

Summary of Consolidated Financial Statements for the First Half of the 104th Term
(Six months ended September 30, 2005)



November 17, 2005

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/world/investor/index.html>
 Representative person : Yoshinori Ida, President
 Contact person : Hirotohi Kouyama, General manager,
 General Affairs & HR Department
 Tel. (03) 5471 - 1141

Date of the meeting of the Board of Directors : November 17, 2005
 for FY2006 semi-annual financial results

1. Results of FY2006 semi-annual period (April 1, 2005 through September 30, 2005)

<1> Results of consolidated operations

	Net sales		Operating profit		Working profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
First half FY2006	737,325	0.3	37,873	(12.9)	40,623	(15.9)
First half FY2005	735,220	1.7	43,479	21.8	48,300	35.6
FY2005	1,493,567		87,214		91,555	

	Net income		Net income per share	Net income per share after dilution of potential stock
	Millions of yen	%	Yen	Yen
First half FY2006	26,017	(27.4)	21.91	13.75
First half FY2005	35,830	43.8	39.59	15.68
FY2005	60,037		56.64	25.79

Note 1: Income(loss) attributable to investment in affiliates

	First half FY2006	6,419	Millions of yen
	First half FY2005	9,690	Millions of yen
	FY2005	15,811	Millions of yen

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

Common Stock: First half FY2006	1,120,374,939
First half FY2005	904,644,603
FY2005	953,762,418

Note 3: 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 FY2006	1,102,755	203,702	18.5	117.28
First half FY2005	1,229,148	150,322	12.2	55.44
FY2005	1,142,580	158,463	13.9	81.53

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

Common Stock: First half FY2006	1,140,058,471
First half FY2005	907,363,407
FY2005	1,072,507,611

<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 FY2006	37,884	(4,929)	(72,073)	97,508
First half FY2005	25,638	(13,906)	83,159	198,961
FY2005	65,531	(7,795)	(26,366)	135,252

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

Consolidated subsidiaries ;	61
Nonconsolidated subsidiaries ;	24
Affiliates ;	47

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

Newly included consolidation ;	1
Excluded from consolidation ;	1
Number of companies newly accounted for by the equity method ;	1
Number of companies excluded from the equity method of accounting ;	1

2.Consolidated forecast for FY2006 (April 1, 2005 through March 31, 2006)

	Net sales	Working profit	Net income
	Millions of yen	Millions of yen	Millions of yen
FY2006	1,580,000	90,000	55,000

Reference : Forecast of Net income per share (yen) 45.07

The financial projection is calculated based on the information available presently. There are possibilities that the actual financial result would differ largely due to the variation of important factors such as supply and demand trend in major markets and foreign exchange rate.

Attachment

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

	First half FY2006	First half FY2005	FY2005
	shares	shares	shares
Common stock	1,120,374,939	904,644,603	953,762,418
Preferred Stock			
Class 1 preferred stock	37,500,000	37,500,000	37,500,000
Class 2 preferred stock	-	37,500,000	31,027,397
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 FY2006	First half FY2005	FY2005
	shares	shares	shares
Common stock	1,140,058,471	907,363,407	1,072,507,611
Preferred Stock			
Class 1 preferred stock	37,500,000	37,500,000	37,500,000
Class 2 preferred stock	-	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

Note: 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
2005.4.14		Common stock	15,313,935 shares	2,006,125,485 Yen
2005.5.31		Common stock	17,452,006 shares	2,006,980,690 Yen
2005.6.6		Common stock	34,904,013 shares	4,013,961,495 Yen
TOTAL		Common stock	67,669,954 shares	8,027,067,670 Yen

3. Calculation for "1. Results of FY2006 semi-annual period"

$$\text{Net income per share} = \frac{\text{Net income}}{\text{Average number of common stock issued and outstanding in each period} + \text{Number of common stock increased based on if-converted method of Conversion type participative stock} - \text{Average number of common stock for treasury}}$$

Note 3: Change in accounting treatment method.

$$\text{Net income per share after dilution of potential stock} = \frac{\text{Net income}}{\text{Average number of common shares issued and outstanding in each period} + \text{Number of common stock increased based on if-converted method of "Conversion type participative stock"} + \text{Number of common stock increased based on if-converted method of "Convertible stock which the period for claiming the conversion has not yet come"} - \text{Average number of common stock for treasury}}$$

Shareholders' equity per share =

$$\frac{\text{Total shareholder's equity} - \text{Number of preferred shares issued and outstanding at the end of each period} \times \text{Amount per share}}{\text{Number of common stock issued and outstanding at the end of each period} - \text{Average number of common stock for treasury}}$$

4. Calculation for "2. Consolidated forecast for FY2006"

$$\text{Forecast of Net income per share} = \frac{\text{Forecast of Net income} - \text{Accounts not belonging to common stock}}{\text{Number of common stock issued and outstanding at the end of each period} + \text{Number of Common stock increased based on if-converted method of Conversion type participative stock} - \text{Average number of common stock for treasury}}$$

Isuzu Motors Limited and Subsidiaries

CONSOLIDATED PROFIT AND LOSS STATEMENT

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

(Yen in millions)

	First half FY2006	First half FY2005	Change	FY2005
Net sales	737,325	735,220	2,105	1,493,567
Cost of sales	629,194	624,431	4,762	1,268,483
GROSS PROFIT	108,131	110,788	(2,656)	225,083
Selling, general and administrative expenses	70,257	67,309	2,948	137,869
OPERATING PROFIT	37,873	43,479	(5,605)	87,214
Non-operating income	10,421	13,408	(2,987)	23,200
Interest and dividend income	1,760	1,509	251	3,002
Amortization of consolidated adjustment account	204	—	204	53
Equity in income of unconsolidated subsidiaries & affiliates	6,419	9,690	(3,271)	15,811
Other	2,037	2,208	(171)	4,332
Non-operating expenses	7,672	8,586	(914)	18,860
Interest expense	5,660	6,113	(453)	12,564
Other	2,011	2,472	(461)	6,295
WORKING PROFIT	40,623	48,300	(7,677)	91,555
Extraordinary profit	7,278	5,957	1,321	10,363
Gain on disposal of PP&E	84	985	(900)	3,211
Gain on sales of investments in securities	73	4,832	(4,758)	5,807
Settled amounts on North America joint venture	4,897	—	4,897	—
Gains on dissolution of employee pension fund	1,391	—	1,391	—
Other	830	139	691	1,345
Extraordinary loss	16,253	16,244	9	33,151
Loss on disposal of PP&E	3,075	3,124	(48)	15,589
Unrealized holding loss on non-consolidated subsidiaries & affiliates	31	7,351	(7,320)	6,056
Loss on sales of investments in securities	3	14	(10)	507
Loss on restructuring of Domestic subsidiaries & affiliates	978	4,145	(3,167)	5,573
Special warranty expense	4,448	—	4,448	—
Loss on impairment of fixed asset	1,209	—	1,209	—
Dismantlement and other cost on former Kawasaki factory	2,371	—	2,371	—
Other	4,136	1,609	2,527	5,424
PRETAX INCOME	31,648	38,013	(6,365)	68,767
Corporation tax	5,485	5,773	(287)	14,648
Corporation tax adjustments	(2,823)	(4,416)	1,592	(8,403)
Minorities interest in consolidated subsidiaries	2,969	826	2,143	2,484
NET INCOME	26,017	35,830	(9,813)	60,037

Note: Amounts under millions of yen are omitted in the figures above.

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)

	September 30, 2005	March 31, 2005	Change	September 30, 2004
[ASSETS]				
CURRENT ASSETS	523,548	568,215	(44,667)	635,757
Cash on cash equivalents	99,281	139,357	(40,075)	211,599
Trade notes and accounts receivable	236,607	248,744	(12,137)	234,743
Inventories	130,830	124,526	6,304	124,248
Deferred income tax	31,215	28,480	2,735	32,515
Other	30,674	32,162	(1,488)	39,933
Allowance for doubtful accounts	(5,061)	(5,055)	(5)	(7,282)
FIXED ASSETS	579,206	574,364	4,842	593,390
Property, plant & equipment	450,015	458,613	(8,598)	481,840
Buildings and structures	96,938	101,980	(5,042)	103,238
Machinery & equipment	66,663	67,634	(970)	69,516
Land	264,789	267,868	(3,078)	289,467
Construction in progress	8,472	7,473	999	6,335
Other	13,150	13,656	(506)	13,283
Intangible assets	7,599	7,666	(66)	5,847
Consolidated adjustment account	104	—	104	474
Other	7,495	7,666	(171)	5,372
Investments & other assets	121,591	108,084	13,506	105,703
Investments in securities	81,092	65,339	15,752	57,415
Long-term loans receivable	20,853	22,291	(1,438)	21,940
Deferred income tax	8,851	8,576	274	8,564
Other	28,633	32,859	(4,226)	38,181
Allowance for doubtful accounts	(17,838)	(20,983)	3,144	(20,397)
TOTAL ASSETS	1,102,755	1,142,580	(39,825)	1,229,148

(Yen in millions)

	September 30, 2005	March 31, 2005	Change	September 30, 2004
[LIABILITIES]				
CURRENT LIABILITIES	515,708	541,918	(26,210)	668,376
Trade notes and accounts payable	283,211	278,511	4,700	284,585
Short-term borrowings	125,857	151,513	(25,656)	267,422
Commercial paper	—	—	—	500
Current maturities of bonds	—	—	—	15,000
Income tax payable	6,762	10,588	(3,825)	7,409
Accrued expenses	47,198	43,690	3,507	41,881
Accrued bonus cost	12,145	10,354	1,791	9,744
Accrued warranty cost	4,421	2,812	1,609	4,020
Deposits received	12,041	11,206	834	11,326
Other	24,069	33,241	(9,172)	26,486
LONG-TERM LIABILITIES	366,980	428,009	(61,029)	394,724
Bonds	32,670	12,634	20,035	2,650
Bonds with warrant attached	—	56,000	(56,000)	100,000
Long-term debt	202,559	228,956	(26,396)	151,674
Deferred income tax	5,447	4,693	753	4,656
Deferred income tax related to land revaluation	49,647	49,571	76	57,181
Accrued retirement and severance benefits	60,500	60,057	443	60,072
Long-term deposits received	2,156	2,390	(234)	2,470
Consolidated adjustment account	—	93	(93)	—
Other	13,998	13,612	386	16,019
TOTAL LIABILITIES	882,688	969,928	(87,239)	1,063,100
[MINORITY INTEREST]				
Minority Interest	16,364	14,188	2,176	15,725
[SHAREHOLDERS' EQUITY]				
Common stock and preferred stock	40,644	32,617	8,027	70,573
Capital surplus	50,408	42,435	7,972	70,480
Retained earnings	36,463	10,460	26,002	(74,989)
Variance of land revaluation	77,871	77,791	80	90,023
Unrealized holding gain on securities	9,658	8,324	1,333	6,461
Foreign currency translation adjustment	(11,140)	(12,946)	1,805	(12,063)
Treasury stock	(203)	(220)	17	(163)
TOTAL SHAREHOLDERS' EQUITY	203,702	158,463	45,238	150,322
TOTAL LIABILITIES & MINORITY INTEREST & SHAREHOLDERS' EQUITY	1,102,755	1,142,580	(39,825)	1,229,148

Note: Amounts under millions of yen are omitted in the figures above.

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.

(Unit : Millions of Yen)

	First Half FY2006	First Half FY2005	Change	FY2005	
(Capital Surplus)					
I	Capital surplus at beginning of period	42,435	67,461	(25,025)	67,461
II	Capital surplus increase	7,972	3,018	4,954	24,974
	Exercise of stock acquisition right	7,972	2,991	4,981	24,946
	Gain on disposal of treasury stocks	—	27	(27)	27
III	Capital surplus deduct	—	—	—	50,000
	Makeup for accumulated deficit	—	—	—	50,000
IV	Capital surplus at end of period	50,408	70,480	(20,071)	42,435
(Retained earnings)					
I	Retained earnings at beginning of period	10,460	(111,058)	121,519	(111,058)
II	Increase in retained earnings	28,743	36,292	(7,549)	122,602
	Increases of retained earnings caused by companies newly applied to the equity method	2,726	—	2,726	—
	Reversal of land revaluation	—	461	(461)	12,565
	Reduction of capital reserve	—	—	—	50,000
	Net income	26,017	35,830	(9,813)	60,037
III	Decrease in retained earnings	2,741	223	2,517	1,083
	Decreases of retained earnings caused by companies newly included consolidation	—	—	—	867
	Decreases of retained earnings caused by companies newly applied to the equity method	—	30	(30)	30
	Decreases of retained earnings caused by companies excluded from the equity method	—	177	(177)	170
	Dividend	2,614	—	2,614	—
	Directors' bonus	—	15	(15)	15
	Reversal of land revaluation	127	—	127	—
IV	Retained earnings at end of period	36,463	(74,989)	111,452	10,460

Note: Amounts under millions of yen are omitted in the figures above.

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 FY2006	First half FY2005	Change	FY2005
I Cash Flows from Operating Activities				
Net Income before taxation	31,648	38,013	(6,365)	68,767
Depreciation and amortization	12,123	12,750	(626)	27,224
Amortization of consolidated adjustment account	(204)	120	(324)	(53)
Equity in loss (gain) of unconsolidated subsidiaries and affiliates	(6,419)	(9,690)	3,271	(15,811)
Increase (decrease) in accrued retirement benefits	316	(1,045)	1,362	(2,209)
Increase (decrease) in accrued warranty cost	1,609	110	1,499	(1,098)
Increase (decrease) in accrued bonus cost	1,706	471	1,235	1,032
Increase (decrease) in allowance for doubtful accounts	(4,389)	9,962	(14,352)	8,361
Interest and dividend income	(1,760)	(1,509)	(251)	(3,002)
Other interest payment	5,660	6,113	(453)	12,564
Gain on sales of property, plant and equipment	(84)	(985)	900	(3,211)
Loss on sales of property, plant and equipment	3,075	3,124	(48)	15,589
Loss (gain) on sales of investments in securities	(70)	(4,818)	4,747	(5,300)
Loss on impairment of fixed asset	1,209	-	1,209	-
Other extraordinary loss	1,002	-	1,002	1,409
Decrease (increase) in accounts receivable and others	13,906	(16,661)	30,568	(31,466)
Decrease (increase) in inventory	(6,655)	(8,011)	1,355	(8,836)
Decrease (increase) in other current assets	(2,433)	(11,137)	8,703	(2,504)
Increase (decrease) in notes and accounts payable	2,794	22,562	(19,768)	17,721
Increase (decrease) in accrued expenses	2,894	9,279	(6,385)	12,841
Increase (decrease) in deposits received	876	(1,290)	2,167	(1,449)
Increase (decrease) in other liabilities	(7,745)	(9,846)	2,101	(2,243)
Others	31	(1,736)	1,767	(1,844)
(Sub Total)	49,093	35,774	13,318	86,481
Cash received from interest and dividends	3,778	1,993	1,785	3,112
Cash paid for interest	(5,541)	(6,163)	621	(12,511)
Tax paid and others	(9,445)	(5,966)	(3,479)	(11,550)
Sub Total	37,884	25,638	12,246	65,531
II Cash Flows from Investing Activities				
Payments for investments in securities	(9,158)	(1,758)	(7,399)	(2,204)
Proceeds from sales of investments in securities	393	9,383	(8,989)	11,319
Payments for property, plant and equipment	(15,451)	(24,432)	8,980	(44,645)
Proceeds from sales of property, plant and equipment	6,724	2,433	4,290	16,865
Payments for long-term loans	(207)	(1,063)	855	(4,105)
Proceeds from long-term loans	314	1,338	(1,024)	4,955
Decrease (increase) in short-term loans	4,355	1,361	2,994	1,289
Decrease (increase) in leasing receivables held by foreign financial subsidiaries	4	355	(350)	396
Decrease (increase) in fixed deposits	2,328	599	1,728	7,046
Proceeds from transfer of investments	5,607	-	5,607	-
Others	160	(2,123)	2,284	1,286
Sub Total	(4,929)	(13,906)	8,977	(7,795)
III Cash Flows from Financing Activities				
Increase (decrease) in short-term borrowings	(13,030)	(2,286)	(10,743)	(88,374)
Increase in commercial paper	-	3,200	(3,200)	3,200
Decrease in commercial paper	-	(4,500)	4,500	(5,000)
Proceeds from long-term debt	5,400	26,609	(21,209)	275,789
Payments for long-term debt	(41,361)	(42,483)	1,121	(249,544)
Proceeds from issuance of bonds	20,000	2,650	17,350	12,650
Payments for redemption of bonds	-	-	-	(15,000)
Proceeds from issuance of bonds with warrant attached	-	100,000	(100,000)	100,000
Payments for redemption of bonds with warrant attached	(40,000)	-	(40,000)	-
Payments for retirement of preferred stock	-	-	-	(60,000)
Proceeds from treasury stock	-	37	(37)	37
Payments for treasury stock	(35)	(23)	(11)	(79)
Dividend payments	(2,599)	-	(2,599)	-
Others	(446)	(44)	(402)	(44)
Sub Total	(72,073)	83,159	(155,232)	(26,366)
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	1,276	(70)	1,346	(256)
V Increase (Decrease) in Cash and Cash Equivalent	(37,840)	94,821	(132,662)	31,112
VI Cash and Cash Equivalents at Beginning of the Year	135,252	102,579	32,672	102,579
VII Increase in Cash and Cash Equivalent from the Addition of Consolidated Companies	97	1,560	(1,463)	1,560
VIII Cash and Cash Equivalents at End of Period	97,508	198,961	(101,452)	135,252

(1)Geographical Segment Information

Current 1st Term (Apr.1,2005 through Sep.30,2005)

(Yen in millions)

	Japan	North America	Asia	Other	Total	Eliminations	Consolidated
Sales and Operating profit							
Total sales							
Sales to third parties	456,277	77,129	184,444	19,474	737,325	—	737,325
Interarea sales and transfers	76,820	3,337	15,908	139	96,205	(96,205)	—
Total sales	533,098	80,466	200,353	19,613	833,531	(96,205)	737,325
Operating expenses	507,988	76,722	192,022	18,981	795,715	(96,263)	699,451
Operating profit	25,109	3,743	8,330	632	37,815	57	37,873
Assets	922,664	54,050	132,034	13,442	1,122,191	(19,436)	1,102,755

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

	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 Term (Apr.1,2004 through Mar.31,2005)

	Japan	North America	Asia	Other	Total	Eliminations	Consolidated
Sales and Operating profit							
Total sales							
Sales to third parties	971,729	195,917	292,903	33,016	1,493,567	—	1,493,567
Interarea sales and transfers	116,132	4,970	3,694	176	124,974	(124,974)	—
Total sales	1,087,862	200,888	296,598	33,192	1,618,542	(124,974)	1,493,567
Operating expenses	1,014,931	201,117	282,516	31,870	1,530,436	(124,083)	1,406,353
Operating profit	72,931	(229)	14,082	1,322	88,106	(891)	87,214
Assets	963,719	56,879	125,541	14,426	1,160,567	(17,986)	1,142,580

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.1,2005 through Sep.30,2005)

(Yen in millions)

	North America	Asia	Other	Total
1 Overseas sales	84,341	169,225	164,237	417,805
2 Consolidated sales	-	-	-	737,325
3 Overseas sales per Consolidated net sales	% 11.4	% 23.0	% 22.3	% 56.7

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

	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 Term (Apr.1,2004 through Mar.31,2005)

	North America	Asia	Other	Total
1 Overseas sales	213,901	374,172	279,744	867,818
2 Consolidated sales	-	-	-	1,493,567
3 Overseas sales per Consolidated net sales	% 14.3	% 25.1	% 18.7	% 58.1

- 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.