Consolidated Financial Results
For the Second Quarter of the Fiscal Year Ending March 31, 2024
(For the First Six Months Ended September 30, 2023)

Prepared in Conformity with Generally Accepted Accounting Principles in Japan

English Translation from the Original Japanese-Language Document

November 7, 2023

Company Name	:	**Mazda Motor Corporation** (Tokyo Stock Exchange / Code No. 7261)
URL	:	https://www.mazda.com/
Representative Person	:	Masahiro Moro, Representative Director and President
Contact Person	:	Keiji Watanabe, General Manager, Accounting Department, Financial Services Division Phone 082-282-1111
Filing of *Shihanki Hokokusho,* quarterly securities report	:	Scheduled for November 10, 2023
Payment of Dividends	:	Scheduled for December 1, 2023
Supplementary Material	:	Yes
Briefing Session	:	Yes (Intended for securities analysts, institutional investors and media)

(in Japanese yen rounded to millions, except amounts per share)

1. Consolidated Financial Highlights (April 1, 2023 through September 30, 2023)

(1) Consolidated Financial Results

(Percentage indicates change from same period of the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2024 2nd quarter	**2,317,259**	**41.1**	**129,611**	**134.6**	**179,235**	**62.4**	**108,132**	**25.9**
FY2023 2nd quarter	1,642,506	9.8	55,241	39.0	110,360	225.6	85,859	259.9

Note: Comprehensive income **FY2024 2nd quarter** **167,058 millions of yen** (**32.7** %)
FY2023 2nd quarter 125,902 millions of yen (299.1 %)

	Net Income Per Share	Net Income Per Share (Diluted)
	yen	yen
FY2024 2nd quarter	**171.63**	**171.49**
FY2023 2nd quarter	136.30	136.19

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
As of	millions of yen	millions of yen	%
September 30, 2023	**3,505,467**	**1,608,113**	**45.3**
March 31, 2023	3,259,251	1,456,801	44.2

Reference: Net Assets excluding non-controlling interests
As of September 30, 2023 **1,589,536 millions of yen**
As of March 31, 2023 1,439,598 millions of yen

2. Dividends

	Dividends Per Share				
	1st Qtr.	2nd Qtr.	3rd Qtr.	Year End	Full-Year
	yen	yen	yen	yen	yen
FY2023	-	20.00	-	25.00	45.00
FY2024	**-**	**25.00**			
FY2024 (Forecast)			**-**	**25.00**	**50.00**

Note: Revision of the dividend forecast most recently announced: No

3. Consolidated Financial Forecast (April 1, 2023 through March 31, 2024)

(Percentage indicates change from the previous fiscal year)

	Net sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent		Net Income Per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
FY2024 Full Year	**4,800,000**	**25.4**	**250,000**	**76.1**	**254,000**	**36.6**	**170,000**	**19.0**	**269.81**

Note: Revision of the consolidated financial forecast most recently announced: Yes

Notes:

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly added subsidiaries: None Excluded subsidiaries: None

(2) Application of accounting treatment specific to preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies / Changes in accounting estimates / Restatement:

1) Changes in accounting policies with accompanying revision of accounting standards	None
2) Voluntary changes in accounting policies except 1)	None
3) Changes in accounting estimates	None
4) Restatement	None

(4) Number of outstanding shares (Common stock)

1) Number of outstanding shares (including treasury stock)		
	As of September 30, 2023	**631,803,979 shares**
	As of March 31, 2023	631,803,979 shares
2) Number of treasury stock		
	As of September 30, 2023	**1,727,526 shares**
	As of March 31, 2023	1,841,110 shares
3) Average number of outstanding shares		
	For 6 months ended September 30, 2023	**630,032,824 shares**
	For 6 months ended September 30, 2022	629,939,090 shares

This document is out of the scope of the quarterly review by certified public accountants or accounting auditor.

Cautionary Statements with Respect to Forward-Looking Statements

The financial forecast and other descriptions of the future presented in this document are an outlook based on our judgments and projections. The judgments and projections are based on information presently available. As such, the financial forecast and future descriptions are subject to uncertainties and risks, and are not contemplated to ensure the fulfillment thereof. Accordingly, the actual financial performance may vary significantly due to various factors.

For detail such as precondition of the financial forecast, please refer to "1. Qualitative Information on Consolidated Results for the Quarterly Period - (3) Future Estimates such as Consolidated Financial Forecast" on page 3 of the attachment.

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Financial Summary (Consolidated)

For the Second Quarter of the Fiscal Year Ending March 31, 2024

1. Qualitative Information on Consolidated Results for the Quarterly period

(1) Consolidated Financial Results

(Global Sales)

Global sales volume for the first six months of the fiscal year ending March 31, 2024 was 616 thousand units, up 19.9% year on year.

(In thousands of units)

	FY 2023 First 6 Months (Apr.'22-Sep.'22)	FY 2024 First 6 Months (Apr.'23-Sep.'23)	vs. Prior Year	
			Volume	Rate (%)
Japan	68	82	14	20.5 %
North America	181	251	70	39.0 %
Europe	67	90	23	34.1 %
China	49	45	(4)	(7.6) %
Other	150	148	(1)	(0.9) %
Total	514	616	102	19.9 %
<Breakdown>				
USA	133	184	51	38.4 %

(Consolidated Financial Results)

Financial performance on a consolidated basis for the first six months of the fiscal year ending March 31, 2024 was as follows. Net sales amounted to ¥2,317.3 billion, an increase of ¥674.8 billion or 41.1% compared to the corresponding period in the previous fiscal year. Operating income amounted to ¥129.6 billion, an increase of ¥74.4 billion or 134.6% compared to the corresponding period in the previous fiscal year. Ordinary income amounted to ¥179.2 billion, an increase of ¥68.8 billion or 62.4% compared to the corresponding period in the previous fiscal year. Net income attributable to owners of the parent amounted to ¥108.1 billion, an increase of ¥22.2 billion or 25.9% compared to the corresponding period in the previous fiscal year, reflecting the factors such as income taxes of ¥68.4 billion.

Operating income changes were as follows.

Volume & mix	106.2	billion yen
Exchange rate	14.3	billion yen
Raw material, logistics costs, etc.	(10.0)	billion yen
Cost improvement	12.0	billion yen
Fixed costs and others	(48.1)	billion yen
Total	74.4	billion yen

(2) Consolidated Financial Position and Cash Flows

(Assets, Liabilities and Net Assets)

As of September 30, 2023, total assets increased ¥246.2 billion from the end of the previous fiscal year, to ¥3,505.5 billion. Total liabilities increased ¥94.9 billion from the end of the previous fiscal year to ¥1,897.4 billion.

Net Assets as of September 30, 2023 increased ¥151.3 billion from the end of the previous fiscal year to ¥1,608.1 billion, mainly reflecting net income attributable to owners of the parent of ¥108.1 billion. Equity ratio increased 1.1 percentage points from the end of the previous fiscal year to 45.3% (Percentage after consideration of the equity credit attributes of the subordinated loan was 46.3%).

(Cash Flows)

Cash and cash equivalent as of September 30, 2023 increased ¥64.1 billion from the end of the previous fiscal year to ¥781.2 billion. Interest-bearing debt as of September 30, 2023 decreased ¥59.7 billion from the end of previous fiscal year to ¥555.8 billion. As a result, we are in a net cash position of ¥225.4 billion.

Cash flows for the first six months of the fiscal year ending March 31, 2024 by activities were as follows.

Cash flows from operating activities

Net cash provided by operating activities was ¥165.1 billion, mainly reflecting income before income taxes of ¥177.2 billion. (For the first six months of the previous fiscal year, net cash used in operating activities was ¥0.6 billion.)

Cash flows from investing activities

Net cash used in investing activities was ¥55.8 billion, mainly reflecting capital expenditure for the purchase of property, plant and equipment of ¥45.8 billion. (For the first six months of the previous fiscal year, net cash used in investing activities was ¥50.0 billion.)

As a result, consolidated free cash flow (net of operating and investing activities) was positive ¥109.3 billion. (For the first six months of the previous fiscal year, consolidated free cash flow was negative ¥50.6 billion.)

Cash flows from financing activities

Net cash used in financing activities was ¥79.1 billion, mainly reflecting the repayments of long-term loans payable. (For the first six months of the previous fiscal year, net cash provided by financing activities was ¥30.3 billion.)

(3) Future Estimates such as Consolidated Financial Forecast

We have revised the full-year consolidated financial forecast for the fiscal year ending March 31, 2024 as shown below. The prior forecast was announced on May 12, 2023.

For more information, please refer to “Notice of Revision of Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2024” that has been released today.

Consolidated Financial Forecast (April 1, 2023 through March 31, 2024)

(In billions of yen)

		Full Year	vs. Prior Year	vs. Prior Forecast	
				Amount	Rate (%)
Net Sales		4,800.0	25.4 %	300.0	6.7 %
Operating Income		250.0	76.1 %	70.0	38.9 %
Ordinary Income		254.0	36.6 %	82.0	47.7 %
Net Income Attributable to Owners of the parent		170.0	19.0 %	40.0	30.8 %
Exchange rate (Yen)	USD	140	5	12	
	EUR	151	10	12	

Global Retail Volume Forecast (April 1, 2023 through March 31, 2024)

(In thousands of units)

	Full Year	vs. Prior Year	vs. Prior Forecast	
			Volume	Rate (%)
Japan	176	7.0 %	(7)	(3.9)%
North America	537	32.1 %	41	8.2 %
Europe	193	20.4 %	4	1.9 %
China	91	8.4 %	(34)	(26.9)%
Other	289	(1.9)%	(17)	(5.6)%
Total	1,286	15.9 %	(14)	(1.0)%

Note: The forecast stated above is based on management's judgment and views in light of information presently available. By nature, such forecasts are subject to risks and uncertainties, and are not contemplated to ensure the fulfillment thereof. Therefore, we advise against making an investment decision by solely relying on this forecast. Variables that could affect the actual financial results include, but are not limited to, the economic environments surrounding our business areas and fluctuations in exchange rates.

2. Quarterly Consolidated Financial Statements and Major Footnotes

(1) Quarterly Consolidated Balance Sheets

(Millions of Yen)

As of	FY2023 March 31, 2023	**FY2024 September 30, 2023**
ASSETS		
Current Assets:		
Cash and deposits	628,098	**742,207**
Trade notes and accounts receivable	166,921	**162,539**
Securities	89,000	**39,000**
Inventories	670,904	**721,027**
Other	170,814	**197,755**
Allowance for doubtful receivables	(1,573)	**(1,940)**
Total current assets	1,724,164	**1,860,588**
Non-current Assets:		
Property, plant and equipment:		
Buildings and structures (net)	200,542	**202,386**
Machinery, equipment and vehicles (net)	378,913	**389,529**
Land	419,419	**420,387**
Leased assets (net)	25,289	**25,182**
Other (net)	140,443	**144,797**
Total property, plant and equipment	1,164,606	**1,182,281**
Intangible assets:	54,614	**57,842**
Investments and other assets:		
Investment securities	214,895	**250,567**
Asset for retirement benefits	12,289	**68,907**
Other	88,966	**85,564**
Allowance for doubtful receivables	(283)	**(282)**
Total investments and other assets	315,867	**404,756**
Total non-current assets	1,535,087	**1,644,879**
Total Assets	3,259,251	**3,505,467**

(Millions of Yen)

As of	FY2023 March 31, 2023	**FY2024** **September 30, 2023**
LIABILITIES		
Current Liabilities:		
Trade notes and accounts payable	480,975	**484,380**
Short-term loans payable	1,460	**51,354**
Long-term loans payable due within one year	199,579	**99,885**
Lease obligations	6,847	**7,066**
Income taxes payable	18,212	**56,326**
Accrued expenses	274,964	**304,428**
Reserve for warranty expenses	108,895	**125,693**
Other	170,288	**167,055**
Total current liabilities	1,261,220	**1,296,187**
Non-current Liabilities:		
Bonds	50,000	**50,000**
Long-term loans payable	345,340	**335,448**
Lease obligations	20,869	**20,703**
Deferred tax liability related to land revaluation	64,434	**64,376**
Provision related to environmental regulations	14,533	**20,953**
Liability for retirement benefits	18,238	**73,802**
Other	27,816	**35,885**
Total non-current liabilities	541,230	**601,167**
Total Liabilities	1,802,450	**1,897,354**
NET ASSETS		
Capital and Retained Earnings:		
Common stock	283,957	**283,957**
Capital surplus	263,035	**263,007**
Retained earnings	699,231	**791,803**
Treasury stock	(1,995)	**(1,872)**
Total capital and retained earnings	1,244,228	**1,336,895**
Accumulated Other Comprehensive Income/(Loss):		
Net unrealized gain/(loss) on available-for-sale securities	20,243	**44,885**
Deferred gains/(losses) on hedges	(68)	**121**
Land revaluation	145,302	**145,113**
Foreign currency translation adjustment	14,184	**46,195**
Accumulated adjustments for retirement benefits	15,709	**16,327**
Total accumulated other comprehensive income/(loss)	195,370	**252,641**
Stock Acquisition Rights	475	**471**
Non-controlling Interests	16,728	**18,106**
Total Net Assets	1,456,801	**1,608,113**
Total Liabilities and Net Assets	3,259,251	**3,505,467**

(2) Quarterly Consolidated Statements of Operations and Comprehensive Income

(For the first six months ended September 30, 2023 and 2022)

Quarterly Consolidated Statements of Operations

(Millions of Yen)

For the first six months ended	FY2023 September 30, 2022	**FY2024 September 30, 2023**
Net sales	1,642,506	**2,317,259**
Cost of sales	1,287,652	**1,832,632**
Gross profit	354,854	**484,627**
Selling, general and administrative expenses	299,613	**355,016**
Operating income	55,241	**129,611**
Non-operating income		
Interest income	4,215	**8,294**
Equity in net income of affiliated companies	6,718	**4,584**
Foreign exchange gain	48,592	**42,014**
Other	3,536	**4,592**
Total	63,061	**59,484**
Non-operating expenses		
Interest expense	3,845	**3,788**
Loss on transfer of receivables	697	**4,465**
Other	3,400	**1,607**
Total	7,942	**9,860**
Ordinary income	110,360	**179,235**
Extraordinary income		
Gain on sales of property, plant and equipment	62	**170**
Compensation for the exercise of eminent domain	271	**1**
Other	-	**30**
Total	333	**201**
Extraordinary losses		
Loss on sales and retirement of property, plant and equipment	1,211	**1,775**
Impairment loss	49	**421**
Other	109	**12**
Total	1,369	**2,208**
Income before income taxes	109,324	**177,228**
Income taxes		
Current	18,419	**55,031**
Deferred	4,480	**13,351**
Total	22,899	**68,382**
Net income	86,425	**108,846**
Net income attributable to Non-controlling interests	566	**714**
Net income attributable to owners of the parent	85,859	**108,132**

Quarterly Consolidated Statements of Comprehensive Income

(Millions of Yen)

For the first six months ended	FY2023 September 30, 2022	**FY2024** **September 30, 2023**
Net income	86,425	**108,846**
Other comprehensive income/(loss)		
Net unrealized gain/(loss) on available-for-sale securities	(10,091)	**24,633**
Deferred gains/(losses) on hedges	789	**147**
Foreign currency translation adjustment	40,876	**27,479**
Adjustments for retirement benefits	(2,477)	**631**
Share of other comprehensive income/(loss) of affiliates accounted for using equity method	10,380	**5,322**
Total	39,477	**58,212**
Comprehensive income	125,902	**167,058**
Comprehensive income/(loss) attributable to:		
Owners of the parent	124,502	**165,592**
Non-controlling interests	1,400	**1,466**

(For the three months ended September 30, 2023 and 2022)

Quarterly Consolidated Statements of Operations

(Millions of Yen)

For the three months ended	FY2023 September 30, 2022	**FY2024** **September 30, 2023**
Net sales	1,025,283	**1,226,288**
Cost of sales	801,262	**958,040**
Gross profit	224,021	**268,248**
Selling, general and administrative expenses	149,252	**168,662**
Operating income	74,769	**99,586**
Non-operating income		
Interest income	2,543	**4,756**
Equity in net income of affiliated companies	-	**2,837**
Foreign exchange gain	15,370	**10,999**
Other	2,137	**2,360**
Total	20,050	**20,952**
Non-operating expenses		
Interest expense	2,117	**1,860**
Loss on transfer of receivables	485	**2,513**
Equity in net loss of affiliated companies	1,330	**-**
Other	1,258	**852**
Total	5,190	**5,225**
Ordinary income	89,629	**115,313**
Extraordinary income		
Gain on sales of property, plant and equipment	21	**3**
Compensation for the exercise of eminent domain	271	**-**
Gain on reversal of reserve for loss on business of subsidiaries and affiliates	-	**65**
Total	292	**68**
Extraordinary losses		
Loss on sales and retirement of property, plant and equipment	797	**889**
Impairment loss	49	**421**
Other	40	**2**
Total	886	**1,312**
Income before income taxes	89,035	**114,069**
Income taxes		
Current	11,586	**30,442**
Deferred	6,229	**12,425**
Total	17,815	**42,867**
Net income	71,220	**71,202**
Net income attributable to Non-controlling interests	358	**312**
Net income attributable to owners of the parent	70,862	**70,890**

Quarterly Consolidated Statements of Comprehensive Income

(Millions of Yen)

For the three months ended	FY2023 September 30, 2022	**FY2024** **September 30, 2023**
Net income	71,220	**71,202**
Other comprehensive income/(loss)		
Net unrealized gain/(loss) on available-for-sale securities	(6,516)	**11,168**
Deferred gains/(losses) on hedges	1,135	**103**
Foreign currency translation adjustment	3,926	**5,946**
Adjustments for retirement benefits	(411)	**1,612**
Share of other comprehensive income/(loss) of affiliates accounted for using equity method	5,465	**3,190**
Total	3,599	**22,019**
Comprehensive income	74,819	**93,221**
Comprehensive income/(loss) attributable to:		
Owners of the parent	74,277	**92,509**
Non-controlling interests	542	**712**

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of Yen)

For the first six months ended	FY2023 September 30, 2022	**FY2024 September 30, 2023**
Cash flows from operating activities:		
Income before income taxes	109,324	**177,228**
Adjustments to reconcile income before income taxes to net cash provided by/(used in) operating activities:		
Depreciation and amortization	51,407	**55,767**
Impairment loss	49	**421**
Increase/(decrease) in allowance for doubtful receivables	3,445	**208**
Increase/(decrease) in reserve for warranty expenses	(2,426)	**14,803**
Increase/(decrease) in provision for loss on compensation for damage	(1,900)	**(100)**
Increase/(decrease) in provision related to environmental regulations	9,135	**6,372**
Net changes in asset and liability for retirement benefits	(1,842)	**(3,083)**
Interest and dividend income	(5,400)	**(9,811)**
Interest expense	3,845	**3,788**
Equity in net loss/(income) of affiliated companies	(6,718)	**(4,584)**
Loss/(gain) on sales and retirement of property, plant and equipment	878	**1,604**
Decrease/(increase) in trade notes and accounts receivable	(2,677)	**12,381**
Decrease/(increase) in inventories	(132,201)	**(213)**
Decrease/(increase) in other current assets	(9,749)	**(16,430)**
Increase/(decrease) in trade notes and accounts payable	59,571	**(10,306)**
Increase/(decrease) in other current liabilities	1,124	**(2,385)**
Other	(77,645)	**(53,625)**
Subtotal	(1,780)	**172,035**
Interest and dividends received	12,876	**15,747**
Interest paid	(3,656)	**(3,519)**
Income taxes refunded/(paid)	(8,061)	**(19,182)**
Net cash provided by/(used in) operating activities	(621)	**165,081**
Cash flows from investing activities:		
Purchase of investment securities	(209)	**(510)**
Purchase of property, plant and equipment	(43,924)	**(45,825)**
Proceeds from sales of property, plant and equipment	411	**540**
Purchase of intangible assets	(7,747)	**(10,143)**
Other	1,492	**117**
Net cash provided by/(used in) investing activities	(49,977)	**(55,821)**

(Millions of Yen)

For the first six months ended	FY2023 September 30, 2022	**FY2024** **September 30, 2023**
Cash flows from financing activities:		
Net increase/(decrease) in short-term loans payable	74,796	**49,003**
Proceeds from long-term loans payable	4,500	**49,000**
Repayments of long-term loans payable	(33,437)	**(158,615)**
Proceeds from sale and leaseback transactions	83	**45**
Repayments of lease obligations	(3,020)	**(2,744)**
Cash dividends paid	(12,597)	**(15,749)**
Cash dividends paid to non-controlling interests	(109)	**(88)**
Net decrease/(increase) in treasury stock	77	**95**
Net cash provided by/(used in) financing activities	30,293	**(79,053)**
Effect of exchange rate fluctuations on cash and cash equivalents	57,104	**33,901**
Net increase/(decrease) in cash and cash equivalents	36,799	**64,108**
Cash and cash equivalents at beginning of the period	740,385	**717,093**
Cash and cash equivalents at end of the period	777,184	**781,201**

(4) Footnotes to the Quarterly Consolidated Financial Statements

(Note on the Assumptions as Going Concern)

Not applicable

(Significant Changes in the Amount of Equity)

Not applicable

(Additional Information)

The future estimated costs of the quality-related expense of certain consolidated subsidiaries, which were included in “Accrued expenses” under “Current Liabilities” in the previous consolidated fiscal year, are included in “Reserve for warranty expenses” from the first quarter of the fiscal year ending March 31, 2024, from the perspective of a more realistic presentation. The consolidated financial statements for the previous fiscal year ended March 31, 2023 have been reclassified to reflect this revision.

As a result, “Accrued expenses” under “Current Liabilities” of ¥23,248 million presented in the consolidated balance sheet for the previous fiscal year has been reclassified as “Reserve for warranty expenses.”

(Segment Information)

I. FY2023 First Six Months (April 1, 2022 through September 30, 2022)

1) Net sales and Income or Loss by Reportable Segments

(Millions of Yen)

FY2023 First Six Months Ended September 30, 2022	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	405,996	701,199	251,552	283,759	1,642,506	—	1,642,506
Inter-segment	987,617	169,310	14,738	22,161	1,193,826	(1,193,826)	—
Total	1,393,613	870,509	266,290	305,920	2,836,332	(1,193,826)	1,642,506
Segment income	53,157	1,483	6,952	11,307	72,899	(17,658)	55,241

Notes: 1. The adjustment on segment income is eliminations of inter-segment transactions.
2. The segment income is reconciled with the operating income in the consolidated statement of operations for FY2023 first six months ended September 30, 2022.

2) Impairment Loss on Property, Plant and Equipment and Goodwill by Reportable Segment

Impairment losses on property, plant and equipment, gains from negative goodwill and changes in the amount of goodwill, that were material, were not recognized.

II. FY2024 First Six Months (April 1, 2023 through September 30, 2023)

1) Net sales and Income or Loss by Reportable Segments

(Millions of Yen)

FY2024 First Six Months Ended September 30, 2023	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	**486,265**	**1,066,496**	**424,909**	**339,589**	**2,317,259**	—	**2,317,259**
Inter-segment	**1,430,835**	**268,101**	**16,898**	**36,324**	**1,752,158**	**(1,752,158)**	—
Total	**1,917,100**	**1,334,597**	**441,807**	**375,913**	**4,069,417**	**(1,752,158)**	**2,317,259**
Segment income	**116,671**	**45,136**	**10,766**	**16,178**	**188,751**	**(59,140)**	**129,611**

Notes: 1. The adjustment on segment income is eliminations of inter-segment transactions.
2. The segment income is reconciled with the operating income in the consolidated statement of operations for FY2024 first six months ended September 30, 2023.

2) Impairment Loss on Property, Plant and Equipment and Goodwill by Reportable Segment

Impairment losses on property, plant and equipment, gains from negative goodwill and changes in the amount of goodwill, that were material, were not recognized.

(Significant Subsequent Events)

Not applicable

Financial Summary (Consolidated)

November 7, 2023

For the Second Quarter of the Fiscal Year Ending March 31, 2024

Mazda Motor Corporation

(For the Six Months Ended September 30, 2023)

(In 100 millions of yen) (In thousands of units) (Upper left: return on sales)		FY 2023 First 6 months (Apr.'22-Sep.'22)		FY 2024 First 6 months (Apr.'23-Sep.'23) 1st Qtr.	2nd Qtr.			FY 2023 Full Year Ended March 31, 2023		FY 2024 Full Year Forecast Ending March 31, 2024	
			%				%		%		%
Domestic	1	2,681	1.6	1,664	1,630	3,294	22.9	6,229	9.4	6,500	4.3
Overseas	2	13,744	11.6	9,246	10,633	19,879	44.6	32,039	25.6	41,500	29.5
Net sales	3	16,425	9.8	10,910	12,263	23,173	41.1	38,268	22.6	48,000	25.4
Operating income	4	3.4% 552	39.0	2.8% 300	8.1% 996	5.6% 1,296	134.6	3.7% 1,420	36.2	5.2% 2,500	76.1
Ordinary income	5	6.7% 1,104	225.6	5.9% 639	9.4% 1,153	7.7% 1,792	62.4	4.9% 1,859	50.5	5.3% 2,540	36.6
Income before income taxes	6	6.7% 1,093	204.5	5.8% 632	9.3% 1,140	7.6% 1,772	62.1	4.4% 1,700	51.2	5.1% 2,470	45.3
Net income attributable to owners of the parent	7	5.2% 859	259.9	3.4% 372	5.8% 709	4.7% 1,081	25.9	3.7% 1,428	75.1	3.5% 1,700	19.0
Operating income by segment (geographic area)											
Japan	8	532		85	1,082	1,167		713			
North America	9	15		259	192	451		381			
Europe	10	70		51	57	108		149			
Other areas	11	113		76	86	162		267			
Operating income changes											
Volume & mix	12			819	243	1,062				1,438	
Exchange rate	13			58	85	143				279	
Raw material, logistics costs, etc.	14			(33)	(67)	(100)				(374)	
Cost improvement	15			49	71	120				324	
Fixed costs and others	16			(398)	(83)	(481)				(587)	
Total	17			495	249	744				1,080	
Average rate for the period (Yen) USD	18	134		138	145	141		136		140	
Average rate for the period (Yen) EUR	19	139		150	157	153		141		151	
Capital expenditures	20	360		216	301	517		941		1,400	
Depreciation and amortization	21	514		275	283	558		1,060		1,100	
R & D costs	22	595		310	355	665		1,280		1,450	
Total assets	23	32,306		32,616		35,055		32,593			
Net assets	24	14,131		14,970		15,895		14,396			
Financial debt	25	7,303		5,751		5,558		6,155			
Net cash	26	468		1,110		2,254		1,016			
Free cash flow (Operating & Investing)	27	(506)		(4)	1,097	1,093		380			
Japan	28	68	14.0	42	39	82	20.5	165	10.8	176	7.0
North America	29	181	(27.3)	128	123	251	39.0	407	(7.4)	537	32.1
Europe	30	67	(37.1)	44	46	90	34.1	160	(15.5)	193	20.4
China	31	49	(45.2)	20	26	45	(7.6)	84	(50.4)	91	8.4
Other	32	150	(4.2)	75	74	148	(0.9)	294	(3.1)	289	(1.9)
Global retail volume	33	514	(22.1)	309	308	616	19.9	1,110	(11.3)	1,286	15.9
Japan	34	70	2.3	43	40	83	18.0	161	6.1	172	6.6
North America	35	177	(6.8)	125	130	255	44.5	422	9.5	558	32.1
Europe	36	63	(30.4)	45	53	98	55.3	161	(4.6)	205	27.0
Other	37	140	6.3	72	79	151	8.3	314	10.6	285	(9.3)
Consolidated wholesales volume	38	450	(6.3)	286	302	588	30.6	1,059	6.9	1,220	15.2
Domestic	39	337	8.0	192	207	399	18.6	764	9.8		
Overseas	40	166	8.0	91	102	194	16.5	371	13.3		
Global production volume	41	503	8.0	284	309	593	17.9	1,135	10.9		

Note: Global retail volume refers to the total retail units of Mazda-brand vehicles sold on a global basis.
Global production volume refers to the total volume of the units produced in the domestic plant and Mexico plant plus the units of Mazda-brand vehicles produced in other overseas plants (mainly in the U.S., China and Thailand).