

TRANSLATION

For immediate release

Isuzu Consolidates Manufacturing Operations in Japan
Relocation Plans be Executed
(Relocating Kawasaki HD CV Operations to Fujisawa)

Tokyo, January 16, 2004 - Isuzu Motors Limited (TSE code: 7202) announced today that the Company will relocate the manufacturing operations of Kawasaki Plant in May 2004, in accordance with the consolidation plans announced last year. Isuzu revised original relocation plans because of the sharp increase in domestic heavy-duty truck demand and as well as growing export volume to China, etc.

1. Outline of Manufacturing Consolidation/Relocation Plans

Plant	Current Operation	To relocate operations to:	Schedule
Kawasaki	HD CV assembly	Fujisawa	May 2004
	4-ton transmission assembly		Completed in Dec '02
	HD transmission assembly	Tochigi	May 2004
	HD engine assembly		May 2004
Tochigi	4-ton trans-axle assembly	Fujisawa	Completed in Jan '03
	7 to 10-ton axle assembly		May 2004

2. Objectives and expected benefit of consolidation:

1) Expected benefit

(as compared to operating status at the start of New 3-year Business Plan)

- Improved productivity : Equivalent of 600 production persons
- Annual cost saving : Approximately 5.0 billion yen

2) Investment:

Aggregate investment: 10.0 billion yen (including 4.0 billion for FY2005 and beyond)

3. Assembly capacity after the consolidation

(Utilization calculated based on FY2004 production volume plan)

1) Prior to consolidation (1-shift, straight time)

- HD assembly line (Kawasaki) 1,700 unit /month
- MD assembly line (Fujisawa) 2,000 unit /month



2) Post consolidation (2-shift, straight time)

- HD and MD mixed assembly 2,800 unit /month

(Realize flexibility capable of accommodating capacity increase up to 50%)

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