

May 20, 2005

Translation

Company name : Isuzu Motors Limited
Representative : Yoshinori IDA, President
<Code 7202, The 1st Section of Tokyo Stock Exchange in Japan>
Contact person : Hirotoshi Kouyama, General Manager,
General Affairs and HR Department
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Re: Measures with regard to the Company's China Operations

The Company is pleased to announce that it is studying or implementing following measures in order to boost its alliance with a partner, expand engine business and widen and improve sales channel networks in China. These measures are intended to lay solid foundation for sustainable growth and expansion of Isuzu Motors in the Chinese market, which are envisioned under the Company's Mid-Term Business Plan announced in November 18, 2004.

1. Increase of Holding in Qingling Motors Co., Ltd.

The Company invested in 6.9% of stake of Qingling Motors Co., Ltd (hereinafter called "Qingling") and the Company's medium- and light-duty commercial vehicles (F series, N series, TF and UC) have been built and sold in China by Qingling.

The Company decided to raise its interest in Qingling up to 20% since it realized that stronger ties with Qingling was vital for increasing the Company's CV share in the Chinese market.

The Company shall purchase Qingling's shares listed at Hong Kong Stock Exchange through a partial offer pursuant to provisions of Hong Kong Stock Exchange.

[Reference] Maximum quantity of shares to purchase: Approximately 325 million shares,

Fund needed for purchase: Approximately JPY 9.4 billion

2. Dispatch of President and Additional Director to Qingling Motors

In conjunction with raising equity holding, the Company will send its executive as a president to Qingling Motors as part of efforts to beef up its ties with Qingling and plans to send one more director (currently only one director from Isuzu is on the board) to Qingling at appropriate timing.

3. Commencement of Study on Establishment of Engine and Sales Joint Venture entities The Company plans to commence study on the establishment of engine JV and sales JV with Qingling with an eye to expanding engine business and widening as well as improving sales channel networks, which are measures set forth under the Mid-Term Business Plan.

End