



FY2008 THIRD QUARTER RESULTS AND FULL YEAR FORECAST



Mazda Motor Corporation
February 4, 2009

OUTLINE

- **Highlights**
- **FY2008 Nine Months Results**
- **FY2008 Full Year Forecast**
- **Emergency Measures and Initiatives for FY2009 and Onward**
- **In Summary**





HIGHLIGHTS



FY2008 NINE MONTHS HIGHLIGHTS

- **Revenue down 17% to ¥2,087.9 billion.
Operating Profit down 66% to ¥36.5 billion.
Net Income down 36% to ¥28.9 billion,
Reflecting Exchange Gains**
- **Global Sales down 1% to 964,000 units due
to Deteriorations of Global Sales
Environment from the 2nd Half**
- **New-generation Products Received High
Acclaim Globally**
- **Unveiled new Mazda3**
- **Started Emergency Measures**
- **Change in Major Shareholders**

FY2008 FULL YEAR FORECAST HIGHLIGHTS

- **Revised down Full Year Forecasts at All Profit Levels Reflecting Sharp Deterioration of Global Sales Environment and Recent Foreign Exchange Trend**
- **Revenue down 27% to ¥2,550 billion. Operating Profit down ¥187.1 billion to a Loss of ¥25 billion**
- **Accelerate Emergency Measures**
- **Production Cut by 148,000 units in 2nd Half from October Plan (Production Volume Full Year Forecast at 900,000 units)**



FY2008 NINE MONTHS RESULTS



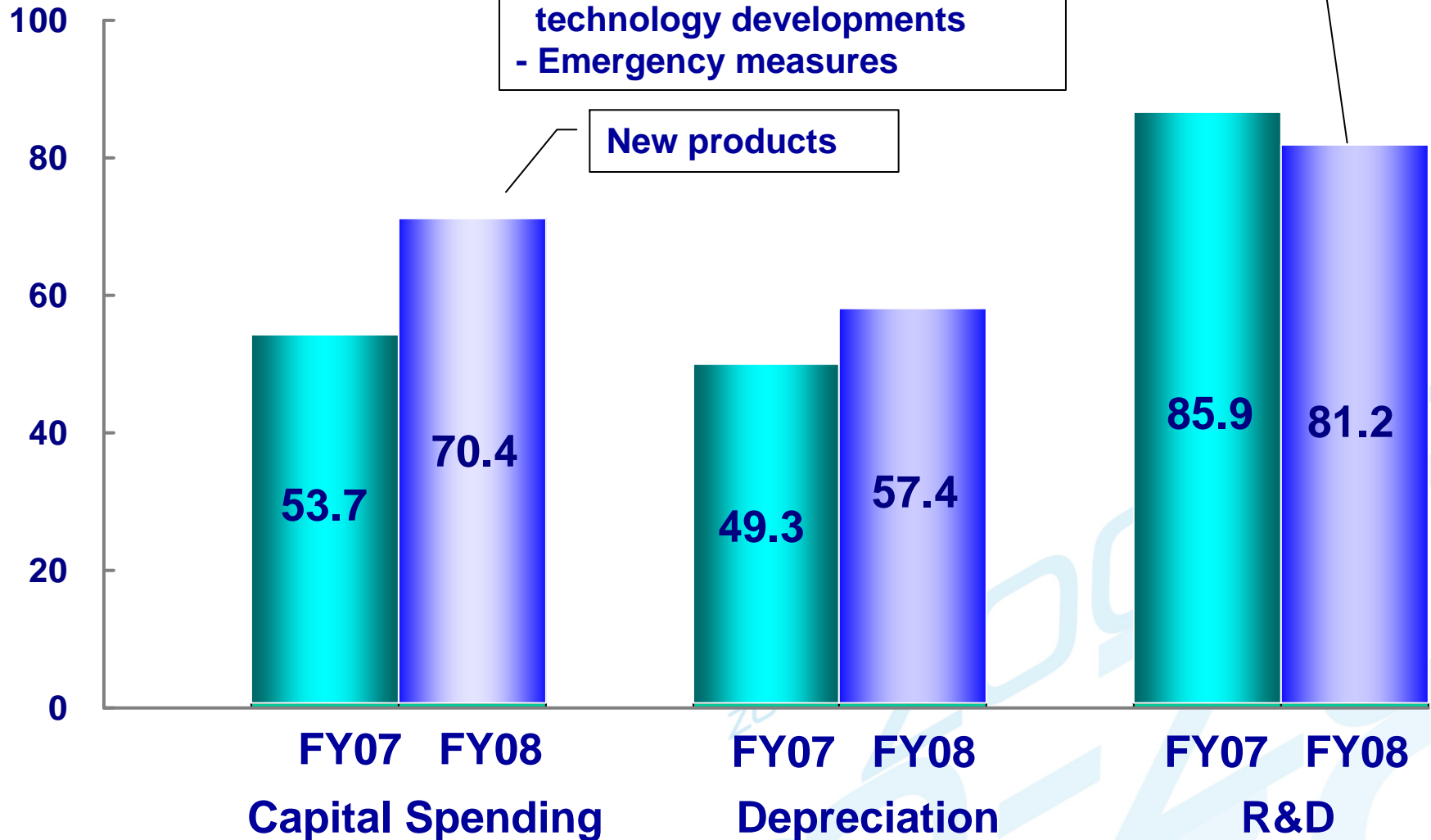
FY2008 NINE MONTHS FINANCIAL METRICS

(Billion yen)	Nine Months		Change	
	FY2008	FY2007	Amount	Pct.
Revenue	2,087.9	2,506.3	(418.4)	(17) %
Operating profit	36.5	108.4	(71.9)	(66) %
Ordinary profit	52.1	89.7	(37.6)	(42) %
Profit before tax	49.9	86.3	(36.4)	(42) %
Net income	28.9	45.0	(16.1)	(36) %
Operating ROS	1.7 %	4.3 %	(2.6) Pts	-
EPS(Yen/Share)	20.8	32.0	(11.2)	(35) %

KEY DATA

Nine Months

(Billion yen)



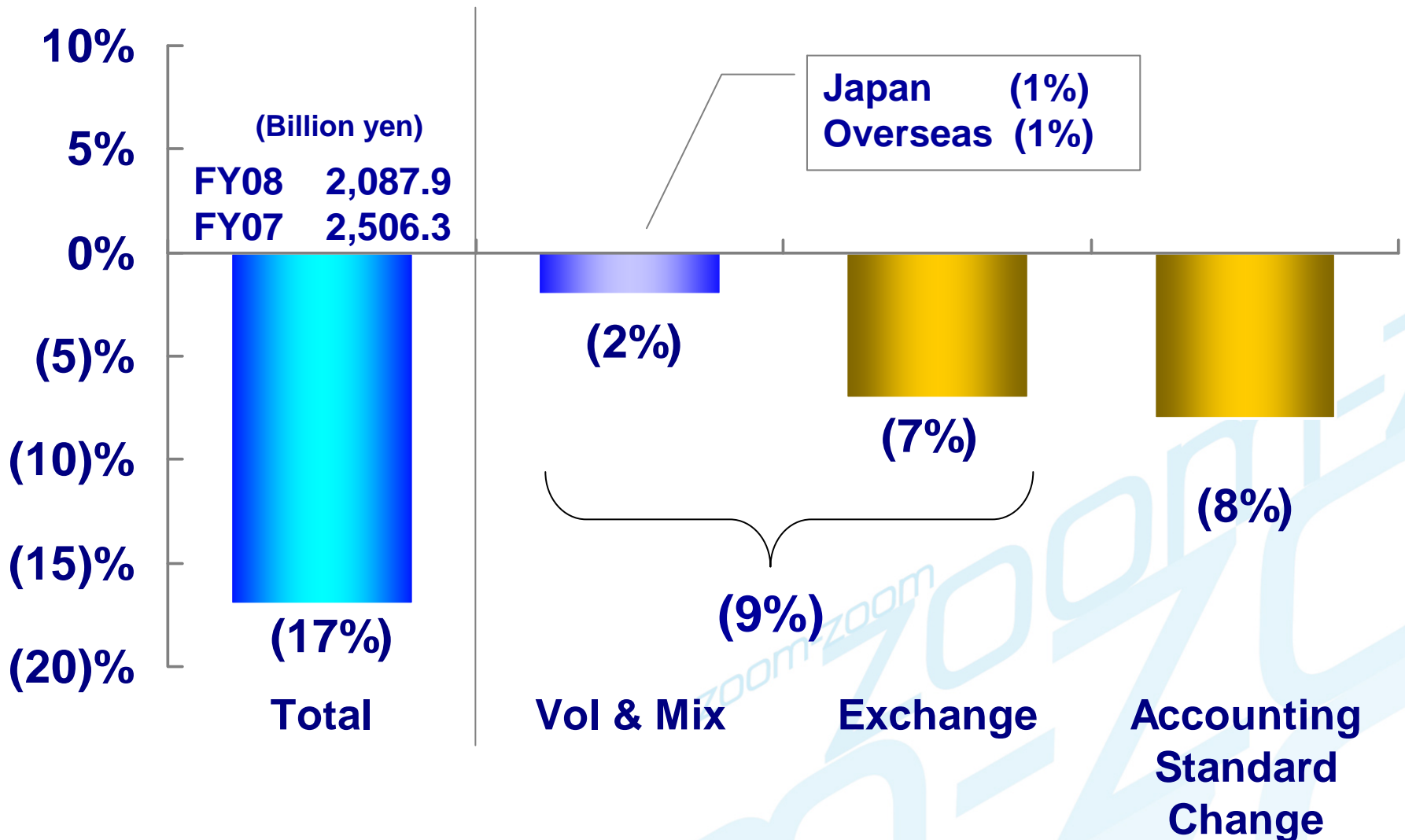
KEY DATA

	<u>Nine Months</u>		<u>Change</u>
	<u>FY2008</u>	<u>FY2007</u>	
Global retail volume (000)	964	975	(1) %
Exchange rate			
Yen/US Dollar	103	117	¥ (14)
Yen/Euro	151	163	¥ (12)

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REVENUE CHANGE

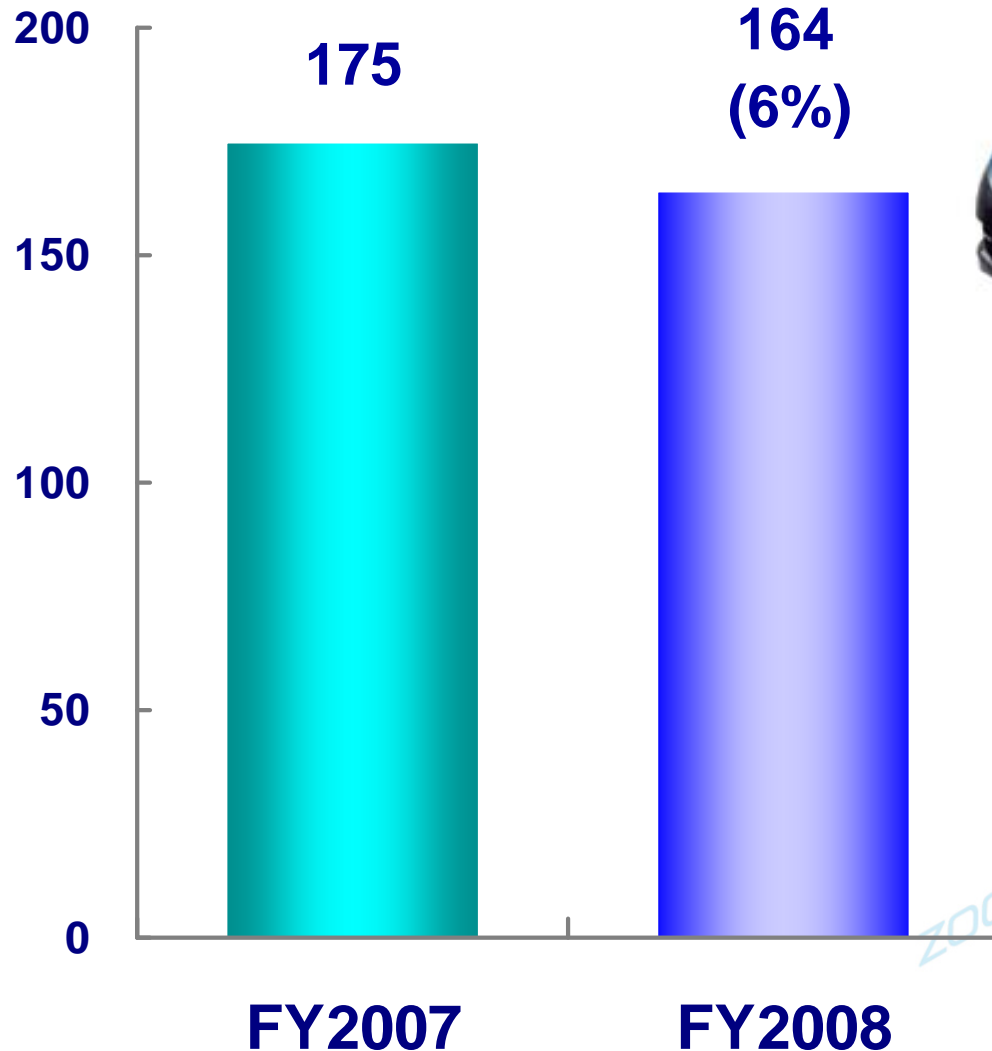
FY2008 Nine Months Compared With FY2007 Nine Months



JAPAN

Nine Months Sales Volume

(000 units)

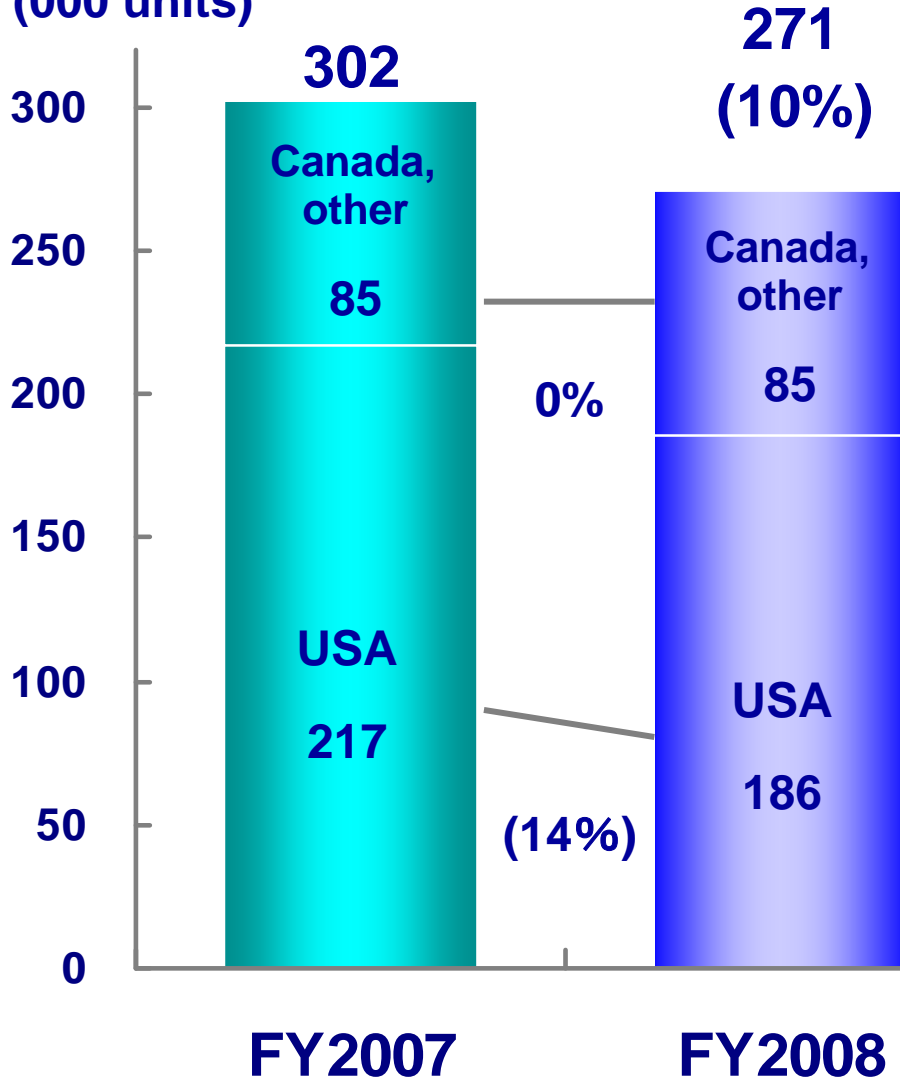


- Even with new model effects of Atenza and Biante, sales were down 6% due to substantial falls in sales of existing model impacted by lower registered vehicle demand
- Share remained at 4.7%

NORTH AMERICA

Nine Months Sales Volume

(000 units)

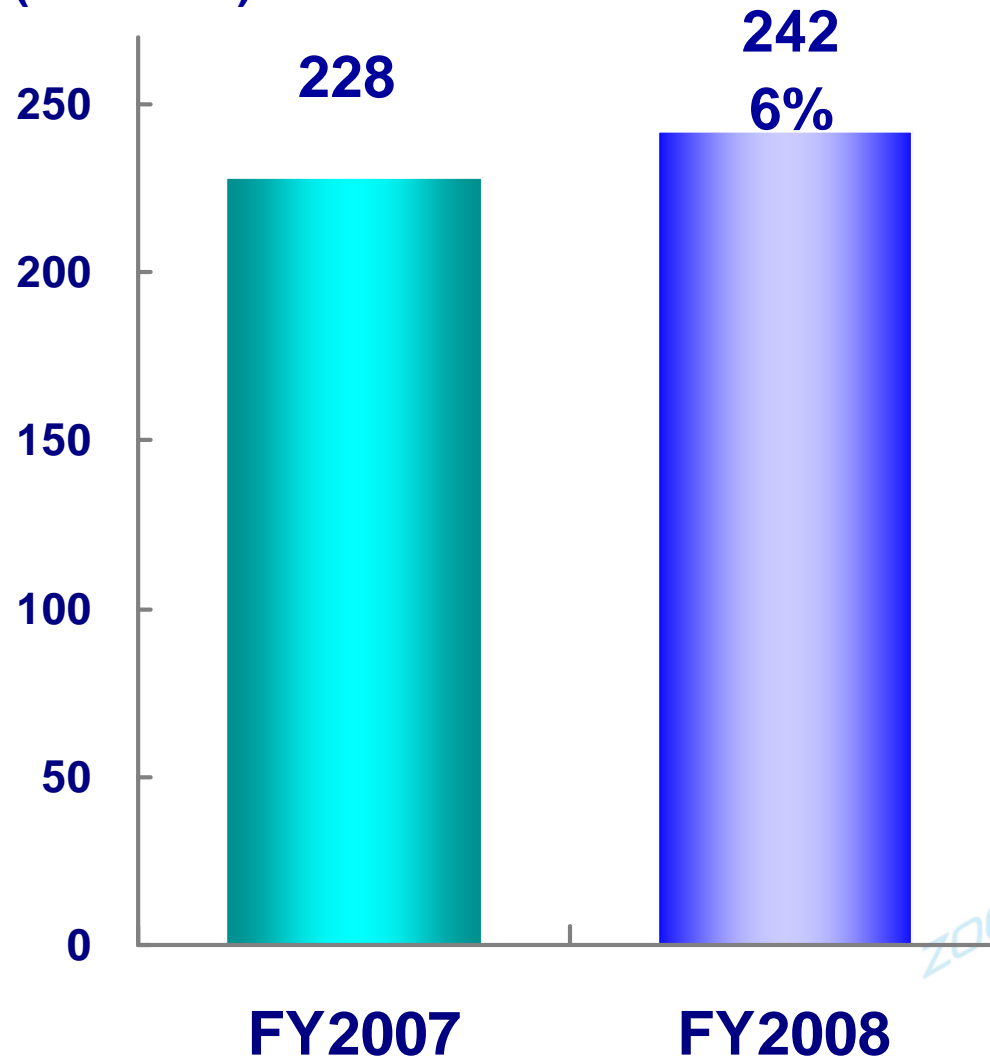


- Due to lower industry demand since the fall, sales in North America were down 10%
- Mazda6 was received positively
- Sales in the US declined 14% to 186,000 units. Share increased 0.1 point
- Sales in Canada were down 5% to 65,000 units

EUROPE

Nine Months Sales Volume

(000 units)

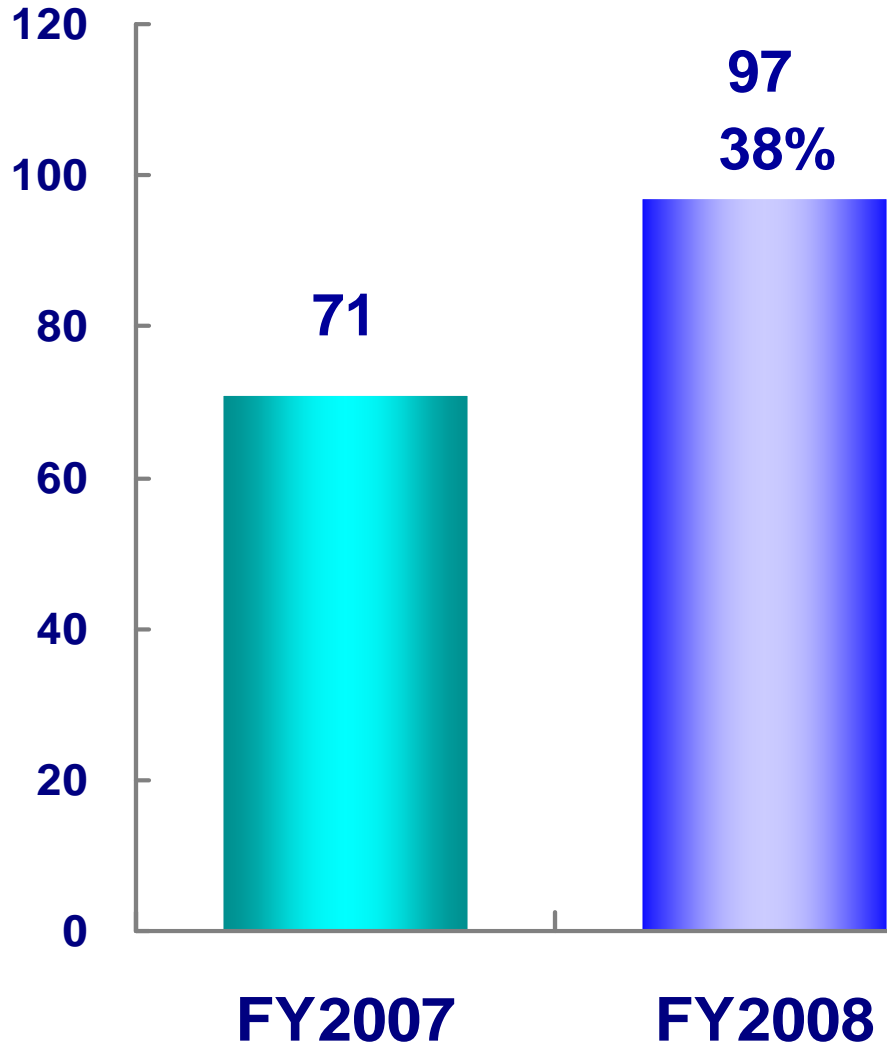


- Sales in Europe increased 6%, with higher sales in Russia up 39% to 57,000 units
- Sales in CY2008 hit the record sales
- Introduced hydrogen RE vehicles to Norway's public roads

CHINA

Nine Months Sales Volume

(000 units)

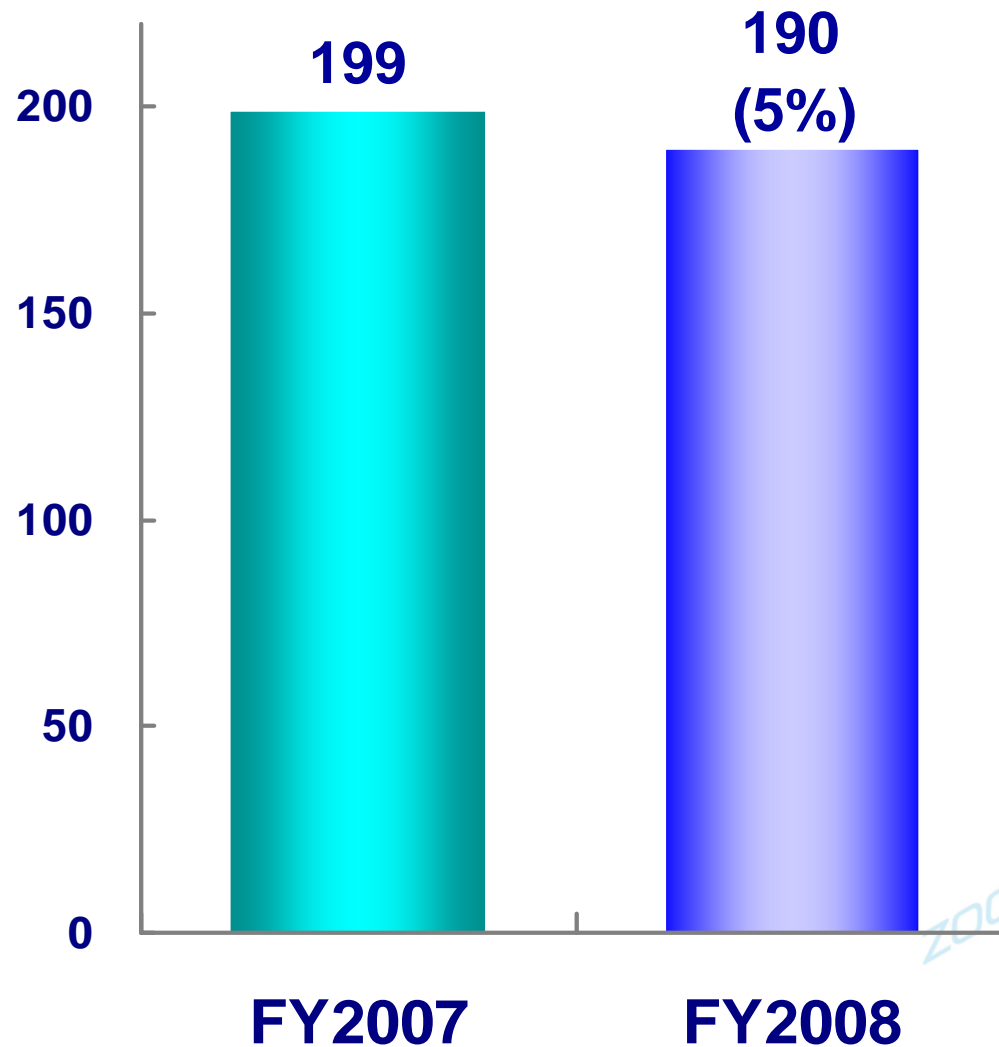


- ▶ With new car effect of Mazda2 and strong sales of Mazda6, sales were up 38% from the prior year
- ▶ Sales outlets increased 37 to 212

OTHER MARKETS

Nine Months Sales Volume

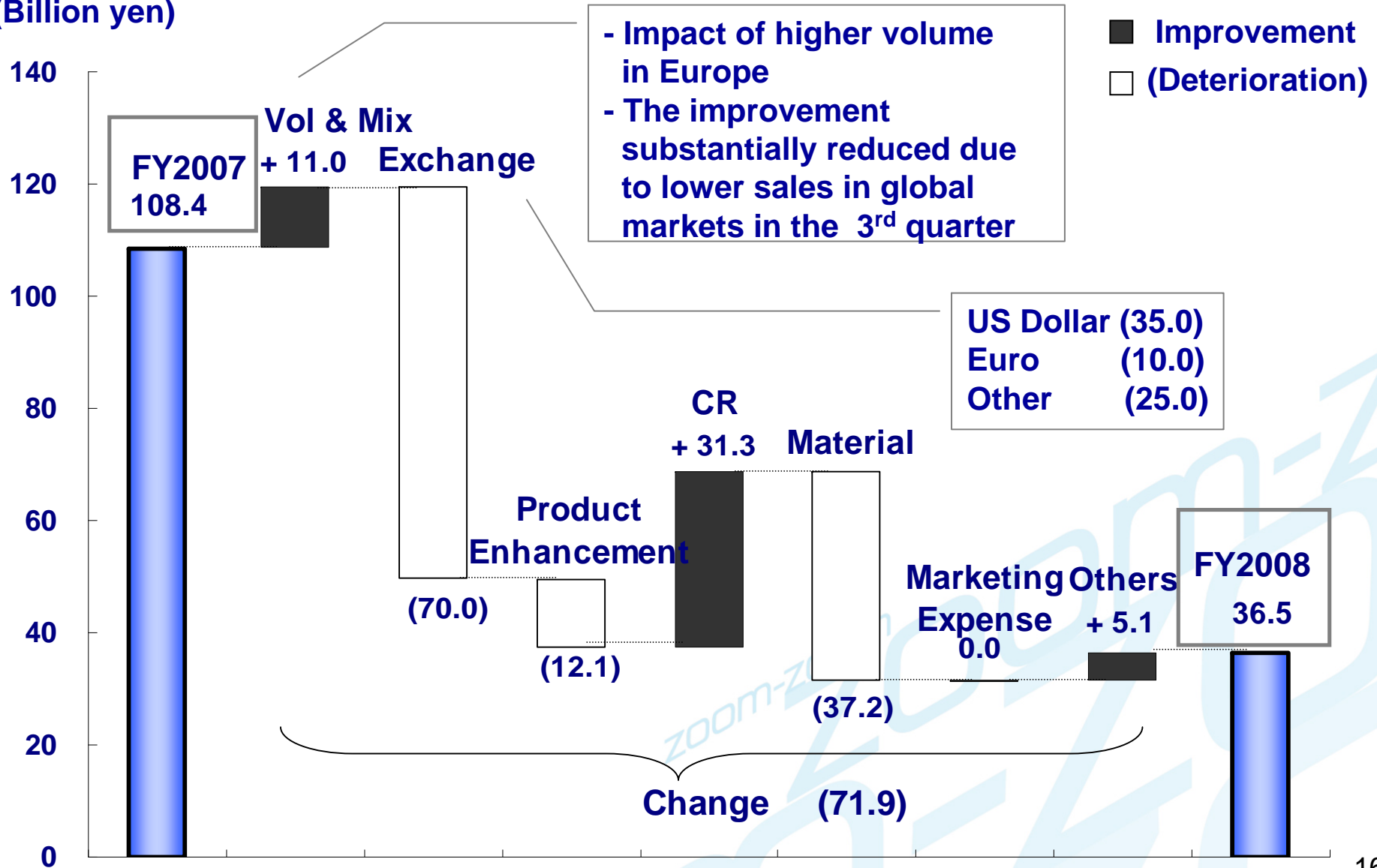
(000 units)



- New car effect of Mazda2 continued
- Sales in Australia were 58,000 units, flat year over year (Achieved the highest ever sales volume in CY2008)
- Sales declined 5%, due to lower volume in Taiwan, Thailand and Venezuela

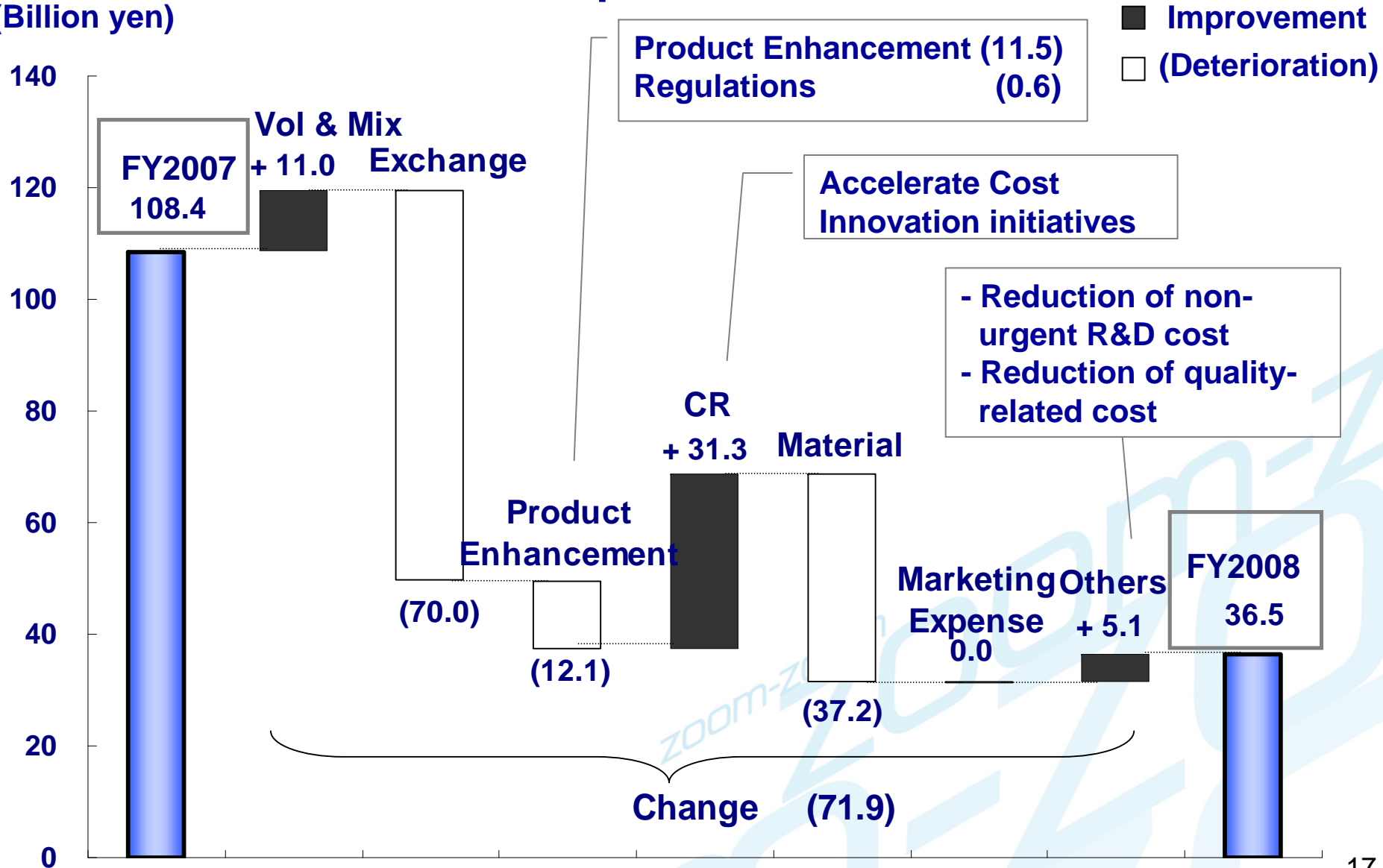
OPERATING PROFIT CHANGE

FY2008 Nine Months Compared With FY2007 Nine Months (Billion yen)



OPERATING PROFIT CHANGE

FY2008 Nine Months Compared With FY2007 Nine Months
(Billion yen)





FY2008 FULL YEAR FORECAST



FY2008 FULL YEAR FORECAST FINANCIAL METRICS

(Billion yen)	Full Year		Change from FY2007		Memo: FY2008 Oct Pub
	FY2008	FY2007	Amount	Pct.	
Revenue	2,550.0	3,475.8	(925.8)	(27) %	3,000.0
Operating profit	(25.0)	162.1	(187.1)	-	90.0
Ordinary profit	(15.0)	148.5	(163.5)	-	90.0
Profit before tax	(20.0)	143.1	(163.1)	-	83.0
Net income	(13.0)	91.8	(104.8)	-	50.0
Operating ROS	(1.0) %	4.7 %	(5.7) Pts	-	3.0 %
EPS(Yen/Share)	(9.9)	65.2	(75.1)	-	35.5

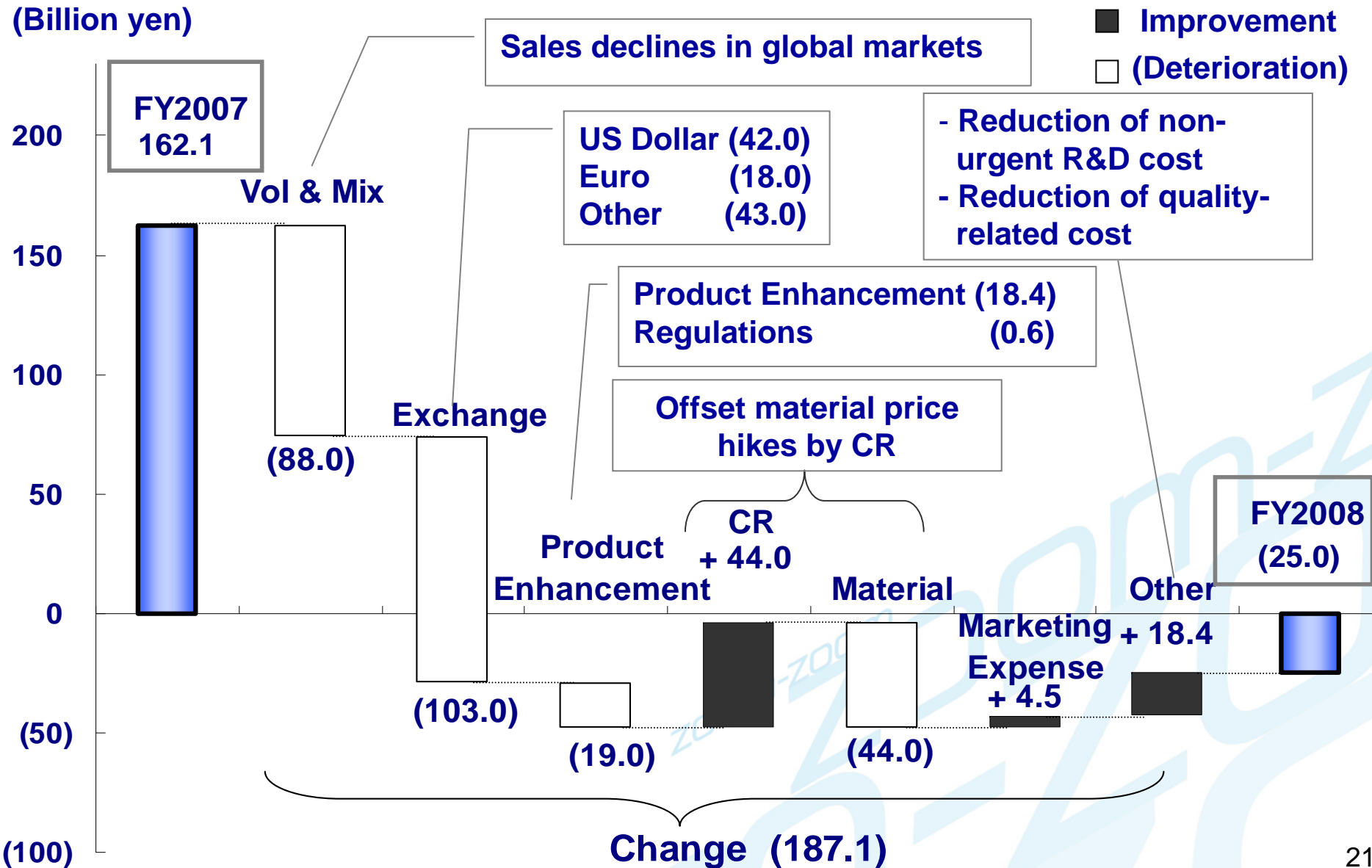
KEY DATA

(000)	Full Year		Change from	
	FY2008	FY2007	FY2007	Oct Pub
Global retail volume				
Japan	218	256	(38)	(29)
North America	342	406	(64)	(54)
<i>USA</i>	238	295	(57)	(42)
Europe	314	327	(13)	(56)
China	127	101	26	(3)
Other	239	273	(34)	(23)
Total	1,240	1,363	(123)	(165)
Exchange rate				
Yen/US Dollar	100	114	(14)	(3)
Yen/Euro	144	162	(18)	(8)

OPERATING PROFIT CHANGE

FY2008 Full Year Compared With FY2007 Full Year

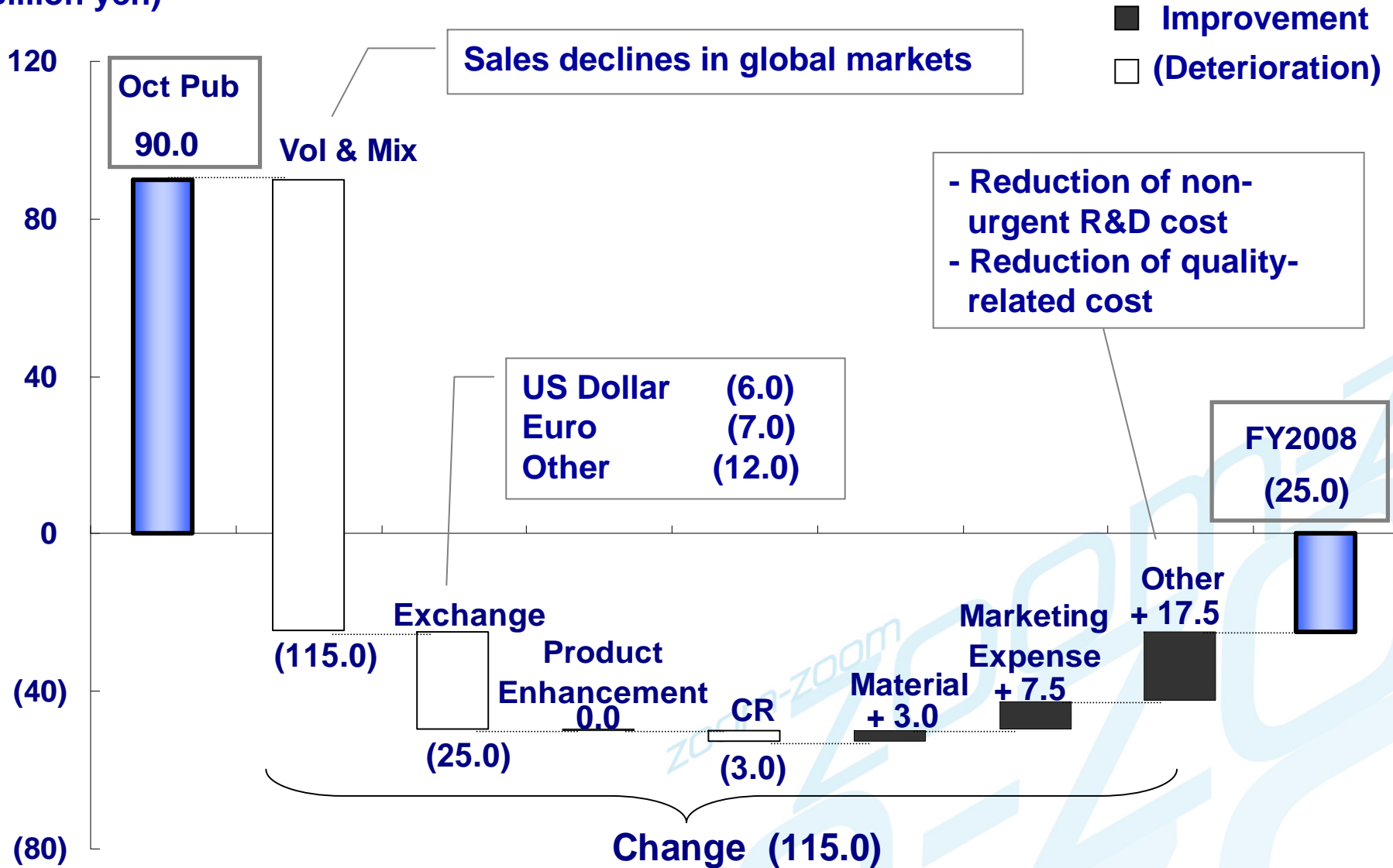
(Billion yen)



OPERATING PROFIT CHANGE

FY2008 Full Year Compared With October Plan

(Billion yen)





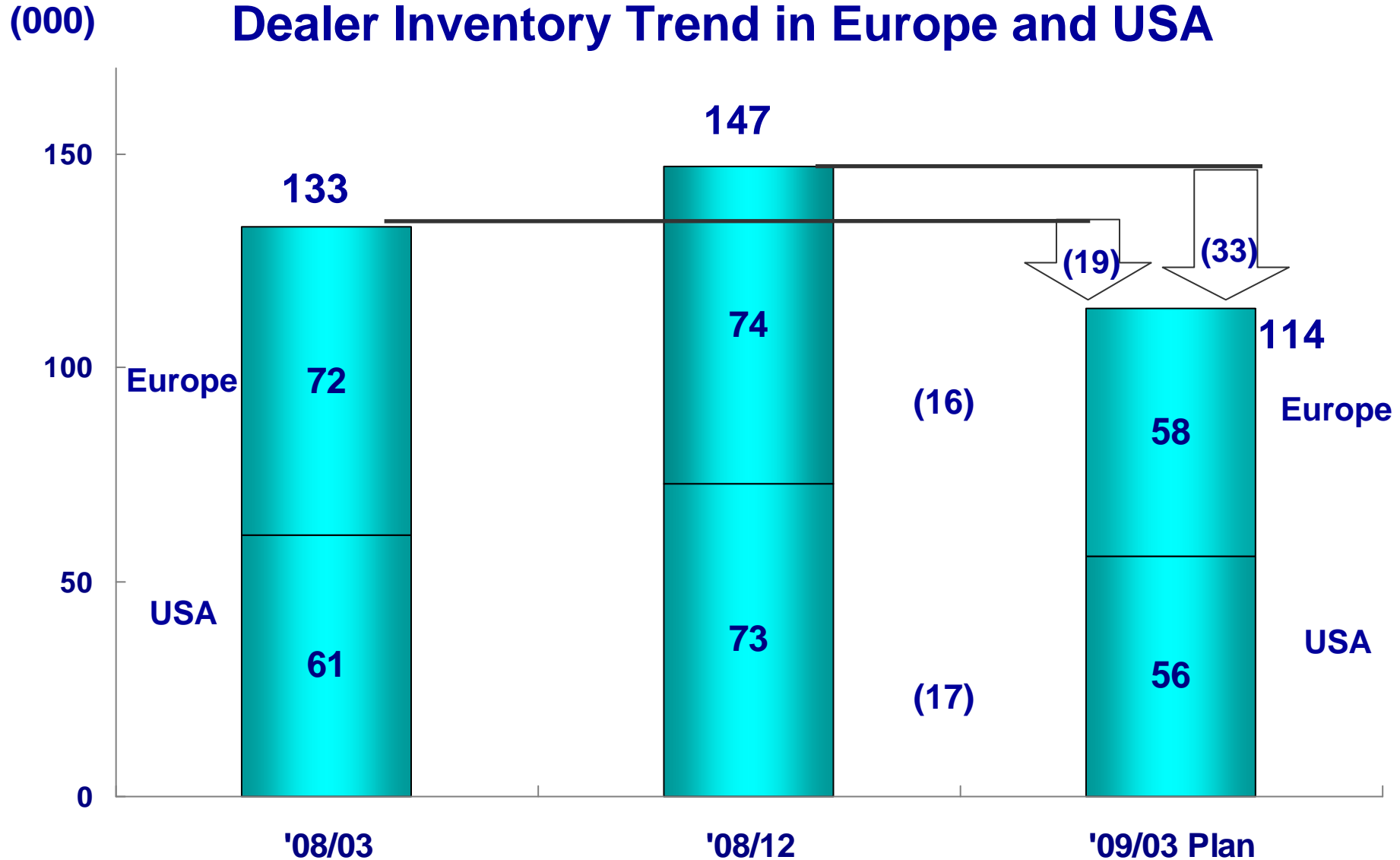
EMERGENCY MEASURES AND INITIATIVES FOR FY2009 AND ONWARD

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EMERGENCY MEASURES

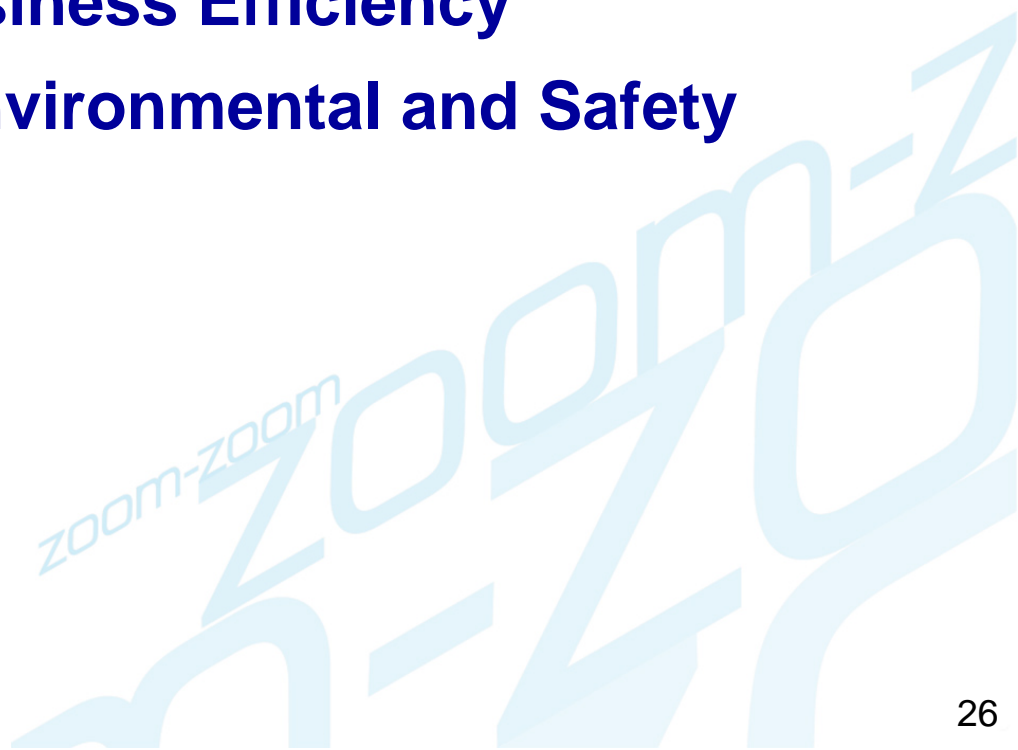
- **Global Inventory Adjustment**
 - **Additional 148,000 units Production Cut from October Plan**
 - **Change to One Day-Shift Operations at Ujina No.2 and Hofu No.2 Plants. Stop All Production Lines Every Friday (February and March)**
- **Fixed Cost Reduction**
 - **Compress Labor Cost Through Voluntary Return of Directors' Remuneration, Reduction of Middle Management's Salary, etc.**
 - **Review Advertisement Cost**
 - **Reassess Costs in All Areas and R&D Cost**
- **Reduction of Capital Spending**
- **Non-Renewal of Contracts for Non-Permanent Employees in Manufacturing Area**

EMERGENCY MEASURES



FOR NEXT FISCAL YEAR AND ONWARD

- **Reassess Product Strategy**
- **Continue to Align Production with Industry Demand**
- **Reassess Sales Strategy in Key Markets**
- **Accelerate Cost Innovation Initiatives and Further Improve Business Efficiency**
- **Further Focus on Environmental and Safety Technologies**





IN SUMMARY



IN SUMMARY

- **Revised Full Year Forecast Down to Operating Loss of ¥25 billion**
- **Ordinary Loss at ¥15 billion Due to Exchange Gains**
- **Accelerate Emergency Measures**
- **Change to Streamlined and Lean Business Structure**
- **Year-end Dividend Undecided**





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APPENDIX



FY2008 THIRD QUARTER FINANCIAL METRICS

(Billion yen)	3rd Quarter		Change	
	FY2008	FY2007	Amount	Pct.
Revenue	512.4	850.1	(337.7)	(40) %
Operating profit	(24.2)	35.3	(59.5)	-
Ordinary profit	3.6	32.1	(28.5)	(89) %
Profit before tax	3.1	32.0	(28.9)	(90) %
Net income	(0.6)	15.9	(16.5)	-
Operating ROS	(4.7)	4.2 %	(8.9) Pts	-
EPS(Yen/Share)	(0.2)	11.3	(11.5)	-

KEY DATA

	3rd Quarter		Change
	FY2008	FY2007	
Global retail volume (000)	263	316	(17) %
Exchange rate			
Yen/U.S. Dollar	96	113	¥ (17)
Yen/Euro	127	164	¥ (37)



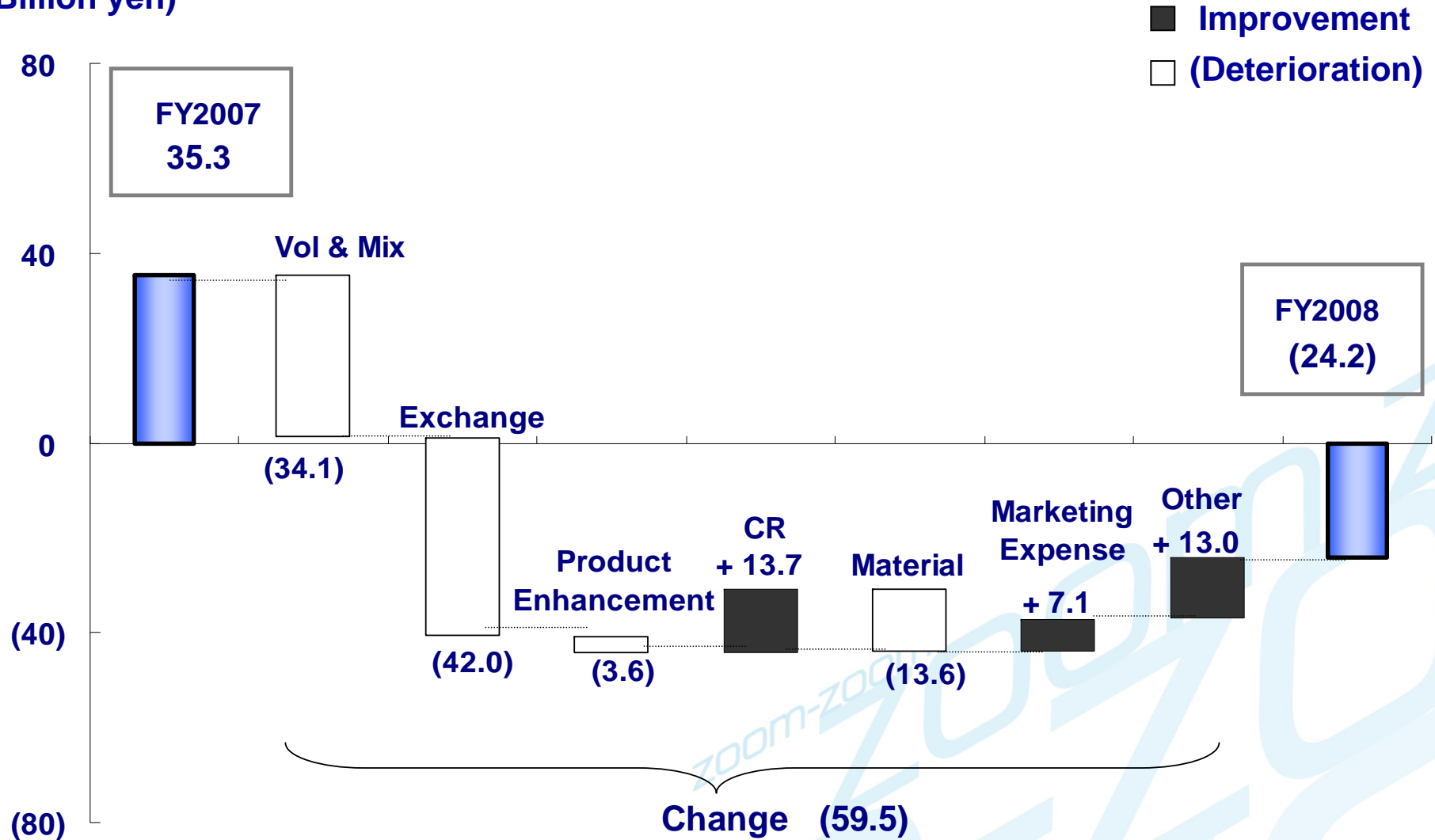
KEY DATA

	3rd Quarter		
	<u>FY2008</u>	<u>FY2007</u>	<u>Change</u>
Global Retail Volume (000)			
Japan	41	52	(11)
North America	71	89	(18)
Europe	63	75	(12)
China	34	30	4
Other	54	70	(16)
Total	<u>263</u>	<u>316</u>	<u>(53)</u>
Consolidated Wholesales (000)			
Japan	45	53	(8)
North America	70	95	(25)
Europe	61	78	(17)
China	5	1	4
Other	62	75	(13)
Total	<u>243</u>	<u>301</u>	<u>(58)</u>

OPERATING PROFIT CHANGE

FY2008 Third Quarter With FY2007 Third Quarter

(Billion yen)

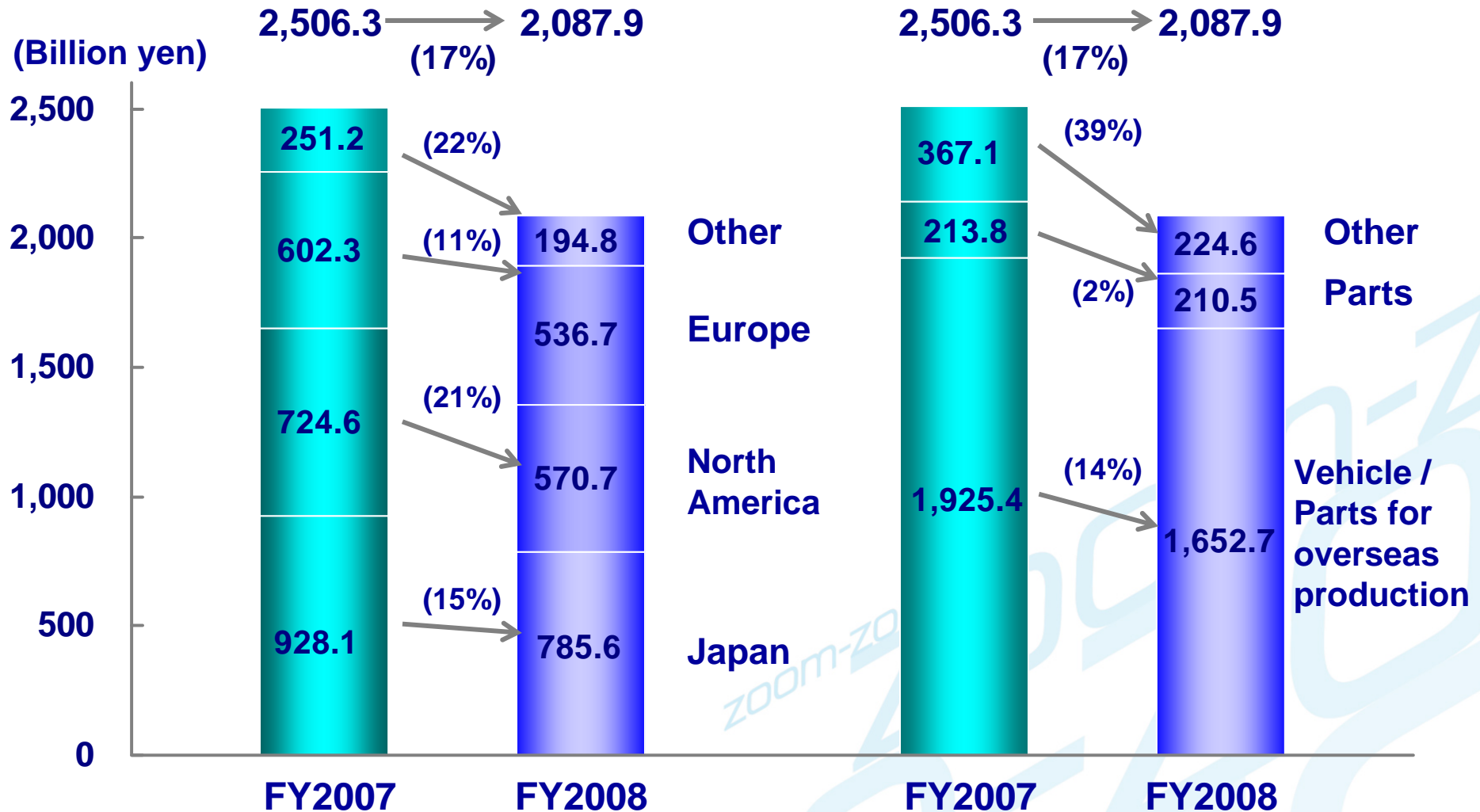


REVENUE BY REGION AND BY SEGMENT

FY2008 Nine Months Compared With FY2007 Nine Months

By Region

By Segment



KEY DATA

(Billion yen)	FY2008		
	<u>Nine Months</u>	<u>4Q</u>	<u>Full Year</u>
Revenue	2,087.9	462.1	2,550.0
Operating profit	36.5	(61.5)	(25.0)
Ordinary profit	52.1	(67.1)	(15.0)
Profit before tax	49.9	(69.9)	(20.0)
Net income	28.9	(41.9)	(13.0)
Operating ROS	1.7 %	(13.3) %	(1.0) %
EPS(Yen/Share)	20.8	(30.7)	(9.9)

KEY DATA

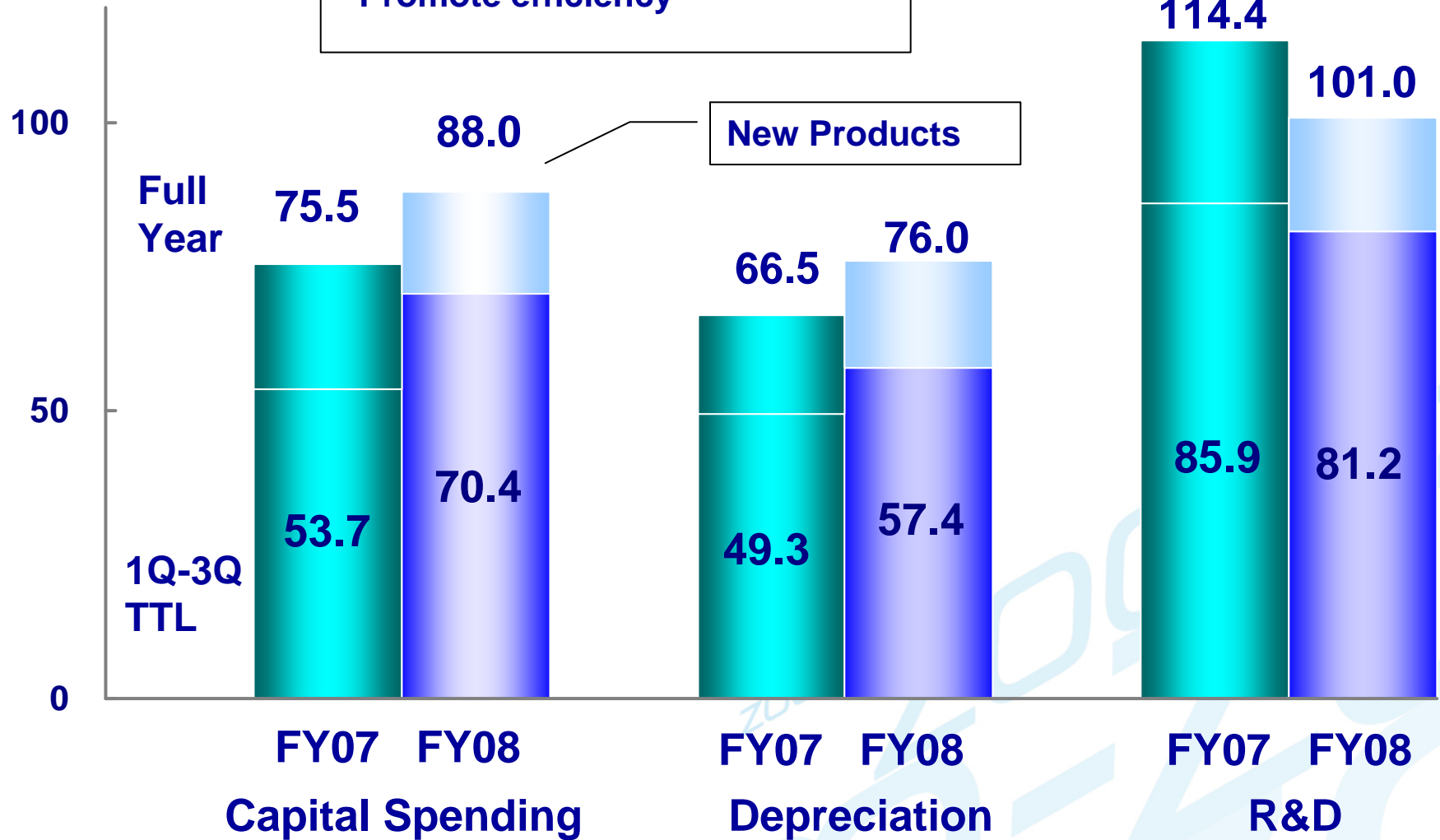
(000)

	FY2008			Full Year Volume Change from	
	9 Months	4Q	Full Year	FY2007	Oct Pub
Consolidated Wholesales					
Japan	166	53	219	(38)	(27)
North America	277	61	338	(48)	(68)
Europe	233	54	287	(36)	(65)
China	15	2	17	8	(1)
Other	200	39	239	(26)	(19)
Total	891	209	1,100	(140)	(180)

KEY DATA

(Billion yen)

- Continue to reinforce next-generation products and technology developments
- Promote efficiency



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.

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