

FY2023 Financial Results

May 12, 2023
ISUZU MOTORS LIMITED

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Statements contained in this presentation, except for historical or current facts, are based on certain assumptions and our management's judgment in light of currently available information. Therefore, these statements may be susceptible to various factors, such as uncertainty contained in the assumptions and management's judgment and economic changes in the future, which may cause to bring about different results in Isuzu's future earnings and operating results.

Moreover, this presentation is not intended to solicit investment in Isuzu. Isuzu assumes no responsibility for any losses and liabilities that may be incurred because of the information in this presentation.

1. Overview

1. FY2023 Financial Results

- Sales units of both CVs and LCVs increased as parts procurements has improved. Despite soaring prices of material costs and logistic fees, profits grew thanks to increase in sales units, weaker Japanese yen, and outcome of cost realization activities.
- Profits exceeded forecast announced in Feb. 2023, thanks to increase in shipment volume of vehicles, stable revenues from the aftersales business, further cost realization and decrease in costs.

2. FY2024 Full-Year Outlook

- Sales units of CVs for Japanese and North American markets are assumed to surpass those of FY2023 as lack of parts is forecasted to lessen. Only, we shall see negative impacts of inflation and rise in interest rates in some markets, mainly in the ASEAN region.
- Demand of LCVs in Thailand are forecasted to diminish. Export units are to expand, but production constraints will continue.
- While material and energy-related costs are assumed to rise further, with improvements in model mix, price realization, and promotion of cost reduction, shall aim operating income of 260.0 billion yen.

Overview: FY2023 Consolidated Results

Global Sales Units (K-units)		FY2023	FY2022	Changes		FY2023 Outlook Announced Feb. 2023
CV Total	CV-Japan	67	*65	2	4%	69
	CV-Overseas	287	*278	9	3%	281
		354	*343	11	3%	350
LCV Total	LCV-Thailand	202	173	29	17%	206
	LCV-Export	215	205	10	5%	218
		417	378	39	10%	424
Total		771	721	50	7%	774

*FY2022 : Above figures include April-June sales units of UD Trucks (a total of 4K-units, 2K-units for both CV-Japan and CV-Overseas)

Financial Results (Bil. Yen)

Sales	*3,195.5	*2,514.3	*681.2	27%	3,100.0
Operating Income	253.5	187.2	66.3	35%	230.0
Ordinary Income	269.9	208.4	61.5	30%	245.0
Net Income	151.7	126.2	25.5	20%	140.0
Dividends per Share	79 Yen	66 Yen	13 Yen		72 Yen

*Effect of consolidation of UD Trucks: 79.3 billion yen

Overview: FY2024 Full-Year Outlook

Global Sales Units (K-units)		FY2024	FY2023	Changes	
CV Total	CV-Japan	90	67	23	33%
	CV-Overseas	275	287	-12	-4%
		365	354	11	3%
LCV Total	LCV-Thailand	181	202	-21	-10%
	LCV-Export	224	215	9	4%
		405	417	-12	-3%
Total		770	771	-1	-0%

Financial Forecast (Bil. Yen)

Sales	3,300.0	3,195.5	104.5	3%
Operating Income	260.0	253.5	6.5	3%
Ordinary Income	275.0	269.9	5.1	2%
Net Income	155.0	151.7	3.3	2%
Dividends per Share	80 Yen	79 Yen	1 Yen	

2. Progress of Mid-Term Business Plan

Financial Performance of Current Mid-Term Business Plan Period

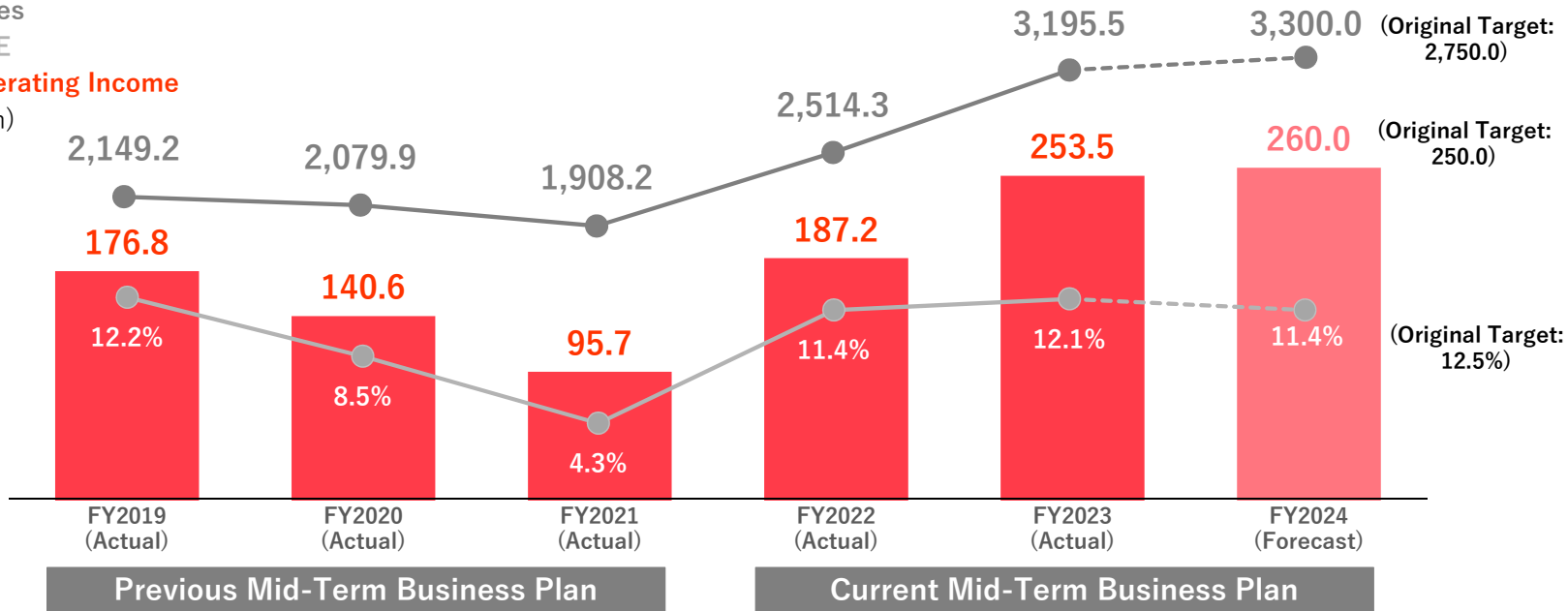
- Business environment has changed drastically since the announcement of Mid-Term Business Plan in May 2021. While material cost, logistic fees, and energy-related costs have risen to a historic level, Japanese yen has depreciated significantly.
- With promotion of price realization and cost reduction activities, shall aim to achieve the financial targets set in the Mid-Term Business Plan.
- Shall strive to achieve the ROE target (12.5% in FY2024) by further increase in profit.

● : Sales

● : ROE

■ : Operating Income

(Bil. Yen)



(Appendix) Sales Units & Financial Indicators

Sales Units (K-units)	Current Mid-Term Business Plan				
	FY2021	FY2022	FY2023	FY2024	
	Actual	Actual	Actual	Target	Forecast
CV-Japan	70	65	67	78	90
CV-Overseas	190	278	287	281	275
LCV	295	378	417	448	405
Industrial Engines	138	142	116	145	139

Sales Units of UD Trucks (included in above figures) (K-units)

CV-Japan	-	8	9	8	10
CV-Overseas	-	10	11	9	10

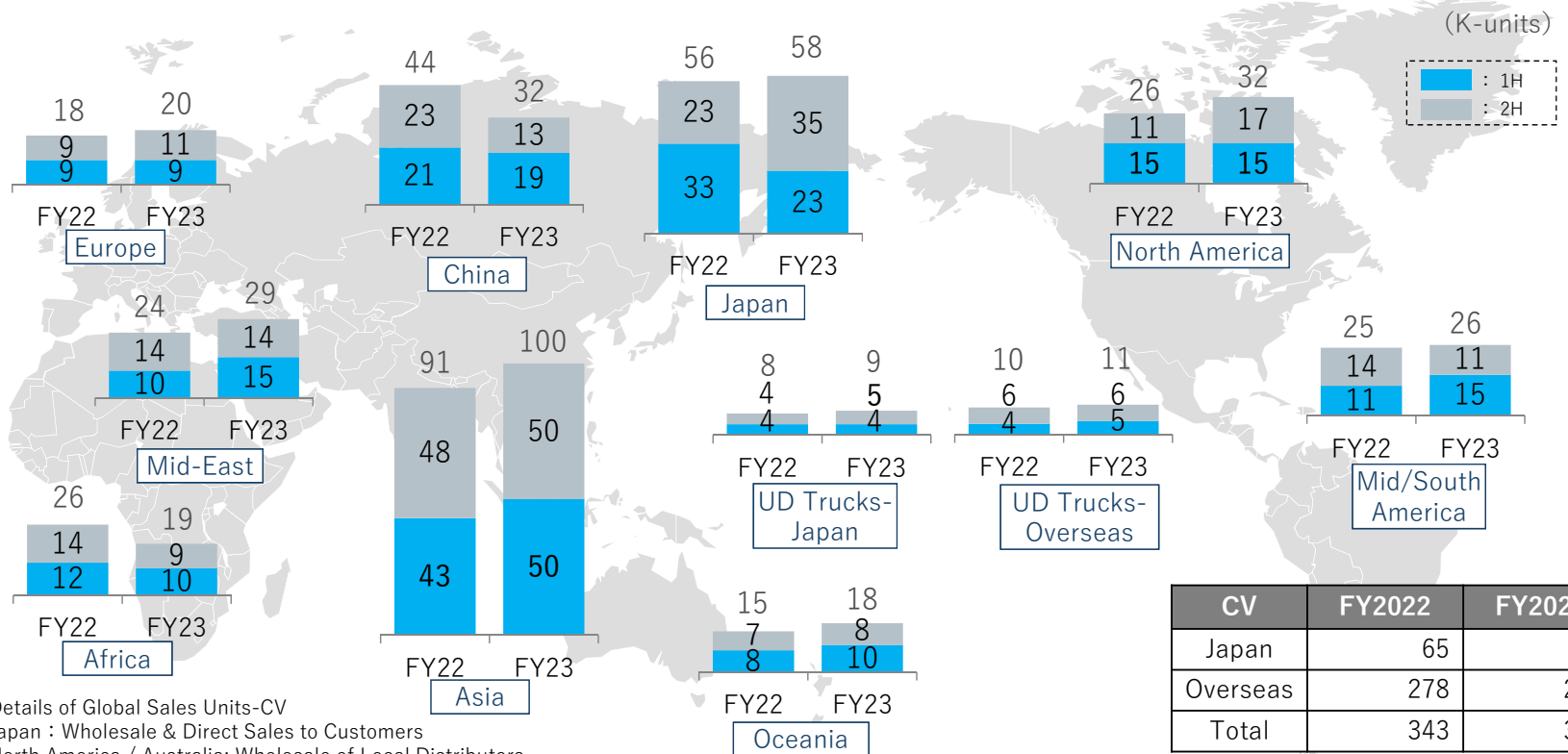
Investments & Financial Indicators (Bil. Yen)	FY2021	FY2022	FY2023	FY2024	
	Actual	Actual	Actual	Target	Forecast
R&D	91.0	104.8	119.0	115.0	125.0
CAPEX	69.8	78.4	82.2	100.0	140.0

Interest-Bearing Liabilities (Excl. Lease)	112.4	317.4	241.1	260.0	230.0
Equity Ratio	46%	42%	43%	48%	44%

3. FY2023 Financial Results

FY2023 Global Sales Units-CV

■ As production constraints improved from the previous year, sales units rose in both Japan and overseas.



Details of Global Sales Units-CV

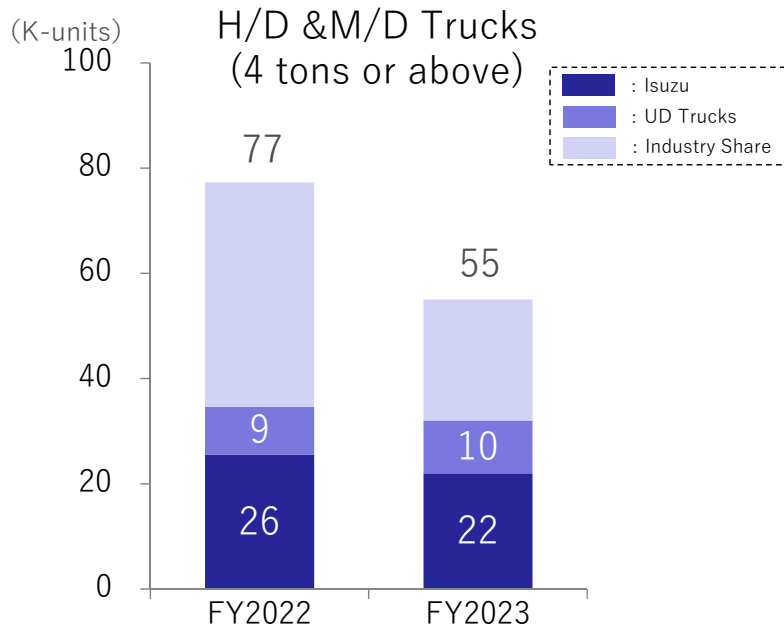
Japan : Wholesale & Direct Sales to Customers

North America / Australia: Wholesale of Local Distributors

Other Regions: Shipment from Japan

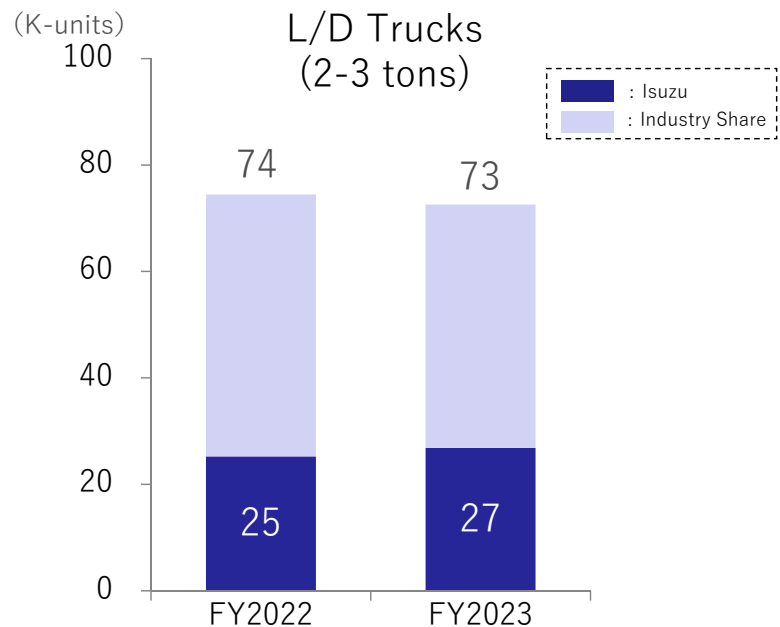
FY2023 Japan Industry Sales and Isuzu Share

- H/D & M/D: Sales units dropped from FY2022 when we faced less production constraints. On the other hand, both Isuzu and UD Trucks' share rose as a result of constraints of other OEMs.
- L/D: As production constraints has eased, both sales units and shares increased.



Share

Isuzu	33.0%	39.9%
UD Trucks	11.9%	18.3%

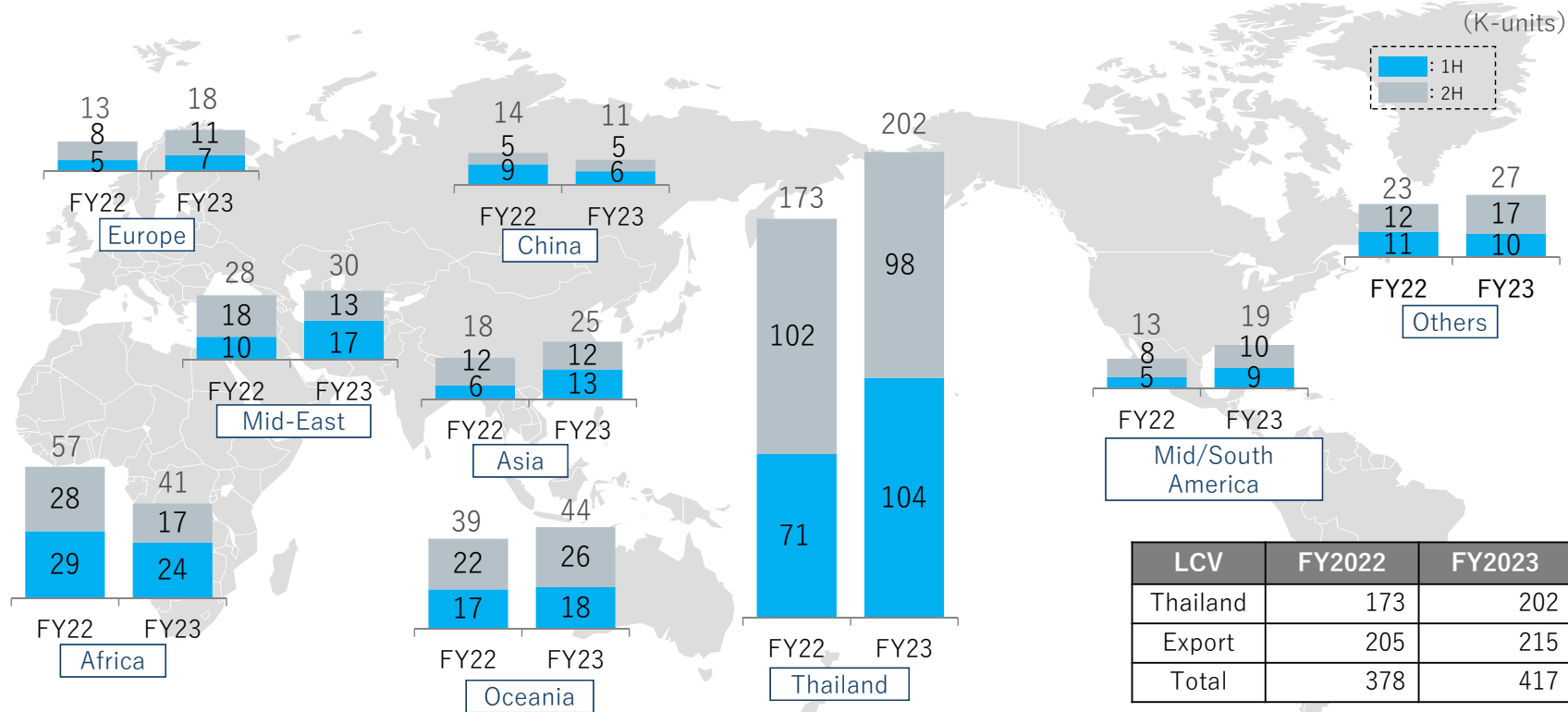


Share

Isuzu	33.9%	37.0%
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FY2023 Global Sales Units-LCV

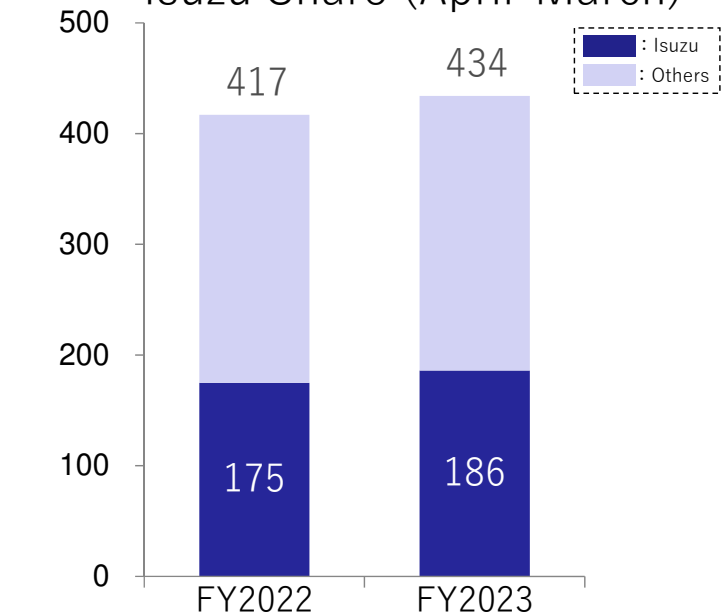
■ Thailand and export units grew thanks to improvements in parts procurements when compared with FY2022.



FY2023 Thailand LCV Industry Sales & Share /LCV Production Units

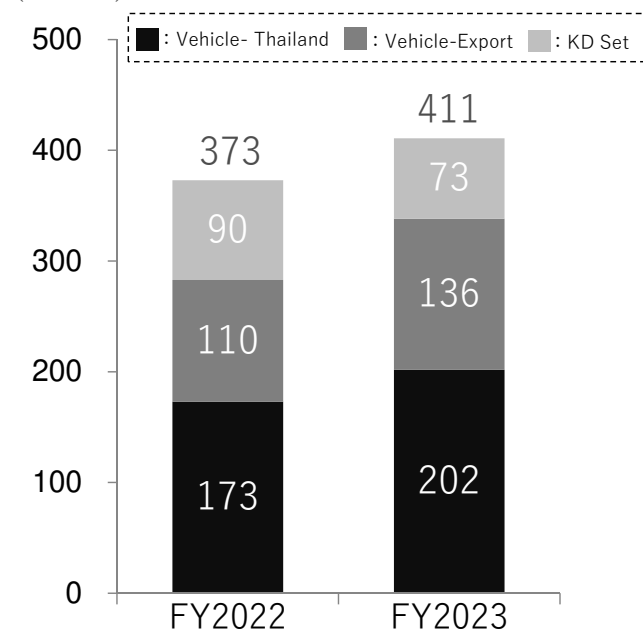
- Industry Sales/Share: While industry sales showed only a slight increase, Isuzu' shares rose.
- Production Units: Lack of parts has improved, thus production units increased substantially.

Thailand LCV Industry Sales/ Isuzu Share (April-March)



Share	Isuzu	FY2022	FY2023
		42.0%	43.0%

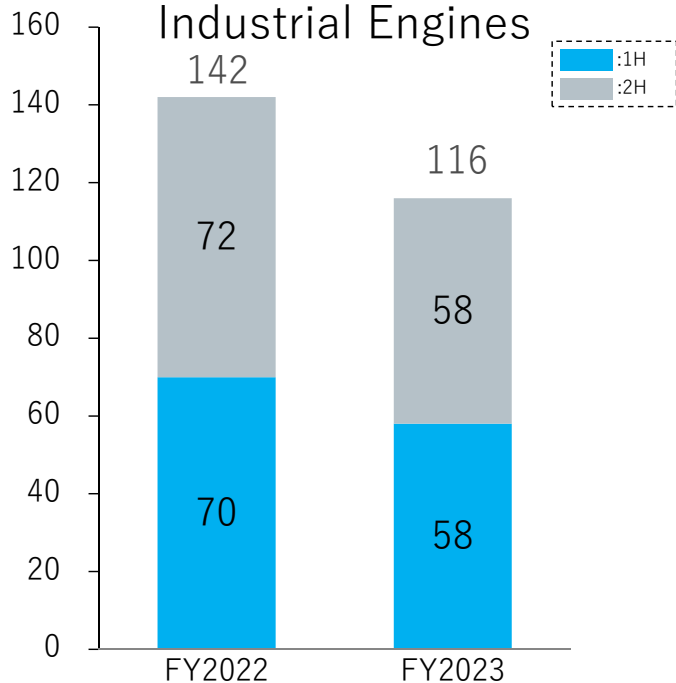
LCV Production Units in Thailand



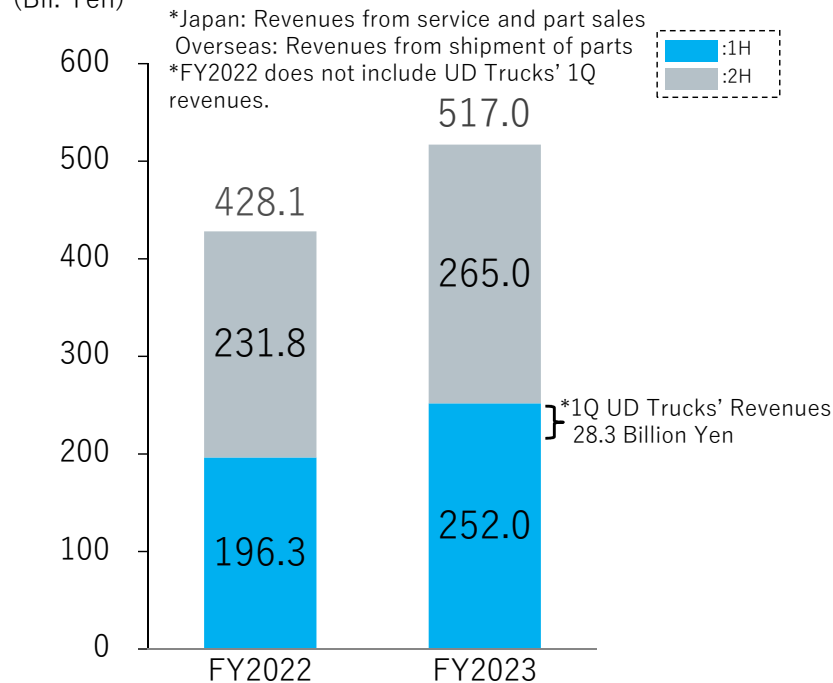
FY2023 Industrial Engine Global Shipment/Revenue from Aftersales Business **ISUZU**

- **Industrial Engines:** Chip shortages and China's decrease in construction machinery demand and inventory adjustment caused shipment volumes to decrease.
- **Aftersales Business:** In addition to stable increase in both Japan and overseas markets, favorable FX caused a substantial rise in revenues from FY2022.

(K-units) Global Shipment of Industrial Engines



(Bil. Yen) Aftersales Business

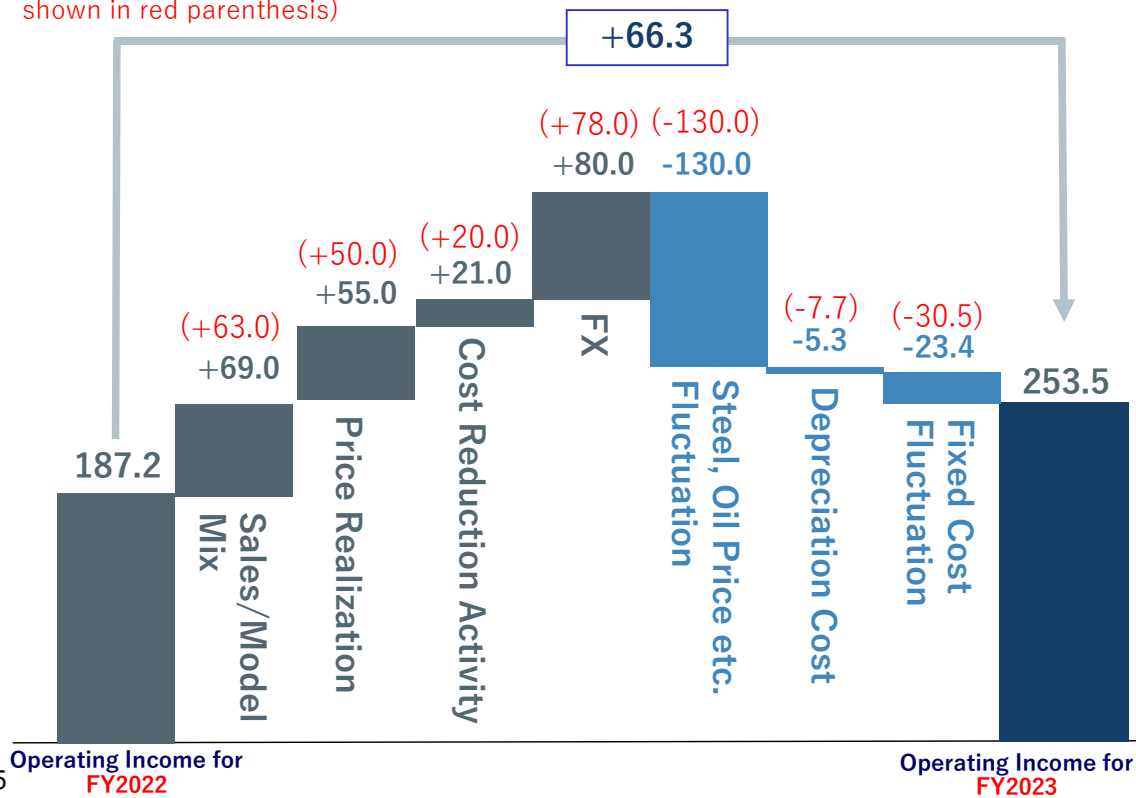


FY2022 vs. FY2023 Fluctuations - Consolidated operating income : analysis of change - ISUZU

■ Though material cost, logistic fees, and energy-related costs have shot up, operating income grew owing to weaker Japanese yen, increase in sales units, price realization, and promotion of cost reduction activities.

(Plan Announced in Feb. 2023 are shown in red parenthesis)

(Bil. Yen)



FX	FY2022	FY2023	Feb. 2023 Plan
USD/JPY	112.4	135.5	134.9
THB/JPY	3.44	3.84	3.82
AUD/JPY	83.1	92.6	92.5

Breakdowns	FY2023	Feb. 2023 Plan
Sales/Model Mix	+69.0	+63.0
CV-Japan	+7.0	+10.0
CV-Overseas	+17.0	+10.0
LCV	+25.0	+27.0
Others	+20.0	+16.0
FX	+80.0	+78.0
USD	+41.0	+40.0
AUD	+7.5	+7.5
THB & Other Currencies	+31.5	+30.5
Steel, Oil Price etc. Fluctuation	-130.0	-130.0
Material Cost	-107.0	-107.0
Logistic Fees	-20.0	-20.0
Electricity, Gas etc.	-3.0	-3.0
Fixed Cost Fluctuation	-23.4	-30.5
R&D	-14.2	-15.2
Labor Cost	-6.0	-8.8
Others	-3.2	-6.5

FY2023 Consolidated Results - Year-on-year Comparison -

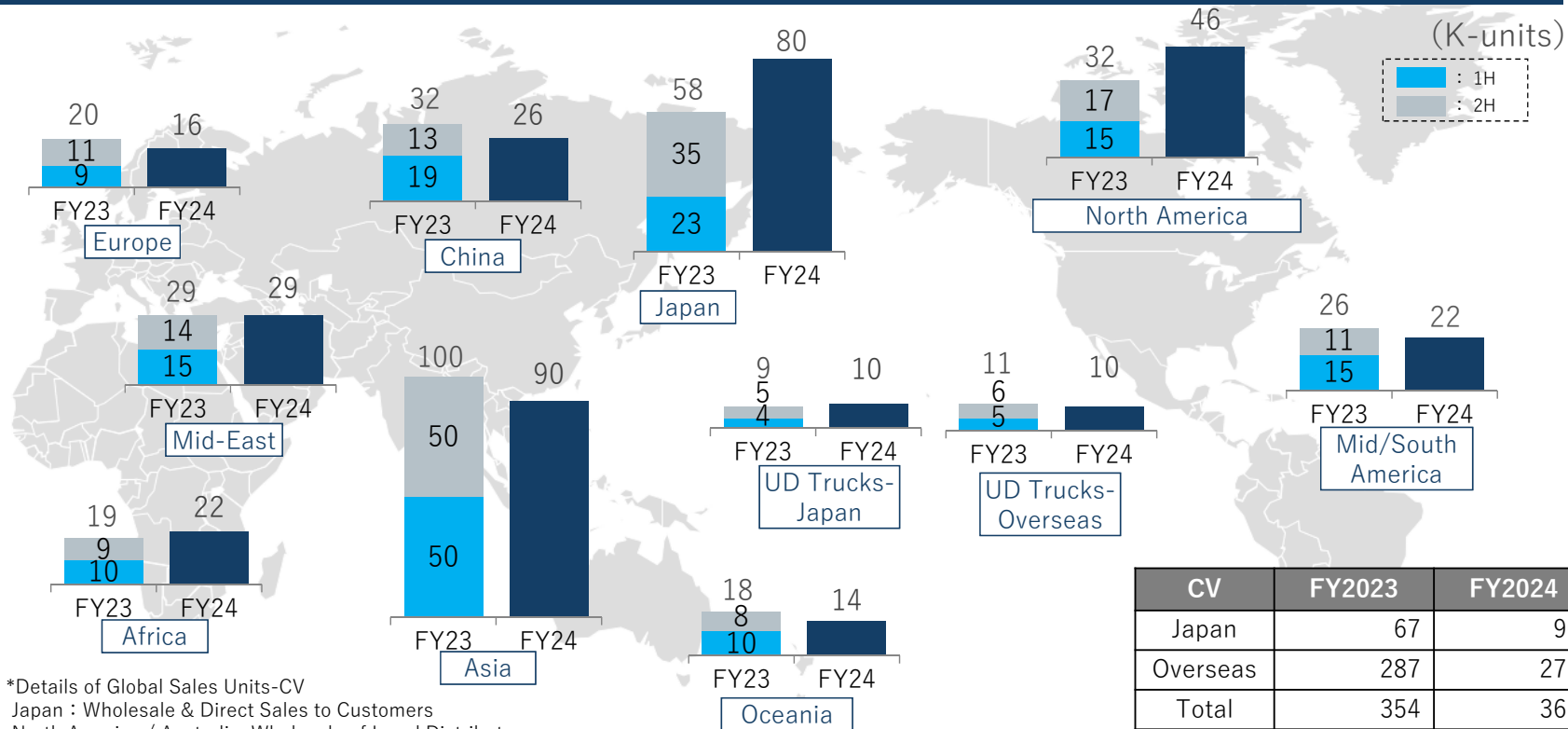
(Bil. Yen)	FY2023	FY2022	Changes	
Sales	3,195.5	2,514.3	681.2	27%
Operating Income	253.5	187.2	66.3	35%
Ordinary Income	269.9	208.4	61.5	30%
*Net Income	151.7	126.2	25.5	20%

	FY2023	FY2022		FY2023	FY2022
Operating Income	253.5	187.2	Ordinary Income	269.9	208.4
Share of profit of entities accounted for using equity method	5.8	9.6	Gain/Loss on sales of investment securities, Loss on disposal of non-current assets, etc.	-0.1	-4.1
Foreign exchange gains/losses	-2.4	5.8	Income Taxes	-73.2	-47.6
Others	13.0	5.8	Profit attributable to non-controlling interests	-44.9	-30.5
Ordinary Income	269.9	208.4	*Net Income	151.7	126.2

4. FY2024 Full-Year Outlook

FY2024 Global Sales Units-CV

■ While sales units mainly in Asia shall fall due to affects from rise in interest rates and inflation, units in Japan and North America shall increase due to improvements in chip shortages. Thus, CV sales units as a whole will exceed FY2023.



*Details of Global Sales Units-CV

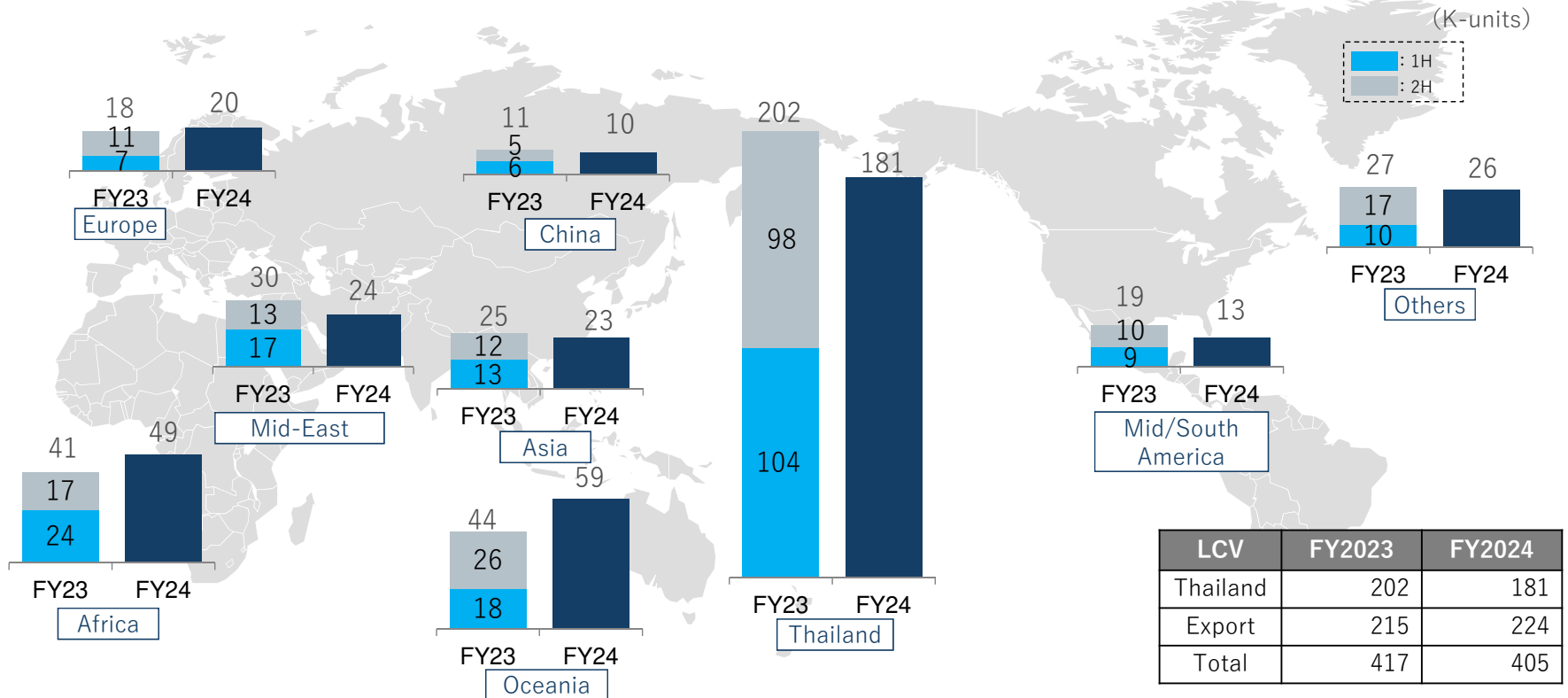
Japan : Wholesale & Direct Sales to Customers

North America / Australia: Wholesale of Local Distributors

Other Regions: Shipment from Japan

FY2024 Global Sales Units-LCV

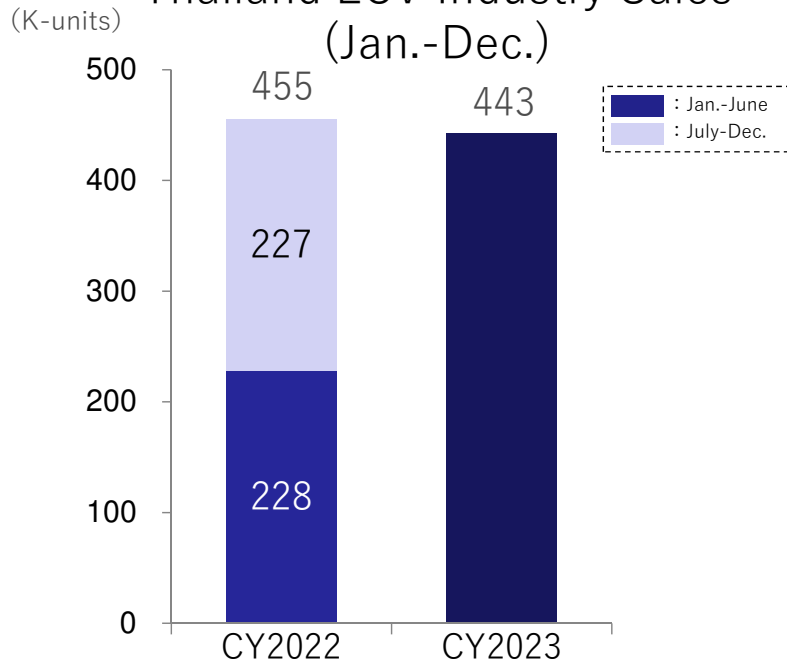
■ Though demand in Thailand is forecasted to fall, export units is anticipated to increase. Sales units as a whole shall decrease due to parts shortages.



FY2024 Thailand LCV Industry Sales /LCV Production Units

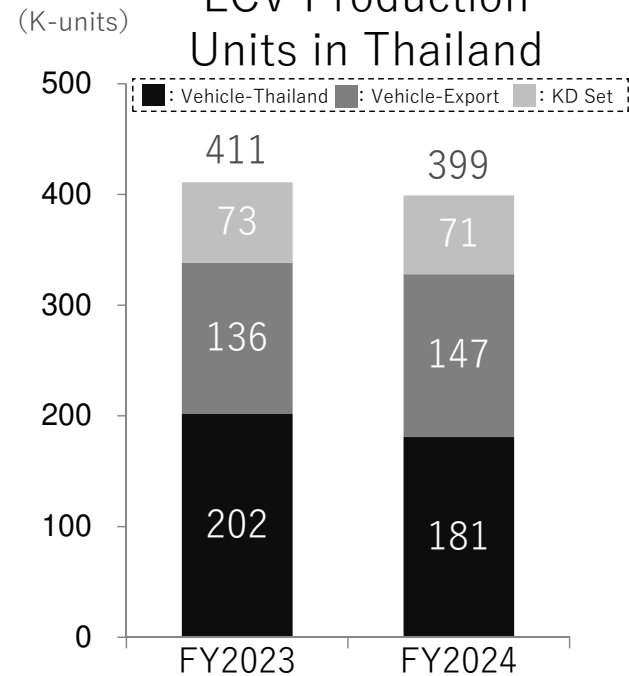
- Industry Sales: Shall decrease due to stricter financing.
- Production Units: Forecasting a drop from the previous year due to falling demand in Thailand and production constraints for export units.

Thailand LCV Industry Sales (Jan.-Dec.)



Share	Isuzu		
	43.1%	-	

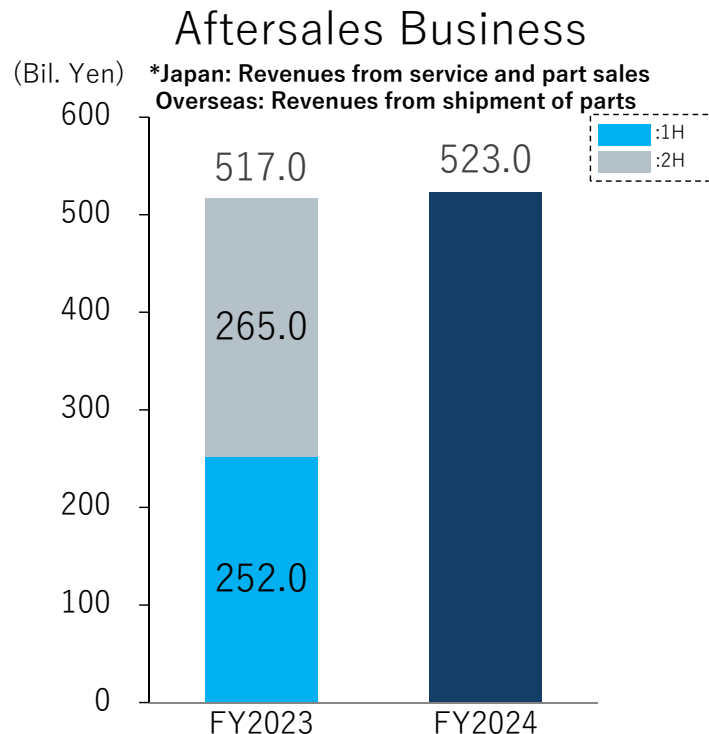
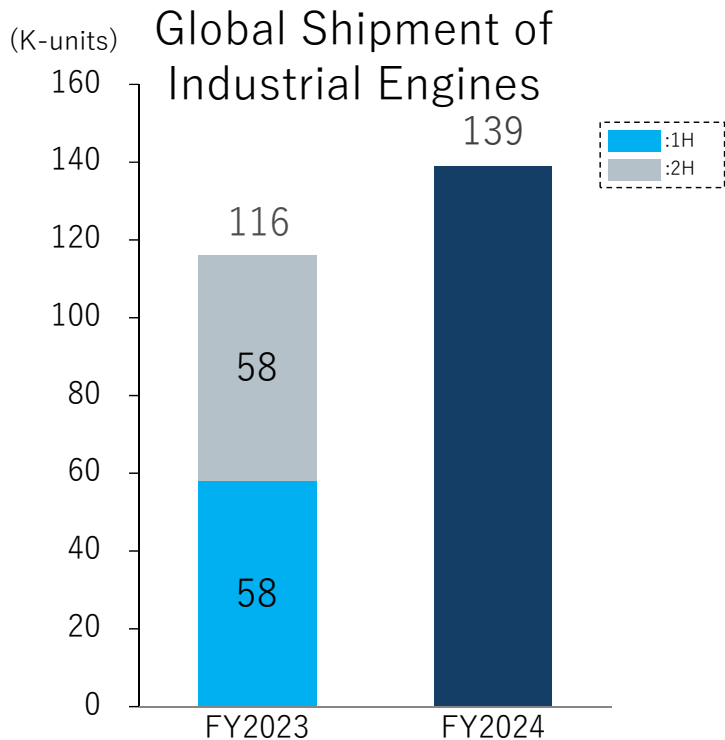
LCV Production Units in Thailand



FY2024 Industrial Engine Global Shipment/Revenue from Aftersales Business

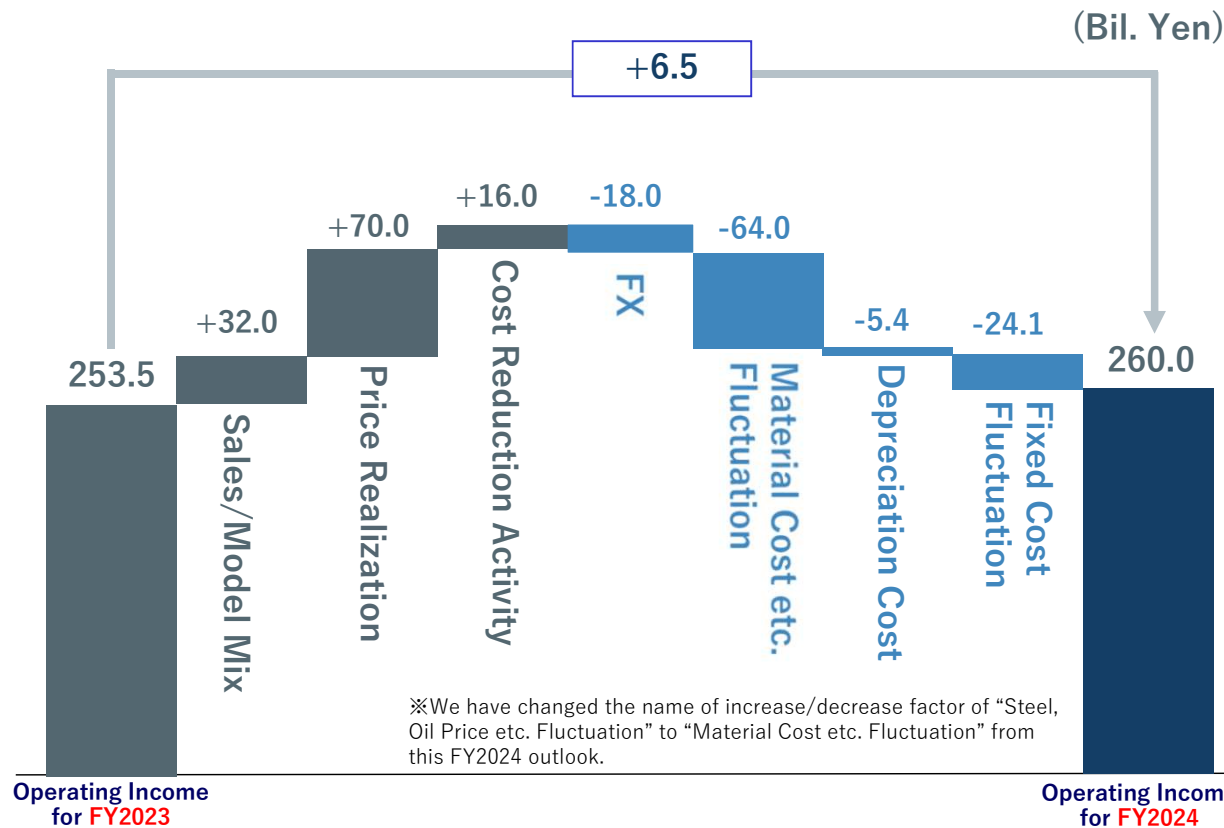


- **Industrial Engines:** Expecting a rise from FY2023 as inventory adjustment ends in China and semiconductor shortages improves.
- **Aftersales Business:** Forecasting a rise in revenues for both Japan and overseas markets.



FY2023 vs. FY2024 Fluctuations- Consolidated operating income : analysis of change - ISUZU

- Shall aim for higher operating income than FY2023 with improved model mix, additional price realization, promotion of cost reduction activities, despite rise in material and energy-related costs.



FX	FY2023	FY2024
USD/JPY	135.5	130.0
THB/JPY	3.84	3.80
AUD/JPY	92.6	90.0

Breakdowns	FY2024
Sales/Model Mix	+32.0
CV-Japan	+32.0
CV-Overseas	-4.5
LCV	-2.5
Others	+7.0
FX	-18.0
USD	-8.0
AUD	-1.5
THB & Other Currencies	-8.5
Material Cost etc. Fluctuation	-64.0
Material Cost	-67.0
Logistic Fees	+10.0
Electricity, Gas etc.	-7.0
Fixed Cost Fluctuation	-24.1
R&D	-6.0
Labor Cost	-10.0
Others	-8.1

FY2024 Full-year Outlook

- Consolidated, Year-on-year Comparison -

(Bil. Yen)	FY2024		FY2023		Changes	
Sales	3,300.0	3,195.5	104.5	3%		
Operating Income	260.0	253.5	6.5	3%		
Ordinary Income	275.0	269.9	5.1	2%		
*Net Income	155.0	151.7	3.3	2%		

	FY2024	FY2023		FY2024	FY2023
Operating Income	260.0	253.5	Ordinary Income	275.0	269.9
Share of profit of entities accounted for using equity method	7.5	5.8	Gain/Loss on sales of investment securities, Loss on disposal of non-current assets, etc.	-3.0	-1.0
Foreign exchange gains/losses	±0	-2.4	Income Taxes	-74.0	-73.2
Others	7.5	13.0	Profit attributable to non-controlling interests	-43.0	-44.9
Ordinary Income	275.0	269.9	*Net Income	155.0	151.7

* Net income attributable to owners of parent

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(Appendix) Main Financial Index

