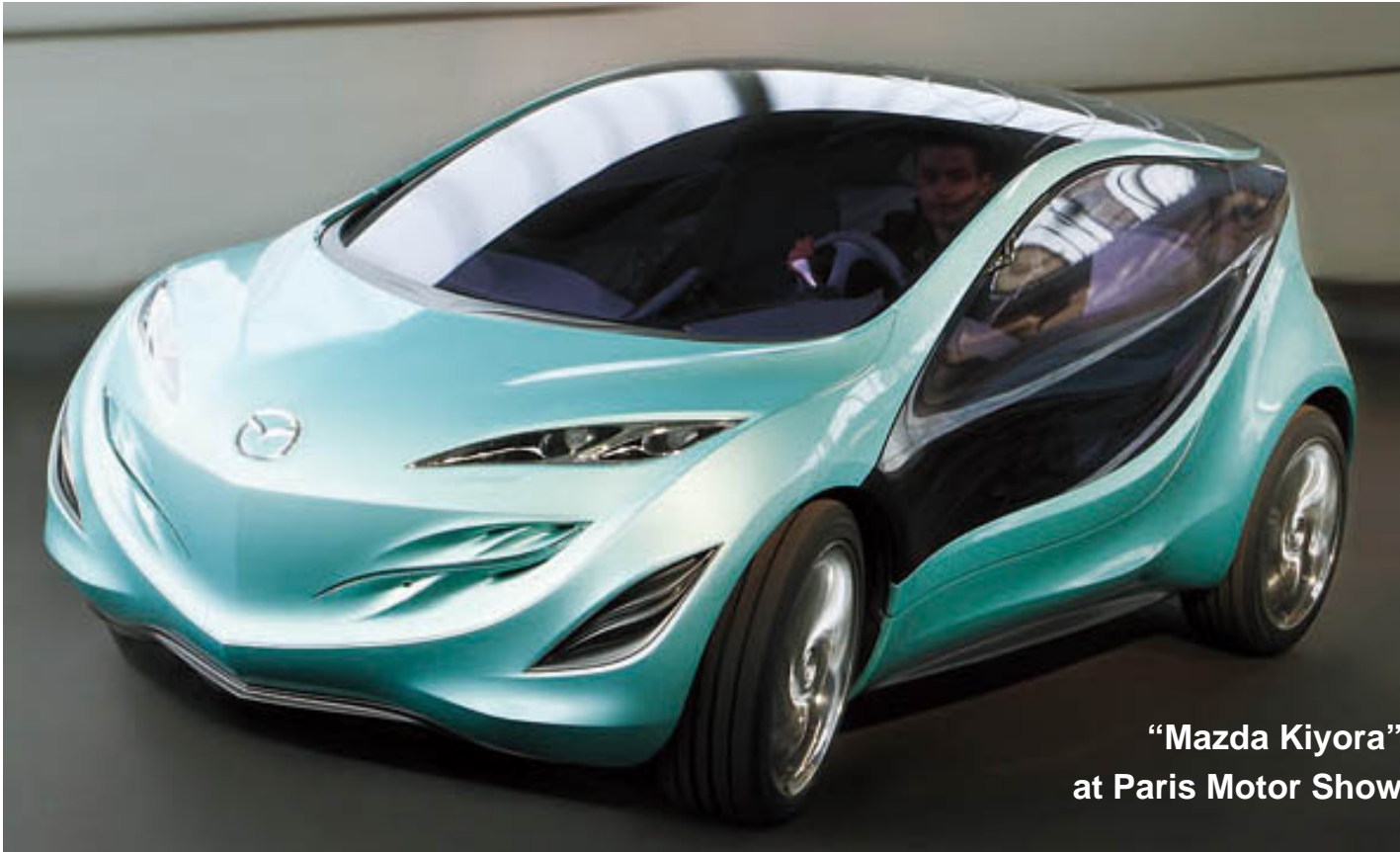




FY2008 1st HALF RESULTS & FULL YEAR PROJECTION



Mazda Motor Corporation
October 30, 2008

PRESENTATION OUTLINE

- **Overview**
- **FY2008 First Half Results**
- **FY2008 Full Year Forecast**
- **In Summary**





OVERVIEW



FY2008 FIRST HALF RESULTS HIGHLIGHTS

- **Operating profit declined 17% to ¥60.7 billion**
- **Revenue was down 5% to ¥1,575.5 billion**
Net income was up 2% to ¥29.5 billion
- **Introduced new Biante in Japan and a new Mazda6 developed exclusively for the North American market**
- **Global sales volume was 701,000 units, up 6%**

FY2008 FULL YEAR FORECAST HIGHLIGHTS

- **Operating profit down 44% to ¥90 billion. Revised forecast reflecting deteriorating global sales environment and material price hikes**
- **Revenue down 14% to ¥3 trillion**
Net income down 46% to ¥50 billion
- **Minimized impact of future exchange fluctuations on ordinary profit and net income due to exchange hedging**
- **Looking ahead, significant challenge due to deteriorations of global economic environment**
- **Continue to accelerate business efficiency, cost innovation and brand value improvements**



FY2008 FIRST HALF RESULTS

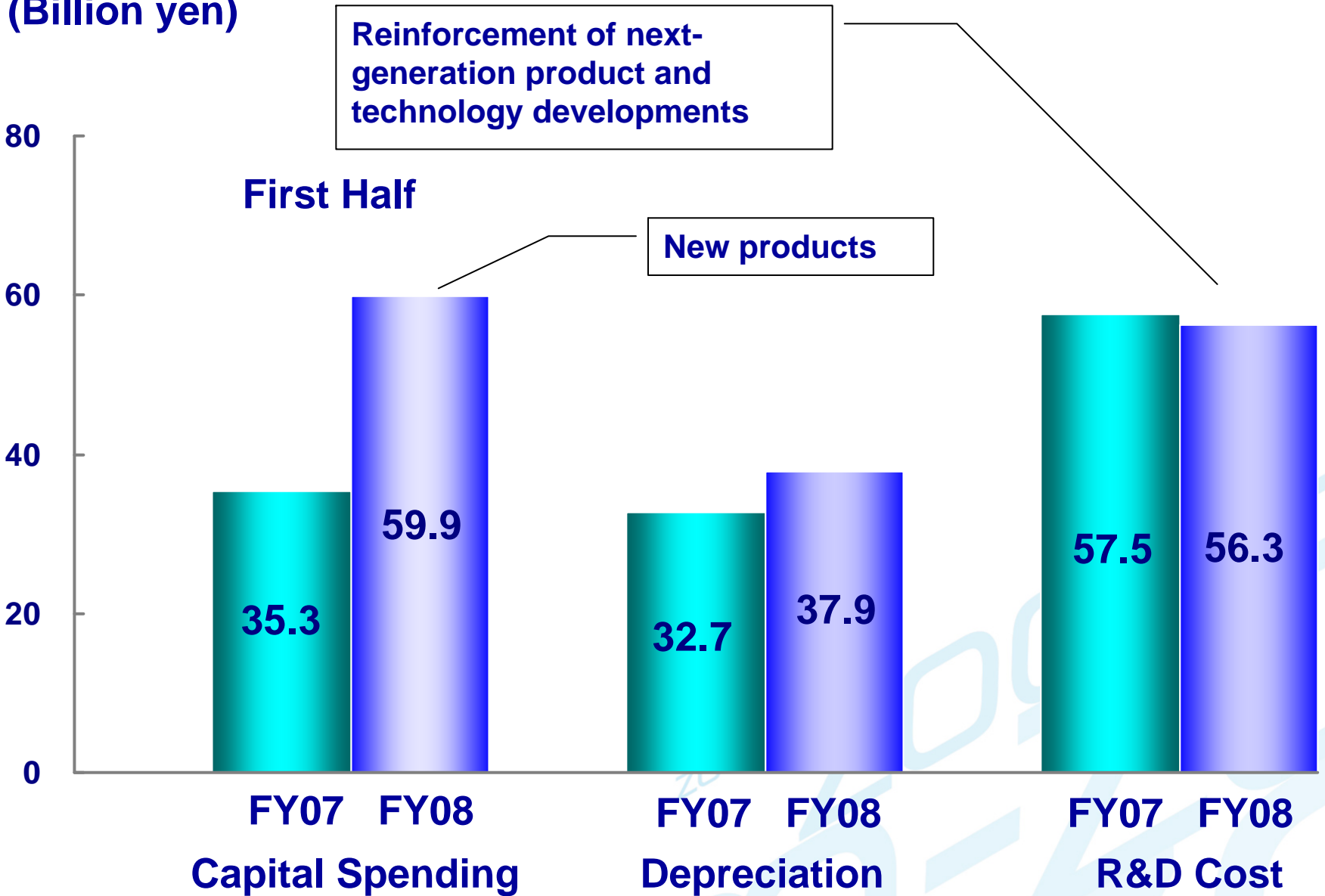


FY2008 FIRST HALF FINANCIAL METRICS

(Billion yen)	First Half		Change	
	<u>FY2008</u>	<u>FY2007</u>	<u>Amount</u>	<u>Pct.</u>
Revenue	1,575.5	1,656.2	(80.7)	(5) %
Operating profit	60.7	73.1	(12.4)	(17) %
Ordinary profit	48.5	57.6	(9.1)	(16) %
Profit before tax	46.8	54.3	(7.5)	(14) %
Net income	29.5	29.1	0.4	2 %
Operating ROS	3.9 %	4.4 %	(0.5) Pts	-
EPS(Yen/Share)	21.0	20.6	0.4	2 %

KEY DATA

(Billion yen)



CASH FLOW & NET DEBT

(Billion)	<u>FY2008 First Half</u>	<u>FY2007 Full Year</u>	<u>Change</u>
Cash Flow			
- Operating C/F	13.0	103.0	-
- Investment C/F	(35.2)	(92.8)	-
- Free C/F	(22.2)	10.2	-
Net Debt	374.8	281.1	(93.7)
Net Debt-to-Equity	66 %	51 %	(15) Pts

ZOOM-ZOOM

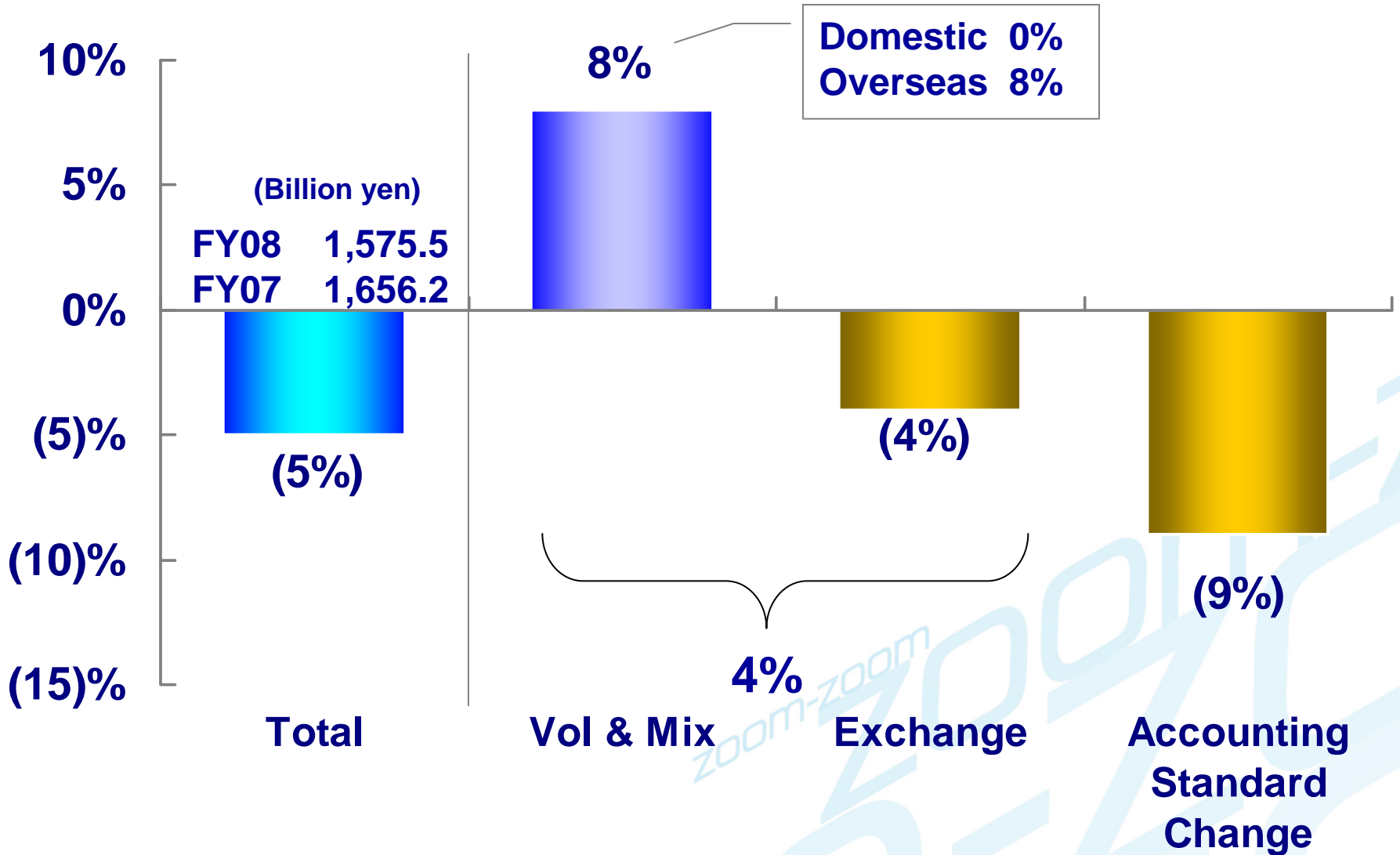
KEY DATA

	First Half		<u>Change</u>
	<u>FY2008</u>	<u>FY2007</u>	
Global retail volume (000)	701	659	6 %
Exchange rate			
Yen/US Dollar	106	119	¥ (13)
Yen/Euro	163	162	¥ 1

ZOOM-ZOOM

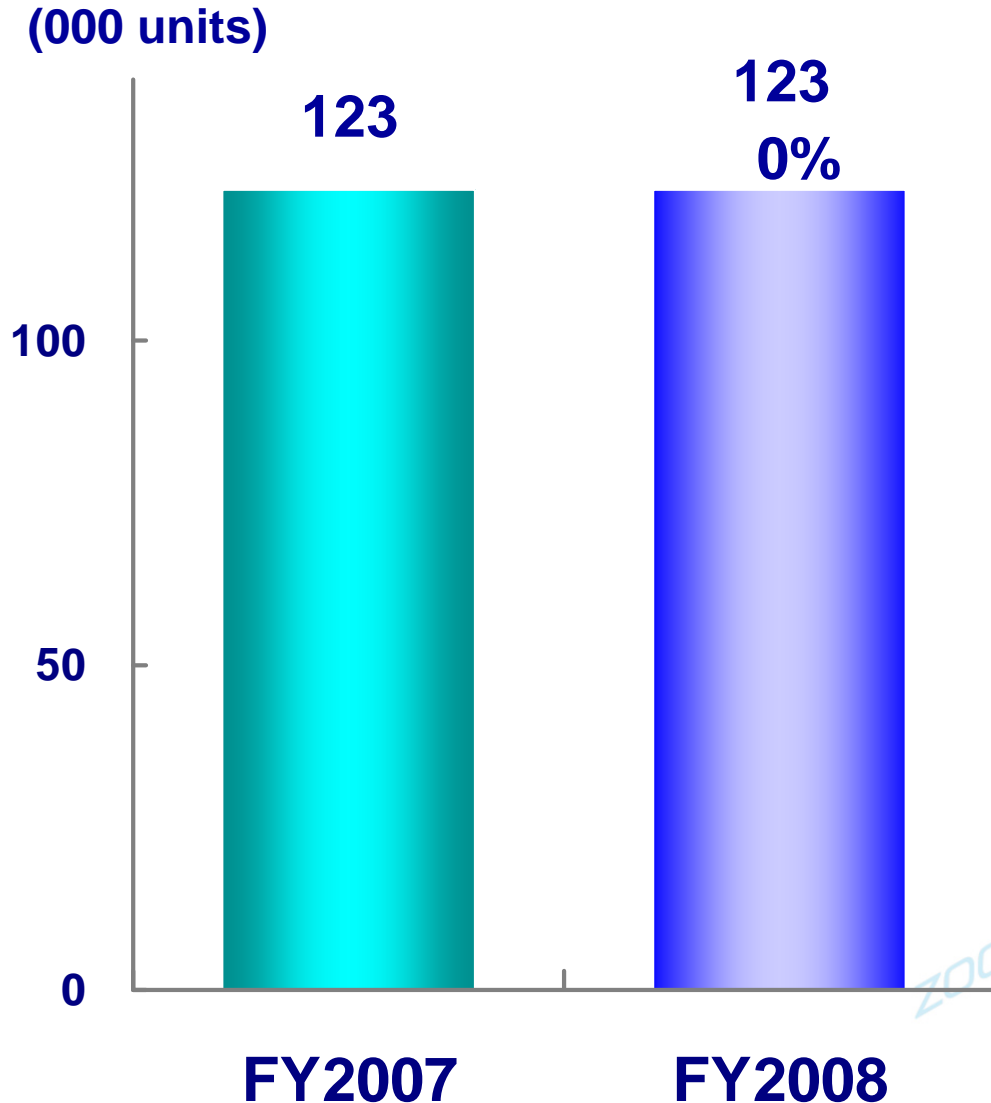
REVENUE CHANGE

FY2008 First Half Compared With FY2007 First Half



JAPAN

First Half Sales Volume

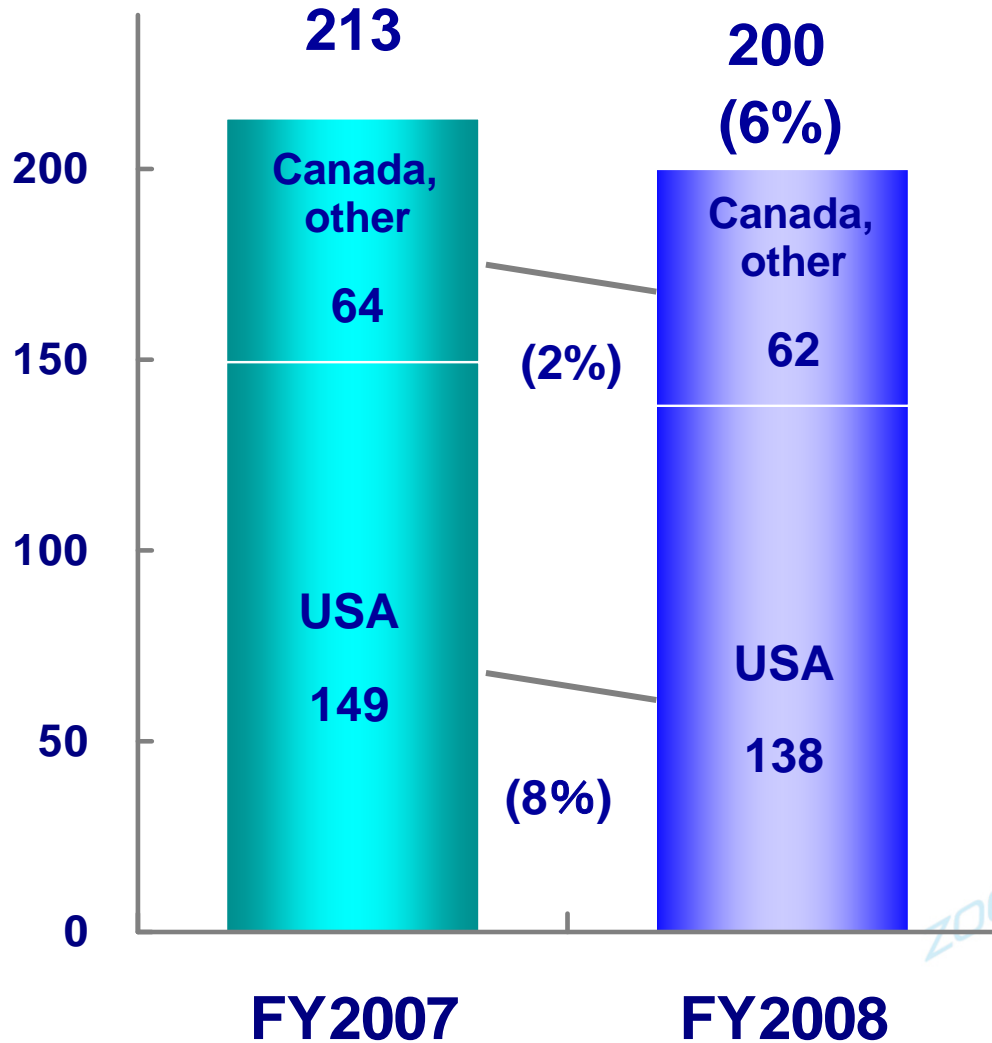


- Effects of New Biante and New Ateza
- Despite lower registered vehicle demand, sales remained flat from the prior year
- Share improved 0.1 points to 5.1%

NORTH AMERICA

First Half Sales Volume

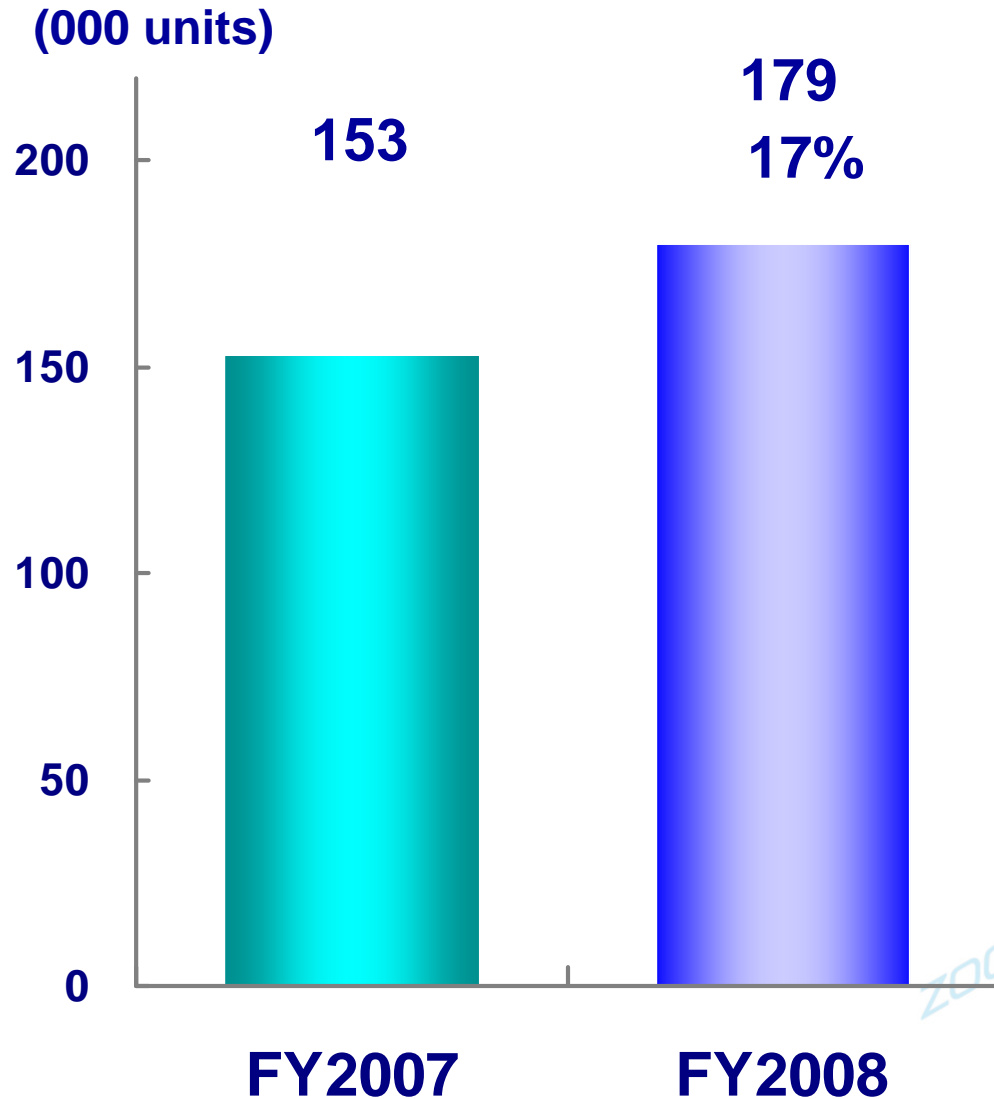
(000 units)



- Introduction of new Mazda6 to the North American market
- In the US, while total industry was down 15%, Mazda sales were down 8%
- Sales in Mexico were up 30% to 10,000 units

EUROPE

First Half Sales Volume

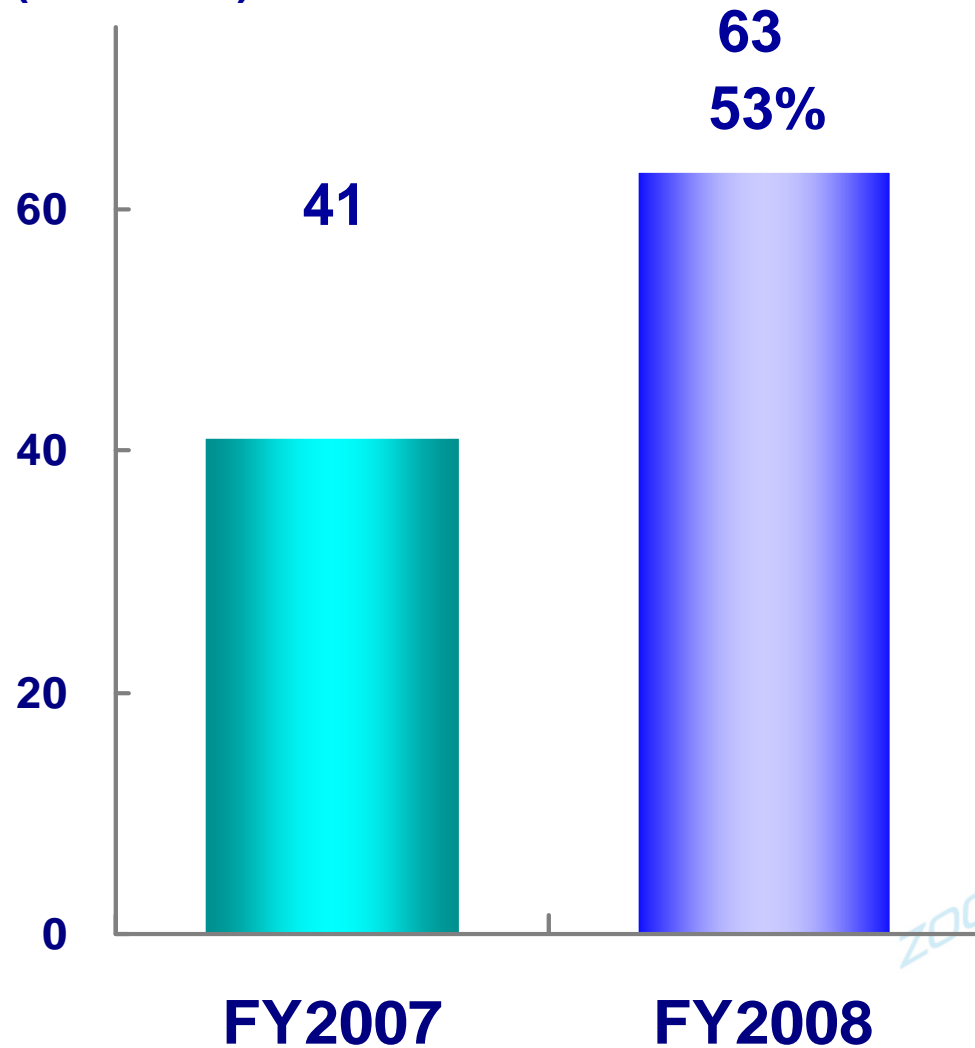


- New Mazda2, new Mazda6, CX-7 and Mazda3 contributed to growth
- Sales in Russia increased 82% to 43,000 units
- Established National Sales Companies in Turkey and the Netherlands

CHINA

First Half Sales Volume

(000 units)

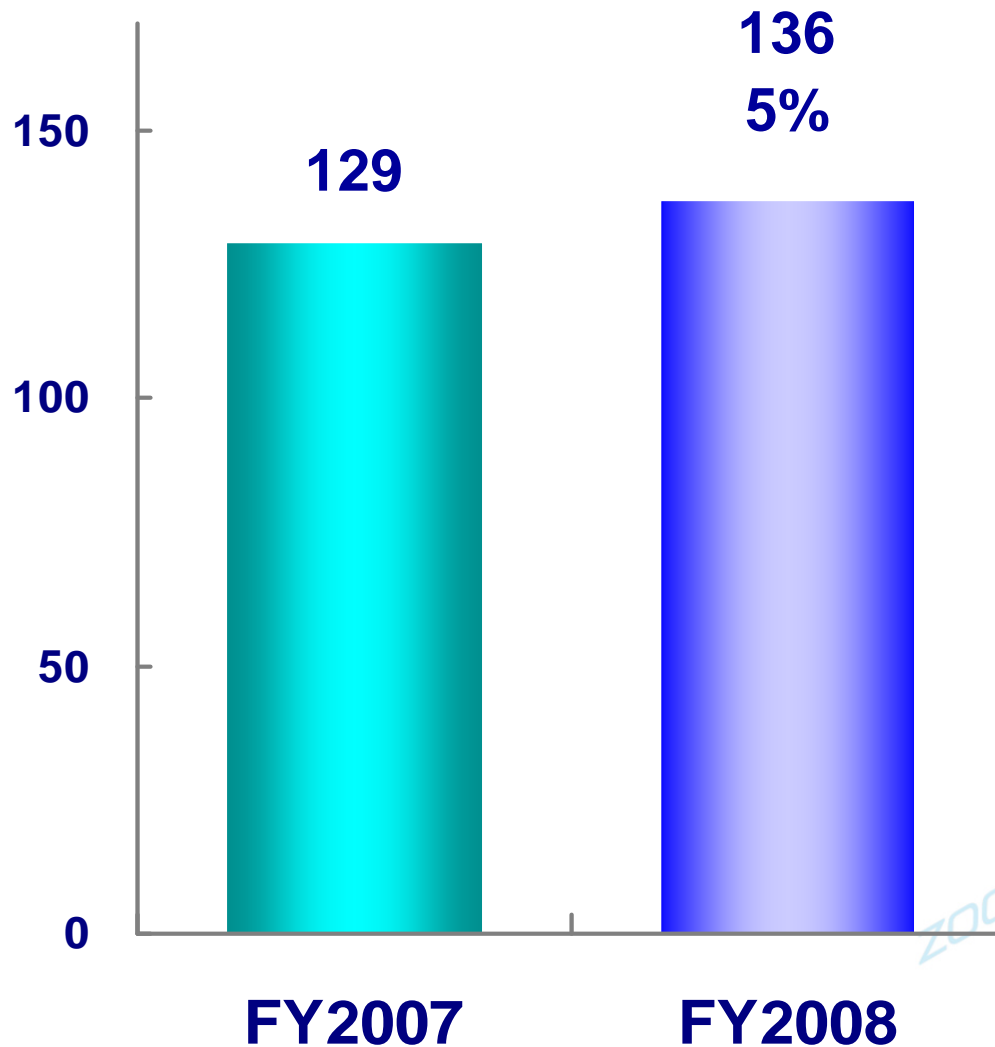


- Sales up 53% with expanded product lineup
- Mazda6 sales remained strong
- Number of outlets increased by 17 to 192

OTHER MARKETS

First Half Sales Volume

(000 units)

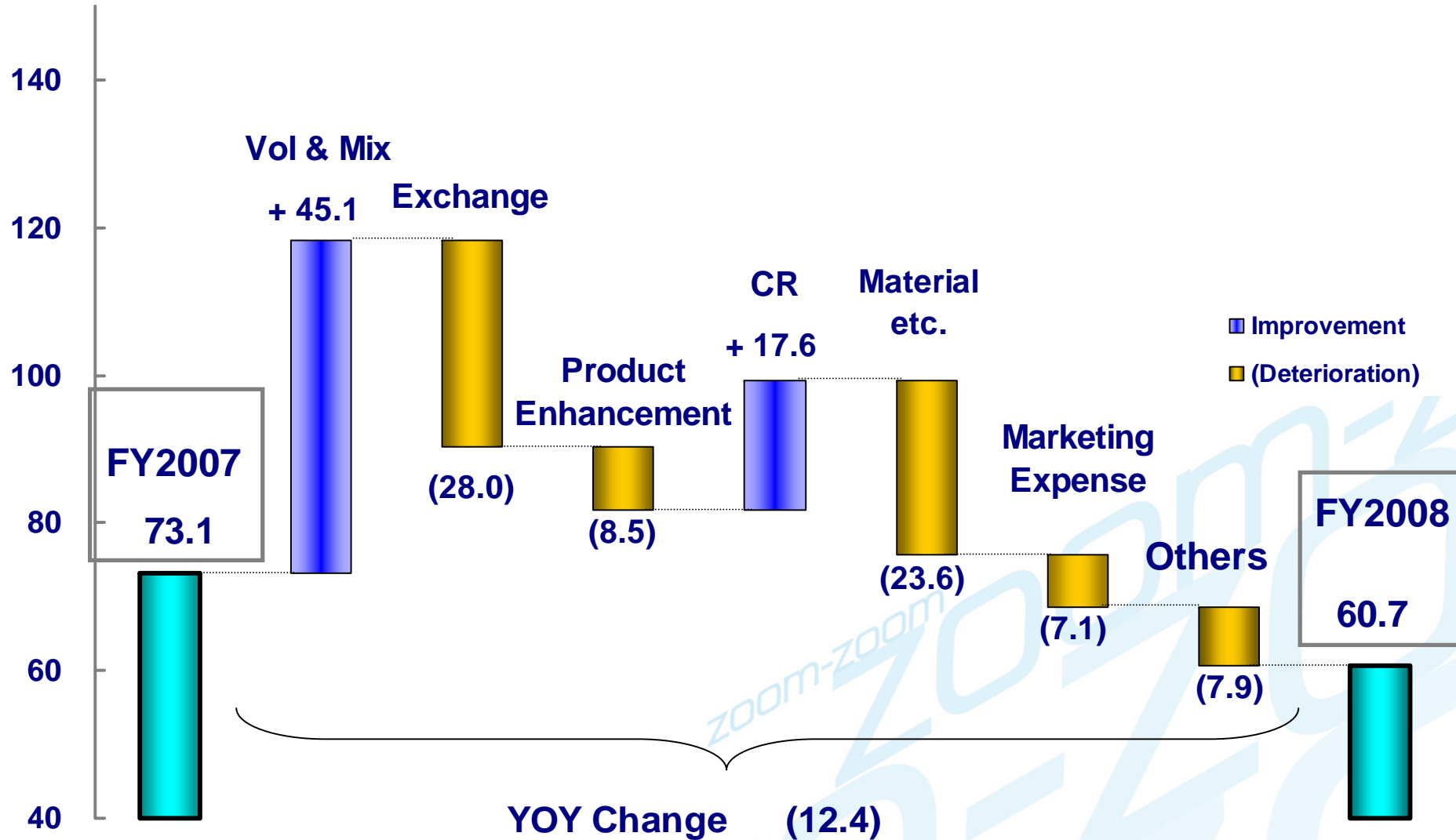


- New Mazda2 and CX-9 continued to contribute to growth
- Sales in Australia were up 3,000 units to 41,000 units
- Volume growth in Australia, Israel and South Africa was partially offset by declines in Taiwan and Thailand, bringing the total volume up 5%

OPERATING PROFIT CHANGE

FY2008 First Half Compared With FY2007 First Half

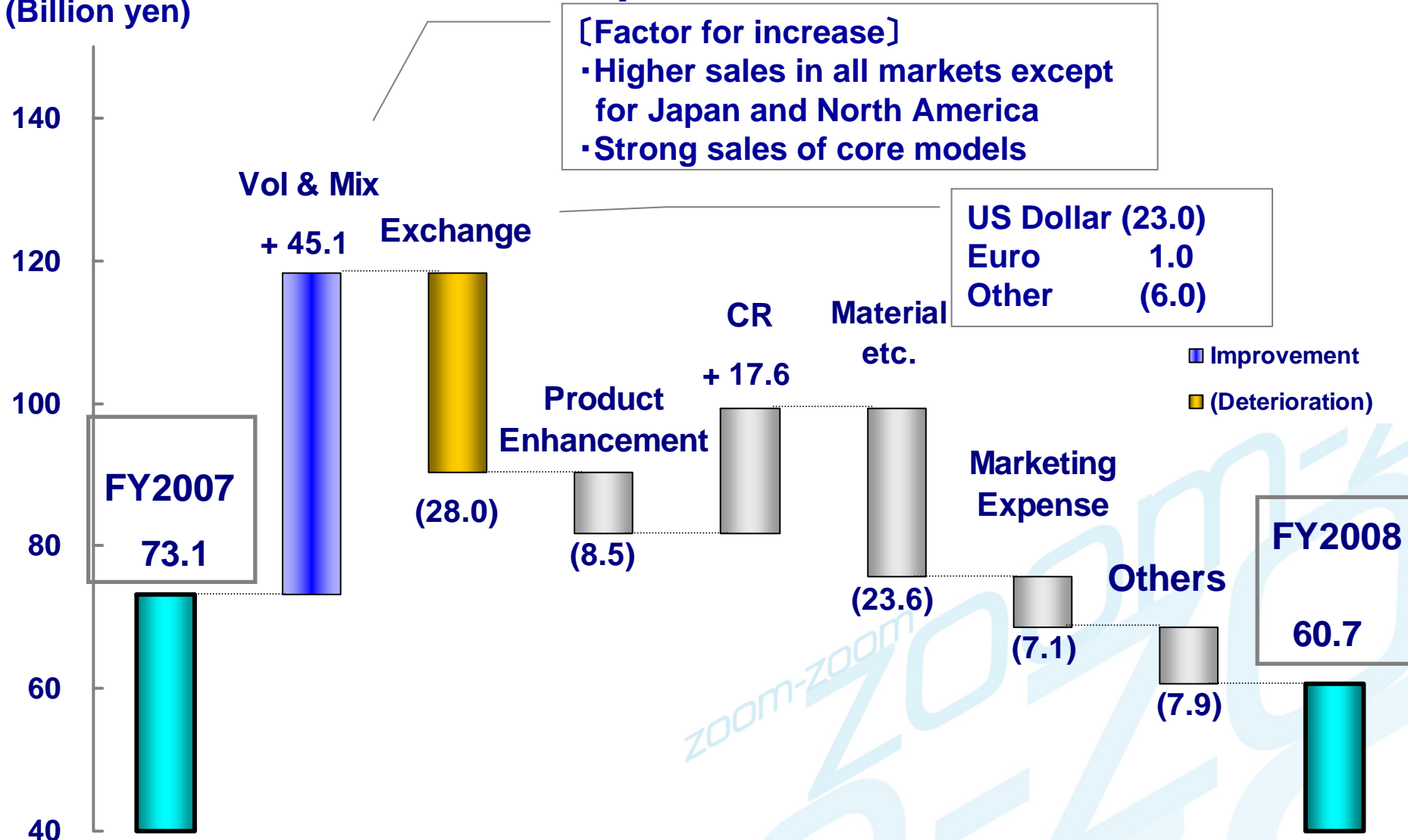
(Billion yen)



OPERATING PROFIT CHANGE

FY2008 First Half Compared With FY2007 First Half

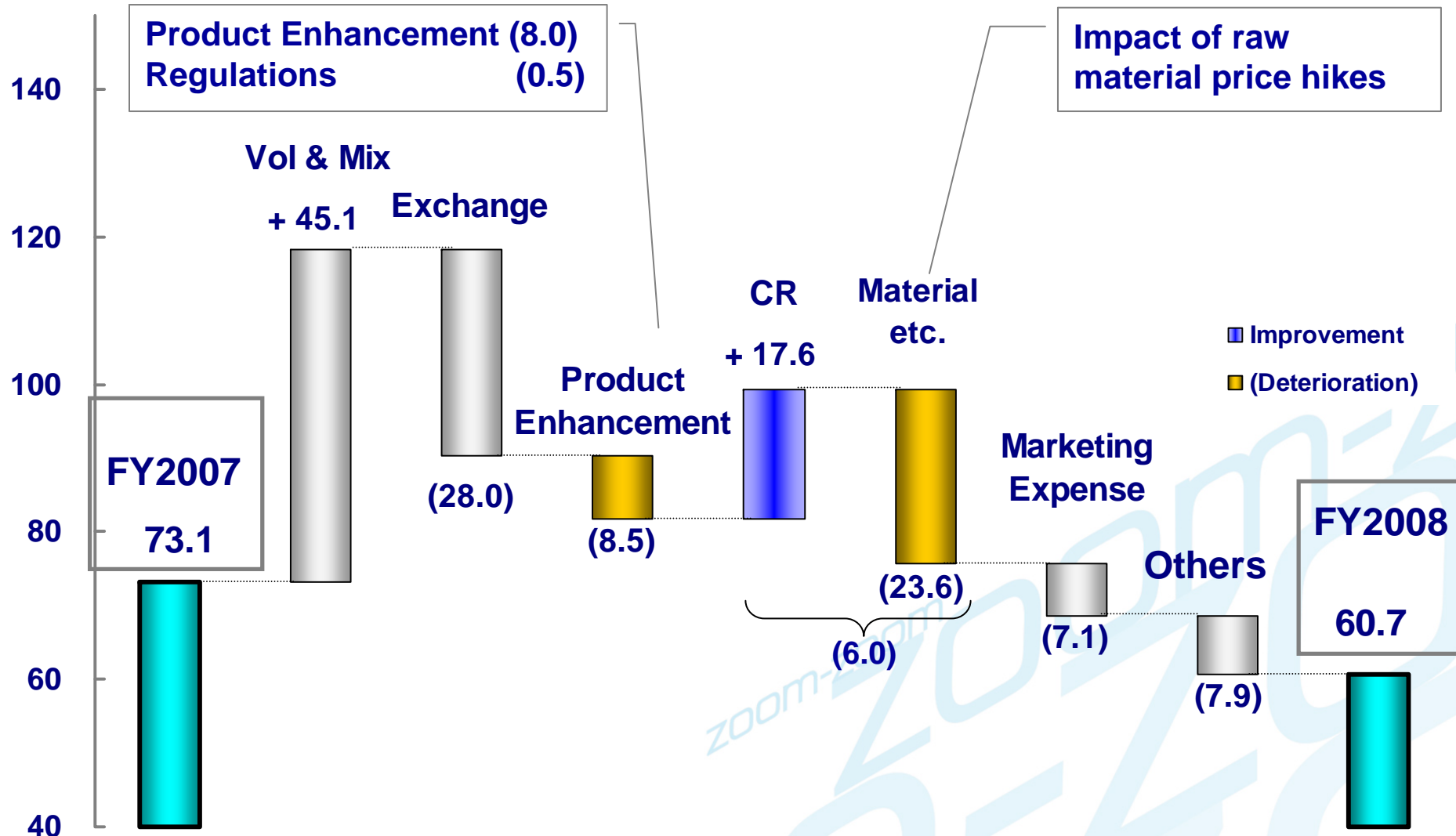
(Billion yen)



OPERATING PROFIT CHANGE

FY2008 First Half Compared With FY2007 First Half

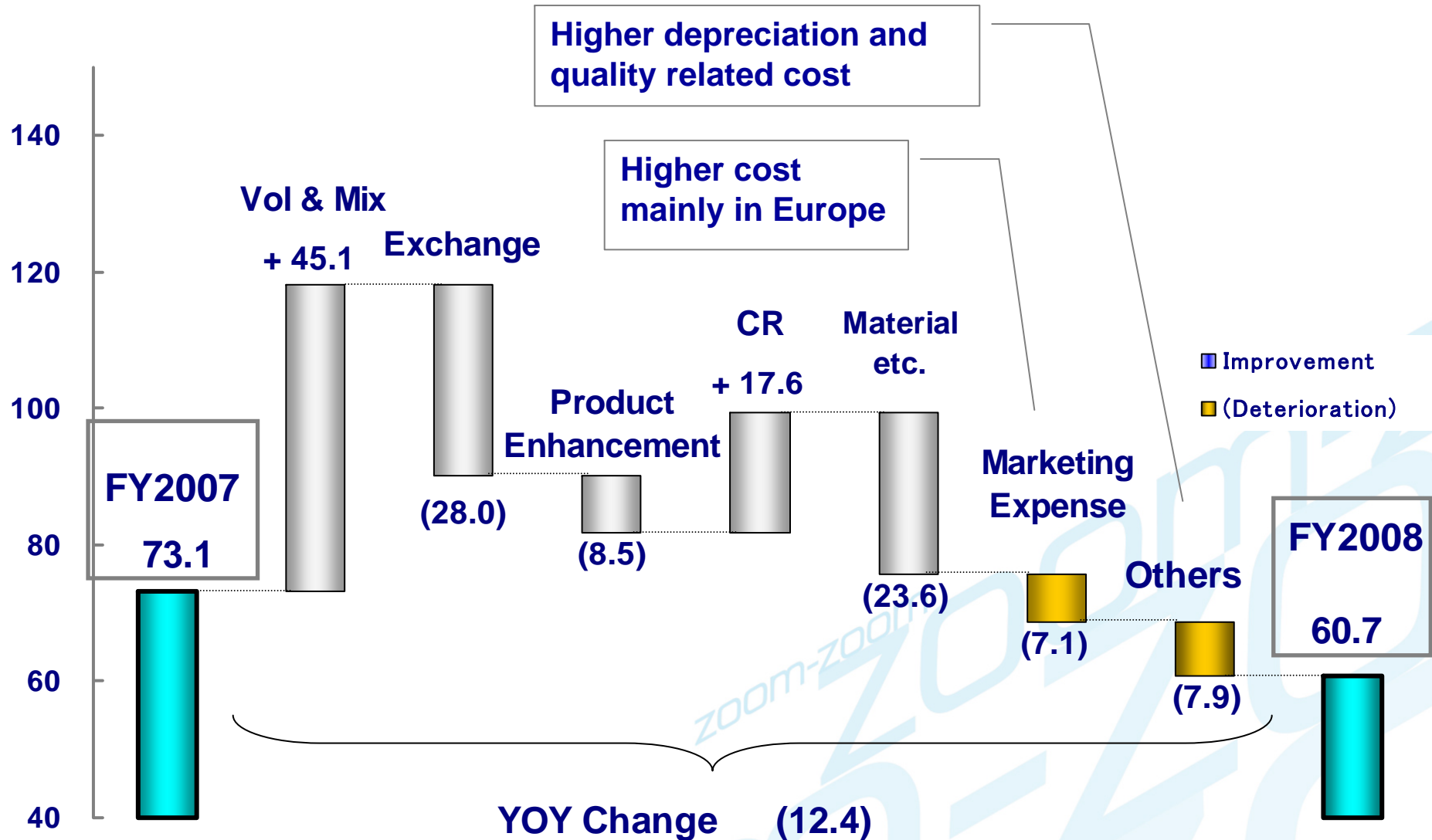
(Billion yen)



OPERATING PROFIT CHANGE

FY2008 First Half Compared With FY2007 First Half

(Billion yen)





FY2008 FULL YEAR FORECAST

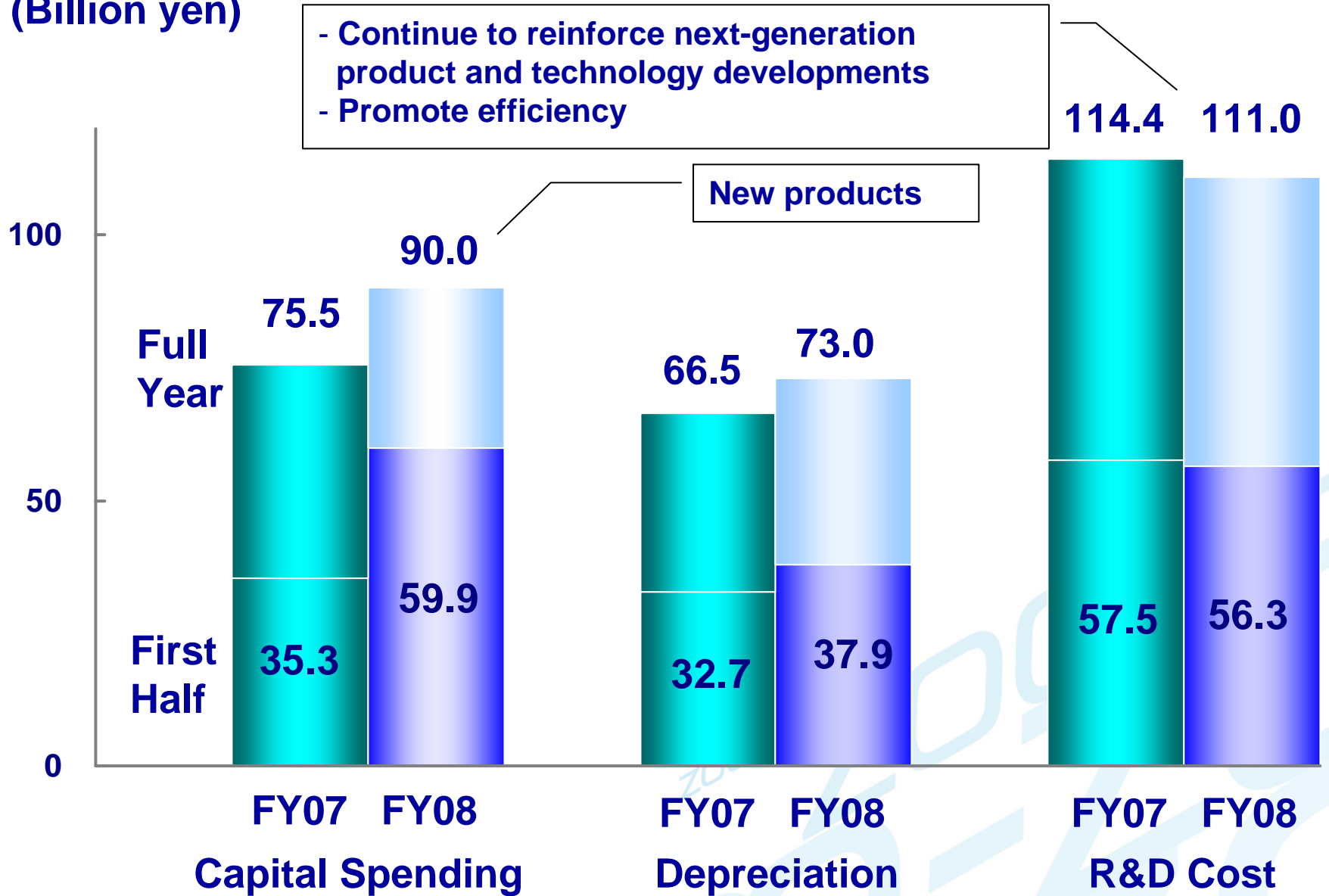


FY2008 FULL YEAR FORECAST FINANCIAL METRICS

(Billion yen)	Full Year		Change from FY2007		Memo: FY2008 April Pub
	FY2008	FY2007	Amount	Pct.	
Revenue	3,000.0	3,475.8	(475.8)	(14) %	3,000.0
Operating profit	90.0	162.1	(72.1)	(44) %	115.0
Ordinary profit	90.0	148.5	(58.5)	(39) %	110.0
Profit before tax	83.0	143.1	(60.1)	(42) %	100.0
Net income	50.0	91.8	(41.8)	(46) %	70.0
Operating ROS	3.0 %	4.7 %	(1.7) Pts	-	3.8 %
EPS(Yen/Share)	35.5	65.2	(29.7)	(46) %	49.7

KEY DATA

(Billion yen)



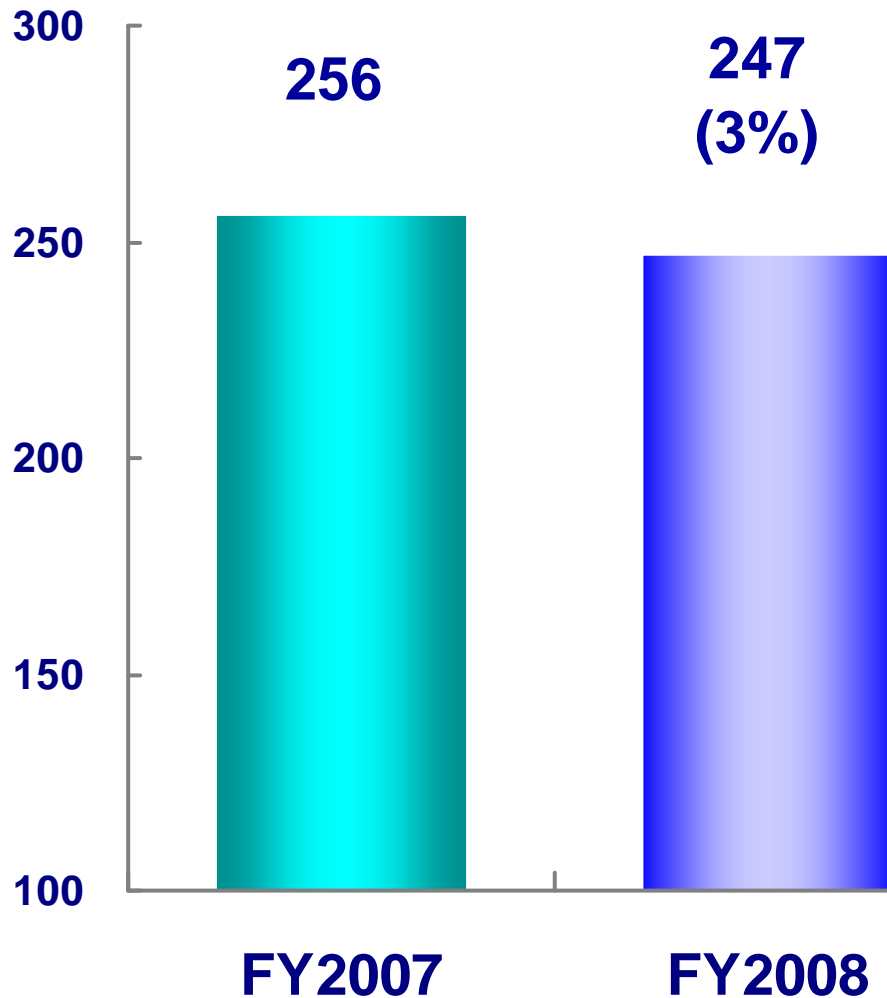
KEY DATA

	Full Year		Change
	FY2008	FY2007	
Global retail volume (000)	1,405	1,363	3 %
Exchange rate			
Yen/US Dollar	103	114	¥ (11)
Yen/Euro	152	162	¥ (10)

ZOOM-ZOOM

JAPAN

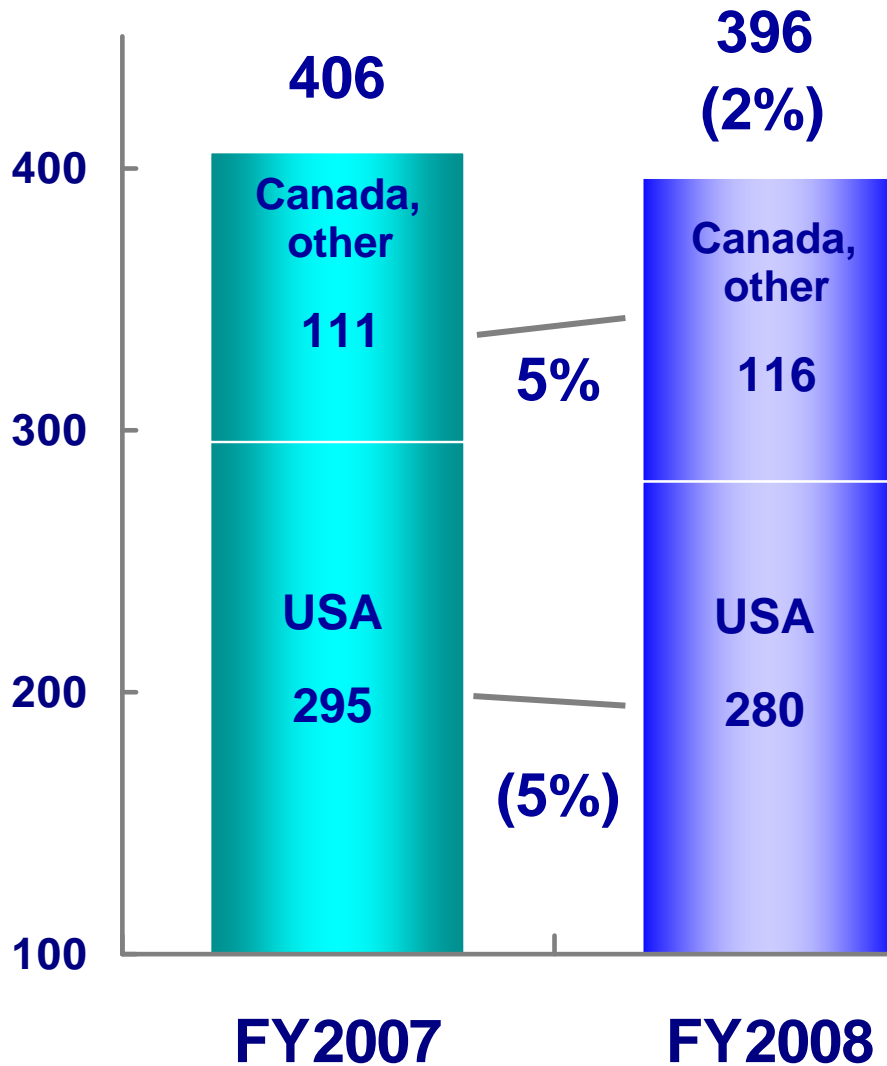
(000) Full Year Sales Volume



- Continue to maximize new vehicle effects of New Biante and New Atenza
- Volume declines 3%, influenced by industry decrease in registered vehicles

NORTH AMERICA

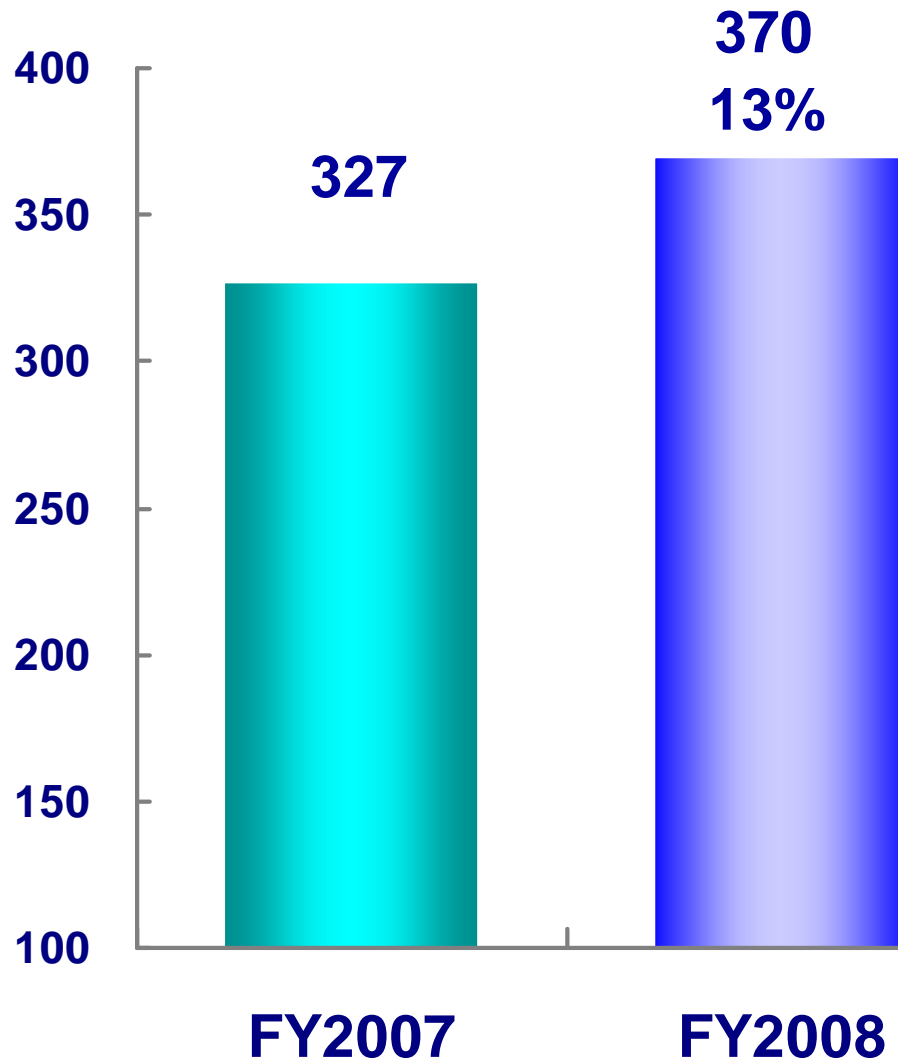
(000) Full Year Sales Volume



- U.S. industry down 17%, Mazda sales down 5%
- U.S. downshift to smaller cars increased Mazda3 and Mazda5 volume
- New Mazda6 on track
- Weakening industry in Canada
- Maintain good performance in Mexico

EUROPE

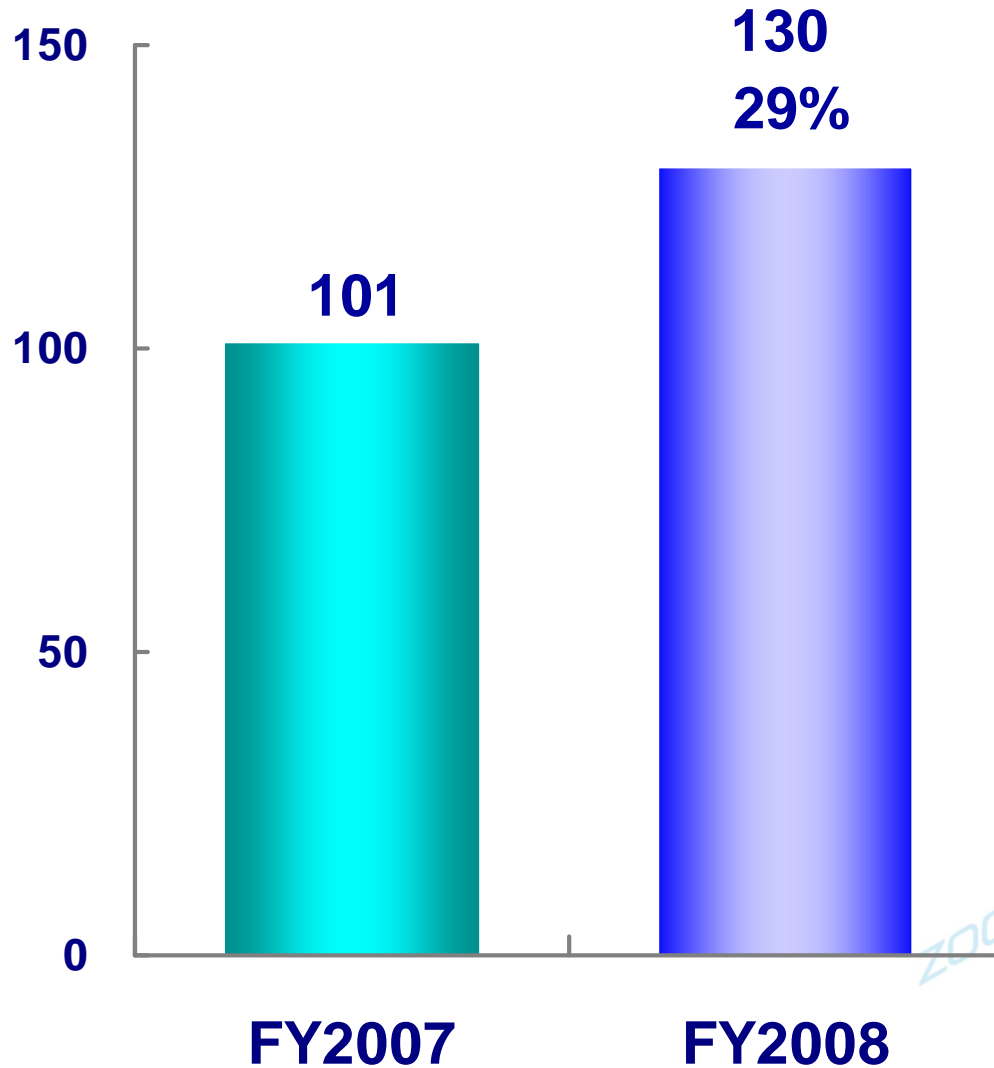
(000) Full Year Sales Volume



- New Mazda2, CX-7 and Mazda3 continue to contribute to growth
- Minimize the impact of industry decline in western Europe
- Russia drives growth

CHINA

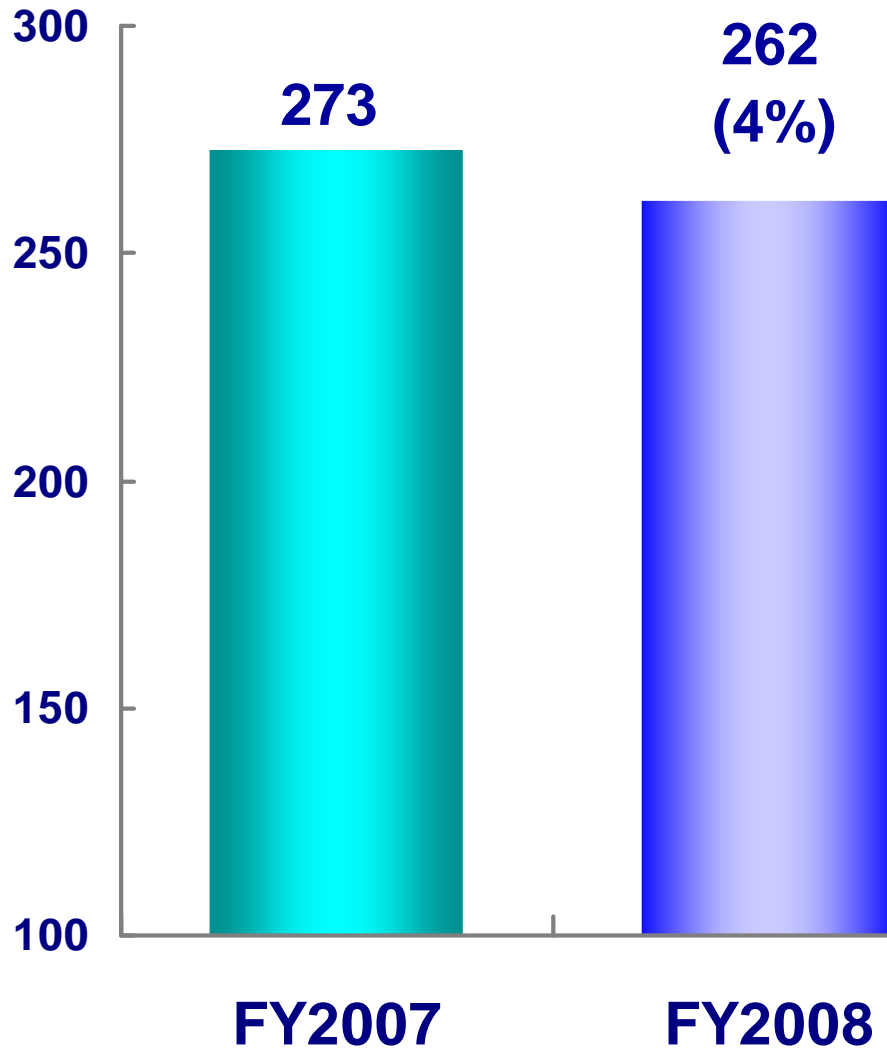
(000) Full Year Sales Volume



- Sales volume increases 29% from the prior year aided by full product lineup
- Sales target is revised due to increasing competition
- Focus to reinforce brand and two-channel sales network

OTHER MARKETS

(000) Full Year Sales Volume

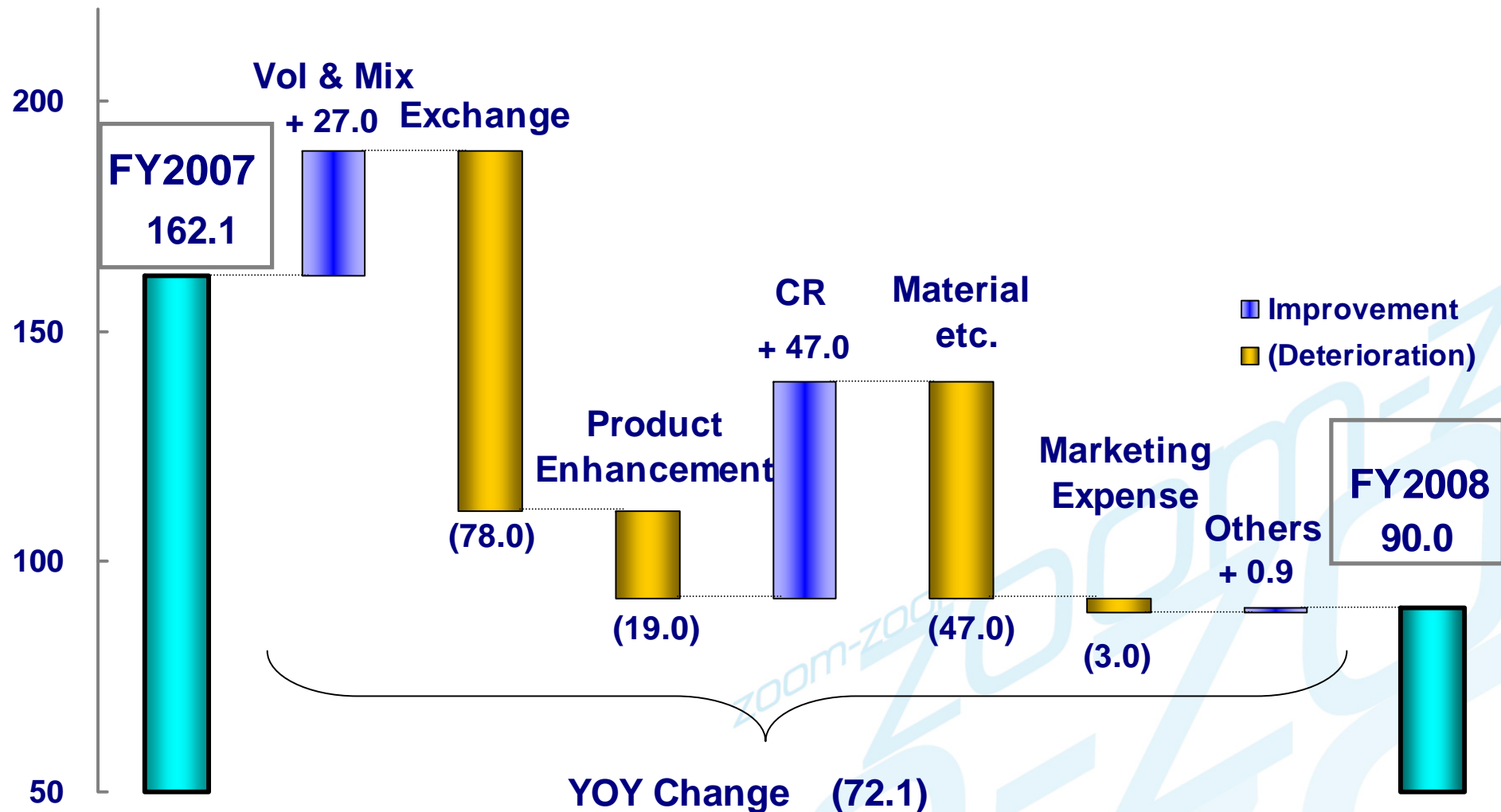


- Down 4% due to volume declines in Taiwan and Venezuela
- Australia maintains last year level

OPERATING PROFIT CHANGE

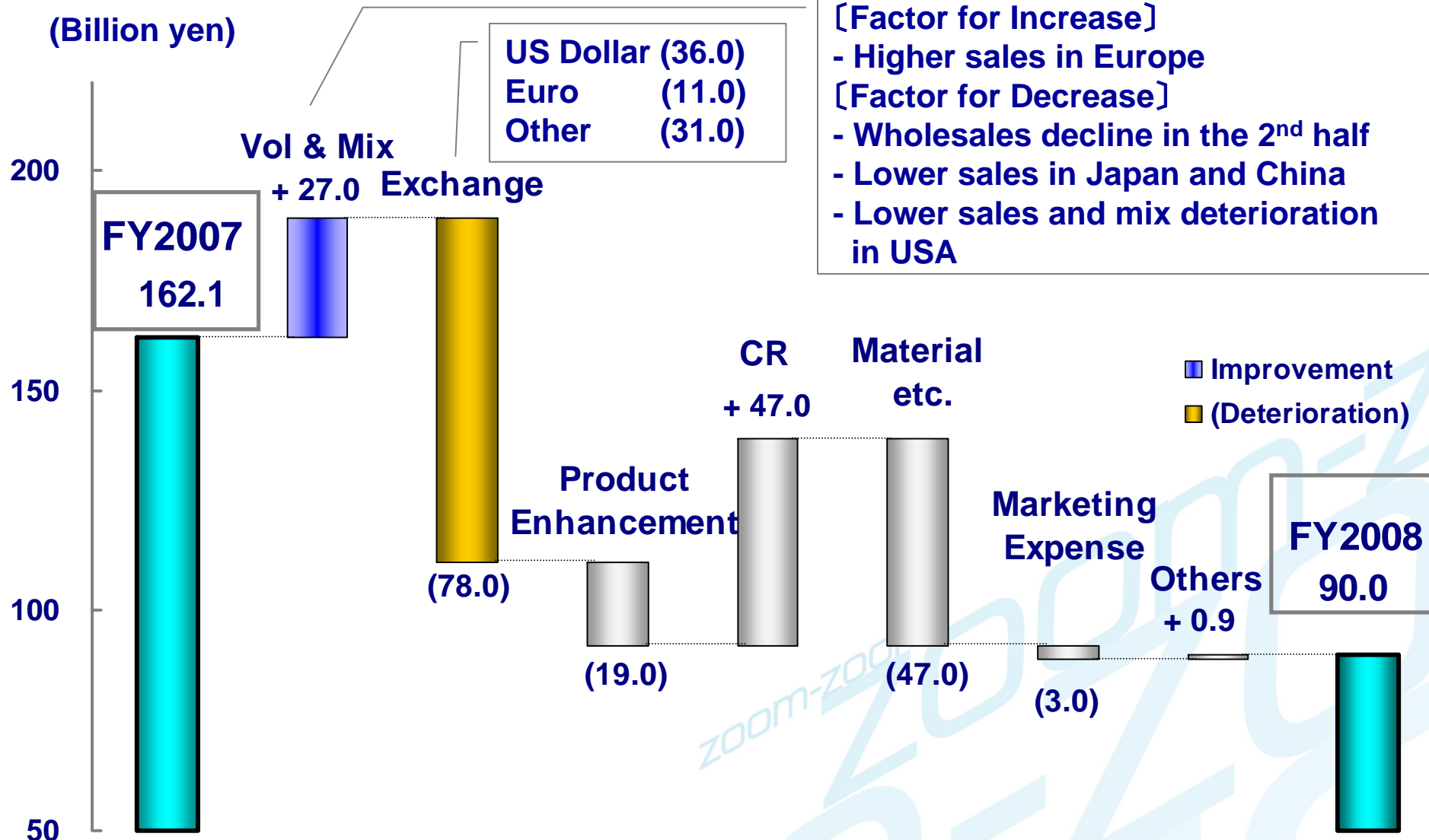
FY2008 Full Year Compared With FY2007 Full Year

(Billion yen)



OPERATING PROFIT CHANGE

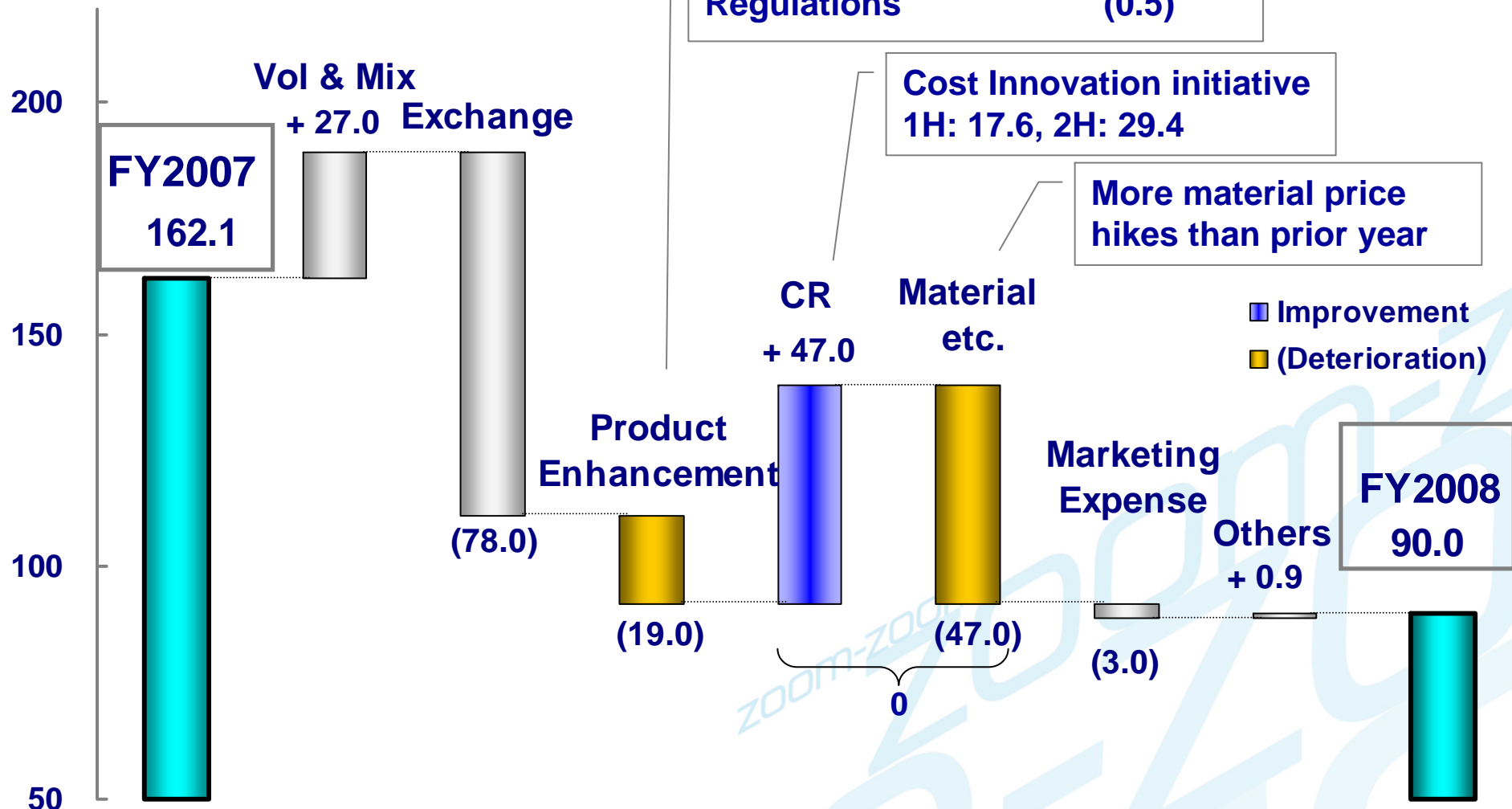
FY2008 Full Year Compared With FY2007 Full Year



OPERATING PROFIT CHANGE

FY2008 Full Year Compared With FY2007 Full Year

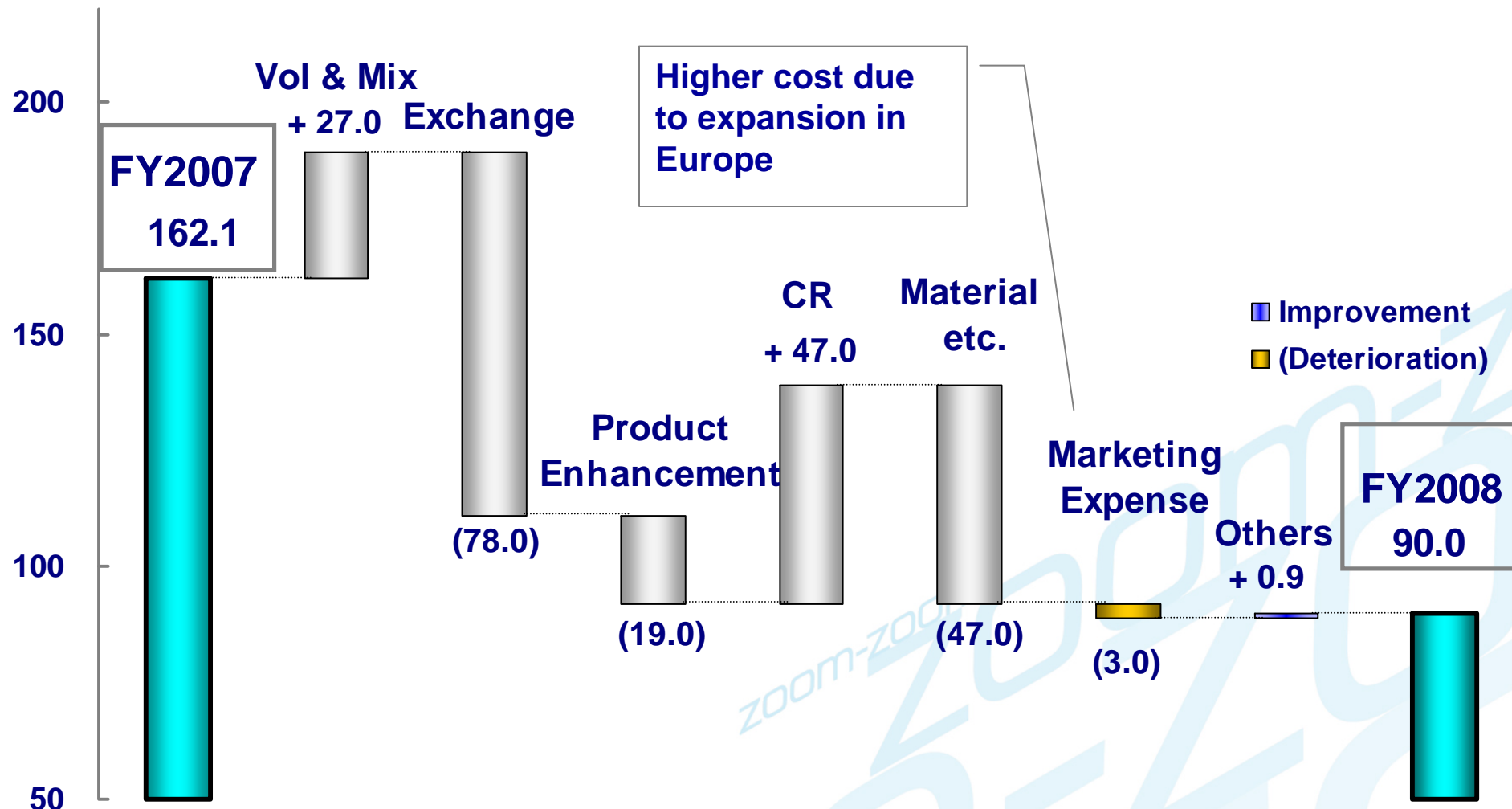
(Billion yen)



OPERATING PROFIT CHANGE

FY2008 Full Year Compared With FY2007 Full Year

(Billion yen)

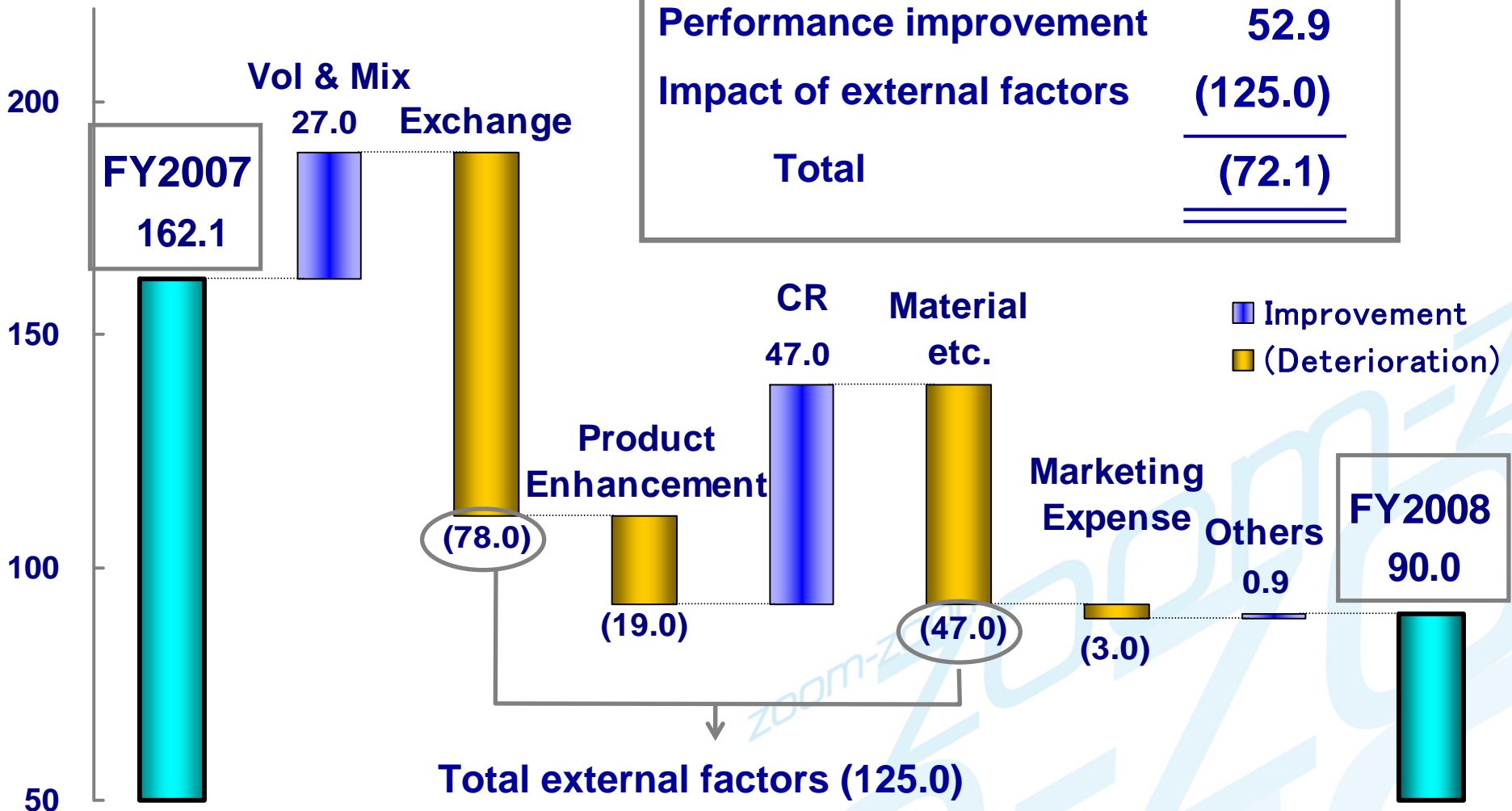


OPERATING PROFIT CHANGE

FY2008 Full Year Compared With FY2007 Full Year

(Billion yen)

Performance improvement	52.9
Impact of external factors	(125.0)
Total	(72.1)





IN SUMMARY



CONCLUDING COMMENTS

- **Operating profit for the first half is ¥60.7 billion, down 17% from last year but exceeding the initial forecast. Profit declined because of the impact from foreign exchange and material price hikes partially offset by improvements in volume and mix**
- **Full year operating profit forecast is revised down to ¥90 billion due to material price hikes and deteriorating global sales environment**
- **Minimized impact of future exchange fluctuations on ordinary profit and net income**
- **Reduced production volume in Japan by 73,000 units from 3rd quarter. Full year production volume down 48,000 units from initial plan to 1.048 million units**
- **Looking ahead, significant challenge due to deterioration of global economic environment**
- **Continue to accelerate business efficiency, cost innovation and brand value improvements**



mazda

zoom-zoom
zoom-zoom-z



APPENDIX



FY2008 2nd QUARTER FINANCIAL METRICS

(Billion yen)	2nd Quarter		Change	
	<u>FY2008</u>	<u>FY2007</u>	<u>Amount</u>	<u>Pct.</u>
Revenue	803.7	841.9	(38.2)	(5) %
Operating profit	32.4	40.8	(8.4)	(20) %
Ordinary profit	25.6	36.4	(10.8)	(29) %
Profit before tax	24.2	34.9	(10.7)	(31) %
Net income	14.5	26.6	(12.1)	(45) %
Operating ROS	4.0	4.8 %	(0.8) Pts	-
EPS(Yen/Share)	10.3	18.8	(8.5)	(45) %

KEY DATA

	2nd Quarter		Change
	FY2008	FY2007	
Global retail volume (000)	343	336	2 %
Exchange rate			
Yen / U.S. Dollar	108	118	¥ (10)
Yen / Euro	162	162	¥ 0

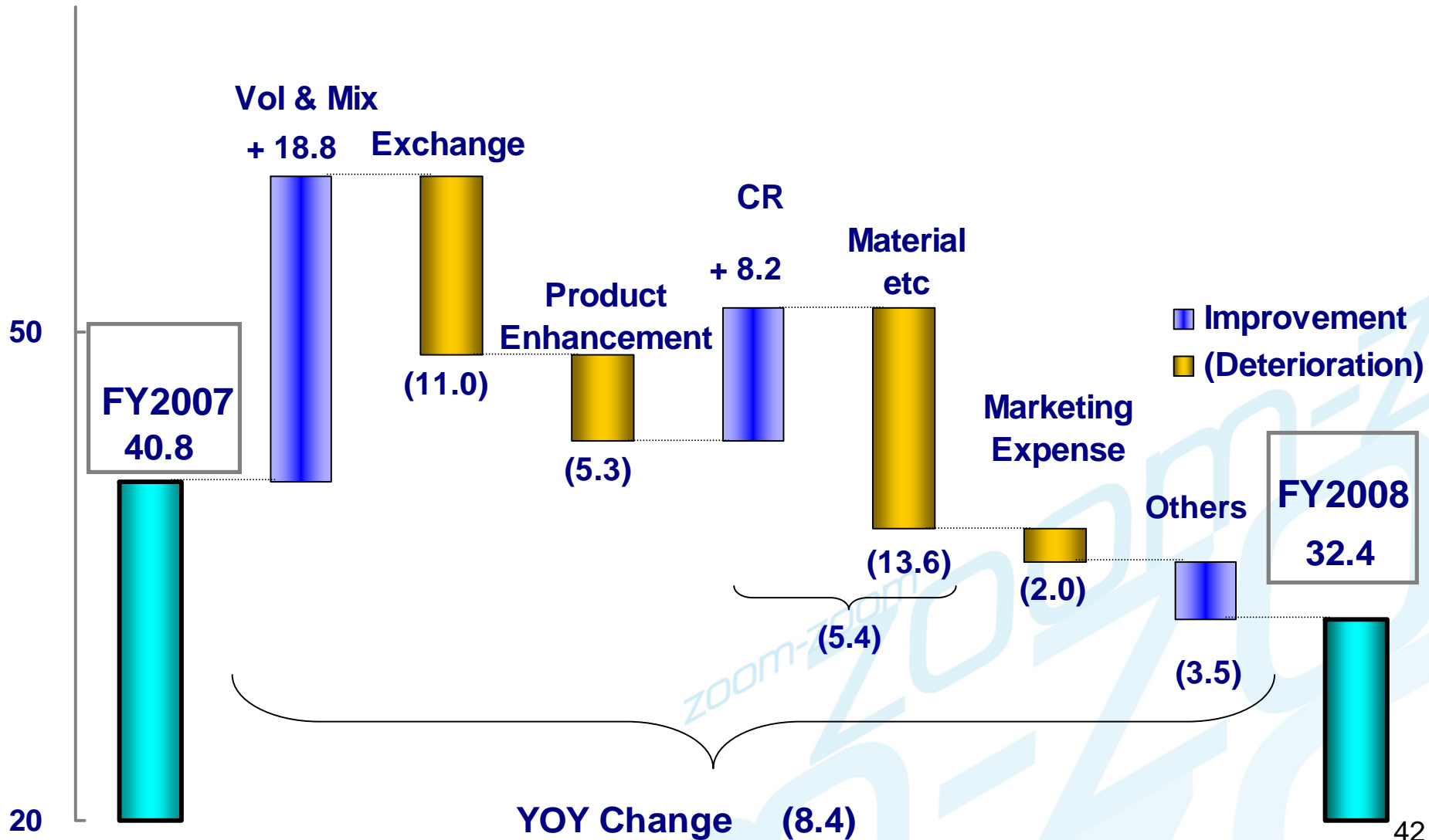
ZOOM-ZOOM

KEY DATA

	2nd Quarter		
	<u>FY2008</u>	<u>FY2007</u>	<u>Change</u>
Global Retail Volume (000)			
Japan	69	66	3
North America	91	105	(14)
Europe	86	75	11
China	30	25	5
Other	67	65	2
Total	<u>343</u>	<u>336</u>	<u>7</u>
Consolidated Wholesales (000)			
Japan	65	67	(2)
North America	105	88	17
Europe	89	72	17
China	3	0	3
Other	68	68	0
Total	<u>330</u>	<u>295</u>	<u>35</u>

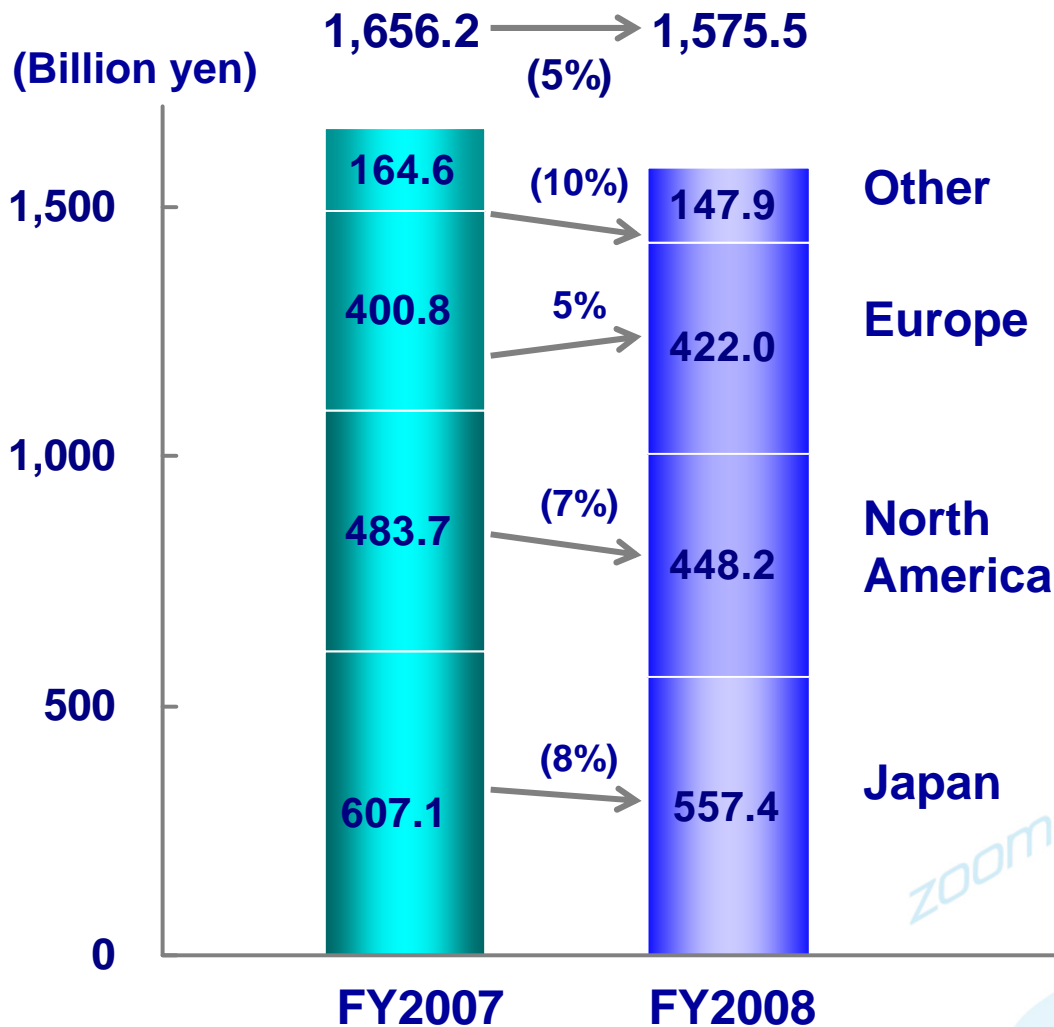
OPERATING PROFIT CHANGE

FY2008 2nd Quarter Compared With FY2007 2nd Quarter
(Billion yen)

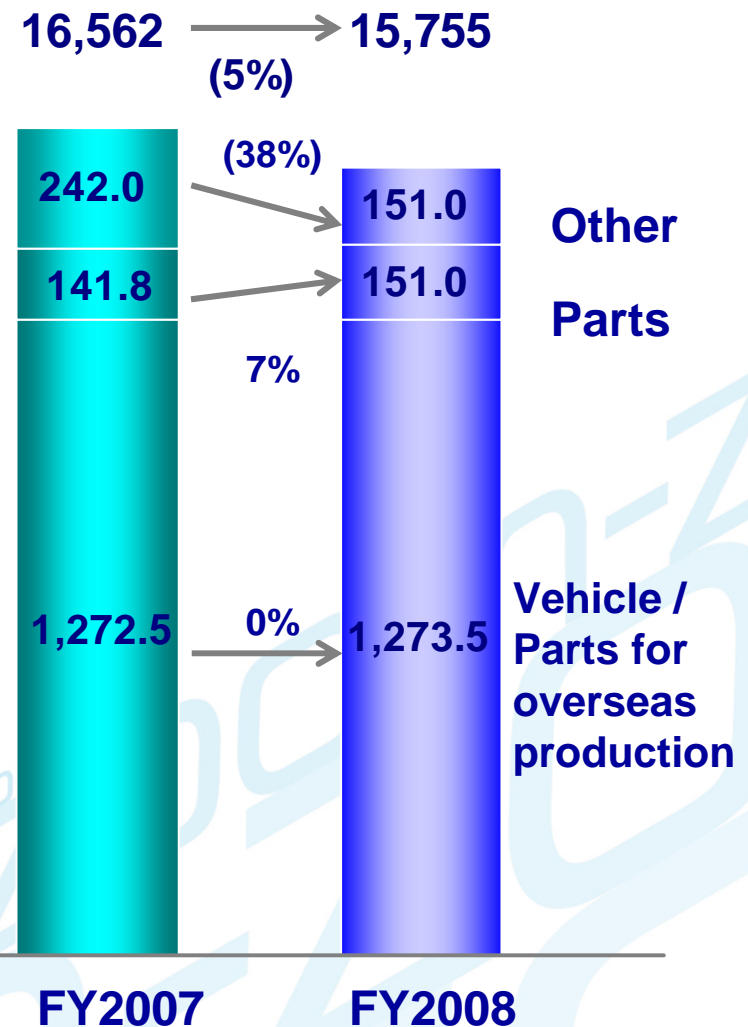


REVENUE BY REGION AND BY SEGMENT

FY2008 First Half Compared With FY2007 First Half By Region



By Segment

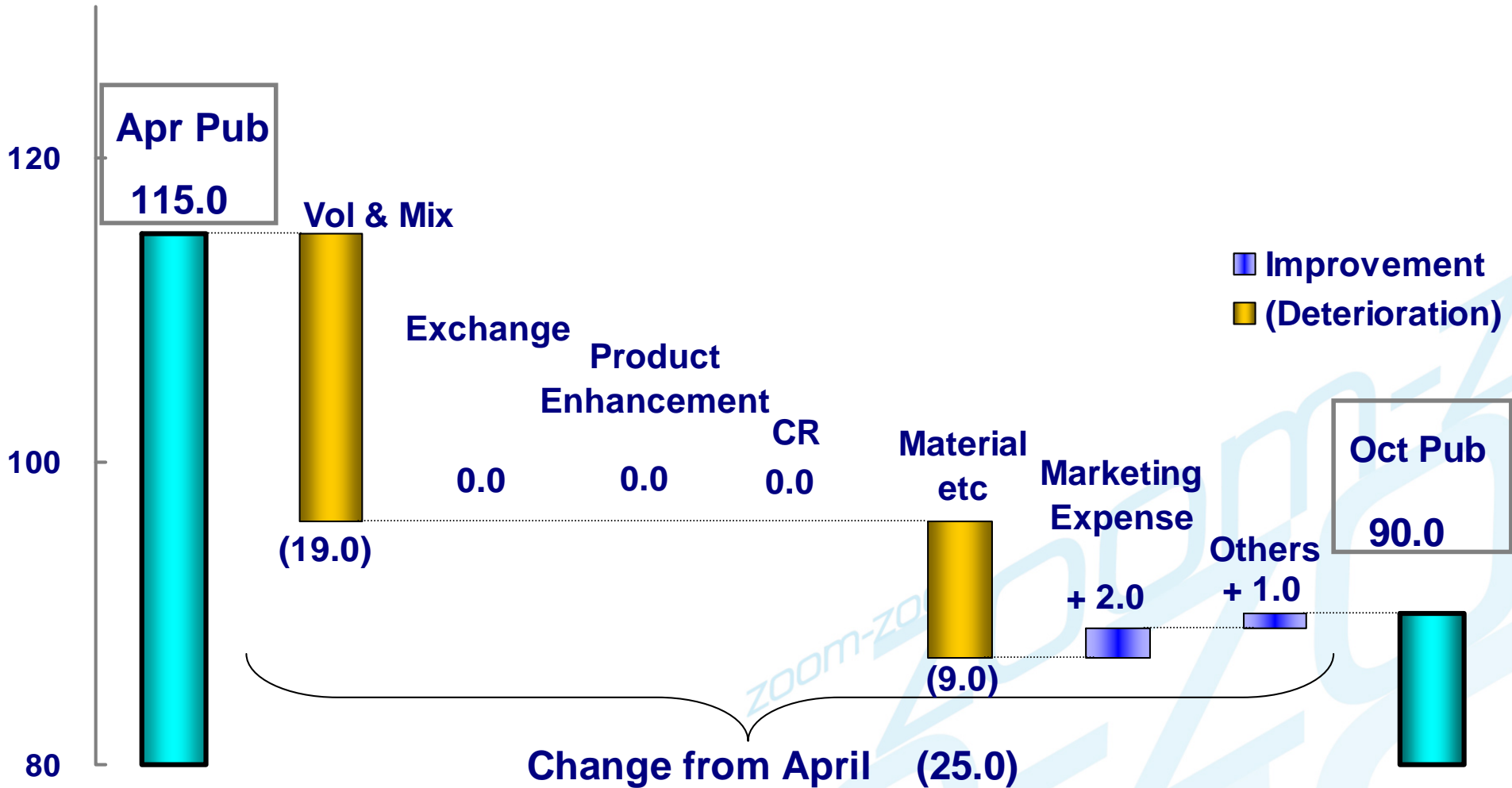


KEY DATA

(Billion yen)	FY2008		
	<u>1st Half</u>	<u>2nd Half</u>	<u>Full Year</u>
Revenue	1,575.5	1,424.5	3,000.0
Operating profit	60.7	29.3	90.0
Ordinary profit	48.5	41.5	90.0
Profit before tax	46.8	36.2	83.0
Net income	29.5	20.5	50.0
Operating ROS	3.9 %	2.1 %	3.0 %
EPS(Yen/Share)	21.0	14.5	35.5

OPERATING PROFIT CHANGE

FY2008 Full Year Compared with FY2008 April Pub
(Billion yen)



KEY DATA

	<u>FY2008</u>			<u>Change from April Pub</u>		
	<u>1st Half</u>	<u>2nd Half</u>	<u>Full Year</u>	<u>1st Half</u>	<u>2nd Half</u>	<u>Full Year</u>
Global Retail Volume (000)						
Japan	123	124	247	(1)	(9)	(10)
North America	200	196	396	3	(7)	(4)
Europe	179	191	370	0	10	10
China	63	67	130	(22)	(28)	(50)
Other	136	126	262	(9)	(12)	(21)
Total	701	704	1,405	(29)	(46)	(75)
Exchange rate						
Yen / U.S. Dollar	106	100	103			
Yen / Euro	163	140	152			

KEY DATA

	<u>FY2008</u>			<u>Change from April Pub</u>		
	<u>1st Half</u>	<u>2nd Half</u>	<u>Full Year</u>	<u>1st Half</u>	<u>2nd Half</u>	<u>Full Year</u>
Consolidated Wholesales (000)						
Japan	121	125	246	(5)	(9)	(14)
North America	207	199	406	25	(12)	13
Europe	172	180	352	11	(9)	2
China	10	8	18	(5)	(6)	(11)
Other	138	120	258	6	(6)	0
Total	648	632	1,280	32	(42)	(10)

ZOOM-ZOOM

KEY DATA

	<u>FY2008</u>			<u>Change from FY2007</u>		
	<u>1st Half</u>	<u>2nd Half</u>	<u>Full Year</u>	<u>1st Half</u>	<u>2nd Half</u>	<u>Full Year</u>
Consolidated Wholesales (000)						
Japan	121	125	246	(3)	(8)	(11)
North America	207	199	406	22	(2)	20
Europe	172	180	352	32	(3)	29
China	10	8	18	10	1	11
Other	138	120	258	12	(21)	(9)
Total	648	632	1,280	73	(33)	40

ZOOM-ZOOM

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.