



Diesel Engines

Isuzu has placed diesel engines as a core business to reinforce its component business. In 1997, Isuzu established itself as the center of diesel engine development and manufacturing activities for the General Motors (GM) Group, a move which has resulted in new dynamism in this business. Isuzu will continue to compete with diesel engine makers around the world in its bid to become the world leader in performance, quality and price.



■ *Isuzu Motors Polska Sp. z o.o. (ISPOL)*

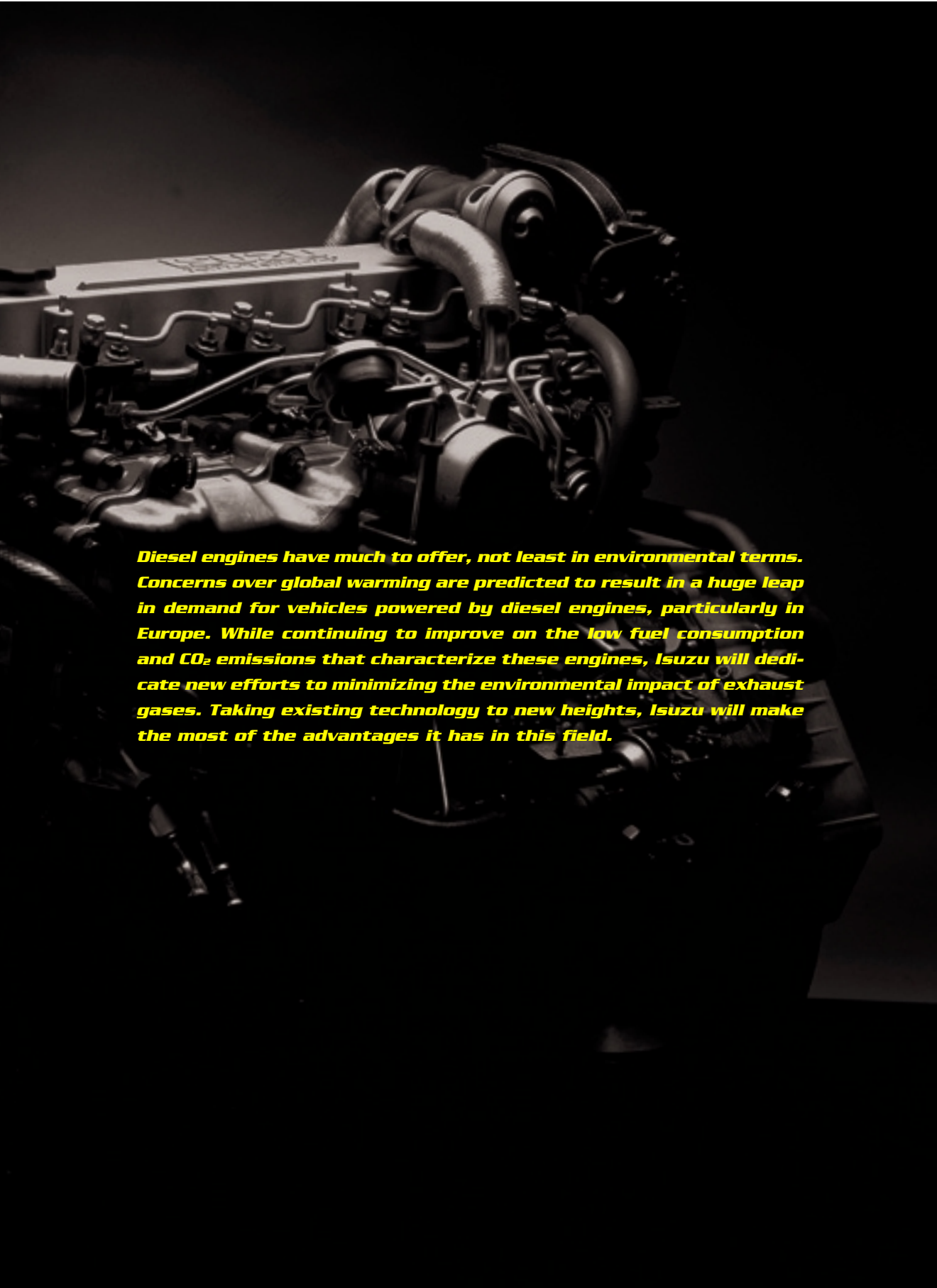
■ In Europe, Isuzu's new Polish diesel engine production company, Isuzu Motors Polska Sp. zo.o. (ISPOL), began full-scale production of 1.7 liter diesel engines for passenger cars in June 1999. These engines have been supplied to GM Group member Opel, where they received favorable reviews. They were also a key factor in the healthy sales of Opel's Astra line. This success has brought forward original plans to produce 300,000 of these engines in 2004, a target now expected to be achieved in 2001.

■ ISPOL's technological expertise has been proven by the recognition it has received from industry observers, both domestically and overseas. The company was awarded the Nihon Keizai Shimbun-sponsored "Nikkei Superior Trendsetting Office Award" Prize, and the Polish Automotive Manufacturers Association's "Company of the Year" Prize.

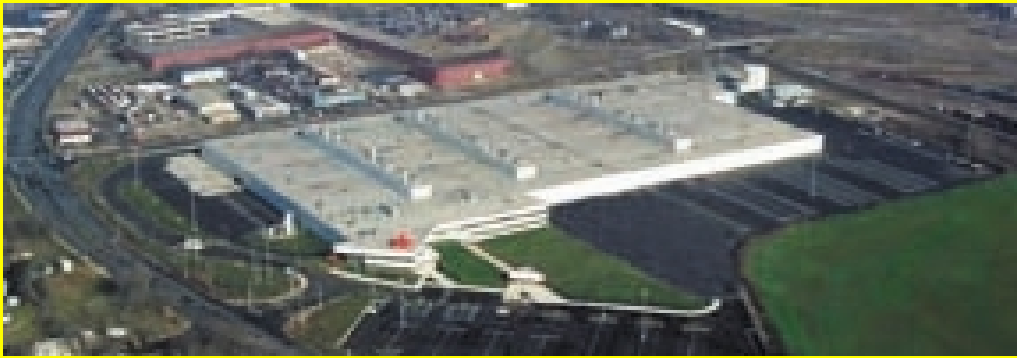
■ Also promising much for the future is DMAX, Ltd., a U.S. joint venture company established in September 1998 with General Motors Corporation. Located in Ohio, the company has been manufacturing and selling diesel engines since the summer of 2000. DMAX intends to produce 200,000 6.6 liter V8 direct-injection diesel engines in 2004 for GM's full-size pickup trucks. Isuzu aims to produce high-performance, clean and quiet-running engines that are more than up to the task of convincing U.S. consumers of the merits of the diesel engine. Also of significance is DMAX's global role, representing as it does the completion of a production network spanning the four key regions of Japan, Asia, Europe and North America.



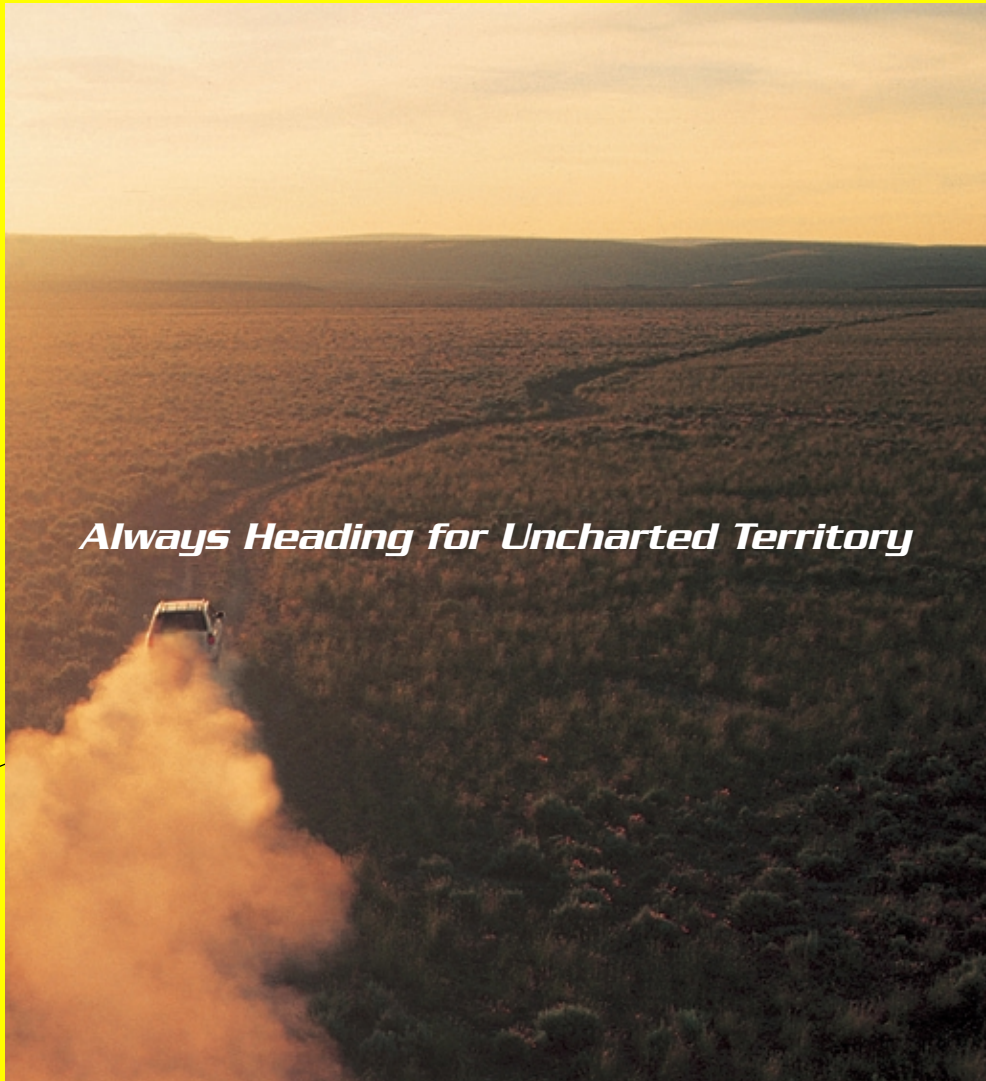
■ **4EE2-TC type engine made by Isuzu Motors
Polska Sp.z.o.o. (ISPOL)**



Diesel engines have much to offer, not least in environmental terms. Concerns over global warming are predicted to result in a huge leap in demand for vehicles powered by diesel engines, particularly in Europe. While continuing to improve on the low fuel consumption and CO₂ emissions that characterize these engines, Isuzu will dedicate new efforts to minimizing the environmental impact of exhaust gases. Taking existing technology to new heights, Isuzu will make the most of the advantages it has in this field.



■ *DMAX, Ltd.*



Always Heading for Uncharted Territory

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