

# FY2022 3Q Financial Results

February 10, 2022  
ISUZU MOTORS LIMITED

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Moreover, this presentation is not intended to solicit investment in Isuzu. Isuzu assumes no responsibility for any losses and liabilities that may be incurred because of the information in this presentation.

# 1. Overview

**Director of the Board,  
and Managing Executive Officer,  
Corporate Strategy  
Division Executive  
Corporate Planning & Finance  
Division Executive**

**Shinsuke Minami**

## **1. FY2022 3Q Results**

- Robust demand continues in overseas markets. On the other hand, struggles for parts procurement continues.
- Sales units of CV-Japan and LCV-Thailand saw a major decline due to lack of semiconductors.
- Shifted CV and LCV shipments to emerging countries. Thus, total sales units increased slightly from the previous year.
- In spite of fall in sales/model mix and fluctuation of raw materials and logistic fees, thanks to favorable FX and cost improvements, incomes stood almost in line with our plans.

## **2. FY2022 Full-Year Outlook**

- Strong demand continues in markets outside Japan.
- Lack of semiconductors continues, affecting our shipments, particularly to Japan and North America. Increased transfer shipments to emerging countries to minimize the negative impact to the financial results.
- Parts supply was disrupted, affected by the spread of COVID-19.
- As to profits, FX, cost reductions, and further rationalization will cover up worsening sales/model mix and soaring material and logistic costs.
- No revisions to full-year forecast.

## Overview -2

### 3. Affects from Supply Chain Disruptions

	3Q Results	4Q Outlook
Japan	<ul style="list-style-type: none"> <li>Parts procurement from southeast Asia has normalized as the spread of COVID-19 has settled</li> <li>On the other hand, continuing semiconductor shortage greatly influences parts procurement</li> <li>Decreased production of trucks mainly for Japan and North America</li> </ul>	<ul style="list-style-type: none"> <li>Uncertainty in procurement of semiconductors continues, is difficult to project when it shall normalize</li> <li>Parts procurement is disrupted with the of spread novel coronavirus</li> <li>Stopped operation of assembly lines of H/D, M/D, and L/D trucks for a total of 6 shifts</li> </ul>
Thailand	<ul style="list-style-type: none"> <li>COVID-19 impacts to operations of suppliers has largely subsided</li> <li>Chip shortage continues, thus forcing reduced production of newly-modeled LCV</li> </ul>	<ul style="list-style-type: none"> <li>Affects from lack of semiconductors remain uncertain for some of the parts. As a whole, affects from chip shortage is on its way to be resolved</li> <li>Production units of vehicle in January accumulated to 30,000 units.</li> </ul>

## Overview: FY2022 3Q Consolidated Results

Global Sales Units (K-units)		FY2022 3Q	FY2021 3Q	Changes		FY2020 3Q
CV Total	CV-Japan	11	16	-5	-28%	15
	CV-Overseas	69	49	20	42%	46
	UD Trucks	6	-	6	-	-
		86	65	21	34%	61
LCV Total	LCV-Thailand	44	53	-9	-17%	42
	LCV-Export	52	40	12	30%	34
		96	93	3	3%	76
Total		182	158	24	16%	137

### Financial Results (Bil. Yen)

Sales	638.8	515.3	123.5	24%	498.2
Operating Income	51.3	46.2	5.1	11%	42.3
Ordinary Income	53.2	49.3	3.9	8%	43.8
Net Income	33.5	30.2	3.3	11%	27.6

# Overview: FY2022 Full-Year Outlook

Global Sales Units (K-units)		FY2022 Forecast	FY2022 Previous Plan	Changes	
CV Total	CV-Japan	53	69	-16	-23%
	CV-Overseas	277	263	14	6%
	UD Trucks	18	18	±0	±0%
	<b>Total</b>	<b>348</b>	<b>350</b>	<b>-2</b>	<b>-1%</b>
LCV Total	LCV-Thailand	163	167	-4	-2%
	LCV-Export	212	213	-1	-0%
<b>Total</b>	<b>375</b>	<b>380</b>	<b>-5</b>	<b>-1%</b>	
<b>Total</b>	<b>723</b>	<b>730</b>	<b>-7</b>	<b>-1%</b>	

FY2021	FY2020
70	81
190	208
-	-
260	289
151	163
144	148
295	311
555	600

## Financial Forecast (Bil. Yen)

Sales	2,500.0	2,500.0	No Revisions to Sales, Incomes, and Dividends
Operating Income	170.0	170.0	
Ordinary Income	175.0	175.0	
Net Income	110.0	110.0	
Dividends	58 Yen	58 Yen	

1,908.2	2,079.9
95.7	140.6
104.3	150.9
42.7	81.2
30 Yen	38 Yen

**Senior Executive Officer,  
Deputy Division Executive,  
Corporate Planning &  
Finance Division  
Group Chief Financial Officer**

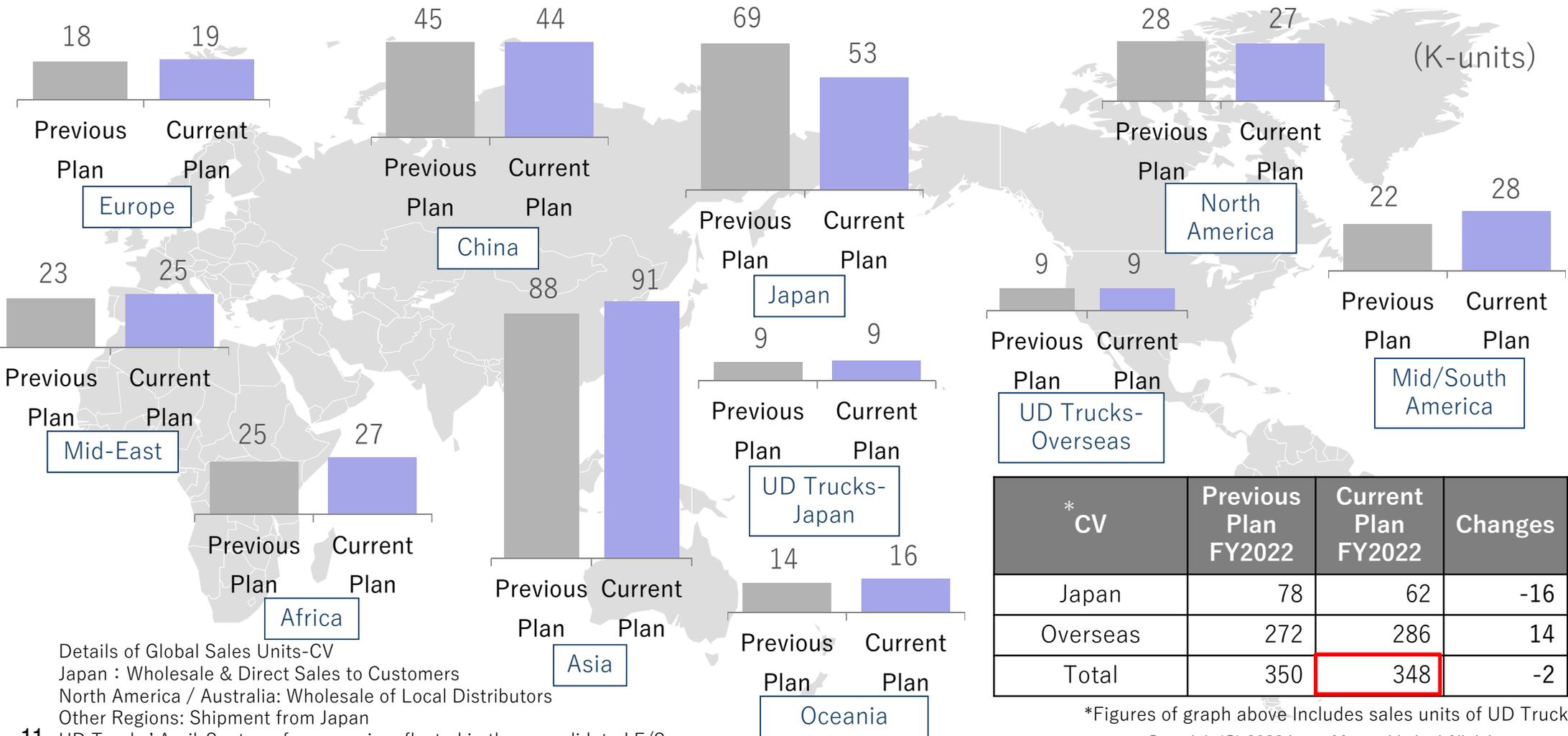
**Naoto Nakamata**

## **2. FY2022 3Q Financial Summary and Full-year Outlook**



# Global Sales Units (CV) -2 Comparison of Full-Year Outlook from those announced in Nov. **ISUZU**

■ In light of the robust demand in overseas markets, covered the decrease in sales units in Japan by those in emerging countries. Forecasting same level of sales units as that announced in November.



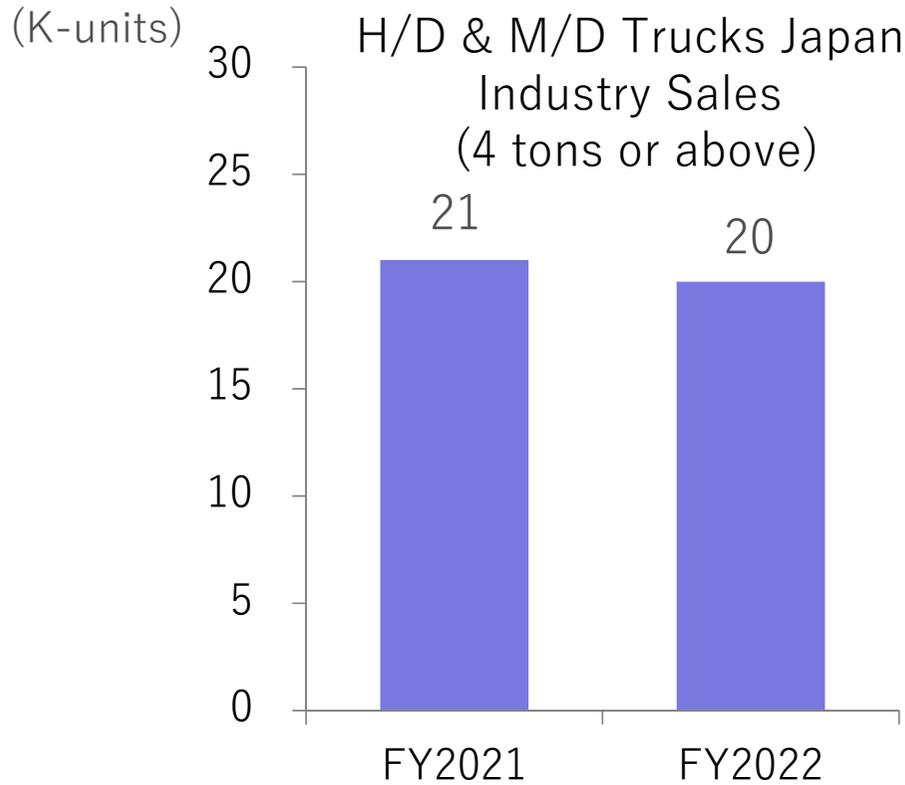
* CV	Previous Plan FY2022	Current Plan FY2022	Changes
Japan	78	62	-16
Overseas	272	286	14
<b>Total</b>	<b>350</b>	<b>348</b>	<b>-2</b>

Details of Global Sales Units-CV  
 Japan : Wholesale & Direct Sales to Customers  
 North America / Australia: Wholesale of Local Distributors  
 Other Regions: Shipment from Japan

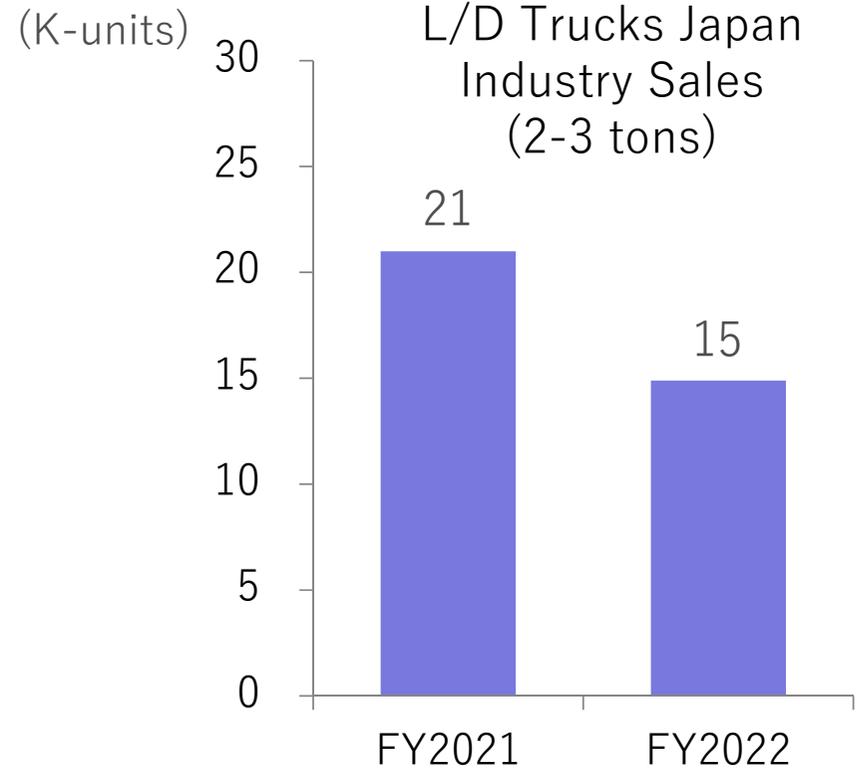
\*Figures of graph above Includes sales units of UD Trucks  
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# Japan Industry Sales and Isuzu Share (Oct.-Dec.)

- 3Q industry sales fell short when compared of last year, both for H/D & M/D and L/D trucks. Forecast for the full-year remain uncertain.
- Significant fall in shares of L/D trucks, as Isuzu were unable to react to the demand due to limitations in production.



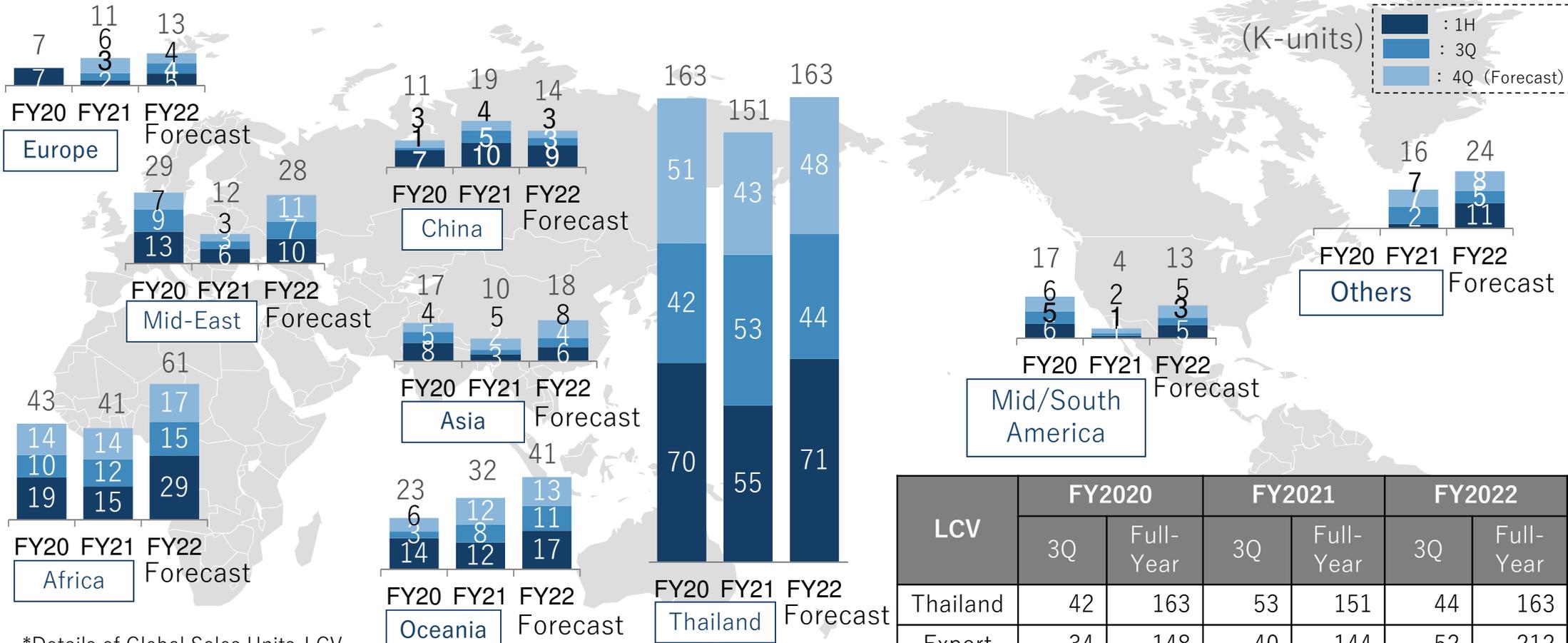
3Q Shares	Isuzu UD Trucks	FY2021	FY2022
		28.8%	32.2%
		(15.3%)	13.8%



3Q Shares	Isuzu	FY2021	FY2022
		37.5%	27.0%

# Global Sales Units (LCV) -1

■ Total sales units in 3Q secured same level of sales units as the previous year. Old-model LCV made up for the newly-modeled LCV which suffered from chip shortage.



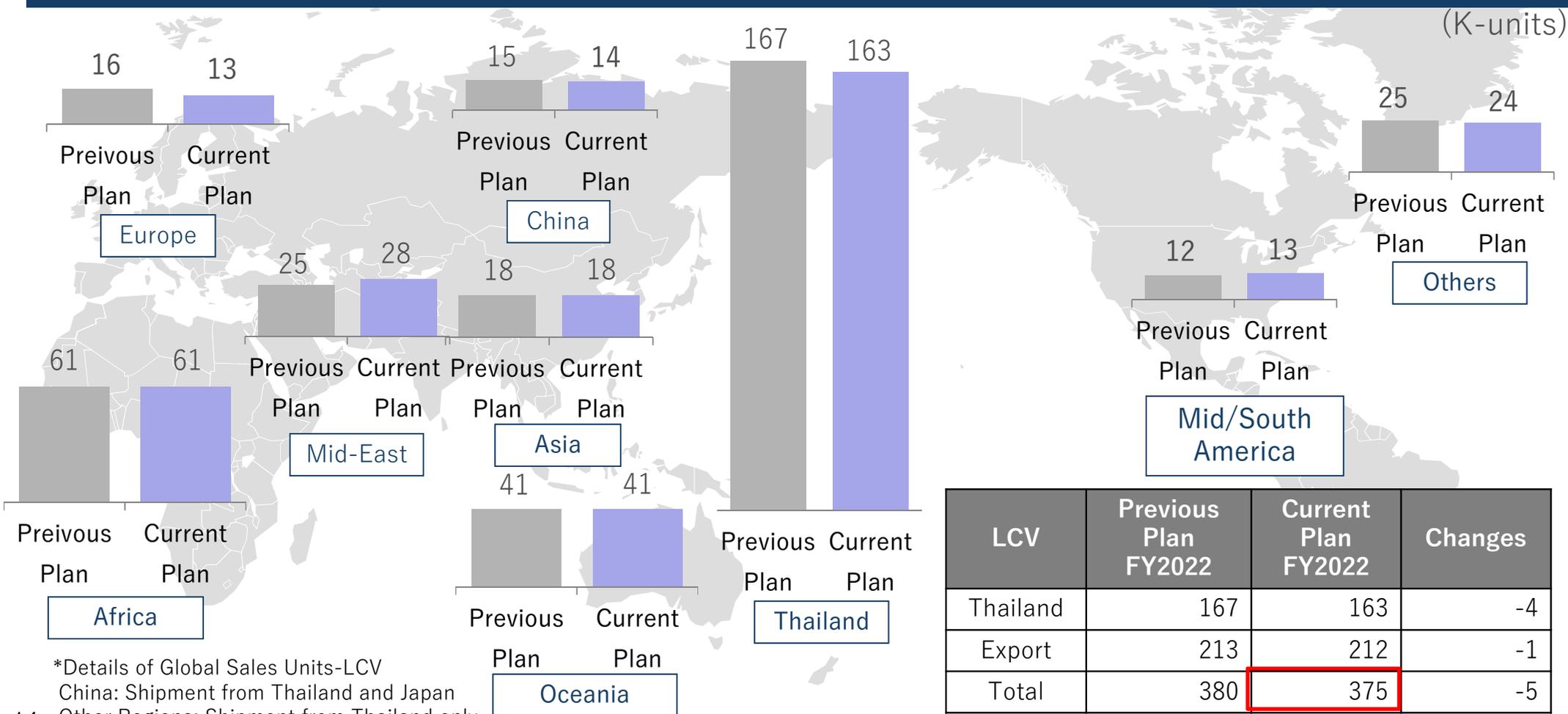
LCV	FY2020		FY2021		FY2022	
	3Q	Full-Year	3Q	Full-Year	3Q	Full-Year
Thailand	42	163	53	151	44	163
Export	34	148	40	144	52	212
<b>Total</b>	<b>76</b>	<b>311</b>	<b>93</b>	<b>295</b>	<b>96</b>	<b>375</b>

\*Details of Global Sales Units-LCV  
 China: Shipment from Thailand and Japan  
 Other Regions: Shipment from Thailand only

# Global Sales Units (LCV) -2 Comparison of Full-Year Outlook in Comparison to those announced in Nov.



■ Demand is strong, a similar trend as CV. Rearranged the destination of LCV taking in account of the influence from lack of semiconductors.



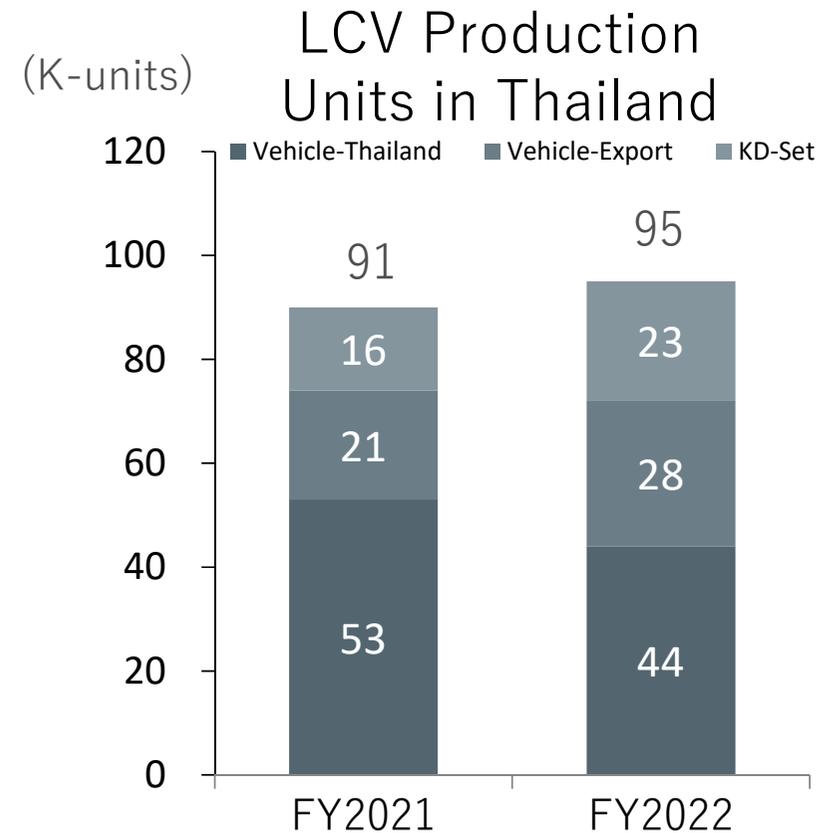
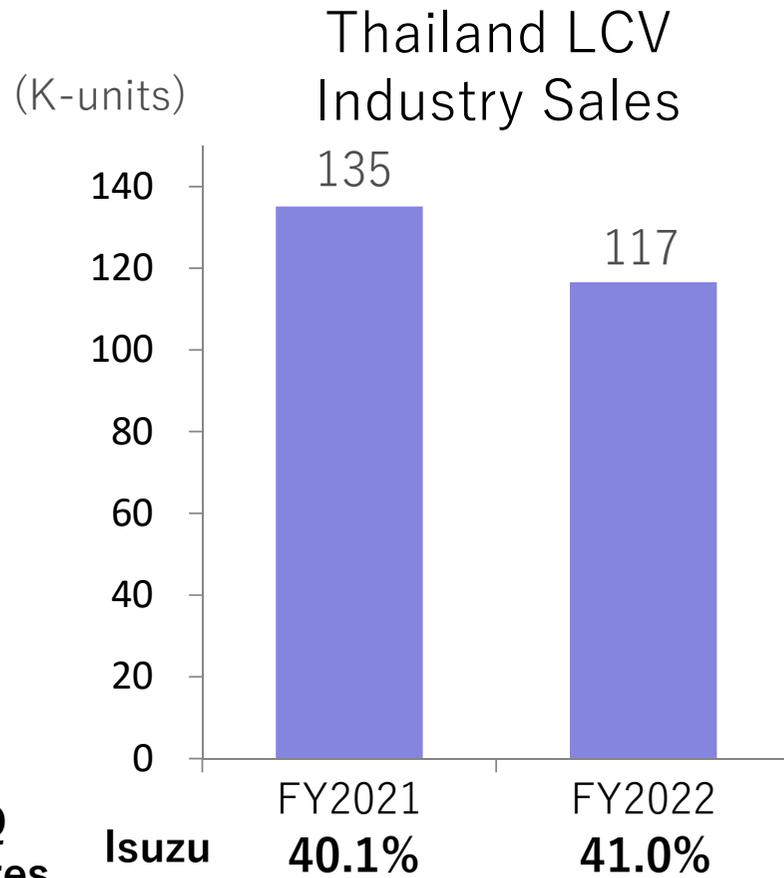
LCV	Previous Plan FY2022	Current Plan FY2022	Changes
Thailand	167	163	-4
Export	213	212	-1
Total	380	375	-5

\*Details of Global Sales Units-LCV  
 China: Shipment from Thailand and Japan  
 Other Regions: Shipment from Thailand only

# Thailand LCV Industry Sales & Share /LCV Production Units (Oct.-Dec.)



- Industry sales declined from previous in result of constraints in production.
- Production of newly-modeled LCV were distracted by lack of semiconductors. Production of KD-sets of old-model LCV for export made up the loss.



3Q  
Shares

Isuzu

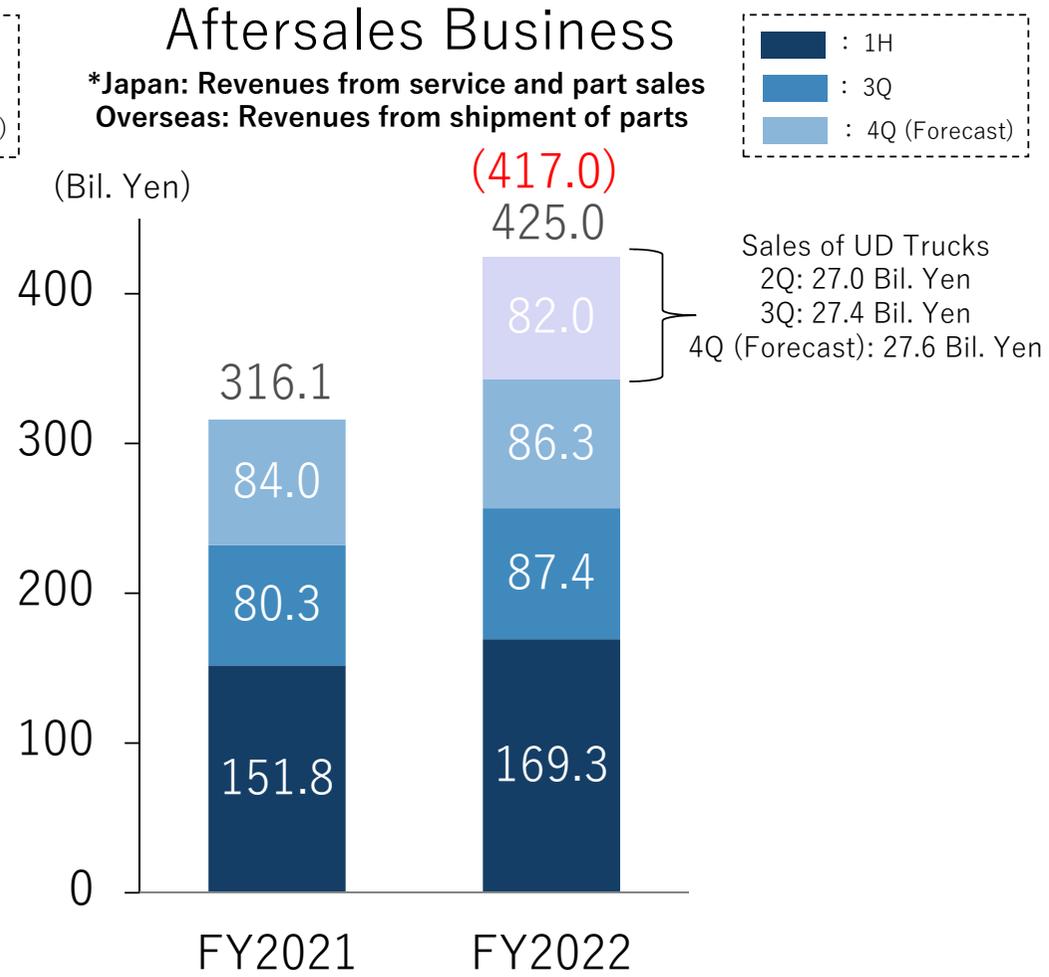
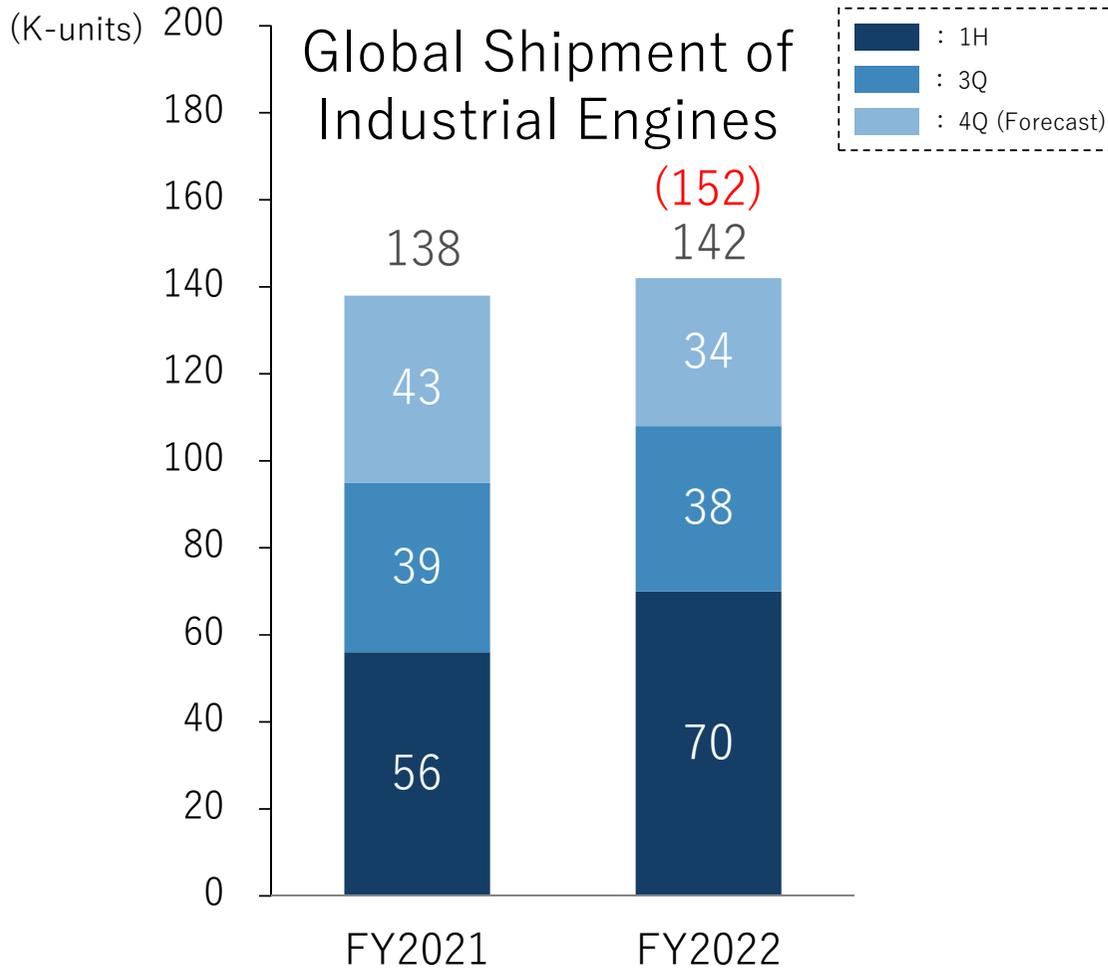
FY2021  
40.1%

FY2022  
41.0%

# Industrial Engine Global Shipment/Revenue from Aftersales Business



- Industrial Engines: Lowered the full-year outlook due to slowdown of the Chinese construction machinery demand.
- Aftersales Business: Raised full-year outlook reflecting increased parts sales in overseas markets.

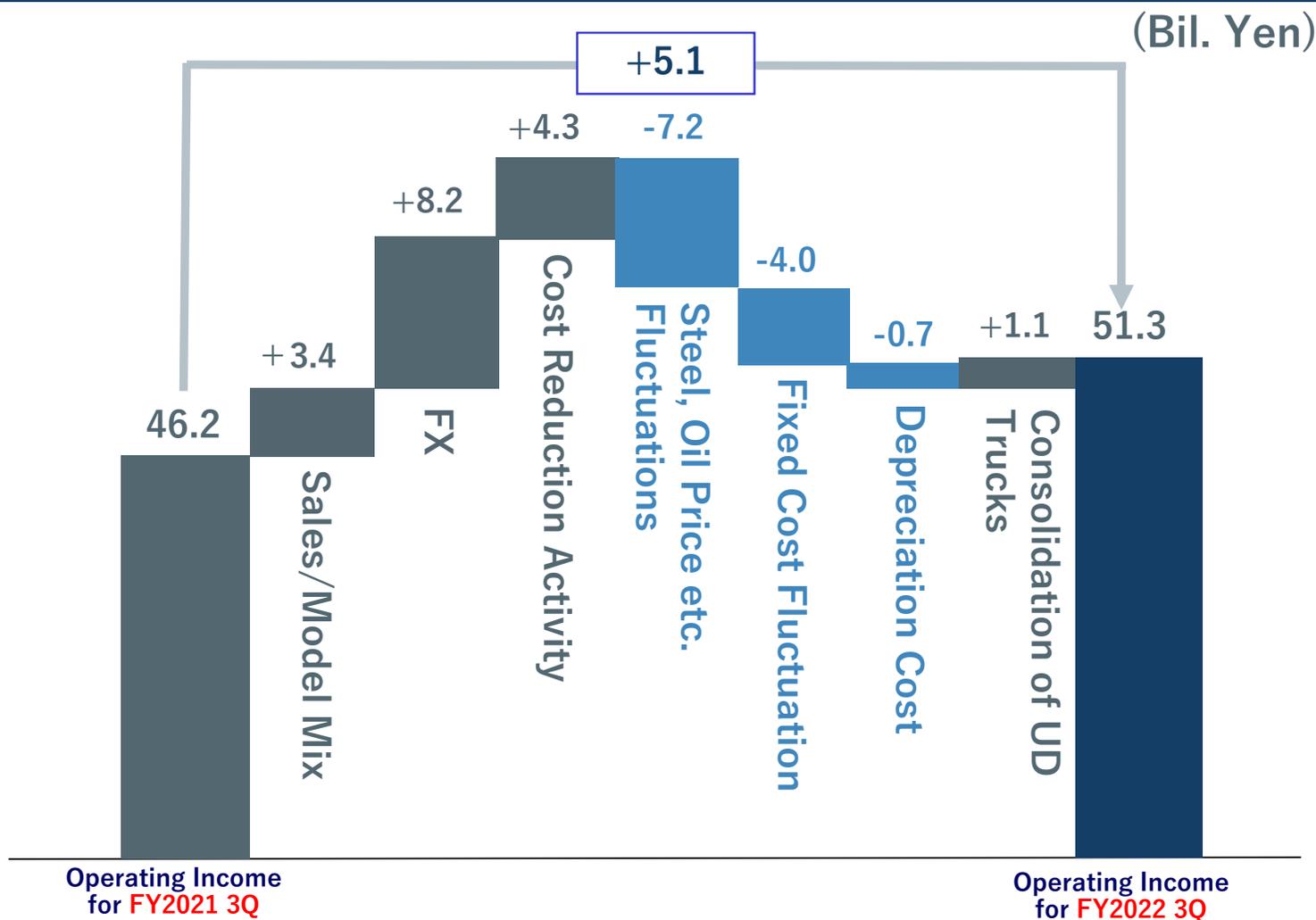


# FY2021 3Q vs. FY2022 3Q Fluctuations



## - Consolidated operating income : analysis of change -

- While suffering from chip shortage and hiking raw material costs, increased operating income thanks to FX and achievements from cost reduction activities. Operating income resulted as per our plan.



FX Rates	FY2021	FY2022
USD/JPY	104.4	113.7
THB/JPY	3.41	3.41
AUD/JPY	76.5	82.9

Breakdowns	FY2022
<b>Sales/Model Mix</b>	<b>+3.4</b>
CV-Japan	-8.1
CV-Overseas	+10.1
LCV	+0.3
Others	+1.1
<b>FX</b>	<b>+8.2</b>
USD	+2.2
AUD	+1.5
THB & Other Currencies	+4.5
<b>Fixed Cost Fluctuation</b>	<b>-4.0</b>
R&D	-1.9
Labor Cost	-0.8
Others	-1.3

# FY2022 3Q Consolidated Results - Year-on-year Comparison -

( Bil. Yen )	FY2022 3Q	FY2021 3Q	Changes	
<b>Sales</b>	638.8	515.3	123.5	24%
<b>Operating Income</b>	51.3	46.2	5.1	11%
<b>Ordinary Income</b>	53.2	49.3	3.9	8%
<b>*Net Income</b>	33.5	30.2	3.3	11%

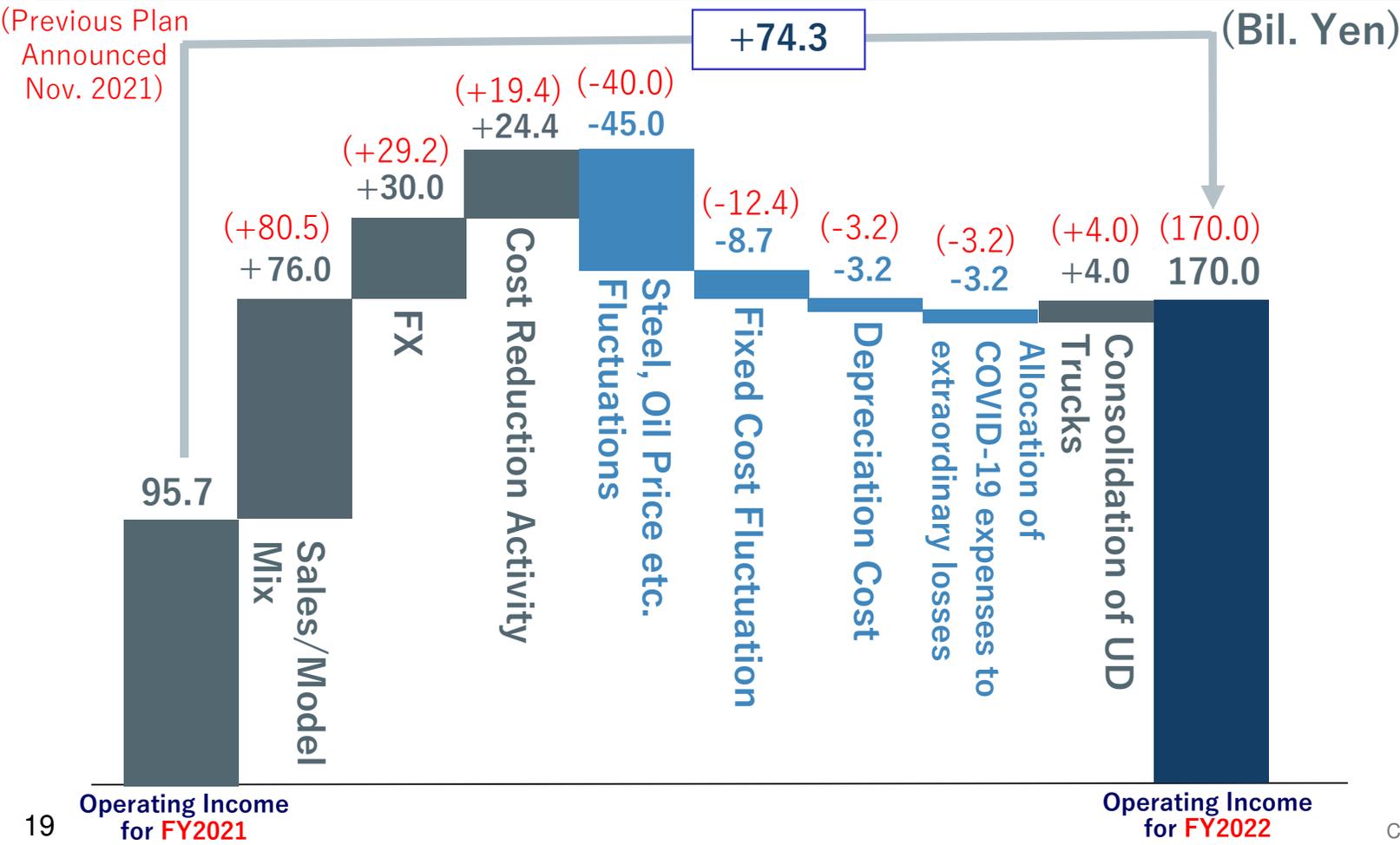
<b>*Net Income</b>	Ordinary Income	53.2
	Loss on disposal of non-current assets, etc.	0.1
	Income Taxes	-11.6
	Profit attributable to non-controlling interests	-8.2
	<b>*Net Income</b>	<b>33.5</b>

\* Net income attributable to owners of parent

# FY2021 vs. FY2022 Fluctuations

## - Consolidated operating income : analysis of change -

■ Will cover up the affects from constraints in chip supplies and sharp rise in raw material costs by further promotion of cost reduction activities and cut in fixed costs. Thus, shall make no changes to our full-year outlook.



FX Rates	FY2021	FY2022
USD/JPY	106.0	110.8
THB/JPY	3.42	3.41
AUD/JPY	76.2	82.5

Breakdowns	FY2022
<b>Sales/Model Mix</b>	<b>+76.0</b>
CV-Japan	-22.0
CV-Overseas	+49.8
LCV	+28.0
Others	+20.2
<b>FX</b>	<b>+30.0</b>
USD	+4.8
AUD	+6.3
THB & Other Currencies	+18.9
<b>Fixed Cost Fluctuation</b>	<b>-8.7</b>
R&D	-8.0
Labor Costs	-2.5
Others	+1.8

## FY2022 Full-Year Outlook - Year-on-year Comparison -

( Bil. Yen )	FY2022	FY2021	Changes	
<b>Sales</b>	2,500.0	1,908.2	591.8	31%
<b>Operating Income</b>	170.0	95.7	74.3	78%
<b>Ordinary Income</b>	175.0	104.3	70.7	68%
<b>*Net Income</b>	110.0	42.7	67.3	158%

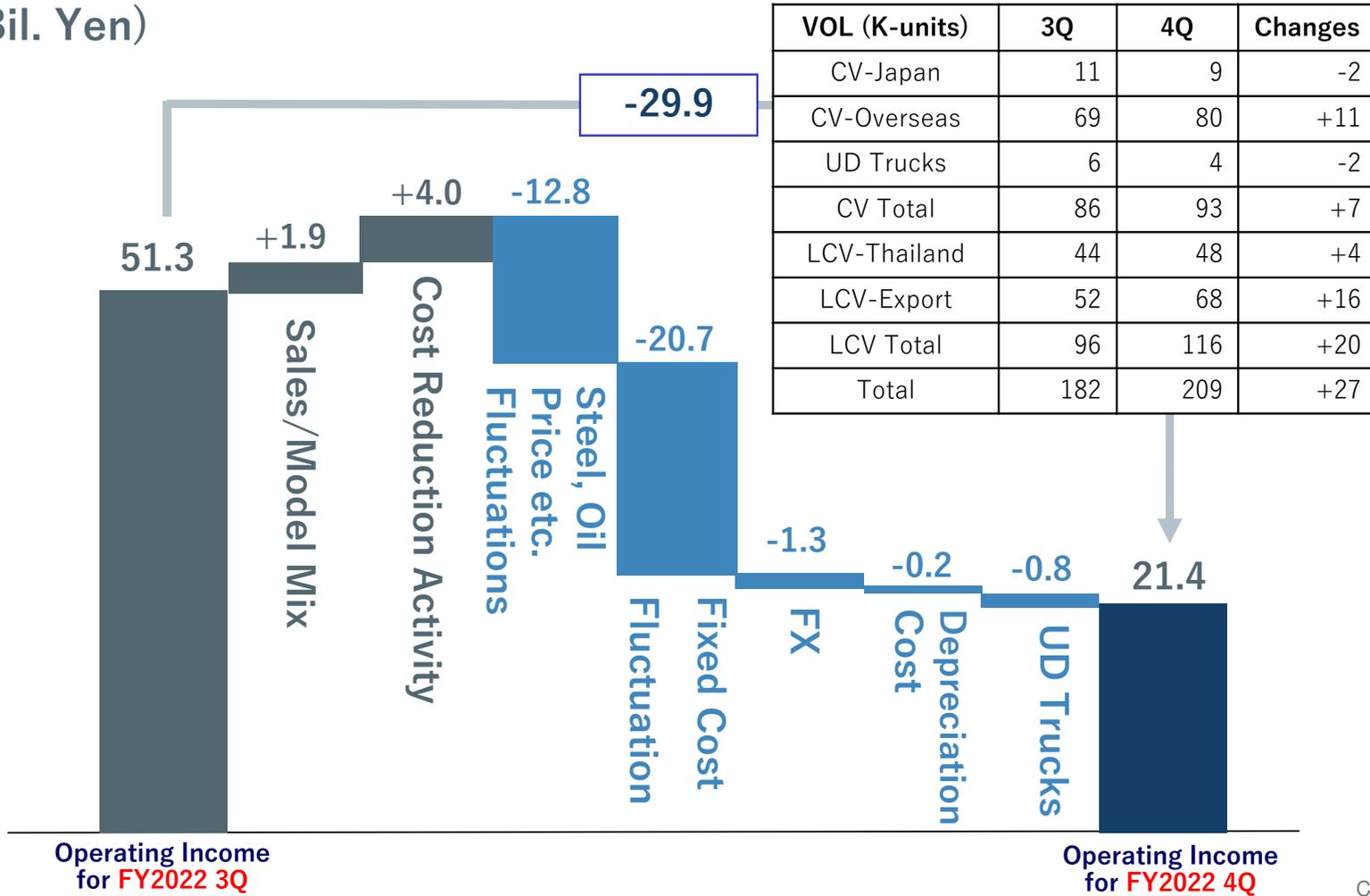
<b>*Net Income</b>	<b>Ordinary Income</b>	<b>175.0</b>
	<b>Loss on disposal of non-current assets, etc.</b>	<b>-3.0</b>
	<b>Income Taxes</b>	<b>-38.0</b>
	<b>Profit attributable to non-controlling interests</b>	<b>-24.0</b>
	<b>*Net Income</b>	<b>110.0</b>

\* Net income attributable to owners of parent

(Reference) FY2022 3Q vs. FY2022 4Q Fluctuations  
 - Consolidated operating income : analysis of change -

■ While sales units of CV-Overseas and LCVs are forecasted to increase, sales units of CV-Japan shall fall. Affects from soaring prices of raw materials and logistic fees and increases in fixed costs shall be concentrated in 4Q.

(Bil. Yen)



VOL (K-units)	3Q	4Q	Changes
CV-Japan	11	9	-2
CV-Overseas	69	80	+11
UD Trucks	6	4	-2
CV Total	86	93	+7
LCV-Thailand	44	48	+4
LCV-Export	52	68	+16
LCV Total	96	116	+20
Total	182	209	+27

FX Rates	3Q	4Q
USD/JPY	113.7	110.0
THB/JPY	3.41	3.40
AUD/JPY	82.9	82.0

Breakdowns	FY2022
<b>Sales/Model Mix</b>	<b>+1.9</b>
CV-Japan	-5.0
CV-Overseas	+2.5
LCV	+4.5
Others	-0.1
<b>FX</b>	<b>-1.3</b>
USD	-0.7
AUD	±0
THB & Other Currencies	-0.6
<b>Fixed Cost Fluctuation</b>	<b>-20.7</b>
R&D	-6.4
Labor Costs	-0.6
Others	-13.7

**Trucks for life**  
**ISUZU**

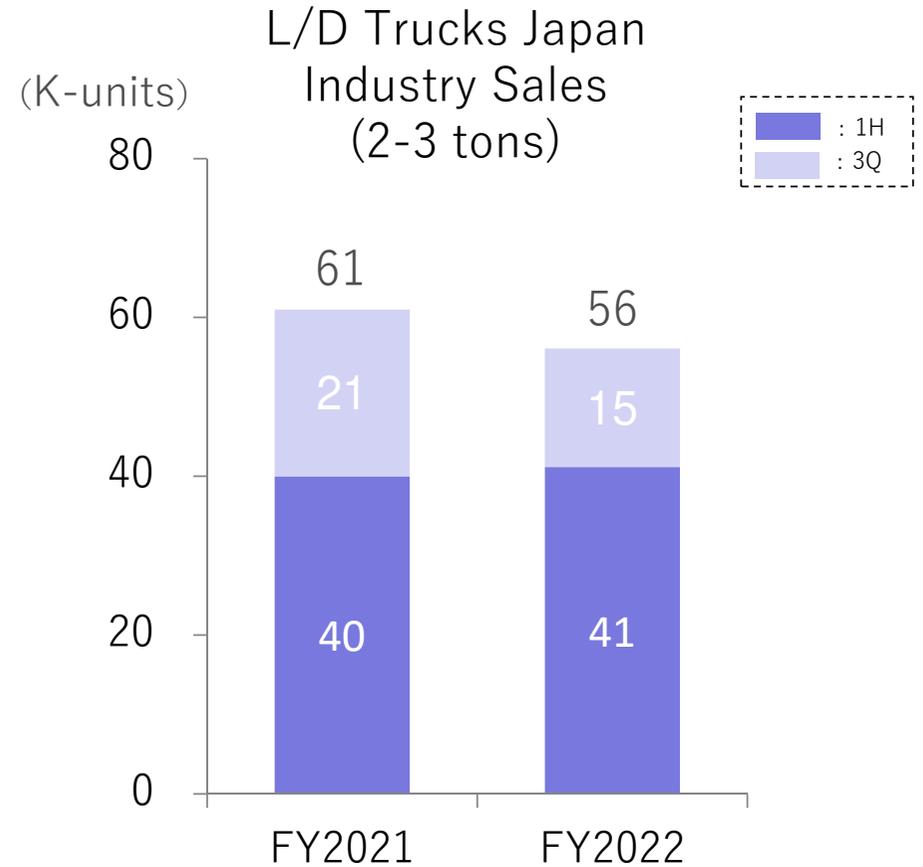
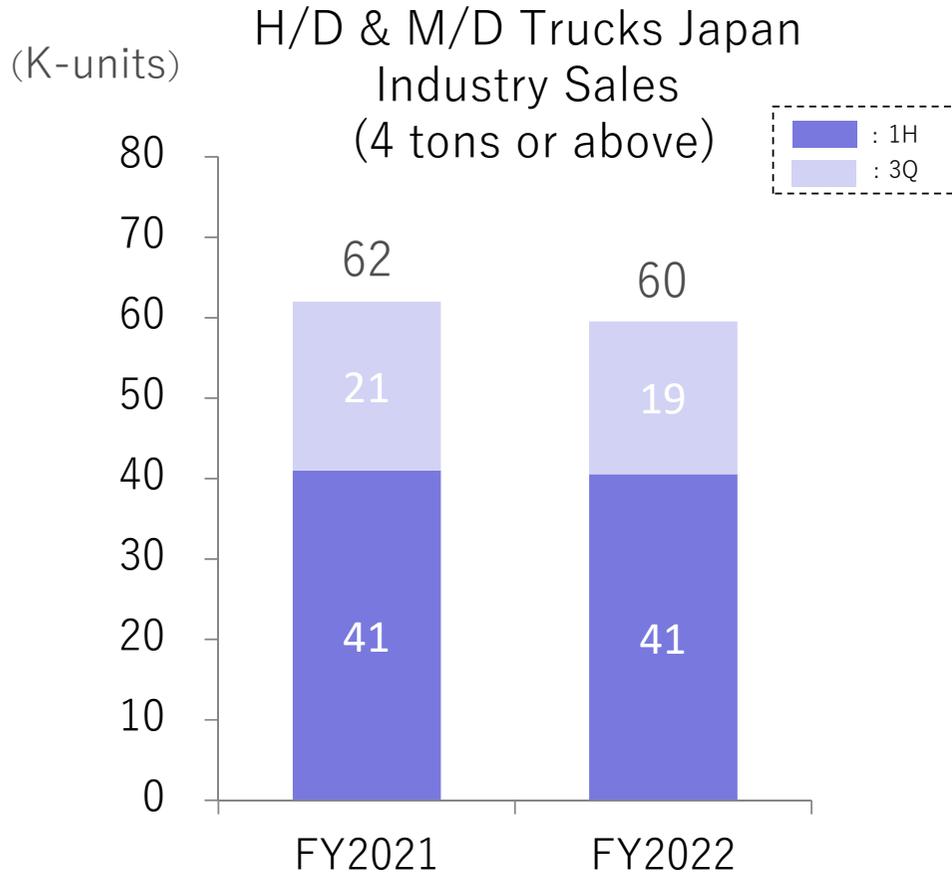
## Overview: FY2022 Cumulative 3Q Consolidated Results

Global Sales Units (K-units)		FY2022 1-3Q	FY2021 1-3Q	Changes		'20/3 1-3Q
CV Total	CV-Japan	45	49	-4	-8%	60
	CV-Overseas	197	126	71	57%	152
	UD Trucks	13	-	13	-	-
		255	175	81	46%	212
LCV Total	LCV-Thailand	116	108	8	7%	112
	LCV-Export	144	91	53	59%	110
		260	199	61	31%	222
Total		515	374	141	38%	434

### Financial Results (Bil. Yen)

Sales	1,783.8	1,308.2	475.6	36%	1,518.3
Operating Income	148.6	63.0	85.6	136%	113.7
Ordinary Income	159.9	66.3	93.6	141%	117.3
Net Income	104.7	28.5	76.2	268%	67.4

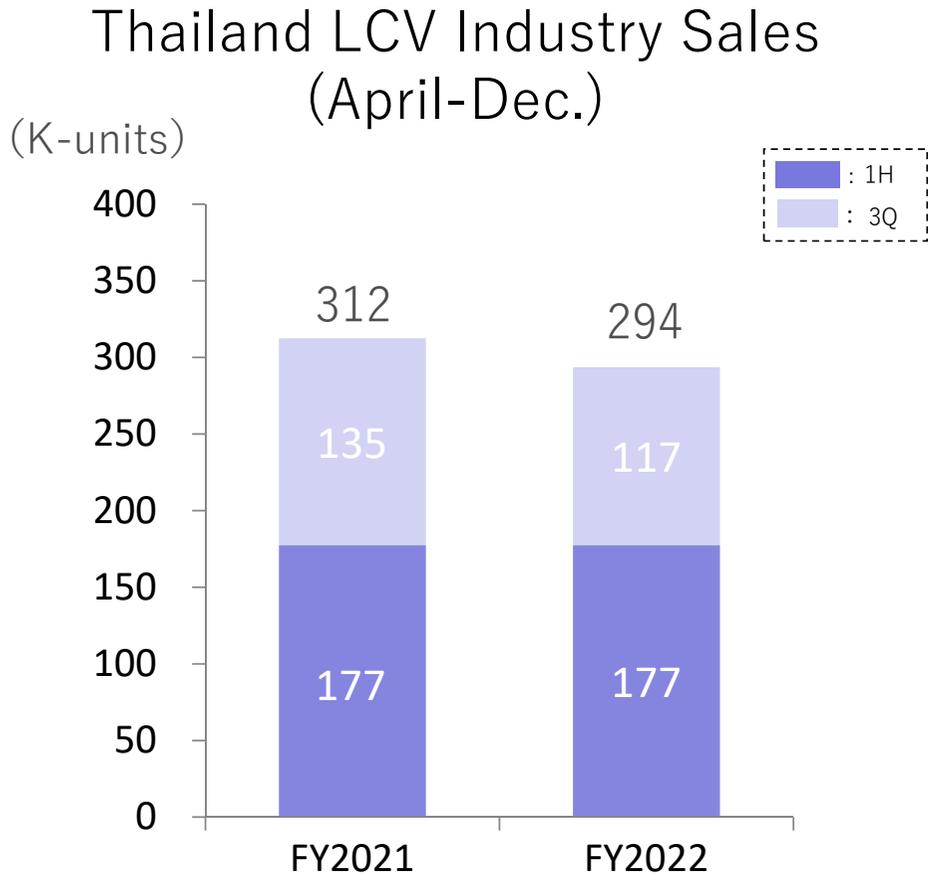
# Japan Industry Sales and Isuzu Share (Cumulative 9 months)



<b>1-3Q</b>	<b>Isuzu</b>	<b>32.1%</b>	<b>33.1%</b>
<b>Shares</b>	<b>UD Trucks</b>	<b>(12.0%)</b>	<b>11.6%</b>

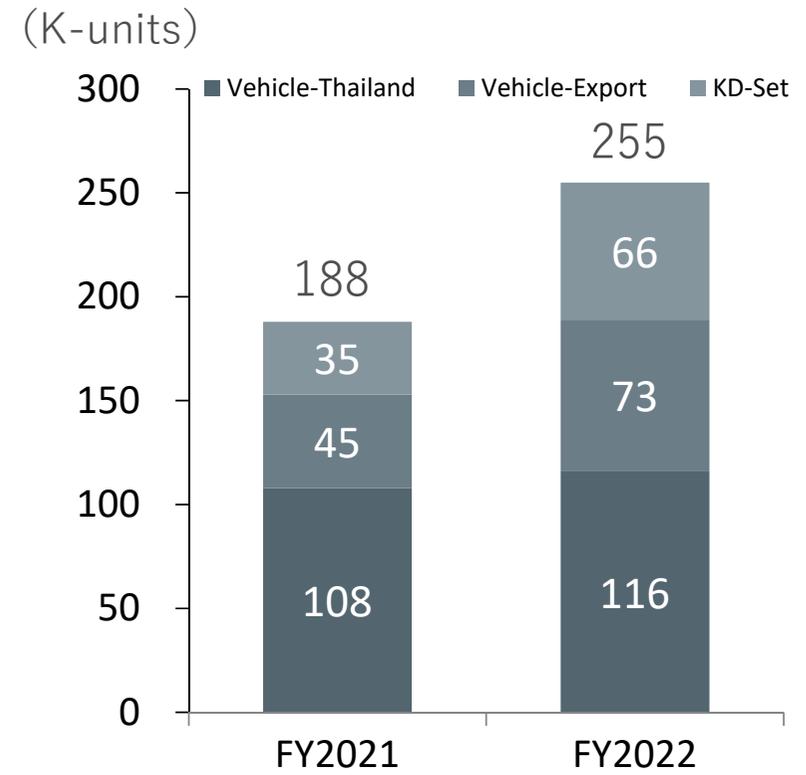
<b>1-3Q</b>	<b>Isuzu</b>	<b>40.0%</b>	<b>37.3%</b>
<b>Shares</b>			

# Thailand LCV Industry Sales & Share /LCV Production Units (Cumulative 9 months)



### LCV Production Units in Thailand (April-Dec.)

(K-units)



**1-3Q  
Share**

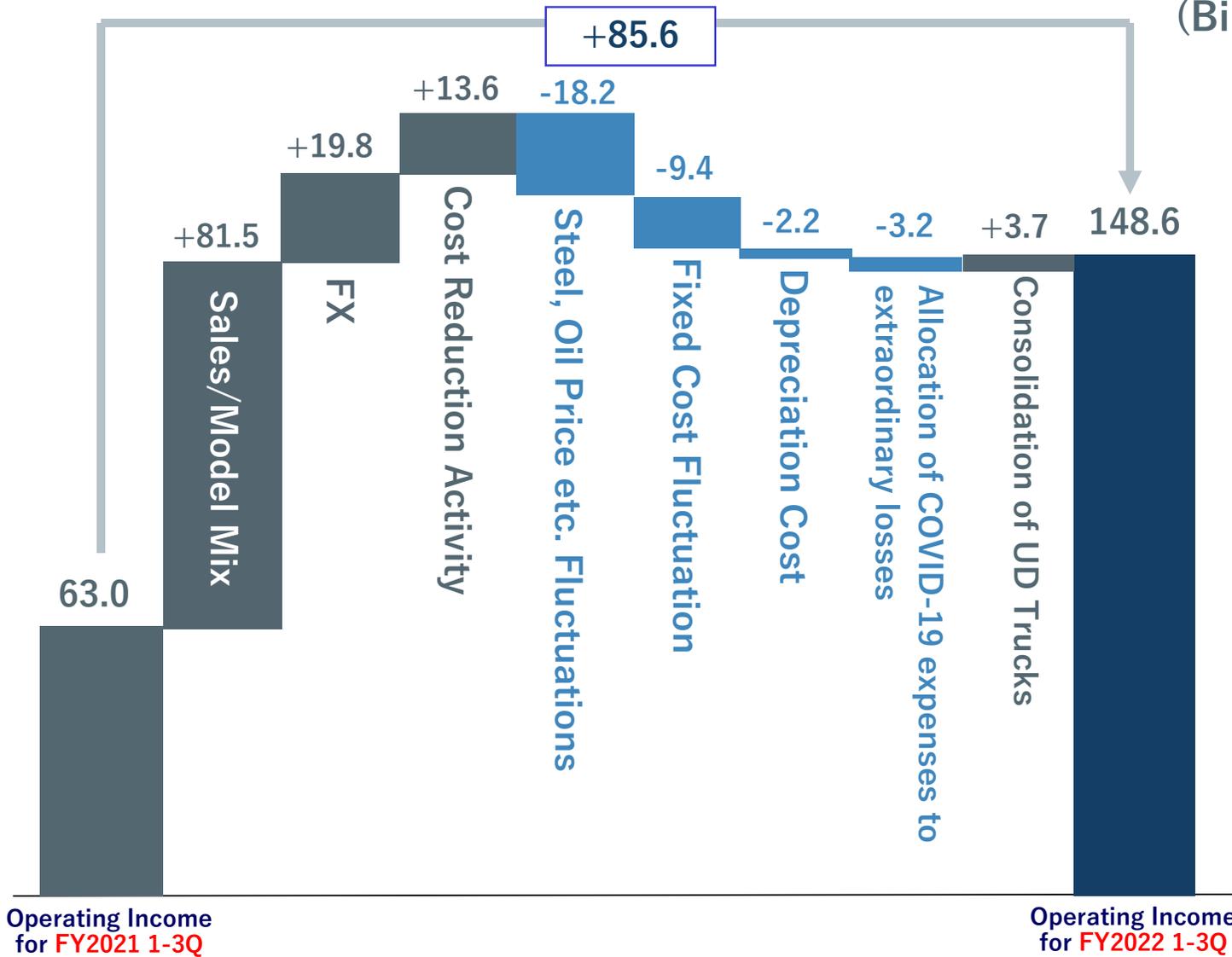
**Isuzu**

**41.2%**

**41.4%**

**FY2021 3Q vs. FY2022 3Q Fluctuations (Cumulative 9 months)  
- Consolidated operating income : analysis of change -**

(Bil. Yen)



FX Rates	FY2021	FY2022
USD/JPY	106.0	111.1
THB/JPY	3.39	3.41
AUD/JPY	74.4	82.7

Breakdowns	FY2022
<b>Sales/Model Mix</b>	<b>+81.5</b>
CV-Japan	-8.1
CV-Overseas	+40.1
LCV	+27.3
Others	+22.2
<b>FX</b>	<b>+19.8</b>
USD	+2.9
AUD	+5.2
THB & Other Currencies	+11.7
<b>Fixed Cost Fluctuation</b>	<b>-9.4</b>
R&D	-4.9
Labor Costs	-1.5
Others	-3.0