

# *MAZDA MOTOR CORPORATION*

## *FY2002 PREVIEW & FY2003 PROJECTION*

**April 25, 2003**

# FY2002 OVERVIEW

- ◆ **Profits up Sharply from Prior Year**
  - Operating Profit up 77%
  - Net Income up 173%
- ◆ **Revenue Improved 13% YOY**
- ◆ **Introduction of Atenza/Mazda6 and Demio**
- ◆ **Cash Flow of ¥47 Billion**
- ◆ **Successful Dealer Reorganizations**

# FINANCIAL METRICS

(Billion yen)	<u>FY2002</u>	<u>FY2001</u>	<u>Change</u>		Memo:
			<u>Amount</u>	<u>Pct.</u>	<u>Oct. Proj. FY2002</u>
Revenue	2,364.5	2,094.9	269.6	13 %	2,340.0
Operating Profit	50.6	28.5	22.1	77 %	50.0
Ordinary Profit	40.7	19.2	21.5	112 %	36.0
Profit Before Tax	28.1	15.5	12.6	81 %	26.0
Net Income	24.1	8.8	15.3	173 %	26.5
Return on Sales	1.0%	0.4%	0.6 Pts	-	1.1%
Return on Assets	1.4%	0.5%	0.9 Pts	-	1.5%
EPS (¥/Share)	19.80	7.23	12.57	173 %	21.74

# CASH FLOW & NET DEBT

(Billion yen)			FY2002	Memo:
	<u>FY2002</u>	<u>FY2001</u>	B/(W) <u>FY2001</u>	Oct. Proj. <u>FY2002</u>
Cash Flow	47.0	30.6	NA	40.0
Net Debt	403.5	456.9	53.4	412.4
Net Debt-to-Equity	208%	264%	56 Pts	214%
Capital Spending	44.0	56.6	12.6	44.0
Dividend (¥/Share)	2	2	0	2

# JAPAN

	<u>FY2002</u>	<u>FY2001</u>	<u>Change</u>
Industry (000)	5,864	5,819	0.8 %
Market Share	4.6 %	4.6 %	0.0 Pts
Retail Volume (000)	270	268	0.6 %

## Atenza and Demio – Product Hits



# UNITED STATES

	<u>CY2002</u>	<u>CY2001</u>	<u>Change</u>
Industry (000)	16,615	16,927	(1.8) %
Market Share	1.6 %	1.6 %	0.0 Pts
Retail Volume (000)	258	270	(4.2) %

**Mazda6 -- Introduced  
in December**



# WESTERN EUROPE

	<u>CY2002</u>	<u>CY2001</u>	<u>Change</u>
Industry (000)	16,518	17,064	(3.2) %
Market Share	1.0 %	0.9 %	0.1 Pts
Retail Volume (000)	170	153	11.5 %
Memo: Total Europe	182	165	10.7 %

**Mazda6 Highly  
Successful**



# KEY ASSUMPTIONS

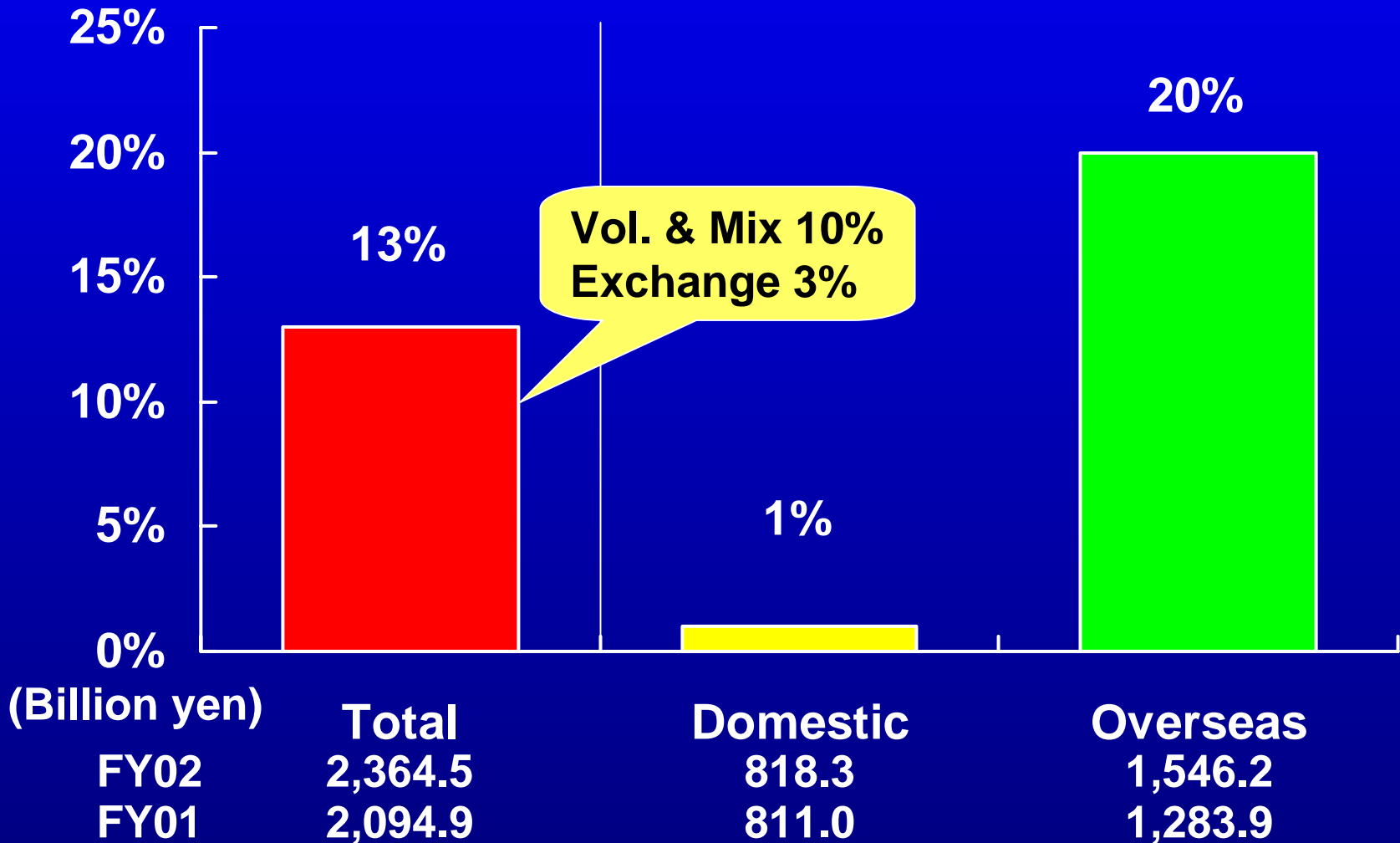
	<u>FY2002</u>	<u>FY2001</u>	<u>Change</u>
<b><u>WHOLESALES (000)</u></b>			
Consolidated	1,017	948	7 %

## **EXCHANGE RATES**

Yen / U.S. Dollar	122.0	125.0	¥ (3.0)
Yen / Euro	120.9	110.4	¥ 10.5



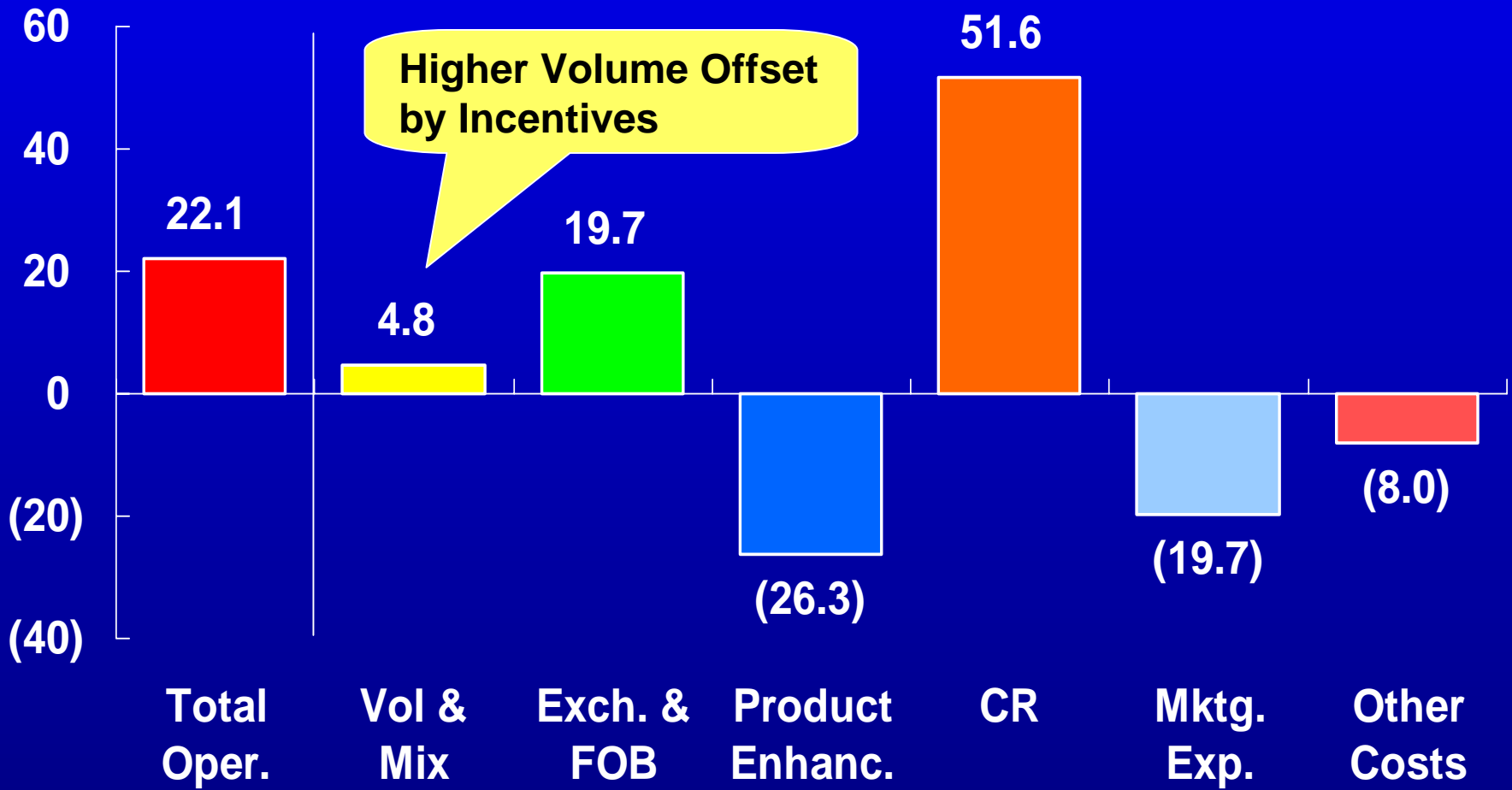
# REVENUE CHANGES BY DESTINATION



# OPERATING PROFIT CHANGES

Compared with Prior Year

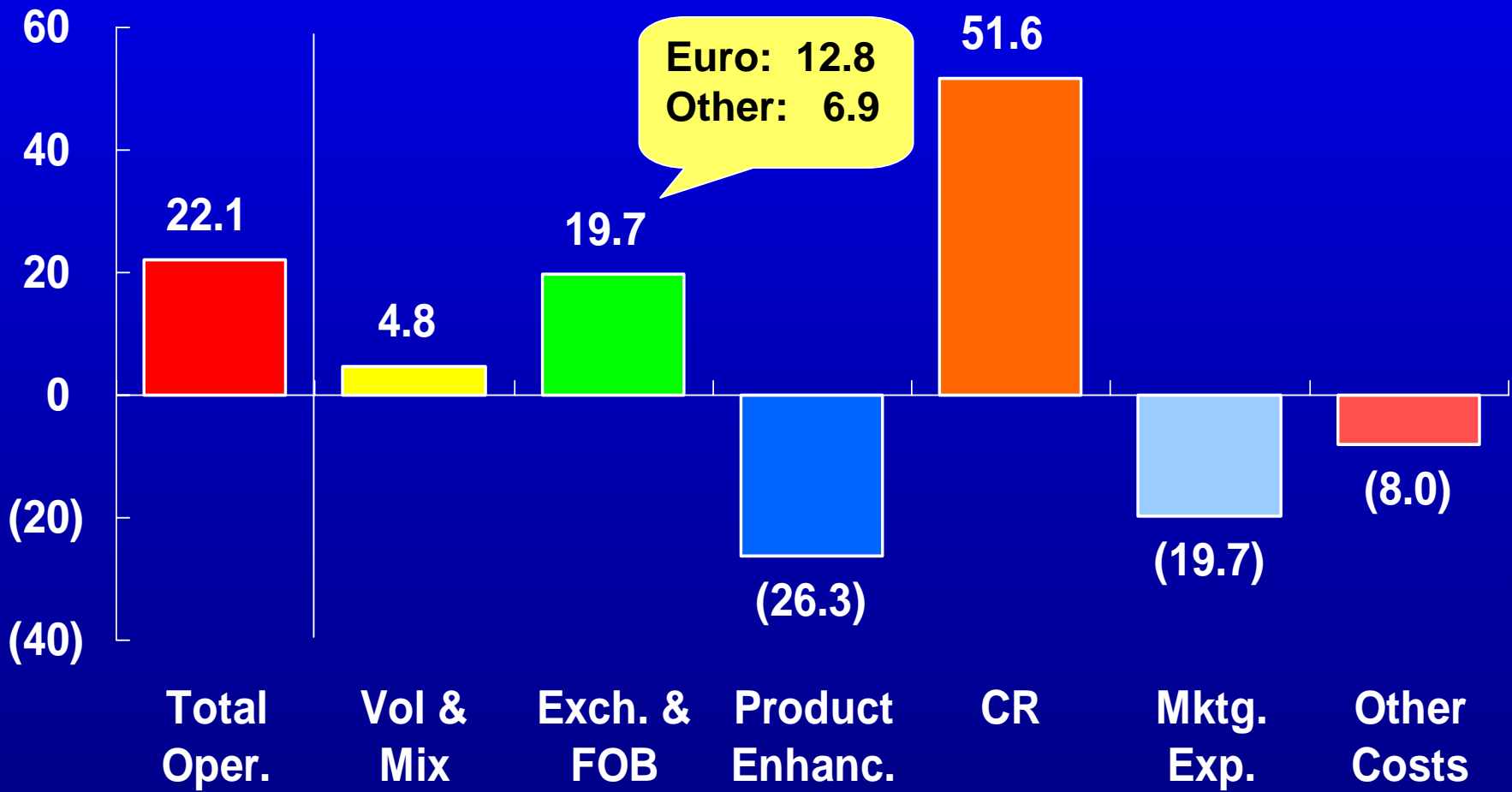
Billion yen



# OPERATING PROFIT CHANGES

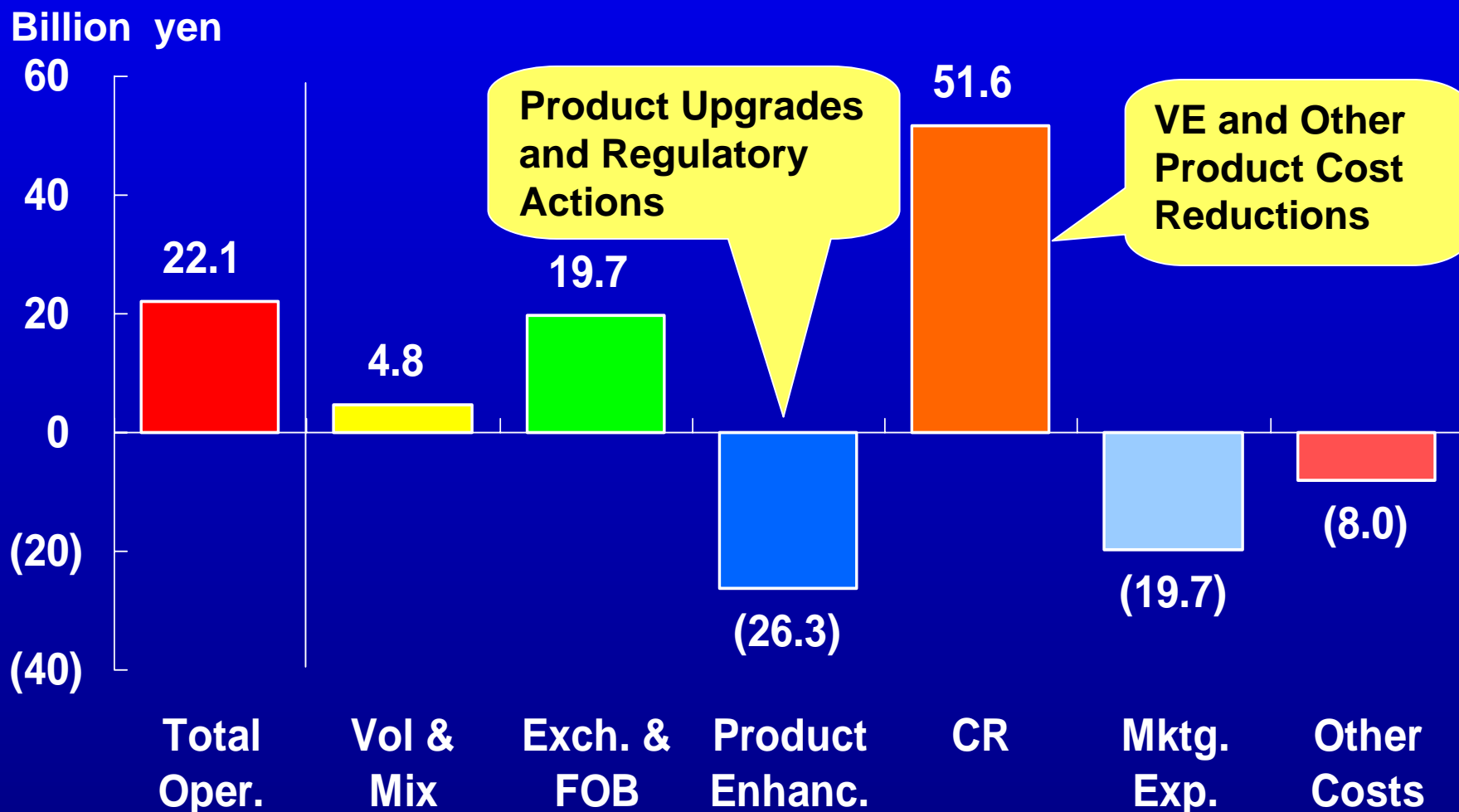
Compared with Prior Year

Billion yen



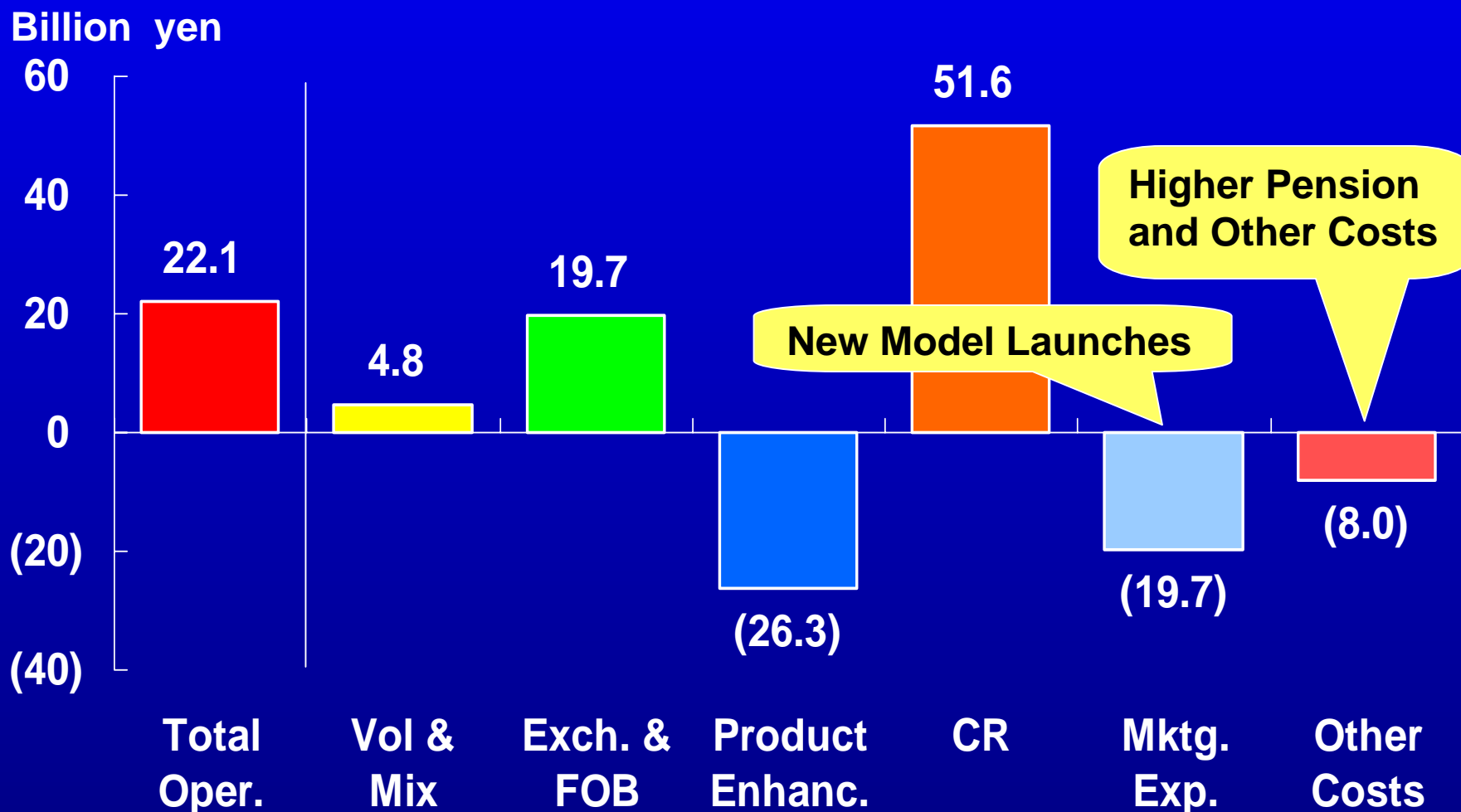
# OPERATING PROFIT CHANGES

Compared with Prior Year



# OPERATING PROFIT CHANGES

Compared with Prior Year



# OTHER ACCOMPLISHMENTS

- ◆ **Record Sales in Canada**
- ◆ **Australia Highest in 20 Years**
- ◆ **New Funding of ¥100 Billion Arranged**
- ◆ **Dealer Reorganization Completed**
- ◆ **Corporate Governance Improved**

# IN SUM

- ◆ **Significant Profit Growth YOY**
  - **Operating Profit up 77%**
  - **Net Income up 173%**
- ◆ **Revenue Growth of 13%**
- ◆ **Positive Cash Flow of ¥47 Billion**
- ◆ **New Products Well Received**

# *FY2003 PROJECTION*



# FY2003 OVERVIEW

- ◆ **Further Profit Growth**
  - Operating Profit at 10-Year High
- ◆ **Introduce Mazda2, RX-8 and New C-Car**
- ◆ **Build Retail Momentum with New Products**
- ◆ **Generate Positive Cash Flow**
- ◆ **Continue to Make Progress Despite Economic Uncertainties**

# FINANCIAL METRICS

(Billion yen)	<u>FY2003</u>	<u>FY2002</u>	<u>Change</u>	
			<u>Amount</u>	<u>Pct.</u>
Revenue	2,420.0	2,364.5	55.5	2 %
Operating Profit	65.0	50.6	14.4	28 %
Ordinary Profit	57.0	40.7	16.3	40 %
Profit Before Tax	49.0	28.1	20.9	74 %
Net Income	30.0	24.1	5.9	24 %
Return on Sales	1.2%	1.0%	0.2 Pts	-
Return on Assets	1.7%	1.4%	0.3 Pts	-
EPS (¥/Share)	24.61	19.80	4.81	24 %

# CASH FLOW & NET DEBT

			FY2003 B/(W) FY2002
(Billion yen)	<u>FY2003</u>	<u>FY2002</u>	<u>FY2002</u>
Cash Flow	40.0	47.0	NA
Net Debt	370.7	403.5	32.8
Net Debt-To-Equity	170%	208%	38 Pts
Capital Spending	55.0	44.0	(11.0)
Dividend (¥/Share)	2	2	0

# NEW VEHICLE INTRODUCTIONS

2002/2003

EUROPE

Mazda6  
Mazda2  
RX-8  
New C-car

JAPAN

Atenza  
Demio  
RX-8  
New C-car

NORTH  
AMERICA

Mazda6  
RX-8  
New C-car

# JAPAN

	<u>FY2003</u>	<u>FY2002</u>	<u>Change</u>
Industry (000)	5,800	5,864	(1.1) %
Market Share	5.0 %	4.6 %	0.4 Pts
Retail Volume (000)	290	270	7.4 %

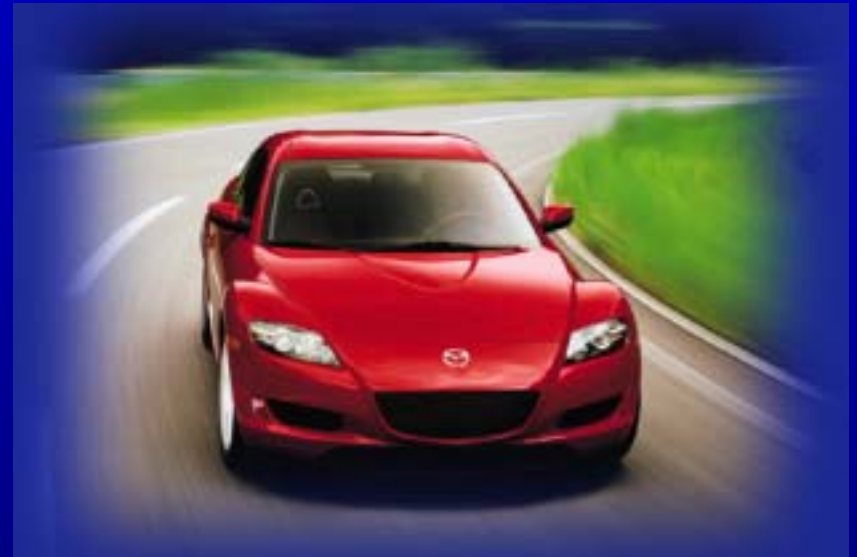
## Full Year of New Demio; RX-8 and New C-Car Introductions



# UNITED STATES

	<u>CY2003</u>	<u>CY2002</u>	<u>Change</u>
Industry (000)	16,355	16,615	(1.6) %
Market Share	1.7 %	1.6 %	0.1 Pts
Retail Volume (000)	280	258	8.4 %

**Continue Growth in Mazda6 Sales, RX-8 Introduction, New C-Car by Year End**



# WESTERN EUROPE

	<u>CY2003</u>	<u>CY2002</u>	<u>Change</u>
Industry (000)	15,878	16,518	(3.9) %
Market Share	1.3 %	1.0 %	0.3 Pts
Retail Volume (000)	209	170	22.6 %
Memo: Total Europe	220	182	20.8 %

## Mazda2 and RX-8 Introductions; New C-Car by Year End

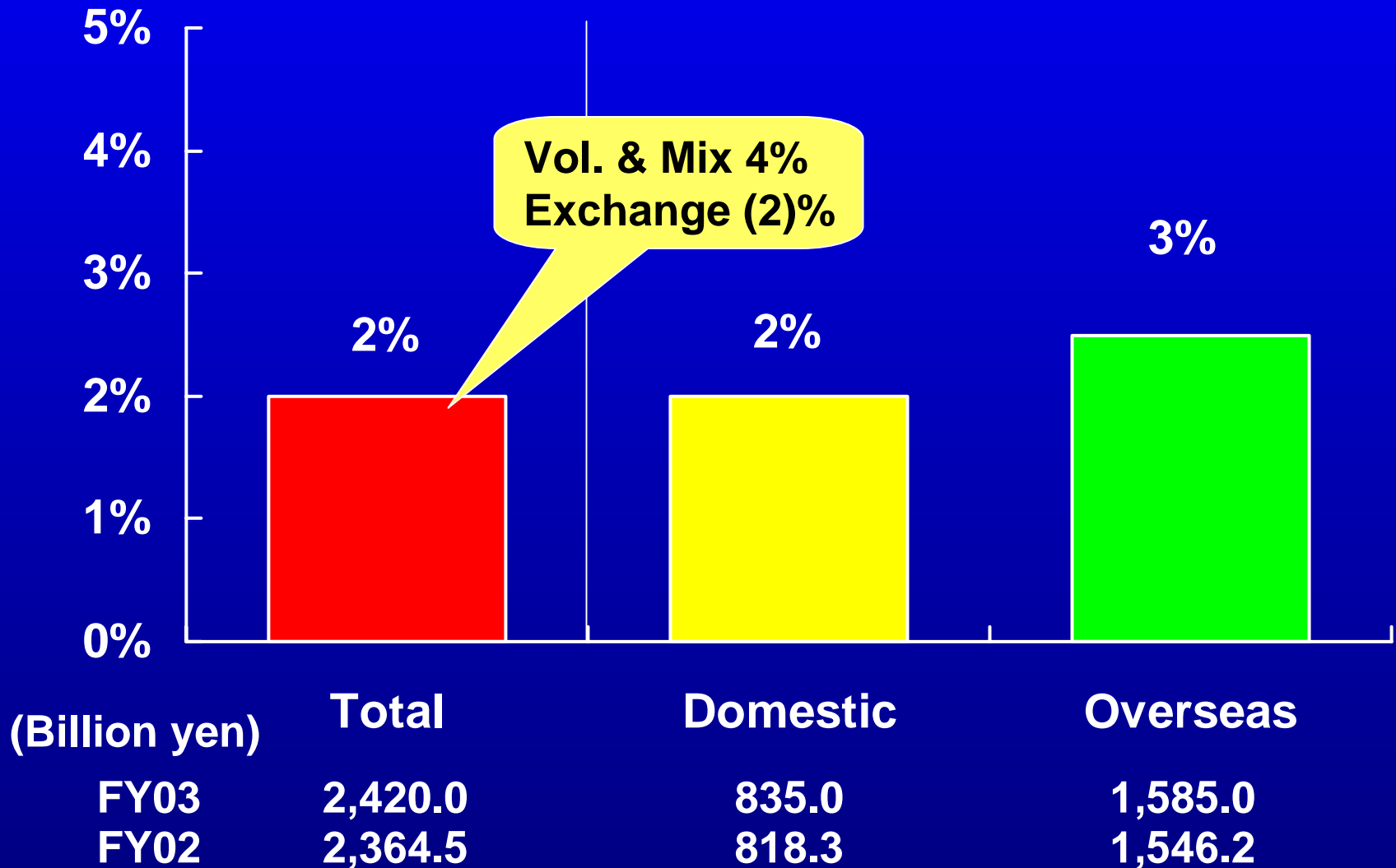


# KEY ASSUMPTIONS

	<u>FY2003</u>	<u>FY2002</u>	<u>Change</u>
<b><u>WHOLESALES (000)</u></b>			
Consolidated	1,053	1,017	4 %
<b><u>EXCHANGE RATES</u></b>			
Yen / U.S. Dollar	115.0	122.0	¥ (7.0)
Yen / Euro	125.0	120.9	¥ 4.1



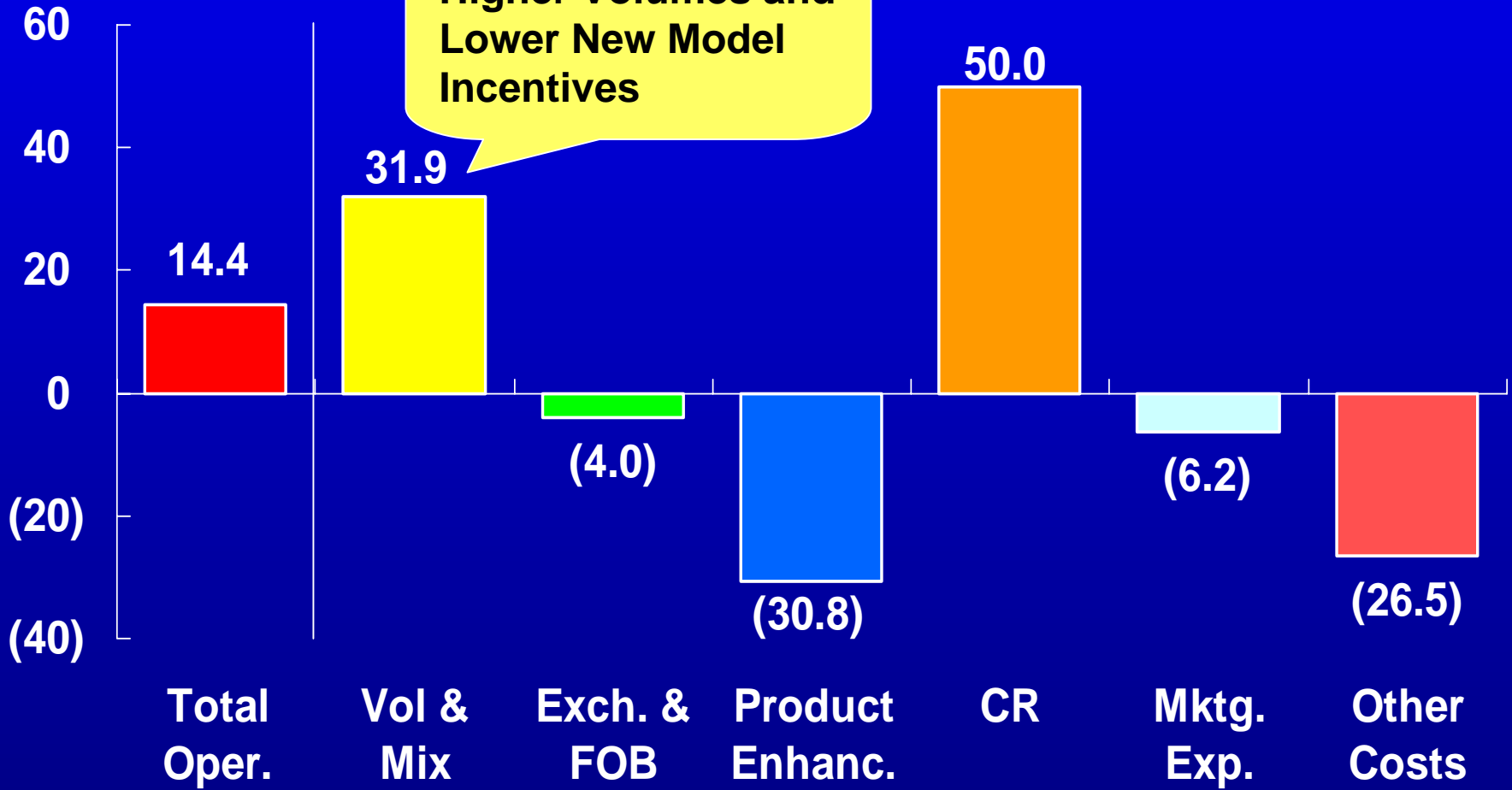
# REVENUE CHANGES BY DESTINATION



# OPERATING PROFIT CHANGES

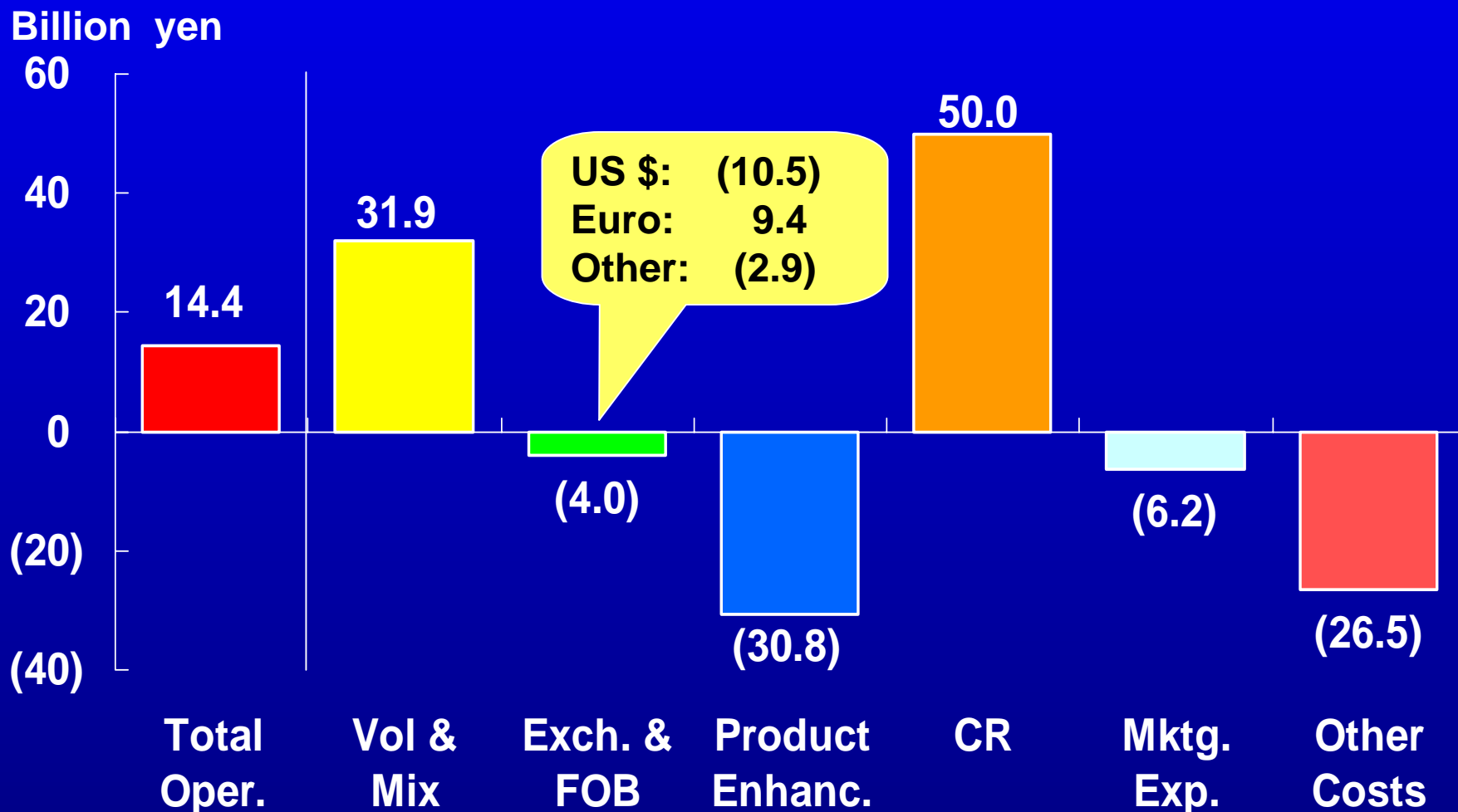
Compared with Prior Year

Billion yen



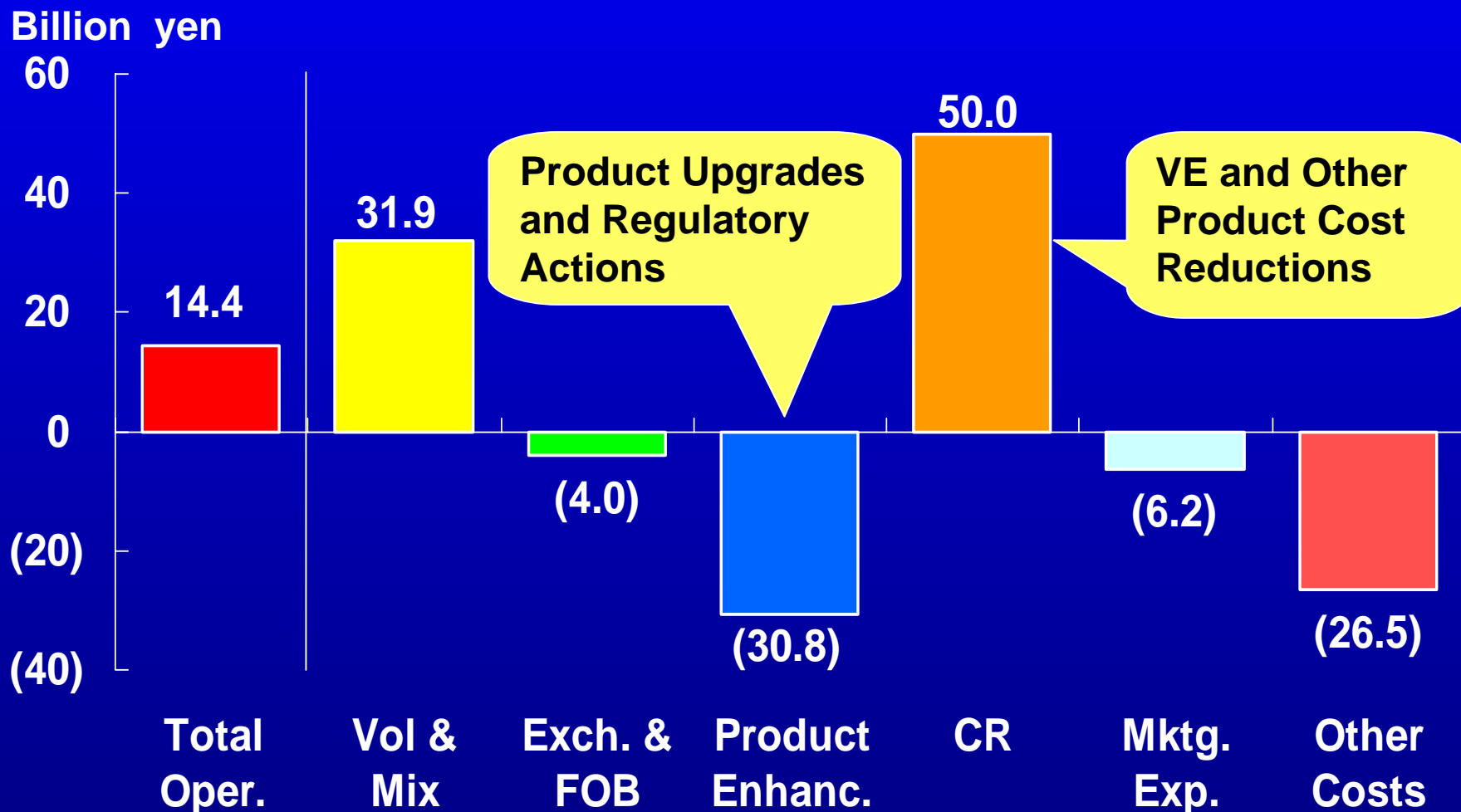
# OPERATING PROFIT CHANGES

Compared with Prior Year



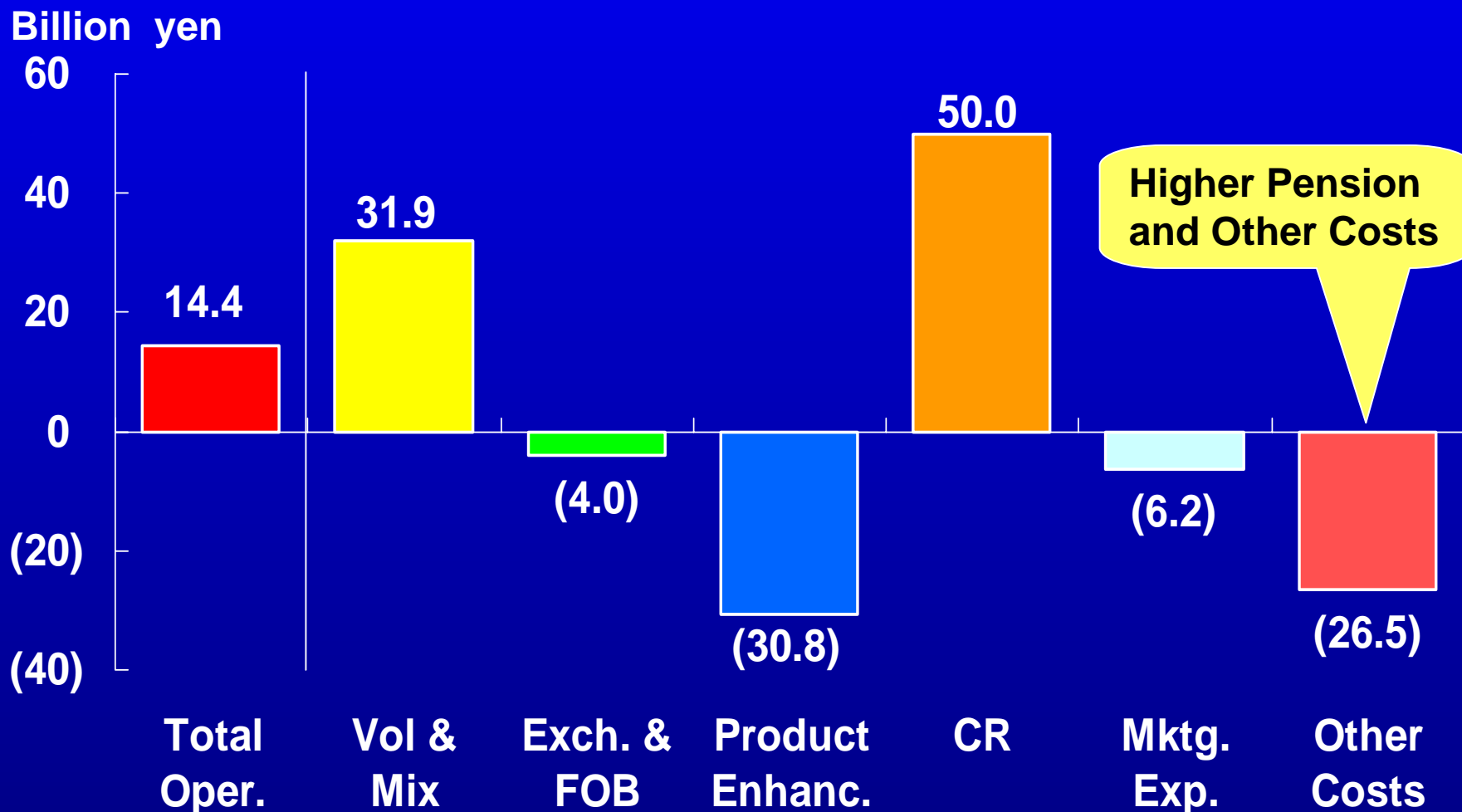
# OPERATING PROFIT CHANGES

Compared with Prior Year



# OPERATING PROFIT CHANGES

Compared with Prior Year



# IN SUM

- ◆ **Continuing Progress Despite Economic Uncertainties**
- ◆ **Operating Profits at 10-Year High**
- ◆ **Further Revenue & Volume Growth**
- ◆ **Introduction of Mazda2, RX-8 and New C-Car**
- ◆ **Positive Cash Flow**

# MILLENNIUM PLAN



# MX SPORTIF







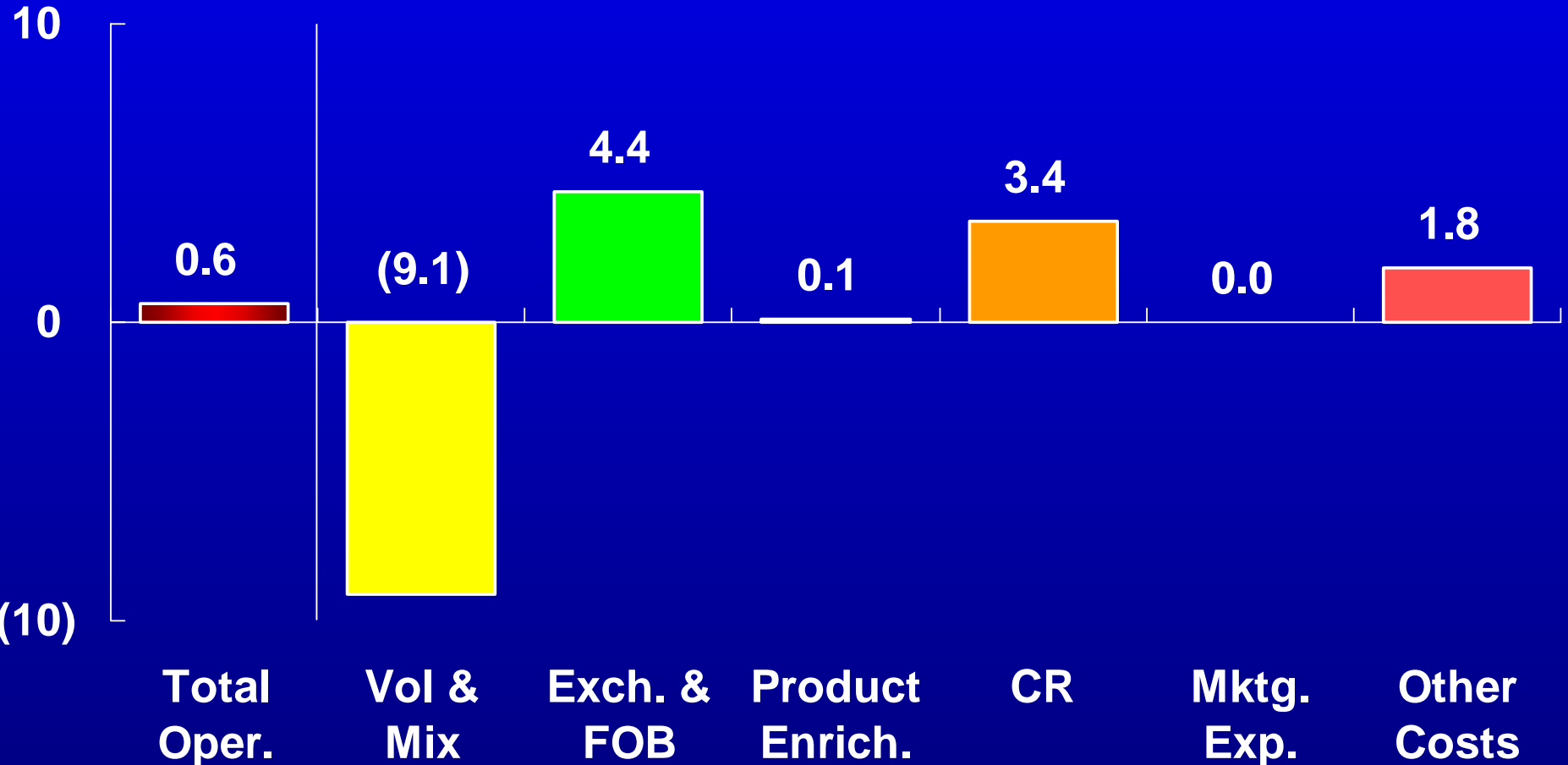
**mazda**

# *ATTACHMENTS*

# OPERATING PROFIT CHANGES – FY2002

Compared with October Projection

Billion yen



# GEOGRAPHIC OPERATING PROFIT

(Billion yen)

	<u>FY2002</u>	<u>FY2001</u>	<u>Change</u>
Japan	39.9	24.5	15.4
North America	6.5	8.2	(1.7)
Europe	5.5	1.0	4.5
Rest of World	4.3	3.3	1.0
Total *	<u>50.6</u>	<u>28.5</u>	<u>22.1</u>

\* Includes Intersegment Adjustments

# NON-OPERATING & EXTRAORDINARY INCOME

(Billion yen)	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>
<b>Non-Operating Income/(Loss)</b>	<b>(9.3)</b>	<b>(9.9)</b>	<b>(8.0)</b>
<b>Extraordinary Income/(Loss)</b>	<b>(3.7)</b>	<b>(12.6)</b>	<b>(8.0)</b>

# UNCONS. FINANCIAL METRICS

(Billion yen)	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>
Revenue	1,364.6	1,537.6	1,590.0
Operating Profit	26.0	29.0	17.0
Ordinary Profit	28.3	24.5	16.0
Profit Before Tax	20.1	(43.3)	8.0
Net Income	13.2	(50.2)	5.0
Memo:			
Wholesale Volume (000)	821	872	880



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