Press Release

June 15, 1999

Isuzu Begins Producing Diesel Engines in Poland

Isuzu Motors Limited (Tokyo, Japan) announced that the company started to manufacture small diesel engines for passenger cars at Isuzu Motors Polska Sp. z o. o. (ISPOL) in Tichy, Poland on June 14, 1999.

ISPOL, a wholly owned subsidiary established by Isuzu in January 1997, has been attracting attention as the first large-scale Japanese investment in Poland. Total value of the investment for this project amounts to 2.6 billion Yen. ISPOL is distinguished by its capability to produce high-performance, high-quality, low-cost engines with minimized impact on the environment. The plant incorporates cutting-edge production technology such as the Isuzu Flexible Cell system, which enables production volume or engine types to be adjusted flexibly. The plant also conforms to the EC's strict environmental regulations for noise, drainage and soil pollution.

ISPOL will supply its next-generation diesel engines, which fully comply with European environmental regulations, to Opel AG in Germany. Isuzu Motors is mainly responsible for diesel engine development and production for General Motors Corporation and its group companies. ISPOL now becomes the focal point of the group's engine production operations in Europe.

Diesel-powered passenger cars have been gaining popularity in Europe. Strong concern for the environment is leading people to choose diesel-powered cars due to their low emission of carbon dioxide, a leading cause of global warming. The environmental advantages of diesel engines are expected to stimulate a sharp increase in the sales of diesel-powered vehicles in the foreseeable future.

ISPOL, Isuzu's fourth overseas diesel engine production plant, following Thailand, Indonesia and China, is an important addition to the company's overseas engine supply network. When DMAX Ltd., a GM-Isuzu joint-venture diesel engine plant in Ohio, USA, begins production in the middle of 2000, Isuzu's global diesel engine supply network will encompass Asia, Europe and North America.

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