

## **6. Mid-term Business Focus and Performance Target**

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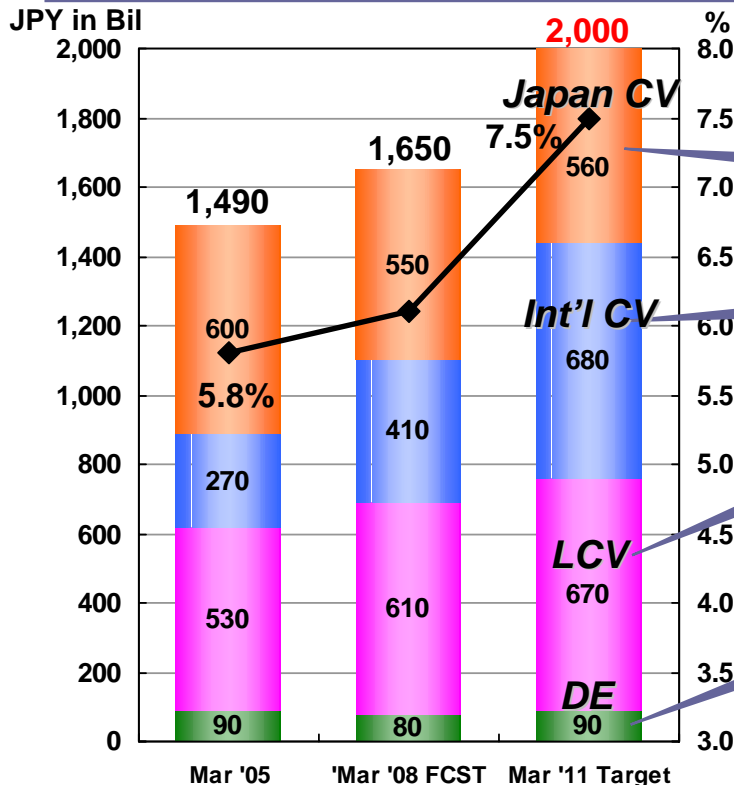
**As a key milestone for the realization of mid- to long-term strategies, execution plans are set for the period thorough March '11, with performance target for the final operating year.**

- 1. Product/ Market Plan**
- 2. Volume Plan**
- 3. Investment Plan**
- 4. Performance Target**

# 6-1. Product/Market Plan (1)

- Under a 3-core operating organization, Isuzu will realize robust growth by positioning International CV sales as the primary driver of consolidated revenue / profit, while reinforcing DE business as future strategic business segment.

**Consolidated Sales by Segment, and OP ratio**



**Key MBP Initiatives by Segment**

- Establish business foundation from customers' standpoint of "product life-cycle"
  - Introduce next-generation HD
- Reinforce product competitiveness and functional capabilities of local operations
- Introduce next-generation LCV
  - Expand presence in growth market, tap new market, and reinforce mfg. function
- Develop small DE

**VOL. target**

	Mar.'08	Mar.'11
<i>k. units</i>	73	70
	213	350
	352	420

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# 6-1. Product / Market Plan (2)

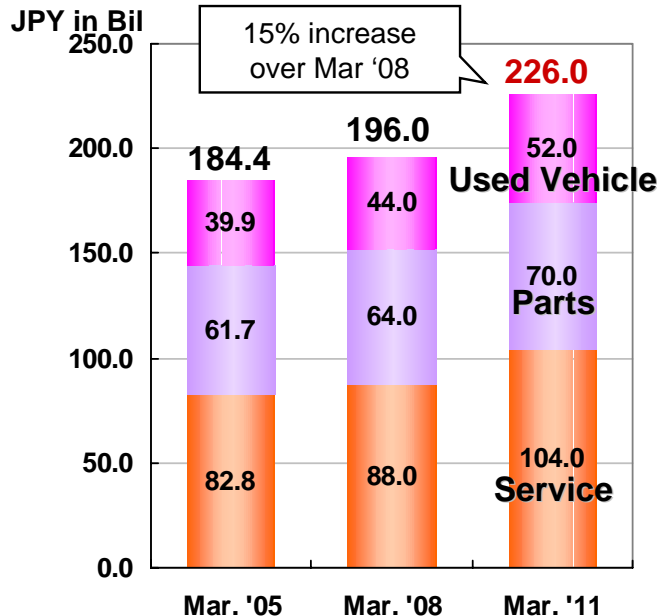
## - CV Business in Japan -

- Introduce next-generation HD, and reinforce operating foundation for the vehicle life-cycle business focused on customers' needs

### Target

Share	HD/MD 2-3t	Mar.'08	Mar.'11
		30%	35%
		40%	43%

### Sales Revenue from Peripheral Business



### Execution Plan

#### Next-generation HD

- Introduce new HD with No.1 fuel economy and cargo-carrying capacity

#### Establish Customer-Follow-up Infra.

- Sales organization
  - Establish new customer information system
- Service/parts
  - Realign service outlets, execute facility upgrades
  - Develop new service products to guarantee down-time-free operation
- Used vehicle
  - Execute capital investment in necessary infrastructure for used vehicle auction

#### Operating Efficiency Improvement

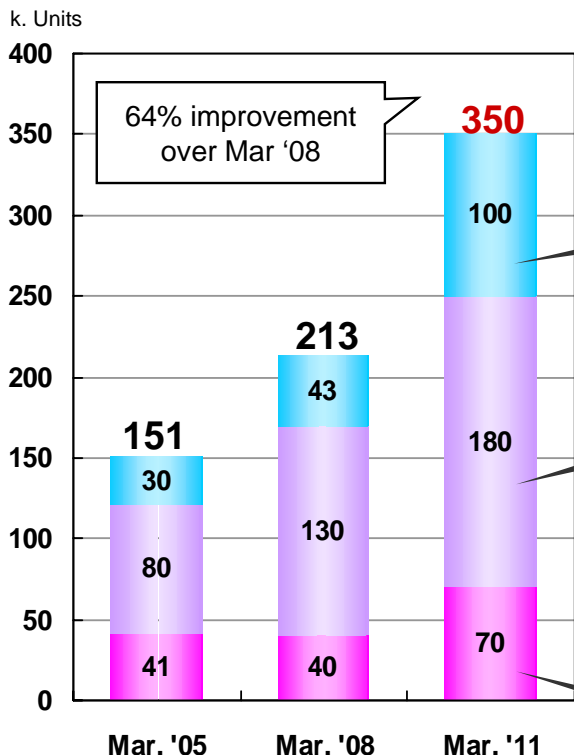
- Centralize fund-raising and real estate management of consolidated dealerships
- Improve efficiency and simplify indirect operations

# 6-1. Product/Market Plan (3)

## - International CV Business -

- Execute focus investments in large, growth market, in tandem with the globalization of newly developed MD/LD products.

**Volume Target**



**Investment Plan (JPY in bil.)**

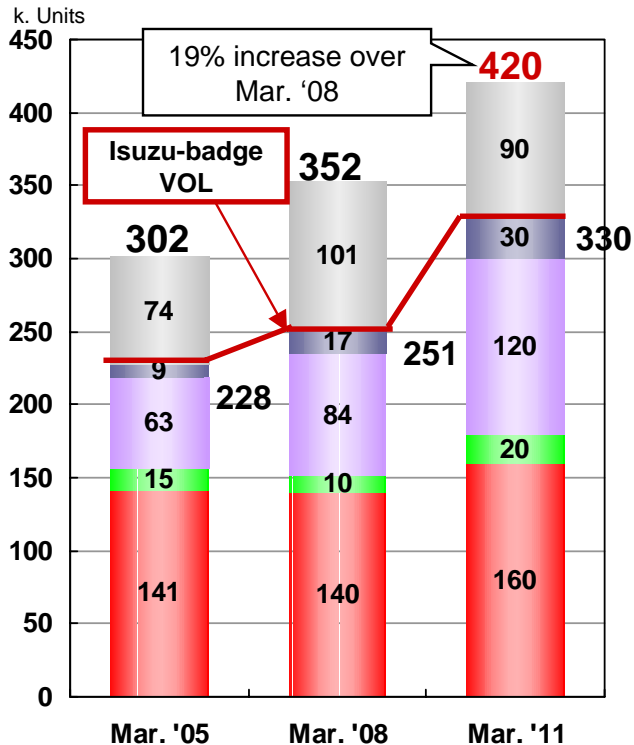
Market	Mar.'06-Mar.'08	Mar.'09 to Mar.'11	
		Investment	Total
Large, Growth Market	13.0	<ul style="list-style-type: none"> <li>Reinforce local mfg. / sales operations</li> <li>Reinforce DE business in China</li> </ul>	25.0
Resource-rich Countries	5.5	<ul style="list-style-type: none"> <li>Reinforce local sales operations</li> <li>Establish local service parts distribution outlets</li> </ul>	8.0
Mature Market	3.0	<ul style="list-style-type: none"> <li>Reinforce peripheral business in each country</li> <li>Reinforce mfg. capabilities in Western Europe and Turkey</li> </ul>	3.0
<b>Total</b>	<b>21.5</b>		<b>36.0</b>

# 6-1. Product/Market Plan (4)

- LCV -

- Expand presence in the growth market and reinforce mfg. functions, in line with the next-generation LCV introduction

## Volume Target



## Execution Plan

<b>Product</b>	<ul style="list-style-type: none"> <li>Introduce next-generation pick-up</li> <li>Develop derivatives</li> </ul>
<b>Market</b>	<ul style="list-style-type: none"> <li>Maintain No.1 position in Thailand</li> <li>Introduce derivatives in large, growth market</li> <li>Reinforce sales functions in resource-rich countries</li> <li>Enter untapped, new market</li> </ul>
<b>Function</b>	<ul style="list-style-type: none"> <li>Develop network of functional operations in ASEAN, doing away with centralized activities around Thailand                             <ul style="list-style-type: none"> <li>- Indonesia, Malaysia</li> </ul> </li> <li>Develop / begin new mfg. operations                             <ul style="list-style-type: none"> <li>- Turkey, etc.</li> </ul> </li> </ul>

■ Thailand                      ■ Large, Growth Mkt.  
■ Resource-rich Mkt.       ■ Mature Mkt.  
■ GM  
 Note) Consolidated- sales basis

## 6-2. Volume Plan

		(k. units)			
		Mar. '05	Mar. '08	Mar. '11	Growth Mar'08 vs Mar'11
<b>CV in Japan</b>		90	73	70	(4%)
<b>Inter'l CV</b>	Large, Growth Mkt.	30	43	100	
	Resource-rich Mkt.	80	130	180	
	Mature Mkt.	41	40	70	
	<b>Total</b>	151	213	350	+64%
<b>LCV</b>	Thailand	141	140	160	
	Large, Growth Mkt.	15	10	20	
	Resource-rich Mkt.	63	84	120	
	Mature Mkt.	9	17	30	
	GM	74	101	90	
	<b>Total</b>	302	352	420	+19%
<b>Grand Total</b>		543	638	840	+32%

## 6-3. Investment Plan

(JPY in Bil.)

		Mar '06 to Mar '08	Mar '09 to Mar '11	Growth
Facilities Investment	Product Development	44.0	90.0	
	Mfg.	68.4	120.0	
	Sales & Other	33.2	20.0	
	<b>Total</b>	<b>145.6</b>	<b>230.0</b>	<b>58%</b>
R&D	CV	62.0	70.0	
	LCV	26.7	30.0	
	DE	86.8	100.0	
	<b>Total</b>	<b>175.6</b>	<b>200.0</b>	<b>14%</b>
Int'l Financial Investment	Large, growth Mkt.	13.0	25.0	
	Resource-rich Mkt.	5.5	8.0	
	Mature Mkt.	3.0	3.0	
	<b>Total</b>	<b>21.5</b>	<b>36.0</b>	<b>67%</b>

## 6-4. Performance Target

	Mar. '11 Target	Mar. '08 FCST
Sales Revenue	JPY 2,000.0 bil	JPY 1,650.0 bil
Operating Profit	JPY 150.0 bil	JPY 100.0 bil
OP % to Sales	Over 7.5%	6.1%
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ROE	Over 17%	23.4%
Dividend Payout Ratio	Over 20%	10.6%