

Summary of Consolidated Financial Statements for the First Half of the 103rd Term
(Six months ended September 30, 2004)



November 18, 2004

Company name : Isuzu Motors Ltd.
 Stock exchanges on which the shares are listed : Tokyo Stock Exchange in Japan
 Code number : 7202
 Location of the head office : 6-26-1 Minami-oi, Shinagawa, Tokyo
 URL : <http://www.isuzu.co.jp/investor/index.html>
 Representative person : Yoshinori Ida, President
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 Date of the meeting of the Board of Directors for FY2005 semi-annual financial results : November 18, 2004

1. Results of FY2005 semi-annual period (April 1, 2004 through September 30, 2004)

<1> Results of consolidated operations

	Net sales		Operating profit		Working profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
First half FY2005	735,220	1.7	43,479	21.8	48,300	35.6
First half FY2004	722,924	14.3	35,699	—	35,615	—
FY2004	1,430,339		84,490		81,678	

	Net income		Net income per share	Net income per share after dilution of potential stock
	Millions of yen	%	Yen	Yen
First half FY2005	35,830	43.8	39.59	15.68
First half FY2004	24,920	—	33.39	9.64
FY2004	54,713		72.37	20.90

Note 1: Income(loss) attributable to investment in affiliates
 First half FY2005 9,690 Millions of yen
 First half FY2004 6,450 Millions of yen
 FY2004 10,362 Millions of yen

Note 2: Average number of shares issued and outstanding in each period

Common Stock: First half FY2005 904,644,603
 First half FY2004 746,096,895
 FY2004 755,865,175

Note 3: No change in accounting treatment method.

Note 4: Regarding net sales, operating profit, working profit and net income, percent indications show percentage of changes from the previous semi-annual period.

<2> Consolidated financial position

	Total assets	Shareholders' equity	Ratio of shareholders' equity	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
First half FY2005	1,229,148	150,322	12.2	55.44
First half FY2004	1,050,408	59,255	5.6	(54.60)
FY2004	1,077,816	109,753	10.2	11.12

Note 1: Number of shares issued and outstanding at the end of each period

Common Stock: First half FY2005 907,363,407
 First half FY2004 746,395,156
 FY2004 876,106,092

<3> Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
First half FY2005	25,638	(13,906)	83,159	198,961
First half FY2004	53,529	(4,259)	(56,321)	46,165
FY2004	85,292	(5,668)	(28,997)	102,579

<4> Number of subsidiaries and companies accounted for by the equity method

Consolidated subsidiaries ;	60
Nonconsolidated subsidiaries ;	25
Affiliates ;	49

<5> Change in the scope of consolidation and of the equity method of accounting

Newly included consolidation ;	6
Excluded from consolidation ;	-
Number of companies newly accounted for by the equity method ;	4
Number of companies excluded from the equity method of accounting ;	10

2.Consolidated forecast for FY2005 (April 1, 2004 through March 31, 2005)

	Net sales	Working profit	Net income
	Millions of yen	Millions of yen	Millions of yen
FY2005	1,450,000	88,000	56,000

Reference : Forecast of Net income per share (yen) 61.71

Attachment

1. Average number of shares issued and outstanding in each period

	First half FY2005	First half FY2004	FY2004
	shares	shares	shares
Common stock	904,644,603	746,096,895	755,865,175
Preferred Stock			
Class 1 preferred stock	37,500,000	37,500,000	37,500,000
Class 2 preferred stock	37,500,000	37,500,000	37,500,000
Class 3 preferred stock	25,000,000	25,000,000	25,000,000
Class 4 preferred stock	25,000,000	25,000,000	25,000,000

2. Number of shares issued and outstanding at the end of each period

	First half FY2005	First half FY2004	FY2004
	shares	shares	shares
Common stock	907,363,407	746,395,156	876,106,092
Preferred Stock			
Class 1 preferred stock	37,500,000	37,500,000	37,500,000
Class 2 preferred stock	37,500,000	37,500,000	37,500,000
Class 3 preferred stock	25,000,000	25,000,000	25,000,000
Class 4 preferred stock	25,000,000	25,000,000	25,000,000

(Details on change of Number of Shares issued in current period)

Exercised Date of Stock Acquisition	Right	(Stock Type)	Number of Shares issued	Amount added to capital
2004.4.15		Common stock	26,109,660 shares	2,506,527,360 Yen
2004.4.22		Common stock	4,083,299 shares	502,245,777 Yen
TOTAL		Common stock	30,192,959 shares	3,008,773,137 Yen

3. Calculation for "1. Results of FY2005 semi-annual period"

$$\text{Net income per share} = \frac{\text{Net income} - \text{Accounts not belonging to common stock}}{\text{Average number of common shares issued and outstanding in each period}}$$

$$\text{Net income per share after dilution of potential stock} = \frac{\text{Net income} - \text{Accounts not belonging to common stock}}{\text{Average number of common shares issued and outstanding in each period} + \text{Number of shares after conversion of potential stock}}$$

$$\text{Shareholders' equity per share} = \frac{\text{Total assets} - \text{Number of preferred shares issued and outstanding at the end of each period} \times \text{Amount per share} - \text{Other accounts not belonging to common stock}}{\text{Number of common shares issued and outstanding at the end of each period}}$$

4. Calculation for "2. Consolidated forecast for FY05"

$$\text{Forecast of Net income per share} = \frac{\text{Forecast of Net income}}{\text{Number of common shares issued and outstanding at the end of each period}}$$

Isuzu Motors Limited and Subsidiaries

CONSOLIDATED STATEMENTS OF OPERATIONS

The following information has been prepared in accordance with accounting principles and practices generally accepted in Japan.

(Yen in millions)

	First half FY2005	First half FY2004	Change	FY2004
Net sales	735,220	722,924	12,295	1,430,339
Cost of sales	624,431	614,922	9,509	1,214,763
GROSS PROFIT	110,788	108,002	2,785	215,576
Selling, general and administrative expenses	67,309	72,303	(4,993)	131,085
OPERATING PROFIT	43,479	35,699	7,779	84,490
Non-operating income	13,408	9,195	4,213	16,509
Interest and dividend income	1,509	1,232	277	2,370
Equity in income of unconsolidated subsidiaries & affiliates	9,690	6,450	3,240	10,362
Other	2,208	1,513	695	3,777
Non-operating expenses	8,586	9,278	(692)	19,322
Interest expense	6,113	6,791	(678)	13,116
Other	2,472	2,487	(14)	6,205
WORKING PROFIT	48,300	35,615	12,685	81,678
Extraordinary profit	5,957	1,178	4,778	9,040
Income on disposal of PP&E	985	773	212	2,893
Income on disposal of marketable securities	4,832	188	4,643	5,488
Other	139	216	(77)	659
Extraordinary loss	16,244	14,063	2,180	35,361
Loss on sale of PP&E	3,124	3,516	(392)	10,758
Unrealized holding loss on non-consolidated subsidiaries & affiliates	7,351	3,995	3,356	5,333
Loss on sale of securities - investment	14	1,865	(1,851)	1,963
Loss on restructuring of Domestic Affiliates	4,145	—	4,145	—
Loss on restructuring of Affiliates in North America	—	—	—	7,785
Other	1,609	4,686	(3,077)	9,519
PRETAX INCOME	38,013	22,731	15,282	55,357
Corporation tax	5,773	1,575	4,197	7,828
Corporation tax adjustments	(4,416)	(4,049)	(366)	(7,905)
Minorities interest in consolidated subsidiaries	(826)	(285)	(541)	720
NET INCOME	35,830	24,920	10,910	54,713

Isuzu Motors Limited and Subsidiaries

CONSOLIDATED BALANCE SHEET

The following information has been prepared in accordance with accounting principles and practices generally accepted in Japan.

(Yen in millions)

	Sep.30, 2004	March 31, 2004	Change	Sep.30, 2003
[ASSETS]				
CURRENT ASSETS	635,757	497,651	138,106	456,970
Cash on cash equivalents	211,599	113,315	98,284	56,172
Trade notes and accounts receivable	234,743	216,934	17,809	233,295
Inventories	124,248	112,938	11,309	121,389
Deferred income tax	32,515	27,651	4,864	21,688
Other	39,933	31,618	8,314	32,472
Allowance for doubtful accounts	(7,282)	(4,806)	(2,476)	(8,047)
FIXED ASSETS	593,390	580,165	13,225	593,437
Property, plant & equipment	481,840	449,131	32,709	458,579
Buildings and structures	103,238	100,196	3,041	105,877
Machinery & equipment	69,516	56,103	13,413	60,192
Land	289,467	273,639	15,827	274,726
Construction in progress	6,335	7,956	(1,621)	6,117
Other	13,283	11,234	2,048	11,665
Intangible assets	5,847	6,713	(865)	6,050
Consolidation adjustment account	474	271	203	338
Other	5,372	6,442	(1,069)	5,711
Investments & other assets	105,703	124,321	(18,617)	128,807
Securities-Investment	57,415	62,474	(5,059)	63,417
Long-term loans receivable	21,940	27,409	(5,469)	30,464
Deferred income tax	8,564	8,484	79	9,066
Other	38,181	38,847	(666)	42,229
Allowance for doubtful accounts	(20,397)	(12,895)	(7,502)	(16,371)
TOTAL ASSETS	1,229,148	1,077,816	151,331	1,050,408

(Yen in millions)

	Sep.30, 2004	March 31, 2004	Change	Sep.30, 2003
[LIABILITIES]				
CURRENT LIABILITIES	668,376	643,948	24,427	668,100
Trade notes and accounts payable	284,585	268,206	16,379	282,955
Short-term borrowings	267,422	256,762	10,659	260,463
Commercial paper	500	1,800	(1,300)	1,200
Current maturities of bonds	15,000	15,000	—	15,000
Income tax payable	7,409	6,501	908	1,813
Accrued expenses	41,881	33,240	8,640	40,010
Accrued bonus cost	9,744	9,210	533	8,830
Accrued warranty cost	4,020	3,910	110	3,803
Deposits received	11,326	12,824	(1,498)	17,516
Other	26,486	36,491	(10,005)	36,506
LONG-TERM LIABILITIES	394,724	320,982	73,742	319,453
Bonds	2,650	—	2,650	15,000
Bonds with warrant attached	100,000	6,000	94,000	—
Long-term debt	151,674	173,102	(21,427)	163,763
Deferred income tax	4,656	5,016	(360)	5,145
Deferred income tax related to land revaluation	57,181	57,167	13	55,738
Accrued retirement and severance benefits	60,072	60,284	(211)	60,108
Long-term deposits received	2,470	2,444	25	2,854
Other	16,019	16,966	(947)	16,841
TOTAL LIABILITIES	1,063,100	964,930	98,170	987,553
[MINORITY INTEREST]				
Minority Interest	15,725	3,132	12,592	3,599
[SHAREHOLDERS' EQUITY]				
Common stock and preferred stock	70,573	67,564	3,008	55,545
Capital surplus	70,480	67,461	3,018	55,480
Retained earnings	(74,989)	(111,058)	36,069	(139,990)
Variance of land revaluation	90,023	90,485	(461)	89,164
Unrealized holding gain on securities	6,461	7,518	(1,057)	8,376
Foreign currency translation adjustment	(12,063)	(12,049)	(14)	(8,821)
Treasury stock	(163)	(168)	5	(500)
TOTAL SHAREHOLDERS' EQUITY	150,322	109,753	40,568	59,255
TOTAL LIABILITIES & MINORITY INTEREST & SHAREHOLDERS' EQUITY	1,229,148	1,077,816	151,331	1,050,408

Isuzu Motors Limited and Subsidiaries

Consolidated Statement of Retained Earning

The following information has been prepared in accordance with
accounting principles and practices generally accepted in Japan.

(Yen in millions)

	First half FY2005	First half FY2004	Change	FY2004
(Capital Surplus)				
I Capital surplus at beginning of period	67,461	131,850	(64,388)	131,850
II Capital surplus increase	3,018	—	3,018	11,980
Issue of stocks due to Conversion of Bonds with Warrant attached	2,991	—	2,991	11,980
Profit on Sales of Treasury Stock	27	—	27	—
III Capital surplus deduct	—	76,369	(76,369)	76,369
Recovery of loss carryforward	—	76,369	(76,369)	76,369
IV Capital surplus at end of period	70,480	55,480	14,999	67,461
(Retained earnings)				
I Retained earnings at beginning of period	(111,058)	(242,546)	131,487	(242,546)
II Increase in retained earnings	36,292	102,642	(66,349)	131,633
Increases of retained earnings caused by companies newly included consolidation	—	48	(48)	48
Increases of retained earnings caused by companies excluded from consolidation	—	—	—	203
Increases of retained earnings caused by companies excluded from equity method	—	—	—	277
Increases of retained earnings caused by companies newly applied equity method	—	—	—	21
Reversal of land revaluation	461	1,304	(842)	—
Reduction of capital reserve	—	76,369	(76,369)	76,369
Net income	35,830	24,920	10,910	54,713
III Decrease in retained earnings	223	86	137	145
Decreases of retained earnings caused by companies newly applied equity method	30	—	30	—
Decreases of retained earnings caused by companies excluded from equity method	177	77	99	—
Loss on sales of treasury stocks	—	—	—	117
Directors' bonuses	15	8	6	8
Reversal of land revaluation	—	—	—	19
IV Retained earnings at end of period	(74,989)	(139,990)	65,001	(111,058)

Isuzu Motors Limited and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
The following information has been prepared in accordance with
accounting principles and practices generally accepted in Japan.

(Yen in millions)

	First half FY2005	First half FY2004	Change	FY2004
I Cash Flows from Operating Activities				
Net loss before taxation	38,013	22,731	15,282	55,357
Depreciation and amortization	12,750	15,620	(2,870)	27,261
Amortization of goodwill	120	69	50	140
Equity in loss of unconsolidated subsidiaries and affiliates	(9,690)	(6,450)	(3,240)	(10,362)
Increase (Decrease) in retirement reserve	(1,045)	2,365	(3,411)	2,591
Increase (Decrease) in reserve - warranty for product	110	541	(431)	648
Increase (Decrease) in reserve - bonus payment	471	1,762	(1,291)	2,394
Increase (Decrease) in reserve for bad debt	9,962	1,180	8,782	(5,245)
Interest received and dividend received	(1,509)	(1,232)	(277)	(2,370)
Other interest payment	6,113	6,791	(678)	13,116
Gain on sales of property, plant and equipment	(985)	(773)	(212)	(2,893)
Loss on disposal of property, plant and equipment	3,124	3,516	(392)	10,758
Loss(Gain) on Sales of securities	(4,818)	1,676	(6,494)	(3,524)
Loss on adjustment of affiliated company	-	-	-	1,427
Decrease (Increase) in accounts receivable and others	(16,661)	(29,755)	13,093	(17,293)
Decrease (Increase) in inventory	(8,011)	(11,656)	3,645	(6,852)
Decrease (Increase) in other current assets	(11,137)	7,944	(19,081)	9,622
Increase (Decrease) in notes and accounts payable	22,562	35,098	(12,535)	26,724
Increase (Decrease) in accrued expenses	9,279	(475)	9,754	(4,359)
Increase (Decrease) in deposits received	(1,290)	3,545	(4,836)	(2,127)
Increase (Decrease) in other liabilities	(9,846)	7,018	(16,865)	4,010
Others	(1,736)	968	(2,704)	(441)
(Sub Total)	35,774	60,490	(24,715)	98,584
Interest received and dividend received (Cash base)	1,993	1,276	717	2,646
Interest paid (Cash base)	(6,163)	(6,843)	680	(13,105)
Tax paid and others	(5,966)	(1,392)	(4,573)	(2,831)
Sub Total	25,638	53,529	(27,891)	85,292
II Cash Flows from Investing Activities				
Payments for securities-invest	(1,758)	(3,618)	1,859	(3,672)
Proceeds from sales of securities-invest	9,383	164	9,219	11,333
Payments for property, plant and equipment	(24,432)	(8,753)	(15,679)	(30,394)
Proceeds from sales of property, plant and equipment	2,433	3,648	(1,215)	15,752
Payments of long-term loan	(1,063)	(2,563)	1,500	(4,805)
Proceeds from long-term loan	1,338	1,181	156	3,905
Decrease (Increase) in short-term loan	1,361	2,154	(793)	(1,833)
Increase (Decrease) in finance receivables held for investment	355	2,696	(2,341)	3,023
Others	(1,524)	829	(2,353)	1,022
Sub Total	(13,906)	(4,259)	(9,647)	(5,668)
III Cash Flows from Financing Activities				
Increase (Decrease) in short-term debt	(2,286)	(41,452)	39,166	(49,074)
Proceeds from Increase in commercial paper	3,200	1,200	2,000	7,500
Payments of commercial paper decreased	(4,500)	-	(4,500)	(5,700)
Proceeds from long-term debt	26,609	18,000	8,609	78,655
Payments of long-term debt	(42,483)	(35,545)	(6,937)	(76,834)
Proceeds from bonds issued	102,650	-	102,650	30,000
Payments of bonds redeemed	-	(500)	500	(15,500)
Proceeds from minority	-	1,967	(1,967)	1,967
Payments of treasury stock	37	25	11	25
Payments of treasury stock	(23)	(7)	(15)	(24)
Others	(44)	(9)	(34)	(12)
Sub Total	83,159	(56,321)	139,481	(28,997)
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	(70)	202	(272)	(1,061)
V Increase in Cash and Cash Equivalent	94,821	(6,849)	101,670	49,564
VI Cash and Cash Equivalents at Beginning of the Year	102,579	52,951	49,628	52,951
VII Increase in Cash and Cash Equivalent from the Addition of Consolidated Companies	1,560	64	1,496	63
VIII Cash and Cash Equivalents at End of the Year	198,961	46,165	152,795	102,579

(1)Geographical Segment Information

Current 1st Term (Apr.1,2004 through Sep.30,2004)

(Yen in millions)

	Japan	North America	Asia	Other	Total	Eliminations	Consolidated
Sales and Operating profit							
Total sales							
Sales to third parties	480,497	113,530	125,907	15,284	735,220	—	735,220
Interarea sales and transfers	50,465	2,976	1,682	81	55,205	(55,205)	—
Total sales	530,962	116,507	127,589	15,366	790,425	(55,205)	735,220
Operating expenses	494,415	115,008	122,939	14,591	746,953	(55,212)	691,741
Operating profit	36,547	1,499	4,650	775	43,471	7	43,479
Assets	1,070,119	66,200	104,186	11,751	1,252,259	(23,110)	1,229,148

Previous 1st Term (Apr.1,2003 through Sep.30,2003)

	Japan	North America	Asia	Other	Total	Eliminations	Consolidated
Sales and Operating profit							
Total sales							
Sales to third parties	485,042	126,489	98,419	12,973	722,924	—	722,924
Interarea sales and transfers	46,448	5,721	1,387	1	53,559	(53,559)	—
Total sales	531,491	132,210	99,806	12,974	776,483	(53,559)	722,924
Operating expenses	496,783	134,195	97,106	12,226	740,311	(53,085)	687,225
Operating profit	34,708	(1,985)	2,700	748	36,172	(473)	35,699
Assets	910,918	81,623	70,552	8,482	1,071,576	(21,167)	1,050,408

Previous Term (Apr.1,2003 through Mar.31,2004)

	Japan	North America	Asia	Other	Total	Eliminations	Consolidated
Sales and Operating profit							
Total sales							
Sales to third parties	973,239	223,928	207,285	25,887	1,430,339	—	1,430,339
Interarea sales and transfers	91,753	11,458	2,793	73	106,079	(106,079)	—
Total sales	1,064,992	235,386	210,078	25,960	1,536,418	(106,079)	1,430,339
Operating expenses	987,791	236,075	203,803	24,561	1,452,232	(106,383)	1,345,848
Operating profit	77,201	(688)	6,274	1,399	84,186	304	84,490
Assets	958,803	57,216	71,045	11,670	1,098,736	(20,919)	1,077,816

1.This segmentation is based on the geographical area.

2. Major countries or areas included

(1) North America---USA

(2) Asia---Singapore, China, Philippines, Thailand

(3) Other---Australia

(2)Overseas Sales

Current 1st Term (Apr.1,2004 through Sep.30,2004)

(Yen in millions)

	North America	Asia	Other	Total
1 Overseas sales	127,252	180,756	131,023	439,032
2 Consolidated sales	-	-	-	735,220
3 Overseas sales per Consolidated net sales	% 17.3	% 24.6	% 17.8	% 59.7

Previous 1st Term (Apr.1,2003 through Sep.30,2003)

	North America	Asia	Other	Total
1 Overseas sales	138,473	157,389	110,777	406,641
2 Consolidated sales	-	-	-	722,924
3 Overseas sales per Consolidated net sales	% 19.2	% 21.8	% 15.3	% 56.2

Previous Term (Apr.1,2003 through Mar.31,2004)

	North America	Asia	Other	Total
1 Overseas sales	251,563	336,217	215,194	802,975
2 Consolidated sales	-	-	-	1,430,339
3 Overseas sales per Consolidated net sales	% 17.6	% 23.5	% 15.0	% 56.1

1.This segmentation is based on the geographical area.

2. Major countries or areas included

(1) North American---USA

(2) Asia---China, Thailand, Indonesia, Philippines

(3) Other---UK, Germany, Spain, Chile, South Africa, Australia

3.Overseas sales means the sales outside of Japan.