1. Basis of Presenting the Financial Statements

The accompanying consolidated financial statements of Isuzu Motors Limited ("the Company") and its consolidated subsidiaries have been prepared from the consolidated financial statements filed with the Minister of Finance as required by the Securities and Exchange Law of Japan, in accordance with accounting principles and practices generally accepted in Japan, which may differ in some material respects from accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

In addition, the notes to the consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information.

In order to facilitate the understanding of readers outside Japan, certain reclassifications have been made to the consolidated financial statements prepared for domestic purposes and relevant notes and statements of stockholders' equity and statements of cash flows have been added.

The yen amounts are rounded down in millions. Therefore, total or subtotal amounts do not correspond with the aggregation of such account balances.

U.S. dollar amounts have been translated from Japanese yen for convenience only at the rate of ¥123.90=US$1, the approximate exchange rate prevailing on the Tokyo Foreign Exchange Market on March 31, 2001. The translations should not be construed as a representation that Japanese yen have been or could be converted into U.S. dollars at that rate. The U.S. dollar amounts are then rounded down in thousands.

Certain reclassifications have been made in the 2000 and 1999 financial statements to conform to the presentation for 2001.

2. Summary of Significant Accounting Policies

a) Consolidation

The consolidated financial statements include the accounts of the Company and significant subsidiaries. All significant inter-company balances and transactions have been eliminated in consolidation.

Investments in the main unconsolidated subsidiary and significant affiliated companies (15% to 50% owned) are accounted for by the equity method.

The differences at the time of acquisition between the cost and underlying net equity of investments in consolidated subsidiaries and in unconsolidated subsidiaries and affiliated companies accounted for under the equity method are, as a rule, amortized over periods of no more than twenty years after appropriate adjustments.

b) Foreign Currency Translation

The financial statements of consolidated foreign subsidiaries are translated into yen in accordance with the Financial Accounting Standard on Foreign Currency Translation in Japan until the fiscal year 2000.

The Company has adopted the revised Financial Accounting Standard for Foreign Currency Translation in Japan effective from April 1, 2000. The effect of the adoption of the revised standard on the consolidated financial statements is immaterial for the year ended March 31, 2001.

Based on the change in accounting principle, foreign currency translation adjustments which were recorded in "Assets" in the prior fiscal year, are recorded in "Equity" or "Minority Interest" at March 31, 2001.

c) Securities

Marketable securities, investments in securities and investments in unconsolidated subsidiaries and affiliates are principally valued at cost using the moving average method.

The Company has adopted the new Financial Accounting Standard for Financial Instruments in Japan effective from April 1, 2000. The new accounting standard for financial instruments requires that securities be classified into three categories: trading, held-to-maturity or other securities. Unrealized holding gain or loss on other securities, net of the applicable income taxes, will be charged to shareholders' equity from fiscal year 2002.

The net unrealized gains on other securities were summarized as follows:

	Millions of Yen	Thousands of U.S. Dollars
Balance Sheet	¥54,772	$442,070
Market value	52,943	427,309
Net unrealized gains	(1,114)	(8,993)
Deferred taxes	731	5,904
Minority interest	(16)	(136)

The effect of the adoption of the new standard on the consolidated statements of operations was to increase special items and loss before income taxes by ¥11,835 million ($95,524 thousand) for the year ended March 31, 2001.

d) Inventories

Inventories of the Company are valued at cost using the periodic average method. Inventories of consolidated subsidiaries are principally valued at cost using the specific identification method.

e) Property, Plant and Equipment

Property, plant and equipment are stated at cost. Depreciation of property, plant and equipment is principally computed by the straight-line method over the applicable useful lives.

The Company and some of its consolidated subsidiaries have changed and shortened the estimated useful lives of all the buildings due to the revision of the tax regulation in Japan since the fiscal year 1999.

The Company also changed and shortened the estimated useful lives and its scrap value of some property, plant and equipment based upon an available time since the fiscal year 2001.

The effect of this change for the fiscal year 2001 was to increase the depreciation recorded in "Special Items" by ¥5,925 million ($47,888 thousand) and increase loss before income taxes for the fiscal year 2001 by ¥5,925 million ($47,888 thousand).

f) Software Costs

Software used by the Company and its consolidated subsidiaries is depreciated using the straight-line method, based on the useful life as determined by the Company and its consolidated subsidiaries (generally 5 years). With respect to software used by the Company and its consolidated subsidiaries which has been booked as "Other Assets", the accounting treatment remains unchanged; "Practical Guidance for Accounting for Research and Development Costs, etc". (The Accounting Committee Report No. 12 of the Japanese Institute of Certified Public Accountants, March 31,1999).

g) Leases
Finance lease transactions, except for those which meet the conditions that the ownership of the leased assets is substantially transferred to the lessee, are accounted for on a basis similar to ordinary lease transactions.

h) Employees' Retirement Benefits
Employees' retirement benefits covering all employees are provided through an unfunded lump-sum benefit plan and a funded pension plan. Under the plans, eligible employees are entitled, under most circumstances, to severance payments based on compensation at the time of severance and years of service. Liabilities for employees' retirement benefits under the lump-sum benefit plan are provided to 40% of the liabilities periodically accrued on a voluntary retirement basis at the balance sheet date until the year ended March 31, 1999.

From the fiscal year 2000, the Company and its consolidated subsidiaries have changed an accounting method such that liabilities for employees' retirement benefits are determined based on the discounted present value of the benefit obligations, less the fair value of the plan assets, calculated by the projected benefit cost method.

The Company has adopted the new Financial Accounting Standard for retirement benefits in Japan effective from April 1, 2000. In accordance with this standard, accrued employees' retirement benefits at March 31, 2001 have been provided mainly at an amount calculated based on the retirement benefit obligation and the fair value of the pension plan assets as of March 31, 2001 as adjusted for unrecognized actuarial gain or loss. The cumulative effect of this accounting change is recorded in the consolidated statements of operations.

The effect of the adoption of the new standard for retirement benefits was to increase operating loss by ¥7,329 million ($59,152 thousand) and loss before income taxes by ¥13,763 million ($111,086 thousand) for the year ended March 31, 2001.

i) Income Taxes
Income taxes are accounted for on an accrual basis. Deferred income taxes are recognized only for timing differences resulting from the elimination of unrealized inter-company profits and adjustments of allowance for doubtful receivables until the fiscal year 1999.

From the fiscal year ended 2000, according to the amendment of regulations relating to the presentation of financial statements, tax effect accounting is adopted to prepare financial statements from the term under review.

j) Net Income (loss) per Share
Net income (loss) per share is based on the weighted average number of shares outstanding during each year.

k) Appropriation of Retained Earnings
Appropriations of retained earnings are recorded in the financial year in which the appropriation is approved by the Board of Directors or shareholders.

l) Cash and Cash Equivalents
The Company considers any highly liquid debt instruments to be cash equivalents.

Cash deposits in banks and other short-term securities with original maturities of three month or less at the time of purchase are included in cash and cash equivalents described in the cash flows statements since the fiscal year 1999 due to the revision of the Securities and Exchange Law of Japan as required by the Minister of Finance.

The Company and its consolidated subsidiaries have adopted the new Financial Accounting Standards for cash flows in Japan effective from April 1, 1999.

Reconciliations of cash and time deposits and marketable securities between the consolidated balance sheet and the statement of cash flows as of March 31, 2001 are as follows:

	Millions of Yen	Thousands of U.S. Dollars
Cash and time deposits on the consolidated balance sheet	¥109,760	$ 885,875
Short-term loan in the consolidated balance sheet	35,991	290,489
Cash deposits in banks and other short-term securities with original maturities over three month at the time of purchase	(8,388)	(67,702)
Cash and cash equivalents in the statement of cash flows	¥137,363	$1,108,662

m) Accounting Change
1) The Company sold certain raw materials to outside processors (vendors) for the purpose of repurchasing the processed materials and the relative sales are recorded as "Net sales" until the fiscal year 1999. However, The Company changed its accounting method for raw material sales to outside processors (vendors) and the relative amount resulting from such transactions are recognized as "Other current assets" since the fiscal year 2000.

2) The Company changed its accounting method of calculating the reserve for product warranty. The calculated reserve for product warranty was provided at 0.5% of net sales of the related products, the maximum amount permitted by Japanese income tax law, until the fiscal year 1999. From the fiscal year 2000, the calculated reserve for product warranty was provided based on the product-by-product warranty costs incurred for the prior years in consideration of the general warranty clause as the Company could calculate the actual product-by-product warranty costs during this period.

3) House rent income and related expenses were recorded in "Other Income (Expenses)" until the fiscal year 2000. However, because of the restructuring of the business to utilize fixed property effectively, the Company changed its method of accounting for house rent such that it was included in "Net sales" or "Cost of sales" from fiscal year 2001.
The effect of this change was to increase net sales by ¥1,355 million ($10,936 thousand), cost of sales by ¥1,187 million ($9,587 thousand), and to decrease gross profit by ¥201 million ($1,622 thousand) for the fiscal year 2001.

n) Additional Information

In accordance with the provisional rule of the Accounting Committee Report No. 12, "Practical Guidance for Research and Development Costs, etc.", the Company's reclassified some research and development costs from "Cost of Sales" to "Selling, General and Administrative Expenses" in the fiscal year 2000.

The effect of this change was to increase operating loss, income loss and loss before income taxes by ¥438 million for the fiscal year 2000.

3. Long-Term Debt

Long-term debt at March 31, 2001 was as follows:

		Millions of Yen	Thousands of U.S. Dollars
1.90%	convertible bonds due 2001	¥ 21,739	$ 175,456
2.35%	mortgage bonds due 2002	2,000	16,142
2.50%	mortgage bonds due 2003	500	4,035
2.50%	mortgage bonds due 2003	500	4,035
3.00%	mortgage bonds due 2003	500	4,035
2.50%	straight bonds due 2001	10,000	80,710
2.75%	straight bonds due 2002	10,000	80,710
2.375%	straight bonds due 2003	10,000	80,710
2.65%	straight bonds due 2004	10,000	80,710
3.00%	straight bonds due 2003	10,000	80,710
3.45%	straight bonds due 2005	10,000	80,710
2.30%	straight bonds due 2002	5,000	40,355
2.43%	straight bonds due 2002	10,000	80,710
2.10%	straight bonds due 2002	5,000	40,355
2.50%	straight bonds due 2003	5,000	40,355
3.00%	straight bonds due 2004	5,000	40,355
Loans		445,680	3,597,099
Less: current portion		146,535	1,182,691
		¥414,384	$3,344,505

The annual maturities of long-term debt at March 31, 2001 are as follows:

	Millions of Yen	Thousands of U.S. Dollars
2002	¥176,875	$1,427,568
2003	105,746	853,481
2004	73,523	593,410
Thereafter	58,238	470,044

The assets pledged as collateral for certain loans and other liabilities at March 31, 2001 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Cash and time deposits	¥ 6,494	$ 52,413
Notes and accounts receivable	168,266	1,358,082
Inventories	25,246	203,762
Building and structures	90,338	729,122
Machinery and equipment	85,370	689,024
Land	287,736	2,322,326
Securities	21,432	172,983
Others	7,118	57,453

4. Retirement Benefit Obligations and Pension Plan

(1) Retirement benefit obligations as of March 31, 2001.

	Millions of Yen	Thousands of U.S. Dollars
Projected benefit obligations at end of the year	¥(196,777)	$(1,588,196)
Fair value of plan assets	69,243	558,867
Accrued retirement and severance benefits on balance sheets	105,385	850,569
Net	¥ (22,148)	$ (178,759)
Unrecognized actuarial net loss	(22,722)	183,394
Unrecognized prior service cost	574	4,635
Total	¥ (22,148)	$ (178,759)

(2) Retirement benefit cost for the year ended March 31, 2001.

	Millions of Yen	Thousands of U.S. Dollars
Service cost	¥ 12,868	$123,864
Interest cost on projected benefit obligation	5,774	46,604
Expected return on plan assets	(3,045)	(24,577)
Amortization of unrecognized net obligation arising from accounting changes	(13,763)	111,086
Net periodic pension cost	¥ 1,834	$ 14,804

(3) Actuarial assumptions used to determine costs and obligations for retirement.

	2001
Discount rate	2.75—3.5%
Expected rate of return on plan assets	1.7—5.5%
Recognition period of prior service cost	1 year
Amortization period of actuarial net loss (gain)	10 years
Amortization period of net obligation arising from accounting changes	1 year

5. Income Taxes

Accrued income taxes in the balance sheets include corporation taxes, inhabitants taxes and enterprise taxes.

Income taxes in the statements of operations include corporation taxes and inhabitants taxes and enterprise taxes.

The significant components of the Company's deferred tax assets and liabilities as of March 31, 2001 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Deferred tax assets:		
Retirement benefits	¥ 35,676	$ 287,949
Loss from revaluation of securities and allowance for doubtful accounts	14,670	118,410
Accrued expenses	5,827	47,030
Bonus payment reserve	2,022	16,324
Inventory write-down	2,312	18,665
Loss carried forward	46,304	373,723
Unrealized gain	19,517	157,523
Other	17,477	141,064
Valuation allowance	(49,515)	(399,638)
Deferred tax liabilities		
Reserve for deferred tax assets	(8,977)	(72,455)
Other	(213)	(1,724)
Total deferred tax assets	¥ 85,103	$ 686,873
Deferred tax liabilities:		
Reserve for deferred tax assets	171	1,387
Depreciation adjustment of foreign subsidiaries	12,020	97,016
Other	1,741	14,058
Total deferred tax liabilities	¥ 13,934	$ 112,462

6. Common Stock and Capital Surplus

During the fiscal year ended March 31, 2000, the Company issued no shares of common stock in connection with conversion of convertible bonds.

7. Land Revaluation

In accordance with the Law Concerning Revaluation of Land enacted on 31 March, 1999, land owned by the Company used for business was revalued, and the unrealized gain on the revaluation of land, net of deferred tax, was reported as "Variance of Land Revaluation" within stockholders' equity, and the relevant deferred tax was included in liabilities as "Deferred Tax Liabilities related to Land Revaluation" for the fiscal year ended 31 March, 2001.

	Millions of Yen	Thousands of U.S. Dollars
Book value of land before revaluation	¥ 73,328	$ 591,838
Book value of land after revaluation	243,620	1,966,270

Date of revaluation 31 March 2000

In accordance with the Law concerning Revaluation of Land enacted on March 31, 1998, the land used for business owned by some of the Company's non-consolidated subsidiaries and affiliates which were accounted for by the equity method were revalued.

The method of revaluation is as follows:

Under article 3-3 of the enforcement ordinance for the law, the land price for the revaluation is determined based on the official notice prices assessed and published by the National Land Agency of Japan, after appropriate adjustments for the shape of land and the timing of the assessment on 31 March, 1999, the Law concerning Revaluation of Land was amended.

8. Legal Reserve

Under the Commercial Code of Japan, the Company is required to appropriate to legal reserve an amount equals to at least 10% of all appropriation of retained earnings that are paid in cash, until the reserve equals 25% of common stock.

This reserve is not available for dividends but may be used to reduce a deficit by resolution of the shareholders or may be transferred to capital stock by a resolution of the Board of Directors.

9. Contingent Liabilities

Contingent liabilities at March 31, 2001 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Guarantees of bank loans	¥72,207	$582,788
Export bills discounted	2,234	18,033
Notes discounted	4,063	32,798
Notes endorsed	120	971

10. Lease Transactions

1) Finance lease transactions, except for those which meet the conditions that the ownership of the leased assets is substantially transferred to the lessee, were as follows.

a) As a lessee

i) Amounts equivalent to acquisition costs, accumulated depreciation and net balance as of March 31, 2001 and 2000 concerning finance lease assets:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Acquisition Costs	**¥52,825**	¥59,514	**$426,351**
Accumulated Depreciation	**22,304**	26,082	**180,016**
Net Balance	**30,520**	33,431	**246,335**

ii) Future payment obligations of finance lease expenses as of March 31, 2001 and 2000 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Portion due within one year	**¥ 8,850**	¥ 9,682	**$ 71,429**
Thereafter	**22,907**	25,056	**184,889**
Lease expense paid	**10,139**	11,046	**81,838**

Amounts equivalent to interest expenses are calculated by the interest method based on an excess of the aggregate sum of lease payments over amounts equivalent to acquisition costs.

b) As a lessor

i) Amounts equivalent to acquisition costs, accumulated depreciation and net balance as of March 31, 2001 concerning finance lease assets:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Acquisition Costs	**¥257,628**	¥240,735	**$2,079,325**
Accumulated Depreciation	**113,672**	108,373	**917,454**
Net Balance	**143,955**	132,002	**1,161,871**

ii) Future receivable income from finance lease commitments as of March 31, 2001 and 2000 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Portion due within one year	**¥47,937**	¥45,328	**$386,902**
Thereafter	**99,678**	89,742	**804,509**
Lease expense paid	**56,725**	53,766	**457,831**

Amounts equivalent to interest income are calculated by the interest method based on an excess of the aggregate sum of lease income and estimated residual value over amounts equivalent to acquisition costs.

2) Operating lease were as follows:

a) As a lessee

Future payment obligations of operating lease expenses as of March 31, 2001 and 2000 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Portion due within one year	**¥1,381**	¥613	**$11,149**
Thereafter	**6,462**	983	**52,161**

b) As a lessor

Future receivable income from operating lease commitments as of March 31, 2001 and 2000 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Portion due within one year	**¥1,766**	¥2,187	**$14,258**
Thereafter	**641**	1,313	**5,177**

11. Segment Information

(1) The business segment information for the Company and its consolidated subsidiaries for the years ended March 31, 2001 and 2000 were as follows:

Year ended March 31, 2001	Automotive	Finance	Miscellaneous	Total	Eliminations	Consolidated
			(Millions of Yen)			
Sales to third parties	**¥1,461,174**	**¥ 97,038**	**¥10,986**	**¥1,569,199**	**¥ –**	**¥1,569,199**
Inter-area sales and transfers	**44,839**	**5,828**	**10,118**	**60,785**	**(60,785)**	**–**
Total sales	**1,506,013**	**102,866**	**21,104**	**1,629,985**	**(60,785)**	**1,569,199**
Operating expenses	**1,535,912**	**100,688**	**20,279**	**1,656,880**	**(60,364)**	**1,596,515**
Operating income	**(29,899)**	**2,177**	**825**	**(26,895)**	**(420)**	**(27,316)**
Total assets	**1,441,505**	**423,052**	**60,959**	**1,925,517**	**(34,024)**	**1,891,492**
Depreciation	**47,544**	**56,553**	**650**	**104,748**	**–**	**104,748**
Capital expenditure	**24,390**	**74,603**	**60**	**99,054**	**(10)**	**99,044**

			(Thousands of U.S. Dollars)			
Sales to third parties	**$11,793,176**	**$ 783,199**	**$ 88,674**	**$12,665,050**	**$ –**	**$12,665,050**
Inter-area sales and transfers	**361,897**	**47,038**	**81,664**	**490,600**	**(490,600)**	**–**
Total sales	**12,155,073**	**830,238**	**170,338**	**13,155,650**	**(490,600)**	**12,665,050**
Operating expenses	**12,396,390**	**812,659**	**163,676**	**13,372,727**	**(487,206)**	**12,885,520**
Operating income	**(241,316)**	**17,578**	**6,661**	**(217,076)**	**(3,393)**	**(220,470)**
Total assets	**11,634,429**	**3,414,465**	**492,003**	**15,540,898**	**(274,616)**	**15,266,282**
Depreciation	**383,734**	**456,441**	**5,252**	**845,428**	**–**	**845,428**
Capital expenditure	**196,853**	**602,128**	**490**	**799,472**	**(81)**	**799,390**

Year ended March 31, 2000	Automotive	Finance	Miscellaneous	Total	Eliminations	Consolidated
			(Millions of Yen)			
Sales to third parties	¥1,404,993	¥ 90,687	¥10,961	¥1,506,642	¥ –	¥1,506,642
Inter-area sales and transfers	35,167	4,699	9,729	49,596	(49,596)	–
Total sales	1,440,161	95,386	20,690	1,556,238	(49,596)	1,506,642
Operating expenses	1,492,808	93,839	20,221	1,606,869	(49,430)	1,557,439
Operating income	(52,646)	1,546	469	(50,630)	(166)	(50,797)
Total assets	1,509,504	361,563	24,635	1,895,703	(52,649)	1,843,053
Depreciation	39,253	54,075	114	93,444	–	93,444
Capital expenditure	45,338	68,269	286	113,894	(79)	113,814

(2) The geographical segment information for the Company and its consolidated subsidiaries for the years ended March 31, 2001 and 2000 were as follows:

Year ended March 31, 2001	Japan	North American	Other	Total	Eliminations	Consolidated
	(Millions of Yen)					
Sales to third parties	**¥ 884,010**	**¥588,212**	**¥ 96,976**	**¥1,569,199**	**¥ –**	**¥1,569,199**
Inter-area sales and transfers	**201,978**	**32,171**	**8,548**	**242,698**	**(242,698)**	**–**
Total sales	**1,085,988**	**620,384**	**105,525**	**1,811,898**	**(242,698)**	**1,569,199**
Operating expenses	**1,093,903**	**636,649**	**106,615**	**1,837,168**	**(240,652)**	**1,596,515**
Operating income	**(7,914)**	**(16,265)**	**(1,090)**	**(25,270)**	**(2,046)**	**(27,316)**
Total assets	**1,565,103**	**293,550**	**83,639**	**1,942,293**	**(50,801)**	**1,891,492**
	(Thousands of U.S. Dollars)					
Sales to third parties	**$ 7,134,867**	**$4,747,480**	**$782,701**	**$12,665,050**	**$ –**	**$12,665,050**
Inter-area sales and transfers	**1,630,172**	**259,656**	**68,997**	**1,958,826**	**(1,958,826)**	**–**
Total sales	**8,765,040**	**5,007,137**	**851,699**	**14,623,876**	**(1,958,826)**	**12,665,050**
Operating expenses	**8,828,920**	**5,138,416**	**860,496**	**14,827,833**	**(1,942,312)**	**12,885,520**
Operating income	**(63,879)**	**(131,279)**	**(8,797)**	**(203,956)**	**(16,513)**	**(220,470)**
Total assets	**12,631,990**	**2,369,255**	**675,056**	**15,676,302**	**(410,019)**	**15,266,282**

Year ended March 31, 2000	Japan	North American	Other	Total	Eliminations	Consolidated
	(Millions of Yen)					
Sales to third parties	¥ 904,007	¥523,269	¥79,364	¥1,506,642	¥ –	¥1,506,642
Inter-area sales and transfers	235,752	15,342	7,133	258,229	(258,229)	–
Total sales	1,139,760	538,611	86,498	1,764,871	(258,229)	1,506,642
Operating expenses	1,186,037	537,934	90,289	1,814,261	(256,822)	1,557,439
Operating income	(46,277)	677	(3,790)	(49,390)	(1,406)	(50,797)
Total assets	1,608,703	214,223	76,467	1,899,394	(56,341)	1,843,053

(3) Overseas sales, which include export sales of the Company and its domestic consolidated subsidiaries and sales (other than export to Japan) of the foreign consolidated subsidiary, were as follows:

Year ended March 31, 2001	North American	Asian	Other	Total
	(Millions of Yen)			
Overseas sales	**¥611,261**	**¥122,201**	**¥248,559**	**¥ 982,022**
Consolidated net sales	**–**	**–**	**–**	**1,569,199**
Overseas sales per Consolidated net sales	**39.00%**	**7.80%**	**15.80%**	**62.60%**
	(Thousands of U.S. Dollars)			
Overseas sales	**$4,933,509**	**$986,289**	**$2,006,128**	**$ 7,925,927**
Consolidated net sales	**–**	**–**	**–**	**12,665,050**
Overseas sales per Consolidated net sales	**39.00%**	**7.80%**	**15.80%**	**62.60%**

Year ended March 31, 2000	North American	Asian	Other	Total
	(Millions of Yen)			
Overseas sales	¥553,235	¥118,422	¥263,513	¥ 935,172
Consolidated net sales	–	–	–	1,506,642
Overseas sales per Consolidated net sales	36.70%	7.90%	17.50%	62.10%

Report of Certified Public Accountants

Century Ota Showa & Co.

To the Board of Directors
Isuzu Motors Limited

We have examined the consolidated balance sheets of Isuzu Motors Limited and its consolidated subsidiaries as of March 31, 2001 and 2000, and the related consolidated statements of operations, stockholders' equity and cash flows for the years then ended. Our examinations were made in accordance with auditing standards, procedures and practices generally accepted in Japan and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.
In our opinion, the consolidated financial statements referred to above present fairly the consolidated financial position of Isuzu Motors Limited and its consolidated subsidiaries as of March 31, 2001 and 2000, and the results of its operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in Japan applied on a consistent basis, except for the change in 2001 and 2000, with which we concur, in the method of accounting for raw material sales, reserve for product warranty, employees' retirement benefits and in the method of accounting for house rent as described in Note 2 to the consolidated financial statements.

As described in Note 2 to the consolidated financial statements, Isuzu Motors Limited and consolidated subsidiaries have adopted new accounting standards for financial instruments, employees' retirement benefits and transactions denominated in foreign currencies in the preparation of their consolidated financial statements for the year ended March 31, 2001.

The United States dollar amounts shown in the accompanying consolidated financial statements have been translated solely for convenience. We have reviewed this translation and, in our opinion, the consolidated financial statements expressed in yen have been translated into dollars on the basis described in Note 1.

Century Ota Showa & Co

Tokyo, Japan
June 28, 2001

See note 1 to the consolidated financial statements which explains the basis of preparing the consolidated financial statements of Isuzu Motors Limited under Japanese accounting principles and practices.