

Consolidated Financial Results For the Fiscal Year Ended March 31, 2025

Prepared in Conformity with Generally Accepted Accounting Principles in Japan
English Translation from the Original Japanese-Language Document



May 12, 2025

| | | |
|--|--|--|
| Company Name | : Mazda Motor Corporation (Tokyo Stock Exchange / Code No. 7261) | |
| URL | : https://www.mazda.com/en/ | |
| Representative Person | : Masahiro Moro, Representative Director and President | |
| Contact Person | : Keiji Watanabe, General Manager, Accounting Department, Financial Services Division Phone +81-82-282-1111 | |
| General Meeting of the Shareholders | : Scheduled for June 25, 2025 | |
| Payment of Dividends | : Scheduled for June 26, 2025 | |
| Filing of <i>Yuka Shoken Hokokusho</i> , annual securities report | : Scheduled for June 24, 2025 | |
| 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, 2024 through March 31, 2025)

(1) Consolidated Financial Results

(Percentage indicates change from the previous fiscal year)

| | Net Sales | | Operating Income | | Ordinary Income | | Net Income Attributable to Owners of the Parent | |
|----------------------------|------------------|-------------------------------|--------------------|---------------|--------------------------------|---------------|---|---------------|
| FY2025 | millions of yen | % | millions of yen | % | millions of yen | % | millions of yen | % |
| FY2025 | 5,018,893 | 4.0 | 186,125 | (25.7) | 188,996 | (41.0) | 114,079 | (45.1) |
| Note: Comprehensive income | | | | | | | | |
| FY2025 | | 94,339 millions of yen | ((71.6) %) | | FY2024 332,132 millions of yen | | (100.7 %) | |
| FY2024 | | | | | | | | |

Note: Comprehensive income

| | Net Income Per Share | Net Income Per Share (Diluted) | Return on Equity | Ordinary Income to Total Assets | Operating Income to Sales |
|---------------|----------------------|--------------------------------|------------------|---------------------------------|---------------------------|
| FY2025 | yen | yen | % | % | % |
| FY2025 | 181.00 | 180.87 | 6.5 | 4.8 | 3.7 |
| FY2024 | 329.65 | 329.38 | 13.1 | 9.1 | 5.2 |

Reference: Equity in net income of affiliates (for the fiscal years ended March 31)

FY2025 13,440 millions of yen

FY2024 8,808 millions of yen

(2) Consolidated Financial Position

| | Total Assets | Net Assets | Equity Ratio | Net Assets per Share |
|----------------------------|------------------|------------------|--------------|----------------------|
| As of Mar. 31, 2025 | millions of yen | millions of yen | % | yen |
| As of Mar. 31, 2024 | 4,090,081 | 1,810,029 | 43.8 | 2,843.31 |
| | 3,791,768 | 1,757,378 | 45.8 | 2,757.74 |

Reference: Net assets excluding non-controlling interests and stock acquisition rights
(as of March 31)

FY2025 1,792,282 millions of yen

FY2024 1,737,585 millions of yen

(3) Consolidated Cash Flows

| | Cash Flows from Operating Activities | Cash Flows from Investing Activities | Cash Flows from Financing Activities | Ending Cash & Cash Equivalents |
|---------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------|
| FY2025 | millions of yen | millions of yen | millions of yen | millions of yen |
| FY2025 | 305,626 | (199,961) | 90,071 | 1,105,585 |
| FY2024 | 418,895 | (179,889) | (84,704) | 919,265 |

2. Dividends

| | Dividends per Share | | | | | Total Amount of Annual Dividends | Dividends Payout Ratio (Consolidated) | Ratio of Dividends to Net Assets (Consolidated) |
|-------------------|---------------------|--------------|----------|--------------|--------------|----------------------------------|---------------------------------------|---|
| | 1st.Qtr. | 2nd.Qtr. | 3rd.Qtr. | Year-End | Full Year | | | |
| FY2024 | yen | yen | yen | yen | yen | millions of yen | % | % |
| FY2025 | - | 25.00 | - | 35.00 | 60.00 | 37,805 | 18.2 | 2.4 |
| FY2025 | - | 25.00 | - | 30.00 | 55.00 | 34,670 | 30.4 | 2.0 |
| FY2026 (Forecast) | - | - | - | - | - | - | - | - |

Note 1: Breakdown of year-end dividend for the fiscal year ended March 31, 2024: ordinary dividend 30 yen; special dividend 5 yen

Note 2: The dividends forecast for the fiscal year ending March 31, 2026 is yet to be determined.

3. Consolidated Financial Forecast (April 1, 2024 through March 31, 2025)

The consolidated financial results forecast for the next fiscal year ending March 31, 2026 is yet to be established. As the business environment surrounding the Mazda Group continues to be uncertain due to factors such as the U.S. government's tariff policies, it is difficult to predict the financial results reasonably at this stage. The financial results forecast will be announced when it becomes possible to establish a reasonable forecast.

***Notes**

(1) Significant changes in the scope of consolidation during the period: None

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

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

Note: Please refer to "3.Consolidated Financial Statements and Major Footnotes (5)Footnotes to the Consolidated Financial Statements" on page 14 of the attachment.

(3) Number of outstanding shares (Common stock)

| | | |
|--|----------------------------------|---------------------------|
| 1) Outstanding shares at period-end (including treasury stock) | As of March 31, 2025 | 631,803,979 shares |
| | As of March 31, 2024 | 631,803,979 shares |
| 2) Treasury stock at period-end | As of March 31, 2025 | 1,454,028 shares |
| | As of March 31, 2024 | 1,728,394 shares |
| 3) Average number of outstanding shares during the period | Year ended March 31, 2025 | 630,263,667 shares |
| | Year ended March 31, 2024 | 630,052,693 shares |

(Reference)

Unconsolidated Financial Highlights (April 1, 2024 through March 31, 2025)

(1) Unconsolidated Financial Results

(Percentage indicates change from the previous fiscal year)

| | Net Sales | | Operating Income | | Ordinary Income | | Net Income | |
|---------------|------------------|-------------------------|------------------|-----------------------------------|-----------------|---------------|-----------------|---------------|
| | millions of yen | % | millions of yen | % | millions of yen | % | millions of yen | % |
| FY2025 | 3,549,454 | (2.4) | 32,438 | (75.5) | 66,443 | (70.7) | 60,132 | (56.3) |
| FY2024 | 3,636,113 | 21.2 | 132,302 | 171.0 | 226,555 | 120.8 | 137,731 | 53.4 |
| | | | | | | | | |
| | | Net Income Per Share | | Net Income Per Share (Diluted) | | | | |
| | | yen | | yen | | | | |
| FY2025 | | 95.41 | | 95.34 | | | | |
| FY2024 | | 218.60 | | 218.42 | | | | |

(2) Unconsolidated Financial Position

| | Total Assets | Net Assets | Equity Ratio | Net Assets Per Share |
|----------------------------|-------------------------------------|-------------------------------------|------------------|-------------------------|
| As of Mar. 31, 2025 | millions of yen 2,947,097 | millions of yen 1,266,466 | % 43.0 | yen 2,008.49 |
| As of Mar. 31, 2024 | 2,718,102 | 1,280,920 | 47.1 | 2,032.19 |

Reference: Net Assets excluding stock acquisition rights (as of March 31) **FY2025 1,266,068 millions of yen** **FY2024 1,280,449 millions of yen**

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

Cautionary Statements with Respect to Forward-Looking Statements and Other Notes

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.Overview of Financial Results, etc. - (4) Financial Forecast" on page 4 of the attachment.

Attachment**Table of Contents**

| | |
|--|--------------|
| 1. Overview of Financial Results, etc. | P. 2 |
| (1) Overview of Financial Results..... | P. 2 |
| (2) Overview of Financial Position..... | P. 4 |
| (3) Overview of Cash Flows..... | P. 4 |
| (4) Financial Forecast..... | P. 4 |
| (5) Basic Dividend Policy, Dividends for March 2024 and March 2025 Fiscal Years..... | P. 5 |
| 2. Basic Rationale for the Selection of Accounting Standards..... | P. 5 |
| 3. Consolidated Financial Statements and Major Footnotes..... | P. 6 |
| (1) Consolidated Balance Sheets..... | P. 6 |
| (2) Consolidated Statements of Operations and Comprehensive Income..... | P. 8 |
| (3) Consolidated Statements of Changes in Net Assets..... | P. 10 |
| (4) Consolidated Statements of Cash Flows..... | P. 12 |
| (5) Footnotes to the Consolidated Financial Statements..... | P. 14 |
| Note on the Assumptions as Going Concern..... | P. 14 |
| Changes in Accounting Policies..... | P. 14 |
| Changes in Presentation..... | P. 14 |
| Segment Information..... | P. 15 |
| Information on Amounts Per Share of Common Stock..... | P. 17 |
| Significant Subsequent Events..... | P. 17 |
| 4. Unconsolidated Financial Statements and Major Footnotes..... | P. 18 |
| (1) Unconsolidated Balance Sheets..... | P. 18 |
| (2) Unconsolidated Statements of Operations..... | P. 20 |
| (3) Unconsolidated Statements of Changes in Net Assets..... | P. 21 |
| (4) Footnotes to the Unconsolidated Financial Statements..... | P. 23 |
| Note on the Assumptions as Going Concern..... | P. 23 |
| Changes in Presentation..... | P. 23 |

(References)**Financial Summary (Consolidated) For the Fiscal Year Ended March 2025****Financial Summary (Unconsolidated) For the Fiscal Year Ended March 2025**

1. Overview of Financial Results, etc.

(1) Overview of Financial Results

Despite evidence of a slow but steady improvement in economic conditions in the business environment surrounding the Mazda Group during the fiscal year ended March 31, 2025, uncertainty about the future continued mainly due to the effects of high resource prices stemming from geopolitical risks, ongoing high policy interest rates in major countries, and exchange rate volatility. At present, geopolitical and economic uncertainty remains high amid recent changes in government in major countries and concerns over escalating global trade friction.

In this environment, despite the impact of intensifying sales competition and increases in labor costs and parts procurement prices in major markets, the group achieved growth in sales volumes and net sales particularly in the North American market, where sales volumes reached a record high, through efforts to strengthen our flexible marketing measures and introduce new products. While promoting initiatives in electrification and value creation for the future as well as investment in people, we also made efforts to enhance management efficiency through a range of activities such as reducing the number of models, reviewing parts and equipment in line with customer value, re-evaluating cost-effectiveness to reduce costs, and thoroughly streamlining operations to reduce fixed costs.

In terms of products, in April 2024, we began sales in North America of the Mazda CX-70 two-row crossover SUV, the third model in our Large Product Group following the Mazda CX-60 and Mazda CX-90. In October 2024, we also began sales in Europe and Japan of the Mazda CX-80, a three-row crossover SUV and the fourth model in our Large Product Group. Both the CX-70 and CX-80 models boast high environmental performance, thanks to their adoption of plug-in hybrid systems and other electrification technologies, and have achieved high safety ratings in various countries.

In the Chinese market where electrification is making rapid progress, we began sales of the Mazda EZ-6 in October 2024. The EZ-6 is the first of a series of new electrified vehicles developed and manufactured by Changan Mazda Automobile Corporation, a local affiliate in which Mazda has invested, in cooperation with Chongqing Changan Automobile Co., Ltd., Mazda's joint venture partner. In the North American market, we commenced sales of a hybrid model of the Mazda CX-50 in November last year. This model, which is produced at our U.S. Alabama plant, incorporates a hybrid system developed by Toyota Motor Corporation.

Mazda continues to evolve the “joy of driving” based on our human-centered values with the aim of delivering the “joy of living” by creating exciting, moving experiences in the everyday life of our customers.

[Global sales]

Global sales volume for the fiscal year was 1,303 thousand units, up 5.0% year on year. This was driven by strong performance in the North American market, with the United States and Mexico recording their highest ever annual sales volumes.

<Japan>

Sales declined 5.2% year on year to 152 thousand units mainly due to the impact of discontinuation of sales of the Mazda CX-8. However, sales in the fourth quarter of the fiscal year increased 24.8% year on year to 49 thousand units as the newly introduced the CX-80 and updated models of the CX-60 and CX-5 contributed to the increase in sales volume.

<North America>

In the United States, sales were driven by our Large products and the introduction of a hybrid model of the CX-50, and sales reached a record-high of 435 thousand units, a 15.9% increase year on year. Performance in North America as a whole was also strong, with a 20.0% year-on-year growth in sales to 617 thousand units, thanks to

robust sales in both Canada and Mexico.

<Europe>

While sales of the CX-30 and Mazda2 Hybrid model increased, overall sales in Europe declined 3.4% from the previous year to 174 thousand units mainly due to the decrease in sales of the CX-60, CX-5 and Mazda6.

<China>

In China, sales declined 23.1% year-on-year to 74 thousand units due mainly to contraction in demand for internal combustion engine vehicles and intense price competition. The EZ-6, a dedicated electrified model, was launched in October 2024.

<Other markets>

In Australia, one of Mazda's major markets, sales of newly introduced Large products as well as the Mazda CX-3 and CX-5 increased but overall sales declined 1.1% year on year to 97 thousand units, partly due to discontinuation of sales of the Mazda CX-9 and CX-8. In other markets overall, a total of 285 thousand units were sold, down 1.4% from the previous year, due mainly to a contraction in sales in ASEAN markets such as Thailand and Malaysia.

[Consolidated financial results]

Financial performance on a consolidated basis for the fiscal year ended March 31, 2025 was as follows.

(In billion yen)

| | FY2024 | FY2025 | vs. Prior Year | |
|---|-----------|-----------|----------------|---------|
| | Full Year | Full Year | Amount | Rate |
| Net sales | 4,827.7 | 5,018.9 | 191.2 | 4.0% |
| Operating income | 250.5 | 186.1 | (64.4) | (25.7)% |
| Ordinary income | 320.1 | 189.0 | (131.1) | (41.0)% |
| Net income attributable to owners of the parent | 207.7 | 114.1 | (93.6) | (45.1)% |

And, operating income changes were as follows.

(In billion yen)

| | Full Year |
|-------------------------------------|-----------|
| Volume & mix | 62.8 |
| Sales incentives | (124.9) |
| Exchange rate | 43.9 |
| Raw material, logistics costs, etc. | (46.2) |
| Cost improvement | 25.0 |
| Fixed costs and others | (25.0) |
| Total | (64.4) |

Financial results by segment were as follows.

(In billion yen)

| | | FY2024 | FY2025 | vs. Prior Year | |
|------------------|---------------|-----------|-----------|----------------|---------|
| | | Full Year | Full Year | Amount | Rate |
| Net sales | Japan | 3,868.0 | 3,732.8 | (135.3) | (3.5)% |
| | North America | 2,983.2 | 3,293.3 | 310.1 | 10.4% |
| | Europe | 926.7 | 766.6 | (160.1) | (17.3)% |
| | Other | 732.6 | 647.6 | (85.0) | (11.6)% |
| Operating income | Japan | 152.2 | 48.5 | (103.7) | (68.2)% |
| | North America | 87.6 | 67.0 | (20.7) | (23.6)% |
| | Europe | 20.3 | 19.2 | (1.1) | (5.5)% |
| | Other | 26.9 | 23.1 | (3.8) | (14.2)% |

(2) Overview of Financial Position

As of March 31, 2025, total assets increased ¥298.3 billion from the end of the previous fiscal year, to ¥4,090.1 billion. Total liabilities increased ¥245.7 billion from the end of the previous fiscal year to ¥2,280.1 billion.

Net assets as of March 31, 2025 increased ¥52.7 billion from the end of the previous fiscal year to ¥1,810.0 billion, reflecting net income attributable to owners of the parent of ¥114.1 billion and others. Equity ratio decreased 2.0 percentage points from the end of the previous fiscal year to 43.8% (Percentage after consideration of the equity credit attributes of the subordinated loan was 44.7%).

(3) Overview of Cash Flows

Cash and cash equivalent as of March 31, 2025 increased ¥186.3 billion from the end of the previous fiscal year to ¥1,105.6 billion. Interest-bearing debt as of March 31, 2025 increased ¥137.4 billion from the end of previous fiscal year to ¥705.2 billion. As a result, we are in a net cash position of ¥400.3 billion.

Cash flows for the fiscal year ended March 31, 2025 by activities were as follows.

Cash flows from operating activities

Net cash provided by operating activities was ¥305.6 billion, mainly reflecting income before income taxes of ¥155.8 billion and increase in account payables, etc. (For the previous fiscal year, net cash provided by operating activities was ¥418.9 billion.)

Cash flows from investing activities

Net cash used in investing activities was ¥200.0 billion, mainly reflecting capital expenditure for the purchase of property, plant and equipment. (For the previous fiscal year, net cash used in investing activities was ¥179.9 billion.)

As a result, consolidated free cash flow (net of cash flow from operating and investing activities) was positive ¥105.7 billion. (For the previous fiscal year, consolidated free cash flow was positive ¥239.0 billion.)

Cash flows from financing activities

Net cash provided by financing activities was ¥90.1 billion as the result of financing through corporate bonds and long-term borrowings despite of payments for dividends and repayment of long-term borrowings. (For the previous fiscal year, net cash used in financing activities was ¥84.7 billion.)

(4) Financial Forecast

The consolidated financial results forecast for the next fiscal year ending March 31, 2026 is yet to be established. As the business environment surrounding the Mazda Group continues to be uncertain due to factors such as the U.S. government's tariff policies, it is difficult to predict the financial results reasonably at this stage. The financial results forecast will be announced when it becomes possible to establish a reasonable forecast.

(5) Basic Dividend Policy, Dividends for March 2025 and March 2026 Fiscal Years

Mazda's policy regarding the stock dividend is to determine the amount of dividend payments, taking into account current fiscal year's financial results, business environment, and financial condition, etc. And Mazda is striving for realization of a stable shareholder returns and its future steady increase.

For the fiscal year ended March 31, 2025, we plan to pay a dividend of 55 yen per share (an interim dividend of 25 yen and a year-end dividend of 30 yen).

The dividends forecast for the next fiscal year ending March 31, 2026 is yet to be determined.

2. Basic Rationale for the Selection of Accounting Standards

We are considering to apply International Financial Reporting Standards (IFRS) in the future, in order to enhance the international comparability of our financial information, quality of Group management and corporate governance. In regard to the timing of IFRS application, we will examine it observing the trend of the adoption among Japanese companies as well as the domestic and overseas economic situations, etc.

3. Consolidated Financial Statements and Major Footnotes

(1) Consolidated Balance Sheets

(Millions of Yen)

| | As of | FY2024 March 31, 2024 | FY2025 March 31, 2025 |
|--|-------|--------------------------|--------------------------|
| ASSETS | | | |
| Current Assets: | | | |
| Cash and deposits | | 818,563 | 1,001,379 |
| Trade notes and accounts receivable | | 163,426 | 148,839 |
| Securities | | 104,000 | 206,000 |
| Inventories | | 680,452 | 659,157 |
| Other | | 234,050 | 212,782 |
| Allowance for doubtful receivables | | (1,567) | (505) |
| Total current assets | | 1,998,924 | 2,227,652 |
| Non-current Assets: | | | |
| Property, plant and equipment: | | | |
| Buildings and structures (net) | | 205,336 | 206,170 |
| Machinery, equipment and vehicles (net) | | 405,095 | 419,655 |
| Tools, furniture and fixtures (net) | | 71,833 | 79,710 |
| Land | | 419,653 | 422,843 |
| Leased assets (net) | | 24,498 | 33,147 |
| Construction in progress | | 66,460 | 61,245 |
| Total property, plant and equipment | | 1,192,875 | 1,222,770 |
| Intangible assets: | | | |
| Software | | 60,284 | 67,839 |
| Other | | 2,443 | 2,240 |
| Total intangible assets | | 62,727 | 70,079 |
| Investments and other assets: | | | |
| Investment securities | | 304,378 | 271,063 |
| Long-term loans receivable | | 18,592 | 346 |
| Asset for retirement benefits | | 96,107 | 111,800 |
| Deferred tax assets | | 55,989 | 61,093 |
| Other | | 62,455 | 125,546 |
| Allowance for doubtful receivables | | (279) | (268) |
| Total investments and other assets | | 537,242 | 569,580 |
| Total non-current assets | | 1,792,844 | 1,862,429 |
| Total Assets | | 3,791,768 | 4,090,081 |

| | | (Millions of Yen) | |
|---|----------------|-------------------|------------------|
| | As of | FY2024 | FY2025 |
| | March 31, 2024 | March 31, 2025 | |
| LIABILITIES | | | |
| Current Liabilities: | | | |
| Trade notes and accounts payable | | 435,290 | 473,851 |
| Short-term loans payable | | 30,304 | 32,300 |
| Bonds due within one year | | 20,000 | - |
| Long-term loans payable due within one year | | 94,238 | 111,747 |
| Lease obligations | | 7,231 | 7,805 |
| Income taxes payable | | 79,079 | 11,678 |
| Other accounts payable | | 52,842 | 50,799 |
| Accrued expenses | | 403,325 | 452,394 |
| Reserve for warranty expenses | | 156,383 | 179,854 |
| Provision for loss on production termination | | - | 20,319 |
| Provision related to environmental regulations | | 4,820 | 18,830 |
| Other | | 126,925 | 141,816 |
| Total current liabilities | | 1,410,437 | 1,501,393 |
| Non-current liabilities: | | | |
| Bonds | | 45,000 | 125,000 |
| Long-term loans payable | | 359,122 | 417,720 |
| Lease obligations | | 19,894 | 28,427 |
| Deferred tax liability related to land revaluation | | 64,345 | 66,246 |
| Provision related to environmental regulations | | 24,685 | 43,268 |
| Liability for retirement benefits | | 67,594 | 68,724 |
| Other | | 43,313 | 29,274 |
| Total non-current liabilities | | 623,953 | 778,659 |
| Total Liabilities | | 2,034,390 | 2,280,052 |
| NET ASSETS | | | |
| Capital and Retained Earnings: | | | |
| Common stock | | 283,957 | 283,957 |
| Capital surplus | | 263,007 | 263,059 |
| Retained earnings | | 875,629 | 951,634 |
| Treasury stock | | (1,873) | (1,576) |
| Total capital and retained earnings | | 1,420,720 | 1,497,074 |
| Accumulated Other Comprehensive Income/(Loss): | | | |
| Net unrealized gain/(loss) on available-for-sale securities | | 77,407 | 42,375 |
| Deferred gains/(losses) on hedges | | 135 | 304 |
| Land revaluation | | 145,099 | 143,459 |
| Foreign currency translation adjustment | | 55,394 | 68,336 |
| Accumulated adjustments for retirement benefits | | 38,830 | 40,734 |
| Total accumulated other comprehensive income/(loss) | | 316,865 | 295,208 |
| Stock Acquisition Rights | | 471 | 398 |
| Non-controlling Interests | | 19,322 | 17,349 |
| Total Net Assets | | 1,757,378 | 1,810,029 |
| Total Liabilities and Net Assets | | 3,791,768 | 4,090,081 |

(2) Consolidated Statements of Operations and Comprehensive Income

Consolidated Statements of Operations

(Millions of Yen)

| | FY2024 For the years ended March 31, 2024 | FY2025 March 31, 2025 |
|---|---|--------------------------|
| Net sales | 4,827,662 | 5,018,893 |
| Cost of sales | 3,788,978 | 3,940,700 |
| Gross profit | 1,038,684 | 1,078,193 |
| Selling, general and administrative expenses | 788,181 | 892,068 |
| Operating income | 250,503 | 186,125 |
| Non-operating income | | |
| Interest income | 21,413 | 29,001 |
| Dividend income | 3,435 | 4,724 |
| Rental income | 1,720 | 1,535 |
| Equity in net income of affiliated companies | 8,808 | 13,440 |
| Foreign exchange gain | 54,181 | - |
| Other | 5,543 | 4,748 |
| Total | 95,100 | 53,448 |
| Non-operating expenses | | |
| Interest expense | 7,838 | 10,013 |
| Loss on transfer of receivables | 10,416 | 11,671 |
| Foreign exchange loss | - | 22,938 |
| Other | 7,229 | 5,955 |
| Total | 25,483 | 50,577 |
| Ordinary income | 320,120 | 188,996 |
| Extraordinary income | | |
| Gain on sales of property, plant and equipment | 217 | 1,690 |
| Gain on sale of investment securities | - | 439 |
| Other | 15 | 189 |
| Total | 232 | 2,318 |
| Extraordinary losses | | |
| Loss on sales and retirement of property, plant and equipment | 15,420 | 9,353 |
| Impairment loss | 5,787 | 1,874 |
| Provision for loss on production termination | - | 24,294 |
| Other | 822 | 8 |
| Total | 22,029 | 35,529 |
| Income before income taxes | 298,323 | 155,785 |
| Income taxes | | |
| Current | 109,860 | 45,917 |
| Deferred | (20,953) | (5,217) |
| Total | 88,907 | 40,700 |
| Net income | 209,416 | 115,085 |
| Net income attributable to Non-controlling interests | 1,720 | 1,006 |
| Net income attributable to owners of the parent | 207,696 | 114,079 |

Consolidated Statements of Comprehensive Income

(Millions of Yen)

| | FY2024 For the years ended March 31, 2024 | FY2025 March 31, 2025 |
|--|---|--------------------------|
| Net income | 209,416 | 115,085 |
| Other comprehensive income/(loss) | | |
| Net unrealized gain/(loss) on available-for-sale securities | 57,145 | (35,041) |
| Deferred gains/(losses) on hedges | 164 | (24) |
| Revaluation reserve for land | - | (1,902) |
| Foreign currency translation adjustment | 35,503 | 5,400 |
| Adjustments for retirement benefits | 22,942 | 1,748 |
| Share of other comprehensive income/(loss) of affiliates accounted for using equity method | 6,962 | 9,073 |
| Total | 122,716 | (20,746) |
| Comprehensive income | 332,132 | 94,339 |
| Comprehensive income/(loss) attributable to: | | |
| Owners of the parent | 329,394 | 92,160 |
| Non-controlling interests | 2,738 | 2,179 |

(3) Consolidated Statements of Changes in Net Assets

(For the Year Ended March 31, 2024)

| | Capital and Retained Earnings | | | | | Accumulated Other Comprehensive Income/(Loss) | |
|--|-------------------------------|--------------------|--------------------|--------------------|----------------------|---|-----------------------------------|
| | Common stock | Capital surplus | Retained earnings | Treasury stock | Total | Net unrealized gain/(loss) on available-for-sale securities | Deferred gains/(losses) on hedges |
| Balance at April 1, 2023 | Mil.yen 283,957 | Mil.yen 263,035 | Mil.yen 699,231 | Mil.yen (1,995) | Mil.yen 1,244,228 | Mil.yen 20,243 | Mil.yen (68) |
| Changes during the period: | | | | | | | |
| Dividends paid | | | (31,501) | | (31,501) | | |
| Net income attributable to owners of the parent | | | 207,696 | | 207,696 | | |
| Purchase of treasury stock | | | | (2) | (2) | | |
| Sale of treasury stock | | (28) | | 124 | 96 | | |
| Reversal for land revaluation | | | 203 | | 203 | | |
| Changes in items other than capital and retained earnings, net | | | | | | 57,164 | 203 |
| Total changes during the period | - | (28) | 176,398 | 122 | 176,492 | 57,164 | 203 |
| Balance at March 31, 2024 | Mil.yen 283,957 | Mil.yen 263,007 | Mil.yen 875,629 | Mil.yen (1,873) | Mil.yen 1,420,720 | Mil.yen 77,407 | Mil.yen 135 |

| | Accumulated Other Comprehensive Income/(Loss) | | | | Stock Acquisition Rights | Non-controlling Interests | Total Net Assets |
|--|---|---|---|--------------------|--------------------------|---------------------------|----------------------|
| | Land revaluation | Foreign currency translation adjustment | Accumulated adjustments for retirement benefits | Total | | | |
| Balance at April 1, 2023 | Mil.yen 145,302 | Mil.yen 14,184 | Mil.yen 15,709 | Mil.yen 195,370 | Mil.yen 475 | Mil.yen 16,728 | Mil.yen 1,456,801 |
| Changes during the period: | | | | | | | |
| Dividends paid | | | | | | | (31,501) |
| Net income attributable to owners of the parent | | | | | | | 207,696 |
| Purchase of treasury stock | | | | | | | (2) |
| Sale of treasury stock | | | | | | | 96 |
| Reversal for land revaluation | | | | | | | 203 |
| Changes in items other than capital and retained earnings, net | (203) | 41,210 | 23,121 | 121,495 | (4) | 2,594 | 124,085 |
| Total changes during the period | (203) | 41,210 | 23,121 | 121,495 | (4) | 2,594 | 300,577 |
| Balance at March 31, 2024 | Mil.yen 145,099 | Mil.yen 55,394 | Mil.yen 38,830 | Mil.yen 316,865 | Mil.yen 471 | Mil.yen 19,322 | Mil.yen 1,757,378 |

(For the Year Ended March 31, 2025)

| | Capital and Retained Earnings | | | | | Accumulated Other Comprehensive Income/(Loss) | |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|------------------------------------|---|-----------------------------------|
| | Common stock | Capital surplus | Retained earnings | Treasury stock | Total | Net unrealized gain/(loss) on available-for-sale securities | Deferred gains/(losses) on hedges |
| Balance at April 1, 2024 | Mil.yen 283,957 | Mil.yen 263,007 | Mil.yen 875,629 | Mil.yen (1,873) | Mil.yen 1,420,720 | Mil.yen 77,407 | Mil.yen 135 |
| Changes during the period: | | | | | | | |
| Dividends paid | | | (37,812) | | (37,812) | | |
| Net income attributable to owners of the parent | | | 114,079 | | 114,079 | | |
| Purchase of treasury stock | | | | (2) | (2) | | |
| Sale of treasury stock | | 52 | | 299 | 351 | | |
| Reversal for land revaluation | | | (262) | | (262) | | |
| Changes in items other than capital and retained earnings, net | | | | | | (35,032) | 169 |
| Total changes during the period | - | 52 | 76,005 | 297 | 76,354 | (35,032) | 169 |
| Balance at March 31, 2025 | 283,957 | 263,059 | 951,634 | (1,576) | 1,497,074 | 42,375 | 304 |

| | Accumulated Other Comprehensive Income/(Loss) | | | | Stock Acquisition Rights | Non-controlling Interests | Total Net Assets |
|--|---|---|---|----------------------------------|------------------------------|---------------------------------|------------------------------------|
| | Land revaluation | Foreign currency translation adjustment | Accumulated adjustments for retirement benefits | Total | | | |
| Balance at April 1, 2024 | Mil.yen 145,099 | Mil.yen 55,394 | Mil.yen 38,830 | Mil.yen 316,865 | Mil.yen 471 | Mil.yen 19,322 | Mil.yen 1,757,378 |
| Changes during the period: | | | | | | | |
| Dividends paid | | | | | | | (37,812) |
| Net income attributable to owners of the parent | | | | | | | 114,079 |
| Purchase of treasury stock | | | | | | | (2) |
| Sale of treasury stock | | | | | | | 351 |
| Reversal for land revaluation | | | | | | | (262) |
| Changes in items other than capital and retained earnings, net | (1,640) | 12,942 | 1,904 | (21,657) | (73) | (1,973) | (23,703) |
| Total changes during the period | (1,640) | 12,942 | 1,904 | (21,657) | (73) | (1,973) | 52,651 |
| Balance at March 31, 2025 | 143,459 | 68,336 | 40,734 | 295,208 | 398 | 17,349 | 1,810,029 |

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

| | FY2024 For the years ended March 31, 2024 | FY2025 March 31, 2025 |
|---|---|--------------------------|
| Cash flows from operating activities: | | |
| Income before income taxes | 298,323 | 155,785 |
| Depreciation and amortization | 113,348 | 117,623 |
| Impairment loss | 5,787 | 1,874 |
| Increase/(decrease) in allowance for doubtful receivables | (165) | (844) |
| Increase/(decrease) in reserve for warranty expenses | 44,778 | 24,898 |
| Increase/(decrease) in provision for loss on production termination | - | 20,319 |
| Increase/(decrease) in provision related to environmental regulations | 14,850 | 32,190 |
| Net changes in asset and liability for retirement benefits | (6,136) | (7,088) |
| Interest and dividend income | (24,848) | (33,725) |
| Interest expense | 7,838 | 10,013 |
| Equity in net loss/(income) of affiliated companies | (8,808) | (13,440) |
| Loss/(gain) on sales and retirement of property, plant and equipment | 15,202 | 7,663 |
| Loss/(gain) on sales of investment securities | - | (433) |
| Decrease/(increase) in trade notes and accounts receivable | 13,439 | 12,048 |
| Decrease/(increase) in inventories | 42,764 | (459) |
| Decrease/(increase) in other current assets | 1,134 | 25,279 |
| Increase/(decrease) in trade notes and accounts payable | (62,823) | 40,381 |
| Increase/(decrease) in other current liabilities | 84,646 | 57,231 |
| Other | (91,066) | (50,843) |
| Subtotal | 448,263 | 398,472 |
| Interest and dividends received | 30,708 | 38,942 |
| Interest paid | (7,448) | (9,585) |
| Income taxes refunded/(paid) | (52,628) | (122,203) |
| Net cash provided by/(used in) operating activities | 418,895 | 305,626 |
| Cash flows from investing activities: | | |
| Net decrease/(increase) in time deposits | (3,252) | (43,356) |
| Net decrease/(increase) in securities | - | (55,000) |
| Purchase of investment securities | (3,868) | (646) |
| Proceeds from sales and redemption of investment securities | 151 | 1,253 |
| Purchase of property, plant and equipment | (92,742) | (103,587) |
| Proceeds from sales of property, plant and equipment | 1,118 | 6,494 |
| Purchase of intangible assets | (22,501) | (24,676) |
| Net decrease/(increase) in short-term loans receivable | (32,892) | 13,110 |
| Payments of long-term loans receivable | (25,325) | (113) |
| Collections of long-term loans receivable | 31 | 7,579 |
| Other | (609) | (1,019) |
| Net cash provided by/(used in) investing activities | (179,889) | (199,961) |

| | | (Millions of Yen) |
|---|---------------------|-------------------|
| | FY2024 | FY2025 |
| | For the years ended | March 31, 2024 |
| Cash flows from financing activities: | | |
| Net increase/(decrease) in short-term loans payable | 29,441 | 1,996 |
| Proceeds from long-term loans payable | 108,000 | 170,317 |
| Repayments of long-term loans payable | (199,577) | (94,269) |
| Proceeds from issuance of bonds | 14,937 | 79,631 |
| Redemption of bonds | - | (20,000) |
| Proceeds from sale and leaseback transactions | 93 | 68 |
| Repayments of lease obligations | (6,047) | (6,392) |
| Cash dividends paid | (31,501) | (37,812) |
| Cash dividends paid to non-controlling interests | (144) | (3,466) |
| Net decrease/(increase) in treasury stock | 94 | (2) |
| Net cash provided by/(used in) financing activities | (84,704) | 90,071 |
| Effect of exchange rate fluctuations on cash and cash equivalents | 47,870 | (9,416) |
| Net increase/(decrease) in cash and cash equivalents | 202,172 | 186,320 |
| Cash and cash equivalents at beginning of the period | 717,093 | 919,265 |
| Cash and cash equivalents at end of the period | 919,265 | 1,105,585 |

(5) Footnotes to the Consolidated Financial Statements

(Note on the Assumptions as Going Concern)

Not applicable

(Changes in Accounting Policies)

-Application of the Accounting Standard for Current Income Taxes

We have applied the Accounting Standard for Current Income Taxes (ASBJ Statement No.27, October 28, 2022; hereinafter referred to as the “Revised Accounting Standard 2022”), etc. from the beginning of the fiscal year ended March 31, 2025.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No.28, October 28, 2022; hereinafter referred to as the “Revised Implementation Guidance 2022”). This has no effect on the consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of the fiscal year ended March 31, 2025. This change in accounting policies was applied retrospectively. Hence, the consolidated financial statements for the previous fiscal year have been modified retrospectively. This has no effect on the consolidated financial statements for the previous fiscal year.

-Application of Practical Solution on the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules

We have applied the “Practical Solution on the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules” (ASBJ Practical Solution No. 46, March 22, 2024) from the beginning of the fiscal year ended March 31, 2025. The impact of this change in accounting policies on the consolidated financial statements is immaterial. The impact on per share information is immaterial and has been omitted.

(Changes in Presentation)

Previously, the entire amount of provision related to environmental regulations was presented as non-current liabilities. However, due to the increased significance of the amount expected to be incurred within one year during the current fiscal year, we have reclassified the expected amount to current liabilities from this fiscal year. Consequently, we have reclassified the consolidated balance sheet for the previous fiscal year to reflect this change in presentation.

As a result, ¥4,820 million, which was previously included in “Provisions related to environmental regulations” under “Non-current liabilities” in the consolidated balance sheet for the previous fiscal year, has been reclassified to “Provisions related to environmental regulations” under “Current liabilities.”

(Segment Information)

1) Overview of Reportable Segments

The reportable segments of Mazda Group consist of business components for which separate financial statements are available.

The reportable segments are the subject of periodical review by board of directors' meetings for the purpose of making decisions on the distribution of corporate resources and evaluating business performance.

Mazda Group is primarily engaged in the manufacture and sale of automobiles. Businesses in Japan are managed by Mazda Motor Corporation. Businesses in North America are managed by Mazda Motor of America, Inc. and Mazda Motor Corporation. And businesses in Europe regions are managed by Mazda Motor Europe GmbH and Mazda Motor Corporation. Areas other than Japan, North America and Europe are defined as Other areas, regarding it as one management unit. Business deployment in countries in Other areas are managed in an integrated manner by Mazda Motor Corporation.

Accordingly, Mazda Group consists of regional segments based on a system of managing production and sale. As such, Japan, North America, Europe and Other areas are designated as four reportable segments.

2) Measurement of Sales, Income or Loss, Assets, and Other Items by Reportable Segments

The accounting treatment of reportable segments is the same as that used for the preparation of Consolidated Financial Statements. In addition, inter-segment sales or transfer are based on the current market price.

3) Sales, Income or Loss, Assets, and Other Items by Reportable Segments

(For the fiscal year ended March 31, 2024)

(Millions of Yen)

| Year Ended March 31, 2024 | Reportable Segments | | | | | Adjustment (Note 1) | Consolidated (Note 2) |
|--|---------------------|---------------|---------|-------------|-----------|------------------------|--------------------------|
| | Japan | North America | Europe | Other areas | Total | | |
| Net sales: | | | | | | | |
| Outside customers | 942,619 | 2,342,380 | 887,650 | 655,013 | 4,827,662 | - | 4,827,662 |
| Inter-segment sales or transfer | 2,925,430 | 640,795 | 39,039 | 77,614 | 3,682,878 | (3,682,878) | - |
| Total | 3,868,049 | 2,983,175 | 926,689 | 732,627 | 8,510,540 | (3,682,878) | 4,827,662 |
| Segment income | 152,188 | 87,618 | 20,273 | 26,882 | 286,961 | (36,458) | 250,503 |
| Segment assets | 2,880,242 | 817,324 | 351,486 | 387,741 | 4,436,793 | (645,025) | 3,791,768 |
| Other items | | | | | | | |
| Depreciation and amortization | 63,629 | 37,161 | 6,382 | 6,176 | 113,348 | - | 113,348 |
| Investments in affiliated companies on the equity method | 36,408 | 9,439 | - | 86,121 | 131,968 | - | 131,968 |
| Increase in property, plant and equipment and intangible assets | 102,808 | 15,071 | 1,229 | 2,235 | 121,343 | - | 121,343 |

Notes: 1. Notes on Adjustment:

(1) The adjustment on segment income is eliminations of inter-segment transactions.

(2) The adjustment on segment assets is mainly eliminations of inter-segment receivables and payables.

2. The segment income is reconciled with the operating income in the consolidated statement of operations for the fiscal year ended March 31, 2024.

The segment assets are reconciled with the total assets in the consolidated balance sheet as of March 31, 2024.

(For the fiscal year ended March 31, 2025)

(Millions of Yen)

| Year Ended March 31, 2025 | Reportable Segments | | | | | Adjustment (Note 1) | Consolidated (Note 2) |
|--|---------------------|---------------|---------|-------------|-----------|------------------------|--------------------------|
| | Japan | North America | Europe | Other areas | Total | | |
| Net sales: | | | | | | | |
| Outside customers | 937,886 | 2,775,314 | 731,439 | 574,254 | 5,018,893 | - | 5,018,893 |
| Inter-segment sales or transfer | 2,794,889 | 517,947 | 35,149 | 73,395 | 3,421,380 | (3,421,380) | - |
| Total | 3,732,775 | 3,293,261 | 766,588 | 647,649 | 8,440,273 | (3,421,380) | 5,018,893 |
| Segment income | 48,453 | 66,951 | 19,163 | 23,055 | 157,622 | 28,503 | 186,125 |
| Segment assets | 3,105,477 | 874,497 | 360,210 | 389,508 | 4,729,692 | (639,611) | 4,090,081 |
| Other items | | | | | | | |
| Depreciation and amortization | 71,494 | 34,204 | 5,884 | 6,041 | 117,623 | - | 117,623 |
| Investments in affiliated companies on the equity method | 37,736 | 20,413 | - | 90,035 | 148,184 | - | 148,184 |
| Increase in property, plant and equipment and intangible assets | 101,359 | 43,485 | 1,657 | 1,890 | 148,391 | - | 148,391 |

Notes: 1. Notes on Adjustment:

- (1) The adjustment on segment income is eliminations of inter-segment transactions.
- (2) The adjustment on segment assets is mainly eliminations of inter-segment receivables and payables.

2. The segment income is reconciled with the operating income in the consolidated statement of operations for the fiscal year ended March 31, 2025.

The segment assets are reconciled with the total assets in the consolidated balance sheet as of March 31, 2025.

(Information on Amounts Per Share of Common Stock)

| | FY2024 (April 1, 2023 to March 31, 2024) | FY2025 (April 1, 2024 to March 31, 2025) |
|--|--|--|
| Net assets per share of common stock (Yen) | 2,757.74 | 2,843.31 |
| Net income per share of common stock (Basic) (Yen) | 329.65 | 181.00 |
| Net income per share of common stock (Diluted) (Yen) | 329.38 | 180.87 |

Note1: The calculation basis of Net income per share of common stock is as follows.

| | FY2024 (April 1, 2023 to March 31, 2024) | FY2025 (April 1, 2024 to March 31, 2025) |
|---|--|--|
| Net income per share of common stock: | | |
| Net income attributable to owners of the parent (Millions of Yen) | 207,696 | 114,079 |
| Amount not attribute to common stock shareholders (Millions of Yen) | - | - |
| Net income attributable to owners of the parent related to common stock (Millions of Yen) | 207,696 | 114,079 |
| Average number of shares outstanding during the period (Thousands of shares) | 630,052 | 630,263 |
| Diluted net income per share of common stock | | |
| Net income adjustment attributable to parent company shareholder (Millions of Yen) | - | - |
| Increase in common stock (Thousands of shares) | 521 | 466 |
| (of which Stock Acquisition Rights (Thousands of shares)) | (521) | (466) |
| Overview of potentially dilutive common stock not included in the calculation of diluted net income per share because the stock have no dilution effect | - | - |

Note2: The calculation basis of Net assets per share of common stock is as follows.

| | FY2024 (April 1, 2023 to March 31, 2024) | FY2025 (April 1, 2024 to March 31, 2025) |
|--|--|--|
| Total Net assets (Millions of Yen) | 1,757,378 | 1,810,029 |
| Amount deducted from total Net assets (Millions of Yen) | 19,793 | 17,747 |
| (of which Stock Acquisition Rights (Millions of Yen)) | (471) | (398) |
| (of which Non-controlling Interests (Millions of Yen)) | (19,322) | (17,349) |
| Net assets related to common stock (Millions of Yen) | 1,737,585 | 1,792,282 |
| Number of common stock used in the calculation of net assets per share (Thousands of shares) | 630,075 | 630,349 |

(Significant Subsequent Events)

Not applicable.

4. Unconsolidated Financial Statements and Major Footnotes

(1) Unconsolidated Balance Sheets

(Millions of Yen)

| | As of | FY2024 March 31, 2024 | FY2025 March 31, 2025 |
|---|-------|--------------------------|---------------------------------|
| ASSETS | | | |
| Current Assets: | | | |
| Cash and deposits | | 496,807 | 649,048 |
| Accounts receivable - Trade | | 341,548 | 338,029 |
| Securities | | 104,000 | 206,000 |
| Finished products | | 71,324 | 63,383 |
| Work in process | | 99,845 | 86,193 |
| Raw materials and supplies | | 11,894 | 8,179 |
| Prepaid expenses | | 7,999 | 6,371 |
| Accounts receivable - Other | | 49,105 | 50,299 |
| Short-term loans receivable | | 102,332 | 35,410 |
| Other | | 61,888 | 83,241 |
| Allowance for doubtful receivables | | (159) | (222) |
| Total current assets | | 1,346,583 | 1,525,931 |
| Non-current Assets: | | | |
| Property, plant and equipment: | | | |
| Buildings | | 94,968 | 97,335 |
| Structures | | 15,420 | 15,437 |
| Machinery and equipment | | 250,827 | 261,295 |
| Vehicles | | 5,949 | 6,369 |
| Tools, furniture and fixtures | | 25,194 | 26,847 |
| Land | | 296,264 | 298,654 |
| Leased assets | | 4,461 | 5,003 |
| Construction in progress | | 56,549 | 57,422 |
| Total property, plant and equipment | | 749,632 | 768,362 |
| Intangible assets: | | | |
| Software | | 55,471 | 62,129 |
| Leased assets | | 1 | 1 |
| Total intangible assets | | 55,472 | 62,130 |
| Investments and other assets: | | | |
| Investment securities | | 165,122 | 115,581 |
| Stocks of subsidiaries and affiliates | | 249,034 | 248,821 |
| Investments in capital of subsidiaries and affiliates | | 40,766 | 40,766 |
| Long-term loans receivable from subsidiaries and affiliates | | 22,755 | 617 |
| Long-term prepaid expenses | | 34,513 | 62,440 |
| Prepaid pension cost | | 44,864 | 49,973 |
| Deferred tax assets | | - | 33,891 |
| Other | | 9,361 | 38,585 |
| Total investments and other assets | | 566,415 | 590,674 |
| Total non-current assets | | 1,371,519 | 1,421,166 |
| Total Assets | | 2,718,102 | 2,947,097 |

(Millions of Yen)

| | FY2024 | FY2025 | |
|---|------------------|------------------|----------------|
| | As of | March 31, 2024 | March 31, 2025 |
| LIABILITIES | | | |
| Current Liabilities: | | | |
| Accounts payable - Trade | 328,681 | 313,376 | |
| Bonds due within one year | 20,000 | - | |
| Long-term loans payable due within one year | 93,500 | 111,000 | |
| Lease obligations | 1,566 | 1,801 | |
| Accounts payable - Other | 16,540 | 17,560 | |
| Accrued expenses | 103,521 | 118,558 | |
| Income taxes payable | 54,533 | 4,334 | |
| Advances received | 77,321 | 179,968 | |
| Reserve for warranty expenses | 128,675 | 150,354 | |
| Provision for loss on production termination | - | 20,319 | |
| Provision related to environmental regulations | 4,820 | 16,948 | |
| Other | 6,106 | 6,782 | |
| Total current liabilities | 835,263 | 941,000 | |
| Non-current Liabilities: | | | |
| Bonds | 45,000 | 125,000 | |
| Long-term loans payable | 358,000 | 417,000 | |
| Lease obligations | 3,540 | 4,018 | |
| Deferred tax liability | 3,937 | - | |
| Deferred tax liability related to land revaluation | 64,345 | 66,246 | |
| Provision related to environmental regulations | 23,229 | 41,184 | |
| Reserve for retirement benefits | 61,807 | 62,582 | |
| Reserve for loss on business of subsidiaries and affiliates | 20,697 | 8,649 | |
| Long-term guarantee deposited | 6,186 | 5,936 | |
| Asset retirement obligations | 3,777 | 3,358 | |
| Other | 11,401 | 5,658 | |
| Total non-current liabilities | 601,919 | 739,631 | |
| Total Liabilities | 1,437,182 | 1,680,631 | |
| NET ASSETS | | | |
| Capital and Retained Earnings: | | | |
| Common stock | 283,957 | 283,957 | |
| Capital surplus | | | |
| Capital reserve | 193,847 | 193,847 | |
| Other capital surplus | 73,729 | 73,781 | |
| Total capital surplus | 267,576 | 267,628 | |
| Retained earnings | | | |
| Other earned surplus | | | |
| Unappropriated retained earnings | 509,578 | 531,636 | |
| Total retained earnings | 509,578 | 531,636 | |
| Treasury stock | (1,868) | (1,571) | |
| Total capital and retained earnings | 1,059,243 | 1,081,650 | |
| Valuation and Translation Adjustments: | | | |
| Net unrealized gain/(loss) on available-for-sale securities | 76,083 | 40,959 | |
| Deferred gains/(losses) on hedges | 24 | - | |
| Land revaluation | 145,099 | 143,459 | |
| Total valuation and translation adjustments | 221,206 | 184,418 | |
| Stock Acquisition Rights | 471 | 398 | |
| Total Net Assets | 1,280,920 | 1,266,466 | |
| Total Liabilities and Net Assets | 2,718,102 | 2,947,097 | |

(2) Unconsolidated Statements of Operations

(Millions of Yen)

| | For the years ended | FY2024 | FY2025 |
|---|---------------------|-----------------------|------------------|
| | March 31, 2024 | March 31, 2025 | |
| Net sales | | 3,636,113 | 3,549,454 |
| Cost of sales | | 3,066,966 | 3,039,088 |
| Gross profit | | 569,147 | 510,366 |
| Selling, general and administrative expenses | | 436,845 | 477,928 |
| Operating income | | 132,302 | 32,438 |
| Non-operating income: | | | |
| Interest income | | 17,113 | 17,938 |
| Interest income of securities | | 22 | 461 |
| Dividends income | | 26,501 | 37,256 |
| Rental income | | 4,305 | 4,221 |
| Foreign exchange gain | | 52,068 | - |
| Other | | 1,885 | 2,139 |
| Total | | 101,894 | 62,015 |
| Non-operating expenses: | | | |
| Interest expense | | 4,988 | 8,376 |
| Interest paid on bonds | | 174 | 652 |
| Foreign exchange loss | | - | 15,927 |
| Other | | 2,479 | 3,055 |
| Total | | 7,641 | 28,010 |
| Ordinary income | | 226,555 | 66,443 |
| Extraordinary income: | | | |
| Gain on sales of property, plant and equipment | | 14 | 1,133 |
| Gain on reversal of reserve for loss on business of subsidiaries and affiliates | | - | 12,048 |
| Other | | - | 189 |
| Total | | 14 | 13,370 |
| Extraordinary losses: | | | |
| Loss on sales of property, plant and equipment | | 5 | 33 |
| Loss on retirement of property, plant and equipment | | 14,774 | 8,289 |
| Impairment loss | | 5,683 | 438 |
| Provision for loss on production termination | | - | 24,294 |
| Reserve for loss on business of subsidiaries and affiliates | | 2,098 | - |
| Other | | 675 | 7 |
| Total | | 23,235 | 33,061 |
| Income before income taxes | | 203,334 | 46,752 |
| Income taxes: | | | |
| Current | | 57,692 | 9,820 |
| Deferred | | 7,911 | (23,200) |
| Total | | 65,603 | (13,380) |
| Net income | | 137,731 | 60,132 |

(3) Unconsolidated Statements of Changes in Net Asset

(For the Year Ended March 31, 2024)

| | Capital and Retained Earnings | | | | | |
|--|-------------------------------|--------------------|-----------------------|----------------------|--------------------|-------------------------------------|
| | Common stock | Capital surplus | | Retained earnings | Treasury stock | Total Capital and Retained earnings |
| | | Capital reserve | Other capital surplus | Other earned surplus | | |
| Balance at April 1, 2023 | Mil.yen 283,957 | Mil.yen 193,847 | Mil.yen 73,757 | Mil.yen 403,144 | Mil.yen (1,990) | Mil.yen 952,715 |
| Changes during the period: | | | | | | |
| Dividends paid | | | | (31,501) | | (31,501) |
| Net income | | | | 137,731 | | 137,731 |
| Purchase of treasury stock | | | | | (2) | (2) |
| Sale of treasury stock | | | (28) | | 124 | 96 |
| Reversal for land revaluation | | | | 204 | | 204 |
| Changes in items other than capital and retained earnings, net | | | | | | |
| Total changes during the period | - | - | (28) | 106,434 | 122 | 106,528 |
| Balance at March 31, 2024 | 283,957 | 193,847 | 73,729 | 509,578 | (1,868) | 1,059,243 |

| | Valuation and Translation Adjustments | | | | Stock Acquisition Rights | Total Net Assets |
|--|---|-----------------------------------|--------------------|---|--------------------------|----------------------|
| | Net unrealized gain/(loss) on available-for-sale securities | Deferred gains/(losses) on hedges | Land revaluation | Total valuation and translation adjustments | | |
| Balance at April 1, 2023 | Mil.yen 20,368 | Mil.yen (140) | Mil.yen 145,302 | Mil.yen 165,530 | Mil.yen 475 | Mil.yen 1,118,720 |
| Changes during the period: | | | | | | |
| Dividends paid | | | | | | (31,501) |
| Net income | | | | | | 137,731 |
| Purchase of treasury stock | | | | | | (2) |
| Sale of treasury stock | | | | | | 96 |
| Reversal for land revaluation | | | | | | 204 |
| Changes in items other than capital and retained earnings, net | 55,715 | 164 | (204) | 55,675 | (4) | 55,671 |
| Total changes during the period | 55,715 | 164 | (204) | 55,675 | (4) | 162,199 |
| Balance at March 31, 2024 | 76,083 | 24 | 145,099 | 221,206 | 471 | 1,280,920 |

(For the Year Ended March 31, 2025)

| | Capital and Retained Earnings | | | | | |
|--|-------------------------------|--------------------|-----------------------|----------------------|--------------------|-------------------------------------|
| | Common stock | Capital surplus | | Retained earnings | Treasury stock | Total Capital and Retained earnings |
| | | Capital reserve | Other capital surplus | Other earned surplus | | |
| Balance at April 1, 2024 | Mil.yen 283,957 | Mil.yen 193,847 | Mil.yen 73,729 | Mil.yen 509,578 | Mil.yen (1,868) | Mil.yen 1,059,243 |
| Changes during the period: | | | | | | |
| Dividends paid | | | | (37,812) | | (37,812) |
| Net income | | | | 60,132 | | 60,132 |
| Purchase of treasury stock | | | | | (2) | (2) |
| Sale of treasury stock | | | 52 | | 299 | 351 |
| Reversal for land revaluation | | | | (262) | | (262) |
| Changes in items other than capital and retained earnings, net | | | | | | |
| Total changes during the period | - | - | 52 | 22,058 | 297 | 22,407 |
| Balance at March 31, 2025 | 283,957 | 193,847 | 73,781 | 531,636 | (1,571) | 1,081,650 |

| | Valuation and Translation Adjustments | | | | Stock Acquisition Rights | Total Net Assets |
|--|---|-----------------------------------|--------------------|---|--------------------------|----------------------|
| | Net unrealized gain/(loss) on available-for-sale securities | Deferred gains/(losses) on hedges | Land revaluation | Total valuation and translation adjustments | | |
| Balance at April 1, 2024 | Mil.yen 76,083 | Mil.yen 24 | Mil.yen 145,099 | Mil.yen 221,206 | Mil.yen 471 | Mil.yen 1,280,920 |
| Changes during the period: | | | | | | |
| Dividends paid | | | | | | (37,812) |
| Net income | | | | | | 60,132 |
| Purchase of treasury stock | | | | | | (2) |
| Sale of treasury stock | | | | | | 351 |
| Reversal for land revaluation | | | | | | (262) |
| Changes in items other than capital and retained earnings, net | (35,124) | (24) | (1,640) | (36,788) | (73) | (36,861) |
| Total changes during the period | (35,124) | (24) | (1,640) | (36,788) | (73) | (14,454) |
| Balance at March 31, 2025 | 40,959 | - | 143,459 | 184,418 | 398 | 1,266,466 |

(4) Footnotes to the Unconsolidated Financial Statements

(Note on the Assumptions as Going Concern)

Not applicable

(Changes in Presentation)

Previously, the entire amount of provision related to environmental regulations was presented as non-current liabilities. However, due to the increased significance of the amount expected to be incurred within one year during the current fiscal year, we have reclassified the expected amount to current liabilities from this fiscal year. Consequently, we have reclassified the unconsolidated balance sheet for the previous fiscal year to reflect this change in presentation. As a result, ¥4,820 million, which was previously included in “Provisions related to environmental regulations” under “Non-current liabilities” in the unconsolidated balance sheet for the previous fiscal year, has been reclassified to “Provisions related to environmental regulations” under “Current liabilities.”

Financial Summary (Consolidated)

May 12, 2025

For the Fiscal Year Ended March 31, 2025

Mazda Motor Corporation

| (In 100 millions of yen) (In thousands of units) (Upper left: return on sales) | | FY 2024 Full Year (Apr.'23-Mar.'24) | | FY 2025 Full Year (Apr.'24-Mar.'25) | | | | |
|--|----|---|-------|---|----------|----------|----------|---------|
| | | | | 1st Qtr. | 2nd Qtr. | 3rd Qtr. | 4th Qtr. | |
| | | Domestic | 1 | 6,403 | 2.8 | 1,226 | 1,327 | 1,559 |
| Overseas | 2 | 41,874 | 30.7 | 10,830 | 10,556 | 11,396 | 11,621 | 44,403 |
| Net sales | 3 | 48,277 | 26.2 | 12,056 | 11,883 | 12,955 | 13,295 | 50,189 |
| Operating income | 4 | 5.2% | 76.4 | 4.2% | 4.4% | 3.5% | 2.8% | 3.7% |
| Ordinary income | 5 | 6.6% | 72.2 | 6.7% | 0.3% | 5.7% | 2.4% | 3.8% |
| Income before income taxes | 6 | 6.2% | 75.5 | 6.6% | 0.1% | 5.5% | 0.3% | 3.1% |
| Net income attributable to owners of the parent | 7 | 4.3% | 45.4 | 4.1% | (1.2%) | 4.3% | 1.8% | 2.3% |
| Operating income by segment (geographic area) | | | | | | | | |
| Japan | 8 | 1,522 | | 592 | (251) | (57) | 201 | 485 |
| North America | 9 | 876 | | 230 | 170 | 188 | 82 | 670 |
| Europe | 10 | 203 | | 61 | 29 | 34 | 68 | 192 |
| Other areas | 11 | 269 | | 58 | 67 | 51 | 55 | 231 |
| Operating income changes | | | | | | | | |
| Volume & mix | 12 | | | 33 | 287 | 21 | 287 | 628 |
| Sales incentives | 13 | | | (351) | (491) | (201) | (206) | (1,249) |
| Exchange rate | 14 | | | 439 | 83 | 17 | (100) | 439 |
| Raw material, logistics costs, etc. | 15 | | | (78) | (79) | (126) | (179) | (462) |
| Cost improvement | 16 | | | 38 | 44 | 57 | 111 | 250 |
| Fixed costs and others | 17 | | | 123 | (314) | (21) | (38) | (250) |
| Total | 18 | | | 204 | (470) | (253) | (125) | (644) |
| Average rate for the period (Yen) | 19 | 145 | | 156 | 150 | 152 | 153 | 153 |
| EUR | 20 | 157 | | 168 | 164 | 163 | 161 | 164 |
| Capital expenditures | 21 | 1,213 | | 172 | 563 | 337 | 412 | 1,484 |
| Depreciation and amortization | 22 | 1,133 | | 290 | 292 | 293 | 301 | 1,176 |
| R & D cost | 23 | 1,463 | | 345 | 397 | 418 | 520 | 1,680 |
| Total assets | 24 | 37,918 | | 38,832 | 38,574 | 39,671 | | 40,901 |
| Net assets | 25 | 17,376 | | 17,861 | 17,119 | 17,937 | | 17,923 |
| Financial debt | 26 | 5,678 | | 5,789 | 6,891 | 6,798 | | 7,052 |
| Net cash | 27 | 3,515 | | 3,660 | 3,147 | 3,855 | | 4,003 |
| Free cash flow (Operating & Investing) | 28 | 2,390 | | 60 | 66 | 605 | 326 | 1,057 |
| Japan | 29 | 160 | (2.8) | 29 | 35 | 38 | 49 | 152 |
| North America | 30 | 514 | 26.4 | 146 | 158 | 159 | 153 | 617 |
| Europe | 31 | 180 | 12.6 | 49 | 39 | 41 | 45 | 174 |
| China | 32 | 97 | 14.7 | 18 | 16 | 24 | 16 | 74 |
| Other | 33 | 289 | (1.7) | 67 | 72 | 74 | 72 | 285 |
| Global sales volume | 34 | 1,241 | 11.8 | 309 | 321 | 336 | 336 | 1,303 |
| Japan | 35 | 156 | (3.3) | 29 | 32 | 36 | 38 | 136 |
| North America | 36 | 560 | 32.5 | 154 | 157 | 164 | 169 | 643 |
| Europe | 37 | 202 | 25.6 | 40 | 29 | 38 | 46 | 153 |
| Other | 38 | 284 | (9.9) | 68 | 81 | 74 | 63 | 287 |
| Consolidated wholesales volume | 39 | 1,202 | 13.4 | 291 | 299 | 312 | 316 | 1,219 |
| Domestic | 40 | 799 | 4.5 | 185 | 190 | 190 | 182 | 749 |
| Overseas | 41 | 420 | 13.4 | 115 | 112 | 116 | 115 | 459 |
| Global production volume | 42 | 1,219 | 7.4 | 300 | 302 | 307 | 298 | 1,207 |
| Number of employees (excluding dispatches) | 43 | 48,685 | | | | | | 48,783 |

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. and China and Thailand).

Financial Summary (Unconsolidated)

For the Fiscal Year Ended March 31, 2025

May 12, 2025

Mazda Motor Corporation

(In 100 millions of yen)

(In thousands of units)

(Upper left: return on sales)

| | | | FY 2024 Full Year (Apr.'23-Mar.'24) | % | FY 2025 Full Year (Apr.'24-Mar.'25) | % |
|---|----|---------|--|---------|--|--------|
| Domestic | 1 | 4,100 | (4.7) | | 3,978 | (3.0) |
| Export | 2 | 32,261 | 25.5 | | 31,516 | (2.3) |
| Net sales | 3 | 36,361 | 21.2 | | 35,495 | (2.4) |
| Operating income | 4 | 1,323 | 171.0 | 0.9% | 324 | (75.5) |
| Ordinary income | 5 | 2,266 | 120.8 | 1.9% | 664 | (70.7) |
| Income before taxes | 6 | 2,033 | 129.4 | 1.3% | 468 | (77.0) |
| Net income | 7 | 1,377 | 53.4 | 1.7% | 601 | (56.3) |
| Average rate for the period (Yen) | 8 | USD 145 | | USD 153 | | |
| | 9 | EUR 157 | | EUR 164 | | |
| Capital expenditures | 10 | 941 | | | 921 | |
| Depreciation & amortization | 11 | 516 | | | 582 | |
| R & D cost | 12 | 1,461 | | | 1,668 | |
| Total assets | 13 | 27,181 | | | 29,471 | |
| Net assets | 14 | 12,809 | | | 12,665 | |
| Financial debt | 15 | 5,216 | | | 6,588 | |
| Net cash | 16 | 792 | | | 962 | |
| Japan | 17 | 158 | (6.0) | | 149 | (5.8) |
| North America | 18 | 452 | 21.6 | | 462 | 2.2 |
| Europe | 19 | 208 | 28.4 | | 125 | (39.7) |
| Others | 20 | 269 | (9.6) | | 283 | 5.2 |
| Wholesale volume | 21 | 1,087 | 8.8 | | 1,019 | (6.2) |
| Domestic production volume | 22 | 799 | 4.5 | | 749 | (6.3) |
| Number of employees (excluding dispatches) | 23 | 23,124 | | | 23,391 | |