

Company Name: Isuzu Motors Limited
Representative: Yoshinori Ida, President
(Code No. 7202, First Section of Tokyo Stock Exchange)
Contact Person: Mr. Hirotohi Kouyama,
Group Leader, General Affairs & HR Dept.
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Notice of Acquisition of Own Shares

We hereby inform you that, at the Board of Directors meeting held today, the Company has resolved to propose an agenda on the acquisition of own shares at the 105th Ordinary General Shareholders' Meeting to be held on June 28, 2007.

The acquisition of the preferred stocks (Class III and Class IV) shall avert potential dilution of the value of the common stock and reduce any future burden of dividend payments. Accordingly, pursuant to the provisions set forth in Article 156, Paragraph 1 of the Company Law, the Company has resolved the proposal as shown below.

Please note that if the Ordinary General Shareholders' Meeting approves the proposal and the Company acquires the Class III and Class IV preferred stocks up to the limit, upon the resolution of the meeting of the Board of Directors, the shares will be retired as treasury stock of the Company. When this retirement is performed, all preferred stocks, which were issued in debt-for-equity swap in December 2002, are to be retired.

1. Types and number of shares to be acquired

Class III Preferred Stock: up to 25,000,000 shares

(Ratio of aggregate number of shares to be acquired to the total number of Class III preferred stock issued: 100%)

Class IV Preferred Stock: up to 25,000,000 shares

(Ratio of aggregate number of shares to be acquired to the total number of Class IV preferred stock issued: 100%)

2. Types of money and its equivalents to be delivered in exchange for the acquisition of the relevant stocks, and the total monetary amount

Types of money and its equivalents: money

Total Amount: up to 40,000 million yen

3. Acquisition period

One year from the day immediately following the close of the 105th Ordinary General Shareholders' Meeting to be held on June 28, 2007.

(Reference)

About Preferred Stock

1. The Company issued four types of preferred stocks (Class I, Class II, Class III and Class IV) in December 2002. The Company acquired all shares of Class I preferred stock and retired them by March 2007. The Company put all the Class II preferred stock to paid-in compulsory retirement in January 2005. The table below shows the present status of the preferred stocks.

	Class I preferred stock	Class II preferred stock	Class III preferred stock	Class IV preferred stock	Total
Number of shares (1000 shares)	37,500	37,500	25,000	25,000	125,000
Paid in money (100 million yen)	300	300	200	200	1,000
Present(1000 shares)	-	-	25,000	25,000	50,000
Request for acquisition (equal to request for conversion in the old commercial code)	-	-	October 2010	October 2012	-
Dividend rate (*)	-	-	JPN¥ TIBOR + 1.500%	JPN¥ TIBOR + 2.000%	-
Shareholders	-	-	Mizuho Corporate Bank, Ltd.		-

* The benchmark interest rate is the TIBOR (Tokyo Interbank Offered Rate) on one-year instruments at the beginning of the relevant term.

2. Offsetting effects of dilution of common stock

The shareholder requested the Company to acquire the Class III and Class IV preferred stocks on April 1, 2007. Upon acquisition, if the number of common stocks, equal to the amount paid for preferred stock (¥800 per share) divided by the acquisition value (¥603 per share), were to be issued (equivalent to conversion into common stocks under the old commercial code), the number of common stocks would grow by 66,334,990 shares, which could account for 3.9% of the Company's total issued common stocks (1,696,845,339 shares).

3. Fund for acquisition

The Company's cash reserves will be appropriated.

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