At the starting line of our midterm business plan

- Expecting huge wave of environmental change in 2020’s.
- Isuzu set-up mid and long term vision to flexibly adapt the change.
- Isuzu will press forward “the new Midterm Business Plan” to achieve the vision.

![Bar chart: Net Sales, OP]

**Global business formation**

**Life-cycle support organization**

**Mid-term long term vision in CY2030**

**New Challenges**

**Midterm Business Plan FY19 - FY21**

**Further Enhancement**

Huge wave of change in 2020’s
Ex-midterm business plan review

Ex-midterm plan measures and policies

**Tasks accomplished**

**Global business formation**
- Perfect fit product offering for each market.
- Planned product line-up accomplished.

**Life-cycle support organization**
- “PREISM” to maximize customer’s benefit launched in Japan.
- “Near-field” activity promotion throughout Isuzu group to customer’s engagement in overseas.

**Record-high sales**

<table>
<thead>
<tr>
<th></th>
<th>Target</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>2,200 -2,300</td>
<td>2,070</td>
</tr>
<tr>
<td>Operating profit</td>
<td>9.0%</td>
<td>8.2%</td>
</tr>
<tr>
<td>ROE</td>
<td>12.0%</td>
<td>13.1%</td>
</tr>
<tr>
<td>Total return ratio</td>
<td>20%~30% 3 years</td>
<td>Payout ratio 24.9% Ave, 3 yrs. + Share buyback 49.5 Bill. JPN Yen</td>
</tr>
</tbody>
</table>

With above outcome Isuzu will realize remarkable growth and sustained earning power.

**Five ASC**
- Located
  - IIF: Isuzu International FZE (UAE)
  - IMSAf: Isuzu Motors South Africa (South Africa)
- Foundation
  - IEA: Isuzu East Africa (Kenya)
- Consolidation
  - ISZR: Isuzu RUS (Russia)
Mid-long term vision

Our heart is always with You
supporting people’s life and social production activities
as a CV/LCV and Powertrain excellent company

Leading sources
- Powertrain technology
- Vehicle manufacturing technology
- Vehicle diagnostics know-how
- Global foot print and Service net work
- Customer/Partner network

Supportive diverse service line-up
- Truck
- LCV
- Bus
- Life-cycle support
- Special equipment vehicle
- Diverse power source
- Indusial DE
- Logistics engineering
- Social-infrastructure support
- Energy management

People’s life
Social production activities

* CV: Commercial Vehicle  LCV: Light Commercial Vehicle  DE: Diesel Engine
New Midterm business plan overview

【New Midterm business plan strategy FY19- FY21】
“Current business deepening” and “New engagement for next generation”

Current Business
Global Biz formation
Life-cycle support

Deepening
Earning growth through core business

7 key Challenges
1) Collaborative business innovation
2) Expand overseas CV business
3) Strengthen LCV business
4) Enhance powertrain business
5) Accelerate advance technology
6) Implement digital innovation
7) Create new business

New engagement
Planting for the future

Mid-long term vision

<table>
<thead>
<tr>
<th></th>
<th>Result (FY18)</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>2,070 Bill. JPN Yen</td>
<td>FY21 2,300 Bill. JPN Yen</td>
</tr>
<tr>
<td>Operating profit ratio</td>
<td>8.1%</td>
<td>Ave. 3 yrs. 9.0%</td>
</tr>
<tr>
<td>ROE</td>
<td>12.2%</td>
<td>Ave. 3 yrs. 12%</td>
</tr>
<tr>
<td>Total return ratio</td>
<td>24.6%</td>
<td>Ave. 3 yrs. 30%</td>
</tr>
</tbody>
</table>
1) Collaborative business innovation

Create new solution with customer.
Brand new integration of products and services.

Global business formation
- Vehicle
- Modification
- Body Builder
- Industrial Engine
- Sales
- Leasing
- Telematics
- Maintenance

Create new solution with collaborative activities

New approach of truck usage and logistics operation improvement.

Diverse usage

Customer

Things to care

Life-cycle support business

ISUZU

Case 1
25m double trailer consolidated truck
Joint development with major forwarder and body builder.
Contribution to Logistics business.

Case 2
New generation maintenance lease
Offering most appropriate maintenance lease program and stable operation service to customers, utilizing in-depth of customer usage by remotely connected data.
2) Expand overseas CV business

Deliver perfect fit vehicles and services utilizing global business formation.

“Japan made” + “ASEAN & China made” → Perfect fit vehicle

Give high sales priority on ASEAN/Middle East/ African markets where Isuzu invested in Ex-midterm business plan to drive earnings growth.

Overseas sales: 275 Thou. Units (30% increase compare to FY18)

* DB: Distributors   EM: Emerging market
3) Strengthen LCV business

- Launch new model applying customer’s fast-changing demand to expand LCV sales.
- India as work-horse model production base to meet wide range customer needs.

Product strategy
- New model development applying environmentally considered and safety requirements in addition to Isuzu strength of “Robust” performance.
- Launch new model in midterm period to stabilize LCV top brand position.

Sales strategy
- Enhance sales in Africa and Middle East.
- Break into open market area (CV network sharing).

Improving fuel-efficiency and safety features
Corresponding variety of usage and environment

LCV sales : 390 Thou. Units (23% increase compare to FY18)
4) Enhance powertrain business

Sales challenge to 200 thousand units
Take positive approach utilizing “CV spirit base business” + “Collaboration” activities

Powertrain Business

R&D/ Manufacturing
- Utilize China base CV R&D for application engineering and cost reduction activities.

Sales
- Utilize CV network.
- Enhance vehicle component Biz.

Products
- Complement product line-up by alliance partnership.

Shift Isuzu business style from REQUEST to PROPOSAL base
Established “Industrial Solutions Division” in FY18. Integrated major function: Planning, Engineering and Sales to make further leap forward.

Customer
- Construction Machinery
- Power Generator
- Agricultural Machinery
- Forestry Machinery
- Marline Machinery
- For other CV OEM
- Etc.
5) Accelerate advance technology

Enforce on-going 5 focus field
Speed-up effect utilizing partnerships

Value throughout CV Engineering

- Reliability
- Safety
- Economy
- Customer friendly
- Environment

Advanced safety
Platooning Autonomous
EV
Connected
High-efficient ICE

5 focus field

CY2018: N-series with pedestrian protection AEBS
“PREISM” (C&E standard) CY2018: N/F-series exclusive models CY2019: N/F-series Standard
CY2017: Platooning in demonstration
CY2018: N-series EV monitoring
CY2018: 4JZ1 engine launched

* ICE: Internal Combustion Engine  AEBS: Advanced Emergency Braking Systems
Isuzu mission is to offer attractive Diesel Engine as Diesel Engine driven company. We will continue to pursue further high-efficient and clean Diesel Engine to be the leader in Global Diesel Engine market.
6) Implement digital innovation

- New value creation and operational renovation by digital innovation to reinforce sustainable business model.

- Expand customer solution method by analyzing every data

- Offense IT: New value-creation
- Defensive IT: Operational renovation

- CV data platform
  (Customer vehicle in operation data, best practice data, loading data etc.)

- Solution development through close linkage

- Introduction of All-new Basic system and RPA
  - Global Supply Chain optimization
  - Shift to high-value added job
  - Smart work implementation
  - Group Business Management / Governance enhancement

- RPA: Robotic Process Automation
7) Create new business

- New ventures supporting more efficient sustainable growth for the entire society.
- Accelerate creating new solution throughout customer and cross-industrial collaboration.

Isuzu ideal future society

- Logistic engineering
  - Vehicle related hardware, service and management support solution
- Social-infrastructure support
  - Participate in next generation traffic infrastructure operation to support smooth driving / getting-in/off / cargo handling
- Energy management
  - Industrial solution with clean and safety power source
**Financial focus**

- Consistence shareholder return investing for mid-long term to ensure substantial growth.

### FY19 – FY21 Cash Flow and Allocation

<table>
<thead>
<tr>
<th>Financial Focus Area</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating + Financial CF 400-500 Bill. Yen</td>
<td>Ensure revenue from existing business field expansion.</td>
</tr>
<tr>
<td></td>
<td>Maintain Financial health condition with well balanced debt-equity ratio.</td>
</tr>
<tr>
<td>Capital investment + Strategic investment 350 Bill. Yen</td>
<td>Shift to product improvement and digital innovation from footprint investment.</td>
</tr>
<tr>
<td></td>
<td>Enhance strategic investment on advanced technology and new business creation including alliance collaboration.</td>
</tr>
<tr>
<td>Shareholder return (Total return ratio) Ave. 30%</td>
<td>Ensure stable, continuous shareholder return.</td>
</tr>
</tbody>
</table>
For sustainable growth

Isuzu goal is to create social value throughout business activities for community as well as Isuzu sustainable growth.

Mid-long term vision

Being well received CV/LCV and Powertrain excellent company supporting people’s life and social production activities.

Social agenda need be solved throughout Isuzu business

Productivity growth of Logistic industry (lack of decent work)
Logistic optimization (resolve traffic accident/congestion)
Protect living condition at disaster and emergency

Climate change and Economic growth
End hunger

Midterm business plan FY19 - FY21

“Current business deepening” and “New engagement for next generation”
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## Appendix table

### Social tasks to be solved throughout Isuzu Business

<table>
<thead>
<tr>
<th>Social tasks</th>
<th>Relation with SDGs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Productivity growth of Logistic industry</strong> (lack of decent work)</td>
<td></td>
</tr>
<tr>
<td>- Productivity growth of logistics industry is addressed as urgent social</td>
<td>8. DECENT WORK AND</td>
</tr>
<tr>
<td>issue especially in Japan.</td>
<td>ECONOMIC GROWTH</td>
</tr>
<tr>
<td>- Contribute to solution in logistic industry, Isuzu immediate customer will</td>
<td>9. INCLUSIVE AND</td>
</tr>
<tr>
<td>lead to customer value creation.</td>
<td>INFRASTRUCTURE</td>
</tr>
<tr>
<td><strong>Logistic commutation</strong> (resolve traffic accident/congestion)</td>
<td></td>
</tr>
<tr>
<td>- Economic development actualized traffic accident and congestion worldwide</td>
<td>3. GOOD HEALTH AND</td>
</tr>
<tr>
<td>which may carry non-functional logistics risk.</td>
<td>WELL-BEING</td>
</tr>
<tr>
<td>- Isuzu to fulfill social responsibility for traffic accident and congestion</td>
<td>11. SUSTAINABLE</td>
</tr>
<tr>
<td>resolve as Vehicle OEM.</td>
<td>CITIES AND COMMUNITIES</td>
</tr>
<tr>
<td><strong>Protect living condition Protection at disaster and emergency</strong></td>
<td></td>
</tr>
<tr>
<td>- CV is must-have item for construction site and home-delivery purpose</td>
<td>11. SUSTAINABLE</td>
</tr>
<tr>
<td>supporting people’s life.</td>
<td>CITIES AND COMMUNITIES</td>
</tr>
<tr>
<td>- Isuzu will continuously provide vehicles for protection at disaster and</td>
<td>13. CLIMATE ACTION</td>
</tr>
<tr>
<td>emergency.</td>
<td></td>
</tr>
<tr>
<td><strong>Climate change and Economic growth</strong> (CO2/Exhaust Gas)</td>
<td></td>
</tr>
<tr>
<td>- Isuzu business is supporting economical development but also having aspect</td>
<td>7. AFFORDABLE AND</td>
</tr>
<tr>
<td>placing burden on climate change.</td>
<td>CLEAN ENERGY</td>
</tr>
<tr>
<td>- Isuzu have responsibility to contribute continuous environmental</td>
<td>12. RESPONSIBLE</td>
</tr>
<tr>
<td>friendly society.</td>
<td>CONSUMPTION AND</td>
</tr>
<tr>
<td></td>
<td>PRODUCTION</td>
</tr>
<tr>
<td><strong>End hunger</strong></td>
<td></td>
</tr>
<tr>
<td>- At many of Isuzu operation emerging counties are working to resolve hunger</td>
<td>1. NO POVERTY</td>
</tr>
<tr>
<td>problem.</td>
<td></td>
</tr>
<tr>
<td>- Isuzu have responsibility to contribute end hunger throughout our</td>
<td>8. DECENT WORK AND</td>
</tr>
<tr>
<td>business activities.</td>
<td>ECONOMIC GROWTH</td>
</tr>
<tr>
<td></td>
<td>10. REDUCED INEQUALITIES</td>
</tr>
</tbody>
</table>