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Isuzu Enters Local Assembly and Sales Collaboration Contract for Medium Duty Busses in India.

Isuzu Motors Limited (Isuzu) has entered a local assembly and sales collaboration contract for medium duty busses with Swaraj Mazda Limited [Swaraj Mazda](Swaraj).

Isuzu will enter the huge and rapidly expanding Indian market by working with Swaraj, known for their outstanding manufacturing technology, through an assembly and sales collaboration of medium duty busses. Delivery of medium duty bus CKD kits to Swaraj will commence in 2007. The busses will be assembled by Swaraj, and sold in India under the Isuzu brand through the some of Approx.130 exclusive Swaraj dealers. Sales of 100 units are planned for 2007, which is expected to expand to 1,000 units in 2009.

The commercial vehicle market in India is growing at over 10% per year, approaching 350 thousand vehicles. India is a promising market with total demand expected to rise through continued population and economic growth. Isuzu will study the development of this business, with the possibility of future local production of light duty, and medium duty trucks.

Swaraj first entered a commercial vehicle assembly and sales operation in 1983 with the Mazda Motor Corporation (Mazda), and through their improved manufacturing technology and quality, increased their business to production of approx.12,000 units in 2005. Although Swaraj still retains "Mazda" in their corporate name, their capital relationship with Mazda was dissolved due to Mazda's withdrawal from development and production of Mazda truck and bus with Sawaraj in August 2005. The Sumitomo Corporation is presently the largest shareholder and owns 41% Swaraj.

<Ref : Outline of Swaraj Mazda>

Company Name	Swaraj Mazda Limited
Head Office	Chandigar, Punjab
Established	July, 1983
Representative	Yash Mahajan
Number of Employees	Approximately 1,100
Shareholders	Sumitomo Corporation 41%, Punjab Tractor14%
Main Business	Assembly and sales of Mazda LD trucks and busses Assembly and sales of Isuzu MD Busses.