

Message from the President



Facilitating future growth

Building a two-wheeled organization by closely linking engineering, purchasing and manufacturing operations with after-sales support operations to minimize downtime.

Financial results for FY2015

While areas of weakness remained, the global economy continued on a moderate track toward overall recovery during the fiscal year ended March 2015. The Japanese economy also continued its gradual recovery.

Isuzu's sales remained robust, supported by strong demand in the Japanese market. Overseas, lagging demand in our principal market of Thailand persisted longer than anticipated. However, sales in other markets, for example in the Middle East and Africa, generally turned bullish thanks in part to efforts undertaken as part of the Mid-Term Business Plan to strengthen our overseas sales business. As a result of these factors, we shipped a record number of commercial vehicles (CV) overseas for the fifth year in a row, and import volume (i.e., sales outside Thailand) of light-duty commercial vehicles (LCVs: pickup trucks and their derivatives) surged to a record for the first time in seven years.

With regard to financial results, net sales totaled ¥1,879.4 billion, up ¥118.5 billion (up 6.7%) from the previous year on higher sales volume. Operating income fell ¥3.1 billion (down 1.8%) to ¥171.1 billion as dramatic increases in expenses as part of an active program of prior investment to facilitate future growth, for example through R&D and other investments, offset positive factors such as the effects of sales growth, continued cost structure improvements, and a correction in the strong yen. Ordinary income grew ¥800 million (up 0.4%) to ¥187.4 billion, while net income fell ¥2.2 billion (down 1.9%) to ¥117.1 billion.

FY2016 forecast

During the fiscal year ending March 2016, we expect steady demand to continue in the Japanese market. Regarding overseas markets, we anticipate that a recovery in demand in Thailand will take more time to develop, but we are working to boost revenue by increasing overall sales, including in other markets. In terms of costs, we will continue



our active program of growth investments in an effort to achieve further growth and business expansion in the future.

As a result of the above, we expect net sales of ¥1,950.0 billion (up ¥70.6 billion from the previous year), operating income of ¥175.0 billion (up ¥3.9 billion), ordinary income of ¥188.0 billion (up ¥600 million), and net income of ¥110.0 billion (up ¥7.1 billion).

Mid-Term Business Plan (April 2015 to March 2018)

This May, we announced a new Mid-Term Business Plan (running from April 2015 to March 2018) based on our vision for the fiscal year ending March 2018. The plan seeks to expand and deepen the growth trend that made good progress under the previous Mid-Term Business Plan, and to achieve growth and build partnerships by closely linking engineering, purchasing and manufacturing operations with after-sales support operations to minimize downtime. To achieve this, we will work to establish both of those

businesses by focusing even more on strengthening our involvement in sales and cultivating the businesses we operate, both areas in which we have already undertaken initiatives. Through these initiatives, we will seek to become a global presence that our customers recognize as truly essential.

As we work towards facilitating future growth to achieve these goals, we at Isuzu Motors look forward your renewed understanding and support.

Masanori Katayama
President and Representative Director