

**Q&A Summary of the Explanatory Session for Institutional Investors and Analysts  
for 3Q of Fiscal Year ending March 2026**

[Greetings from Yamaguchi EVP]

As for the first nine months of the fiscal year, unit sales increased year-on-year for both CVs and LCVs.

On the profit front, in addition to higher unit sales, we have steadily implemented price realization and cost reduction initiatives. However, they were offset by the negative factors, such as FX impact from yen and Thai baht appreciation, tariffs and lower unit sales for CVs in North America, rising parts procurement costs, and increased growth-related expenses. As a result, operating income decreased by 24.3 billion yen compared with the same period last year.

Regarding the three-month period from October to December, we achieved both revenue and profit growth year-on-year. Our business continues to perform steadily, and we are well positioned for profit growth in the next fiscal year and beyond. Compared with our internal plan, although unit sales for CVs in North America fell short of our assumptions, operating income exceeded expectations by approximately 8.0 billion yen thanks to steady growth in after-sales, additional cost reduction efforts, expense reductions, and the yen depreciating more than expected.

For the fiscal year ending March 2026, although a downward revision has been made to our North American CV unit sales to reflect market conditions, we expect to offset the impact through favorable exchange rates, additional cost reduction initiatives, and expense reviews. Accordingly, there is no change from our previous forecast.

Regarding the business environment for the fiscal year ending March 2027, it has been changing daily since the outlook we presented last November, including further depreciation of the yen and a sharp rise in resource prices such as platinum. Nevertheless, our initiatives in sales expansion, price realization, and cost reduction activities are progressing steadily. Hence, we continue to expect record-high operating income for the fiscal year ending March 2027.

Finally, let me touch on our initiatives. As announced today on our corporate website, we will consolidate manufacturing of Heavy-duty trucks (HD trucks) at UD Trucks' Ageo Plant (Saitama, Japan) starting in 2028. By optimizing our manufacturing structure, we aim to pursue synergy effects. Manufacturing of the jointly developed HD trucks is also scheduled to begin at the Ageo Plant in 2028. Meanwhile, the Fujisawa Plant (Kanagawa, Japan), currently producing Isuzu's HD trucks, will focus its resources on Light- and Medium-Duty Trucks (LD and MD trucks), and further improve production efficiency as our flagship manufacturing base.

Furthermore, the integration of our domestic sales functions to pursue sales synergies is progressing steadily toward completion by March 2027, and we will continue advancing initiatives aimed at maximizing these synergies.

**[Q & A]**

**< Result for 3Q ending March 2026 >**

**- Profitability -**

**Q: What is your assessment of 3Q results (October - December) on an internal basis?**

**A: Operating income exceeded our internal plan by approximately 8.0 billion yen. This was supported by 5.5 billion yen from foreign exchange gains (USD assumption: JPY 145 vs. actual: JPY 154) and approximately 2.5 billion yen from cost reductions and expense savings. From a volume perspective, CV sales for North America fell short of expectations, resulting in a negative impact of around 4.0 billion yen. This shortfall was largely offset by upside in after-sales and industrial engines.**

**- Units sales -**

**Q: Please elaborate on the status of orders in the domestic CV market after price hikes.**

**A: Orders for the new models following the price revisions have been progressing broadly in line with our assumptions. In December, we received orders of approximately 2,800 units for Heavy and Medium-Duty Trucks and about 3,200 units for Light-duty trucks, with both segments recovering to a level comparable to the previous year. The earnings impact is expected to materialize mainly from April onward.**

**Q: Please share information on orders received, sales and local dealer inventories for CVs bound for North America.**

**A: We revised downward our wholesale shipment plan for the fiscal year ending March 2026 by around 5,000 units, as the year-end retail sales fell short of expectations. Orders are trending slightly upward compared with the previous year. Local dealer inventories at the end of December 2025 were around 13,000 units, close to approximately 14,000 units recorded at the end of September 2025. Inventory adjustments are nearly complete, and we expect the inventory level at the end of March 2026 to be around 13,000 units.**

**Q: Could you comment on the market conditions and financial environment in Thailand?**

**A: We saw a slight year-on-year improvement in retail sales from November to January. Regarding loan screenings, the number of applications has recently declined, resulting in lower rejection rates and a decrease in outstanding loan balances. Although the non-performing loan ratio has risen, the total amount of non-performing loans has not increased. This is due to the decline in overall loan balances. At this point, we do not see any significant impact on market conditions.**

**Q: LCV export volumes increased year-on-year from October through December. Were there any currency impacts due to the stronger THB?**

**A: Although the appreciation of the THB against the USD and AUD has had a negative impact on export margins from Thailand, we have not seen a significant impact on volumes. More recently, the AUD**

has also been appreciating, and we expect the AUD/THB export margin to remain broadly in line with our assumptions.

**< Full-Year outlook for FY ending March 2026 >**

**- Profitability -**

**Q:** While the nine-month results have been solid, you have maintained the full-year outlook for the fiscal year ending March 2026. Are you factoring in any specific risk elements for the fourth quarter?

**A:** Our foreign exchange assumption for the fourth quarter is JPY145/USD. If the yen remains at the current level, this would be an upside factor. While there are both upside and downside elements, we are not factoring in any specific risk factors at this stage.

**< Outlook for FY ending March 2027 >**

**- Profitability -**

**Q:** Please comment on the earnings outlook for FY2027 ending March 2027.

**A:** In FY2027, the key points will be the recovery of the CV markets in North America and the LCV market in Thailand, and the promotion of price realization. At this stage, we expect a certain level of earnings growth, and there is no change to our policy of aiming to achieve record-high profit.

For CVs for the North American markets, although we revised the unit sales target downward for FY2026, due to current weak demand and uncertainty regarding economic trends, we expect a recovery from the latter half of FY2027 and believe that a year-on-year increase in unit sales from this fiscal year is achievable.

For LCVs for the Thai market, there are signs of bottoming out, such as January shipment volumes slightly exceeding the previous year, and there is no change in our view that recovery will progress from the middle to the latter half of FY2027. The political situation is also expected to stabilize following the general election, and the promotion of various economic measures is anticipated. There is also a view that qualitative improvements are progressing in the financing environment, and latent demand is expected to steadily materialize.

For CVs for the Japanese market, we continue order-taking activities for new models for which price revisions have been implemented. Through continued and careful explanations to customers regarding specification changes and rising material costs, we have gained their understanding, which has led to orders.

On the procurement side, if material costs rise, including due to increases in platinum prices, there is no change to our policy of addressing such impacts through price revisions implemented following thorough communication with customers, together with rationalization efforts and other self-help initiatives.

**- North America -**

**Q:** Please provide an update on the impact of U.S. tariffs.

**A:** Since the tariffs on Heavy and Medium-Duty Trucks were introduced in November 2025, there has been no material change in their application.

For the fiscal year ending March 2027, we expect import costs to increase by approximately JPY15.0 billion compared with the fiscal year ending March 2026. We are considering mitigation measures, including potential refund schemes.

We view other OEMs' recent price increases as regular annual price revisions, not tariff driven. We will formulate our business plan for the fiscal year ending March 2027 assuming it may be difficult to pass through the tariff impact amid intense price competition in the market.

**Q:** What is your view on the upcoming emissions regulations that will apply to vehicles for the U.S. market?

**A:** We understand that the current U.S. administration is moving to repeal the GHG regulations. However, there are no significant changes to the current direction of the NOx regulations, we are proceeding on the assumption that the regulations will be tightened from 2027.

**<Others>**

**- Transfer of Heavy-Duty Truck Production -**

**Q:** What is the objective of transferring Heavy-duty truck production to UD Trucks' Ageo Plant?

**A:** As production of the Isuzu and UD Trucks common-platform model to be introduced in 2028 begins, we will consolidate Heavy-duty truck production at UD Trucks' Ageo Plant.

We plan to invest about 40.0 billion yen, including renewal of paint facilities, with the aim of accommodating the new model and reducing costs. We will also shift the Ageo Plant from single-shift to two-shift operations to raise capacity, while proceeding with due consideration for neighboring municipalities and the surrounding environment.

Given the Isuzu Group's current production capacity, it will be difficult to meet the volume targets by 2030. With further volume growth also in mind, we will consolidate Heavy-duty truck production at the Ageo Plant and Light- and medium-duty truck production at the Fujisawa Plant, to further improve efficiency and productivity.

Synergies with UD Trucks, including this initiative and on the commercial side, are steadily progressing, and we will provide updates as appropriate.