



# FISCAL YEAR MARCH 2020 FINANCIAL RESULTS



**WINNER**

2020 **WORLD CAR AWARDS**

WORLD CAR DESIGN OF THE YEAR

# PRESENTATION OUTLINE

---

## ■ Highlights

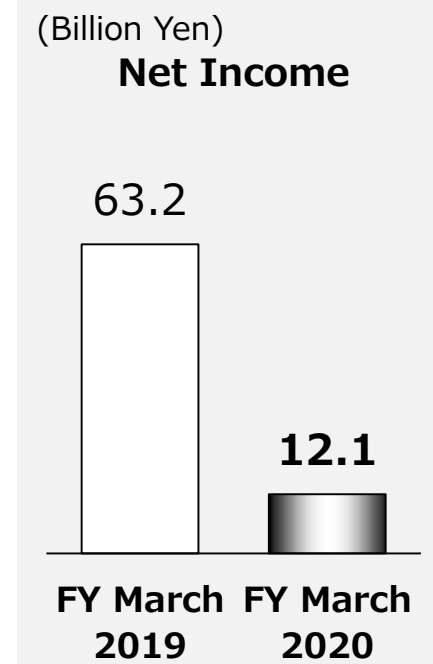
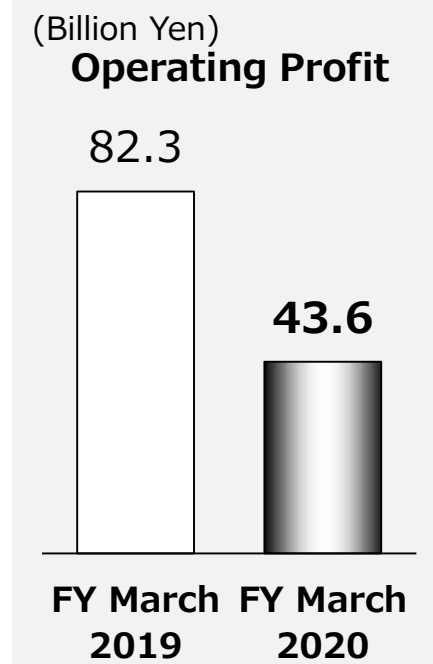
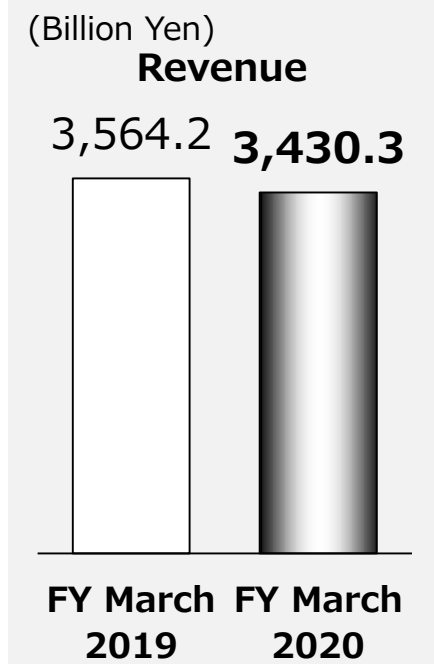
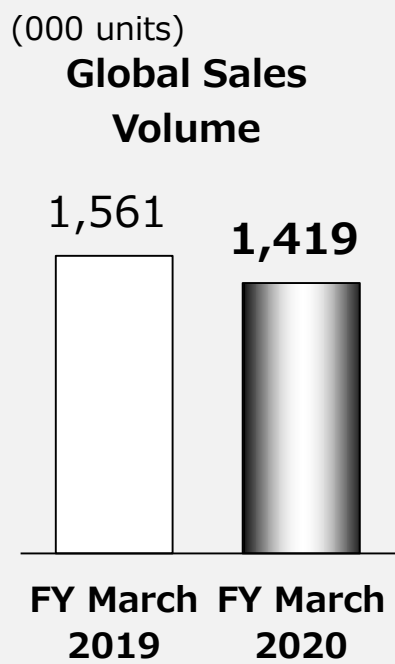
- **Financial Results Highlights**
- **Novel Coronavirus Impact And Measures Taken**
- **Financial Forecast**

## ■ Fiscal Year March 2020 Results

The overseas subsidiaries which apply US GAAP adopted ASU 2014-09 "Revenue from Contracts with Customers" from the beginning of FY March 2020. The figures for FY March 2019 in this presentation were adjusted retrospectively in accordance with this change.

# FY MARCH 2020 FINANCIAL RESULTS HIGHLIGHTS

- Global sales were 1,419,000 units, down 9% year on year
- Revenue was ¥3,430.3 billion, operating profit was ¥43.6 billion and net income was ¥12.1 billion
- Annual dividend of ¥35 per share with year-end dividend of ¥20 per share planned



# REVIEW OF FY MARCH 2020

---

- **Announced Medium-Term Management Plan**
  - Investment in unique products and customer experience
  - Curb expenses that depreciate brand value
  - Investment in areas in which we need to catch up
- **Introduced new-generation line-up, MAZDA3 and CX-30.**  
The models have been highly regarded around the world and received numerous awards
- **Improved sales quality such as reduced marketing expenses and improved per-unit profit**

- 
- **Our medium-term initiative direction remains unchanged despite the changing business environment.**  
Mazda Group will work together to enhance brand value and earning capacity

# NOVEL CORONAVIRUS IMPACT AND MEASURES TAKEN

## Business Impact & our Measures

Late January to Mid March

- The spread of the Coronavirus infection in China, impacting production, sales and supply chain in the country
- As business activities in China restarted, resumed our production and sales

From Early March

- Global pandemic leading to restricted economic activities and stay-at-home orders, causing significant impact on sales activities worldwide
- Implemented production adjustments to restore appropriate inventory levels

## Preventive Measures & Support Offered

- The health and safety of our local community members and employees are our first priority. Implement and strengthen actions to prevent the spread of the infection
- Cooperate with administrative bodies and medical institutions. Assess and implement support actions
- Provide support to local partners (suppliers and logistics service providers)

**■ We will work hand in hand with our stakeholders to overcome this crisis**

# FINANCIAL FORECAST

---

- **FY March 2021 profit and dividend forecast undecided**
  - **Business environment expected to remain highly uncertain due to the novel coronavirus outbreak**
  - **Continue to closely monitor the impact on business**
- **Financial forecasts will be announced once available and ready**

# **FISCAL YEAR MARCH 2020 RESULTS**

# FY MARCH 2020 GLOBAL SALES VOLUME

(000 units)	Full Year		Change from			(Feb. Forecast)
	FY March	FY March	Prior Year		Feb. Forecast	FY March
	2019	2020	Volume	YOY(%)	Volume	2020
<b>Global Sales Volume</b>						
Japan	215	202	(12)	(6)%	(2)	204
North America	421	397	(24)	(6)%	(28)	425
Europe	270	264	(6)	(2)%	(16)	279
China	247	212	(36)	(14)%	(19)	231
Other Markets	409	345	(64)	(16)%	(15)	360
<b>Total</b>	<b>1,561</b>	<b>1,419</b>	<b>(142)</b>	<b>(9)%</b>	<b>(81)</b>	<b>1,500</b>
<b>&lt;Breakdown&gt;</b>						
USA	287	275	(12)	(4)%	(21)	296
Australia	110	90	(20)	(18)%	(2)	92
ASEAN	137	103	(33)	(24)%	(10)	113

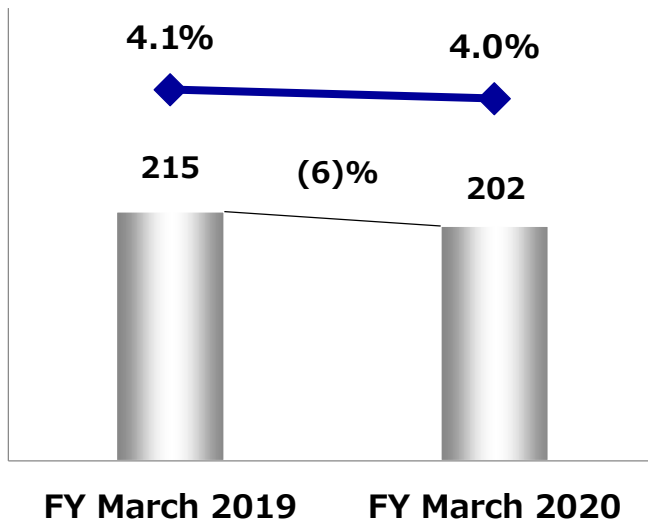


# JAPAN



Full-Year Sales Volume and Market Share

(000 units)



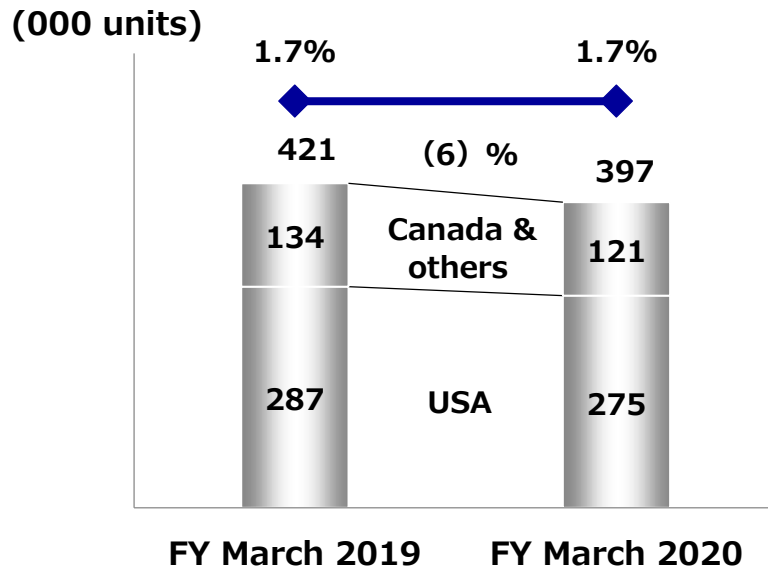
- 202,000 units sold, down 6% year on year
- Market share was down 0.1 points year on year at 4.0%, while registered vehicle market share remained flat at 5.2%
- Sales of new-generation MAZDA3 and CX-30 remained strong

# NORTH AMERICA



- **397,000 units sold, down 6% year on year**
- **USA: 275,000 units, down 4% year on year**
  - **Market share was flat year on year at 1.7%**
  - **Sales of CX-5 and CX-9 increased year on year**
- **Canada: 64,000 units, down 11% year on year**
- **Mexico: 57,000 units, down 7% year on year**

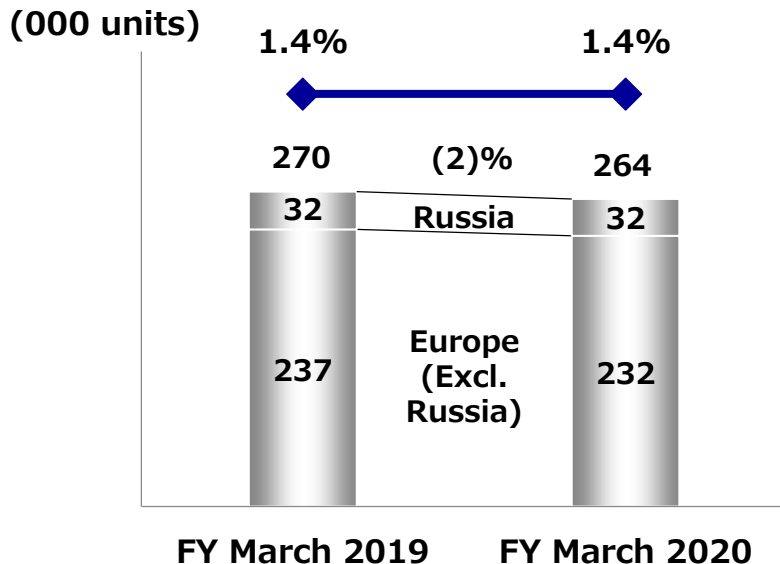
**Full-Year Sales Volume and US Market Share**



# EUROPE



Full-Year Sales Volume and Market Share



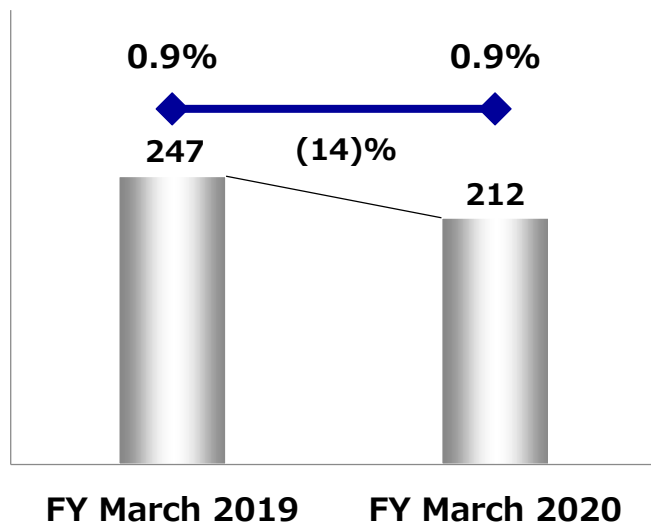
- 264,000 units sold, down 2% year on year
- Market share was flat year on year at 1.4%
- Sales in Europe excluding Russia stood at 232,000 units, down 2% year on year
  - Germany: 64,000 units, down 5% year on year
  - UK: 34,000 units, down 11% year on year
- Russia: 32,000 units, down 2% year on year

# CHINA



Full-Year Sales Volume and Market Share

(000 units)



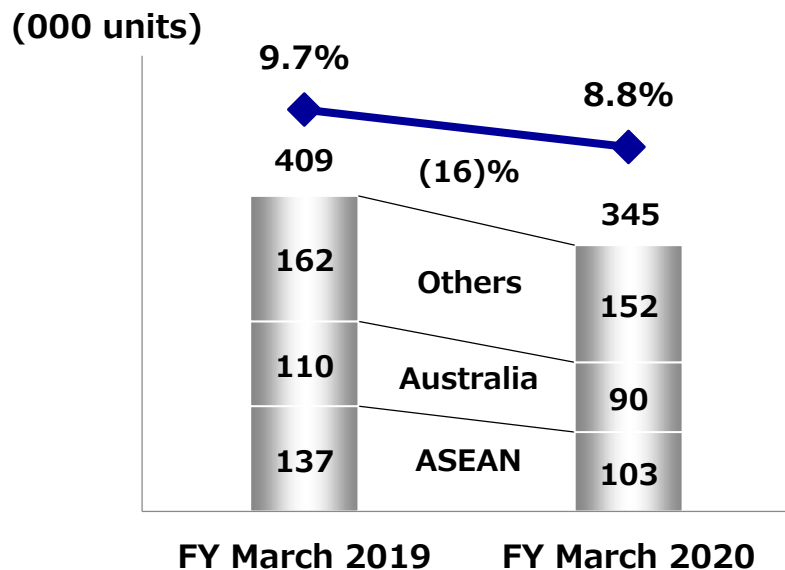
- **212,000 units sold, down 14% year on year**
- **Sales drastically declined from February due to spread of the novel coronavirus infection**
- **Product introductions and sales events were held online as customer traffic declined due to restrictions on outings**

# OTHER MARKETS



- **345,000 units sold, down 16% year on year**
- **Australia: 90,000 units, down 18% year on year**
- **ASEAN: 103,000 units, down 24% year on year**
- **Thailand: 52,000 units, down 27% year on year**
- **Vietnam: 26,000 units, down 20% year on year**

**Full-Year Sales Volume and Australia Market Share**



# FY MARCH 2020 FINANCIAL METRICS

(Billion Yen)	Full Year		Change from		
	FY March	FY March	Prior Year		Feb. Forecast
	2019	2020	Amount	YOY(%)	Amount
Revenue	3,564.2	3,430.3	(133.9)	(4)%	(69.7)
Operating profit	82.3	43.6	(38.7)	(47)%	(16.4)
Ordinary profit	116.1	53.1	(63.0)	(54)%	(16.9)
Profit before tax	107.6	49.3	(58.3)	(54)%	(14.7)
Net income	63.2	12.1	(51.1)	(81)%	(30.9)
Operating ROS	2.3 %	1.3 %	(1.0)pts		(0.4)pts
EPS (Yen)	100.3	19.3	(81.0)		(49.0)
Exchange rate (Yen)					
US Dollar	111	109	(2)		(0)
Euro	128	121	(8)		0
(000 units)					
Consolidated wholesales	1,311	1,232	(79)	(6)%	(36)

# FY MARCH 2020 OPERATING PROFIT CHANGE

## FY March 2020 Full Year vs. FY March 2019 Full Year

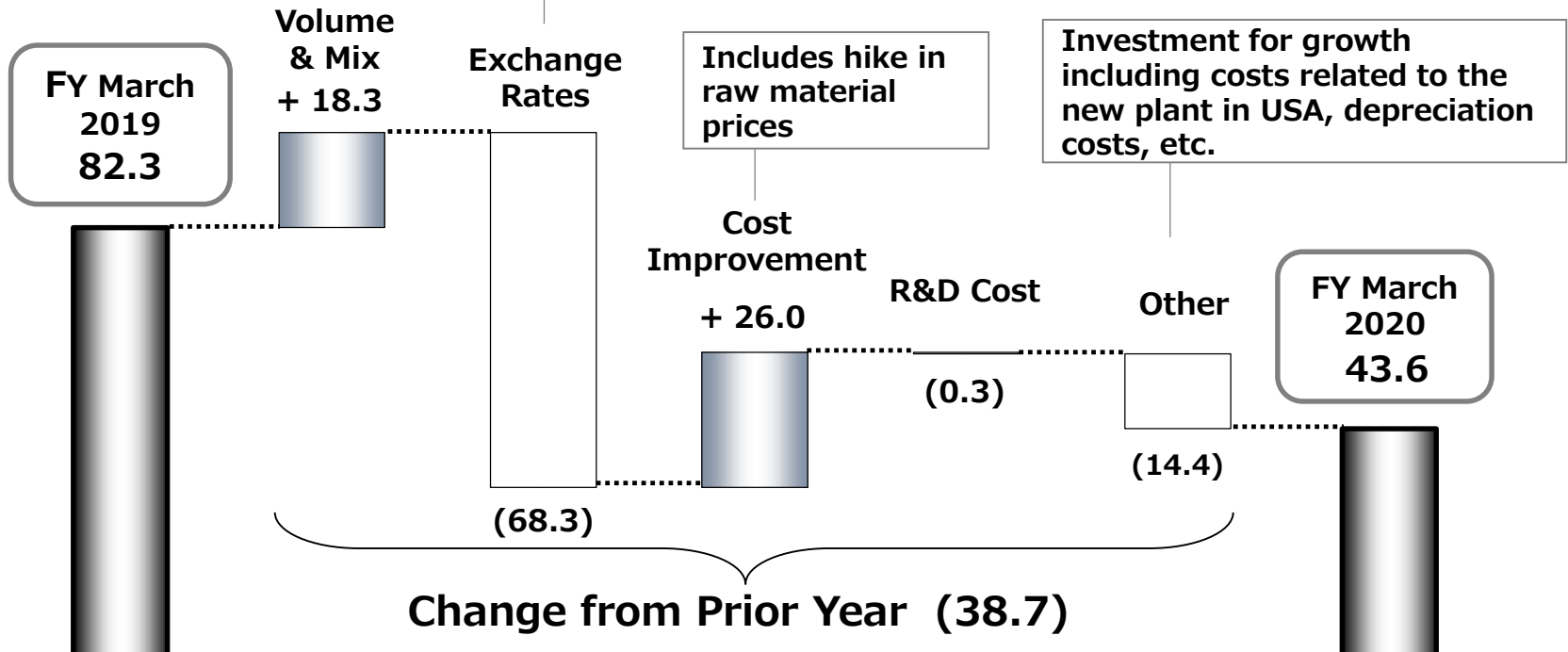
- Wholesales volume declined 79,000 units
- Effects of reduced marketing expenses and improved per-unit profit: approx. ¥50 billion
- Mix improvement: approx. ¥15 billion

### [Exchange Rates]

USD	(1.7)	EUR	(22.9)
CAD	(5.5)	AUD	(19.5)
GBP	(5.7)	Other	(13.0)

- Improvement
- (Deterioration)

(Billion yen)

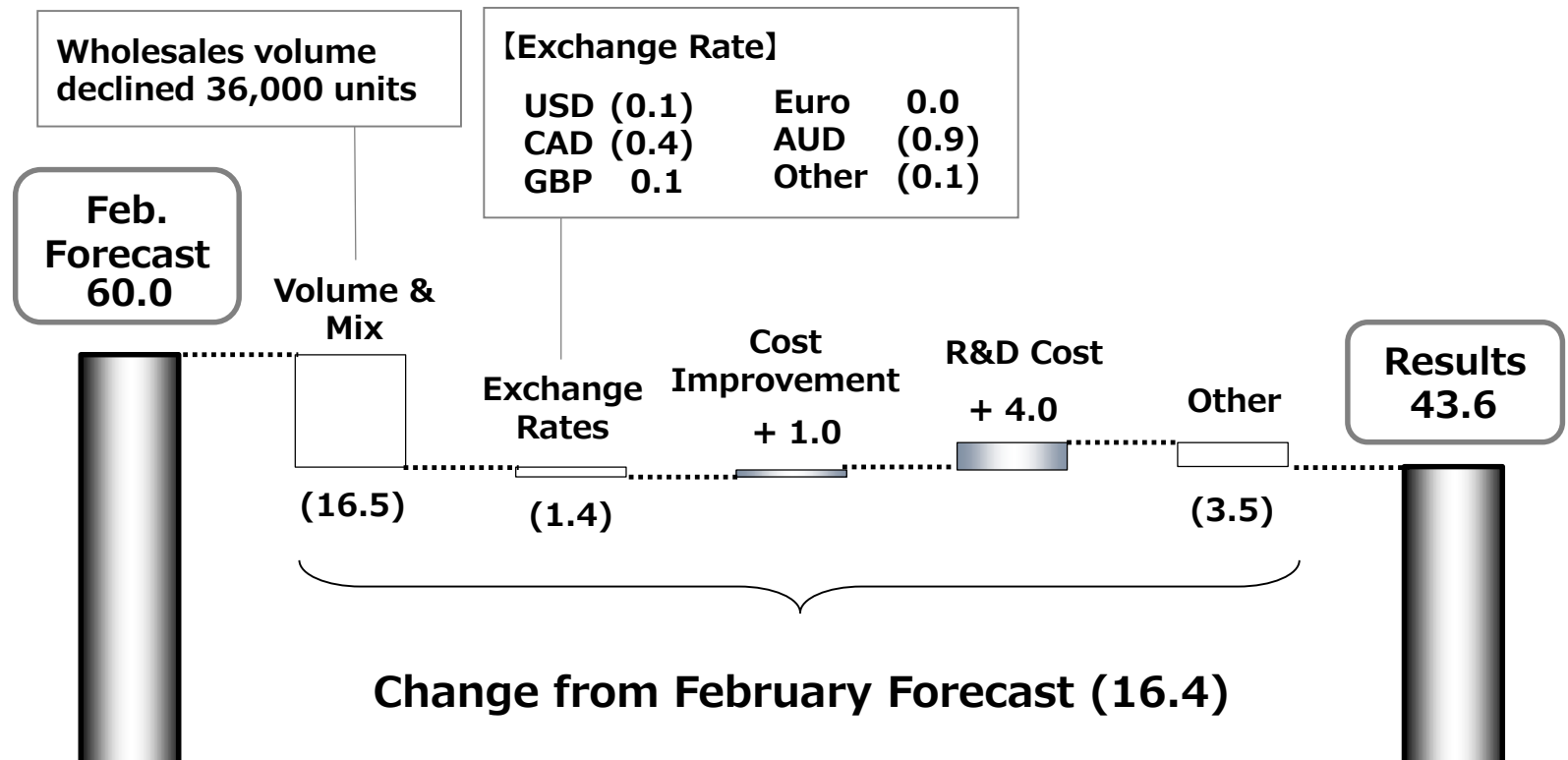


# FY MARCH 2020 OPERATING PROFIT CHANGE

## FY March 2020 Full Year vs. February Forecast

- Improvement
- (Deterioration)

(Billion yen)







**SUPPLEMENT:  
SALES AREA INITIATIVES IN  
RESPONSE TO THE NOVEL  
CORONAVIRUS**

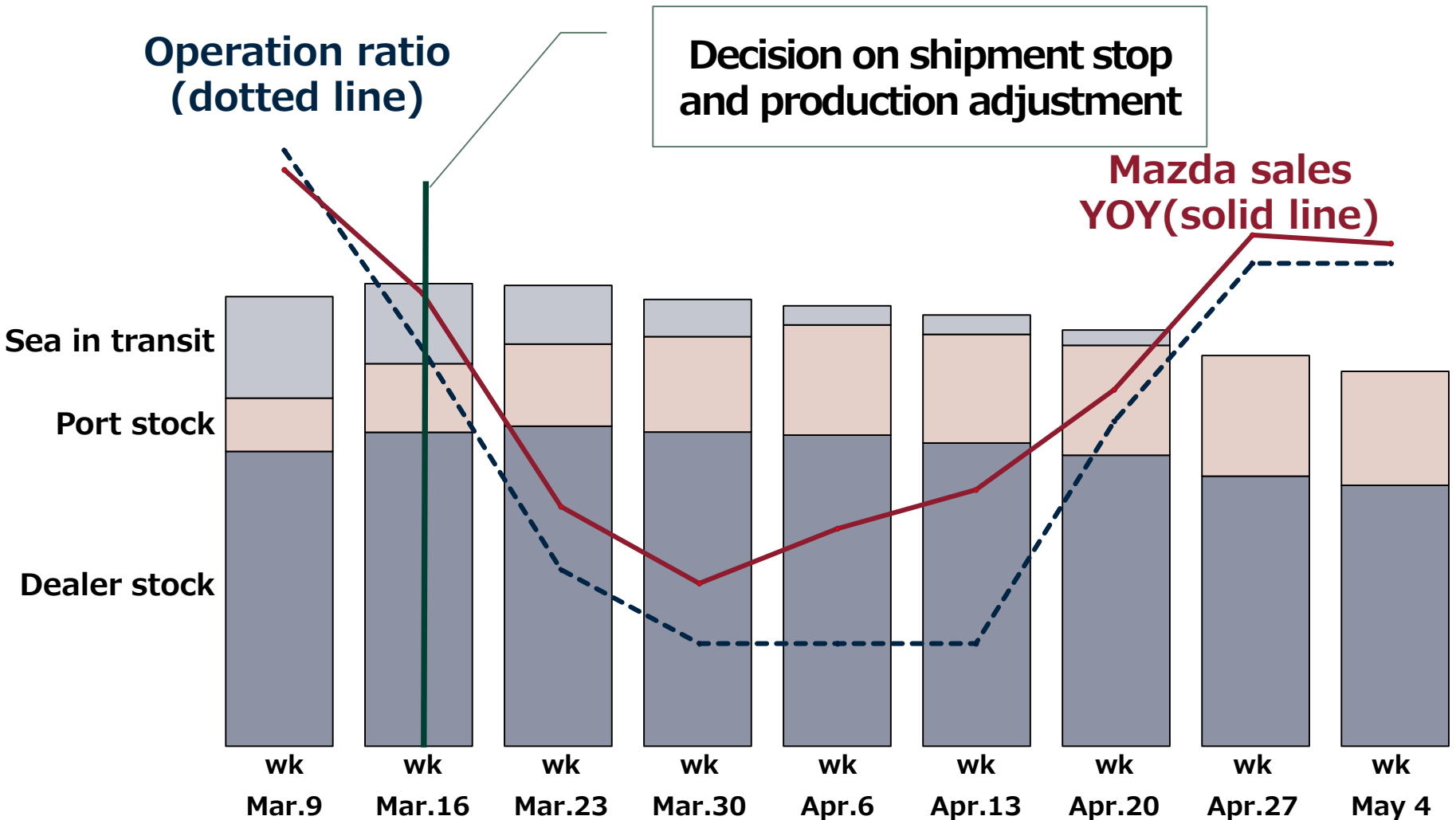
## SALES AREA INITIATIVES IN RESPONSE TO THE NOVEL CORONAVIRUS

---

- **Promptly stopped shipments and made production adjustment from the week starting March 16, when the ratio of dealerships in operation in USA and Europe started to decline (announced on March 24th)**
- **Collection of key global indicators and information at Mazda headquarters to control shipments and production**
  - **Daily: Regulation trends in each country, impact on sales**
  - **Weekly: Dealer operation, sales and inventory status**
- **Regional headquarters focus on supporting dealers and maximizing sales opportunities in line with local circumstances in each country**
  - **Promotion of online sales while suppressing conventional media marketing expenses and efforts to resolve uneven distribution of inventory in each region**
  - **Social contribution activities such as providing free oil change to medical staff and lending vehicles to medical institutions**

# WEEKLY STATUS FOLLOW-UP (USA EXAMPLE)

## Dealer operation ratio, YOY sales and inventory trends

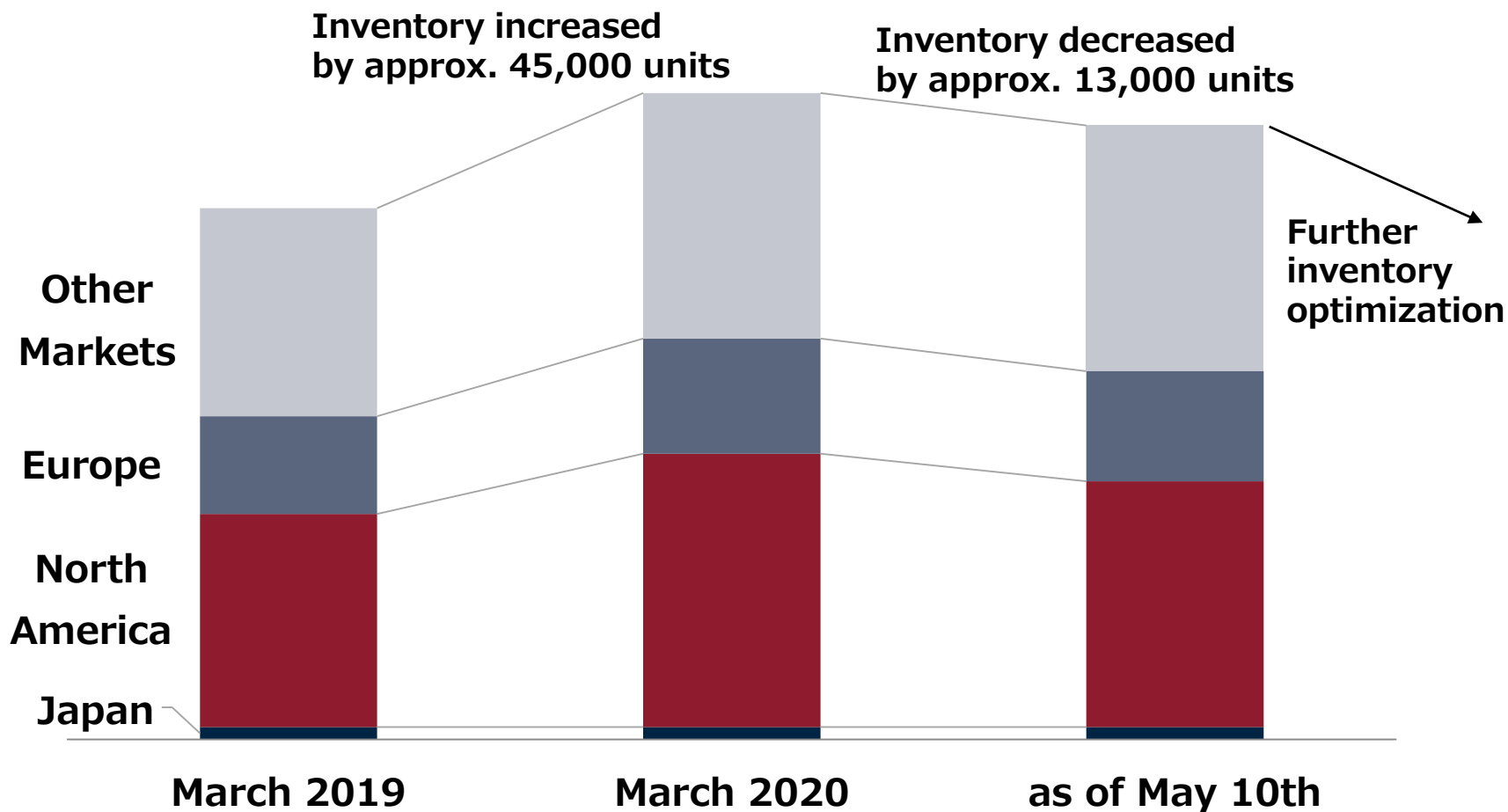


# INVENTORY AND PRODUCTION ADJUSTMENT

## Dealer Inventory Trend (excluding China)

Implemented a production adjustment of approx. 130,000 units\* to restore appropriate inventory levels, following declining sales since April

\*As of Apr. 22 news release



# APRIL 2020 SALES VOLUME

(000 units)	April	April	Change from		*Industry
	2019	2020	Prior Year		YOY
			Volume	YOY(%)	
<b>Global sales volume</b>					
Japan	11	8	(3)	(26)%	(29)%/(27)%
North America	30	14	(16)	(54)%	
Europe	21	4	(17)	(80)%	
China	17	17	0	1 %	4%/(3)%
Other Markets	31	7	(24)	(78)%	
<b>Total</b>	<b>110</b>	<b>50</b>	<b>(60)</b>	<b>(54)%</b>	
<b>&lt;Breakdown&gt;</b>					
USA	20	11	(9)	(44)%	(39)%/(47)%
Australia	8	3	(5)	(60)%	(48)%/(51)%
ASEAN	11	2	(8)	(80)%	

## \* Industry YOY

Japan, USA and Australia : Total industry / Mazda DCS(Direct Competitive Segment)

China : Total industry / Passenger vehicle industry

# APPENDIX

# CASH FLOW AND NET CASH

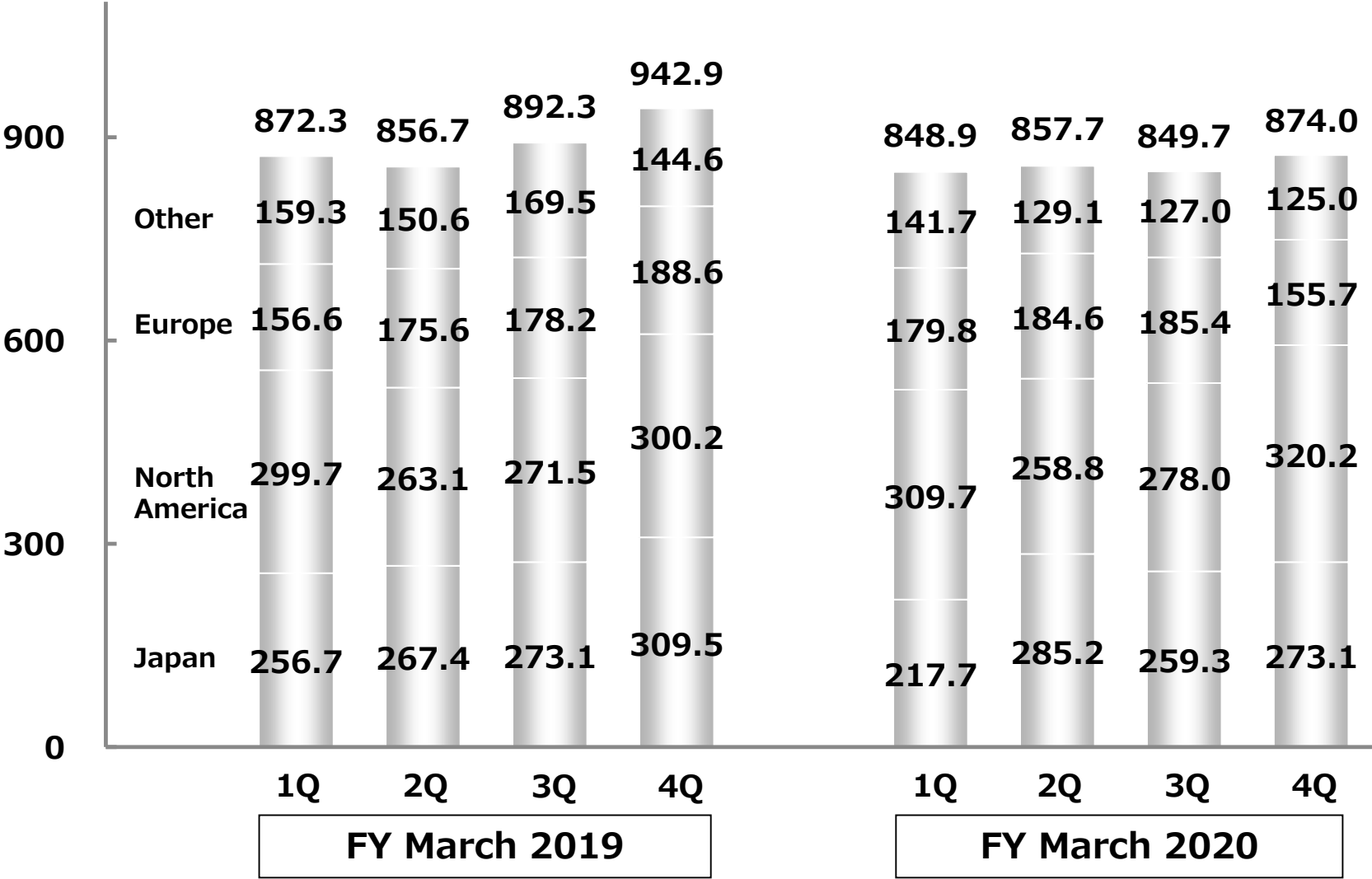
(Billion yen)	FY March 2019 Full Year	FY March 2020 Full Year	Change from Prior FY End
<b>Cash Flow</b>			
- From Operating activities	146.7	34.8	-
- From Investing activities	(131.6)	(127.6)	-
- Free Cash Flow	15.1	(92.7)	-
<b>Cash and Cash Equivalents</b>	<b>701.6</b>	<b>568.0</b>	<b>(133.6)</b>
<b>Net Cash</b>	<b>94.6</b>	<b>(51.9)</b>	<b>(146.5)</b>
<b>Equity Ratio</b>	<b>42 / 43<sup>*</sup>%</b>	<b>42 / 43<sup>*</sup>%</b>	<b>0 / 0<sup>*</sup>pts</b>

\* Reflecting "equity credit attributes" of the subordinated loan.



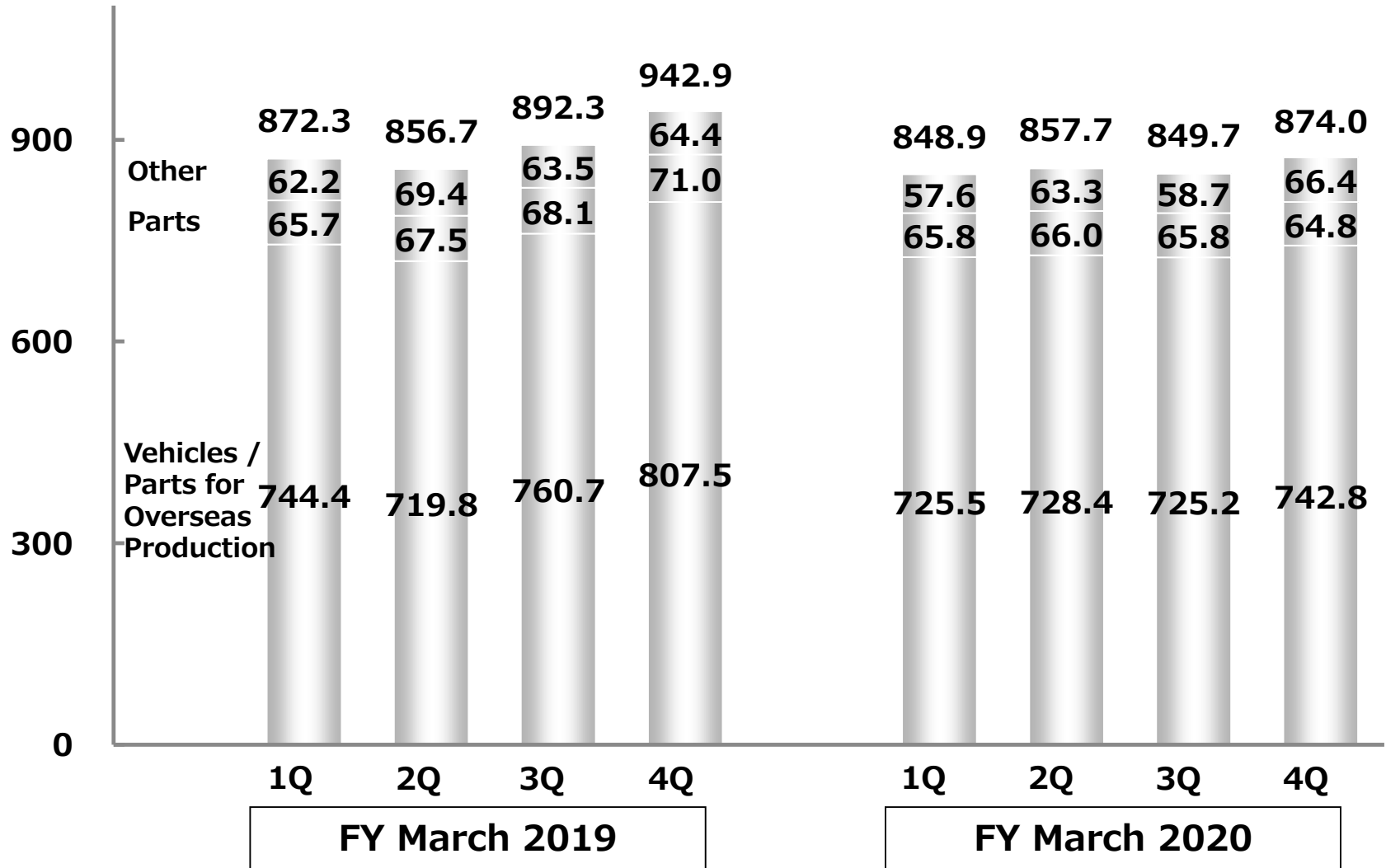
# REVENUE BY GEOGRAPHIC AREA

(Billion yen)



# REVENUE BY PRODUCT

(Billion yen)

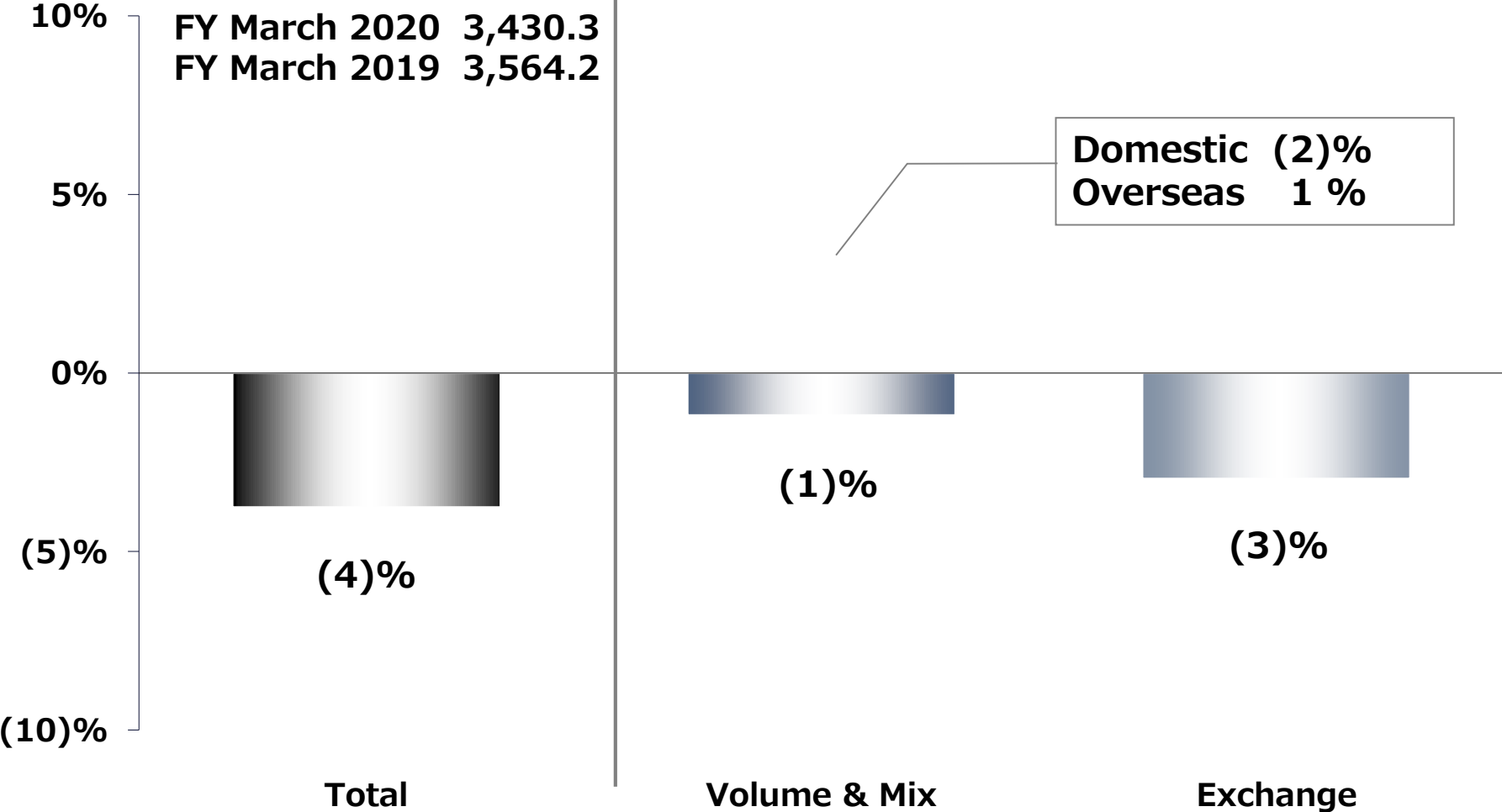


# REVENUE CHANGE (FULL YEAR)

## FY March 2020 Full Year vs. FY March 2019 Full Year

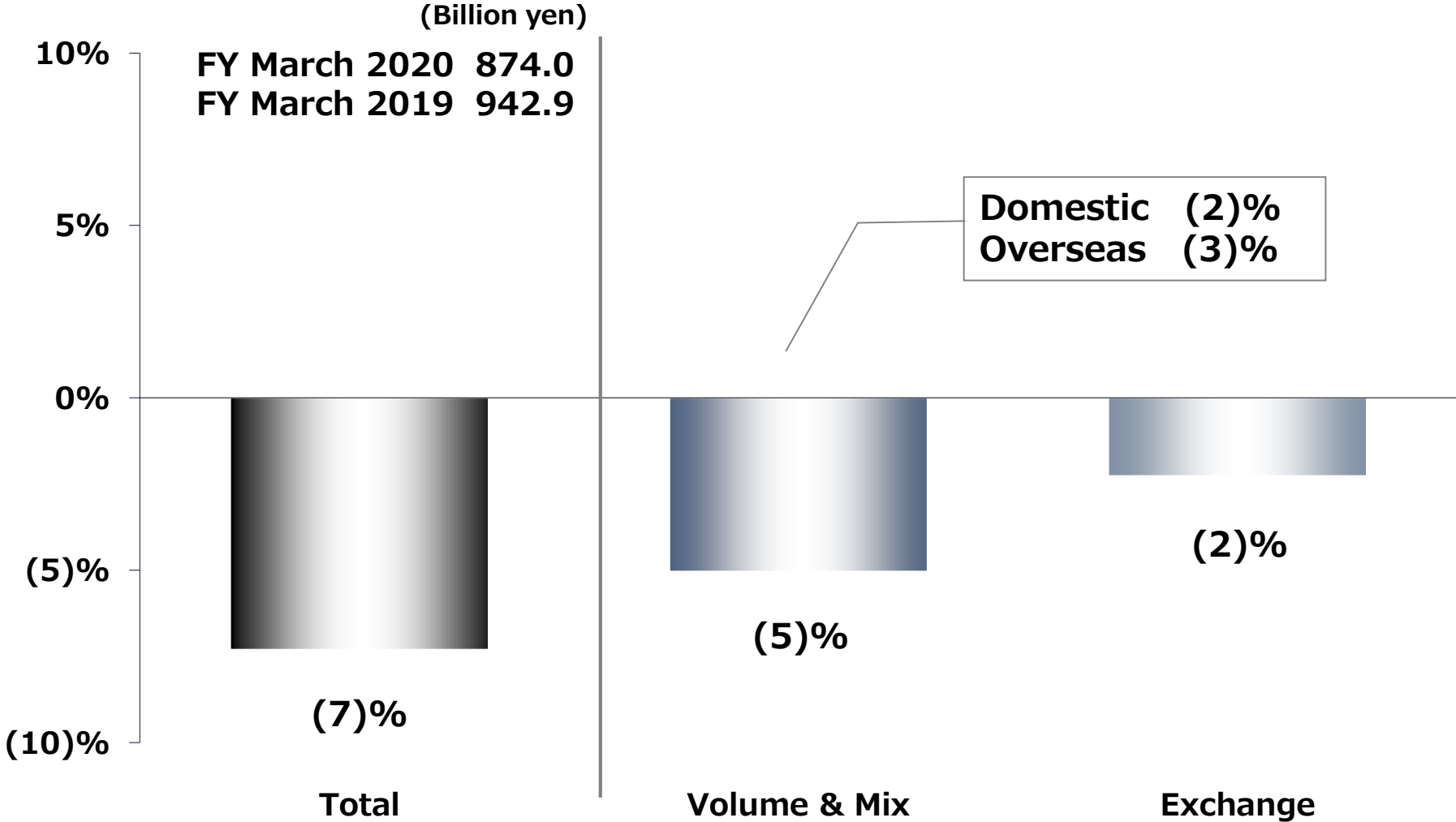
(Billion yen)

FY March 2020 3,430.3  
 FY March 2019 3,564.2



# REVENUE CHANGE (3 MONTHS)

FY March 2020 4th Quarter vs. FY March 2019 4th Quarter



# GLOBAL SALES VOLUME AND CONSOLIDATED WHOLESALERS (FULL YEAR)

(000 units)	Full year		Change from		
	FY March	FY March	Prior Year		Feb. Forecast
	2019	2020	Volume	YOY(%)	Volume
<b>Global sales volume</b>					
Japan	215	202	(12)	(6)%	(2)
North America	421	397	(24)	(6)%	(28)
Europe	270	264	(6)	(2)%	(16)
China	247	212	(36)	(14)%	(19)
Other Markets	409	345	(64)	(16)%	(15)
<b>Total</b>	<b>1,561</b>	<b>1,419</b>	<b>(142)</b>	<b>(9)%</b>	<b>(81)</b>
<b>Consolidated wholesales</b>					
Japan	210	187	(23)	(11)%	(9)
North America	424	421	(3)	(1)%	(13)
Europe	267	267	0	0 %	(5)
Other Markets	411	357	(53)	(13)%	(9)
<b>Total</b>	<b>1,311</b>	<b>1,232</b>	<b>(79)</b>	<b>(6)%</b>	<b>(36)</b>
<b>&lt;Breakdown&gt;</b>					
USA	285	298	13	5%	(12)

# GLOBAL SALES VOLUME AND CONSOLIDATED WHOLESALLES (3 MONTHS)

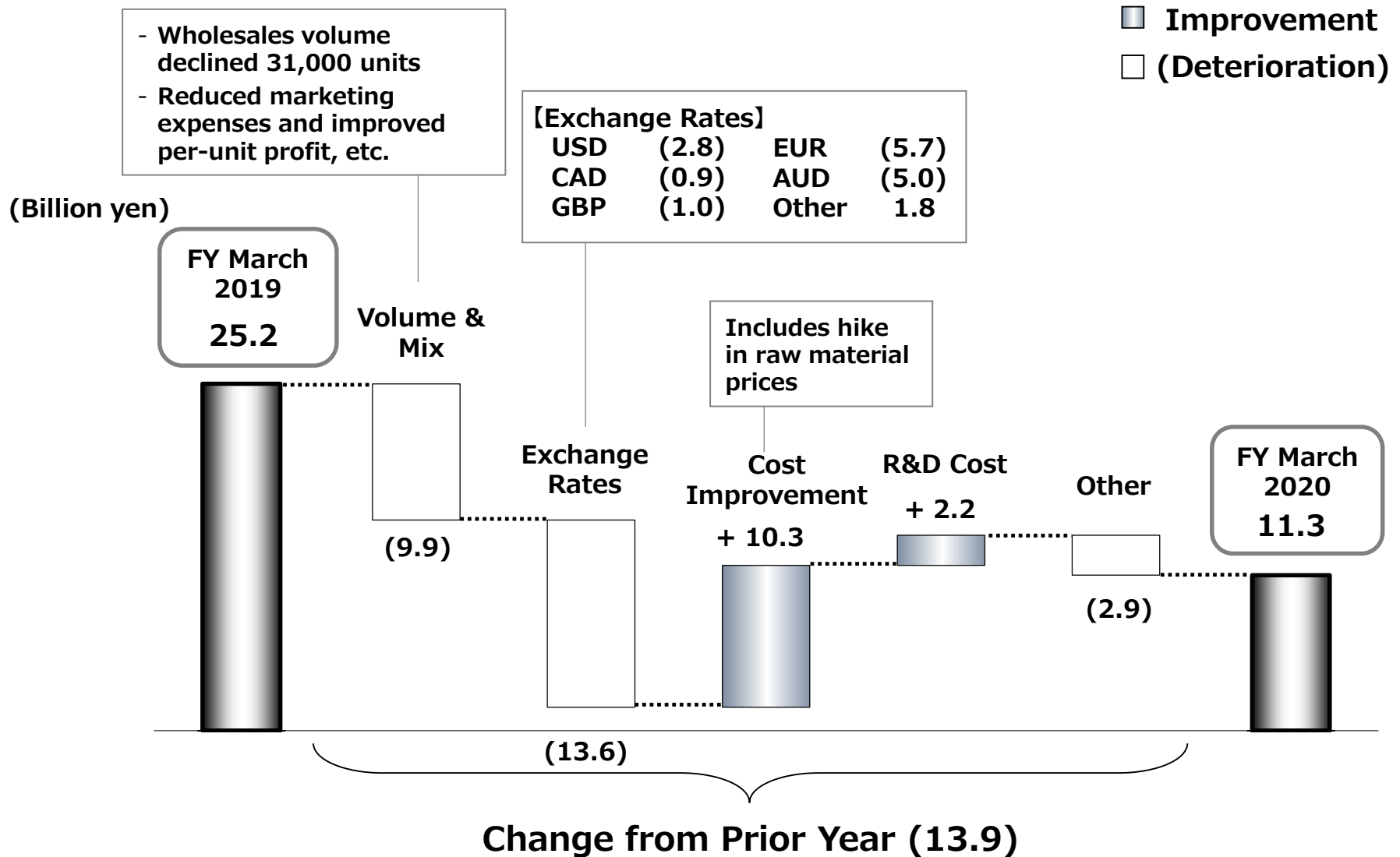
(000 units)	Fourth Quarter		Change from	
	FY March 2019	FY March 2020	Prior Year volume	YOY(%)
<b>Global sales volume</b>				
Japan	65	64	(1)	(2)%
North America	101	92	(9)	(9)%
Europe	73	45	(29)	(39)%
China	52	36	(16)	(31)%
Other Markets	100	76	(23)	(24)%
<b>Total</b>	<b>392</b>	<b>313</b>	<b>(78)</b>	<b>(20)%</b>
<b>Consolidated wholesales</b>				
Japan	64	56	(8)	(12)%
North America	108	119	11	10 %
Europe	73	56	(17)	(23)%
Other Markets	104	87	(17)	(17)%
<b>Total</b>	<b>349</b>	<b>318</b>	<b>(31)</b>	<b>(9)%</b>
<b>&lt;Breakdown&gt;</b>				
<b>USA</b>	<b>70</b>	<b>86</b>	<b>16</b>	<b>23 %</b>

# FY MARCH 2020 FINANCIAL METRICS (3 MONTHS)

(Billion yen)	Fourth Quarter		Change from	
	FY March 2019	FY March 2020	Prior Year	
			Amount	YOY(%)
Revenue	942.9	874.0	(68.9)	(7)%
Operating profit	25.2	11.3	(13.9)	(55)%
Ordinary profit	33.2	3.0	(30.2)	(91)%
Profit before tax	30.3	1.5	(28.8)	(95)%
Net income	27.8	(20.3)	(48.1)	-
Operating ROS	2.7 %	1.3 %	(1.4) pts	
EPS (Yen)	44.1	(32.1)	(76.2)	
Exchange rate (Yen)				
US Dollar	110	109	(1)	
Euro	125	120	(5)	

# FY MARCH 2020 OPERATING PROFIT CHANGE (3 MONTHS)

## FY March 2020 Fourth Quarter vs. FY March 2019 Fourth Quarter





# GLOBAL SALES VOLUME AND CONSOLIDATED WHOLESALES (1<sup>st</sup> HALF / 2<sup>nd</sup> HALF)

(000 units)	FY March 2020			Change from Prior Year		
	1st Half	2nd Half	Full Year	1st Half	2nd Half	Full Year
<b>Global sales volume</b>						
Japan	98	104	202	(4)	(8)	(12)
North America	202	194	397	(20)	(4)	(24)
Europe	136	127	264	1	(8)	(6)
China	109	102	212	(24)	(12)	(36)
Other Markets	184	161	345	(18)	(46)	(64)
<b>Total</b>	<b>731</b>	<b>689</b>	<b>1,419</b>	<b>(65)</b>	<b>(77)</b>	<b>(142)</b>
<b>Consolidated wholesales</b>						
Japan	94	93	187	(7)	(16)	(23)
North America	202	219	421	(16)	14	(3)
Europe	143	124	267	15	(14)	0
Other Markets	183	175	357	(12)	(41)	(53)
<b>Total</b>	<b>622</b>	<b>610</b>	<b>1,232</b>	<b>(20)</b>	<b>(58)</b>	<b>(79)</b>
<Breakdown>						
USA	140	158	298	(6)	19	13

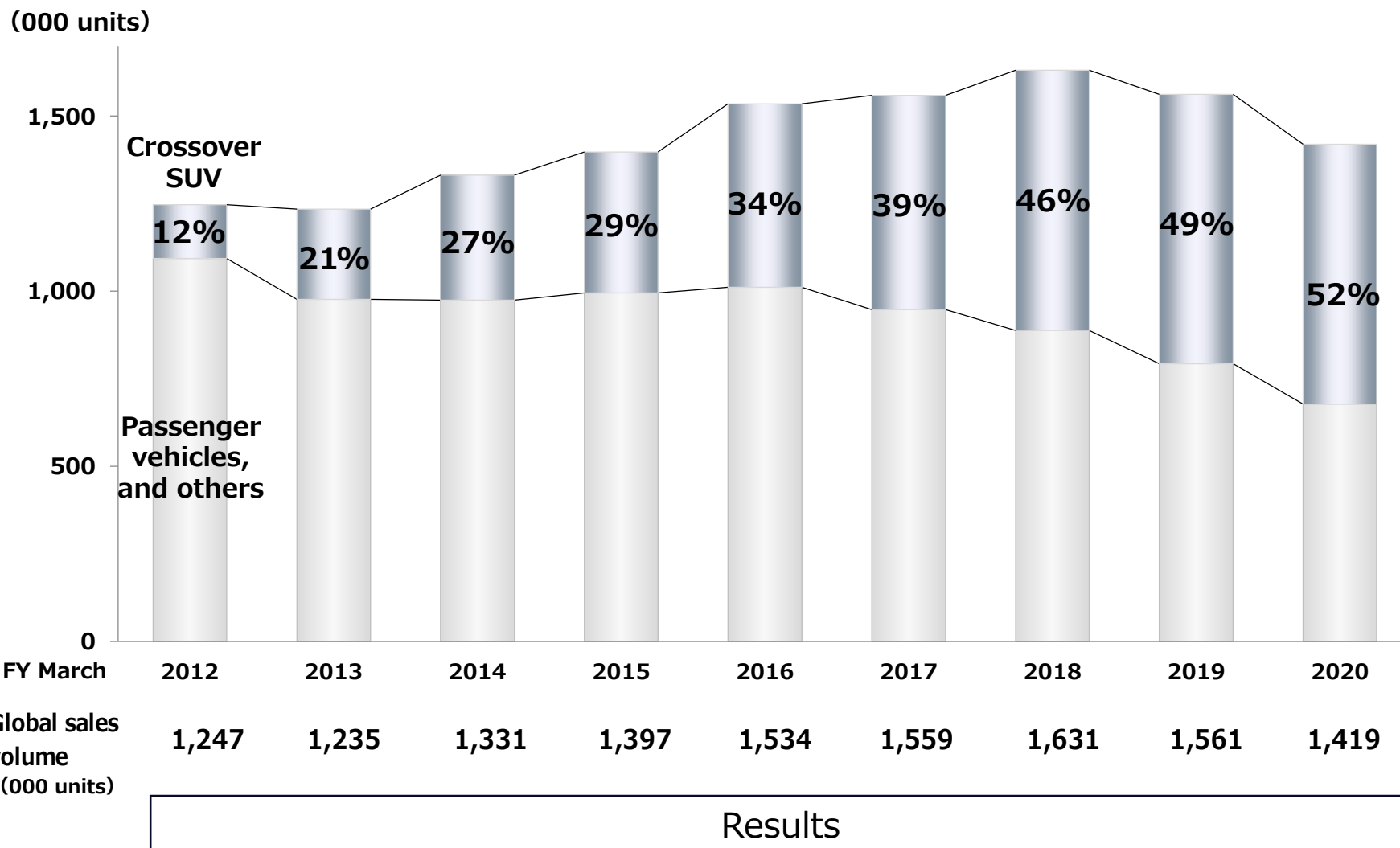
# FY MARCH 2020 FINANCIAL METRICS (1<sup>st</sup> HALF / 2<sup>nd</sup> HALF)

(Billion Yen)	FY March 2020			Change from Prior Year		
	1st Half	2nd Half	Full Year	1st Half	2nd Half	Full Year
Revenue	1,706.6	1,723.7	3,430.3	(22.4)	(111.5)	(133.9)
Operating profit	25.8	17.8	43.6	(4.0)	(34.7)	(38.7)
Ordinary profit	34.0	19.1	53.1	(19.5)	(43.5)	(63.0)
Profit before tax	32.7	16.6	49.3	(16.3)	(42.0)	(58.3)
Net income	16.6	(4.5)	12.1	(7.2)	(43.9)	(51.1)
Operating ROS	1.5 %	1.0 %	1.3 %	(0.2)pts	(1.9)pts	(1.0)pts
EPS (Yen)	26.4	(7.1)	19.3	(11.4)	(69.6)	(81.0)
Exchange rate (yen)						
US Dollar	109	109	109	(2)	(3)	(2)
Euro	121	120	121	(8)	(7)	(8)

# EXCHANGE RATES

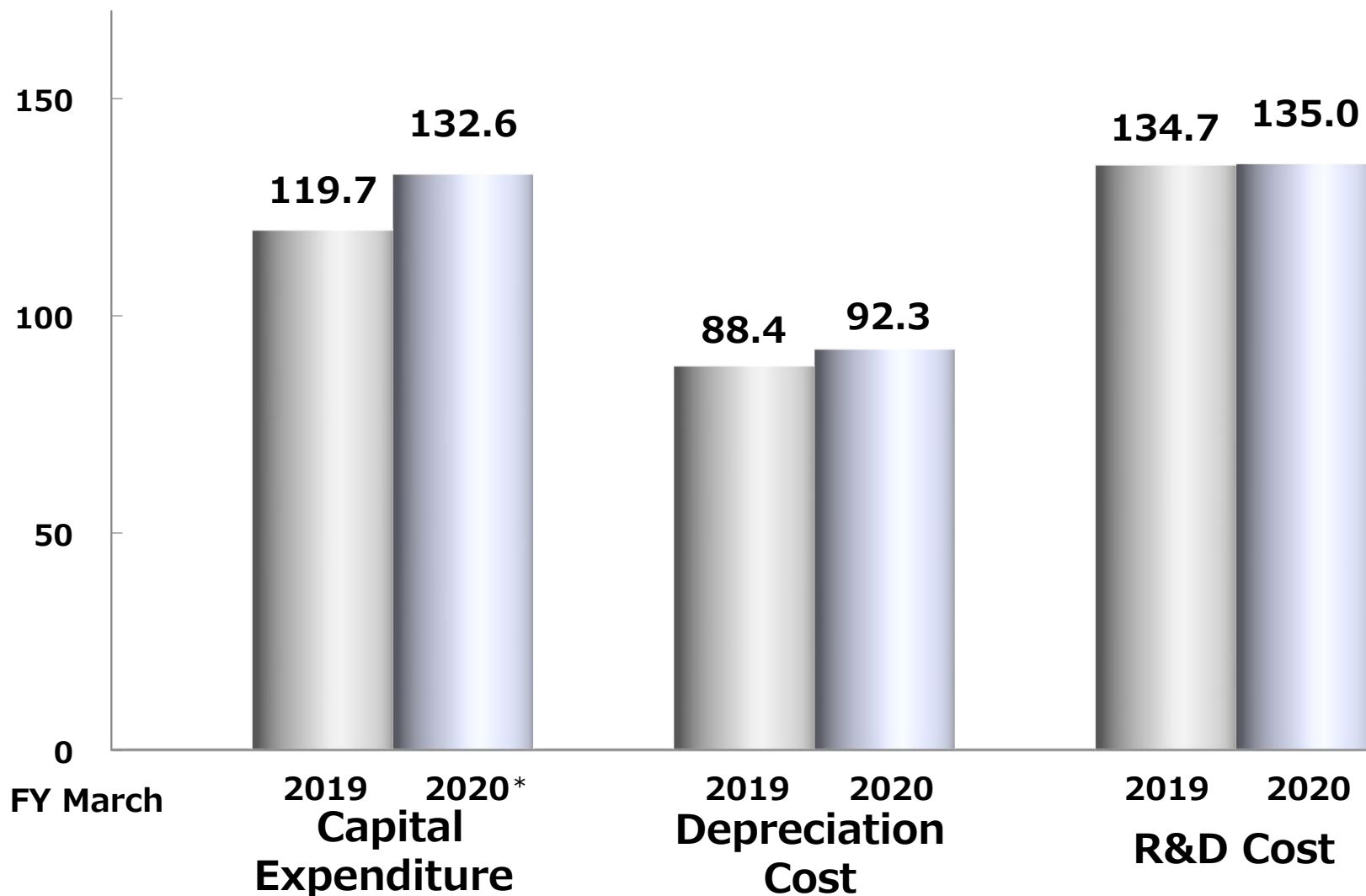
(Yen)	FY March 2020			Change from Prior Year			Change from Feb. Forecast
	1st Half	2nd Half	Full Year	1st Half	2nd Half	Full Year	Full Year
US Dollar	109	109	109	(2)	(3)	(2)	(0)
Euro	121	120	121	(8)	(7)	(8)	0
Canadian Dollar	82	82	82	(3)	(3)	(3)	(0)
Australia Dollar	75	73	74	(7)	(7)	(7)	(1)
British Pound	137	140	138	(10)	(5)	(8)	(1)

# CROSSOVER SUV RATIO



# KEY DATA

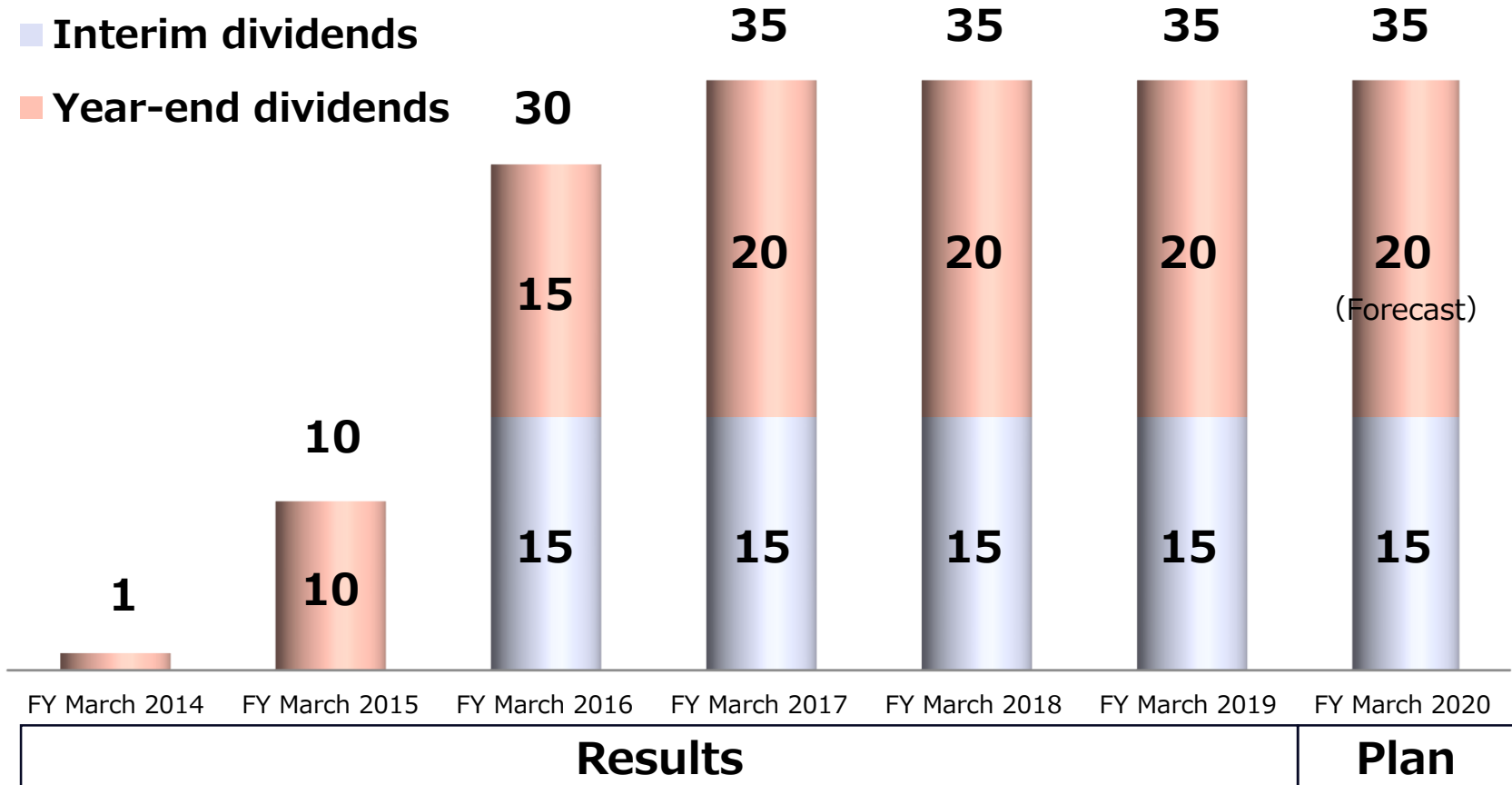
(Billion Yen)



\*Lease assets recognized on the balance sheet in accordance with accounting standard change are not included in capital expenditure.

# DIVIDEND PAYMENT

## Trend of dividends per share



Note) A share consolidation was implemented on common stock with a ratio of five shares to one share on August 1, 2014. Dividends per share represent actual amounts applicable to the respective years

# DISCLAIMER

---

**The projections and future strategies shown in this presentation are based on various uncertainties including, but not limited to, 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.**