

FY2022 Financial Results

May 13, 2022
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.

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1. Overview

1. FY2022 Financial Results

- CV and LCV demand remains firm in overseas markets.
- Severe affects of chip shortage to sales of CV-Japan and LCV-Thailand. Minimized the negative affect by transferring the destination of shipments to emerging countries.
- With stronger sales/model mix, decrease of expenses, and favorable FX rates, profits outperformed our forecast.

2. FY2023 Full-Year Outlook

- Robust demand continues for both CVs and LCVs in overseas markets. Production constraints caused by lack of semiconductors shall affect mainly CV-Japan, but taking in consideration of the stacked-up backorders, forecasts highest level of sales units.
- No end in sight to soaring prices of materials and logistic fees. Assuming more than 100.0 billion increase in costs.
- On the other hand, with the highest level of sales units, promotion of cost reduction activities, and further positive FX, will aim record high sales of 3,000 billion yen and operating income of 200.0 billion yen.

Overview -2

3. Affects from Supply Chain Disruptions

	FY2022 Results	FY2023 Outlook
Japan	<ul style="list-style-type: none"> Lack of supply in parts manufactured in southeast Asia in the 1st half, reduced production of L/D trucks Shortage of chips in the 2nd half, reduced production of trucks mainly for advanced countries 	<ul style="list-style-type: none"> Chip procurement is forecasted to resolve in the 2nd half Lack of interior parts of H/D, M/D, and L/D trucks due to Shanghai COVID-19 lockdown, will suspend factory lines
Thailand	<ul style="list-style-type: none"> Problems in procurement of semiconductors from the 1st half, decreased productions of new-model LCVs Though uncertainty remains for some parts, issue has been resolved as a whole in 4Q 	<ul style="list-style-type: none"> Uncertainty continues for some of the parts, but schedules high-level productions Lockdown in Shanghai has caused difficulties in procurement of parts, but the influence is limited

Overview: FY2022 Consolidated Results



Global Sales Units (K-units)		FY2022	FY2021	Changes		FY2022 Outlook Announced Feb. 2022
CV Total	CV-Japan	56	70	-14	-20%	53
	CV-Overseas	269	190	79	41%	277
	UD Trucks	18	-	18	-	18
CV Total		343	260	83	32%	348
LCV Total	LCV-Thailand	173	151	22	15%	163
	LCV-Export	205	144	61	42%	212
LCV Total		378	295	83	28%	375
Total		721	555	166	30%	723

Financial Results (Bil. Yen)

Sales	2,514.3	1,908.2	606.1	32%	2,500.0
Operating Income	187.2	95.7	91.5	96%	170.0
Ordinary Income	208.4	104.3	104.1	100%	175.0
Net Income	126.2	42.7	83.5	196%	110.0
Dividends Per Share	66 Yen	30 Yen	36 Yen		58 Yen

Overview: FY2023 Full-Year Outlook

Global Sales Units (K-units)		FY2023	FY2022	Changes	
CV	CV-Japan	70	65	5	8%
	CV-Overseas	294	278	16	6%
CV Total		364	343	21	6%
LCV	LCV-Thailand	217	173	44	26%
	LCV-Export	221	205	16	7%
LCV Total		438	378	60	16%
Total		802	721	81	11%

Financial Forecast (Bil. Yen)

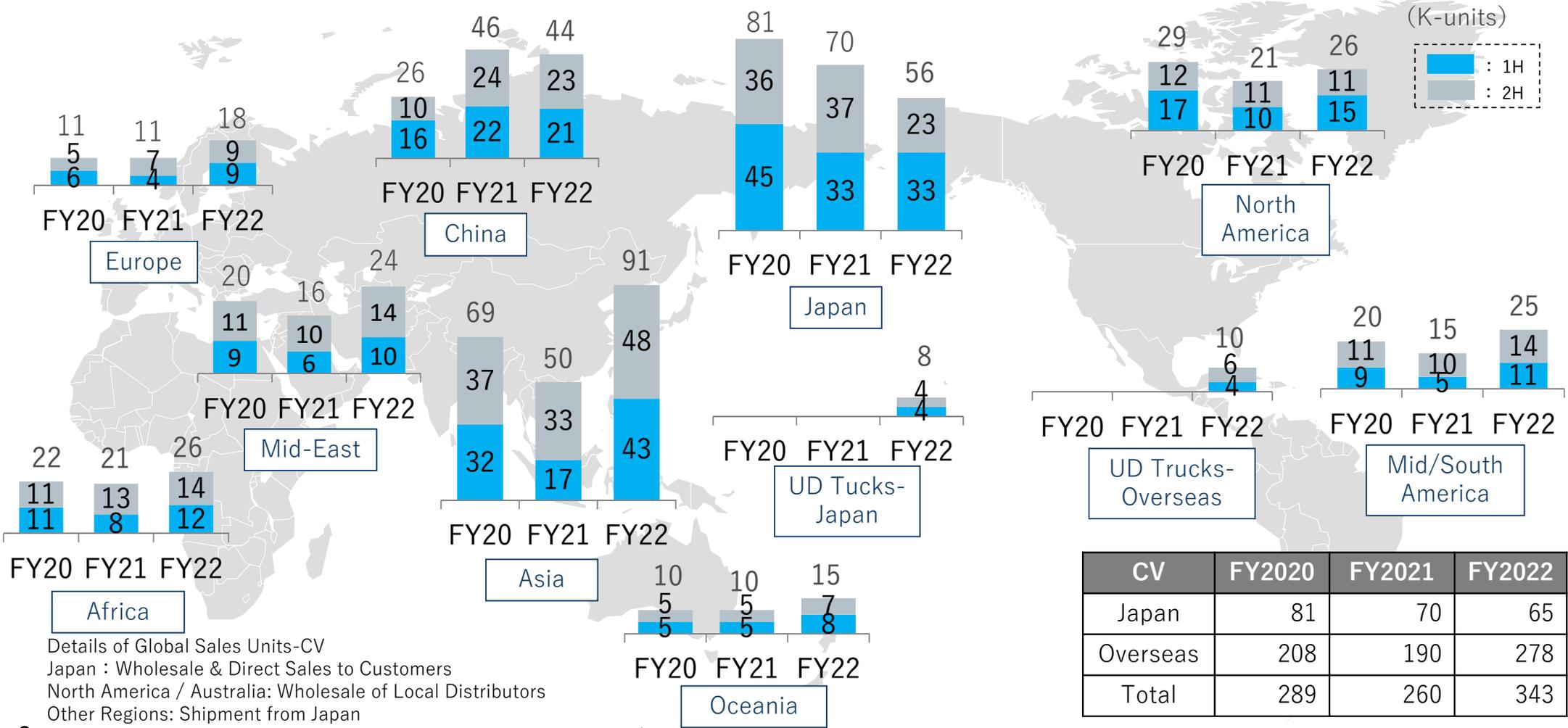
Sales	3,000.0	2,514.3	485.7	19%
Operating Income	200.0	187.2	12.8	7%
Ordinary Income	210.0	208.4	1.6	1%
Net Income	127.0	126.2	0.8	1%
Dividends Per Share	66 Yen	66 Yen	± 0 Yen	

2. FY2022 Financial Results

FY2022 Global Sales Units-CV



- Sales units in Japan decreased from the previous year due to production constraints caused by chip shortage.
- By transferring shipments to emerging countries, sales units in overseas markets surpassed those of FY2020 in most regions, before the widely spread of COVID-19.



Details of Global Sales Units-CV

Japan : Wholesale & Direct Sales to Customers

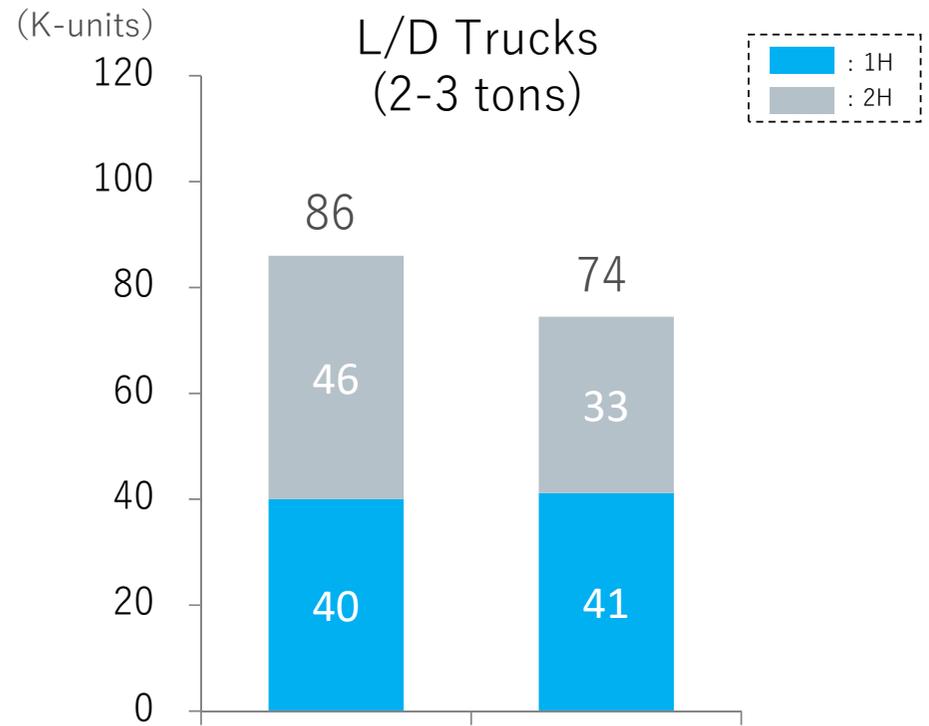
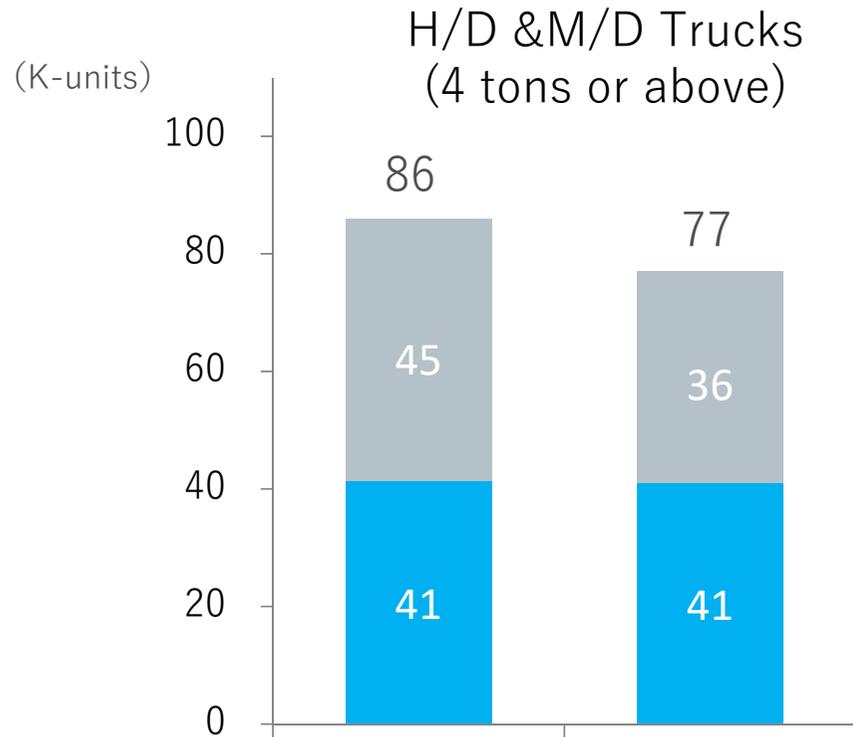
North America / Australia: Wholesale of Local Distributors

Other Regions: Shipment from Japan

8 UD Trucks' April-Dec. performance is reflected in the consolidated F/S.

FY2022 Japan Industry Sales and Isuzu Share

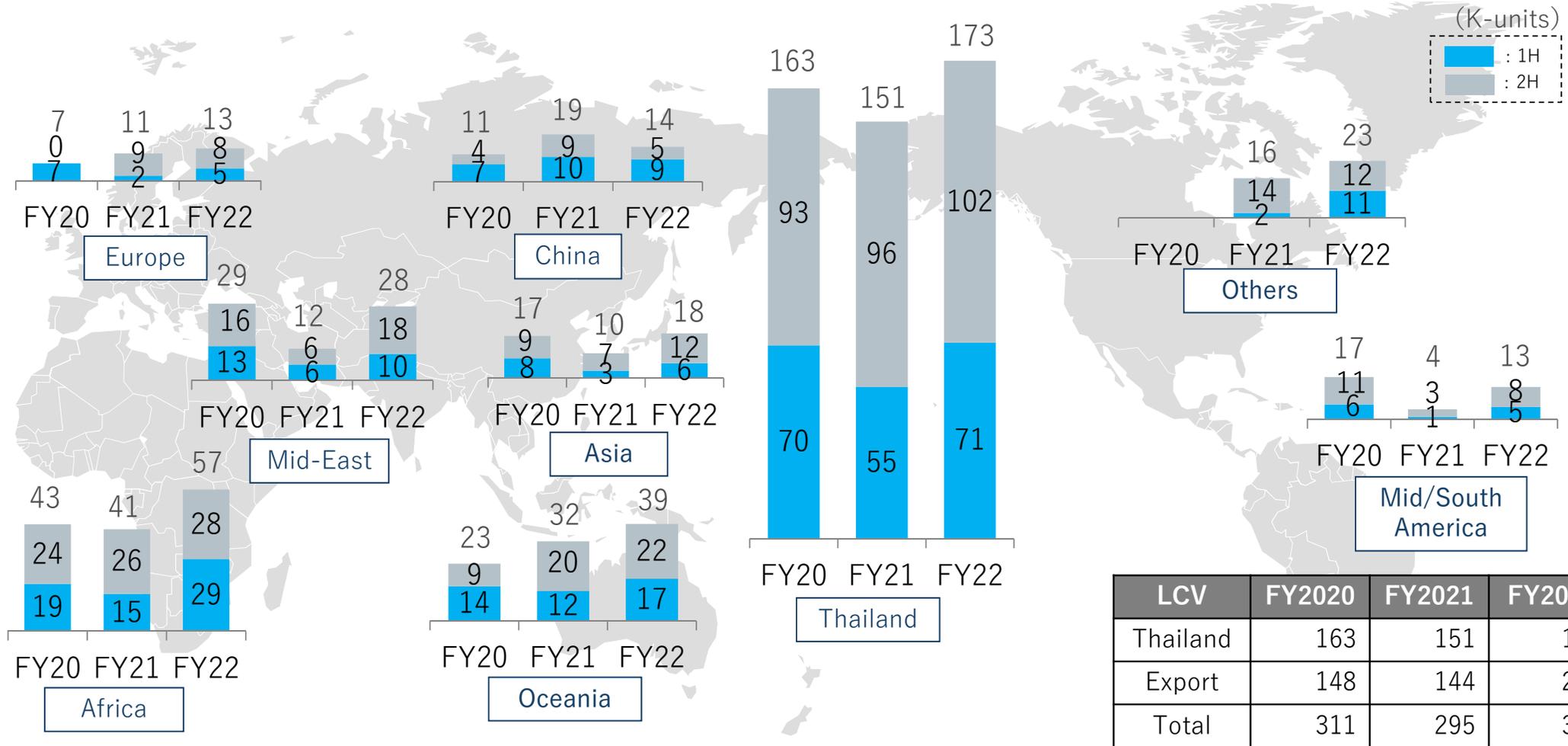
- Demand for H/D, M/D, and L/D trucks remains firm, but the industry sales plummeted below the previous year level due to production constraints.
- Significant effect to L/D trucks, causing shares to drop.



	FY2021	FY2022
Isuzu Share	33.8%	33.0%
UD Trucks Share	(11.3%)	11.9%

FY2022 Global Sales Units-LCV

■ Though distracted by short supply of chips in 1st half of the year, issues resolved as a whole in 2nd half. Recorded higher sales units than FY2020, before the worldwide surge of COVID-19.

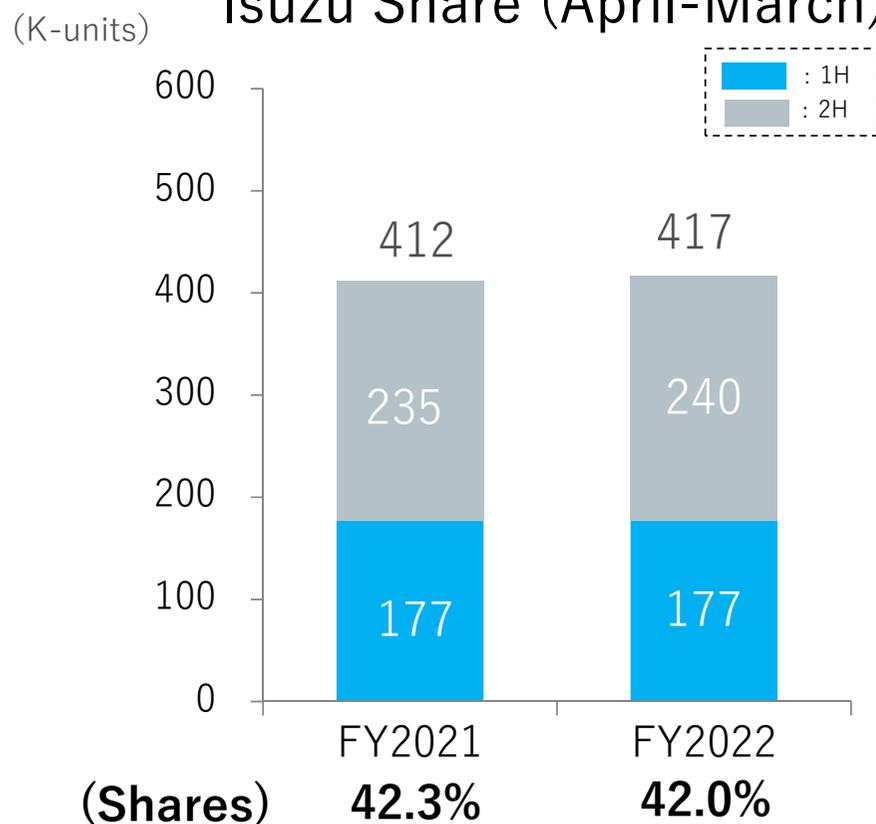


FY2022 Thailand LCV Industry Sales & Share /LCV Production Units

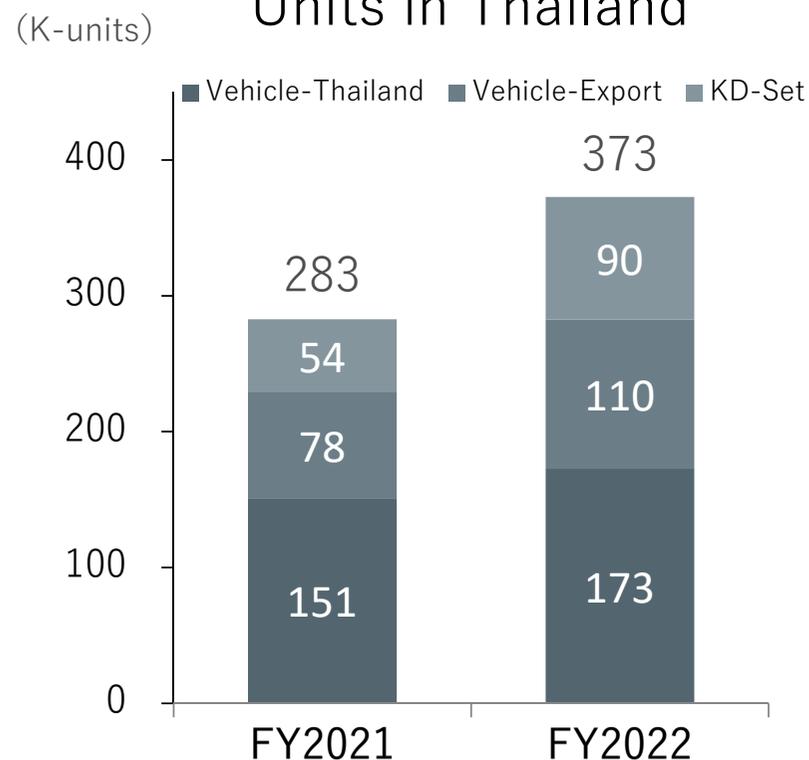


- Though demand is robust, severely affected by production constraints. Thus, industry sales remains same level as the previous year.
- As the chips issues improved, production units rose in all categories.

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

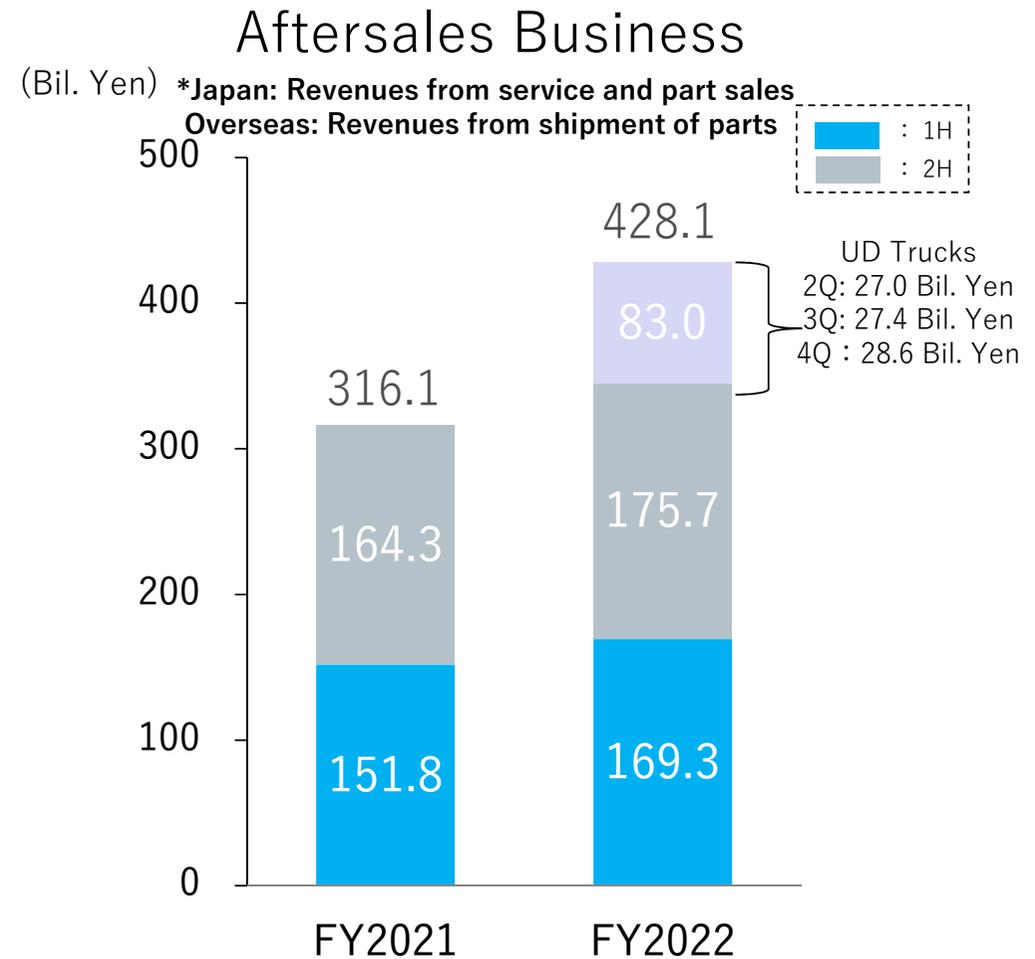
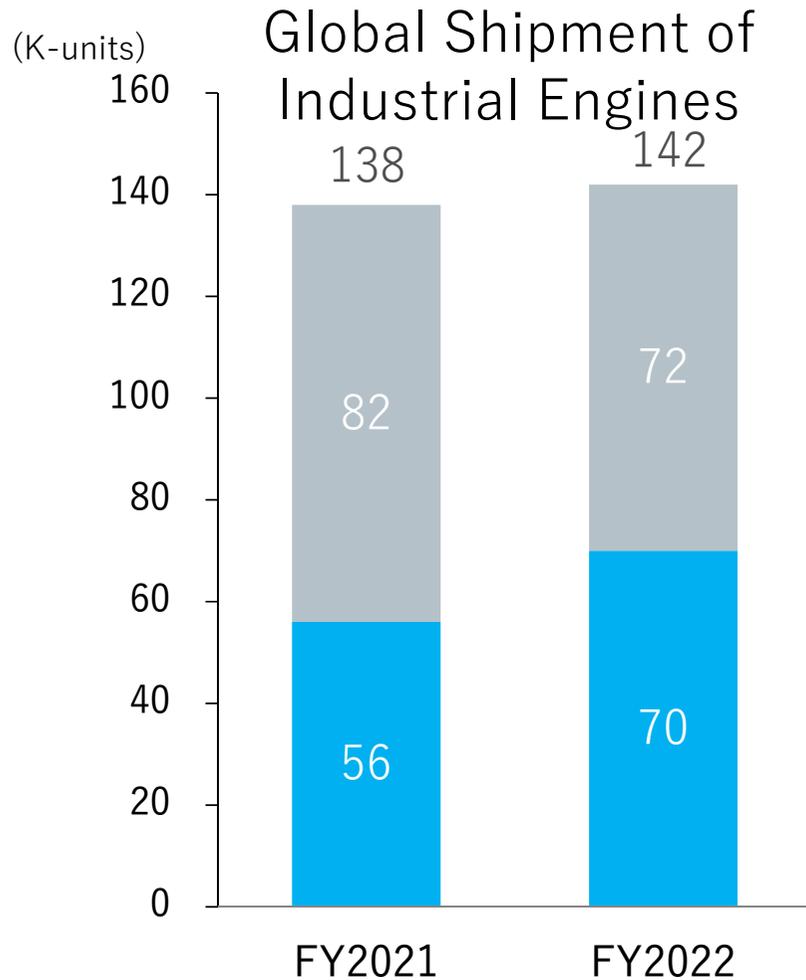


LCV Production Units in Thailand



FY2022 Industrial Engine Global Shipment/Revenue from Aftersales Business **ISUZU**

- **Industrial Engines:** Shipments in latter half fell from the previous year due to slowdown in Chinese construction machineries demand and inventory adjustment before the implementation of new emissions regulations.
- **Aftersales Business:** In addition to taking in UD Trucks' revenues, thanks to sales increase in overseas parts, revenues rose from the previous year.

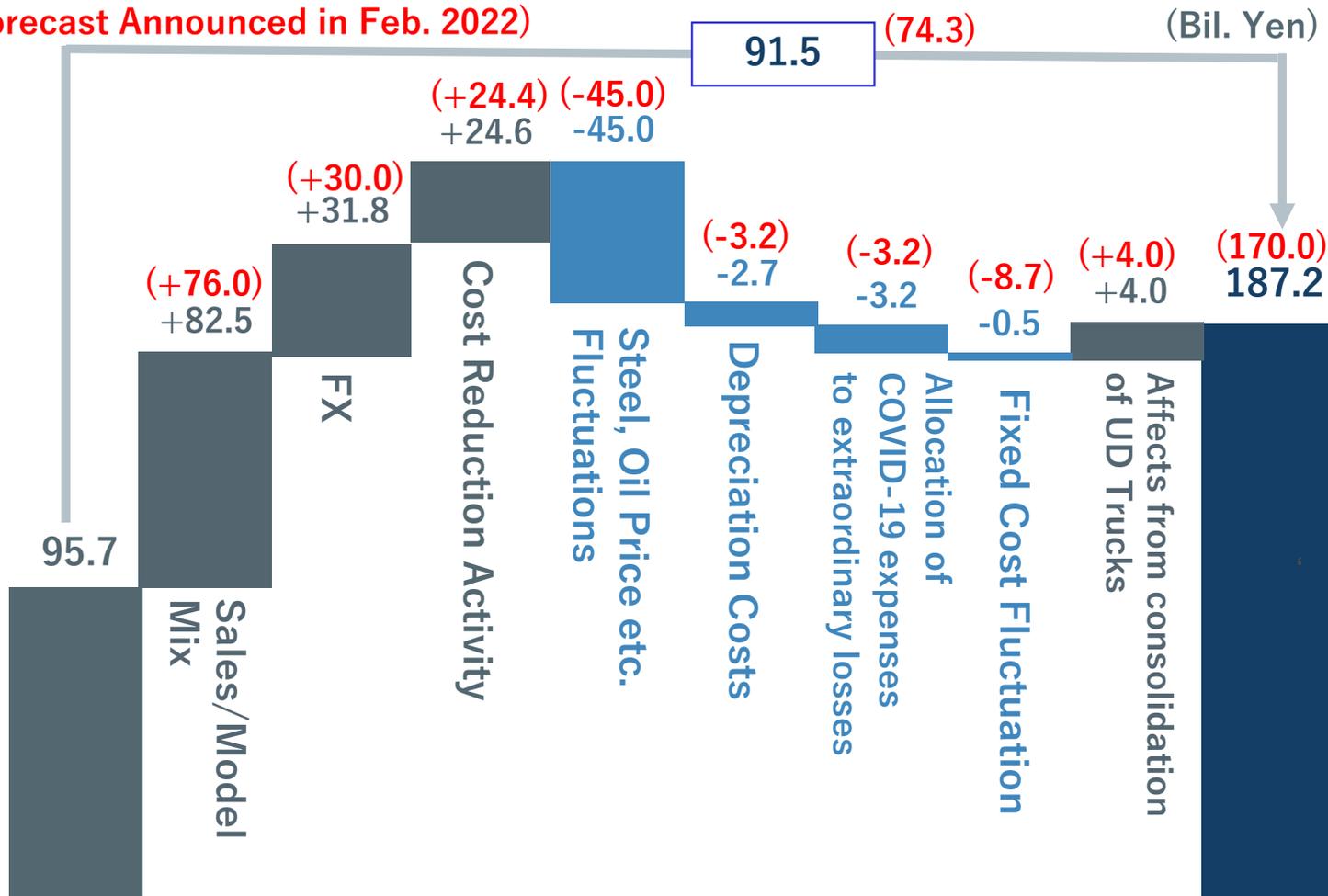


FY2021 vs. FY2022 Fluctuations

- Consolidated operating income : analysis of change -

- Recovery in sales units of overseas markets, acceleration of cost reduction activities, and favorable FX absorbed the sharp rise in material and logistics fees. Resulted in a major rise in operating income.

(Forecast Announced in Feb. 2022)



FX	FY2021	FY2022
USD/JPY	106.0	112.4
THB/JPY	3.42	3.44
AUD/JPY	76.2	83.1

Breakdowns	FY2022
Sales/Model Mix	82.5
CV-Japan	-17.0
CV-Overseas	47.3
LCV	31.0
Others	21.2
FX	31.8
USD	5.0
AUD	6.4
THB & Other Currencies	20.4
Fixed Cost Fluctuation	-0.5
R&D	-3.0
Labor Cost	-2.4
Others	4.9

FY2022 Consolidated Results - Year-on-year Comparison -

(Bil. Yen)	FY2022	FY2021	Changes	
Sales	2,514.3	1,908.2	606.1	32%
Operating Income	187.2	95.7	91.5	96%
Ordinary Income	208.4	104.3	104.1	100%
*Net Income	126.2	42.7	83.5	196%

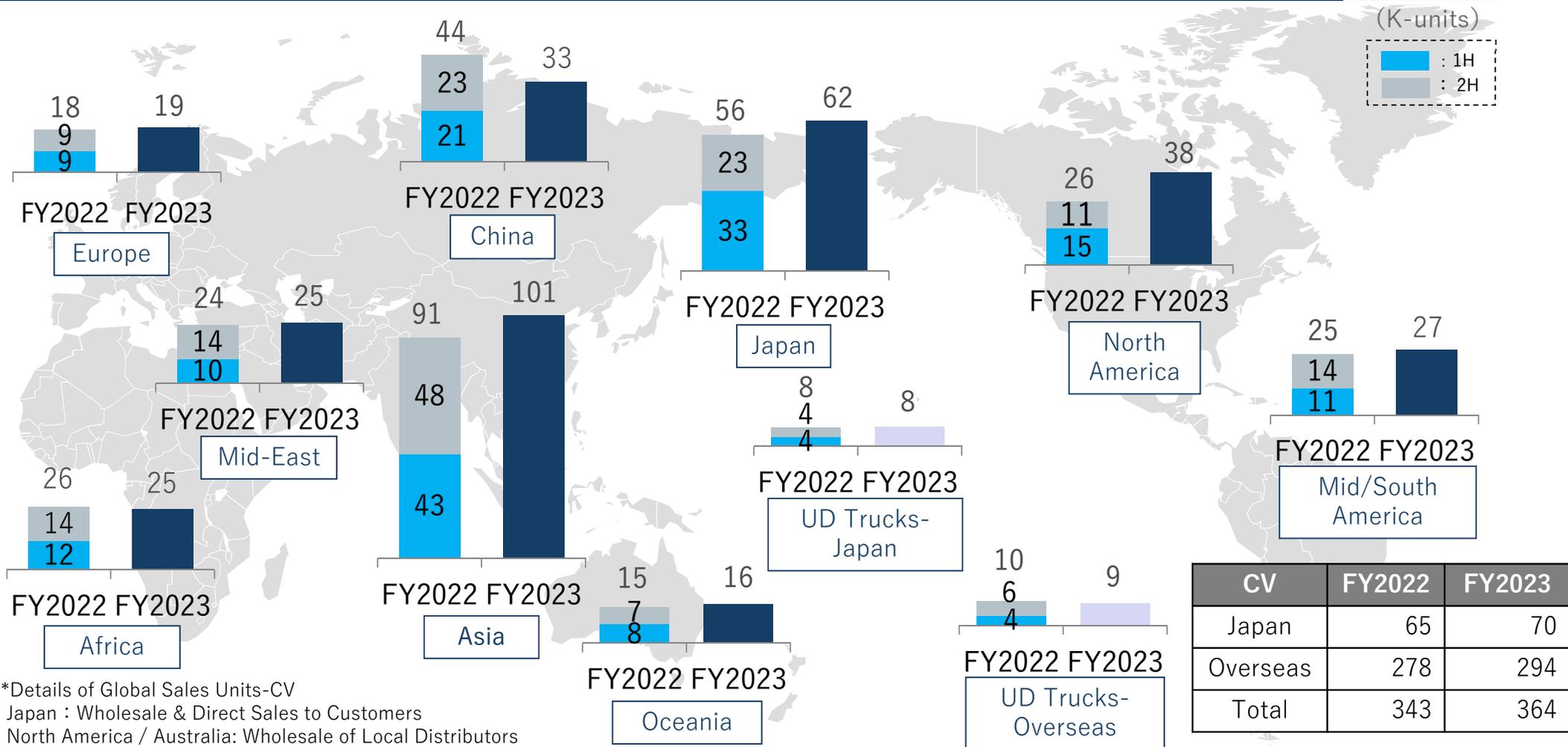
Operating Income	187.2	Ordinary Income	208.4
Share of profit of entities accounted for using equity method	9.6	Loss on valuation of investment securities, Loss on disposal of non-current assets, etc.	-4.1
Foreign Exchange Gain/Loss	5.8	Income Taxes	-47.6
Others	5.8	Profit attributable to non-controlling interests	-30.5
Ordinary Income	208.4	*Net Income	126.2

* Net income attributable to owners of parent

3. FY2023 Full-Year Outlook

FY2023 Global Sales Units-CV

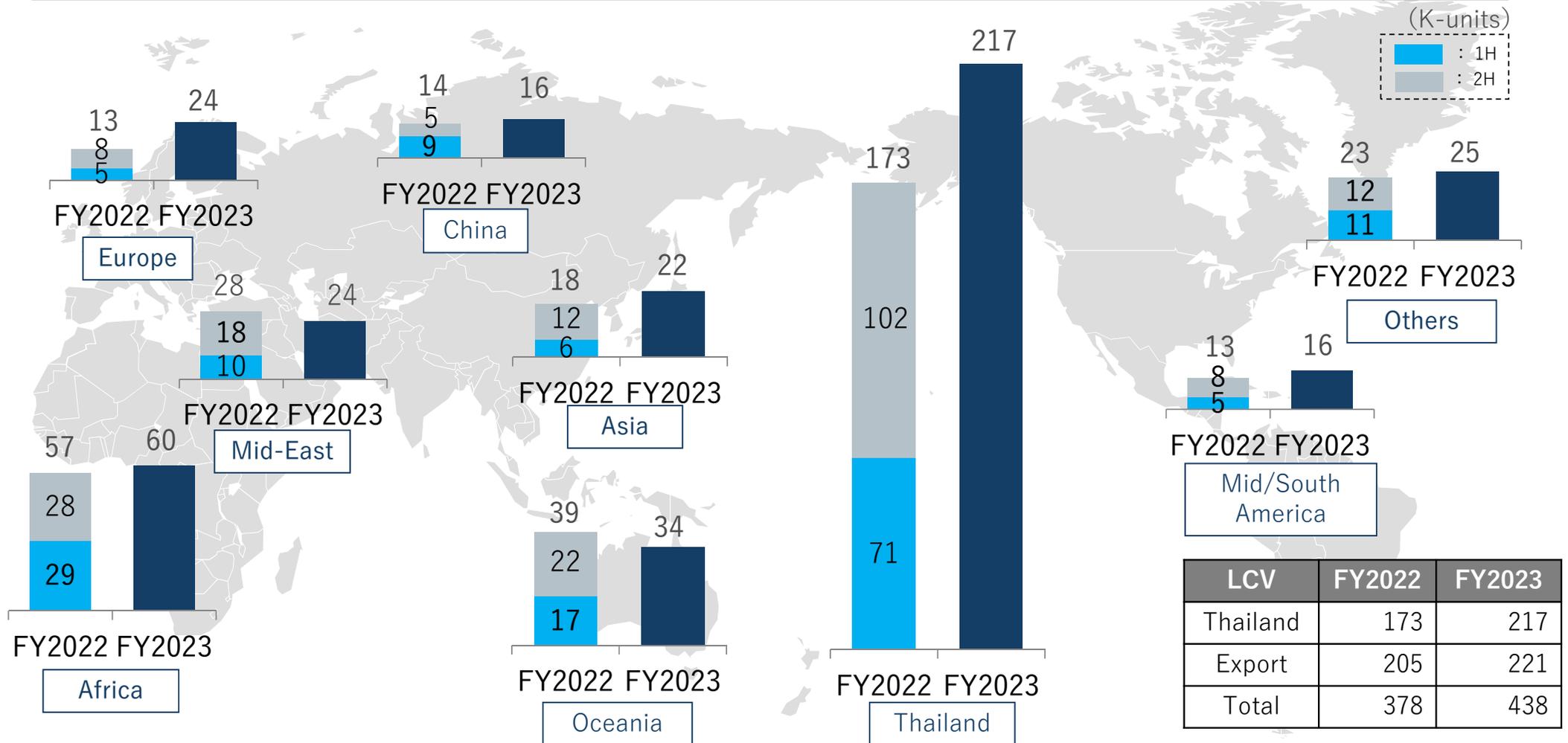
■ In spite of reduced production, shall take advantage of the strong demand. Forecasting record high unit sales.



*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 Global Sales Units-LCV

■ Thanks to easing semiconductors situation, has terminated reduced production. With the strong demand, aiming sales units exceeding the previous year.



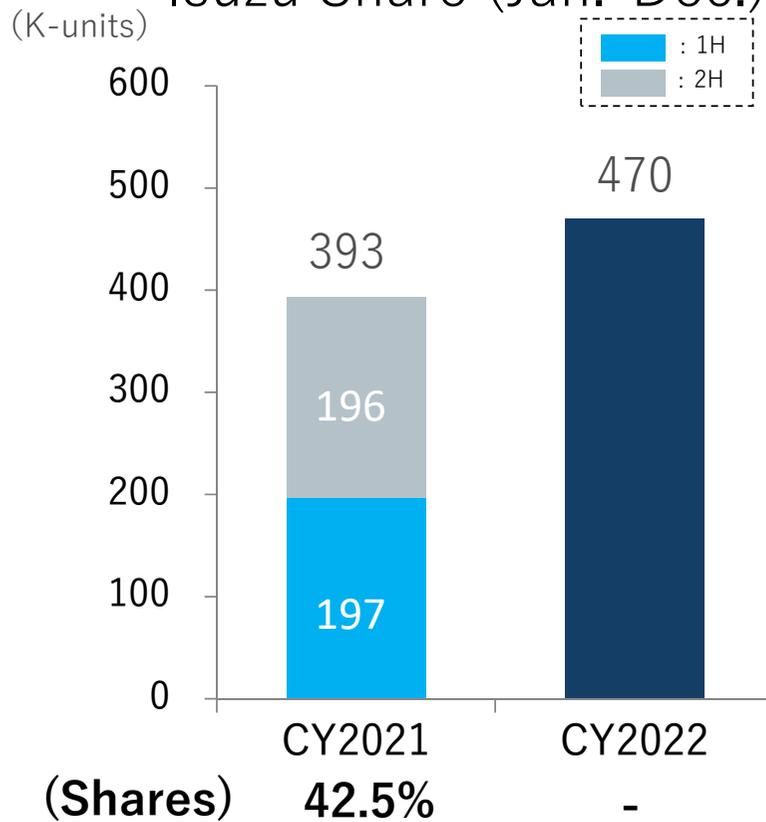
17 *Details of Global Sales Units-LCV: : Thai Shipment

FY2023 Thailand LCV Industry Sales & Share /LCV Production Units

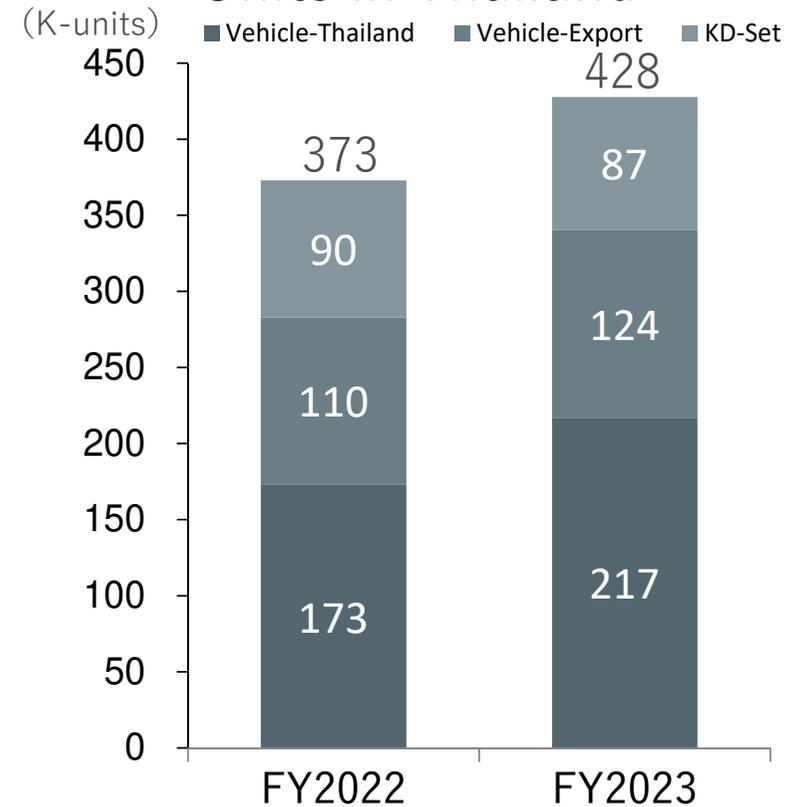


- Though industry sales will not recover to CY2019 level before the spread of novel coronavirus, recovery will continue thanks to the robust demand.
- As the production constraints settles, strong orders will bring in highest production units ever.

Thailand LCV Industry Sales/ Isuzu Share (Jan.-Dec.)



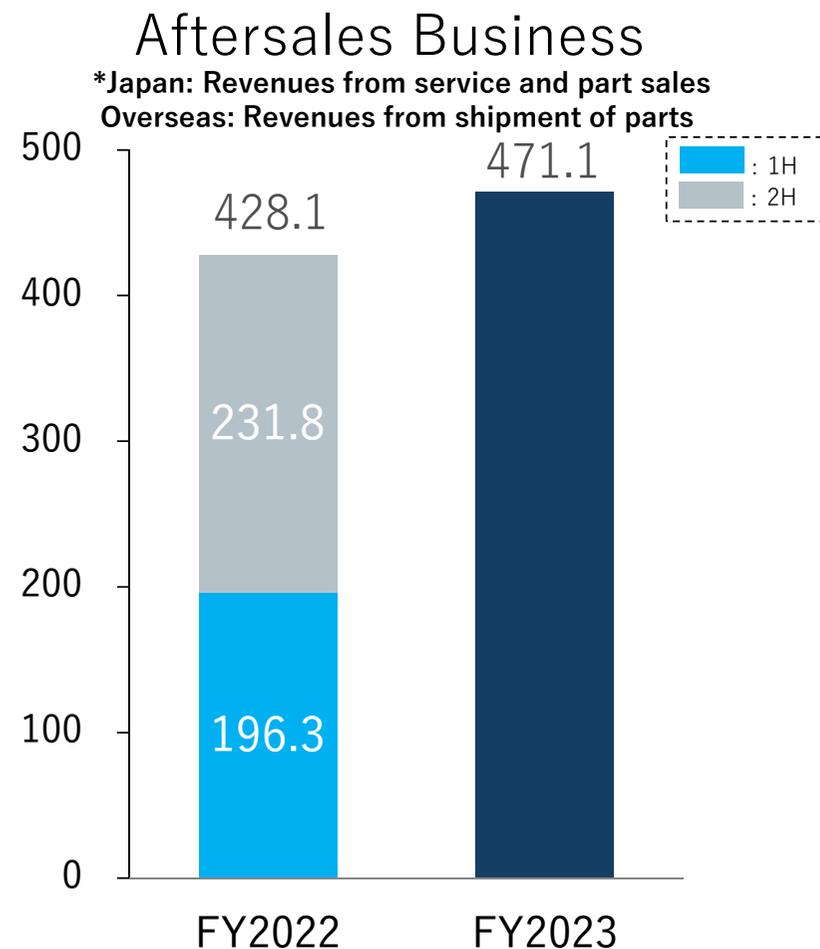
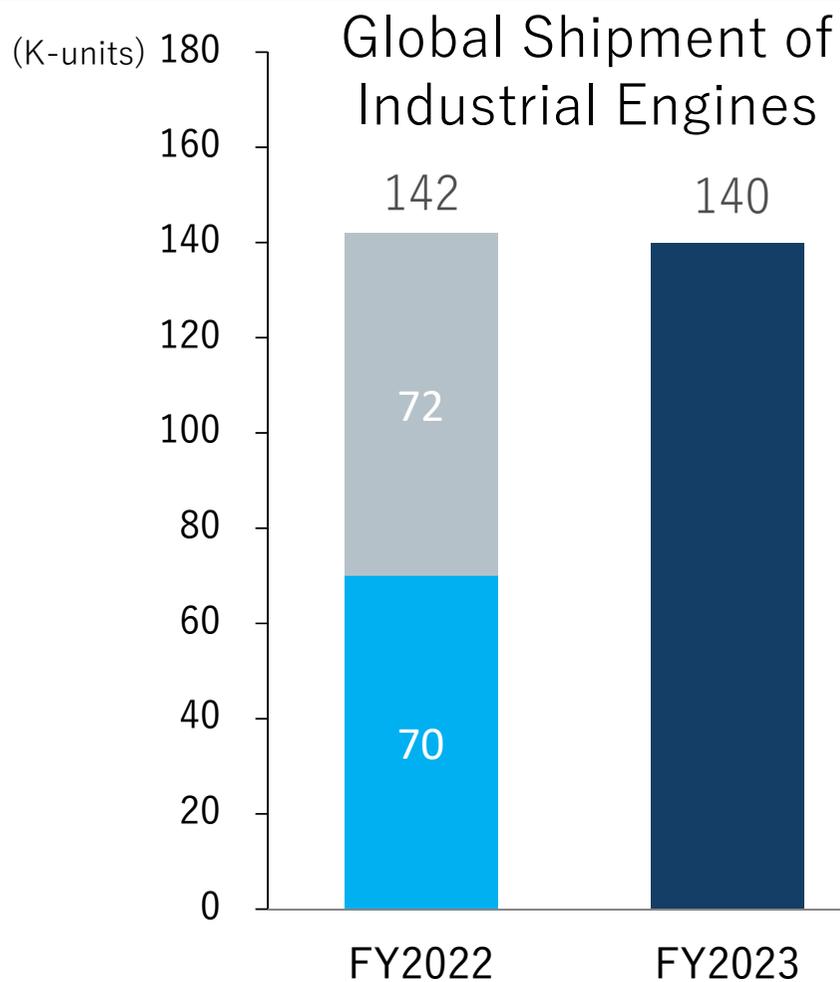
LCV Production Units in Thailand



FY2023 Industrial Engine Global Shipment/Revenue from Aftersales Business



- **Industrial Engines:** Inventory building is forecasted in China where new emissions regulations will be implemented. Shall maintain same level of shipments as last year.
- **Aftersales Business:** Rise in sales as full-year revenues of UD Trucks is reflected to our earnings and overseas parts will continue to grow.

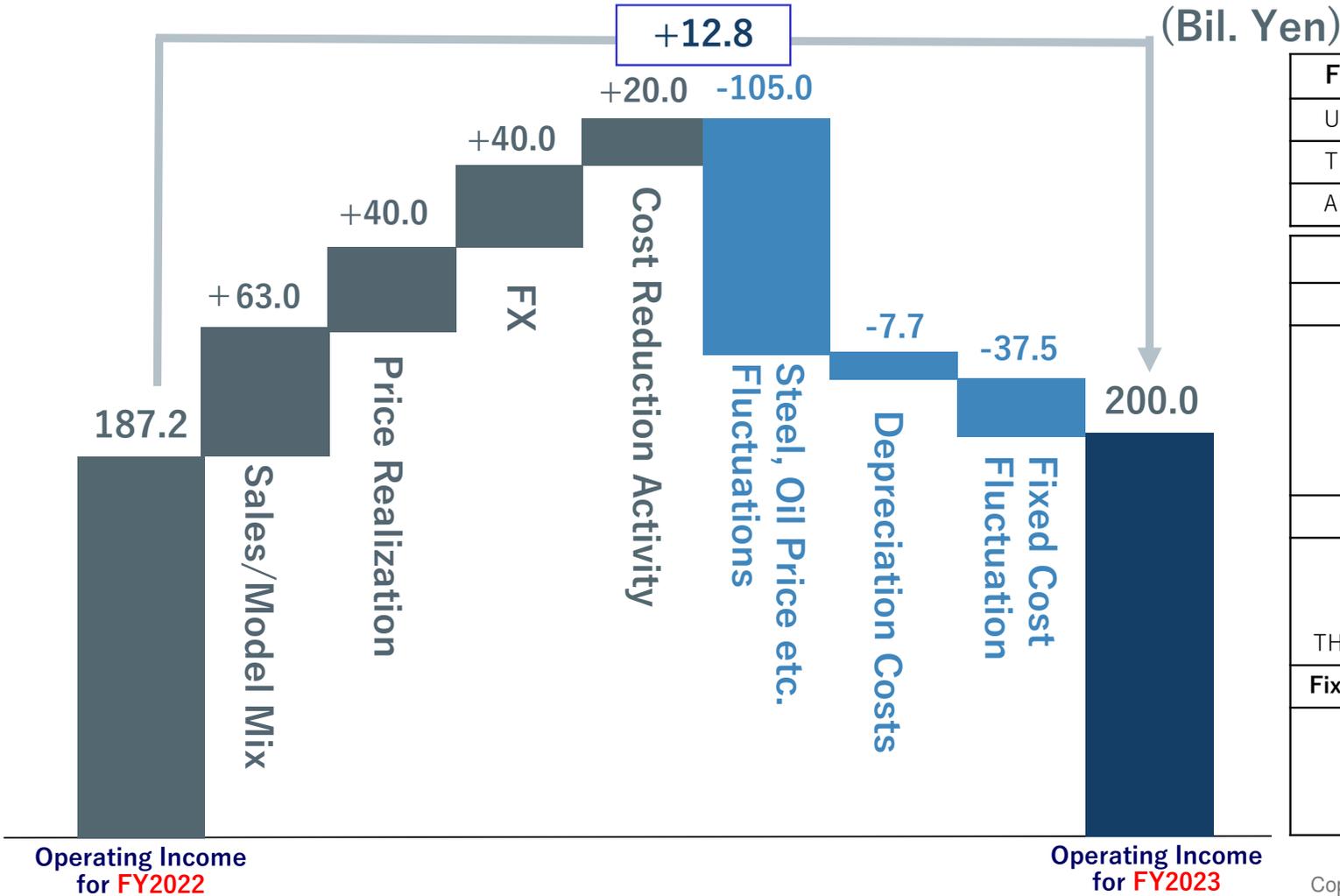


FY2022 vs. FY2023 Fluctuations



- Consolidated operating income : analysis of change -

■ Though affects from steel, oil price etc. fluctuations will amount to over 100.0 billion yen, with record high level of sales units, price realization, cost reduction activities, and even better FX, will aim record high operating income.



FX Rate	FY2022	FY2023
USD/JPY	112.4	120.0
THB/JPY	3.44	3.60
AUD/JPY	83.1	90.0

Breakdowns	FY2023
Sales/Model Mix	+63.0
CV-Japan	+10.0
CV-Overseas	+16.0
LCV	+25.5
Others	+11.5
FX	+40.0
USD	+11.0
AUD	+6.0
THB & Other Currencies	+23.0
Fixed Cost Fluctuations	-37.5
R&D	-14.2
Labor Cost	-7.8
Others	-15.5

FY2023 Full-year Outlook

- Consolidated, Year-on-year Comparison -



(Bil. Yen)	FY2023	FY2022	Changes	
Sales	3,000.0	2,514.3	485.7	19%
Operating Income	200.0	187.2	12.8	7%
Ordinary Income	210.0	208.4	1.6	1%
*Net Income	127.0	126.2	0.8	1%

Operating Income	200.0	Ordinary Income	210.0
Share of profit of entities accounted for		Gain on sales of investment securities,	
using equity method	8.0	Loss on disposal of non-current assets, etc.	3.0
Foreign exchange gains/loss	±0.0	Income Taxes	-53.0
Others	2.0	Profit attributable to non-controlling interests	-33.0
Ordinary Income	210.0	*Net Income	127.0

* Net income attributable to owners of parent

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(Appendix) Main Financial Index

