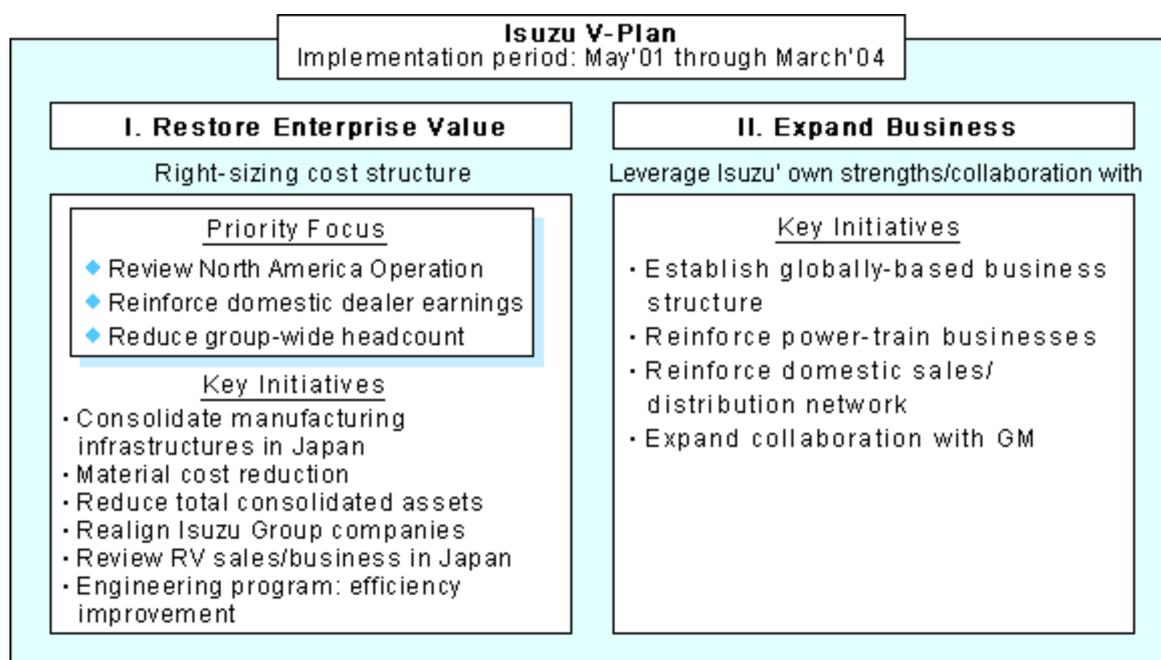


Isuzu Motors Limited Reports
Progress of Mid-term Business Plan, "Isuzu V-Plan"

May 24 (Tokyo) - Isuzu Motors Limited announced today that it has made a steady progress in the mid-term business plan, "Isuzu V-Plan", launched in May 2001. By expeditiously coping with the dramatic changes in business environment, Isuzu made necessary adjustments to the V-Plan, all for the purpose of pursuing restoration of enterprise value and competitiveness. As a result, corporate performance began demonstrating solid improvements.

< Outline of Isuzu V-Plan >



< Performance assessment for the year ended March 2002 >

In the first year of the V-Plan, Isuzu made a significant progress by implementing every initiative with an aggressive stance. However, factors such as increase in expense outlays for the North American sales operations, prolonged market slump in Japan and intensifying competitive situation, had to present negative effects on earnings. Thus, the first year results fell short of the target. Despite such results, Isuzu was able to lay solid foundation for the earnings improvement in current fiscal year and years beyond.

Key achievements include:

- Significant improvement in earnings on lower sales revenue. Achieved complete turnaround of operating profits.
- Significant reduction in total consolidated assets and interest-bearing debts.
- Solid implementation of headcount reduction, labor cost reduction plans, re-establishing the structure capable of generating constant earnings improvements from this year onwards.

- Achieved revenue increase in the power-train business, while steadily executing GM collaboration activities.
- Reviewed North American businesses.

Snap-shot summary of Isuzu V-Plan Progress:

Key Initiatives and V-Plan Target			Progress		V-Plan Target for March 2004
			As of Mar 2002	Vs. Target	
Review North American Businesses	Isuzu America (Local HQ)	- 350 ps	- 620	- 170	Target reduction will be completed in FY101
	AIMI (Sales)	- 440 ps			
	SIA (Manf.)	- 1,750 ps	- 1,300	- 450	
	Total	- 2,540	- 1,920	- 620	
Domestic Dealer Earnings	Achieve profit turnaround at all dealers		12 of 21 dealers (consolidated) achieved profit turnaround		Achieve profit turnaround at all dealers
	No. of dealers	41	40		Approx. 25
	No. of outlets	400	380		320
Group-wide eadcount Reduction	Parent	14,400 ps	12,000	- 2,400	8,700
	Dealers	9,300 ps	8,100	- 1,200	6,700
	Subsidiaries	14,000 ps	12,100	- 1,900	9,300
	Total	37,700 ps	32,200	- 5,500	24,700
Consolidate Manf. Infrastructures	Operating ratio	50%	Realignment of manf. infrastructure now underway		Over 90% (See *1)
Material Cost Reduction			13% reduction Accumulating reduction resources from the start of activity (See *2)		20% reduction
Total Asset Reduction	Consolidated Assets	Y1,460 bil	Y1,250 bil	- Y210 bil	Y1,110 bil
	Consolidated Debt balance	Y750 bil	Y680 bil	- Y70 bil	Y510 bil
Reduce Number of Subsidiaries		109	83 companies	- 24%	- 40%
				26-comp. reduction	To 70 companies
Domestic RV Business	Leverage sales resource sharing with GM		Transformed 24 Isuzu dealers into GMAW outlets		Re-establish sales structure in FY101.

Engineering Efficiency Improvement	Platform integration into 3 types	7 types	Integration underway in line with new product program	3 types
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Note: *1: Consolidation of manufacturing infrastructure will be completed when relocation of Kawasaki Plant activities are complete.

*2: Material cost reduction initiative began in October 2000 preceded the start of V-Plan.

*3: Platform integration schedule is set in accordance with the model change timing (starting from 2005)

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