

FY2020 1H Financial Results

November 8, 2019
ISUZU MOTORS LIMITED

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Masanori Katayama

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Shinsuke Minami

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President, and
Representative Director

Masanori Katayama

Overview: FY2020 1H Consolidated Results

- Sales Units: Full-model change of LCVs in Thailand and falling overseas markets resulted in decrease of all categories excluding CV-Japan.
- Financial Results: Sales/profit decreased due to FX and in result of decline in sales units of CV-Overseas and LCVs.

Global Sales Units (K-units)		FY2020 1H	FY2019 1H	Changes	
	CV-Japan	45	40	+ 5	+13%
	CV-Overseas	106	112	- 6	-5%
CV Total		151	152	- 1	-1%
	LCV-Thailand	70	74	- 4	-5%
	LCV-Export	76	94	- 18	-19%
LCV Total		146	168	- 22	-13%
Total		297	320	- 23	-7%

Financial Results (Bil. Yen)

Sales	1,020.1	1,035.0	-14.9	-1%
Operating Income	71.4	87.5	-16.1	-18%
Ordinary Income	73.5	93.3	-19.8	-21%
Net Income	39.8	56.4	-16.6	-29%

Overview: FY2020 Full-year Outlook



- Sales Units: Though sales of CV-Japan and LCV-Thailand remains firm, weak sales are forecasted in other markets, resulting in decrease of total sales units as a whole.
- Financial Forecast: Revised downwards our financial forecast in consideration of low profitability of LCV-Export caused by strong Thai Baht.

Global Sales Units (K-units)		FY2020 Forecast	FY2019	Changes		FY2020 Previous Plan
	CV-Japan	85	83	+ 2	+2%	82
	CV-Overseas	217	223	- 6	-3%	233
CV Total		302	306	- 4	-1%	315
	LCV-Thailand	171	163	+ 8	+5%	161
	LCV-Export	161	179	- 18	-10%	171
LCV Total		332	342	- 10	-3%	332
Total		634	648	- 14	-2%	647

Financial Forecast (Bil. Yen)

Sales	2,160.0	2,149.2	+ 10.8	+1%	2,160.0
Operating Income	150.0	176.8	- 26.8	-15%	165.0
Ordinary Income	156.0	189.0	- 33.0	-17%	170.0
Net Income	90.0	113.4	- 23.4	-21%	100.0

Director of the Board,
Senior Executive Officer
Corporate Planning & Finance
Division Executive

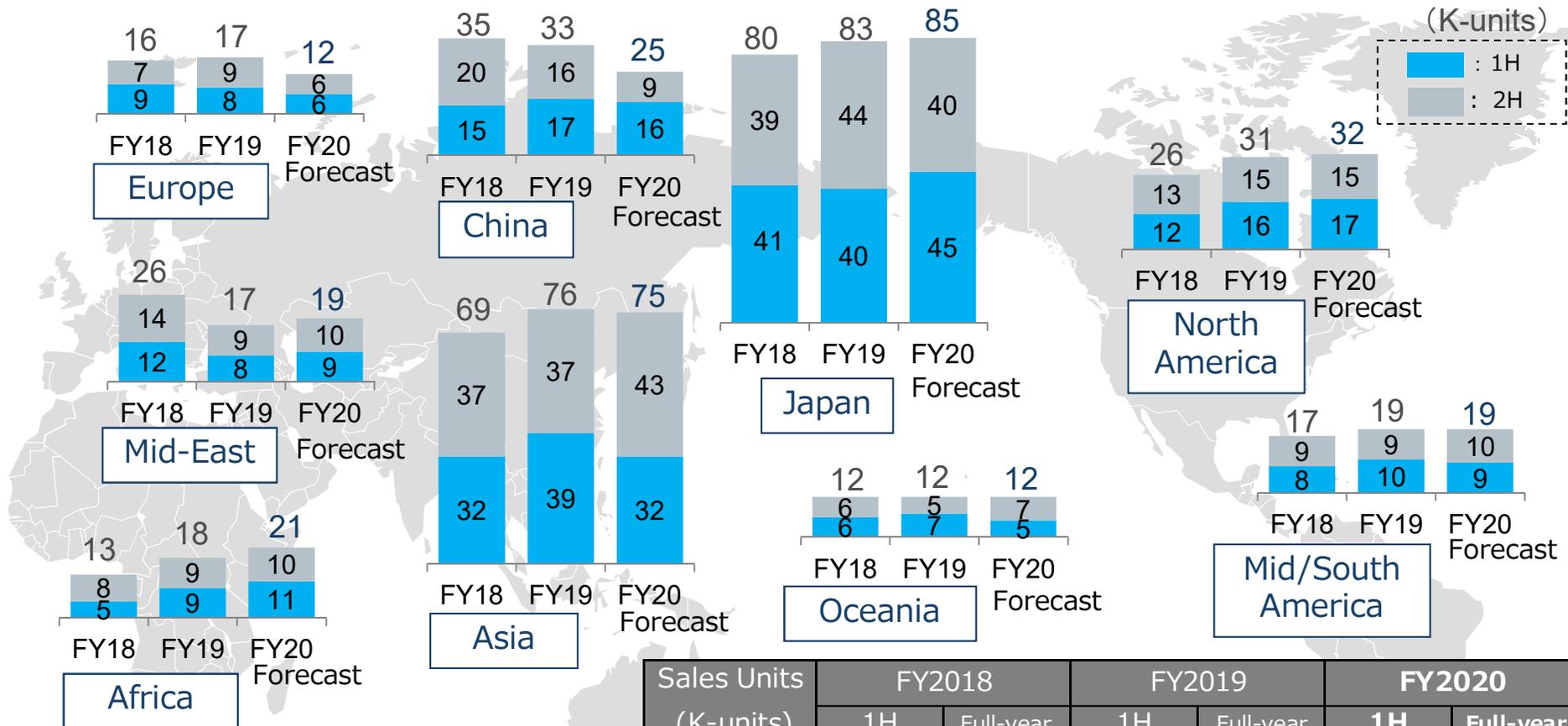
Shinsuke Minami

II -1. Business Status

Global Sales Units-CV



- 1H: Strong sales in Japan thanks to favorable sales of L/D trucks. Overseas sales decreased mainly in Asia, especially in Indonesia.
- Full-year: Though solid sales remains in Japan, overseas sales are forecasted to decrease mainly due to the sluggish Chinese market. CV sales units as a total will also decrease.



*Details of Global Sales Units-CV

Japan: Wholesale & Direct Sales to Customers

North America / Australia: Wholesale of Local Distributors

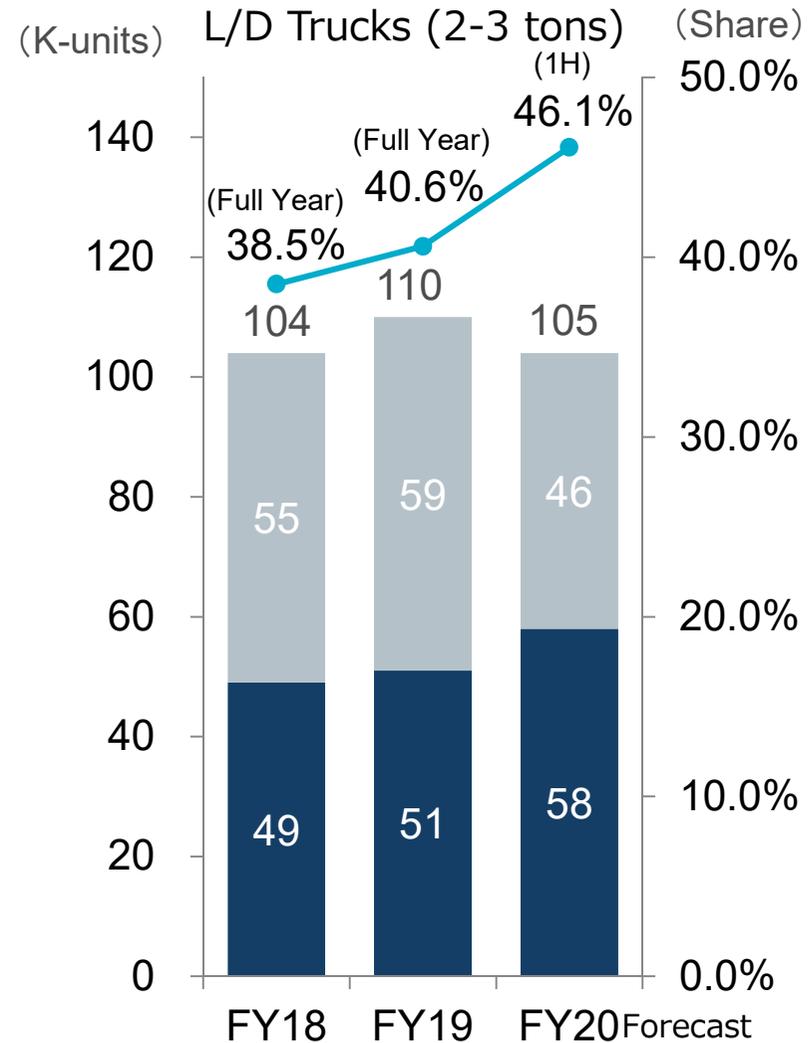
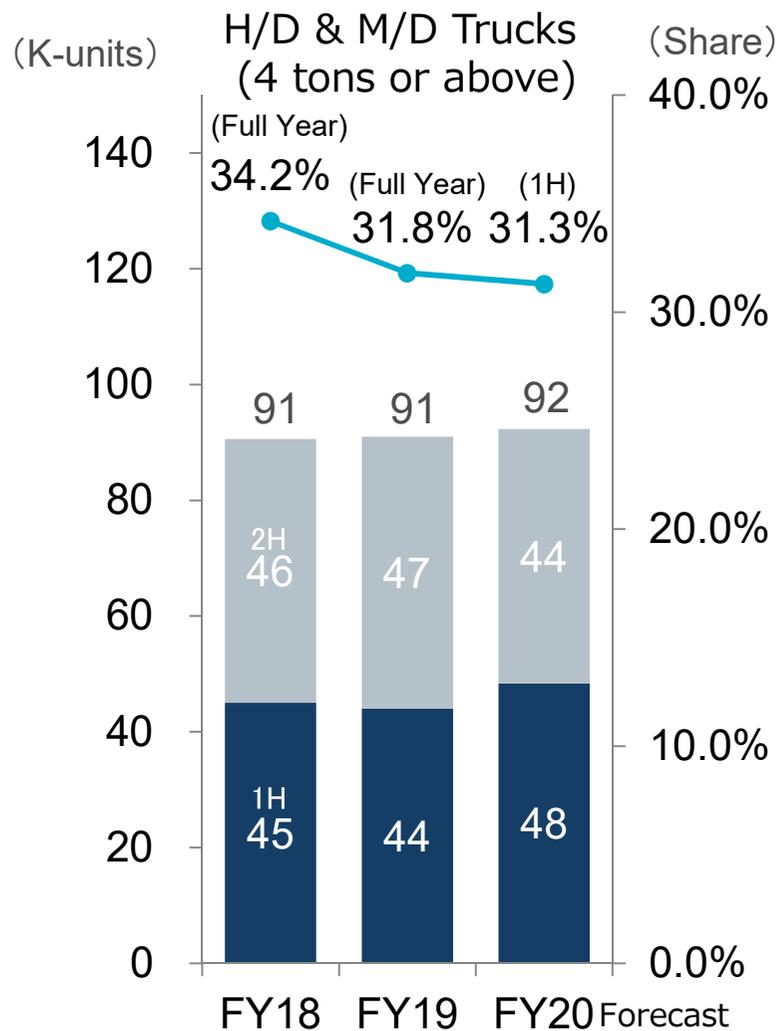
Other Regions: Shipment from Japan

Sales Units (K-units)	FY2018		FY2019		FY2020	
	1H	Full-year	1H	Full-year	1H	Full-year
Japan	41	80	40	83	45	85
Overseas	100	215	112	223	106	217
CV Total	141	295	152	306	151	302

Japan Industry Sales and Isuzu Share



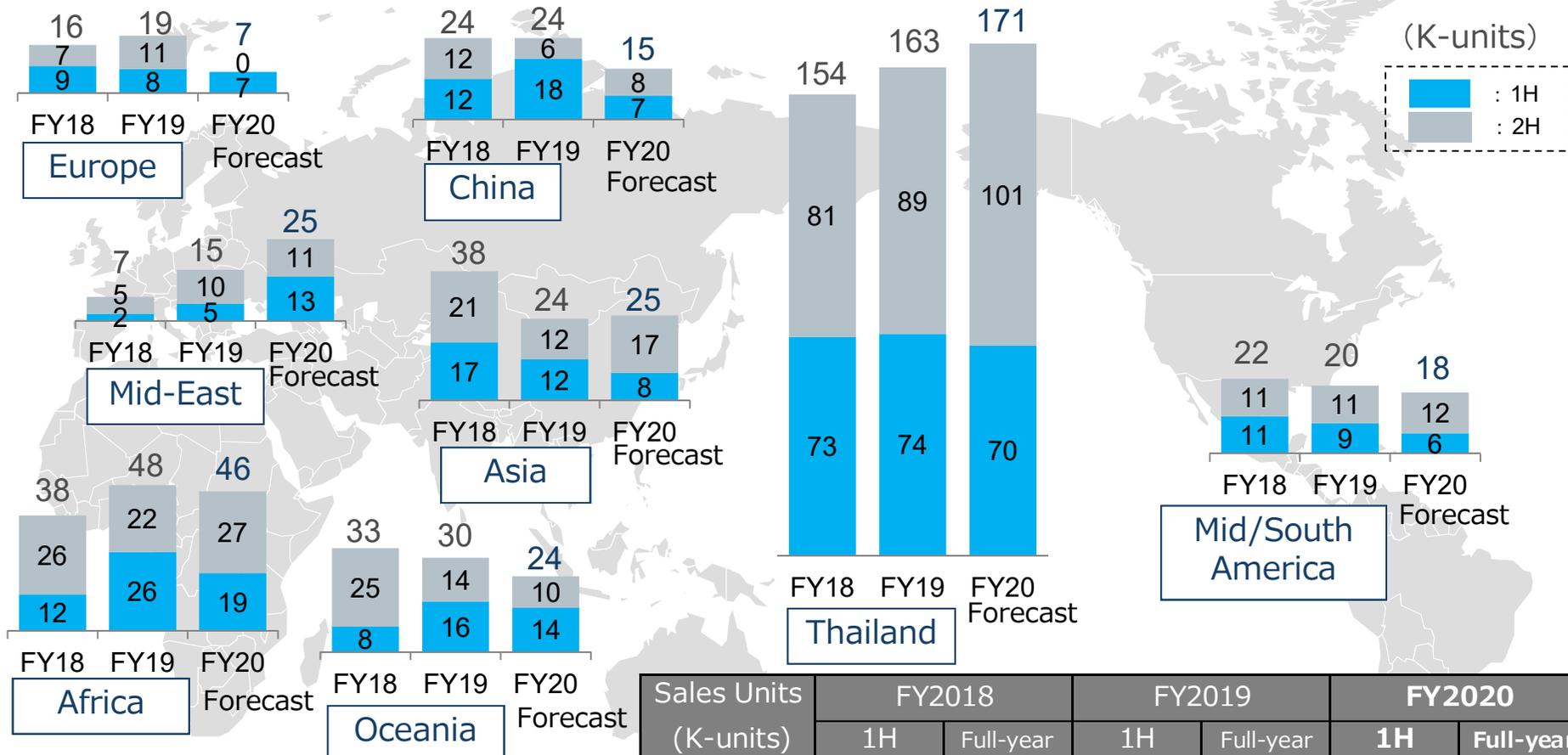
- H/D & M/D: Shares declined while industry sales increased mainly in H/D trucks. Revised full-year forecast of industry sales to a slight rise when compared with the previous year.
- L/D: Shares in 1H increased as Isuzu successfully took in the last minute surge demand before the implementation of new emission regulations in to force. The industry sales for the full year is forecasted to increase slightly.



Global Sales Units-LCV



- 1H: Full-model change in October caused sales units to decline in Thailand. Exports from Thailand struggled with weak markets.
- Full-year: Units for LCV-Thailand is forecasted to increase. Export units to Europe and China will decrease while units to Mid-East increase. Total LCV sales units are forecasted to decrease.

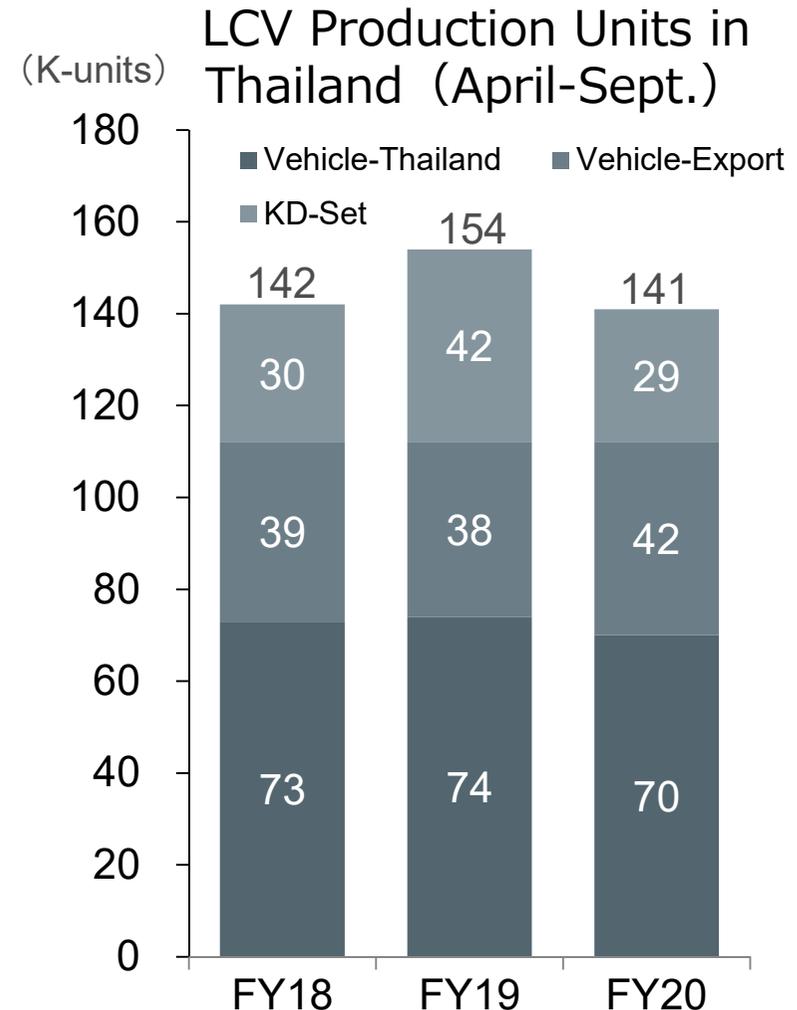
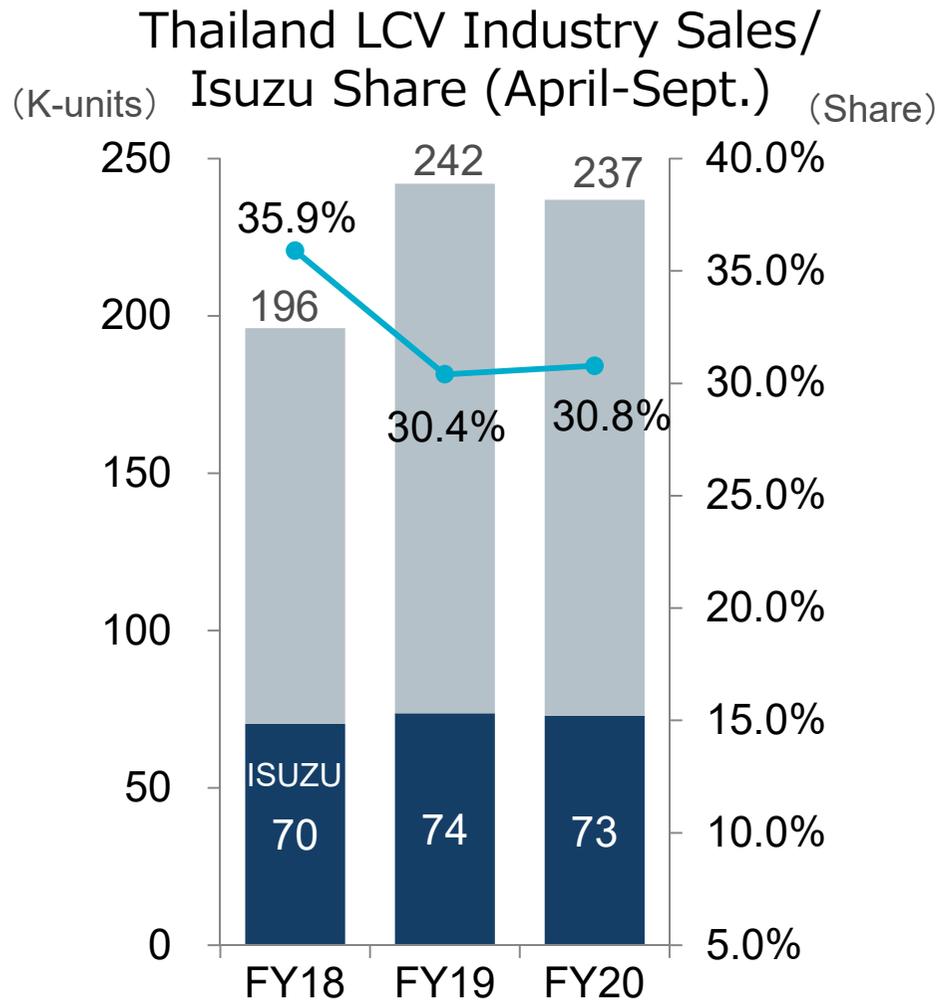


*Details of Global Sales Units-LCV
 China: Shipment from Thailand and Japan
 Other Regions: Shipment from Thailand only

Sales Units (K-units)	FY2018		FY2019		FY2020	
	1H	Full-year	1H	Full-year	1H	Full-year
Thailand	73	154	74	163	70	171
Export	78	178	94	179	76	161
LCV Total	151	332	168	342	146	332

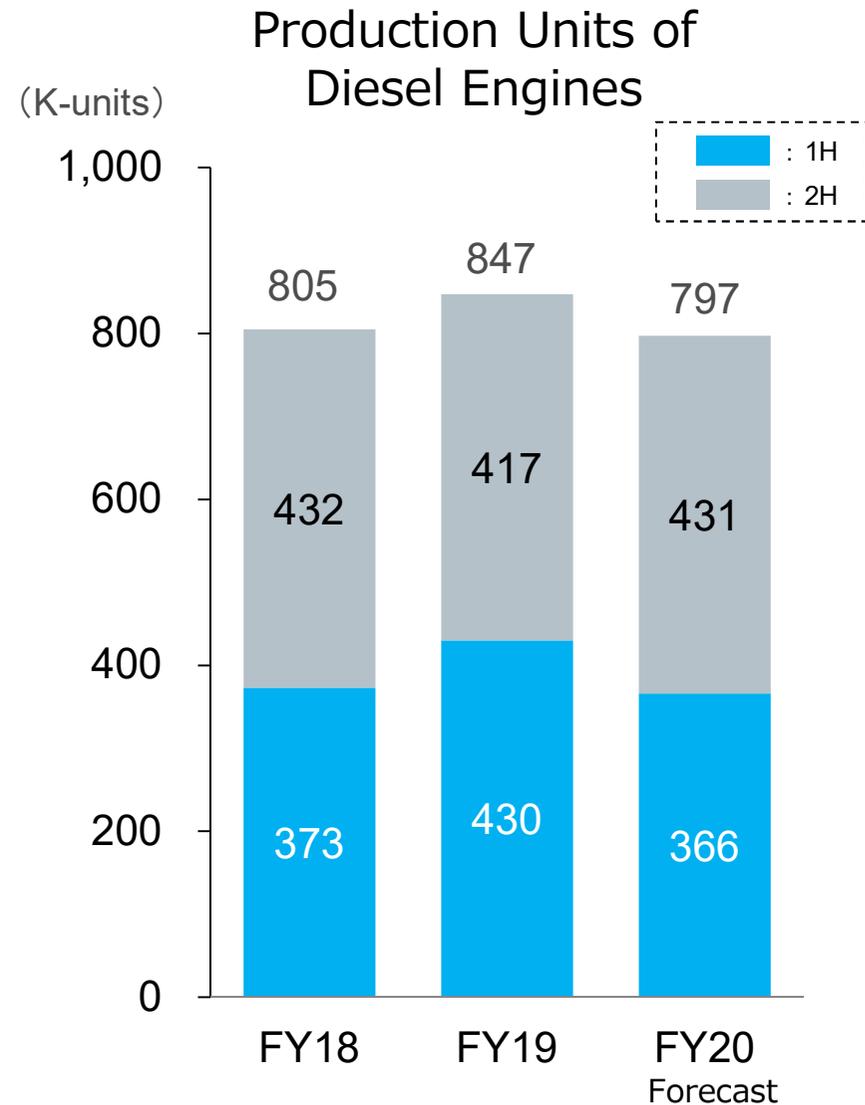
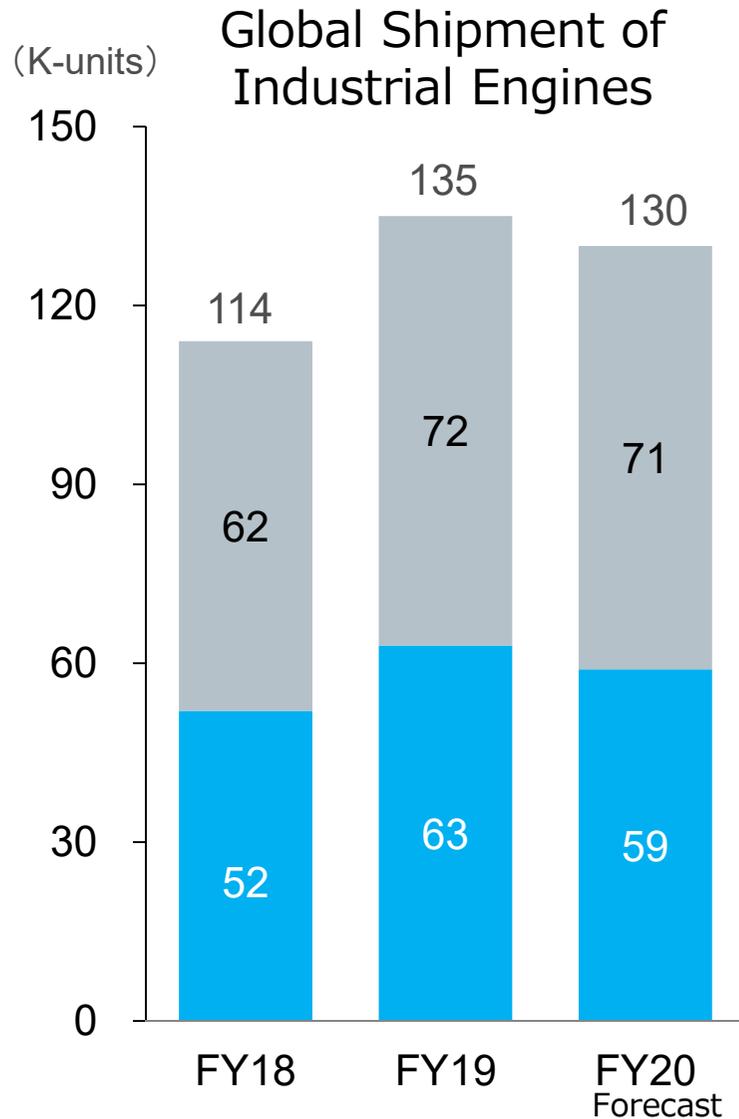
Thailand LCV Industry Sales & Share /LCV Production Units **ISUZU**

- Industry sales started strong in 1Q, but slowed down from July. The total for April-Sept. finished lower than the previous year. Maintained same level of shares as the previous year.
- Production units grew for Vehicle-Export in result of favorable sales in Mid-East. On the other hand, total production units decreased due to the full-model change in Thailand and falling units of KD-sets for export.



Industrial Engine Global Shipment/Diesel Engine Production ISUZU

- Industrial Engines: Taking in account of the unclear construction machine market in China, revised downward the global shipment forecast for FY2020.



II -2. FY2020 1H Financial Summary

April 2019 – September 2019

FY2020 1H Consolidated Results



- Year-on-year Comparison -

(JPY Bil.)	FY2020 1H	FY2019 1H	Changes	
Sales	1,020.1	1,035.0	-14.9	-1%
Operating Income	71.4	87.5	-16.1	-18%
Ordinary Income	73.5	93.3	-19.8	-21%
*Net Income	39.8	56.4	-16.6	-29%

* Net income attributable to owners of parent

FX

USD/JPY	109	110
THB/JPY	3.49	3.40
AUD/JPY	75	82

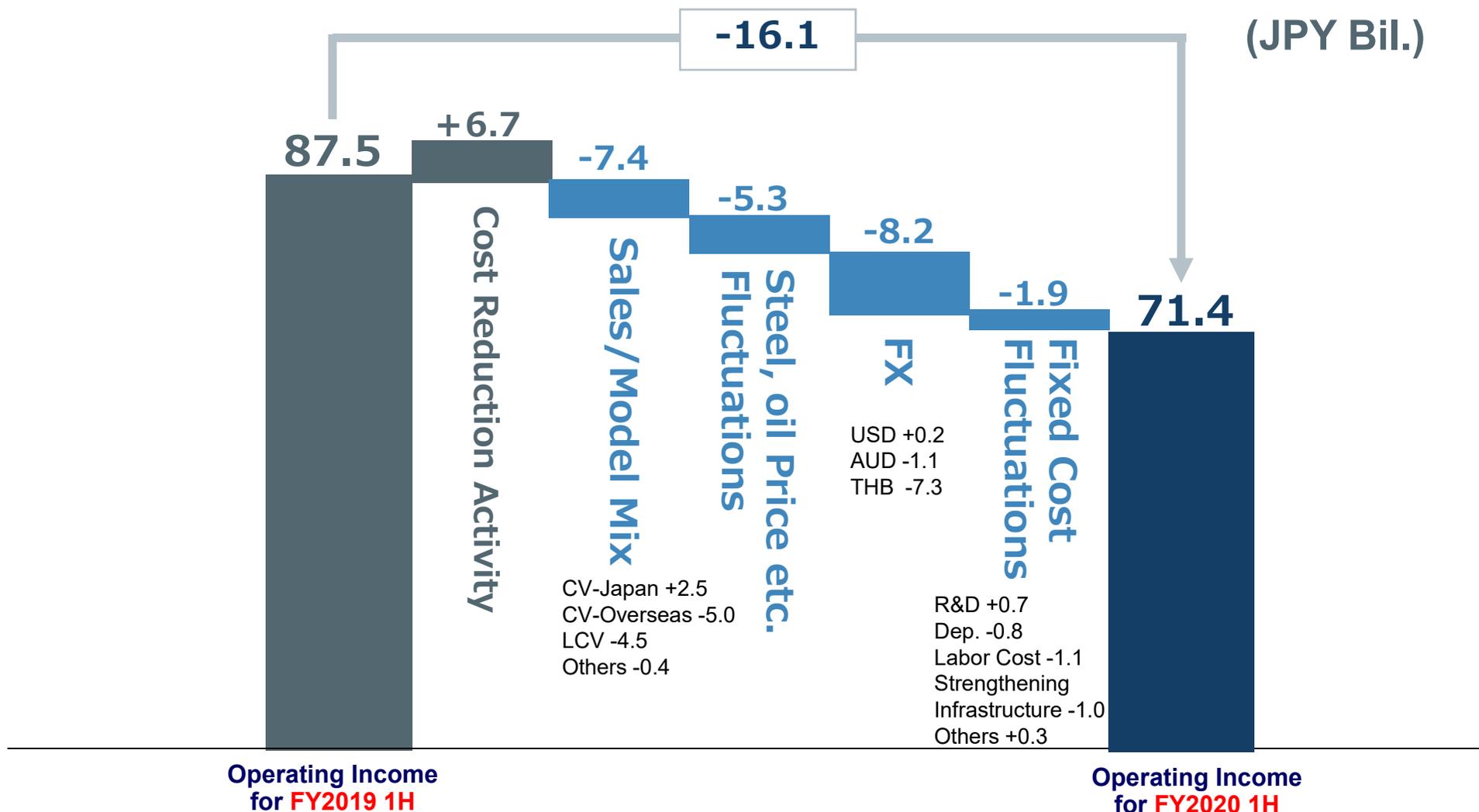
NOTE: Please note that the FX rates for USD/JPY and AUD/JPY shown above has been changed to the average rate of each period.

FY2019 1H vs. FY2020 1H Fluctuations



- Consolidated operating income : analysis of change -

- Cost reduction and increased sales of CV-Japan gave a positive impact, while FX and weak sales of CV-Overseas and LCVs gave negative impacts to the operating income. Operating income decreased compared to the previous year.



II -3. FY2020 Full-year Outlook

FY2020 Full-year Outlook

- Year-on-year Comparison -



(JPY Bil.)	FY2020 Forecast	FY2019	Changes		FY2020 Previous Plan
Net Sales	2,160.0	2,149.2	+ 10.8	+1%	2,160.0
Operating Income	150.0	176.8	- 26.8	-15%	165.0
Ordinary Income	156.0	189.0	- 33.0	-17%	170.0
*Net Income	90.0	113.4	- 23.4	-21%	100.0

FX

* Net income attributable to owners of parent

USD/JPY	107	111
THB/JPY	3.50	3.43
AUD/JPY	74	81

110
3.40
80

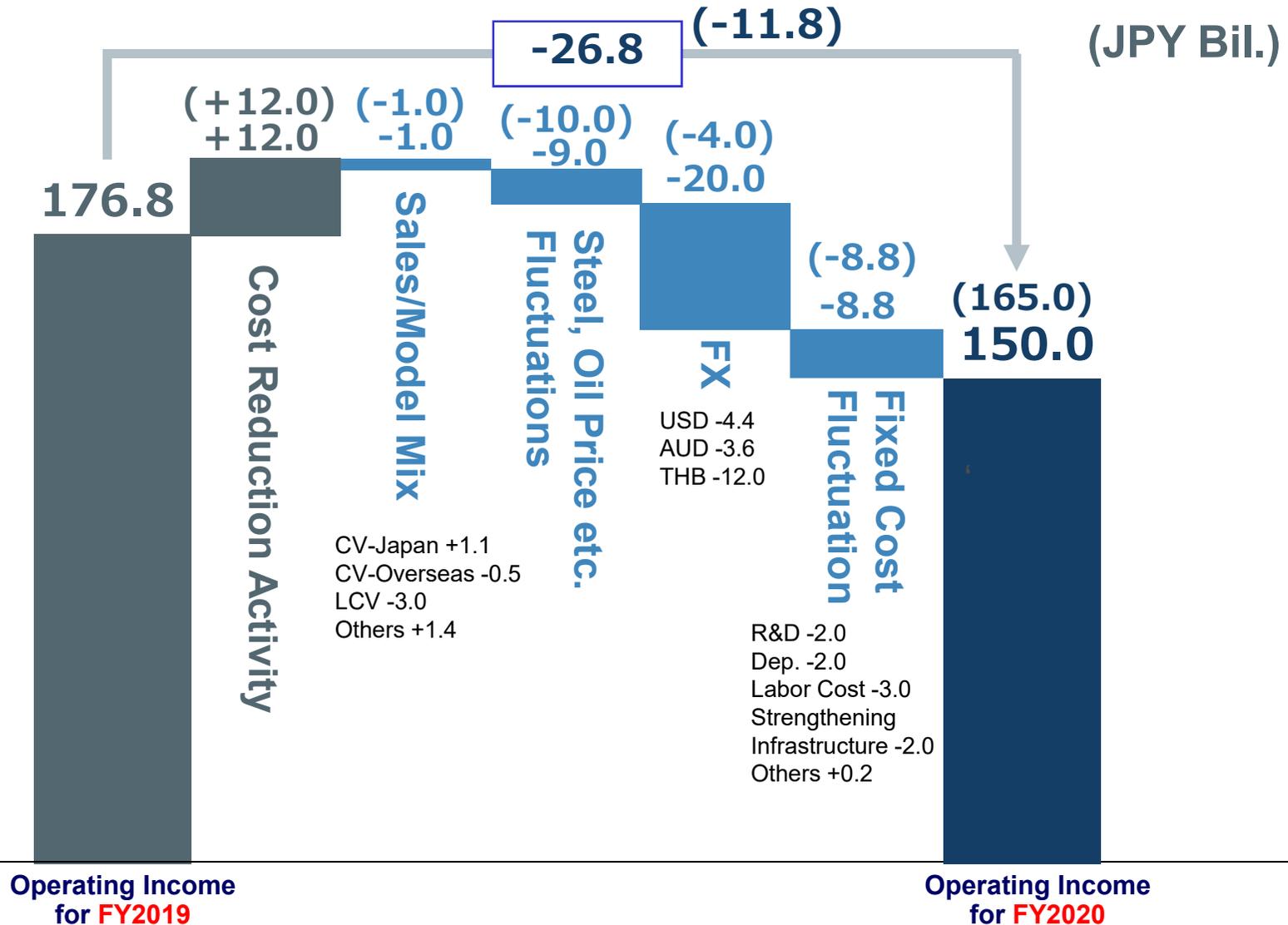
NOTE: Please note that the FX rates for USD/JPY and AUD/JPY shown above has been changed to the average rate of each period.

FY2019 vs. FY2020 Fluctuations



- Consolidated operating income : analysis of change -

- Substantial negative influence from strong Thai Baht. Revised forecast for FY2020 operating income due to low profitability of exports from Thailand.

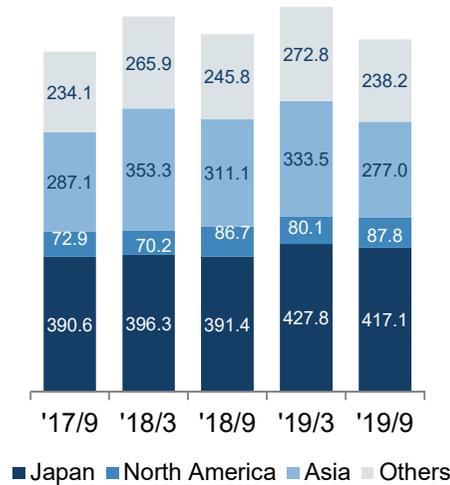


Trucks for life
ISUZU

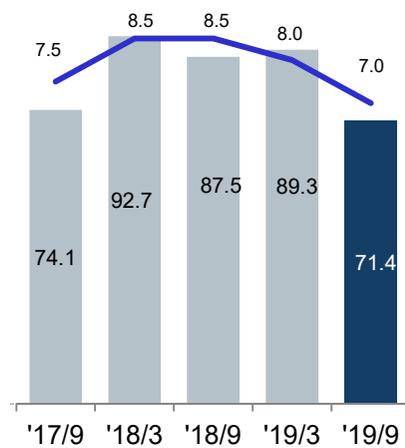
(Appendix) Main Financial Index (6 months)



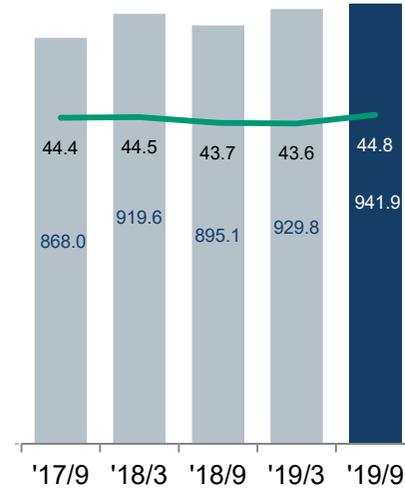
Consolidated Sales by Regions (JPY Bil.)



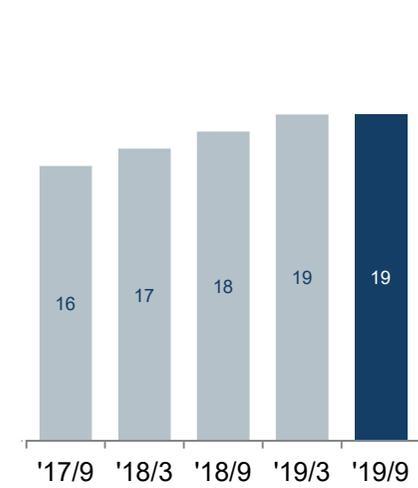
Operating Income (JPY Bil./%)



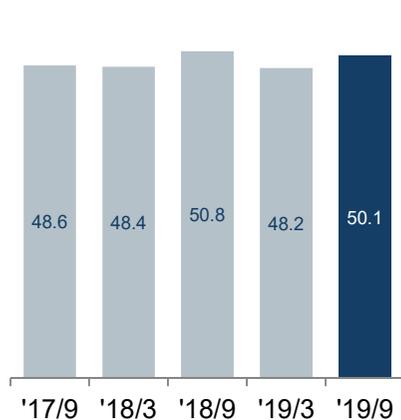
Shareholders' Equity (JPY Bil./%)



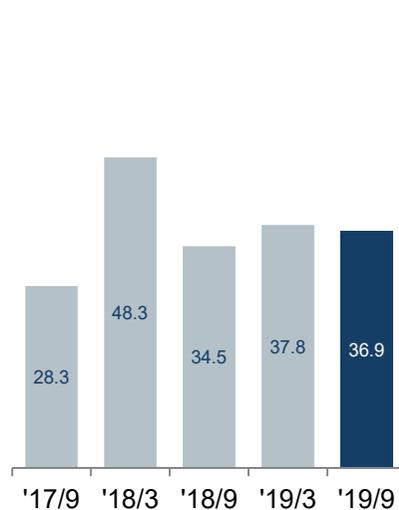
Dividends per Share (Yen)



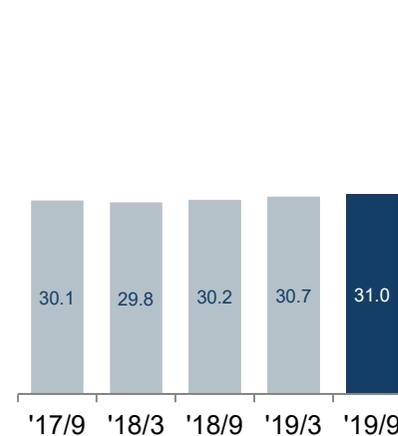
R&D Costs (JPY Bil.)



CAPEX (JPY Bil.)



Depreciation Cost (JPY Bil.)



Production Units in Japan (K-units)

