



ABOUT THE COMPANY

Since its establishment in 1937, Isuzu Motors Limited has grown to become one of the world's foremost manufacturers of medium- and heavy-duty trucks. Isuzu's other products include light-duty vehicles, engines and components.

The Company strives to develop and market products that demonstrate superior quality and advanced design, while at the same time reflecting a pro-environmental stance.

In short, Isuzu aims for quality without compromise.

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FINANCIAL HIGHLIGHTS

	Millions of Yen			Thousands of U.S. Dollars
	1999	1998	1997	1999
Net Sales	¥934,865	¥1,128,068	¥1,194,835	\$7,754,999
Net Income (Loss)	(4,566)	10,092	10,388	(37,881)
Total Assets	907,474	964,655	912,258	7,527,784
Shareholders' Equity	271,320	226,023	221,198	2,250,686
	Yen			U.S. Dollars
Per Share:				
Net Income (Loss)	¥(4.35)	¥9.79	¥10.08	\$(0.04)
Cash Dividends	0.00	5.00	5.00	0.00

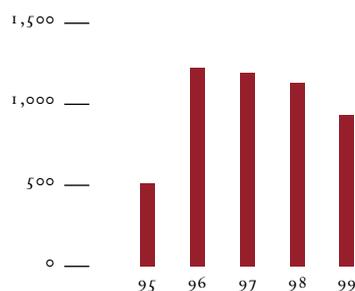
	Vehicle Units								
	Domestic			Export			Total		
	1999	1998	1997	1999	1998	1997	1999	1998	1997
Ex-Factory Sales									
Heavy- & Medium-Duty Vehicles	19,344	30,521	40,782	10,570	16,197	21,178	29,914	46,718	61,960
Light-Duty Vehicles	61,794	90,736	114,454	216,490	215,820	169,799	278,284	306,556	284,253
Passenger Cars	2,334	3,207	3,129	—	—	—	2,334	3,207	3,129
Total	83,472	124,464	158,365	227,060	232,017	190,977	310,532	356,481	349,342

Notes: 1. Computation of net income per share is based on the weighted average number of shares outstanding during each fiscal period.

2. U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥120.55=US\$1, the approximate exchange rate prevailing on the Tokyo Foreign Exchange Market on March 31, 1999.

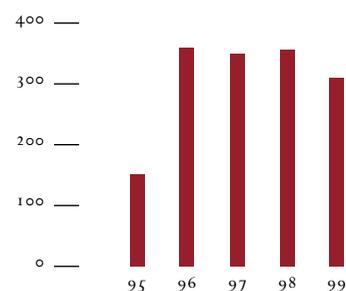
NET SALES

Billions of yen



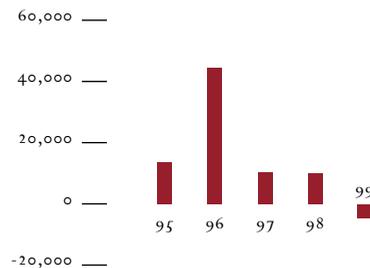
EX-FACTORY SALES

Thousands of units



NET INCOME (LOSS)

Millions of yen



Note: Fiscal 1995 was a five-month period because of a fiscal year change.

T O O U R S H A R E H O L D E R S**OPERATING RESULTS**

Consumer spending in Japan was sluggish in the past fiscal year, with sentiment depressed by the collapse of several financial institutions and a worsening of the employment picture. This in combination with a major decline in capital investment due to inventory reductions and other factors pushed the economy into a still steeper decline. Domestic motor vehicle sales plummeted. Among overseas markets, Europe was buoyant, but Asian economies were unable to find a way out of the turmoil sparked by currency upheavals. Consequently, total sales in Japan's motor vehicle industry were lower as higher exports to Europe were insufficient to offset weakness in Japan and Asia.

In this climate, Isuzu worked hard to create an operating base capable of generating a steady flow of earnings for the group. Specifically, we developed attractive new products, focused on raising sales at home and abroad, and cut manufacturing and logistics costs. However, domestic vehicle sales in unit terms fell by 40,992, or 32.9 percent, to 83,472. Exports dropped by 4,957 units, or 2.1 percent, to 227,060. Overseas and domestic sales together were down by 45,949 units, or 12.9 percent, to 310,532. Net sales fell ¥193.2 billion (US\$1,602 million), or 17.1 percent from last year, to ¥934.8 billion (US\$7,754 million). Domestic sales decreased 29.8 percent to ¥346.6 billion (US\$2,875 million), and exports slid 7.3 percent to ¥588.2 billion (US\$4,879 million). Sales of parts for overseas production declined by ¥57.0 billion (US\$473 million), or 57.1 percent, to ¥42.8 billion (US\$355 million).

In addition to lower sales, results were impacted by a rise in expenses due to intense domestic competition. Furthermore, Isuzu recorded expenses amounting to ¥55.7 billion (US\$462 million) related to the restructuring of domestic sales companies and other parts of the Isuzu group. The result was a net loss of ¥4.5 billion (US\$37 million). We therefore made the difficult decision to suspend cash dividends.

Our operating environment is likely to remain very difficult. Although Isuzu has been taking dramatic actions for some time now to cope with a challenging market, we need to work still harder to return to profitability.

FUNDAMENTAL OVERHAUL OF THE DOMESTIC SALES SYSTEM

Isuzu's group restructuring plan, launched in 1992, is now in its final stage as we stand on the doorstep of the next century. However, revisions to the original plan are needed to bring about change of the necessary magnitude. In particular, the domestic sales network must not react passively to sluggish demand. We realize that more far-reaching changes are essential to make fundamental improvements to our ability to satisfy customers and market our products effectively. For these reasons, we plan to launch a two-year medium-term domestic

sales network restructuring plan in December 1999. The goal is a more efficient sales infrastructure centered on consolidation and closing of domestic sales bases.

The numerical targets in this plan for the domestic sales companies are annual net sales of ¥710 billion (US\$5,889 million) and operating income of ¥10 billion (US\$82 million) for the term ending in March 2000. We are also:

- ▶ redrawing sales areas by integrating small zones into broader regional ones
- ▶ streamlining commercial vehicle sales operations by combining sales companies specializing in large and small vehicles
- ▶ spinning off our successful RV business as an independent sales company and turning it into a new type of dealer that sells not only automotive products but also outdoor accessories, fashion goods and other items related to the RV lifestyle
- ▶ spinning off the used-car sales operation and turning it into an independent company devoted exclusively to used cars
- ▶ spinning off the service operations of the sales companies and running them as an independent entity, with the aim of offering a consistently high level of customer service nationwide
- ▶ setting up a company to handle all back office and support operations of Isuzu and its sales companies on an outsourcing basis.

Through these policies we aim to reduce the number of sales companies in Japan from the current 68 to 30, that of sales bases from 484 to 480, raise the number of service stores from 4,164 to 4,320 and cut staff by 1,300 to 14,000.

COMPLETING THE NETWORK OF OVERSEAS PRODUCTION BASES

Isuzu has more or less completed preparations for expansion of bases in China and Southeast Asia, markets where we are particularly strong. Streamlining efforts in the wake of the 1997 currency crisis in this region have given us a local network of the proper scale for current market conditions. We are thus in an excellent position to embark on a new stage of business activities.

In Europe, Isuzu's new plant in Tychy, Poland, Isuzu Motors Polska Sp. Zo.o. (ISPOL), began full-scale production of high-performance diesel engines in June 1999, two years after construction began. There is a large and growing market in Europe for diesel engines, which are economic and environment-friendly. The

start-up of production in Poland enables us to supply competitively priced, high-quality European-made engines without any foreign exchange risk. This project is also a vital element in Isuzu's assumption of a key role in General Motors Corporation's global diesel engine strategy. As such, it is an important first step toward increasing profitability.

TARGETING GROWTH IN JAPAN AND OVERSEAS

Automakers are moving more aggressively and on a global scale now. A winners-take-all pattern is emerging in the market, as symbolized by the wave of mergers and alliances that has overtaken the industry. As a global specialist in diesel engines, Isuzu will leverage its unique strengths to carve its own niche and make the most of chances to create a sounder business base. Most notable among these opportunities are the growing worldwide demand for diesel engines and the commencement of sales of these engines to General Motors this year.

Market conditions generally are poor. A further drop in demand is likely in Japan, which is still mired in a protracted recession, and there are no signs of a rebound in Asia yet. Faced with such difficulties, Isuzu will steadily restructure its domestic operations while laying the groundwork for future success overseas at the same time. In this way, I am convinced that we shall overcome our problems and turn today's opportunities into future growth.



Kazuhira Seki, *Chairman and Representative Director*



Takeshi Inoh, *President and Representative Director*



KAZUHIRA SEKI, CHAIRMAN & REPRESENTATIVE DIRECTOR (SEATED)
AND TAKESHI INOH, PRESIDENT & REPRESENTATIVE DIRECTOR

STRENGTHENING THE ALLIANCE WITH GM



GENERAL MOTORS CHAIRMAN AND CEO JOHN F. SMITH, JR. AND ISUZU CHAIRMAN AND CEO KAZUHIRA SEKI SEAL AN AGREEMENT FOR A CLOSER COOPERATIVE RELATIONSHIP. UNDER THE AGREEMENT, ISUZU WILL SUPPLY DIESEL ENGINES AND COMMERCIAL VEHICLES TO GM.

On December 18, 1998, Isuzu signed an agreement to further strengthen its business alliance with General Motors Corporation, with the goal of enlarging its diesel engine and commercial vehicle operations globally. As a result, GM raised its equity stake in Isuzu from 37.5% to 49.0% through a private placement. By acquiring 232.5 million shares, GM raised its stake in Isuzu from 386,517 thousand to 619,017 thousand shares.

Under the agreement Isuzu will develop and supply engines and commercial vehicles as a core component of GM's global diesel engine strategy. This is a reflection of the high esteem in which Isuzu's prowess in the commercial vehicle sector is held. The upgrading of this alliance follows an agreement last year that Isuzu should become the main entity responsible for developing and producing GM's diesel engines. This tie-up will enable Isuzu to expand its role in the supply of finished vehicles, too.

Since Isuzu and GM signed their original comprehensive alliance agreement in 1971, the two companies have maintained friendly relations on the basis of mutual esteem. The partnership has become global with time. Isuzu now supplies diesel engines to Adam Opel AG of Germany, develops commercial vehicles jointly with GM and entrusts Isuzu truck production to General Motors in North America. These and other forms of cooperation are evidence of the success of the alliance in responding to change in the global market. Backed by this alliance, Isuzu is in a good position to achieve the goal of becoming the world's largest supplier of commercial vehicles and diesel engines.



INTRODUCING A FUTURE **WORLD** LEADER



BECOMING **No. 1** IN COMMERCIAL VEHICLES

To become No. 1 in the world in commercial vehicles, Isuzu will first concentrate on reinforcing domestic marketing in terms of the quality of services and numbers of vehicles sold. Isuzu has worked to create distinctive model lines such as trucks with its exclusive four-air-spring suspension, and is working to further hone product development abilities. But the most important task at this time is fending off emerging competition in the 2-3 ton truck market, which is vital to Isuzu's future. Since Isuzu is confident that its ELF line of trucks is clearly superior in this market, the emphasis in future must fall on improving customer services.

The second step is growing outside Japan. Isuzu is tailoring product launches and marketing strategies to individual regions to expand its share of export markets. In North America, the product lineup has been further enhanced with the launch of the remodeled Trooper and Rodeo Amigo in the RV category. Marketing efforts will focus on these marques. By apportioning resources among manufacturing, assembly and distribution operations to stay well ahead of competitors, Isuzu is establishing a solid base for global operations.

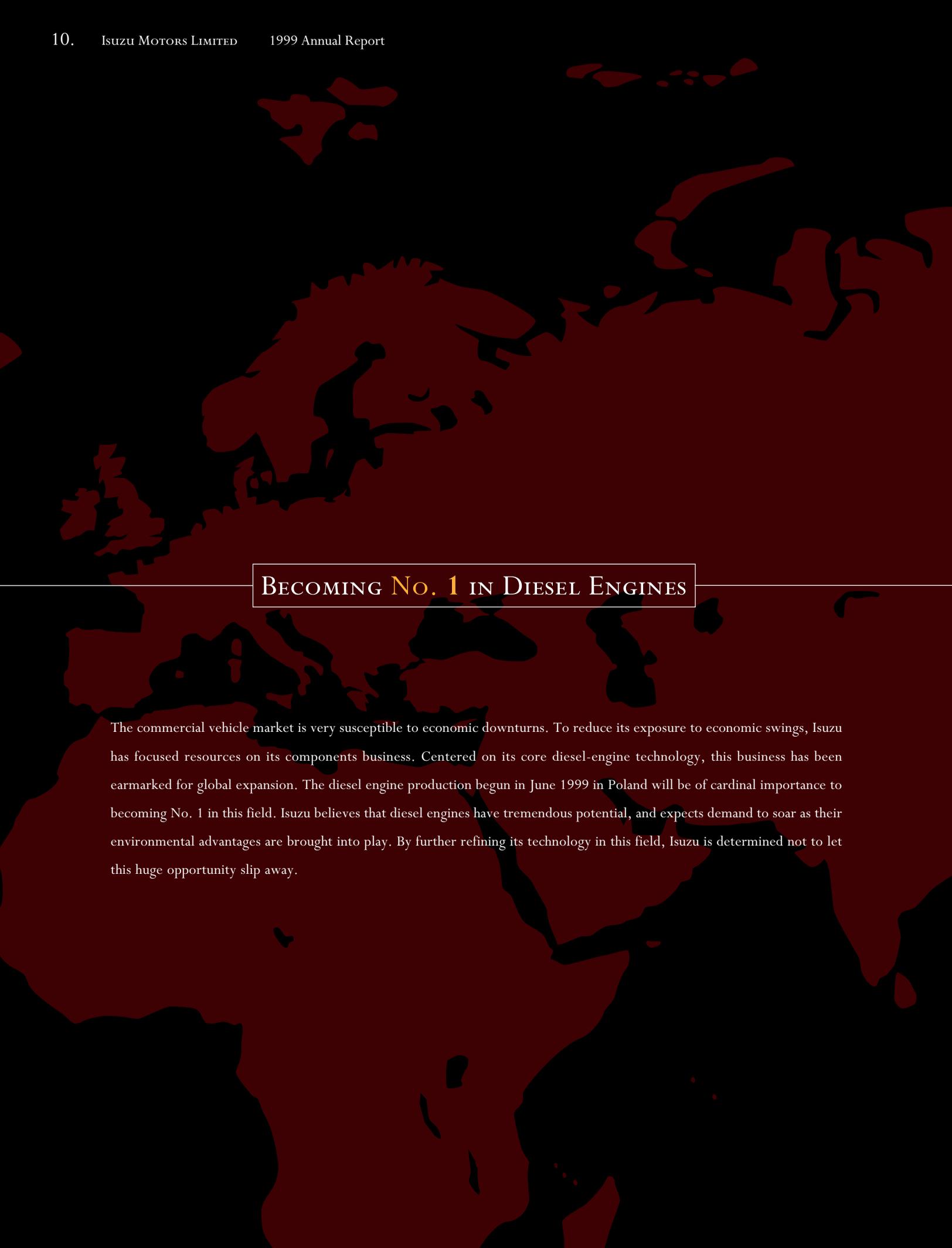


GIGAMAX

ISUZU 25
ABS

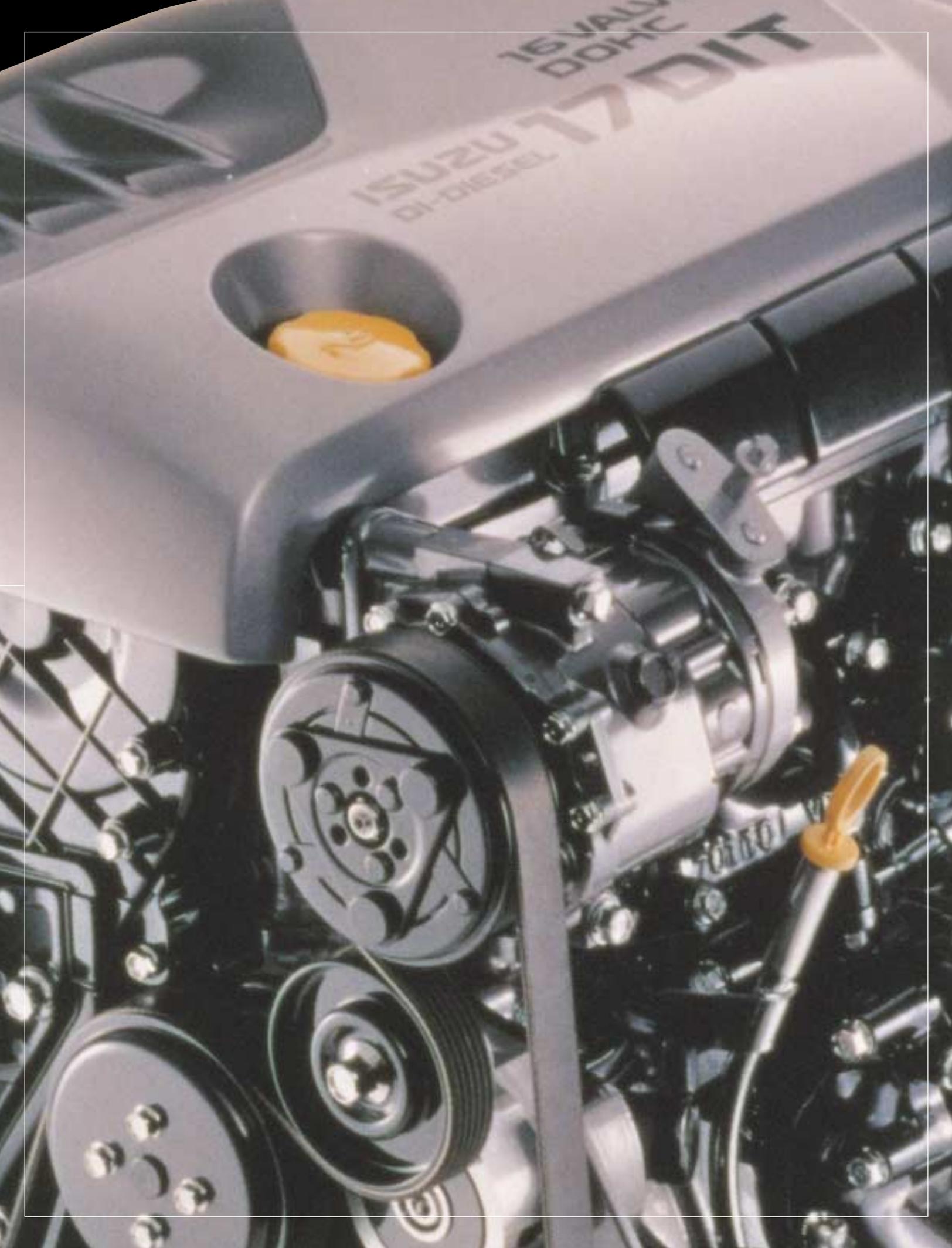
ISUZU

ISUZU
GIGAMAX



BECOMING No. 1 IN DIESEL ENGINES

The commercial vehicle market is very susceptible to economic downturns. To reduce its exposure to economic swings, Isuzu has focused resources on its components business. Centered on its core diesel-engine technology, this business has been earmarked for global expansion. The diesel engine production begun in June 1999 in Poland will be of cardinal importance to becoming No. 1 in this field. Isuzu believes that diesel engines have tremendous potential, and expects demand to soar as their environmental advantages are brought into play. By further refining its technology in this field, Isuzu is determined not to let this huge opportunity slip away.



REVIEW OF OPERATIONS

HEAVY- AND MEDIUM-DUTY VEHICLES

Expanding sales in the large commercial vehicle sector is a top management priority. Complete model changes were undertaken last year, and this year Isuzu plans further improvements to better meet customer needs.

Sales in this sector totaled ¥143.1 billion (US\$1,187 million), down 36.4 percent. This accounted for 15.3 percent of total sales. Export sales were ¥34.0 billion (US\$282 million), and domestic sales totaled ¥109.0 billion (US\$904 million). Unit sales were over 29,914 of which over 10,570 were exported.

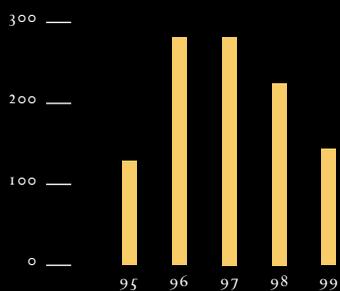


GIGA

The EXY cargo series of GIGA heavy-duty trucks is equipped with the four-air-spring suspension system for the rear axle for better performance on snow and inclines. The EXR/EXD models fit into a single shipping container. For the EXZ 520 horsepower engine series, Isuzu began offering the optional ECOGIT (Electronic Control GIGA Transmission) system.

NET SALES

Billions of yen



LIGHT-DUTY VEHICLES

In Japan, a long-term government program to reduce exhaust emissions is under way. Isuzu has already met the new standards, thanks to technological prowess cultivated over the years in diesel engines.

In the past fiscal year, sales in this sector fell 3.5 percent to ¥440.8 billion (US\$3,657 million), or 47.2 percent of total sales. Exports totaled ¥316.0 billion (US\$2,621 million), and domestic sales ¥124.8 billion (US\$1,035 million). A total of 278,284 light-duty vehicles were sold, of which 216,490 were exported.



ELF

During the past fiscal year, the ELF line enabled Isuzu to retain its number-one position by unit sales in Japan's 2-3 ton payload truck market for the 29th consecutive year. Its success is due to Isuzu's ability to stay one step ahead of customer requirements. Improvements made last year include more safety systems to protect passengers in head-on collisions.



JOURNEY

The Journey microbus has undergone a complete model change and is more comfortable, roomy and elegant. It uses a clean diesel engine. Isuzu is also proud to unveil the Journey-E, the smallest bus in the small route bus range, with a special low floor to provide easy access for older passengers.

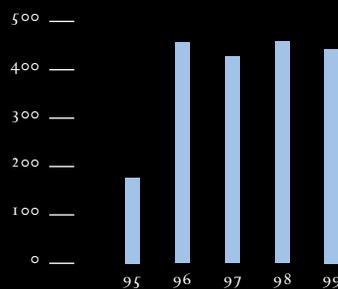


WIZARD/MU

The popular 4-wheel drive RVs Wizard and Mu have also undergone complete model changes based on the idea of creating a vehicle that can be driven anywhere, at any time, and over any length of time. Practicality, quality and superior endurance are the hallmarks of these favorites.

NET SALES

Billions of yen



PASSENGER CARS

Isuzu makes two passenger cars, the Aska and the Gemini. With environmental compatibility increasingly a factor in this market, Isuzu has made improvements geared to cutting pollution levels.

Passenger car sales fell 26.0 percent to ¥3.3 billion (US\$27 million), which is 0.4 percent of total sales. All sales were in Japan. Over 2,334 units were sold.

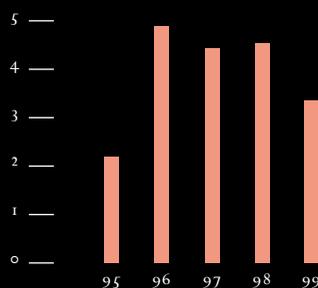


ASKA, GEMINI

The Aska is a roomy luxury sedan. The Gemini is a comfortable, high-safety, high-quality compact family sedan. Both models now have low-emission gasoline engines that do not affect performance or fuel consumption. Both models conform with the fiscal 1998 Japanese passenger car emission standards.

NET SALES

Billions of yen



ENGINES, COMPONENTS AND OTHERS

As a maker of finished vehicles and diesel engines, Isuzu places high priority on this sector. Diesel engines have attracted worldwide attention as a realistic answer to environmental problems. Demand is expected to rise not only in Europe but also globally.

Sales were down 21.3 percent to ¥347.5 billion (US\$2,882 million), and accounted for 37.2 percent of total sales. Sales by product category and share of total sales were as follows: parts for overseas production, ¥42.8 billion (US\$355 million) and 4.6 percent; engines, components, spare parts and others, ¥304.7 billion (US\$2,527 million) and 32.6 percent. Overseas sales in this sector were ¥195.2 billion (US\$1,619 million), and domestic sales were ¥109.4 billion (US\$907 million).



DIRECT-INJECTION DIESEL ENGINE

Isuzu developed and commercialized Japan's first small "common rail" direct injection diesel engine last fiscal year. This breakthrough could lead to new applications for these engines in passenger cars. It was named the Technology of the Year in November 1998 by Automotive Researchers' & Journalists' Conference of Japan (RJC).

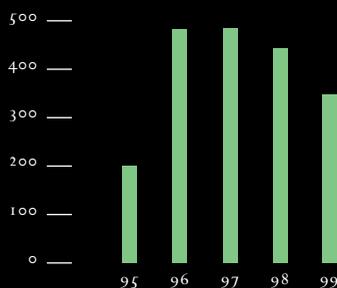


ISO14001 ACQUISITION

Isuzu has acquired ISO14001 certification, an international environmental management standard, for its Hokkaido plant. Official certification came in May 1998, after Isuzu began activities to save resources and energy and reduce waste under a slogan unveiled in November 1997: "A factory in harmony with the global environment."

NET SALES

Billions of yen



DIRECTORS AND CORPORATE AUDITORS



Kazuhira Seki



Takeshi Inoh

CHAIRMAN & REPRESENTATIVE DIRECTOR

Kazuhira Seki

PRESIDENT & REPRESENTATIVE DIRECTOR

Takeshi Inoh

MANAGING DIRECTORS

Shigeo Saigusa

Robin A. Toussaint

Yoshinori Ida

Kichiro Tsubaki

Yu Shiga

Tohru Kajiyama

EXECUTIVE DIRECTORS

Katsutoshi Ichimasa

Tadaomi Takayama

Masao Takahara

Goro Miyazaki

Hidetsugu Usui

Masami Awata

Tsutomu Matsubayashi

Yoshio Kagawa

Itaru Takayanagi

Hiromasa Tsutsui

Tadayoshi Morozumi

DIRECTORS

Hiroshi Suzuki

Jun Utsumi

Yoshito Mochizuki

Kazuhiro Sonoda

Martin P. Laurent

Hiroshi Takahashi

Satoshi Takizawa

Naotoshi Tsutsumi

Kozo Sakaino

Hisaomi Sasaki

Takashi Yamaguchi

Jay W. Chai

Thomas J. Davis

Arvin F. Mueller

Rudolph A. Schlais, Jr.

STANDING CORPORATE AUDITORS

Toshio Okajima

Masataka Shigeta

CORPORATE AUDITORS

Yasuharu Nagashima

Tadashi Inui

(As of June 29, 1999)

FINANCIAL SECTION

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NON-CONSOLIDATED BALANCE SHEETS

As of March 31, 1999, 1998 and 1997

ASSETS	Millions of Yen			Thousands of U.S. Dollars
	1999	1998	1997	1999
Current Assets:				
Cash and cash equivalents	¥ 22,741	¥ 29,884	¥ 7,585	\$ 188,645
Short-term investments (Note 3)	95,630	136,194	118,931	793,288
Trade receivables:				
Notes	416	1,689	34,119	3,451
Accounts	168,166	148,664	134,663	1,394,995
Less: allowance for doubtful receivables	(2,602)	(1,667)	(2,015)	(21,584)
Inventories (Note 4)	110,511	121,837	100,474	916,728
Other current assets	30,346	23,205	25,972	251,730
Total Current Assets	425,210	459,807	419,731	3,527,255
Investments and Advances:				
Investments (Note 3):				
Subsidiaries and affiliated companies	187,515	176,918	171,605	1,555,496
Others	18,194	19,782	14,040	150,926
Long-term loans	54,225	44,507	32,773	449,817
Other investments and advances	13,118	9,929	8,458	108,825
Less: allowance for doubtful accounts	(46,335)	(21,547)	(23,299)	(384,363)
Total Investments and Advances	226,718	229,592	203,578	1,880,702
Property, Plant and Equipment (Note 5):				
Land	57,305	49,622	50,419	475,366
Buildings and structures	160,264	166,261	161,400	1,329,448
Machinery and equipment	521,443	536,114	559,132	4,325,537
Construction in progress	8,252	11,980	14,636	68,460
Less: accumulated depreciation	(491,804)	(488,811)	(496,758)	(4,079,669)
Net property, Plant and Equipment	255,462	275,166	288,830	2,119,144
Utilization Right for Facilities	82	89	118	682
Total Assets	¥ 907,474	¥ 964,655	¥ 912,258	\$ 7,527,784

See accompanying notes to non-consolidated financial statements.

LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of Yen			Thousands of U.S. Dollars
	1999	1998	1997	1999
Current Liabilities:				
Bank loans	¥ 66,248	¥ 88,748	¥ 63,748	\$ 549,547
Current portion of long-term debt (Note 5)	36,037	65,632	31,911	298,945
Payables:				
Notes	29,068	67,725	42,953	241,135
Accounts	160,274	191,900	215,968	1,329,524
Accrued expenses	37,784	49,048	41,780	313,437
Accrued income taxes (Note 7)	15	6,884	11,165	126
Deposits received	25,059	27,212	28,677	207,872
Other current liabilities	2,904	2,549	11,733	24,096
Total Current Liabilities	357,392	499,700	447,938	2,964,686
Long-term Debt (Note 5)	259,175	218,542	222,877	2,149,938
Accrued Retirement and Severance Benefits	14,894	14,772	14,335	123,554
Other Long-term Liabilities	4,691	5,616	5,908	38,918
Contingent Liabilities (Note 10)				
Shareholders' Equity:				
Common stock, par value ¥50 (Note 8)				
Authorized: 3,000,000,000 shares				
Issued 1999: 1,263,246,218 shares				
1998 and 1997: 1,030,746,218 shares	89,619	63,346	63,346	743,421
Capital surplus (Note 8)	99,212	72,939	72,939	822,998
Legal reserve (Note 9)	9,475	9,207	8,680	78,600
Retained earnings	73,013	80,529	76,231	605,666
Total Shareholders' Equity	271,320	226,023	221,198	2,250,686
Total Liabilities and Shareholders' Equity	¥907,474	¥964,655	¥912,258	\$7,527,784

NON-CONSOLIDATED STATEMENTS OF INCOME

For the years ended March 31, 1999, 1998 and 1997

	Millions of Yen			Thousands of U.S. Dollars
	1999	1998	1997	1999
Net Sales	¥934,865	¥1,128,068	¥1,194,835	\$7,754,999
Cost of Sales	820,108	973,527	1,038,288	6,803,056
Gross profit	114,756	154,540	156,546	951,942
Selling, General and Administrative Expenses (Notes 6, 7)	109,680	131,657	119,113	909,830
Operating income	5,076	22,883	37,432	42,112
Other Income (Expenses):				
Interest and dividend income	8,443	7,437	4,678	70,038
Gain on sales for marketable securities	5,265	4,603	5,111	43,675
Interest expense	(9,993)	(9,715)	(12,858)	(82,899)
Others, net	(6,916)	(6,779)	(3,793)	(57,374)
Income before special items	1,874	18,428	30,571	15,552
Special Items:				
Gain on sales or disposal of property, plant and equipment, net	35,856	5,405	5,267	297,444
Gain on sales of securities for investment	8,342	18,877	1,895	69,203
Loss on revaluation of investments and others	(40,348)	(16,308)	(5,921)	(334,705)
Others, net	(10,262)	(2,710)	(3,924)	(85,127)
Income (loss) before income taxes	(4,536)	23,692	27,888	(37,633)
Income Taxes (Note 7)	30	13,600	17,500	248
Net Income (Loss)	¥ (4,566)	¥ 10,092	¥ 10,388	\$ (37,881)
		Yen		U.S. Dollars
Net Income (Loss) per Share	¥(4.35)	¥9.79	¥10.08	\$(0.04)

See accompanying notes to non-consolidated financial statements.

NON-CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

For the years ended March 31, 1999, 1998, 1997 and 1996

	Millions of Yen				Thousands of U.S. Dollars
	1999	1998	1997	1996	1999
Common Stock:					
Balance at beginning of the year	¥63,346	¥63,346	¥63,346	¥63,346	\$525,483
Add:					
Capital increase	26,272	—	—	—	217,938
Balance at end of the year	¥89,619	¥63,346	¥63,346	¥63,346	\$743,421
Capital Surplus:					
Balance at beginning of the year	¥72,939	¥72,939	¥72,939	¥72,939	\$605,059
Add:					
Capital increase	26,272	—	—	—	217,938
Balance at end of the year	¥99,212	¥72,939	¥72,939	¥72,939	\$822,998
Legal Reserve:					
Balance at beginning of the year	¥ 9,207	¥ 8,680	¥ 7,897	¥ 7,897	\$ 76,375
Add:					
Transfer from retained earnings	268	526	782	—	2,224
Balance at end of the year	¥ 9,475	¥ 9,207	¥ 8,680	¥ 7,897	\$ 78,600
Retained Earnings:					
Balance at beginning of the year	¥80,529	¥76,231	¥74,448	¥29,541	\$668,019
Add:					
Net income (loss)	(4,566)	10,092	10,388	44,906	(37,881)
Deduct:					
Cash dividends paid	2,576	5,153	7,730	—	21,375
Transfer to legal reserve	268	526	782	—	2,224
Other	104	113	92	—	870
Balance at end of the year	¥73,013	¥80,529	¥76,231	¥74,448	\$605,666

See accompanying notes to non-consolidated financial statements.

NON-CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended March 31, 1999, 1998 and 1997

	Millions of Yen			Thousands of U.S. Dollars
	1999	1998	1997	1999
Cash Flows from Operating Activities				
Net income (loss)	¥ (4,566)	¥ 10,092	¥ 10,388	\$ (37,881)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation and amortization	31,458	32,651	34,937	260,960
Gain (loss) on sales or disposal of property, plant and equipment, net	(35,856)	(5,405)	(5,267)	(297,444)
Loss on revaluation of investments	20,556	12,599	2,873	170,526
Gain on sales of investments, net	(10,802)	(23,480)	(6,974)	(89,609)
Provision for doubtful receivables and write-off of bad debts	21,977	9,367	6,156	182,313
Other	(1,276)	2,210	344	(10,592)
Changes in operating assets and liabilities:				
Decrease (increase) in receivables	(18,229)	18,429	5,359	(151,215)
Decrease (increase) in inventories	11,325	(20,879)	13,029	93,947
Decrease (increase) in other current assets	(7,134)	2,766	2,121	(59,182)
Increase (decrease) in accounts payable	(37,681)	(30,618)	(629)	(312,576)
Increase (decrease) in accrued expenses and income taxes	(20,129)	4,575	(2,871)	(166,982)
Increase (decrease) in deposits received	(2,153)	(1,465)	(2,336)	(17,860)
Increase (decrease) in other liabilities	(1,326)	(7,265)	(4,292)	(11,007)
Net Cash Provided by (Used in) Operating Activities	(53,838)	3,579	52,838	(446,605)
Cash Flows from Investing Activities				
Payments for investments	(54,498)	(60,185)	(34,138)	(452,081)
Proceeds from sales of investments	29,778	42,730	10,862	247,025
Payments for property, plant and equipment	(23,773)	(29,059)	(37,884)	(197,210)
Proceeds from sales of property, plant and equipment	47,324	12,658	17,236	392,570
Other	(13,184)	(24,656)	(1,784)	(109,367)
Net Cash Used in Investing Activities	(14,353)	(58,512)	(45,708)	(119,063)
Cash Flows from Financing Activities				
Proceeds from issuance of straight bonds	46,076	40,000	50,000	382,214
Proceeds from long-term debt	(28,487)	30,407	—	(236,316)
Payments of long-term debt	(37,550)	(41,021)	(62,427)	(311,489)
Proceeds from issuance of common stock	52,545	—	—	435,877
Increase (decrease) in short-term debt, net	(19,500)	53,000	(1,109)	(161,758)
Dividends paid	(2,576)	(5,153)	(7,730)	(21,375)
Net Cash Provided by (Used in) Financing Activities	10,506	77,231	(21,267)	87,152
Net Increase (Decrease) in Cash and Cash Equivalents	(57,685)	22,298	(14,136)	(478,516)
Cash and Cash Equivalents at Beginning of the Year	120,979	7,585	21,722	1,003,564
Cash and Cash Equivalents at End of the Year	¥ 63,294	¥ 29,884	¥ 7,585	\$ 525,047
Supplemental Cash Flow Information				
Cash payments during the year for				
Interest	¥ 10,321	¥ 4,936	¥ 7,510	\$ 85,621
Income taxes	6,103	10,899	15,492	50,628

See accompanying notes to non-consolidated financial statements.

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presenting The Financial Statements

The accompanying non-consolidated financial statements of Isuzu Motors Limited ("the Company") have been prepared from the non-consolidated financial statements filed with the Minister of Finance as required by the Securities and Exchange Law of Japan, in accordance with accounting principles and practices generally accepted in Japan, which may differ in some material respects from accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

In addition, the notes to the non-consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information.

In order to facilitate the understanding of readers outside Japan, certain reclassifications have been made to the non-consolidated financial statements prepared for domestic purposes and relevant notes and statements of shareholders' equity and statements of cash flows have been added.

The yen amounts are rounded down in millions. Therefore, total or subtotal amounts do not correspond with the aggregation of such account balances.

U.S. dollar amounts have been translated from Japanese yen for convenience only at the rate of ¥120.55=US\$1, the approximate exchange rate prevailing on the Tokyo Foreign Exchange Market on March 31, 1999. The translations should not be construed as a representation that Japanese yen have been or could be converted into U.S. dollars at that rate. The U.S. dollar amounts are then rounded down in thousands.

Certain reclassifications have been made in the 1998 and 1997 financial statements to conform to the presentation for 1999.

2. Summary of Significant Accounting Policies

a) Securities

Marketable securities, investments in securities and investments in subsidiaries are valued at cost using the moving average method. Securities acquired with a sales-back agreement are valued at cost using the identified cost method.

b) Inventories

Inventories are stated at cost determined by the periodic average method.

c) Property, Plant and Equipment

Property, plant and equipment are stated at cost. Depreciation of property, plant and equipment is computed by the straight-line method over the applicable useful lives. The Company has changed and shortened the estimated useful lives of all the buildings due to the revision of the Tax regulation in Japan.

The effect of this change for the fiscal year 1999 increased the depreciation by ¥352 million and then decreased operating income and net loss for the fiscal year 1999 by ¥352 million.

d) Leases

Finance lease transactions, except for those which meet the conditions that the ownership of the lease assets is substantially transferred to the lessee, are accounted for on a basis similar to ordinary rental transactions.

e) Employees' Retirement Benefits

Employees' retirement benefits covering all employees are provided through an unfunded lump-sum benefit plan and a funded pension plan. Under the plans, eligible employees are entitled, under most circumstances, to severance payments based on compensation at the time of severance and years of service. 50% of total retirement benefits for employees with 20 years or more service is covered with the funded pension plan. Liability for employees' retirement benefits under the lump-sum benefit plan is provided to the maximum amount permitted by Japanese income tax law, based on the amount which would be required if all eligible employees voluntarily retired at the balance sheet date.

f) Income Taxes

Income taxes are accounted for on an accrual basis. The tax effects resulting from timing differences in recognizing revenues and expenses for financial statements and tax returns are not recorded.

g) Net Income per Share

Net income per share is based on the weighted average number of shares outstanding during each year.

h) Cash and Cash Equivalents

The Company considers any highly liquid debt instruments to be cash equivalents.

Cash deposits in banks and other short-term securities with original maturities of three months or less at the time of purchase are included in cash and cash equivalents described in the cash flows statements since the fiscal year 1999 due to the revision of the Securities and Exchange Law of Japan.

3. Marketable Securities and Investments in Securities

The cost and market value of marketable securities, including investments in securities, at March 31, 1999, 1998 and 1997 were summarized as follows:

	Millions of Yen			Thousands of U.S. Dollars
	1999	1998	1997	1999
Investment in subsidiaries and affiliated companies				
Cost	¥ 2,373	¥ 2,373	¥18,152	\$ 19,690
Market value	3,197	4,497	38,076	26,522
Other securities				
Cost	64,883	52,813	43,828	538,215
Market value	59,256	58,791	64,377	491,548

4. Inventories

Inventories at March 31, 1999, 1998, and 1997 were as follows:

	Millions of Yen			Thousands of U.S. Dollars
	1999	1998	1997	1999
Finished products	¥ 70,030	¥ 82,422	¥ 62,323	\$580,927
Raw materials and supplies	20,856	21,769	15,479	173,021
Goods in process	19,623	17,645	22,670	162,781
	¥110,511	¥121,837	¥100,474	\$916,729

5. Long-term Debt

Long-term debt at March 31, 1999, 1998 and 1997 was as follows:

	Millions of Yen			Thousands of
	1999	1998	1997	U.S. Dollars
1.8% convertible bonds due 1998	¥ —	¥ —	¥ 37,550	\$ —
1.9% convertible bonds due 2001	21,739	21,739	21,739	180,332
2.2% straight bonds due 2000	10,000	10,000	10,000	82,953
2.5% straight bonds due 2001	10,000	10,000	10,000	82,953
2.75% straight bonds due 2002	10,000	10,000	10,000	82,953
2.375% straight bonds due 2003	10,000	10,000	10,000	82,953
2.65% straight bonds due 2004	10,000	10,000	10,000	82,953
2.10% straight bonds due 2001	10,000	10,000	—	82,953
3.00% straight bonds due 2003	10,000	10,000	—	82,953
3.45% straight bonds due 2005	10,000	10,000	—	82,953
2.70% straight bonds due 2001	10,000	10,000	—	82,953
Loans	183,473	172,435	145,500	1,521,974
	295,212	284,174	254,789	2,448,884
Less: current portion	36,037	65,632	31,911	298,945
	¥259,175	¥218,542	¥222,878	\$2,149,938

The annual maturities of long-term debt are as follows:

	Millions of Yen	Thousands of U.S. Dollars
2000	¥36,037	\$298,945
2001	80,497	667,750
2002	80,705	669,479
Thereafter	97,971	812,708

The assets pledged as collateral for certain loans and other liabilities at March 31, 1999 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Buildings and structures	¥55,300	\$458,736
Machinery and equipment	57,215	474,622
Land	37,557	311,551
Securities	15,019	124,591

6. Lease Transactions

Finance lease transactions, except for those which meet the conditions that the ownership of the leased assets is substantially transferred to the lessee, were as follows.

a) Amounts equivalent to acquisition costs, accumulated depreciation and net balance as of March 31, 1999 concerning the finance lease assets:

	Millions of Yen			Thousands of
	1999	1998	1997	U.S. Dollars
Acquisition costs	¥19,714	¥24,440	¥33,667	\$163,541
Accumulated depreciation	6,576	13,294	18,697	54,554
Net balance	13,138	11,145	14,970	108,987

b) Future payment obligation of lease expenses:

	Millions of Yen		Thousands of
			U.S. Dollars
Due within one year	¥ 2,194		\$18,205
Thereafter	11,691		96,986

c) Lease expenses paid:

	Millions of Yen			Thousands of
	1999	1998	1997	U.S. Dollars
Lease expenses paid	¥3,131	¥4,992	¥8,175	\$25,981

7. Income Taxes

Accrued income taxes in the balance sheets include corporation taxes, inhabitant taxes and enterprise taxes.

Income taxes in the statements of income include corporation taxes, inhabitant taxes and enterprise taxes.

8. Common Stock and Capital Surplus

During the fiscal year ended March 31, 1999, the Company issued no shares of common stock in connection with conversion of convertible debentures.

9. Legal Reserve

Under the Commercial Code of Japan, the Company is required to appropriate to the legal reserve an amount equal to at least 10% of all appropriations of retained earnings that are paid in cash, until the reserve equals 25% of common stock.

This reserve is not available for dividends but may be used to reduce a deficit by resolution of the shareholders or may be transferred to capital stock by a resolution of the Board of Directors.

10. Contingent Liabilities

Contingent liabilities at March 31, 1999 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Guarantees of bank loans and other	¥136,350	\$1,131,080
Export bills discounted	17,469	144,919

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
Isuzu Motors Limited

We have examined the non-consolidated balance sheets of Isuzu Motors Limited as of March 31, 1999, 1998 and 1997, and the related non-consolidated statements of income, shareholders' equity and cash flows for the periods then ended, all expressed in yen. Our examinations were made in accordance with auditing standards, procedures and practices generally accepted in Japan and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the non-consolidated financial statements referred to above present fairly the non-consolidated financial position of Isuzu Motors Limited as of March 31, 1999 and 1998, and the results of its operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in Japan applied on a consistent basis.

The United States dollar amounts shown in the accompanying non-consolidated financial statements have been translated solely for convenience. We have reviewed this translation and, in our opinion, the non-consolidated financial statements expressed in yen have been translated into dollars on the basis described in Note 1.



Century Audit Corporation
Certified Public Accountants

Tokyo, Japan
June 29, 1999

CONSOLIDATED BALANCE SHEETS

As of March 31, 1999, 1998 and 1997

ASSETS	Millions of Yen			Thousands of U.S. Dollars
	1999	1998	1997	1999
Current Assets:				
Cash and cash equivalents (Note 3)	¥ 89,096	¥ 88,158	¥ 55,107	\$ 739,081
Short-term investments (Note 3)	103,996	152,739	121,756	862,679
Receivables:				
Notes and accounts (Note 3)	402,177	437,457	476,708	3,336,192
Less: allowance for doubtful receivables	(12,111)	(13,423)	(12,170)	(100,465)
Inventories	225,754	252,387	199,777	1,872,707
Other current assets	84,456	70,008	71,494	700,595
Total Current Assets	893,370	987,329	912,672	7,410,790
Investments and Advances:				
Investments (Note 3):				
Unconsolidated subsidiaries and affiliated companies	49,726	58,880	58,361	412,500
Others	11,843	12,849	14,957	98,245
Long-term loans	23,219	11,461	15,505	192,615
Other investments and advances	54,366	56,890	47,333	450,983
Less: allowance for doubtful accounts	(6,019)	(4,220)	(7,301)	(49,931)
Total Investments and Advances	133,136	135,862	128,856	1,104,412
Property, Plant and Equipment (Note 3):				
Land	147,756	139,560	131,579	1,225,689
Buildings and structures	257,659	263,334	253,951	2,137,367
Machinery and equipment	872,683	862,996	844,260	7,239,181
Construction in progress	12,642	14,333	18,053	104,874
Less: accumulated depreciation	(705,394)	(682,161)	(668,630)	(5,851,471)
Net Property, Plant and Equipment	585,347	598,063	579,215	4,855,640
Other Assets	1,808	1,434	1,117	15,005
Translation Adjustments	13,638	8,167	7,990	113,136
Total Assets	¥1,627,302	¥1,730,857	¥1,629,852	\$13,498,986

See accompanying notes to consolidated financial statements.

LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of Yen			Thousands of U.S. Dollars
	1999	1998	1997	1999
Current Liabilities:				
Bank loans	¥ 501,147	¥ 515,504	¥ 489,489	\$ 4,157,173
Current portion of long-term debt	—	37,550	—	—
Notes and accounts payable	275,427	396,394	378,233	2,284,759
Accrued expenses	76,190	78,393	68,155	632,024
Accrued income taxes (Note 4)	1,166	9,744	14,614	9,676
Deposits received	29,051	31,556	30,368	240,994
Other current liabilities	59,785	72,430	53,256	495,936
Total Current Liabilities	942,768	1,141,573	1,034,118	7,820,563
Long-term Debt (Note 3)	458,958	418,558	442,046	3,807,208
Accrued Retirement and Severance Benefits	22,296	22,518	21,672	184,958
Other Long-term Liabilities	18,927	20,621	11,371	157,010
Minority Interest	6,579	5,370	4,177	54,575
Contingent Liabilities (Note 7)				
Shareholders' Equity:				
Common stock, par value ¥50 (Note 5)				
Authorized: 3,000,000,000 shares				
Issued 1999: 1,263,246,218 shares				
1998 and 1997: 1,030,746,218 shares	89,619	63,346	63,346	743,421
Capital surplus (Note 5)	99,212	72,939	72,939	822,998
Legal reserve (Note 6)	—	9,207	8,680	—
Accumulated Deficit	(11,058)	(23,277)	(28,498)	(91,731)
Less: treasury stock, at cost	(2)	(0)	(2)	(17)
Total Shareholders' Equity	177,771	122,215	116,465	1,474,670
Total Liabilities and Shareholders' Equity	¥1,627,302	¥1,730,857	¥1,629,852	\$13,498,986

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME

For the years ended March 31, 1999, 1998 and 1997

	Millions of Yen			Thousands of U.S. Dollars
	1999	1998	1997	1999
Net Sales	¥1,619,101	¥1,799,604	¥1,923,267	\$13,430,953
Cost of Sales	1,321,173	1,477,742	1,620,532	10,959,543
Gross profit	297,928	321,861	302,735	2,471,409
Selling, General and Administrative Expenses (Notes 4, 8)	288,747	307,046	273,577	2,395,253
Operating income	9,180	14,815	29,158	76,156
Other Income (Expenses):				
Interest and dividend income	4,934	4,819	4,497	40,930
Gain on sales of marketable securities	5,325	4,650	5,118	44,180
Interest expense	(21,075)	(19,015)	(23,065)	(174,826)
Amortization of consolidation difference	49	57	33	413
Equity in earnings of unconsolidated subsidiaries and affiliates	(608)	5,686	6,806	(5,045)
Others, net	(3,591)	(659)	3,421	(29,795)
Income before special items	(5,784)	10,354	25,970	(47,986)
Special Items:				
Gain on sales or disposal of property, plant and equipment, net	38,651	19,403	7,161	320,622
Gain on sales of investments	8,343	15,405	1,047	69,207
Loss on revaluation of investments	(6,559)	(12,513)	(4,764)	(54,412)
Others, net	(18,538)	(6,028)	(4,151)	(153,784)
Income before income taxes	16,111	26,621	25,264	133,646
Income Taxes (Note 4)				
Current	3,393	17,910	20,711	28,147
Deferred	6,485	1,526	(4,895)	53,802
Minority Interests in Income of Consolidated Subsidiaries	3	(1,144)	133	28
Net Income	¥ 6,235	¥ 6,039	¥ 9,582	\$ 51,724
		Yen		U.S. Dollars
Net Income per Share	¥5.94	¥5.86	¥9.30	\$0.05

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

For the years ended March 31, 1999, 1998, 1997 and 1996

	Millions of Yen				Thousands of U.S. Dollars
	1999	1998	1997	1996	1999
Common Stock:					
Balance at beginning of the year	¥ 63,346	¥ 63,346	¥ 63,346	¥ 63,346	\$ 525,483
Add:					
Capital increase	26,272	—	—	—	217,939
Balance at end of the year	¥ 89,619	¥ 63,346	¥ 63,346	¥ 63,346	\$ 743,421
Capital Surplus:					
Balance at beginning of the year	¥ 72,939	¥ 72,939	¥ 72,939	¥ 72,939	\$ 605,060
Add:					
Capital increase	26,272	—	—	—	217,939
Balance at end of the year	¥ 99,212	¥ 72,939	¥ 72,939	¥ 72,939	\$ 822,998
Legal Reserve:					
Balance at beginning of the year	¥ 9,207	¥ 8,680	¥ 7,897	¥ 7,897	\$ 76,375
Add:					
Transfer from retained earnings	—	526	782	—	—
Deduct:					
Transfer to retained earnings	9,207	—	—	—	76,375
Balance at end of the year	¥ 0	¥ 9,207	¥ 8,680	¥ 7,897	\$ 0
Accumulated Deficit:					
Balance at beginning of the year	¥(23,277)	¥(28,498)	¥(30,660)	¥(69,024)	\$(193,094)
Add:					
Net income	6,235	6,039	9,582	37,503	51,724
Transfer from legal reserve	9,207	—	—	—	76,375
Other	1,304	5,460	2,437	2,097	10,818
Deduct:					
Cash dividends paid	2,576	5,153	7,730	—	21,375
Transfer to legal reserve	—	526	782	—	—
Other	1,951	600	1,344	1,235	16,180
Balance at end of the year	¥(11,058)	¥(23,277)	¥(28,498)	¥(30,660)	\$ (91,731)

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended March 31, 1999, 1998 and 1997

	Millions of Yen			Thousands of U.S. Dollars
	1999	1998	1997	1999
Cash Flows from Operating Activities				
Net income (loss)	¥ 6,235	¥ 6,039	¥ 9,582	\$ 51,724
Adjustments to reconcile net income (loss) to net cash provided by operating activities				
Depreciation and amortization	95,841	93,260	86,492	795,032
Equity in earnings of affiliated companies, less dividends	608	(5,686)	(6,806)	5,044
Gain on sales or disposal of property, plant and equipment, net	(38,651)	(19,403)	(7,161)	(320,622)
Provision for doubtful accounts, net	1,598	(1,581)	3,272	13,256
Loss (gain) on revaluation of investments, net	4,856	(371)	(164)	40,282
Gain on sales of investments	(10,478)	(20,056)	(6,166)	(86,919)
Other	(2,618)	(8,272)	1,792	(21,719)
Changes in operating assets and liabilities net of effects from the addition of consolidated companies:				
Decrease (increase) in receivables	36,656	45,436	(20,477)	304,075
Decrease (increase) in inventories	21,477	(37,665)	1,284	178,159
Decrease (increase) in other current assets	(10,627)	3,426	(8,025)	(88,156)
Increase (decrease) in notes and accounts payable	(87,734)	(28,932)	14,827	(727,788)
Increase (decrease) in accrued expenses and taxes	(6,287)	2,399	1,496	(52,157)
Increase (decrease) in deposits received	(6,351)	5,306	(4,410)	(52,684)
Increase (decrease) in other liabilities	(8,751)	19,539	12,158	(72,592)
Net Cash Provided by (Used in) Operating Activities	(4,227)	53,439	77,694	(35,066)
Cash Flows from Investing Activities				
Proceeds from sales of investments	31,705	40,014	26,538	263,003
Payments for purchase of securities	(33,083)	(43,265)	(24,519)	(274,434)
Payments for property, plant and equipment	(109,282)	(126,515)	(127,139)	(906,530)
Proceeds from sales of property, plant and equipment	65,500	44,121	12,540	543,343
Other	(9,855)	(5,782)	(21,727)	(81,755)
Net Cash Used in Investing Activities	(55,015)	(91,426)	(134,307)	(456,373)
Cash Flows from Financing Activities				
Proceeds from long-term debt	151,439	126,099	126,802	1,256,241
Payments of long-term debt	(110,906)	(113,753)	(114,519)	(920,005)
Proceeds from issuance of common stock	52,545	—	—	435,877
Increase in short-term debt	(84,498)	54,612	40,079	(700,943)
Dividends paid	(2,585)	(5,153)	(7,730)	(21,444)
Net Cash Provided by Financing Activities	5,994	61,805	42,631	49,725
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(2,327)	558	770	(19,307)
Increase in Cash and Cash Equivalents from the Addition of Consolidated Companies	3,658	8,673	98	30,344
Net Increase (Decrease) in Cash and Cash Equivalents	(51,918)	33,051	(13,112)	(430,677)
Cash and Cash Equivalents at Beginning of the Year	183,745	55,107	68,219	1,524,226
Cash and Cash Equivalents at End of the Year	¥ 131,827	¥ 88,158	¥ 55,107	\$ 1,093,549
Supplemental Cash Flow Information				
Cash payments during the year for				
Interest	¥ 19,411	¥ 19,739	¥ 24,974	\$ 161,028
Income taxes	10,983	15,985	18,744	91,108

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presenting the Financial Statements

The accompanying consolidated financial statements of Isuzu Motors Limited ("the Company") and its consolidated subsidiaries have been prepared from the consolidated financial statements filed with the Minister of Finance as required by the Securities and Exchange Law of Japan, in accordance with accounting principles and practices generally accepted in Japan, which may differ in some material respects from accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

In addition, the notes to the consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information.

In order to facilitate the understanding of readers outside Japan, certain reclassifications have been made to the consolidated financial statements prepared for domestic purposes and relevant notes and statements of stockholders' equity and statements of cash flows have been added.

The yen amounts are rounded down in millions. Therefore, total or subtotal amounts do not correspond with the aggregation of such account balances.

U.S. dollar amounts have been translated from Japanese yen for convenience only at the rate of ¥120.55=US\$1, the approximate exchange rate prevailing on the Tokyo Foreign Exchange Market on March 31, 1999. The translations should not be construed as a representation that Japanese yen have been or could be converted into U.S. dollars at that rate. The U.S. dollar amounts are then rounded down in thousands.

Certain reclassifications have been made in the 1997 and 1998 financial statements to conform to the presentation for 1999.

2. Summary of Significant Accounting Policies*a) Consolidation*

The consolidated financial statements include the accounts of the Company and significant subsidiaries. All significant inter-company balances and transactions have been eliminated in consolidation.

Investments in main unconsolidated subsidiary and significant affiliated companies (20% to 50% owned) are accounted for by the equity method.

The differences at the time of acquisition between the cost and underlying net equity of investments in consolidated subsidiaries and in unconsolidated subsidiaries and affiliated companies accounted for under the equity method are, as a rule, amortized over periods of five years after appropriate adjustments.

b) Foreign Currency Translation

The financial statements of consolidated foreign subsidiaries are translated into yen in accordance with the Financial Accounting Standard on Foreign Currency Transaction in Japan.

c) Securities

Marketable securities, investments in securities and investments in unconsolidated subsidiaries and affiliated companies are principally valued at cost using the moving average method.

d) Inventories

Inventories of the Company are valued at cost using the periodic average method. Inventories of consolidated subsidiaries are principally valued at cost using the specific identification method.

e) Property, Plant and Equipment

Property, plant and equipment are stated at cost. Depreciation of property, plant and equipment is principally computed by the straight-line method over the applicable useful lives.

In addition, the Company and some consolidated subsidiaries have changed and shortened the estimated useful lives of all the buildings due to the revision of tax regulations in Japan.

The effect of this change for the fiscal year 1999 increased the depreciation by ¥389 million and then decreased operating income and net income for the fiscal year 1999 by ¥389 million.

f) Leases

Finance lease transactions, except for those which meet the conditions that the ownership of the lease assets is substantially transferred to the lessee, are accounted for on a basis similar to ordinary rental transactions.

g) Employees' Retirement Benefits

Employees' retirement benefits covering all employees are provided through an unfunded lump-sum benefit plan and a funded pension plan. Under the plans, eligible employees are entitled, under most circumstances, to severance payments based on compensation at the time of severance and years of service.

Liability for employees' retirement benefits under the lump-sum benefit plan is provided to the maximum amount permitted by Japanese income tax law, based on the amount which would be required if all eligible employees voluntarily retired at the balance sheet date.

h) Income Taxes

Income taxes are accounted for on an accrual basis. Deferred income taxes are recognized only for timing differences resulting from the elimination of unrealized inter-company profits and adjustments of allowance for doubtful receivables.

i) Net Income per Share

Net income per share is based on the weighted average number of shares outstanding during each year.

j) Appropriation of Retained Earnings

Appropriations of retained earnings are recorded in the financial year in which the appropriation is approved by the Board of Directors or shareholders.

k) Cash and Cash Equivalents

The Company considers all highly liquid debt instruments to be cash equivalents. Cash deposits in banks and other short-term securities with original maturities of three months or less at the time of purchase are included in cash and cash equivalents described in the cash flows statements since the fiscal year 1999 due to the revision of the Securities and Exchange Law of Japan as required by the Minister of Finance.

3. Long-term Debt

Long-term debt, less current portion at March 31, 1999, 1998 and 1997 was as follows:

	Millions of Yen			Thousands of U.S. Dollars
	1999	1998	1997	1999
Mortgage bonds	¥ 6,000	¥ 4,000	¥ 2,000	\$ 49,772
Unsecured bonds	90,000	90,000	50,000	746,578
Convertible bonds	21,739	21,739	59,289	180,332
Loans	341,219	302,819	330,757	2,830,526
	¥458,958	¥418,558	¥442,046	\$3,807,208

The assets pledged as collateral for certain loans and other liabilities at March 31, 1999 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Cash and time deposits	¥ 2,084	\$ 17,294
Notes and accounts receivable	124,641	1,033,939
Building and structures	97,590	809,543
Machinery and equipment	69,679	578,015
Land	145,175	1,204,279
Securities	15,844	131,435

4. Income Taxes

Accrued income taxes in the balance sheets include corporation taxes, inhabitant taxes and enterprise taxes.

Income taxes in the statements of income include corporation taxes and inhabitant taxes and enterprise taxes.

5. Common Stock and Capital Surplus

During the fiscal year ended March 31, 1999, the Company issued no share of common stock in connection with conversion of convertible bonds.

6. Legal Reserve

Under the Commercial Code of Japan, the Company is required to appropriate to legal reserve an amount equal to at least 10% of all appropriations of retained earnings that are paid in cash, until the reserve equals 25% of common stock.

This reserve is not available for dividends but may be used to reduce a deficit by resolution of the shareholders or may be transferred to capital stock by a resolution of the Board of Directors.

7. Contingent Liabilities

Contingent liabilities at March 31, 1999 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Guarantees of bank loans	¥98,887	\$820,304
Export bills discounted	17,469	144,919
Notes discounted	1,859	15,425
Notes endorsed	1,386	11,498

8. Lease Transactions

(1) Finance lease transactions, except for those which meet the conditions that the ownership of the leased assets is substantially transferred to the lessee, were as follows.

a) As a lessee

i) Amounts equivalent to acquisition costs, accumulated depreciation and net balance as of March 31, 1999 concerning the finance lease assets:

	Millions of Yen	Thousands of U.S. Dollars
Acquisition costs	¥41,527	\$344,484
Accumulated depreciation	14,636	121,414
Net balance	26,891	223,071

ii) Future payment obligations of finance lease expenses as of March 31, 1999 and 1998 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	1999	1998	1999
Portion due within one year	¥ 6,036	¥ 6,765	\$ 50,075
Thereafter	22,006	16,562	182,549
Lease expense paid	6,565	8,425	54,467

Amounts equivalent to interest expenses are calculated by the interest method based on an excess of the aggregate sum of lease payments over amounts equivalent to acquisition costs.

b) *As a lessor*

i) Amounts equivalent to acquisition costs, accumulated depreciation and net balance as of March 31, 1999 concerning the finance lease assets:

	Millions of Yen	Thousands of U.S. Dollars
Acquisition costs	¥225,125	\$1,867,490
Accumulated depreciation	100,289	831,935
Net balance	124,836	1,035,555

ii) Future receivable income of finance lease commitment as of March 31, 1999 and 1998 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	1999	1998	1999
Portion due within one year	¥45,155	¥46,008	\$374,582
Thereafter	84,764	81,025	703,146
Lease income received	51,417	48,498	426,521

Amounts equivalent to interest income are calculated by the interest method based on an excess of the aggregate sum of lease income and estimated residual value over amounts acquisition costs.

(2) Operating lease were as follows.

a) *As a lessee*

Future payment obligations of operating lease expenses as of March 31, 1999 and 1998 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	1999	1998	1999
Portion due within one year	¥526	¥24	\$4,366
Thereafter	377	40	3,132

b) *As a lessor*

Future receivable income of operating lease commitment as of March 31, 1999 and 1998 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	1999	1998	1999
Portion due within one year	¥2,607	¥1,892	\$21,632
Thereafter	1,325	1,434	11,000

9. Segment Information

(1) The business segment information and its consolidated subsidiaries for the years ended March 31, 1999 and 1998 were as follows:

Year ended March 31, 1999	Millions of Yen					
	Automotive	Finance	Miscellaneous	Total	Eliminations	Consolidated
Sales to third parties	¥1,518,978	¥ 85,844	¥14,278	¥1,619,101	¥ —	¥1,619,101
Interarea sales and transfer	34,205	6,786	8,216	49,208	(49,208)	—
Total sales	1,553,184	92,630	22,494	1,668,309	(49,208)	1,619,101
Operating expenses	1,547,805	91,469	20,896	1,660,170	(50,249)	1,609,920
Operating income	5,379	1,161	1,598	8,139	1,041	9,180
Total assets	1,270,606	352,675	63,815	1,687,096	(59,794)	1,627,302
Depreciation expenses	42,912	52,348	580	95,841	—	95,841
Capital expenditure	47,737	61,128	786	109,652	—	109,652

Year ended March 31, 1999	Thousands of U.S. Dollars					
	Automotive	Finance	Miscellaneous	Total	Eliminations	Consolidated
Sales to third parties	\$12,600,405	\$ 712,106	\$118,440	\$13,430,953	\$ —	\$13,430,953
Interarea sales and transfer	283,745	56,291	68,161	408,198	(408,198)	—
Total sales	12,884,150	768,398	186,601	13,839,151	(408,198)	13,430,953
Operating expenses	12,839,528	758,767	173,340	13,771,636	(416,839)	13,354,797
Operating income	44,622	9,631	13,261	67,515	8,640	76,156
Total assets	10,540,082	2,925,550	529,365	13,994,997	(496,011)	13,498,986
Depreciation expenses	355,976	434,244	4,811	795,032	—	795,032
Capital expenditure	395,997	507,081	6,523	909,602	—	909,602

Year ended March 31, 1998	Millions of Yen					
	Automotive	Finance	Miscellaneous	Total	Eliminations	Consolidated
Sales to third parties	¥1,706,126	¥ 82,581	¥10,896	¥1,799,604	¥ —	¥1,799,604
Interarea sales and transfer	34,429	4,286	13,179	51,895	(51,895)	—
Total sales	1,740,555	86,868	24,075	1,851,499	(51,895)	1,799,604
Operating expenses	1,728,752	84,491	21,769	1,835,013	(50,224)	1,784,789
Operating income	11,803	2,376	2,305	16,486	(1,670)	14,815
Total assets	1,354,689	367,687	63,705	1,786,081	(55,224)	1,730,857
Depreciation expenses	44,810	47,885	564	93,260	—	93,260
Capital expenditure	63,882	62,386	245	126,515	—	126,515

(2) The geographical segment information and its consolidated subsidiaries for the years ended March 31, 1999 and 1998 were as follows:

Year ended March 31, 1999	Millions of Yen					
	Japan	North America	Other	Total	Eliminations	Consolidated
Sales to third parties	¥ 922,359	¥642,942	¥53,798	¥1,619,101	¥ —	¥1,619,101
Interarea sales and transfer	253,284	—	—	253,284	(253,284)	—
Total sales	1,175,644	642,942	53,798	1,872,386	(253,284)	1,619,101
Operating expenses	1,173,732	635,236	52,640	1,861,609	(251,688)	1,609,920
Operating income	1,912	7,706	1,158	10,776	(1,596)	9,180
Total assets	1,482,048	170,629	36,012	1,688,691	(61,388)	1,627,302

Year ended March 31, 1999	Thousands of U.S. Dollars					
	Japan	North America	Other	Total	Eliminations	Consolidated
Sales to third parties	\$ 7,651,263	\$5,333,413	\$446,276	\$13,430,953	\$ —	\$13,430,953
Interarea sales and transfer	2,101,076	—	—	2,101,076	(2,101,076)	—
Total sales	9,752,340	5,333,413	446,276	15,532,030	(2,101,076)	13,430,953
Operating expenses	9,736,476	5,269,488	436,666	15,442,631	(2,087,834)	13,354,797
Operating income	15,863	63,924	9,610	89,398	(13,242)	76,156
Total assets	12,294,060	1,415,427	298,737	14,008,224	(509,238)	13,498,986

Year ended March 31, 1998	Millions of Yen					Eliminations	Consolidated
	Japan	North America	Other	Total			
Sales to third parties	¥1,190,417	¥551,867	¥57,318	¥1,799,604	¥	—	¥1,799,604
Interarea sales and transfer	141,390	—	—	141,390	(141,390)		—
Total sales	1,331,808	551,867	57,318	1,940,994	(141,390)		1,799,604
Operating expenses	1,318,155	550,854	52,637	1,921,647	(136,858)		1,784,789
Operating income	13,653	1,012	4,681	19,346	(4,531)		14,815
Total assets	1,604,199	136,144	17,805	1,758,150	(27,292)		1,730,857

(3) Overseas sales, which include export sales of the Company and its domestic consolidated subsidiaries and sales (other than export to Japan) of the foreign consolidated subsidiaries, were as follows:

Year ended March 31, 1999	Millions of Yen			
	North America	Asia	Other	Total
Overseas sales	¥631,295	¥80,297	¥309,781	¥1,021,374
Consolidated net sales	—	—	—	1,619,101
Overseas sales as a share of Consolidated net sales	39.00%	5.00%	19.10%	63.10%

Year ended March 31, 1999	Thousands of U.S. Dollars			
	North America	Asia	Other	Total
Overseas sales	\$5,236,790	\$666,095	\$2,569,733	\$ 8,472,619
Consolidated net sales	—	—	—	13,430,953
Overseas sales as a share of Consolidated net sales	39.00%	5.00%	19.10%	63.10%

Year ended March 31, 1998	Millions of Yen			
	North America	Asia	Other	Total
Overseas sales	¥572,266	¥206,099	¥295,510	¥1,073,876
Consolidated net sales	—	—	—	1,799,604
Overseas sales as a share of Consolidated net sales	31.80%	11.50%	16.40%	59.70%

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
Isuzu Motors Limited

We have examined the consolidated balance sheets of Isuzu Motors Limited and its consolidated subsidiaries as of March 31, 1999 and 1998, and the related consolidated statements of income, shareholders' equity and cash flows for the years then ended. Our examinations were made in accordance with auditing standards, procedures and practices generally accepted in Japan and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the consolidated financial statements referred to above present fairly the consolidated financial position of Isuzu Motors Limited and its consolidated subsidiaries as of March 31, 1999 and 1998, and the results of its operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in Japan applied on a consistent basis.

The United States dollar amounts shown in the accompanying consolidated financial statements have been translated solely for convenience. We have reviewed this translation and, in our opinion, the consolidated financial statements expressed in yen have been translated into dollars on the basis described in Note 1.



Century Audit Corporation
Certified Public Accountants

Tokyo, Japan
June 29, 1999

CORPORATE DIRECTORY

OVERSEAS OFFICES

Belgium

Europe Liaison Office
Sphere Business Park, Doornveld 1
B-Bus 3/4 1731 Zellik, Belgium
Tel: 32-2-463-0990

China

Beijing Liaison Office
Beijing Fortune Building, Room 1505
5 Dong San Huang Bei-Lu, Chao Yang District
Beijing 100004, People's Republic of China
Tel: 86-10-6590-8957

Malaysia

Kuala Lumpur Representative Office
c/o Automotive Corporation (Malaysia) Sdn. Bhd.
Lot 3, Jalan Perusahaan Dua
Batu Caves Industrial Area
Off Jalan Batu Caves, 68100
Selangor Darul Ehsan, West Malaysia
Tel: 60-3-689-8580

Pakistan

Karachi Representative Office
c/o National Motors Ltd.
Hub Chowki Road S.I.T.E.
Karachi-75730, Pakistan
Tel: 92-21-256-6093

United Arab Emirates

Middle East Liaison Office
P.O. Box 61150, Jebel Ali
Dubai, U.A.E.
Tel: 971-4-815030

South Africa

Port Elizabeth Liaison Office
c/o Delta Motor Corporation (Pty.) Ltd.
Kempston Road, P.O. Box 1137
6000 Port Elizabeth, Republic of South Africa
Tel: 27-41-403-2163

Panama

Panama Representative Office
Edificio World Trade Center, Piso 17
Oficina 1701, Calle 53 Este, Urb. Marbella
Panama, Rep. de Panama
Tel: 507-265-7558

PRINCIPAL DOMESTIC
SUBSIDIARIES AND AFFILIATES**IFCO Inc.**

Capital: ¥6,000 million
Main business: Auto sales finance and leasing

Kanagawa Isuzu Motors Co., Ltd.

Capital: ¥5,010 million
Main business: Automobile sales

Isuzu Motors Kinki Co., Ltd.

Capital: ¥45 million
Main business: Automobile sales

Isuzu Bus Manufacturing Ltd.

Capital: ¥4,500 million
Main business: Manufacture and sales of buses

Isuzu Estate Co., Ltd.

Capital: ¥1,000 million
Main business: Real estate sales and agency,
building maintenance

Isuzu LINEX Corporation

Capital: ¥800 million
Main business: Arrangement of transportation
and warehousing

Tokyo Isuzu Motors Ltd.

Capital: ¥850 million
Main business: Automobile sales

Automotive Foundry Co., Ltd.

Capital: ¥1,480 million
Main business: Manufacture and sales of casting
and parts for automobiles, construction machines
and industrial vehicles

Jidosha Buhin Kogyo Co., Ltd.

Capital: ¥1,114 million
Main business: Manufacture and sales of
automotive parts

TDF Corporation

Capital: ¥1,199 million
Main business: Manufacture and sales of drop
forging and stamping dies

PRINCIPAL OVERSEAS
SUBSIDIARIES AND AFFILIATES**Isuzu Motors America, Inc.**

Capital: US\$130.6 million
Address: 46401 Commerce Center Drive
Plymouth Township, Michigan 48170, U.S.A.
Tel: 1-734-455-7595
Main business: Import of Isuzu vehicles and diesel
engines, sales of SIA-produced vehicles, automobile
research, design and controlling affiliate

American Isuzu Motors Inc.

Capital: US\$70 million
Address: 13340 183rd Street
Cerritos, California 90702-6007, U.S.A.
Tel: 1-562-229-5000
Main business: Distribution of pickup trucks,
sports utility vehicles, light/medium-duty trucks
and diesel engines in the U.S. and Canada

Subaru-Isuzu Automotive Inc.

Capital: US\$250 million
Address: 5500 State Road 38 East
Lafayette, Indiana 47903, U.S.A.
Tel: 1-765-449-1111
Main business: Manufacture of pickup trucks,
sports utility vehicles and passenger cars

DMAX Ltd.

Capital: US\$100 million
Address: 3100 Dryden Road
Moraine, Ohio 45439, U.S.A.
Tel: 1-937-455-2215
Main business: Manufacture and sales of
diesel engines

Isuzu Motors Europe Ltd.

Capital: £5 million
Address: 24, The Courtyards
Croxley Business Park, Hatters Lane, Watford
Hertfordshire WD1 8YZ, U.K.
Tel: 44-1923-231-580~2
Main business: Import, manufacture and sales of
automobiles, parts and accessories

Isuzu Motors Germany GmbH

Capital: DM100,000
Address: Weiherfeld 2
D-65462 Ginsheim-Gustavsburg, Germany
Tel: 49-6134-558-0
Main business: Development, purchasing quality
assurance of diesel engines

Isuzu Truck Deutschland GmbH

Capital: DM4 million
Address: Wertstrasse, 25
40549 Dusseldorf, Germany
Tel: 49-211-56351-0
Main business: Import, distribution of Isuzu
commercial vehicles and parts

Isuzu Truck (UK) Ltd.

Capital: £1 million
Address: Thundridge Business Park, Thundridge,
near Ware Hertfordshire SG12 0SS, U.K.
Tel: 44-1926-463962
Main business: Distribution of commercial
vehicles, autoparts and accessories

Isuzu Motors Polska Sp. z o.o.

Capital: PLN194 million
Address: Ul. Touarowa 50
43-100 Tychy, Poland
Tel: 48-32-217-7507
Main business: Manufacture and sales of
diesel engines

Isuzu Motors Asia Ltd.

Capital: US\$2.5 million
Address: 9 Temasek Boulevard
#22-03, Suntec City Tower II
Singapore 038985
Tel: 65-339-9301
Main business: Control of business and
distribution in the Asian area

Isuzu (China) Holding Co., Ltd.

Capital: US\$35 million
Address: Beijing Fortune Building, Room 1510
5 Dong San Huang Bei-Lu, Chao Yang District
Beijing 100004, People's Republic of China
Tel: 86-10-6590-8951
Main business: Investment and administration
control, supply/import/export agent, other
related investment and consulting activities

Isuzu (Shanghai) Tradetech Co., Ltd.

Capital: US\$3.35 million
 Address: Waigaoqiao Building, Room 1407
 Jilong Road, Waigaoqiao Free Trade Zone
 Shanghai 200131, People's Republic of China
 Tel: 86-10-5869-6111
 Main business: Export and import of vehicles and inland trading

Qingling Motors Co., Ltd.

Capital: RMB2 billion
 Address: 1 Xiexing Cun Road
 Zhongliangshan, Jiulongpo District
 Chongqing, People's Republic of China
 Tel: 86-23-6251-4125
 Main business: Manufacture and distribution of trucks

Jiangling-Isuzu Motors Co., Ltd.

Capital: RMB190 million
 Address: 509 Ying Bin North Road, Nanchang
 Jiangxi, People's Republic of China
 Tel: 86-791-25-2888
 Main business: Manufacture and distribution of light-duty trucks

Beijing Beiling Special Automobile Co., Ltd.

Capital: US\$3 million
 Address: 62 Kunming Hu Nanlu, Haidian District
 Beijing, People's Republic of China
 Tel: 86-10-6845-8125
 Main business: Manufacture of aluminum van bodies

International Auto Co., Ltd.

Capital: NT\$494 million
 Address: 363, Sung Chiang Road
 Taipei, Taiwan, R.O.C.
 Tel: 886-2-2503-7221
 Main business: Distribution of Isuzu vehicles

Taiwan Isuzu Motors Co., Ltd.

Capital: NT\$850 million
 Address: 2-2 Lane 310, Sec. 2, Sha-Tien Road
 Ta Tu, Taichung Hsien, Taiwan, R.O.C.
 Tel: 886-4-699-7600
 Main business: Manufacture and sales of commercial vehicles, sales and export of autoparts

Isuzu Philippines Corporation

Capital: P1 billion
 Address: 114 Technology Avenue
 Laguna Technopark Phase III
 Binan Laguna 4024, Philippines
 Tel: 63-2-842-0241
 Main business: Manufacture and distribution of vehicles

Isuzu Autoparts Manufacturing Corporation

Capital: P442 million
 Address: 114 North Main Avenue Phase III
 Special Economic Zone, Laguna Technopark
 Binan, Laguna 4024, Philippines
 Tel: 63-49-541-1458
 Main business: Manufacture of transmissions

Tri Petch Isuzu Sales Co., Ltd.

Capital: Bt200 million
 Address: 1088 Vibhavadi Rangsit Road
 Ladyao, Chatuchak District
 Bangkok, 10900 Thailand
 Tel: 66-2-966-2111~20
 Main business: Distribution of commercial vehicles and passenger cars

Isuzu Motors Co., (Thailand) Ltd.

Capital: Bt300 million
 Address: 38 Poochao Saming Prai Road
 Samrong-tai, Phra Pradaeng
 Samutprakan, 10130 Thailand
 Tel: 66-2-394-2541
 Main business: Manufacture of commercial vehicles

Isuzu Engine Manufacturing Co., (Thailand) Ltd.

Capital: Bt200 million
 Address: Lad Krabang Industrial Estate
 122 Moo 4, Chalongkrung Road
 Lamplatew, Lad Krabang
 Bangkok, 10520 Thailand
 Tel: 66-2-326-0916~9
 Main business: Manufacture of diesel engines

Isuzu Technical Center (Thailand) Co., Ltd.

Capital: Bt20 million
 Address: Isuzu Building, 6th Floor
 38 Kor. Moo 9, Poochao Saming Prai Road
 Samrong-tai, Phra Pradaeng
 Samutprakan, 10130 Thailand
 Tel: 66-2-394-2541
 Main business: Engineering for vehicles

Thai International Die Making Co., Ltd.

Capital: Bt87.5 million
 Address: 331-332 Bangpoo Industrial Estate
 Sukumvit Road, Amphur Muang
 Samutprakan, 10280 Thailand
 Tel: 66-2-324-0511
 Main business: Manufacture of dies and stamping parts

IT Forging (Thailand) Co., Ltd.

Capital: Bt700 million
 Address: Siam Eastern Industrial Park
 60/7 Moo 3T. Mabyangporn, A. Pluakdaeng
 Rayong, 21140 Thailand
 Tel: 66-38-891-380
 Main business: Manufacture and distribution of forgings

Malaysian Truck and Bus Sdn. Bhd.

Capital: RM100 million
 Address: Kawasan Perindustrian
 Peramu Jaya, P.O. Box 3, Pekan 26607
 Pahang Darul Makmur, Malaysia
 Tel: 60-9-426-0340
 Main business: Manufacture and distribution of commercial vehicles

P.T. Pantja Motor

Capital: Rp92 billion
 Address: Jl Gaya Motor III No. 5, Sunter II
 Jakarta 10033, Indonesia
 Tel: 62-21-6501000
 Main business: Import, assembly and distribution of commercial vehicles and RVs

P.T. Mesin Isuzu Indonesia

Capital: Rp13, 214 million
 Address: Jl. Kaliabang No. 1, Pondok Ungu
 Kelurahan Medan Satria, Kec. Bekasi Barat
 Bekasi, West Java, Indonesia
 Tel: 62-21-8871901
 Main business: Manufacture of engines and steering systems

Isuzu Vietnam Co., Ltd.

Capital: US\$15 million
 Address: 100 Quang Trung Street
 Ward 11, Go Vap District
 Ho Chi Minh City, S.R. Vietnam
 Tel: 84-8-8959200
 Main business: Manufacture and distribution of commercial vehicles

Isuzu-General Motors Australia Ltd.

Capital: A\$10 million
 Address: 858 Lorimer Street
 Port Melbourne, Victoria 3207, Australia
 Tel: 61-3-9644-6666
 Main business: Import and distribution of commercial vehicles and engines

Anadolu Isuzu Otomotiv Sanayi Ve Ticaret A.S.

Capital: TL2,823.5 billion
 Address: Yedi Pinarlar Mevkii
 Sekerpinar Koyu Gebze, Kocaeli, Turkey
 Tel: 90-262-658-8433
 Main business: Manufacture and distribution of commercial vehicles

General Motors Egypt S.A.E.

Capital: E£74.3 million
 Address: Abu El Feda Building 3
 Abu El Feda Street, Zamalek, Cairo, Egypt
 Tel: 20-2-340-4004
 Main business: Manufacture of commercial vehicles and passenger cars

Industries Mecaniques Maghrebines

Capital: TD25 million
 Address: Z.I. Tunis-Carthage B.P. 189
 Tunis Cedex, 1080 Tunis, Tunisia
 Tel: 216-1-717226
 Main business: Manufacture of commercial vehicles and passenger cars

C O R P O R A T E D A T A

Isuzu Motors Limited**Date of Establishment**

April 9, 1937

Head Office

26-1, Minami-oi 6-chome, Shinagawa-ku, Tokyo 140-8722, Japan

Tel: 03-5471-1141

Facsimile: 03-5471-1043

Common Stock (Par value ¥50)

Shares authorized: 3,000,000,000

Shares issued: 1,263,246,218

Transfer Agent

The Toyo Trust and Banking Co., Ltd.

10-11, Higashisuna 7-chome, Koto-ku, Tokyo 137-8081, Japan

Number of Shareholders

52,871

Major Shareholders

(% of total)

General Motors Corporation	(49.00)
The Dai-Ichi Kangyo Bank, Ltd.	(2.31)
Asahi Life Mutual Insurance Company	(2.24)
Dai-Ichi Mutual Life Insurance Company	(2.02)
Itochu Corporation	(1.91)
The Industrial Bank of Japan, Ltd.	(1.68)
Midland Bank (Overseas) Nominees Limited	(1.25)
The Sanwa Bank, Ltd.	(1.15)
Nippon Life Insurance Company	(1.15)
The Tokio Marine and Fire Insurance Co., Ltd.	(1.04)

Plants and Other Facilities

Kawasaki Plant	Heavy- and medium-duty trucks and buses, engines and parts
Tochigi Plant	Engines and parts
Fujisawa Plant	Light-duty trucks, engines and parts
Yamato Plant	Truck cabs
Hokkaido Plant	Engines
Hokkaido Proving Ground	Testing

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