

FY2011 First Quarter Consolidated Financial Results (Japan GAAP)

(April 1, 2010 through June 30, 2010)

English Translation of the Original Japanese-Language Document



August 4, 2010

Company name : ISUZU MOTORS LIMITED
 Stock exchange on which the shares are listed : Tokyo Stock Exchange in Japan
 Code number : 7202
 URL : <http://www.isuzu.co.jp/world/investor/index.html>
 Representative : Susumu Hosoi, President
 Contact : Naruhito Furuta, General manager,
 General Affairs & HR Department Tel. (03) 5471 - 1141
 Scheduled date for submission of quarterly financial statements : August 6, 2010
 Expected starting date for distribution of cash dividends : -
 The additional materials of the quarterly financial results : Yes
 Holding of the quarterly financial results meeting : Yes (for investment analysts and institutional investors)

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Highlights (April 1, 2010 through June 30, 2010)

<1> Consolidated Financial Results

(% indicates increase/decrease from previous 1st quarter.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2011 1st Quarter	366,339	95.5	23,820	-	23,126	-	12,424	-
FY2010 1st Quarter	187,366	(54.9)	(14,603)	-	(16,236)	-	(16,592)	-

	Net Income per Share	Net Income per Share after Dilution of Potential Stock
	yen	yen
FY2011 1st Quarter	7.33	-
FY2010 1st Quarter	(9.79)	-

<2> Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	millions of yen	millions of yen	%	yen
FY2011 1st Quarter	1,149,924	357,062	26.2	177.76
FY2010	1,110,383	354,534	26.8	175.62

[Note] Total Amount of Shareholders' Equity
 FY2011 1st Quarter 301,211 millions of yen
 FY2010 297,593 millions of yen

2. Cash Dividends

	Dividend per Share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-End	Total
	yen	yen	yen	yen	yen
FY2010	-	0.00	-	3.00	3.00
FY2011	-	-	-	-	-
FY2011 (Forecast)	-	2.00	-	2.00	4.00

[Note] Revision to the projected dividend for FY2011: None

3. Consolidated Forecast for FY2011 (April 1, 2010 through March 31, 2011)

(% indicates increase/decrease from previous term/2nd quarter period.)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
2nd Quarter	740,000	67.1	38,000	-	37,000	-	20,000	-	11.80
Year-End	1,450,000	34.1	65,000	490.4	65,000	470.5	40,000	376.1	23.61

[Note] Revision to Consolidated Forecast for FY2011: Yes

4. Others

<1> Changes in significant subsidiaries during this period : None

Newly consolidated : -

Excluded from the scope of consolidation : -

(Note) This item indicates whether there were changes in significant subsidiaries affecting the scope of consolidation during this period.

<2> Adoption of simplified methods of accounting and

specific accounting methods of quarterly consolidated financial statements : Adopted

(Note) This item indicates whether there was adoption of simplified methods of accounting and specific accounting methods for presenting quarterly consolidated financial statements.

<3> Changes in accounting policies, procedures and disclosures

Changes due to revisions of accounting standards : Adopted

Changes due to factors other than revisions of accounting standards : None

(Note) This item indicates whether there were changes in accounting policies, procedures and disclosures for presenting quarterly consolidated financial statements, described in "Changes in Bases of Presenting Quarterly Consolidated Financial Statements".

<4> Number of shares issued (common stock)

Number of shares issued and outstanding	FY2011 1st Quarter	1,696,845,339	Shares
at the end of the term (inclusive of treasury stock)	FY2010	1,696,845,339	Shares
Number of treasury stock at the end of the term	FY2011 1st Quarter	2,370,535	Shares
	FY2010	2,355,667	Shares
Average number of stocks issued	FY2011 1st Quarter	1,694,482,348	Shares
	FY2010 1st Quarter	1,694,601,230	Shares

※Information regarding the implementation of quarterly review procedures

These quarterly financial results are not subject to quarterly review procedures based on the Financial Instruments and Exchange Act. At the date of the announcement, quarterly financial results review procedures based on the Financial Instruments and Exchange Act have not been completed.

※Explanation on the usage of the financial performance forecasts and others

<1> With the release of the FY2011 First Quarter Consolidated Financial Results, the company revised the financial performance forecasts for the first-half of FY2011 and the year-end of FY2011, announced on May 11, 2010.

<2> Regarding the revisions of the financial performance forecasts for the first-half of FY2011 and the year-end of FY2011, please refer to the announcement released today (August 4, 2010).

<3> The financial performance forecasts are calculated based on the information available and assumptions at the date of the announcement on uncertain factors that may give an impact to the financial results. There are possibilities that the actual financial results may differ largely due to a variation of factors.

CONSOLIDATED QUARTERLY BALANCE SHEETS

(millions of yen)

	June 30, 2010	March 31, 2010
[ASSETS]		
CURRENT ASSETS		
Cash and deposits	196,970	155,820
Notes and accounts receivable-trade	180,951	188,108
Merchandise and finished goods	73,581	67,561
Work in process	10,592	7,437
Raw materials and supplies	32,916	31,439
Deferred tax assets	18,064	18,285
Other	22,006	20,230
Allowance for doubtful accounts	(1,151)	(1,166)
Total Current Assets	533,931	487,715
NON-CURRENT ASSETS		
Property, plant and equipment		
Buildings and structures, net	110,088	110,425
Machinery, equipment and vehicles, net	87,331	86,335
Land	269,931	269,558
Lease assets, net	7,004	6,996
Construction in progress	11,830	15,268
Other, net	8,772	9,142
Total Property, Plant and Equipment	494,960	497,726
Intangible assets		
Other	7,890	8,532
Total Intangible Assets	7,890	8,532
Investments and other assets		
Investment securities	84,849	87,386
Long-term loans receivable	3,752	4,149
Deferred tax assets	10,537	9,637
Other	22,233	23,434
Allowance for doubtful accounts	(8,230)	(8,198)
Total Investments and Other Assets	113,142	116,408
Total Non-Current Assets	615,993	622,668
TOTAL ASSETS	1,149,924	1,110,383

CONSOLIDATED QUARTERLY BALANCE SHEETS

(millions of yen)

	June 30, 2010	March 31, 2010
[LIABILITIES]		
CURRENT LIABILITIES		
Notes and accounts payable-trade	267,184	237,361
Short-term loans payable	61,947	67,355
Current portion of bonds	20,000	20,000
Lease obligations	2,337	2,494
Income taxes payable	8,330	6,406
Accrued expenses	36,154	33,705
Provision for bonuses	16,713	11,778
Provision for product warranties	2,364	2,483
Deposits received	5,033	4,288
Other	21,855	16,040
Total Current Liabilities	441,920	401,913
NON-CURRENT LIABILITIES		
Bonds payable	23,000	23,000
Long-term loans payable	190,640	197,138
Lease obligations	5,132	5,026
Deferred tax liabilities	3,963	3,337
Deferred tax liabilities for land revaluation	55,818	55,818
Provision for retirement benefits	62,210	61,367
Long-term deposits received	1,278	1,252
Negative goodwill	345	373
Other	8,551	6,620
Total Non-Current Liabilities	350,941	353,935
TOTAL LIABILITIES	792,862	755,849
[NET ASSETS]		
SHAREHOLDERS' EQUITY		
Capital stock	40,644	40,644
Capital surplus	50,427	50,427
Retained earnings	161,002	153,663
Treasury stock	(602)	(599)
Total Shareholders' Equity	251,473	244,136
VALUATION AND TRANSLATION ADJUSTMENTS		
Valuation difference on available-for-sale securities	2,448	3,327
Deferred gains or losses on hedges	145	(151)
Revaluation reserve for land	73,340	73,340
Foreign currency translation adjustment	(26,197)	(23,059)
Total Valuation and Translation Adjustments	49,737	53,456
MINORITY INTERESTS	55,851	56,941
TOTAL NET ASSETS	357,062	354,534
TOTAL LIABILITIES AND NET ASSETS	1,149,924	1,110,383

CONSOLIDATED QUARTERLY STATEMENTS OF INCOME

(millions of yen)

	FY2010 1st Quarter	FY2011 1st Quarter
Net sales	187,366	366,339
Cost of sales	176,112	315,906
GROSS PROFIT	11,253	50,433
Selling, general and administrative expenses	25,856	26,612
OPERATING INCOME (LOSS)	(14,603)	23,820
Non-operating income		
Interest income	179	323
Dividends income	16	123
Amortization of negative goodwill	23	27
Equity in earnings of affiliates	-	1,329
Rent income	51	72
Foreign exchange gains	174	-
Other	356	358
Total non-operating income	801	2,234
Non-operating expenses		
Interest expenses	1,594	1,376
Equity in losses of affiliates	292	-
Foreign exchange losses	-	647
Litigation settlement	50	466
Other	497	438
Total non-operating expenses	2,435	2,928
ORDINARY INCOME (LOSS)	(16,236)	23,126
Extraordinary income		
Gain on sales of non-current assets	94	8
Gain on negative goodwill	-	64
Other	74	147
Total extraordinary income	169	220
Extraordinary loss		
Loss on disposal of non-current assets	130	86
Loss on revaluation of investments	71	46
Environmental expenses	-	1,438
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	528
Other	65	25
Total extraordinary losses	267	2,125
INCOME (LOSS) BEFORE INCOME TAXES AND MINORITY INTERESTS	(16,335)	21,221
Income taxes	494	6,708
Income before minority interests	-	14,513
Minority interests in income (loss)	(236)	2,089
NET INCOME (LOSS)	(16,592)	12,424

CONSOLIDATED QUARTERLY STATEMENTS OF CASH FLOWS

(millions of yen)

	FY2010 1st Quarter	FY2011 1st Quarter
Cash Flows from Operating Activities		
Income (loss) before income taxes and minority interests	(16,335)	21,221
Depreciation and amortization	9,929	9,214
Amortization of negative goodwill	(23)	(92)
Equity in (earnings) losses of affiliates	292	(1,329)
Increase (decrease) in provision for retirement benefits	476	912
Increase (decrease) in provision for product warranties	(576)	(179)
Increase (decrease) in provision for bonuses	4,689	4,939
Increase (decrease) in allowance for doubtful accounts	85	14
Interest and dividends income	(196)	(447)
Interest expenses	1,594	1,376
Loss (gain) on sales of non-current assets	(94)	(8)
Loss (gain) on disposal of non-current assets	130	86
Other extraordinary loss (income)	52	1,988
Decrease (increase) in notes and accounts receivable-trade	25,824	3,118
Decrease (increase) in inventories	546	(11,182)
Decrease (increase) in other current assets	1,162	(665)
Increase (decrease) in notes and accounts payable-trade	(19,737)	33,078
Increase (decrease) in accrued expenses	(6,034)	2,318
Increase (decrease) in deposits received	(74)	752
Increase (decrease) in other liabilities	1,980	4,787
Other, net	(192)	268
(Subtotal)	3,498	70,173
Interest and dividends income received	2,648	3,272
Interest expenses paid	(898)	(1,097)
Income taxes paid	(1,092)	(4,380)
Net Cash Provided by (Used in) Operating Activities	4,156	67,967
Cash Flows from Investing Activities		
Purchase of investment securities	(8)	(902)
Proceeds from sales of investment securities	1	-
Purchase of non-current assets	(16,411)	(6,120)
Proceeds from sales of non-current assets	1,761	176
Payments of long-term loans receivable	(91)	(12)
Collection of long-term loans receivable	22	26
Net decrease (increase) in short-term loans receivable	143	23
Net decrease (increase) in time deposits	(1)	(43)
Payments for investments in capital of subsidiaries and affiliates	(1,233)	-
Other, net	(311)	141
Net Cash Provided by (Used in) Investing Activities	(16,129)	(6,709)
Cash Flows from Financing Activities		
Net increase (decrease) in short-term loans payable	(4,306)	(224)
Proceeds from long-term loans payable	37,918	30
Repayment of long-term loans payable	(2,672)	(11,660)
Repayments of lease obligations	(303)	(585)
Purchase of treasury stock	(2)	(2)
Cash dividends paid	(17)	(4,614)
Cash dividends paid to minority shareholders	(194)	(607)
Net Cash Provided by (Used in) Financing Activities	30,420	(17,664)
Effect of Exchange Rate Change on Cash and Cash Equivalents	1,308	(2,489)
Net Increase (Decrease) in Cash and Cash Equivalents	19,756	41,103
Cash and Cash Equivalents at Beginning of Period	116,198	156,198
Cash and Cash Equivalents at End of Period	135,955	197,302

<Overseas Sales>

Previous 1st Quarter (April 1, 2009 through June 30, 2009)

(millions of yen)

	North America	Asia	Other	Total
1 Overseas sales	13,810	56,402	38,645	108,858
2 Consolidated sales	-	-	-	187,366
3 Overseas sales per Consolidated sales	% 7.4	% 30.1	% 20.6	% 58.1

Current 1st Quarter (April 1, 2010 through June 30, 2010)

(millions of yen)

	North America	Asia	Other	Total
1 Overseas sales	17,848	129,376	100,898	248,123
2 Consolidated sales	-	-	-	366,339
3 Overseas sales per Consolidated sales	% 4.9	% 35.3	% 27.5	% 67.7

1. This segmentation is based on the geographical area.
2. Major countries or areas included
 - (1) North America---USA
 - (2) Asia---China, Thailand, Indonesia, Philippines
 - (3) Other---Saudi Arabia, Poland, Ecuador, South Africa, Australia
3. Overseas sales are sales to all countries and areas excluding Japan
made by the parent company and consolidated subsidiaries.