

FY2007 Third Quarter Consolidated Financial Results:  
For the Nine Months Ended December 31, 2006

January 30, 2007

Company name : Isuzu Motors Limited  
Stock exchange listing : Code No. 7202, The 1st Section, Tokyo Stock Exchange in Japan  
Headquarters : In Tokyo, Japan  
Representative : Yoshinori Ida, President and Representative Director  
URL : <https://www.isuzu.co.jp/world/investor/index.html>  
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1. Basis for preparation of quarterly financial results:

1) Adoption of simplified accounting practices : Applicable

The standards for preparing the mid-term (consolidated) financial statements are generally applied, while using certain simplified procedures are used for calculating tax expenses, reporting depreciation expenses, and omitting physical stocktaking.

2) Changes in accounting practices from previous fiscal year : Applicable

1. The exchange conversion standards with regard to revenues and expenses of our overseas subsidiaries, etc., traditionally provided that the conversion of foreign currency into yen currency shall be calculated at the spot rate of exchange on the book closing date of the overseas subsidiaries. However, in the current consolidated fiscal year, the applicable conversion standards have been changed to use the in-period average rate of exchange for conversion into yen currency.

As a result of the change, as compared to the traditional method, the influence is quite light.

2. For the current consolidated accounting year and the following years, the Balance Sheet is compiled in accordance with the Accounting Standard for Presentation of Net Assets in the Balance Sheet (Corporate Accounting Standard No.5, December 9, 2005) and the Implementation Guideline on the Accounting Standard for Net Assets in the Balance Sheet, etc. (Implementation Guideline on Corporate Accounting Standards No8, December 9, 2005).

The amount commensurate with the conventional Shareholders' Equity totals as much as 321,200 million yen.

3) Changes in scope of consolidation and equity method of accounting : Applicable

Number of subsidiaries excluded from consolidated accounting : 3 companies

Number of newly added to the equity method of accounting : 5 companies

Number of affiliates excluded from the equity method of accounting : 3 companies

2. FY2007 third quarter financial results (April 1, 2006 through December 31, 2006)

1) Consolidated operating results

(Unit: Millions of Yen, fraction less than million omitted) (Y-o-Y changes in %)

	Net Sales	Operating profit	Working profit	Net income
FY2007 Q3 (9 months to Dec. 31, '06)	1,226,1678.2%	85,635 44.4%	93,152 49.3%	77,322 80.4%
FY2006 Q3 (9 months to Dec. 31, '05)	1,133,6784.8%	59,301 (7.6%)	62,382 (8.8%)	42,850 (16.1%)
(Ref.) Full year FY2006	1,581,857	90,661	93,843	58,956

	Net income per share	Fully diluted net income per share (in Yen)
FY2007 Q3 (9 months to Dec. 31, '06)	58.51	43.13
FY2006 Q3 (9 months to Dec. 31, '05)	35.88	22.89
(Ref.) Full year FY2006	48.75	31.67

(Note) The percentage points for net sales and operating profit etc. represent year-on-year changes.

Average number of shares issued and outstanding in each period (consolidated):

Common stock: FY2007 Q3: 1,272,763,914 shares FY2006 Q3: 1,126,884,543 shares

Full year FY 2006: 1,130,109,701 shares

(Reference) Parent company operating results

(Unit: Millions of Yen, fraction less than million omitted) (Y-o-Y changes in %)

	Net Sales	Operating profit	Working profit	Net income
FY2007 Q3 (9 months to Dec. 31, '06)	727,271 11.1%	55,791 63.8%	62,418 39.0%	57,575 61.7%
FY2006 Q3 (9 months to Dec. 31, '05)	654,663 2.6%	34,068 (27.6%)	44,917 4.4%	35,604 8.1%
(Ref.) Full year FY2006	917,895	53,506	64,149	46,476

	Net income per share	Fully diluted net income per share (in Yen)
FY2007 Q3 (9 months to Dec. 31, '06)	43.56	32.11
FY2006 Q3 (9 months to Dec. 31, '05)	29.80	19.62
(Ref.) Full year FY2006	38.31	24.96

(Note) The percentage points for net sales and operating profit represent year-on-year changes.

Average number of shares issued and outstanding in each period :

Common stock: FY2007 Q3: 1,273,049,774 shares FY2006 Q3: 1,127,282,065 shares

Full year FY 2006: 1,130,497,966 shares

[ Qualitative Data on Consolidated Business Performance ]

In the quarter from September to December, 2006, the rapid growth in demand driven by NOx/PM emission controls stopped as the replacement cycle almost ended in the Japanese market. Nonetheless, owing to sales promotion initiatives, our share surged, especially in the heavy-duty vehicle segment. Sales volume increased by 6,000 units for a year-on rise of 8.8%, and sales value increased by 58.1 billion yen, for a gain of 12.3%. In Thailand, political instability caused sales of pickup trucks to drop, but our overseas sales system, which we have long been laying the groundwork for, has started to show results.

Meanwhile, demand from resource-producing countries is also growing. These positive factors are behind the growth in shipments of light-duties vehicles. As a result, overseas sales increased by 6,146 units (for a gain of 2.4%), and in value by 34.3 billion yen for a year-on rise of 5.2%. Overall, sales in Q3 amounted to 1,226.1 billion yen.

(up 8.2% year on year), while operating profit totaled 85.6 billion yen (up 44.4%), working profit, 93.1 billion yen (up 49.3%), net income, 77.3 billion yen (up 80.4%).

## 2) Changes of the consolidated financial position

(Unit: Millions of Yen, fraction less than million omitted) (Y-o-Y changes in %)

	Total assets (in million yen)	Shareholders' equity (in million yen)	Shareholders' equity as a percentage of total assets (%)	Shareholders' equity per share (in yen)
FY2007 Q3 (9 months to Dec. 31, '06)	1,219,093	353,216	26.3%	168.01
FY2006 Q3 (9 months to Dec. 31, '05)	1,133,103	227,894	20.1%	138.50
(Ref.) Full year FY2006	1,168,697	244,350	20.9%	152.05

(Note) Number of shares issued and outstanding at the end of each period:

Common stock: FY2007 Q3: 1,662,063,128 shares FY2006 Q3: 1,140,002,005 shares

Full year FY 2006: 1,140,030,826 shares

(Reference) Changes of the parent company's financial position

(Unit: Millions of Yen, fraction less than million omitted) (Y-o-Y changes in %)

	Total assets (in million yen)	Shareholders' equity (in million yen)	Shareholders' equity as a percentage of total assets (%)	Shareholders' equity per share (in yen)
FY2007 Q3 (9 months to Dec. 31, '06)	881,891	282,110	32.0%	144.56
FY2006 Q3 (9 months to Dec. 31, '05)	840,499	223,402	26.6%	134.52
(Ref.) Full year FY2006	867,698	231,289	26.7%	140.56

(Note) Number of shares issued and outstanding at the end of each period:

Common stock: FY2007 Q3: 1,662,350,840 shares FY2006 Q3: 1,140,352,143 shares

Full year FY 2006: 1,140,306,872 shares

[ Qualitative Data on Consolidated Financial Condition ]

By the end of Q3 net asset increased by 108.8 billion yen to 353.2 billion yen from the end of the previous consolidated fiscal year. One reason was strong net earning of 77.3 billion yen in the current quarter.

Another was that, beginning with the current consolidated fiscal term, the "Shareholders' Equity" section has been changed to the "Net Asset" section. As a result, minority interests and other items (32.1 billion yen) that had not been part of "Shareholders' Equity" are now included in "Net Assets".

Interest-bearing debts, on the other hand, decreased by 37.1 billion yen from the end of the previous fiscal year to 312.5 billion yen.

3. Forecast of consolidated financial results for full-year FY2007 (April 1, 2006 to March 31, 2007)

The company's forecast of the full-year financial results remains the same as the Forecast for Consolidated Results of FY 2007 announced on Nov 13, 2006.

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- ▶ Attachment
- ▶ Per share information
- ▶ (Summary) Consolidated Statements of Operations
- ▶ (Summary) Consolidated Balance Sheet
- ▶ Sales by Segments