

TRANSLATION

For immediate release

Isuzu and GM to set up a new joint venture company
for power train systems
(Based on the New 3-year Plan)

Isuzu Motors Limited (hereafter called Isuzu) has established with General Motors Corporation (hereafter called GM) a new joint venture company called GMI Diesel Engineering Ltd. (GMIDEL), which will engage in the development of applications for diesel engines that are supplied for use for GM vehicles, to be put into business operation in February this year.

GMIDEL will be responsible for the design and progress management functions of the portion of applications with reference to the three types of Isuzu-made diesel engines that are now mounted on GM vehicles (6.6 liter V8 to be mounted on Chevrolet Silverado; 3.0 liter V6 to be mounted on Saab 9-5; 1.7 liter direct-injection to be mounted on Opel's Astra/Corsa). It will also operate the functions associated therewith such as purchasing, supply quality, production technology, financing, and quality assurance, planning for sales and services, and systems functions. Isuzu and GM have determined, by means of these, to strengthen the said business toward the future and further increase their competitiveness.

At present the ratio of the number of diesel-driven vehicles to that of all the automobiles in Europe is approaching over 40% because of the inherent advantages of diesel engines with less CO2 emissions and superior fuel expense efficiency as well as the introduction of the state-of-the-art technologies that has furthered the reduction of exhaust gases. Isuzu made diesel engines have enjoyed a very high reputation* even in European and American markets that can be said to be the birthplace of motor vehicles.

[Outline of the new company]

Name of the company: GMI Diesel Engineering Ltd. (GMIDEL)

Location: Fujisawa City, Kanagawa Prefecture

Representative: Ronald. D. Yuille

Start of Operation: February 1, 2003 (Establishment: November 2002)

Capital: 400 (million yen)

Ownership ratio: GM 60%, Isuzu 40%

Number of
employees: 100

Business: Development of applications, program management, purchasing, supply quality, production technology, financing, quality assurance, planning for sales and services, and system functions for use for diesel engines

* [For reference] Major prizes awarded to Isuzu diesel engines

V8 6.6L: Annual "10 Best Engines" awards by Ward's Communications of US in the two consecutive years of 2001 and 2002.

"Truck of the Year 2001" award by the Motor Trend magazine of US.

V6 3.0L: "Executive Diesel Car of the Year 2002" award by the Diesel Car magazine of UK.

I4 1.7L: "Germany's best small and compact car of the Year 2001" award by the German magazine Mot.

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