

FY2004 Interim Financial Results

Six months ended September 30, 2003



November 20, 2003

Isuzu Motors Limited

Note: This is an English translation from the original presentation in Japanese.

代表取締役社長

President & Representative Director

井田 義則

Yoshinori Ida

1. FY2004 H1 Highlight

Six months, Apr - Sept '03

FY2004 H1 Highlight: Consolidated Results

- Six Months, Apr - Sept '03, in JPY Bil. -

Sales revenue: **722.9**

Operating profit: **35.7**
Operating margin **4.93%**

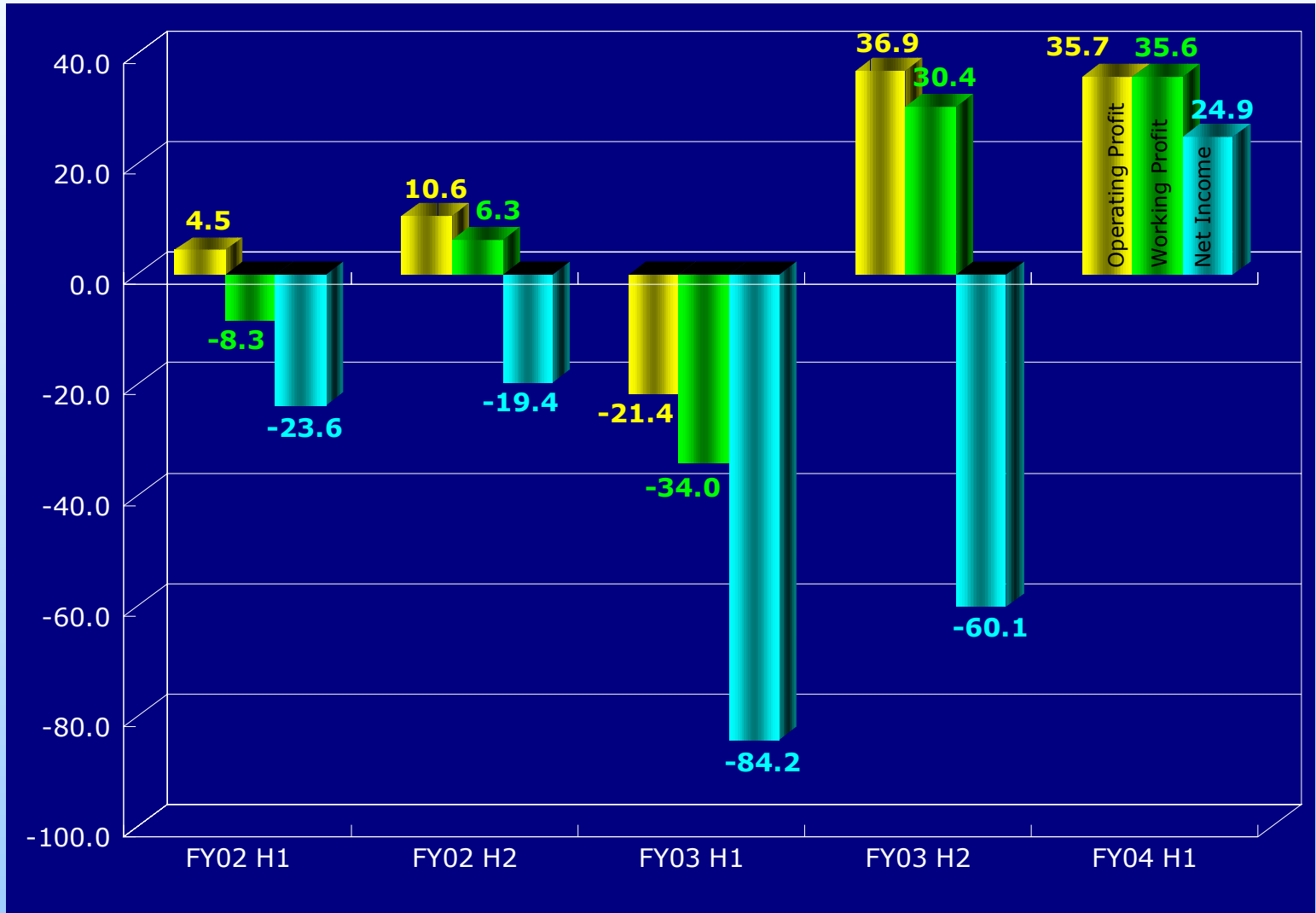
Working profit: **35.6**
Recurring margin **4.93%**

Net income: **24.9**
Net margin **3.44%**

Domestic sales: (k.units) **50 (+78.6%)**
Worldwide sales: (k.units) **85 (- 23.4%)**

Consolidated Six-Month Results

(JPY Bil.)



代表取締役副社長

Executive Vice President
& Representative Director

ベイジル N. ドロツソス

Basil N. Drossos

2. Isuzu-GM Partnership: Current Status and Future

Isuzu and GM Group: Partnership



ISUZU



Isuzu Diesel Powers GM Vehicles

World First Euro-IV Compliance



Opel Astra

US Share 3% → 26%



Chevrolet Silverado

Luxury Car of the Year in 2002

SAAB 9-5

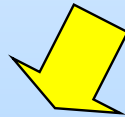


Opel Signum

Launched in 2003

Isuzu-GM Joint Pickup Truck Project

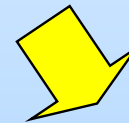
- Next generation pickup truck concept (Revealed in 2001)



- Chevrolet Colorado



US Debut in Sept '03



ISUZU

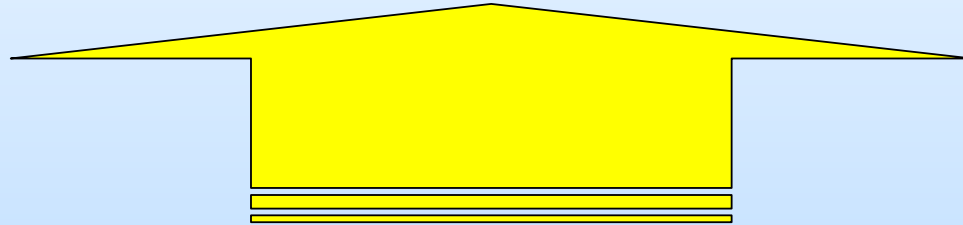
- Isuzu D-Max (Launched in 2002)



Thailand share 36% → 42%

Isuzu and GM: Going Forward (1)

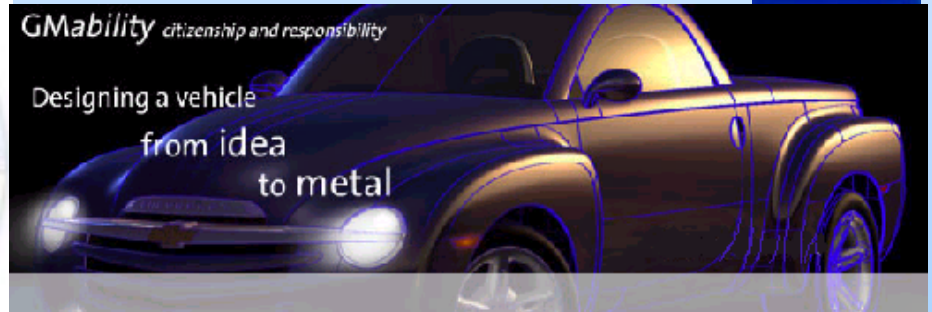
Enhance partnership synergy;
Step up to a New Stage



ISUZU

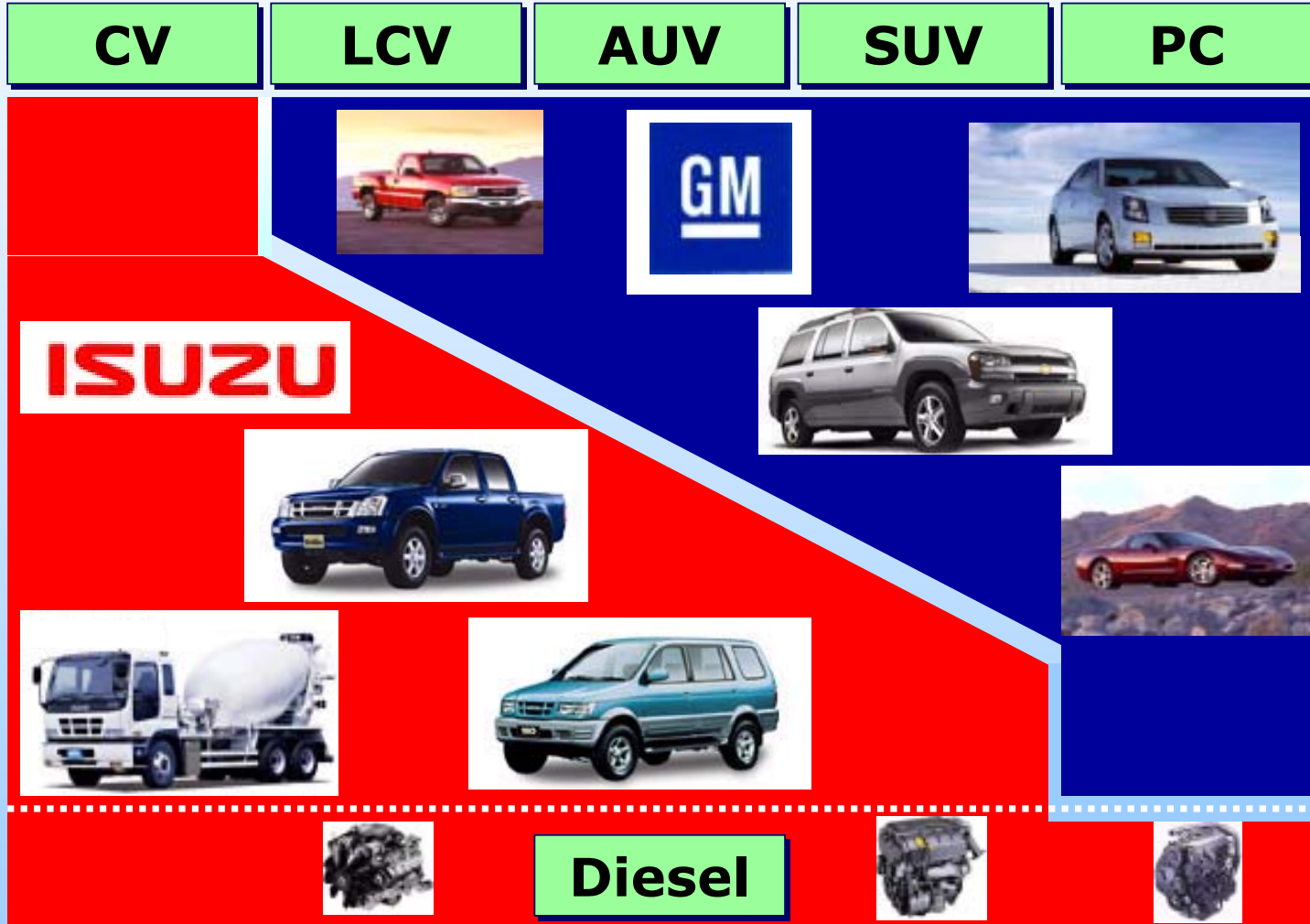


GM

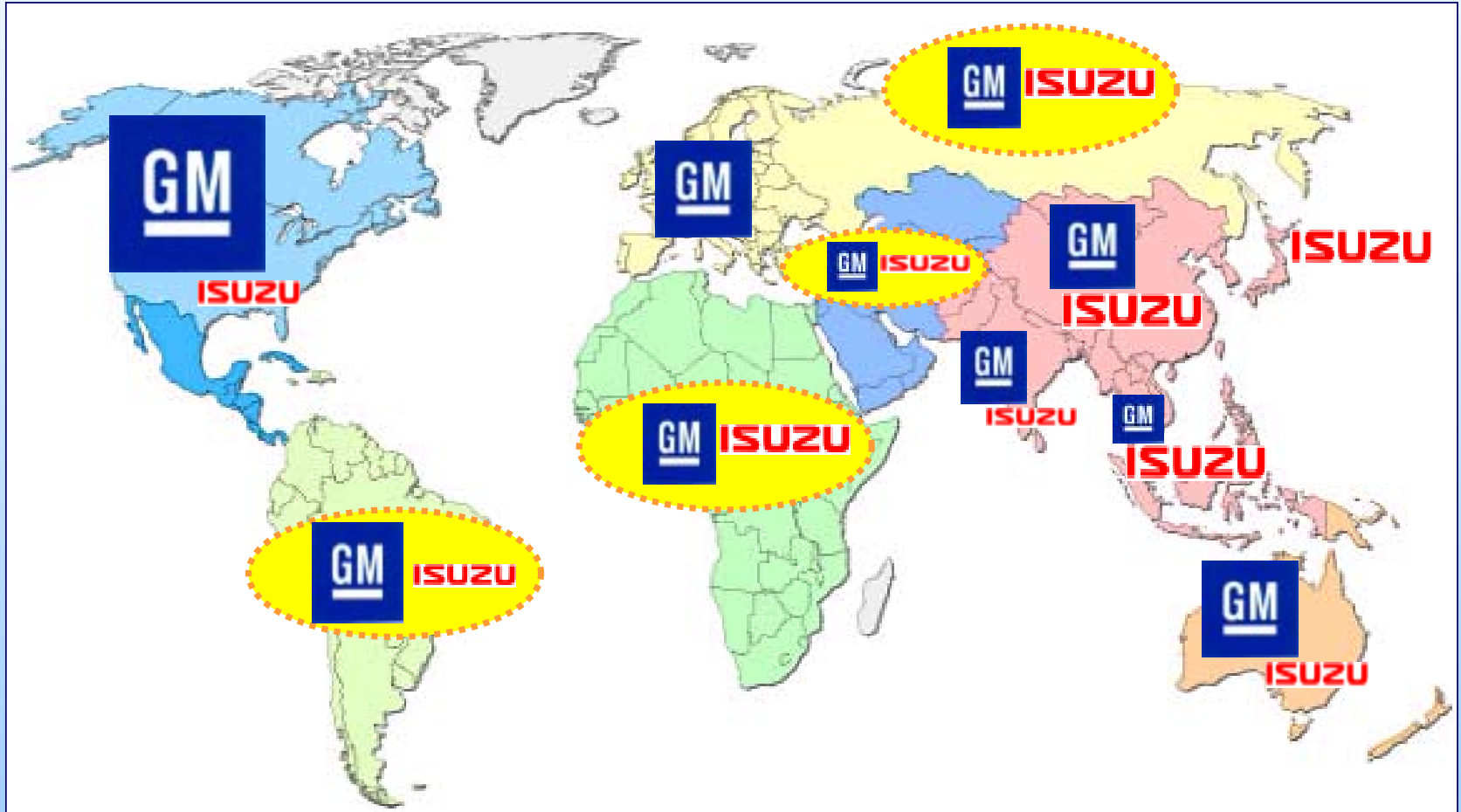


Isuzu and GM: Going Forward (2)

- Product Collaboration -



Isuzu and GM: Going Forward (3) - Market Coverage-



取締役副社長 & CFO
Executive Vice President & CFO

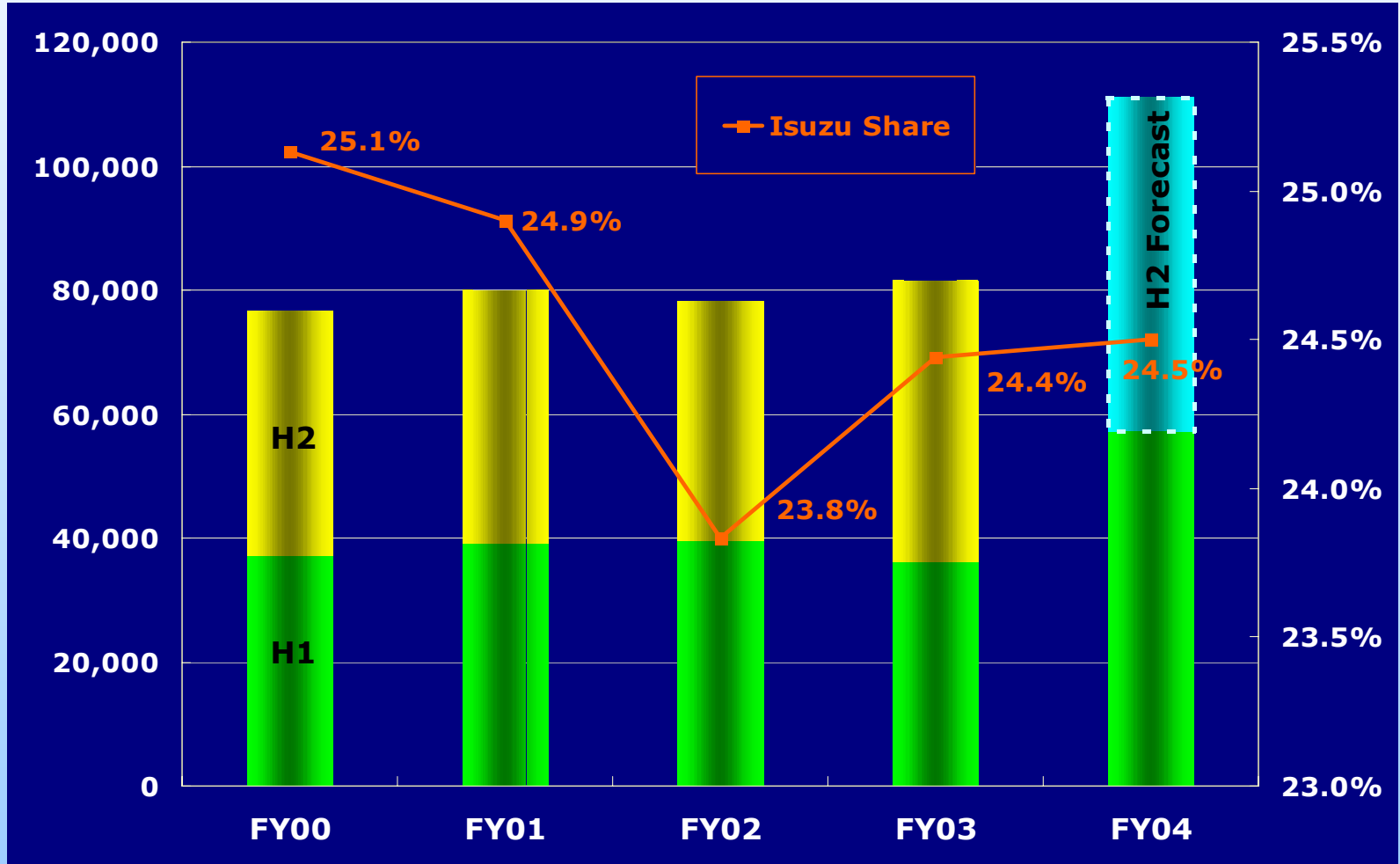
当麻 茂樹
Shigeki Toma

3. Business Environment



Japan HD Truck Industry Sales : Isuzu Share

(Units)



Japan 2 to 3-ton Truck Industry Sales : Isuzu Share



(Units)

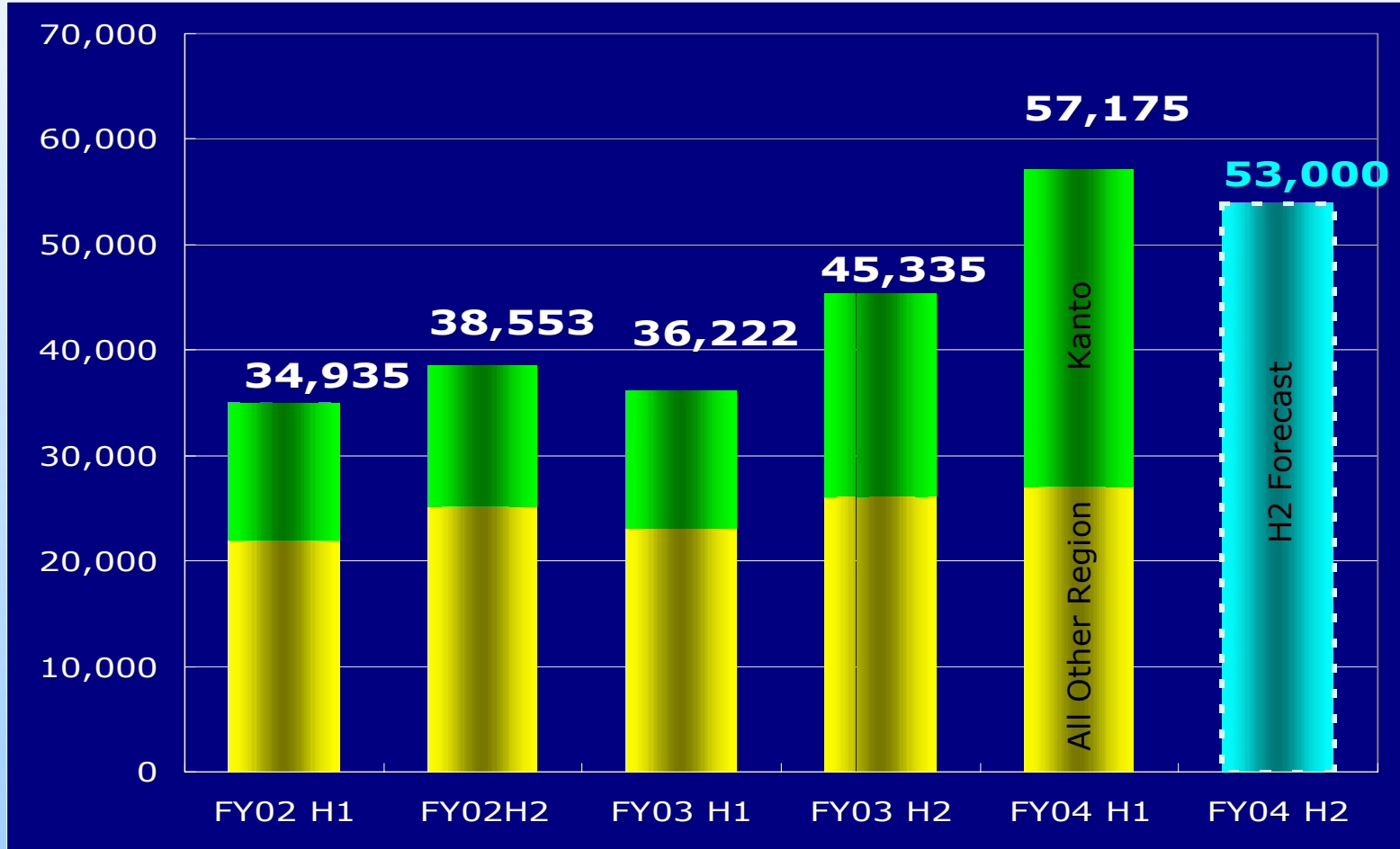




Regulation Impact on Japan Industry Sales

- (1) Kanto vs All other Region (above GVW 2t), Six Months

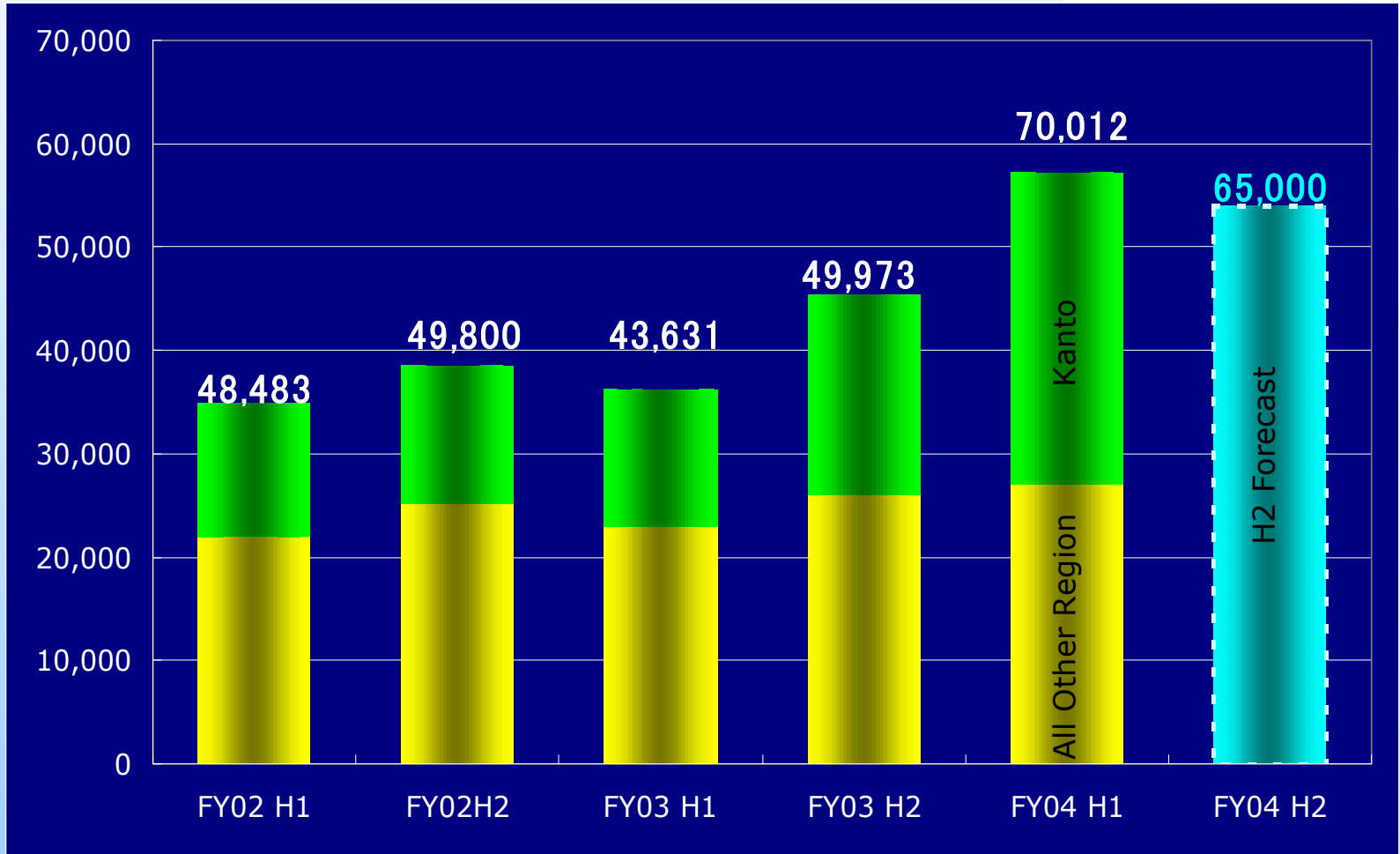
(Units)





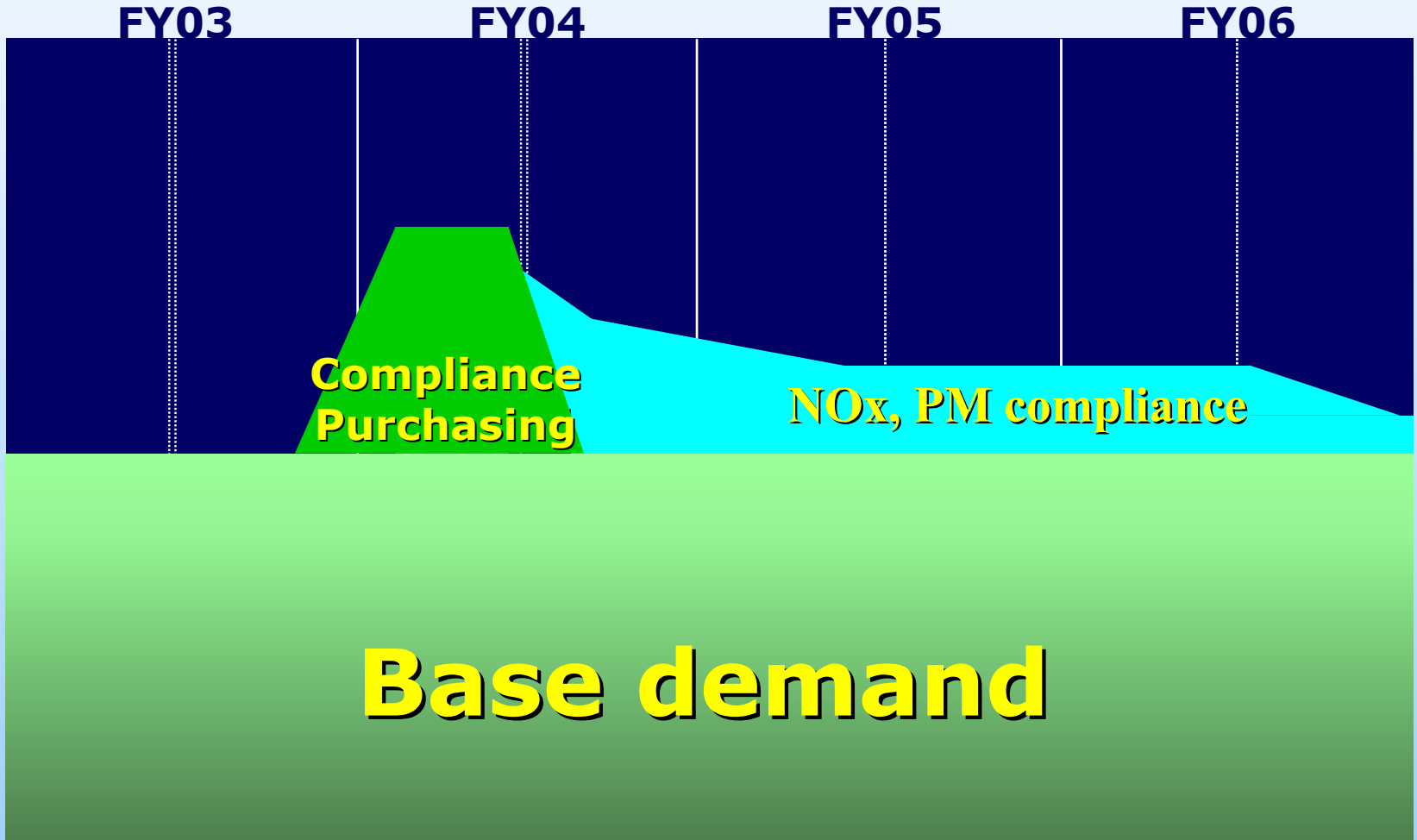
Regulation Impact on Japan Industry Sales

(Units) - (2) Kanto vs All other Region (GVW 2t - 3t), Six Months -



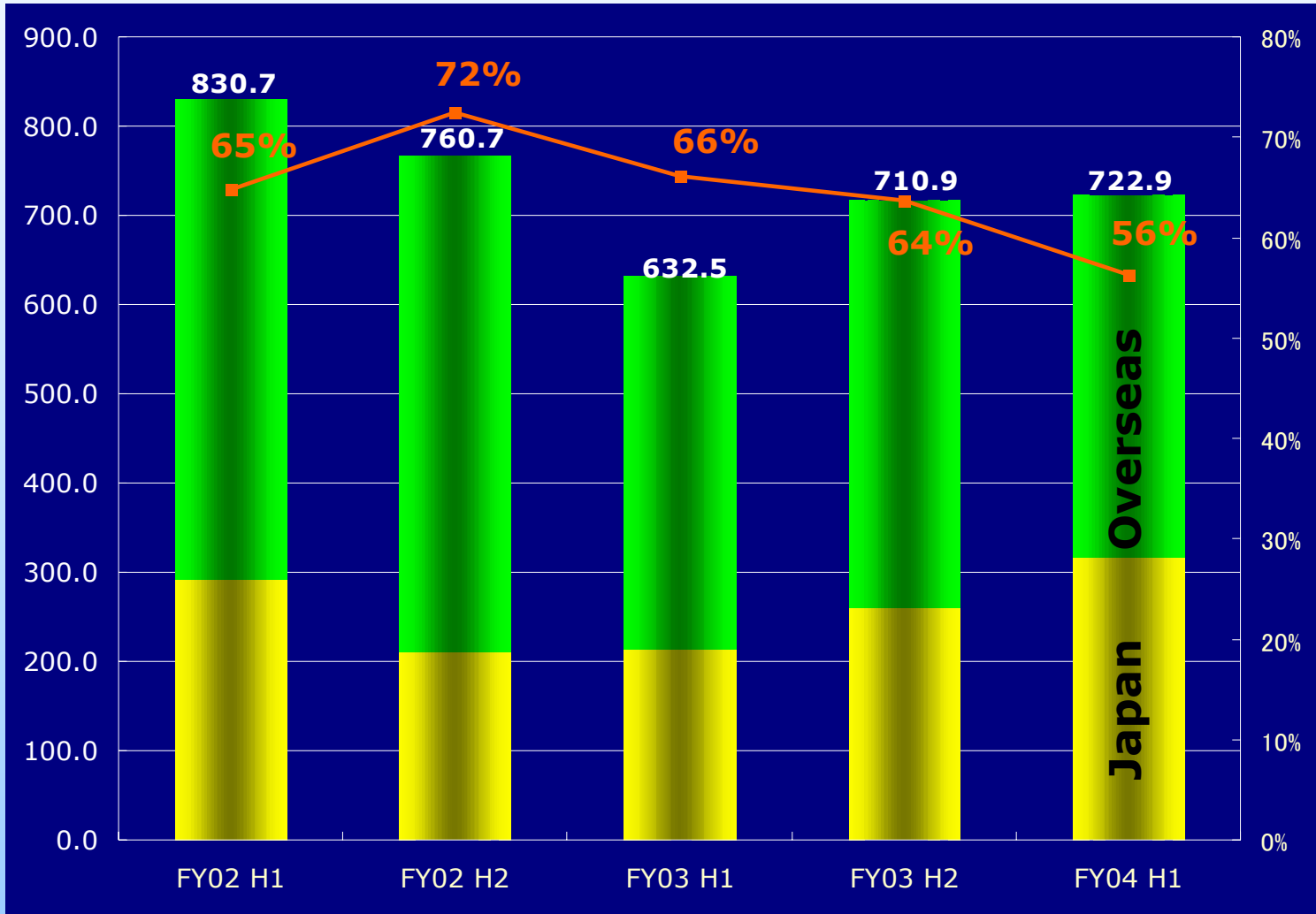
Regulation Impact on Japan Industry Sales

- Conceptual Image of HD Sales Going Forward -



Sales Revenue; International vs Japan

- Consolidated Revenue, Six-month: FY02 H1 to FY04 H1 -



4. FY2004 H1 Financial Summary

FY04 H1 Consolidated Results

- Six Months, Year-on-Year Comparison -

(JPY Bil.)	FY04 H1	FY03 H1	Changes	Consl.-to-Parent Ratio
Sales Revenue	722.9	632.5	+90.4	1.62
Operating Profit	35.7	-21.4	+57.1	1.13
Working Profit	35.6	-34.6	+70.2	1.30
Net Income	24.9	-84.2	+119.1	1.45

PARENT	FY04 H1	FY03 H1	Changes
Sales Revenue	446.2	363.2	+83.0
Operating Profit	31.5	-16.0	+47.5
Working Profit	27.3	-20.4	+47.7
Net Income	17.2	-114.0	+131.2

FY04 H1 Consolidated Results

- Sales Revenue: Six Months, Year-on-Year by Segment-

(JPY Bil.)	FY04 H1	FY03 H1	Changes
Sales Revenue	722.9	632.5	+90.4
Operating Profit	35.7	-21.4	+57.1
Working Profit	35.6	-34.6	+70.2
Net Income	24.9	-84.2	+109.1

Sales Revenue by Segment		FY04 H1	FY03 H1	Changes
	Isuzu Parent	446.2	363.2	83.0
	Domestic Dealers	223.1	165.9	57.2
	North America	132.3	150.9	-18.6
	ISPOL, DMAX	-	73.8	-73.8
	ASEAN and other	208.5	128.3	+80.2
	Consl. Adj.	-287.2	-249.6	-37.6
	Total	722.9	632.5	+90.4

FY04 H1 Consolidated Results

- Operating Profit : Six Months, Year-on-Year by Segment-

(JPY Bil.)	FY04 H1	FY03 H1	Changes
Sales Revenue	722.9	632.5	+90.4
Operating Profit	35.7	-21.4	+57.1
Working Profit	35.6	-34.6	+70.2
Net Income	24.9	-84.2	+109.1

OP by Segment		FY04 H1	FY03 H1	Changes
	Isuzu Parent	31.5	-16.0	+47.5
	Domestic Dealers	3.2	-0.4	+3.6
	North America	-2.8	-12.1	+9.3
	ISPOL, DMAX	-	5.0	-5.0
	ASEAN and Other	6.4	1.6	+4.8
	Consl. Adj.	-2.6	0.5	-3.1
	Total	35.7	-21.4	+57.1

FY04 H1 Parent Results

- Operating Profit : Six Months, Year-on-Year -

(JPY Bil.)	FY04 H1	FY03 H1	Changes
Operating Profit	31.5	-16.0	+47.5

Variance	Favorable	◆ Rationalization	+10.9
		◆ Expense reduction	+14.8
		◆ Sales/production mix	+27.5
			+53.2
	Unfavorable	◆ FX	-0.7
		◆ Increase in expense	-5.0
			-5.7
	Total		+47.5

FY04 H1 Consolidated Results

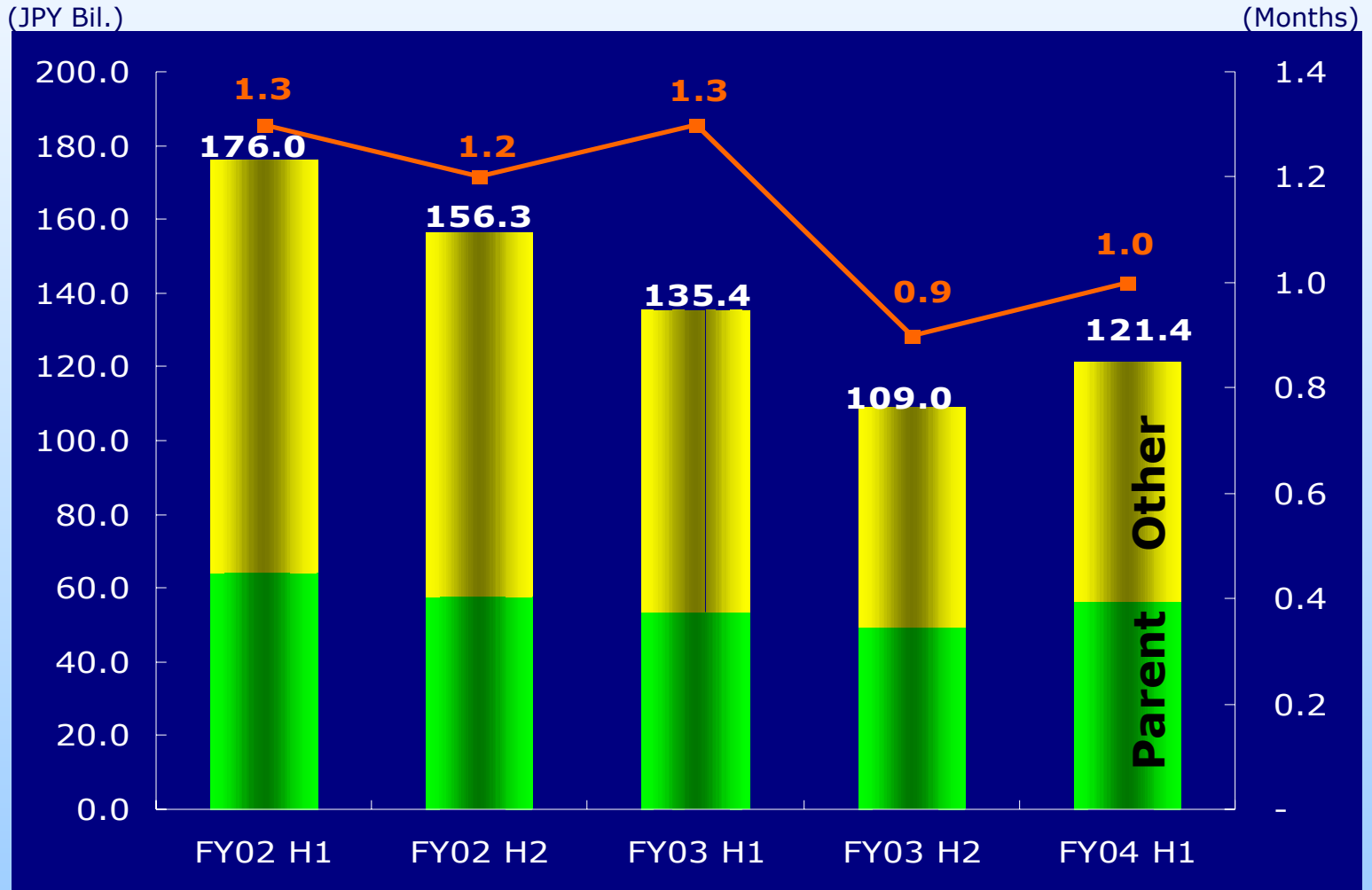
- WP and Net Income : Six Months, Year-on-Year -

(JPY Bil.)	FY04 H1	FY03 H1	Changes
Sales Revenue	722.9	632.5	+90.4
Operating Profit	35.7	-21.4	+57.1
Working Profit	35.6	-34.6	+70.2
Net Income	24.9	-84.2	+109.1

Working Profit	Changes in OP		+57.1
	Favorable	◆ On-equity income	+8.0
		◆ Balance of financial income	+2.0
		◆ FX	+3.1
	Unfavorable	◆ Other	-0.1
		Total	+70.2
Net Income	Changes in WP		+70.2
	Favorable	◆ Special severance pay	+22.9
		◆ Corp. tax, etc.	+32.5
	Unfavorable	◆ Return of pension fund agency to Gov.	-13.4
		◆ Evaluation loss on investment in affiliates, etc	-2.2
		Total	+109.1

Inventory: Term-end Balance

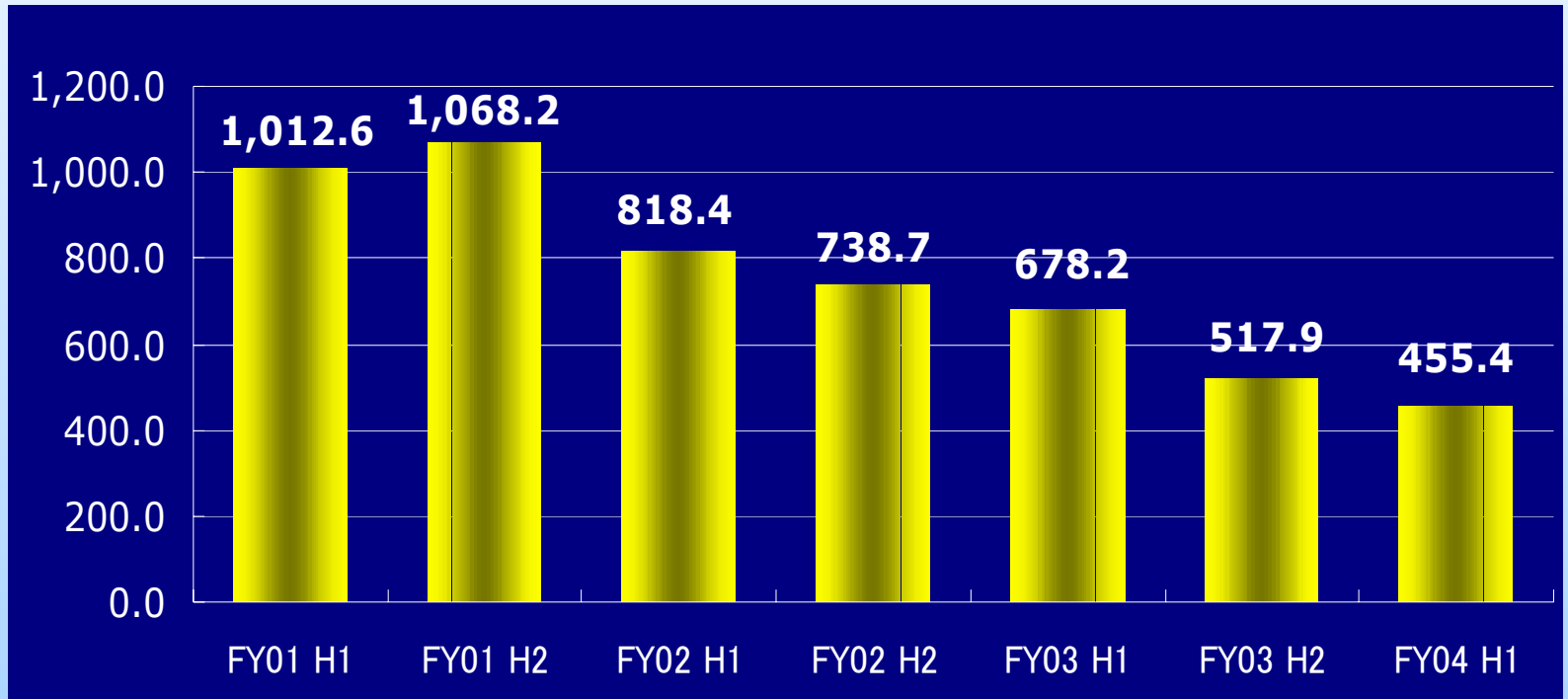
- Consolidated, Six Months, CBU-basis -



Interest-bearing Debt: Term-end Balance

- Six Months, Total Assets and Debt Balance -

(JPY Bil.)



5. FY2004 Full-year Outlook

April 2003 - March 2004

FY04 Full-Year Outlook

- Consolidated, Year-on-Year Comparison -

(JPY Bil.)	FY04	FY03	Changes	Consl.-to-Parent Ratio
Sales Revenue	1,400.0	1,349.4	+50.6	1.65
Operating Profit	70.0	15.5	+54.5	1.21
Working Profit	67.0	-4.2	+71.2	1.34
Net Income	40.0	-144.3	+184.3	1.25

PARENT	FY04 H1	FY03 H1	Changes
Sales Revenue	850.0	760.6	+89.4
Operating Profit	58.0	13.1	+44.9
Working Profit	50.0	4.9	+45.1
Net Income	32.0	-189.4	+221.4

FY04 Full-Year Outlook

- Consolidated Sales Revenue, Year-on-Year By Segment -

(JPY Bil.)	FY04	FY03	Changes
Sales Revenue	1,400.0	1,349.4	+50.6
Operating Profit	70.0	15.5	+54.5
Working Profit	67.0	-4.2	71.2
Net Income	40.0	-144.3	+184.3

Sales Revenue by Segment		FY04	FY03	Changes
	Isuzu Parent	850.0	760.6	+89.4
	Domestic Dealers	450.0	352.2	+97.8
	North America	300.0	439.6	-139.6
	ISPOL, DMAX	-	148.1	-148.1
	ASEAN and Other	410.0	308.2	+101.8
	Consl. Adj.	-610.0	-659.2	+49.2
	Total	1.400.0	1349.4	+50.6

FY04 Full-Year Outlook

- Consolidated Operating Profit, Year-on-Year By Segment -

(JPY Bil.)	FY04	FY03	Changes
Sales Revenue	1,400.0	1,349.4	+50.6
Operating Profit	70.0	15.5	+54.5
Working Profit	67.0	-4.2	-71.2
Net Income	40.0	-144.3	+184.3

OP by Segment		FY04	FY03	Changes
	Isuzu Parent	60.0	13.1	+46.9
	Domestic Dealers	6.0	3.5	+2.5
	North America	-3.0	-24.0	+21.0
	ISPOL, DMAX	-	7.8	-7.8
	ASEAN and Other	10.0	5.6	+4.4
	Consl. Adj.	-3.0	9.5	-12.5
	Total	70.0	15.5	+54.5

FY04 Full-Year Outlook

- Parent, Operating Profit, Year-on-Year -

(JPY Bil.)	FY04	FY03	Changes
Operating Profit	58.0	-13.1	+44.9

Variance	Favorable	◆ Rationalization	+19.0
		◆ Expense reduction	+16.7
		◆ Sales/production mix	+30.4
		Total	+66.1
	Unfavorable	◆ FX	-4.0
		◆ Increase in expense	6.5
		◆ Decrease in engineering fee income	-10.7
		Total	-21.2
		Total	+44.9

FY04 Full-Year Outlook

- Consolidated WP and Net Income, Year-on-Year -

(JPY Bil.)	FY04	FY03	Changes
Sales Revenue	1,400.0	1,349.4	+50.6
Operating Profit	70.0	15.5	+54.5
Working Profit	67.0	-4.2	+71.2
Net Income	40.0	-144.3	+184.3

Working Profit	Changes in OP		+54.5
	Favorable	◆ On-equity income	+7.8
		◆ FX	+2.6
		◆ Balance of financial income	+6.3
		Total	+71.2
Net Income	Changes in WP		+71.2
	Favorable	◆ NA restructuring charges	+75.1
		◆ Special severance pay	+24.8
		◆ Corp. tax, etc.	+43.3
	Unfavorable	◆ Return of pension fund agency to Go	-14.0
		◆ Evaluation loss on sale of marketable securities etc	16.1
	Total	+184.3	

New 3-year Business Plan Targets

- Consolidated, Full-year -

(JPY Bil.)	<u>FY03 (Mar '03)</u>	<u>FY04 (Mar '04)</u>	<u>FY05 (Mar '05)</u>
Sales Revenue	1270.0 Act:1,349.4	1250.0 Est: 1,400.0	1270.0
Operating Profit	5.0 Act:15.5	50.0 Est: 70.0	Over 60.0
Net Income	-170.0 Act: -144.3	35.0 Est: 40.0	Over 50.0
Debt Balance	560.0 Act: 517.9	510.0 Est: 450.0	450.0

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