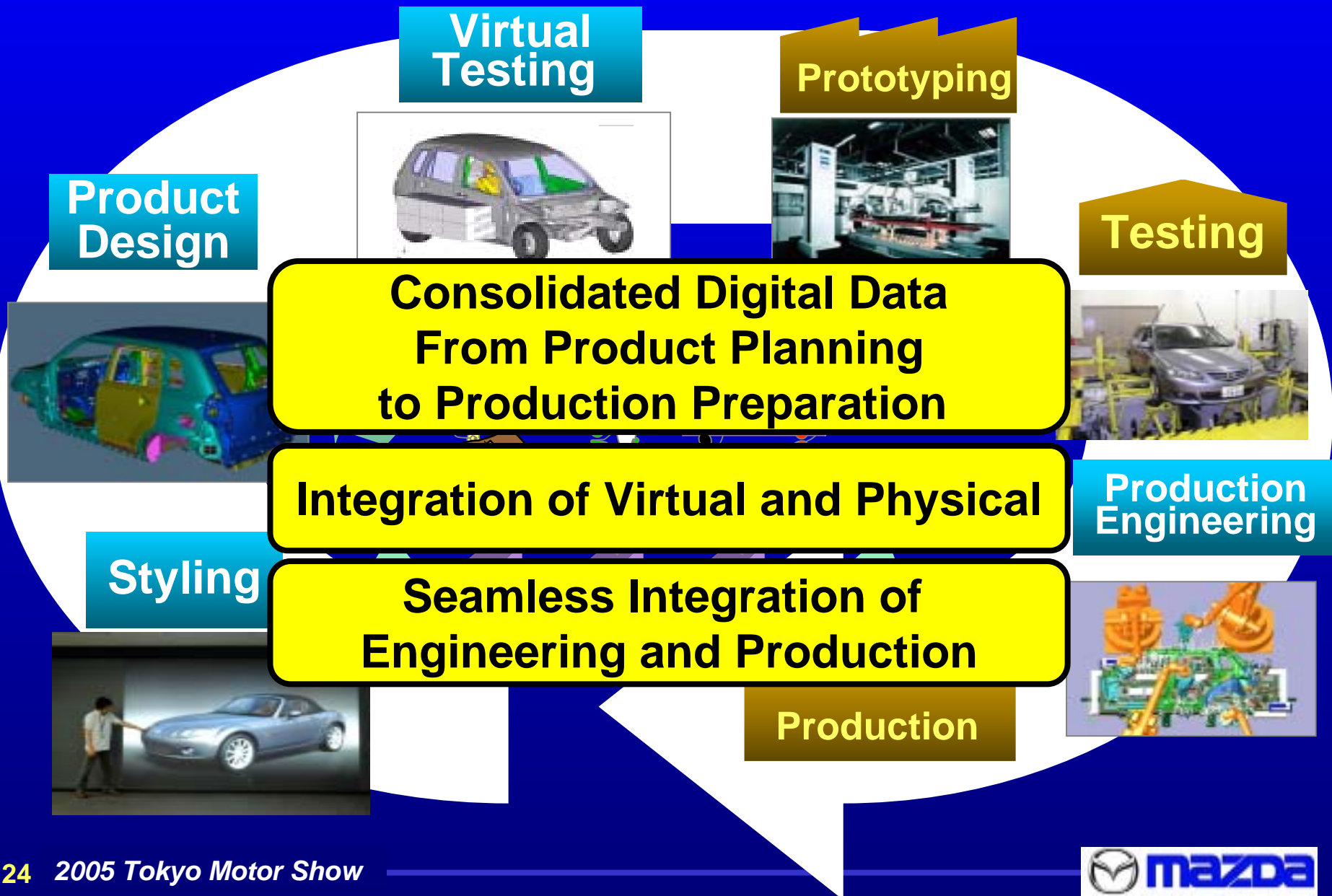
TRIBUTE HYBRID

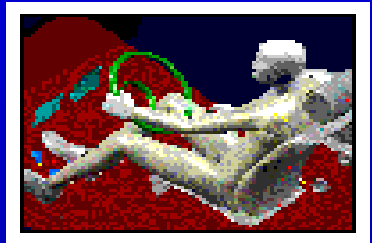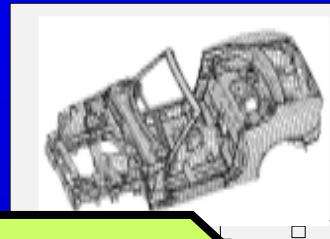# RX-8 HYDROGEN RE

PREMACY HYDROGEN RE HYBRID

MAZDA DIGITAL INNOVATION II

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MDI FRAMEWORK

Virtual Testing

Prototyping

Product Design

Testing

Consolidated Digital Data From Product Planning to Production Preparation

Integration of Virtual and Physical

Production Engineering

Styling

Seamless Integration of Engineering and Production

Production

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VIRTUAL DEVELOPMENT

Enhance Collabora-tion

Virtual Design
Virtual Test
Virtual Factory
Analysis Technology

Physical Design
Physical Test
Physical Factory
Measurement Technology
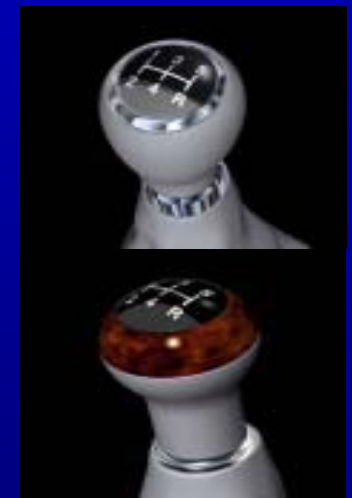
Final Drawing

Refine with Physical Products

People's Sense

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EXPAND VIRTUAL DESIGN

Support Exhibition of Designers' Creativity

EXPAND VIRTUAL TESTING

Physical Products		Physical Products
Unit		Unit
CAE		CAE

Field Test ⟷ **Lab Test** ⟷ **CAE**

Correlation between Field and Lab. Test

Correlation between Lab. And CAE Test

Replacement with Lab. Test

CAE Accuracy Improvement
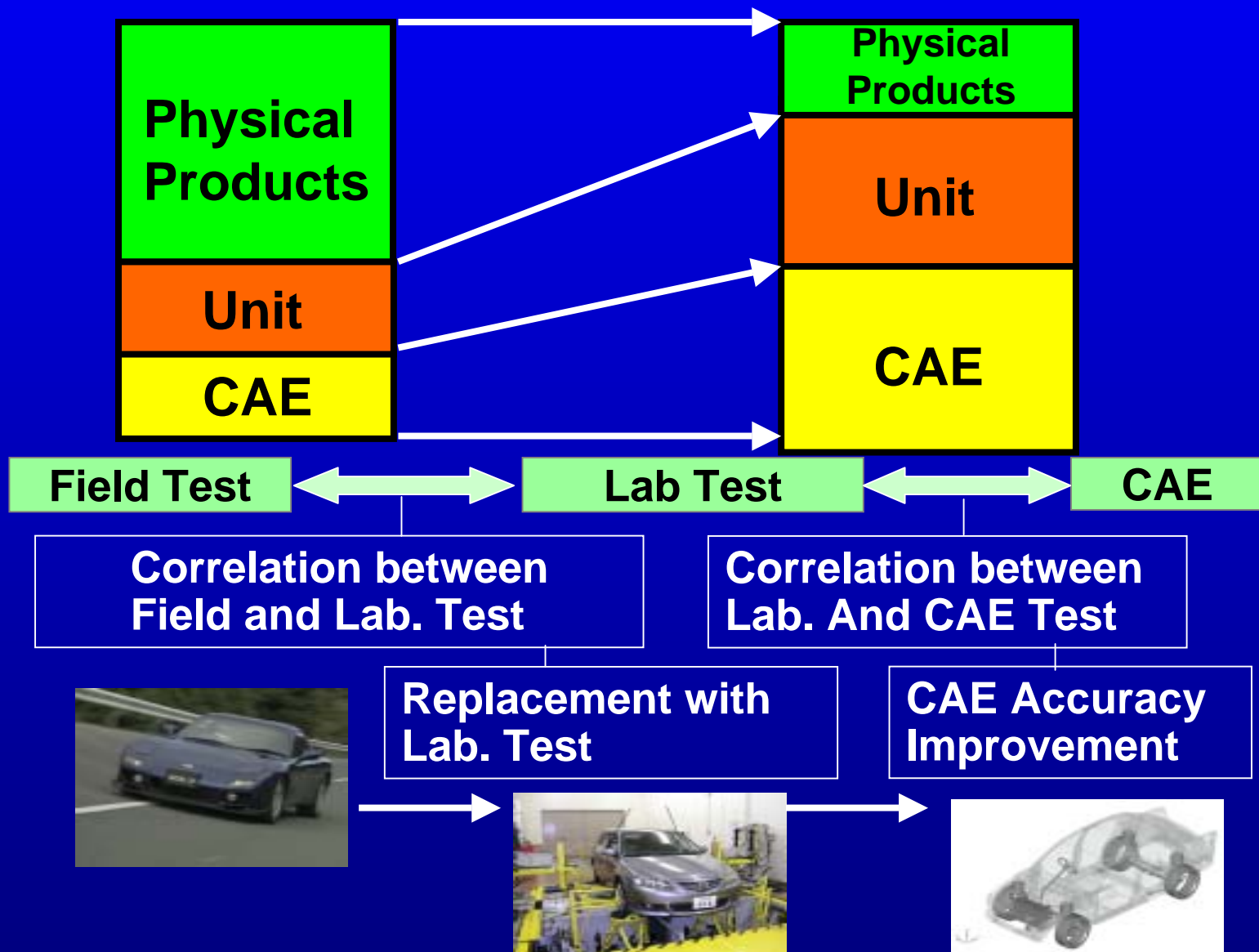
EXPANSION OF VIRTUAL FACTORY

Production Engineering before Final Drawing/Physical Product

Production Engineering after Final Drawing/Physical Product

3D Definition

- Product Data
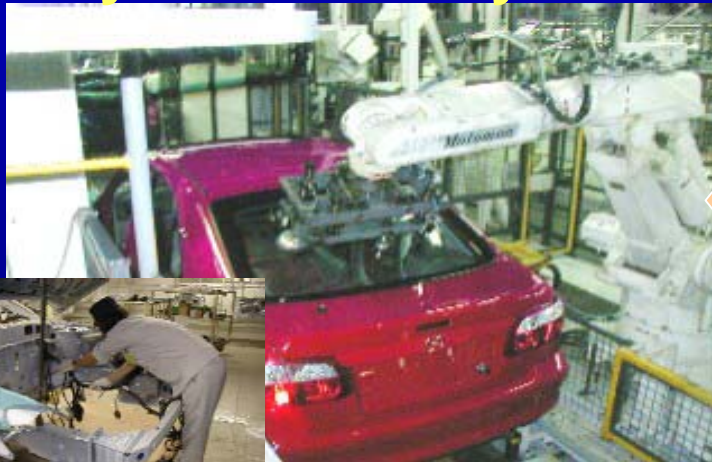- Process Designing
- Facility/Tool Designing

Concurrent Designing of production & component
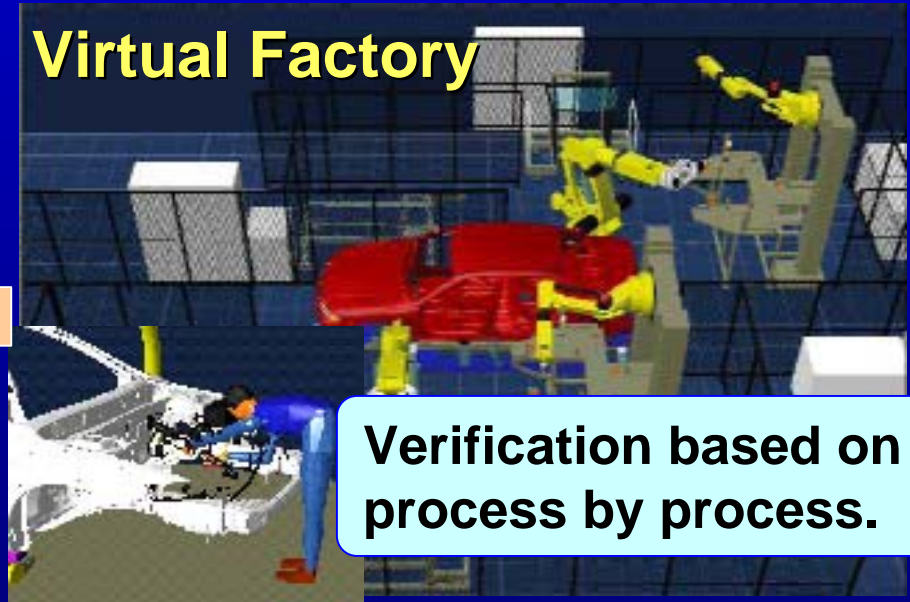
Verification

Verification Counts

Block drawing | Mechanical prototype | Final Drawing | Prototyping | MP

Development Timing

Physical Factory

Virtual Factory

Verification based on process by process.

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CLOSE

- **Establish Foundation for Full Scale Growth**

- **Sustained Sales & Profit Momentum**

- **Commitment & Execution**

DISCLAIMER

The projections for FY 2005 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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