

**ISUZU**

# **FY2005 Interim Financial Results**

**Six months, Apr – Sept '04**



**ELF Super Low PM version(☆☆☆☆)**

**November 18, 2004**

# **ISUZU MOTORS LIMITED**

**Executive Vice President & CFO**

**Shigeki Toma**

# **1. FY2005 H1 Highlight**

## **Six months, Apr – Sept '04**

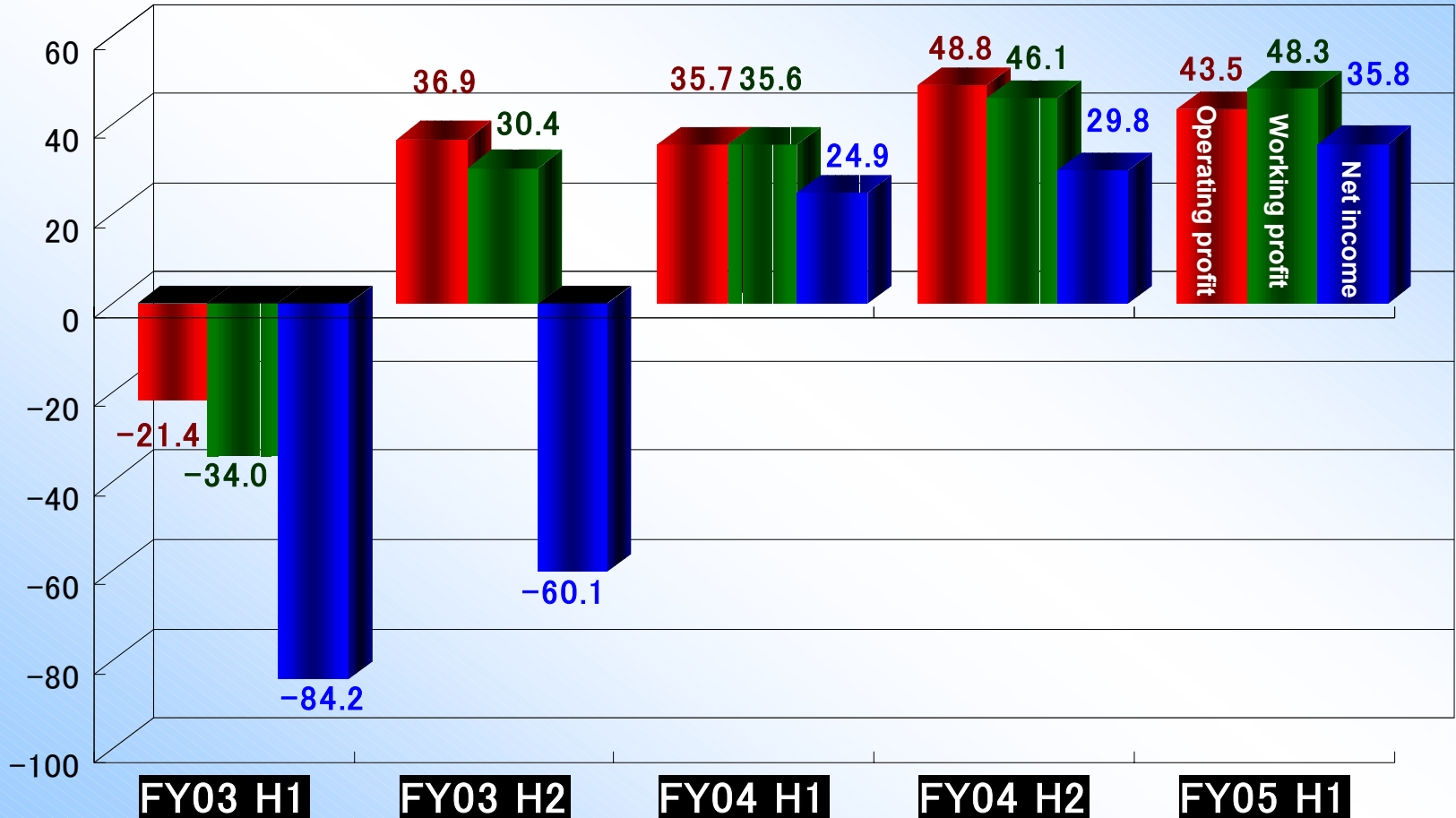
## FY2005 H1 Highlight: Consolidated Results

- Six Months, Apr - Sept '04, in JPY Bil. -

	【FY2005H1 (%)】	【FY2004H1】
<b>Sales revenue:</b>	<b>735.2</b> (+2%)	<b>722.9</b>
<b>Operating profit:</b>	<b>43.5</b> (+22%)	<b>35.7</b>
<i>Operating margin</i>	<b>5.9%</b>	<b>4.9%</b>
<b>Working profit:</b>	<b>48.3</b> (+36%)	<b>35.6</b>
<i>Recurring margin</i>	<b>6.6%</b>	<b>4.9%</b>
<b>Net income:</b>	<b>35.8</b> (+44%)	<b>24.9</b>
<i>Net margin</i>	<b>4.9%</b>	<b>3.4%</b>
<hr/>		
<b>Domestic sales: (K. units)</b>	<b>43</b> (-14.7%)	
<b>Worldwide sales: (K. units)</b>	<b>91</b> (+7.9%)	

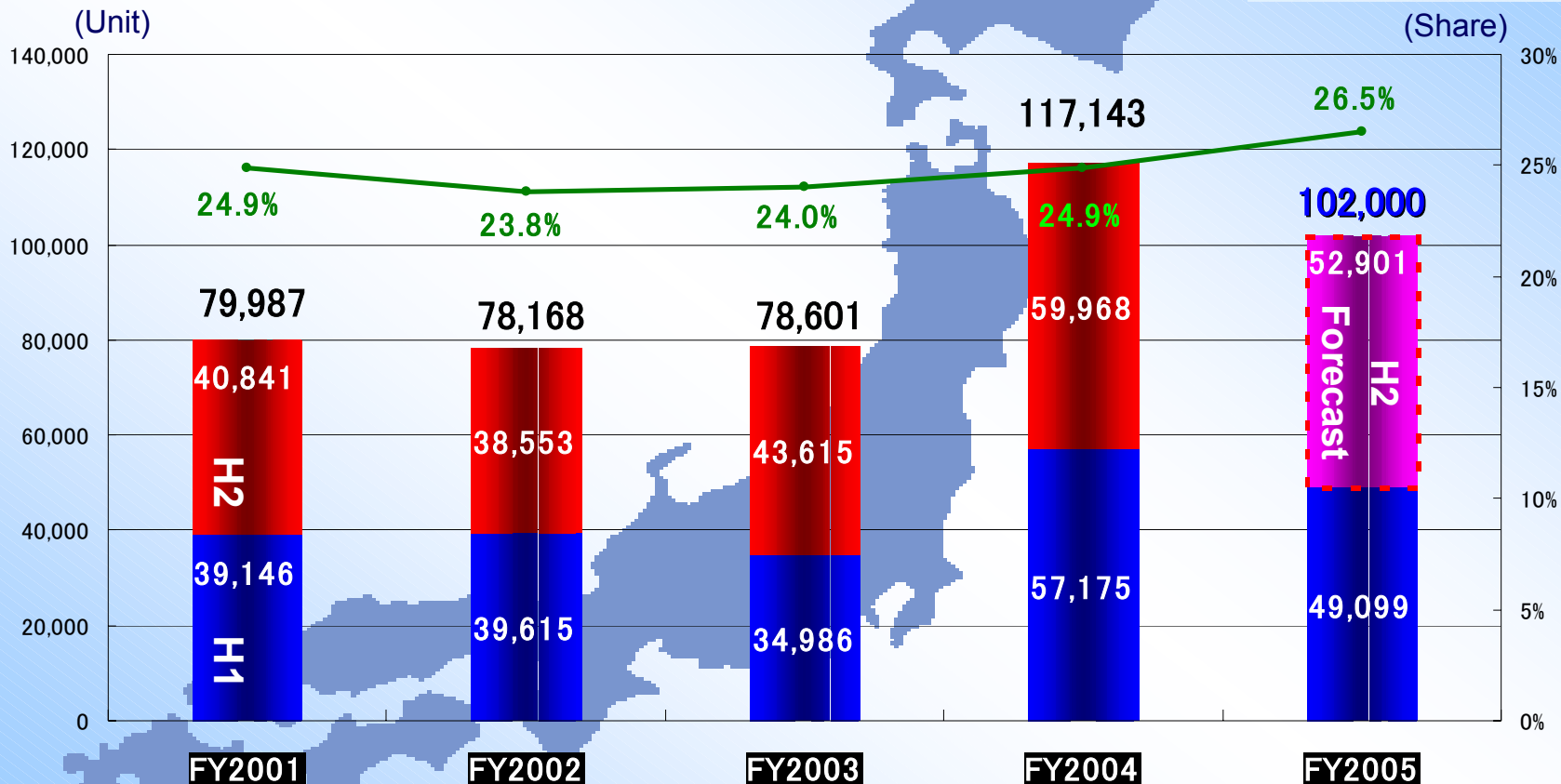
## Consolidated Six-Month Results

(JPY Bil.)

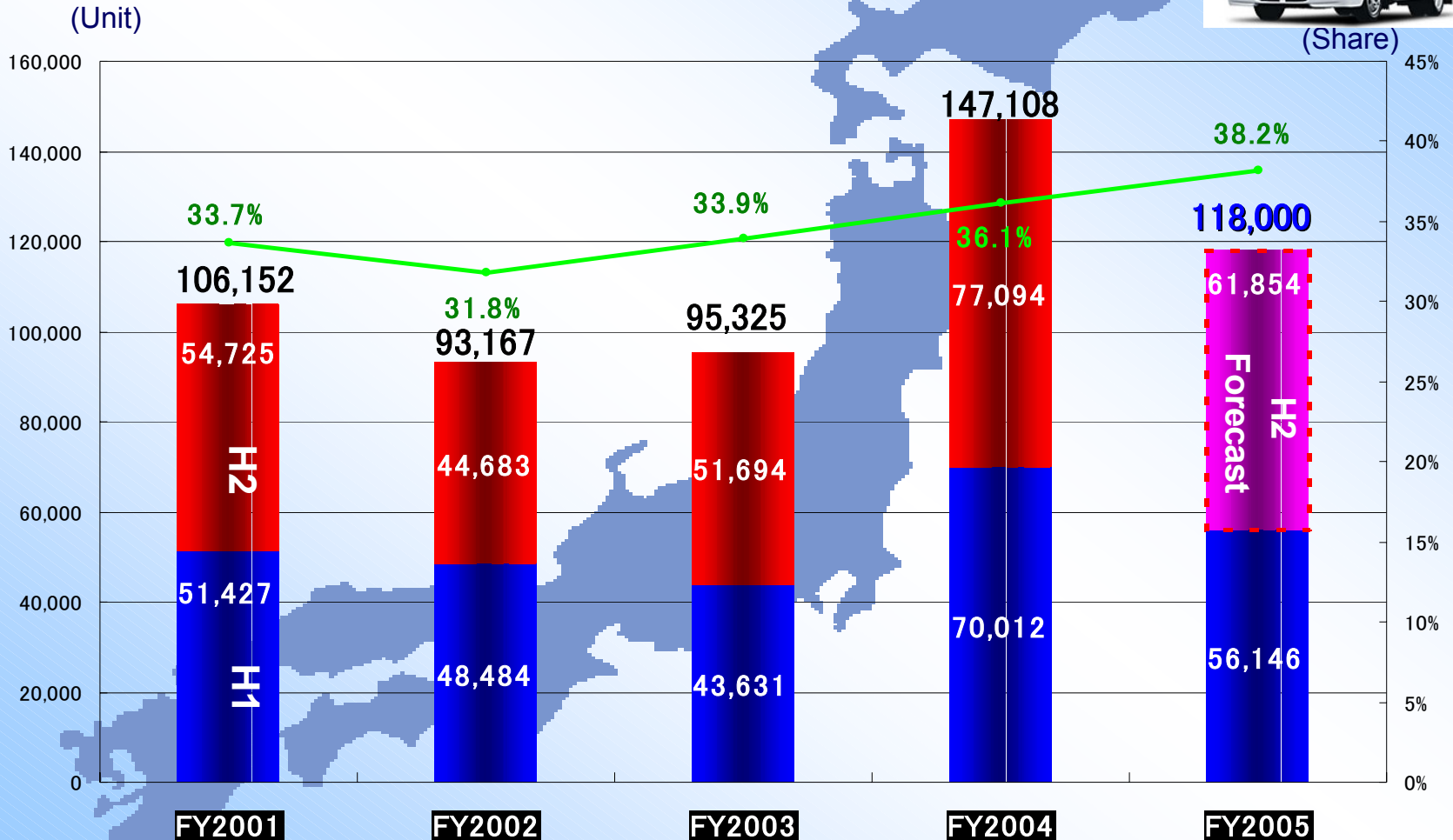


## **2. Business Environment**

## Japan HD(4ton or above) Truck Industry Sales : Isuzu Share



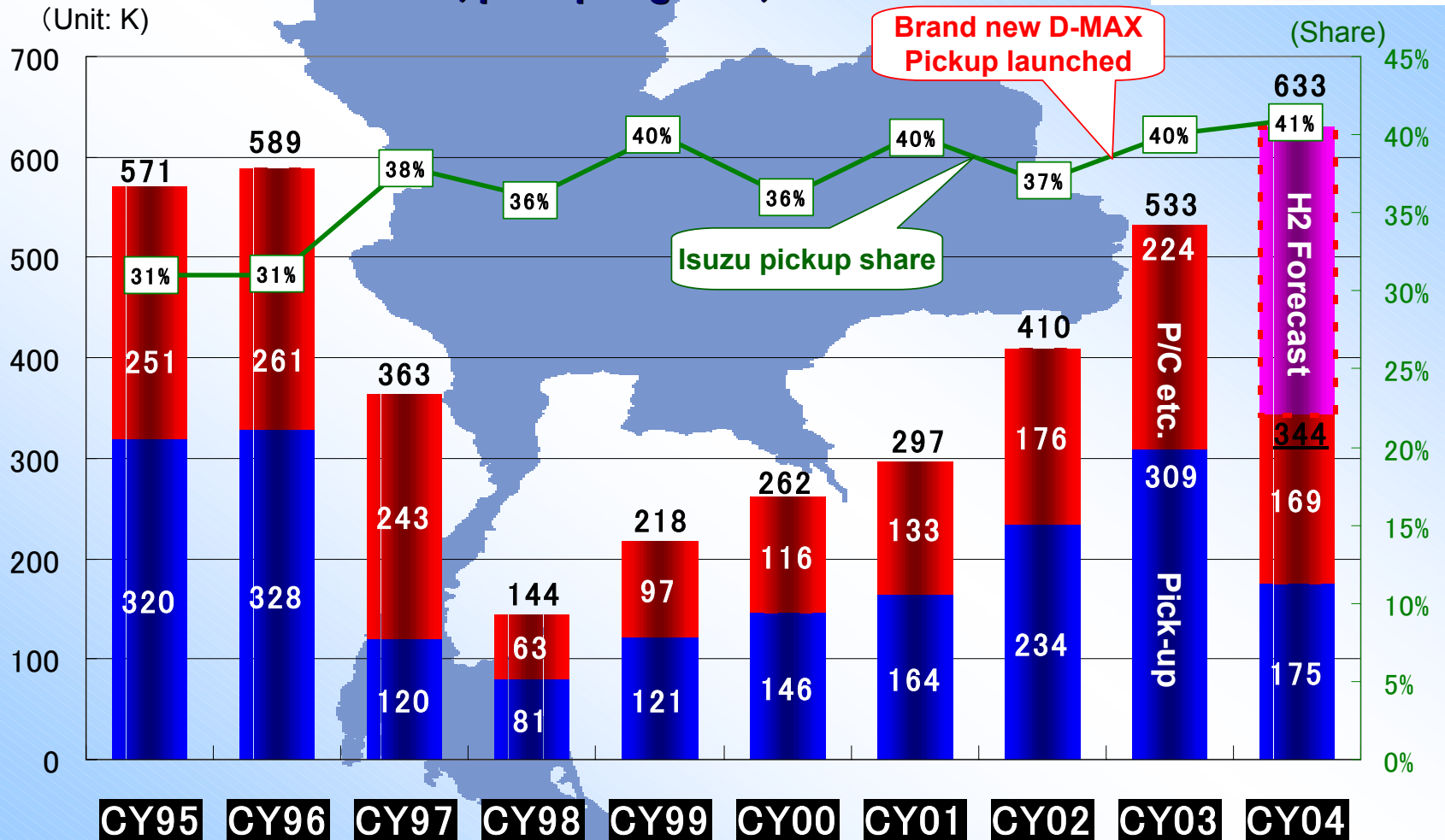
## Japan LD(2 to 3ton) Truck Industry Sales : Isuzu Share





## Thailand Industry Sales

- Total market, pickup segment, and Isuzu Share -



(H1 Actual)

## **3. FY2005 H1 Financial Summary**

# FY05 H1 Consolidated Results

- Six Months, Year-on-Year Comparison -

(JPY Bil.)	FY05 H1	FY04 H1	Changes	Consl.-to-Parent Ratio
<b>Sales Revenue</b>	735.2	722.9	+12.3	1.7
<b>Operating Profit</b>	43.5	35.7	+ 7.8	1.4
<b>Working Profit</b>	48.3	35.6	+ 12.7	1.7
<b>Net Income</b>	35.8	24.9	+10.9	1.9

PARENT	FY05 H1	FY04 H1	Changes
<b>Sales Revenue</b>	434.5	446.2	-11.7
<b>Operating Profit</b>	30.3	31.5	-1.2
<b>Working Profit</b>	29.2	27.3	+1.9
<b>Net Income</b>	19.1	17.2	+1.9

# FY05 H1 Consolidated Results

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

(JPY Bil.)	FY05 H1	FY04 H1	Changes
<b>Sales Revenue</b>	<b>735.2</b>	<b>722.9</b>	<b>+12.3</b>
Operating Profit	43.5	35.7	+7.8
Working Profit	48.3	35.6	+12.7
Net Income	35.8	24.9	+10.9

	FY05 H1	FY04 H1	Changes
<b>Isuzu Parent</b>	<b>434.5</b>	<b>446.2</b>	<b>-11.7</b>
<b>Domestic Dealers</b>	<b>225.4</b>	<b>223.1</b>	<b>+2.3</b>
<b>North America</b>	<b>115.7</b>	<b>132.3</b>	<b>-16.6</b>
<b>ASEAN</b>	<b>139.9</b>	<b>110.5</b>	<b>+29.4</b>
<b>Others</b>	<b>94.7</b>	<b>98.0</b>	<b>-3.3</b>
<b>Consl. Adj.</b>	<b>-275.0</b>	<b>-287.2</b>	<b>+12.2</b>
<b>Total</b>	<b>735.2</b>	<b>722.9</b>	<b>+12.3</b>

Sales Revenue by Segment

## FY05 H1 Consolidated Results

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

(JPY Bil.)	FY05 H1	FY04 H1	Changes
Sales Revenue	735.2	722.9	+12.3
<b>Operating Profit</b>	<b>43.5</b>	<b>35.7</b>	<b>+7.8</b>
Working Profit	48.3	35.6	+12.7
Net Income	35.8	24.9	+10.9

Op by Segment		FY05 H1	FY04 H1	Changes
	Isuzu Parent	30.3	31.5	-1.2
	Domestic Dealers	3.4	3.2	+0.2
	North America	2.2	-2.8	+5.0
	ASEAN	4.7	3.0	+1.7
	Others	2.7	3.4	-0.7
	Consl. Adj.	0.2	-2.6	+2.8
	<b>Total</b>	<b>43.5</b>	<b>35.7</b>	<b>+7.8</b>

## FY05 H1 Consolidated Results

- Working Profit, Net Income : Six Months, Year-on-Year -

(JPY Bil.)	FY05 H1	FY04 H1	Changes
Sales Revenue	735.2	722.9	+12.3
Operating Profit	43.5	35.7	+7.8
<b>Working Profit</b>	<b>48.3</b>	<b>35.6</b>	<b>+ 12.7</b>
<b>Net Income</b>	<b>35.8</b>	<b>24.9</b>	<b>+10.9</b>

<b>Working Profit</b>	Operating profit change		+7.8
	Favorable	* Equity-method affiliates	+3.2
		* Debt repayment etc.	+1.7
	<b>Total</b>		<b>+12.7</b>
<b>Net Income</b>	Working profit change		+12.7
	Favorable	* Holding shares sales	+6.5
	Unfavorable	* Affiliated company restructuring	-4.1
		* Property, plant and equipment	-4.2
	<b>Total</b>		<b>+ 10.9</b>

## FY05 H1 Parent Results

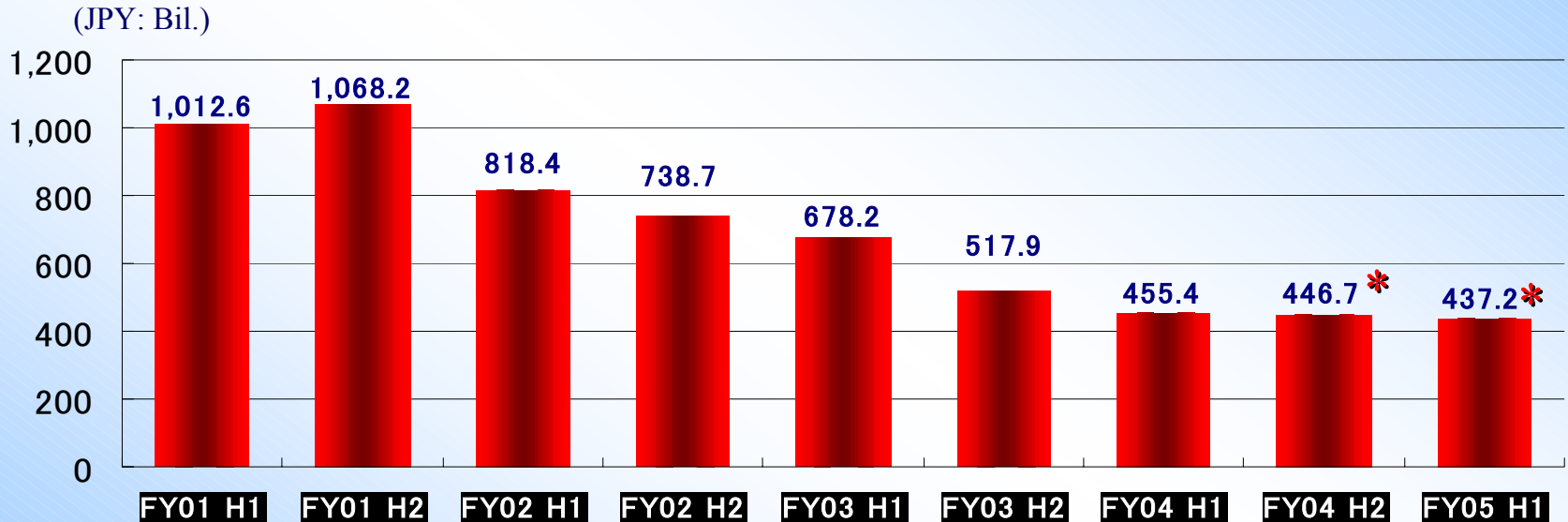
- Year-on-Year Comparison -

(JPY Bil.)	FY05 H1	FY04 H1	Changes
Sales Revenue	434.5	446.2	-11.7
<b>Operating Profit</b>	<b>30.3</b>	<b>31.5</b>	<b>-1.2</b>
<b>Working Profit</b>	<b>29.2</b>	<b>27.3</b>	<b>+1.9</b>
<b>Net Income</b>	<b>19.1</b>	<b>17.2</b>	<b>+1.9</b>

Operating Profit	Favorable	* Rationalization	+5.8
		* Expense reduction	+3.8
	Unfavorable	* Sales/Production mix	-4.7
		* Expense increase	-4.4
		* Exchange variable	-1.7
Total			<b>-1.2</b>
Working Profit	Operating profit change		-1.2
	Favorable	* Debt repayment etc.	+2.4
		* Others	+0.7
Total			<b>+1.9</b>
Net Income	Working profit change		+1.9
	Favorable	* Holding shares sales	+5.8
	Unfavorable	* Affiliated company restructuring	-3.3
		* Property, plant and equipment	-2.5
Total			<b>+1.9</b>

## Interest-bearing Debt: Term-end Balance

- Six Months, Total Assets and Debt Balance -



\* not Incl. CB



# **4. FY2004 Full-year Outlook**

## **April 2004 - March 2005**

## FY05 Full-Year Outlook

- Consolidated, Year-on-Year Comparison -

(JPY Bil.)	FY05	FY04	Changes	Consl.-to-Parent Ratio
<b>Sales Revenue</b>	<b>1,450.0</b>	1,430.3	<b>+19.7</b>	<b>1.7</b>
<b>Operating Profit</b>	<b>86.0</b>	84.5	<b>+1.5</b>	<b>1.4</b>
<b>Working Profit</b>	<b>88.0</b>	81.7	<b>+6.3</b>	<b>1.6</b>
<b>Net Income</b>	<b>56.0</b>	54.7	<b>+1.3</b>	<b>1.9</b>

PARENT	FY05	FY04	Changes
<b>Sales Revenue</b>	<b>850.0</b>	890.3	<b>-40.3</b>
<b>Operating Profit</b>	<b>60.0</b>	67.0	<b>-7.0</b>
<b>Working Profit</b>	<b>55.0</b>	57.6	<b>-2.6</b>
<b>Net Income</b>	<b>30.0</b>	38.9	<b>-8.9</b>

## FY05 Full-Year Outlook

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

(JPY Bil.)	FY05	FY04	Changes
<b>Sales Revenue</b>	<b>1,450.0</b>	<b>1,430.3</b>	<b>+19.7</b>
Operating Profit	86.0	84.5	+1.5
Working Profit	88.0	81.7	+6.3
Net Income	56.0	54.7	+1.3

	FY05	FY04	Changes
<b>Isuzu Parent</b>	850.0	890.3	-40.3
<b>Domestic Dealers</b>	460.0	471.2	-11.2
<b>North America</b>	200.0	235.5	-35.5
<b>ASEAN</b>	350.0	233.3	+116.7
<b>Others</b>	180.0	185.6	-5.6
<b>Consl. Adj.</b>	-590.0	-585.6	-4.4
<b>Total</b>	<b>1,450.0</b>	<b>1,430.3</b>	<b>+19.7</b>

Sales Revenue by Segment

## FY05 Full-Year Outlook

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

(JPY Bil.)	FY05	FY04	Changes
Sales Revenue	1,450.0	1,430.3	+19.7
<b>Operating Profit</b>	<b>86.0</b>	<b>84.5</b>	<b>+1.5</b>
Working Profit	88.0	81.7	-6.3
Net Income	56.0	54.7	+1.3

OP by Segment		FY05	FY04	Changes
	Isuzu Parent	60.0	67.0	-7.0
	Domestic Dealers	7.0	7.5	-0.5
	North America	0.0	-1.4	+1.4
	ASEAN	15.0	7.2	+7.8
	Others	5.0	5.8	-0.8
	Consl. Adj.	-1.0	-1.6	+0.6
	<b>Total</b>	<b>86.0</b>	<b>84.5</b>	<b>+1.5</b>

## FY05 Full-Year Outlook

- Working Profit, Net Income : Year-on-Year -

(JPY Bil.)	FY05	FY04	Changes
Sales Revenue	1,450.0	1,430.3	+19.7
Operating Profit	86.0	84.5	+1.5
<b>Working Profit</b>	<b>88.0</b>	<b>81.7</b>	<b>+6.3</b>
<b>Net Income</b>	<b>56.0</b>	<b>54.7</b>	<b>+1.3</b>

<b>Working Profit</b>	Operating profit change		+1.5
	Favorable	* Debt repayment etc.	+3.5
		* Equity-method affiliates	+1.3
	<b>Total</b>		<b>+6.3</b>
<b>Net Income</b>	Working profit change		+6.3
	Favorable	* Holding shares sales	+1.0
		* Affiliated company restructuring	+0.5
	Unfavorable	* Property, plant and equipment	-6.5
	<b>Total</b>		<b>+ 1.3</b>

## FY05 Full-year Parent Outlook

- Year-on-Year Comparison -

(JPY Bil.)	FY05	FY04	Changes
Sales Revenue	850.0	890.3	-40.3
<b>Operating Profit</b>	<b>60.0</b>	<b>67.0</b>	<b>-7.0</b>
<b>Working Profit</b>	<b>55.0</b>	<b>57.6</b>	<b>-2.6</b>
<b>Net Income</b>	<b>30.0</b>	<b>38.9</b>	<b>-8.9</b>

<b>Operating Profit</b>	Favorable	* Rationalization	+10.0
		* Expense reduction	+7.0
	Unfavorable	* Sales/Production mix	-6.6
		* Expense increase	-15.0
		* Exchange variable	-2.4
<b>Total</b>			<b>-7.0</b>
<b>Working Profit</b>	<b>Operating profit change</b>		<b>-7.0</b>
	Favorable	* Debt repayment etc.	+4.4
	<b>Total</b>		
<b>Net Income</b>	<b>Working profit change</b>		<b>-2.6</b>
	Favorable	* Holding shares sales	+2.0
		* Affiliated company restructuring	+0.7
	Unfavorable	* Property, plant and equipment	-9.0
	<b>Total</b>		

**Trucks for life**

**ISUZU**

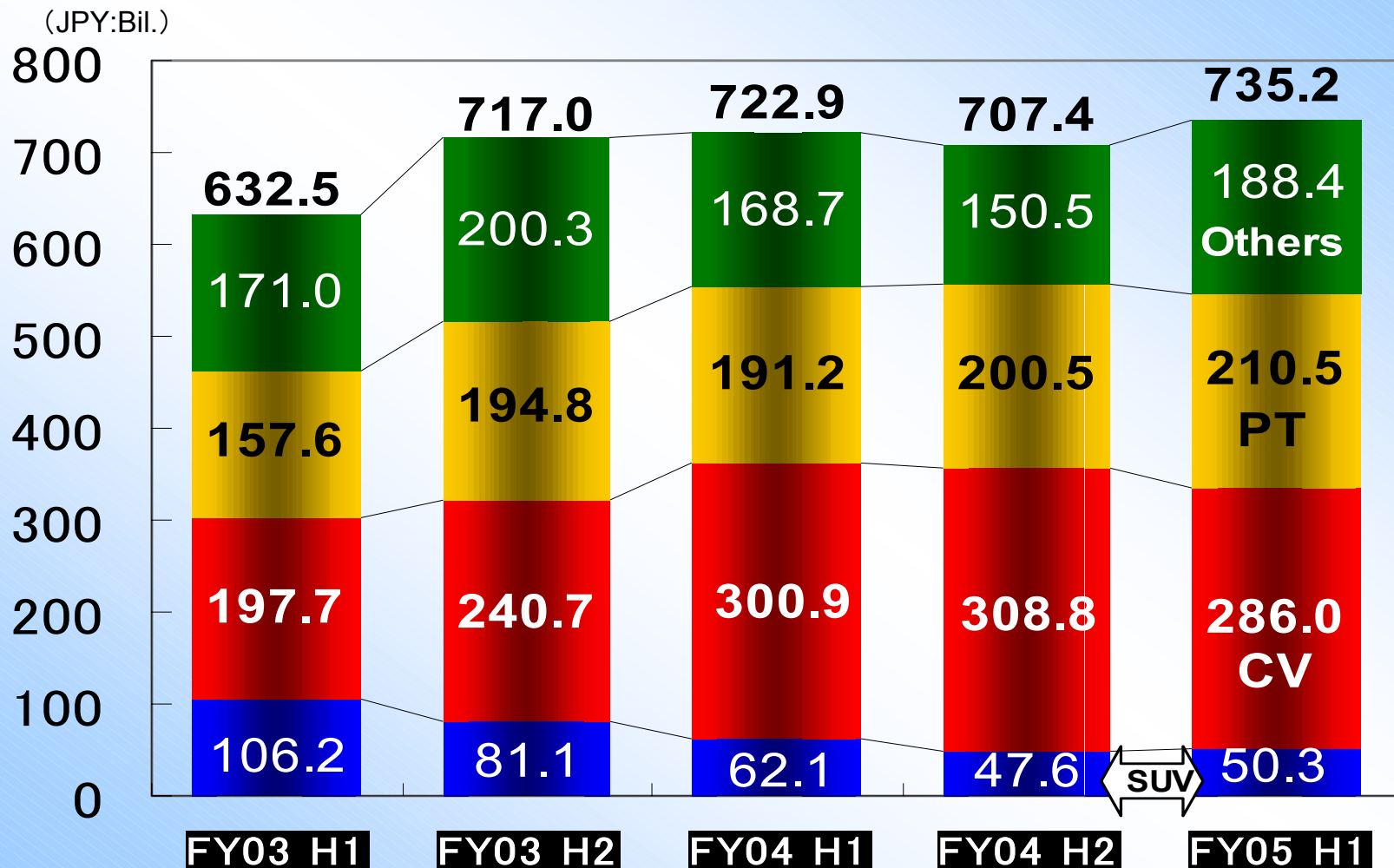
# **[Appendix]**

## **Main Financial Index**



# Consolidated Revenue by Segment

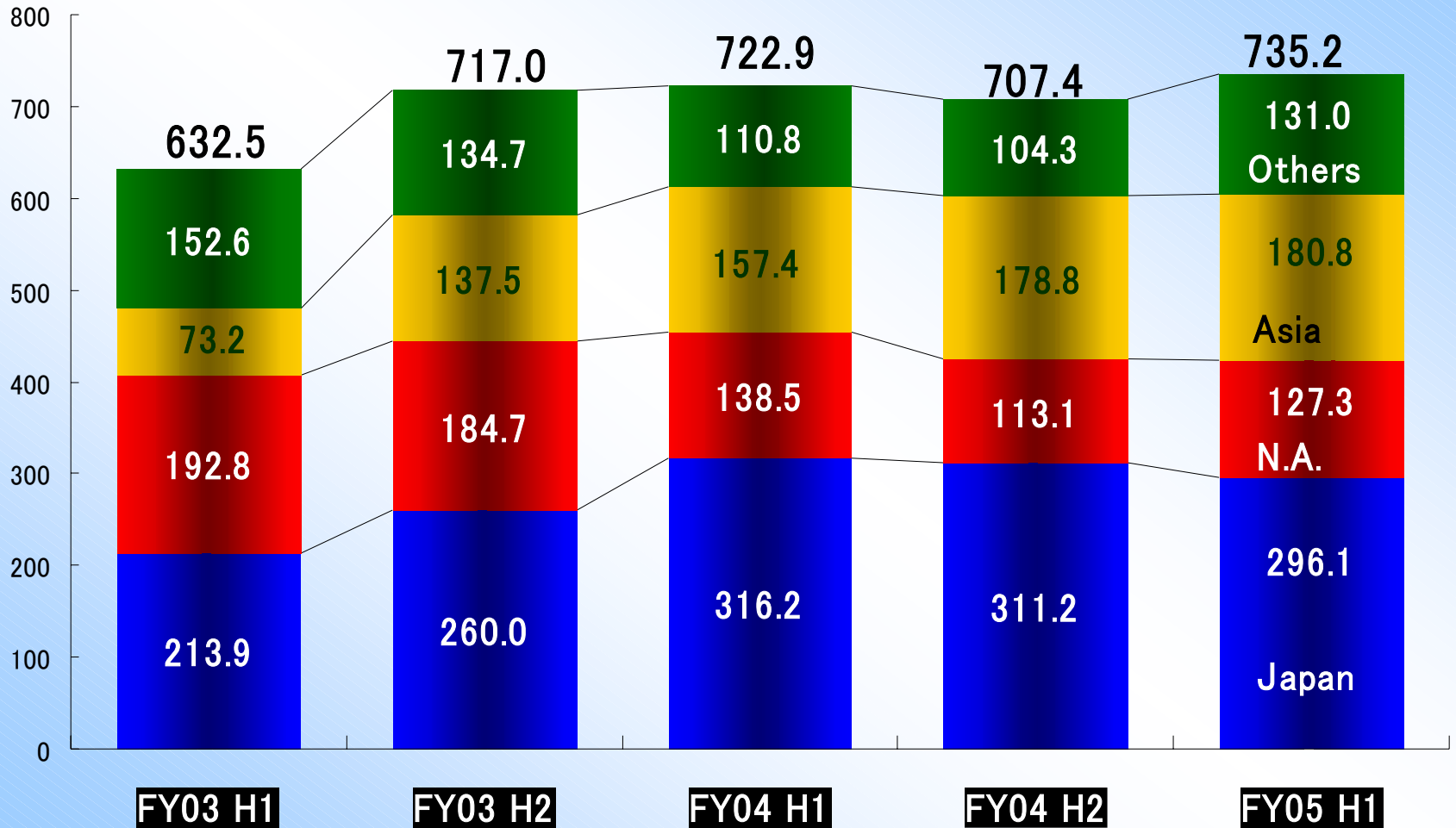
- SUV、CV、PT、Other(KD, parts, financing) -



## Consolidated Revenue by Region

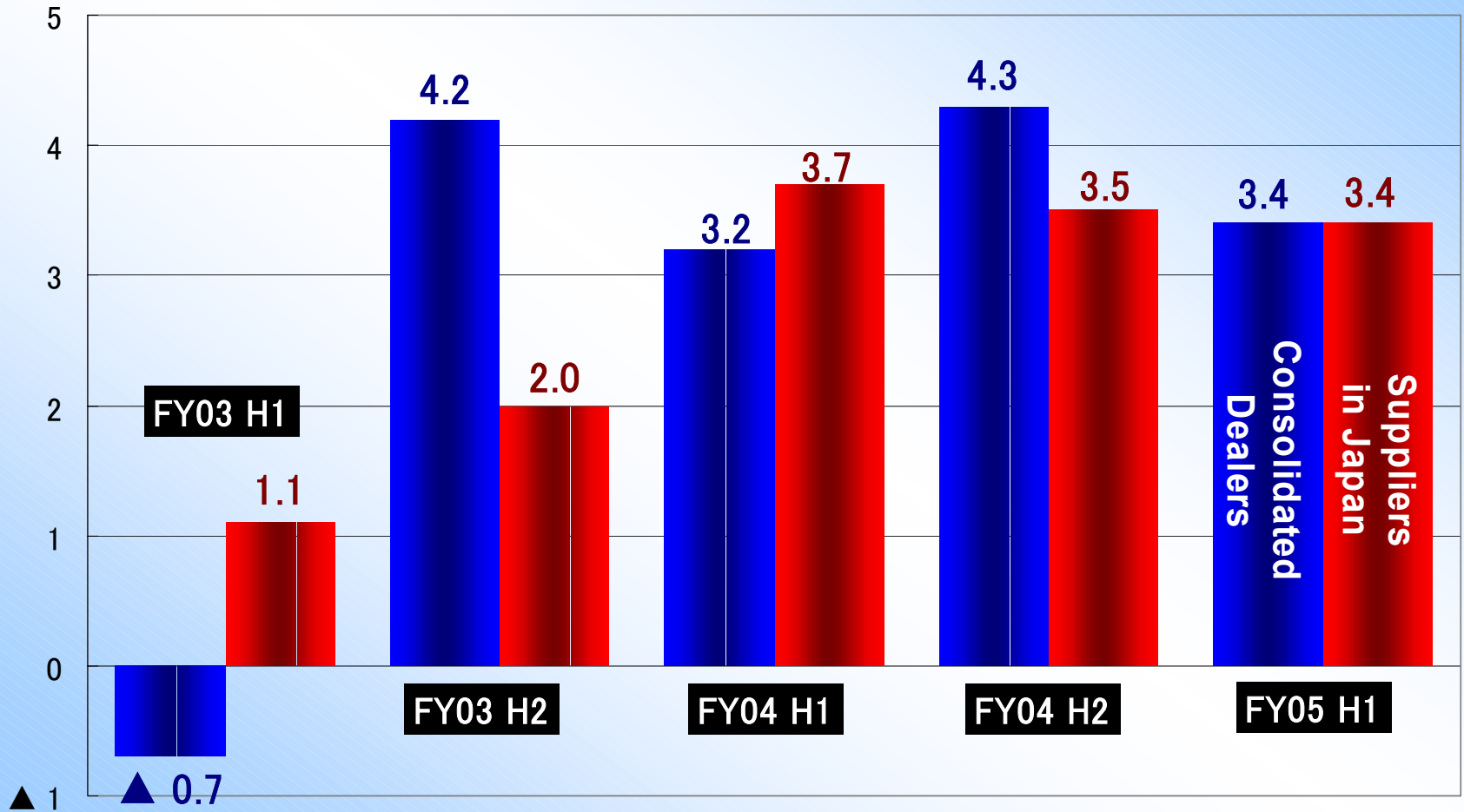
- Taking advantage of globalization initiative -

(JPY: Bil.)



## Consolidated Dealers & 5 Suppliers in Japan

(JPY: Bil.)

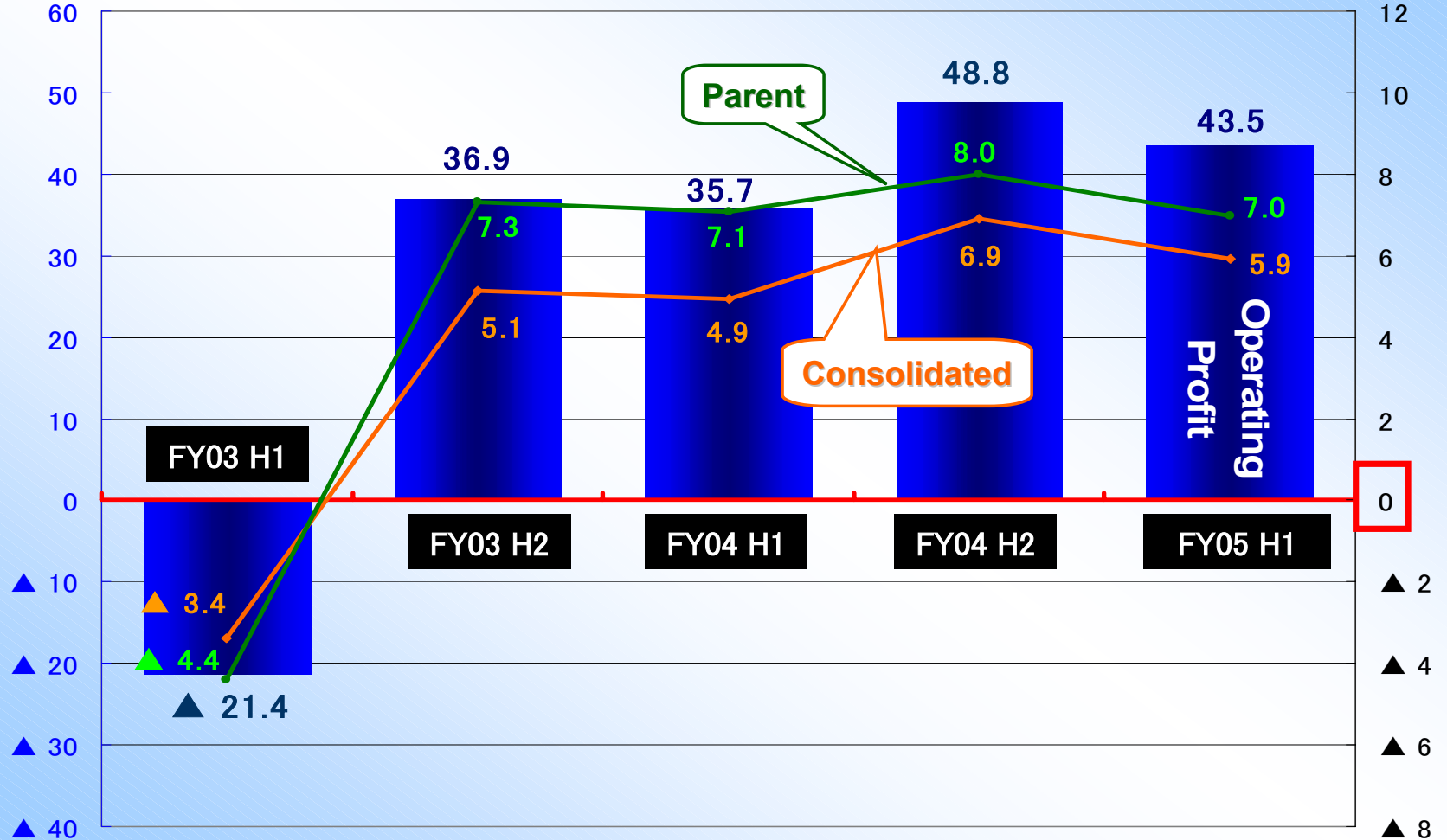


Note: 5 suppliers in Japan: TDF, JBK, JIK, Castec, Shonan Unitec

## Operating Margin: Historical Trend

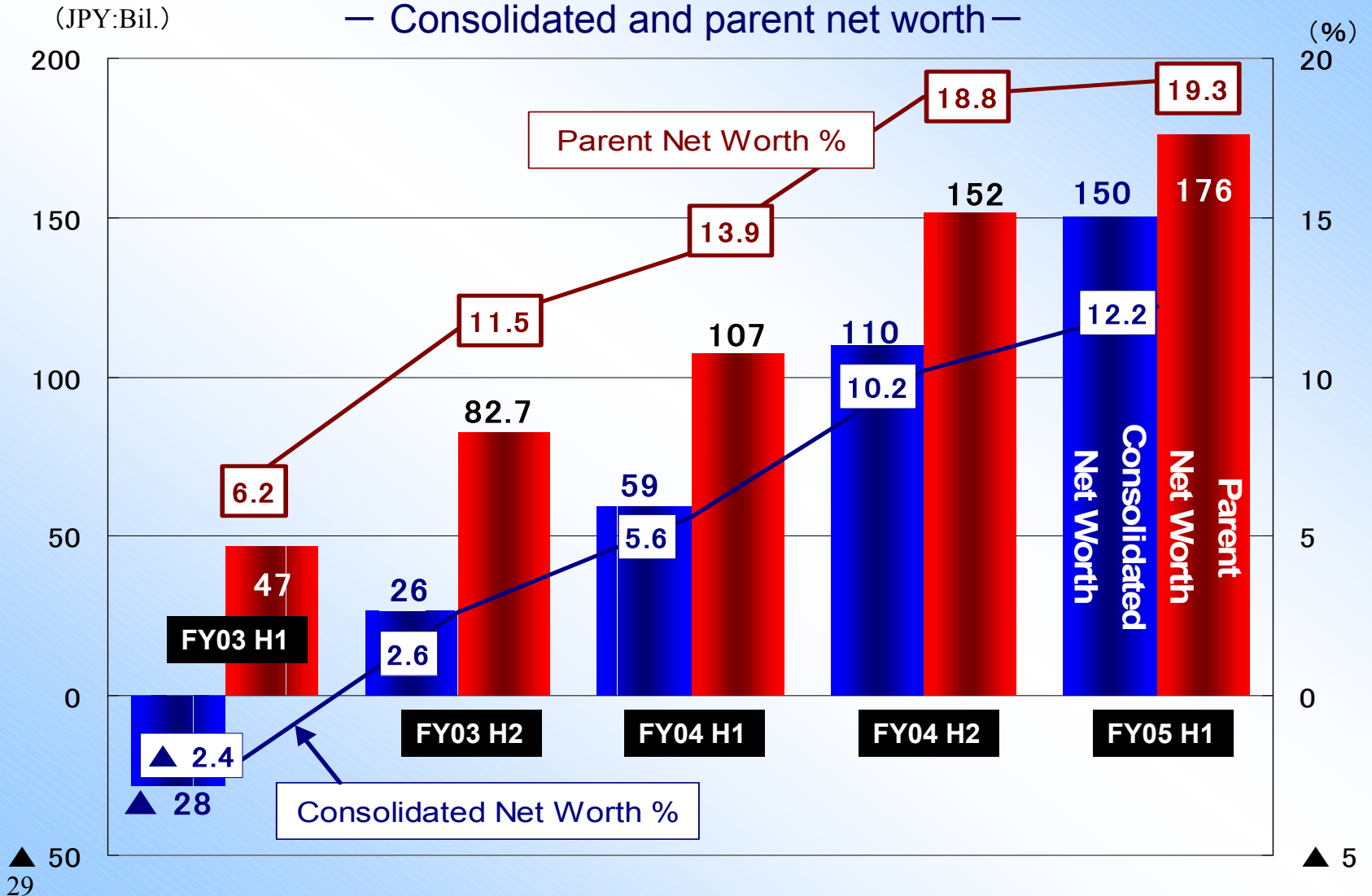
(JPY: Bil.)

(%)

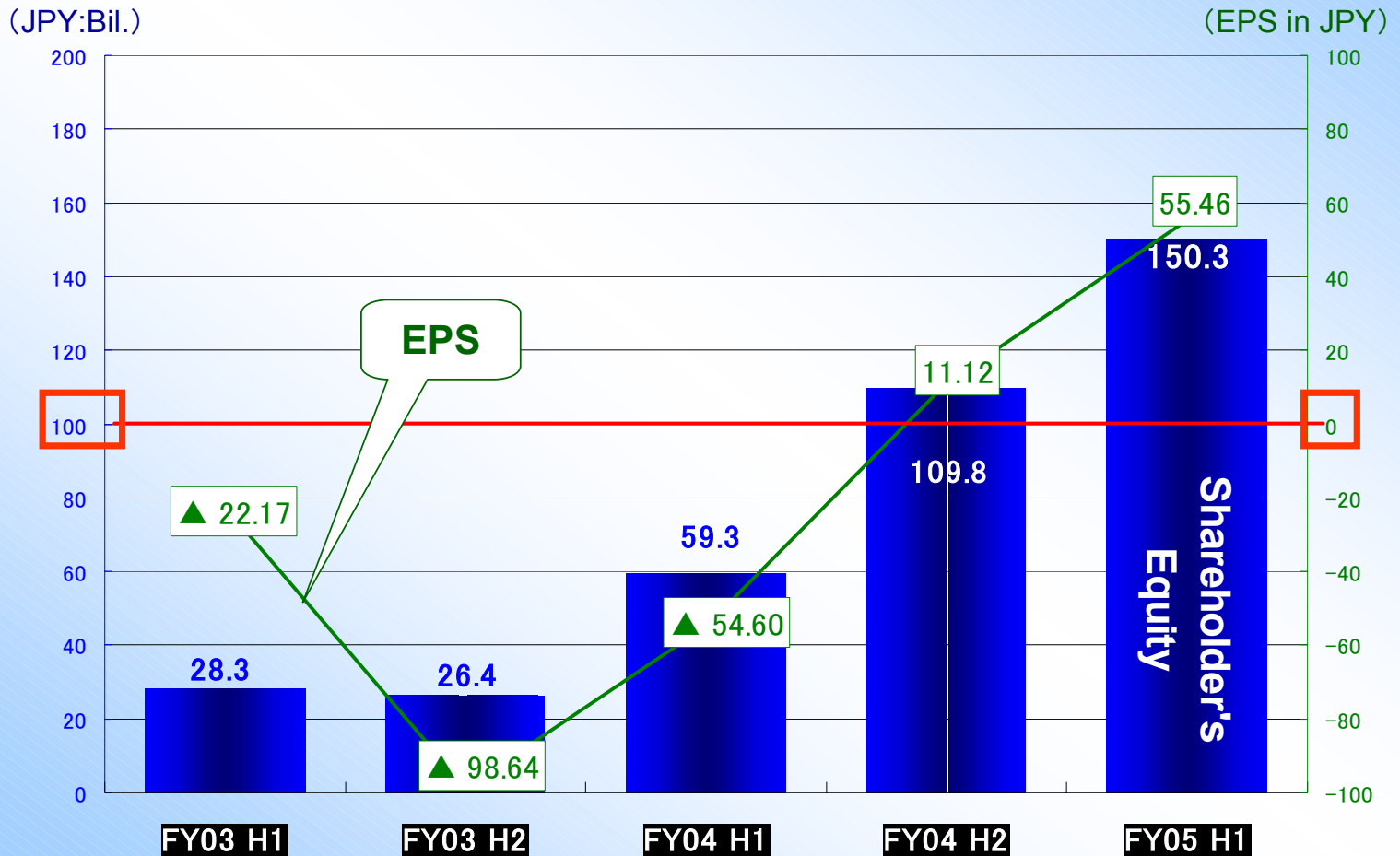


## Net Worth Improvement

— Consolidated and parent net worth —

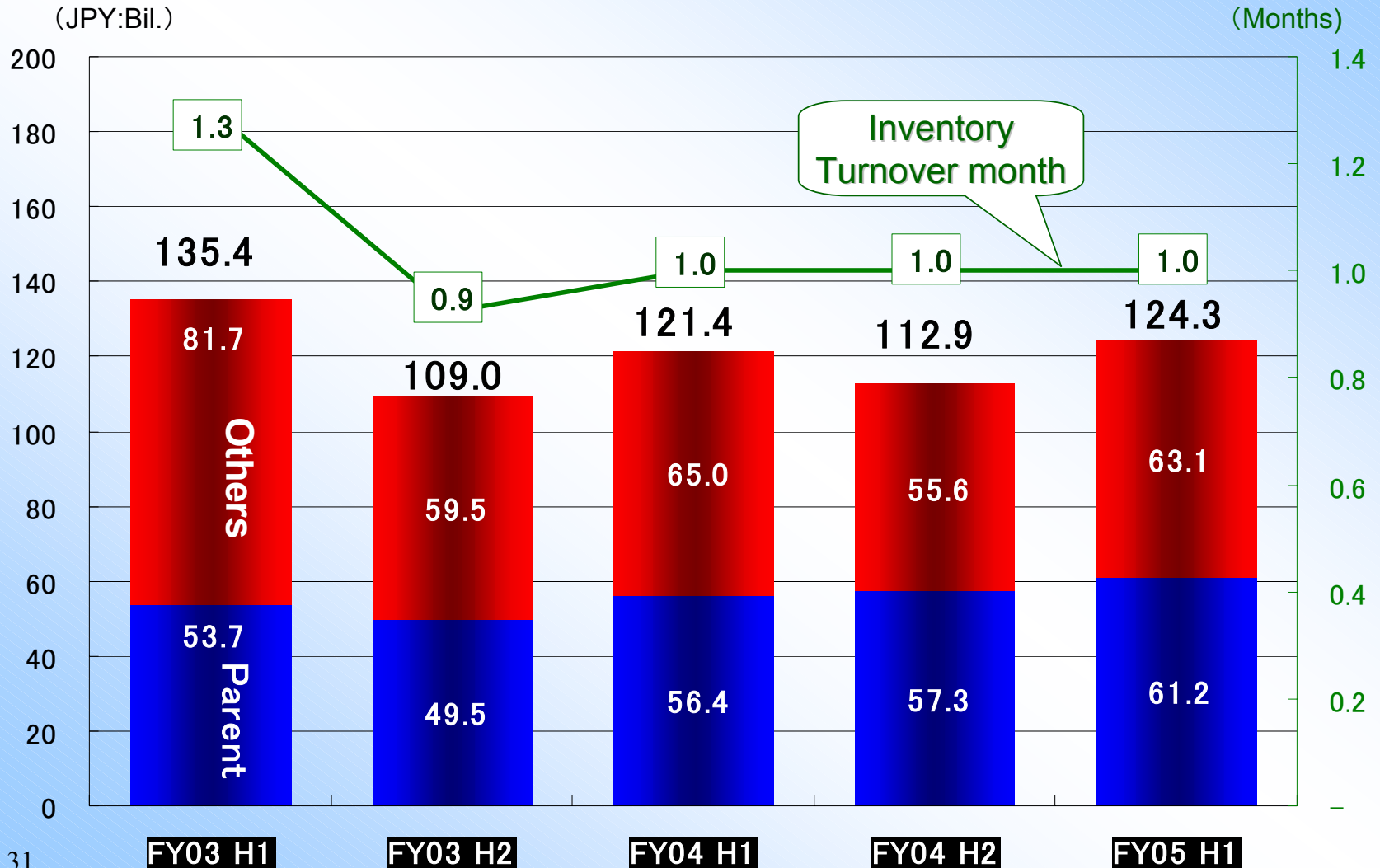


## Equity Capital Improvement - Total Shareholders' Equity: Consolidated -



## Inventory Balance

- Consolidated -



## Improved Earnings Foundation

- Fixed cost to total revenue: Parent -

