

FY2023 1H Financial Results

November 9, 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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**Senior Executive Officer,
Group Chief Financial Officer,
Deputy Division Executive,
Corporate Planning &
Finance Division**

Naoto Nakamata

1. Overview

Overview -1

1. FY2023 1H Results

- CVs were affected by chip shortage and lack of supply of parts arising from the Shanghai lockdown.
- Despite the soaring prices of materials and logistic fees, profits increased thanks to larger LCV sales units and weaker Japanese yen.

2. FY2023 Full-Year Outlook

- Demand remains favorable in overseas markets for both CVs and LCVs.
- Though recovery in procurement of semiconductors for CVs continues, is forecasted to be delayed than our original assumptions. Decreased production of CVs for developed countries will continue.
- Material cost, including locally procured components, shall inflate beyond our original assumptions.
- Though further rise in material costs and chip shortage are to continue, shall revise upward the full-year outlook considering improvements in model mix and significant depreciation of Japanese yen.

Overview -2

3. Affects from Supply Chain Disruptions

	1 st Half Results	2 nd Half Outlook
Japan (CV)	<ul style="list-style-type: none"> • Chip shortage remains • Difficulties in parts procurement for heavy- to light-duty trucks occurred from the Shanghai lockdown; the impact has been converged within the 1st half 	<ul style="list-style-type: none"> • See recoveries in procurement of semiconductor shortage, but normalization in FY2023 is unpromising
Thailand (LCV)	<ul style="list-style-type: none"> • Difficulties were seen in procurement of some of the components, but no severe impact to production 	<ul style="list-style-type: none"> • Unstable supplies of some of the components continues, but plans high-level production

Overview: FY2023 1H Consolidated Results

Global Sales Units (K-units)		FY2023 1H	FY2022 1H	Changes	
CV Total	CV-Japan	27	* 37	-10	-27%
	CV-Overseas	148	* 132	16	12%
		175	* 169	6	3%
LCV Total	LCV-Thailand	104	71	33	45%
	LCV-Export	104	92	12	14%
		208	163	45	28%
Total		383	332	51	15%

*Above FY2022 1H figures includes April-June 2021 sales units of UD Trucks (a total of 4K-units, 2K-units for both CV-Japan and CV-Overseas).

Financial Results (Bil. Yen)

Sales	* 1,493.3	1,145.1	* 348.2	30%
Operating Income	112.2	97.3	14.9	15%
Ordinary Income	125.5	106.6	18.9	18%
Net Income	73.0	71.1	1.9	3%

*Effect of consolidation of UD Trucks: 79.3 billion yen

Overview: FY2023 Full-Year Outlook

Global Sales Units (K-units)		FY2023 Forecast	FY2023 Previous Plan	Changes		(Reference) FY2022
CV Total	CV-Japan	69	70	-1	-2%	65
	CV-Overseas	293	294	-1	-0%	278
		362	364	-2	-1%	343
LCV Total	LCV-Thailand	206	217	-11	-5%	173
	LCV-Export	232	221	11	5%	205
		438	438	0	0%	378
	Total	800	802	-2	-0%	721

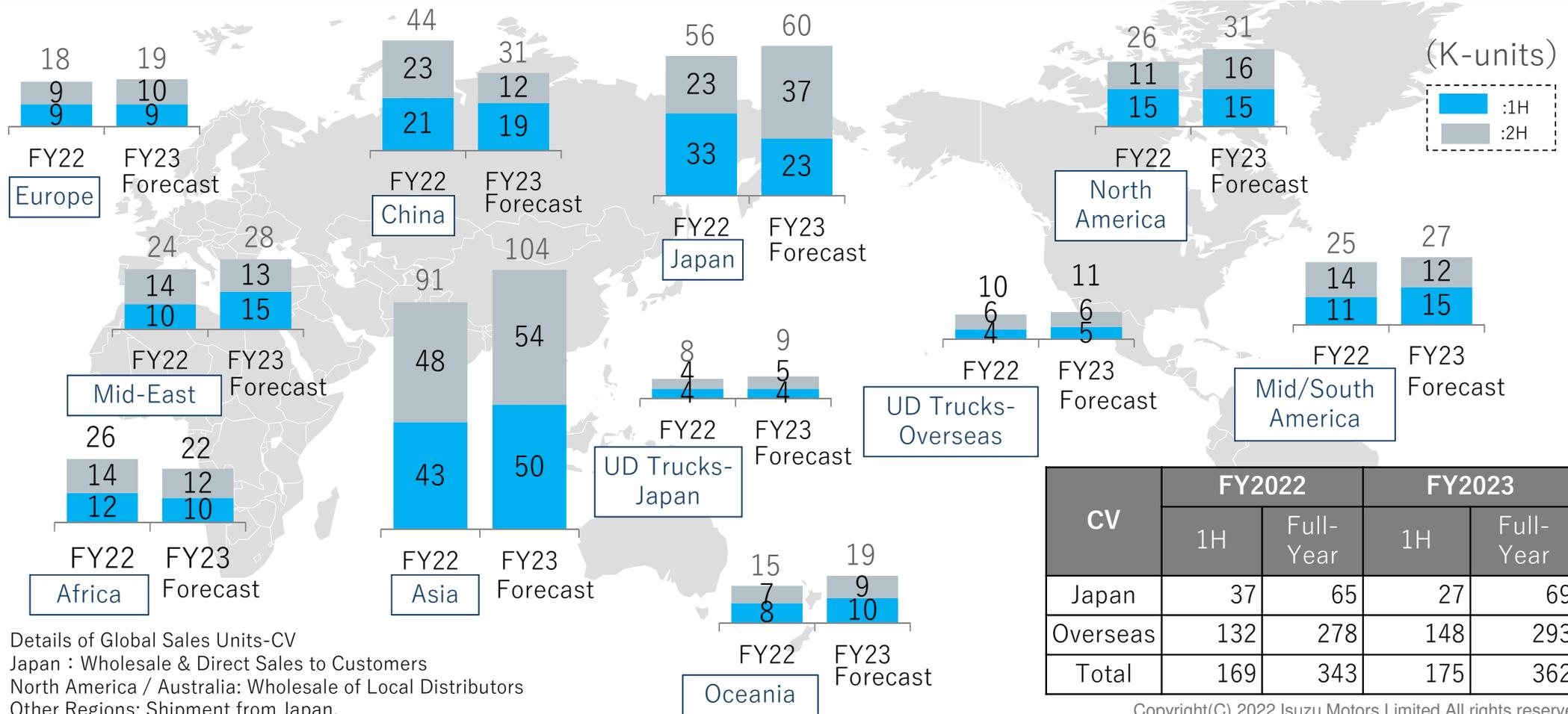
Financial Forecast (Bil. Yen)

Sales	3,100.0	3,000.0	100.0	3%	2,514.3
Operating Income	230.0	200.0	30.0	15%	187.2
Ordinary Income	245.0	210.0	35.0	17%	208.4
Net Income	140.0	127.0	13.0	10%	126.2
Dividends	72 Yen	66 Yen	6 Yen		66 Yen

2. FY2023 1H Financial Summary and Full-year Outlook

Global Sales Units (CV) -1

- Only a slight increase in sales units in 1st half due to impacts from chip shortage and Shanghai lockdown.
- Though sluggish when compared with our original assumptions, recovery in chip shortage will continue in the 2nd half. Sales units in developed countries will increase from the 1st half.



Details of Global Sales Units-CV

Japan : Wholesale & Direct Sales to Customers

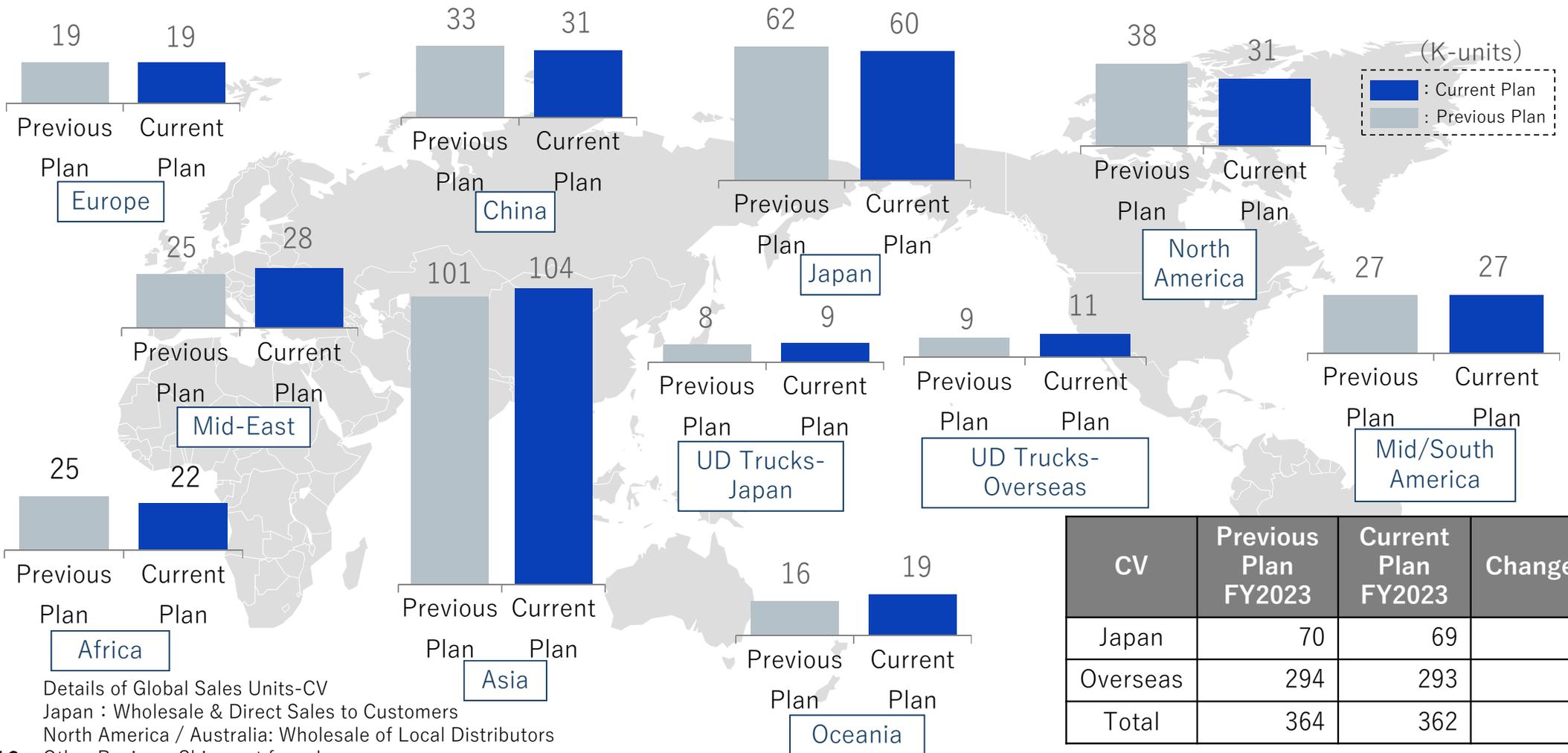
North America / Australia: Wholesale of Local Distributors

Other Regions: Shipment from Japan.

Global Sales Units (CV) -2 Comparison of Full-Year Outlook from those announced in May



- Delay in recovery of chip supply will decrease units for developed countries.
- Will minimize the impact of production cut by shortening lead time until sales.



CV	Previous Plan FY2023	Current Plan FY2023	Changes
Japan	70	69	-1
Overseas	294	293	-1
Total	364	362	-2

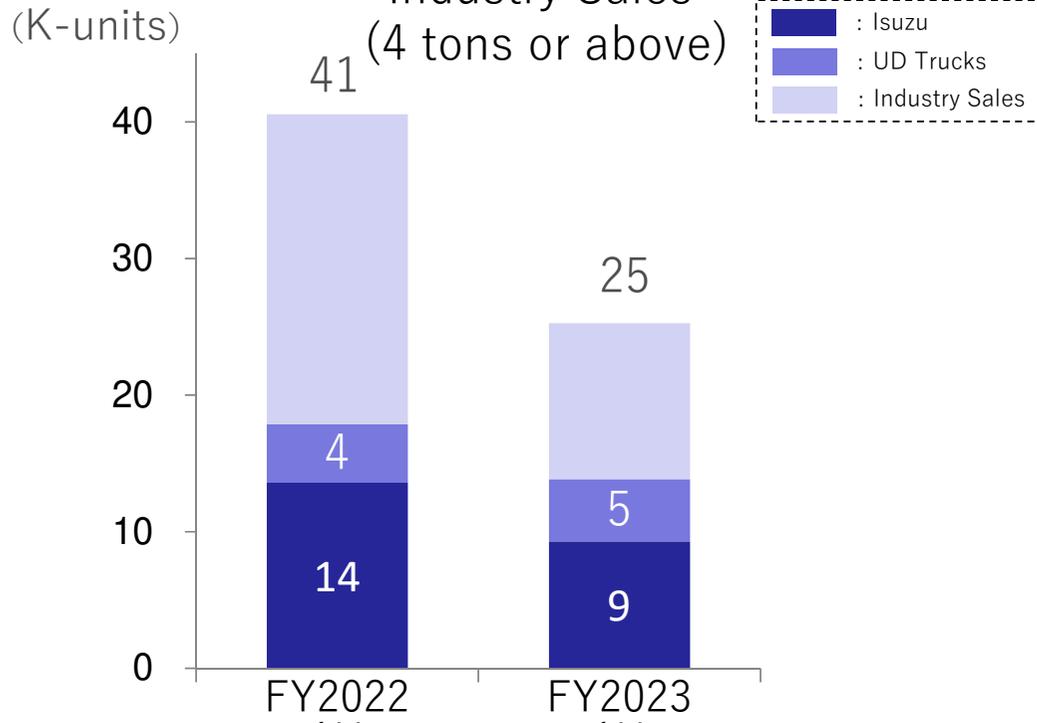
Details of Global Sales Units-CV
 Japan : Wholesale & Direct Sales to Customers
 North America / Australia: Wholesale of Local Distributors
 Other Regions: Shipment from Japan

Japan Industry Sales and Isuzu Share (April-Sept.)

- Industry as a whole suffered from production constraints; industry sales fell in segments below.
- Share: Both Isuzu and UD Trucks' shares rose in H/D & M/D segment, while shares in L/D segment plummeted from the impact of limitation in production.

H/D & M/D Trucks Japan

Industry Sales
(4 tons or above)

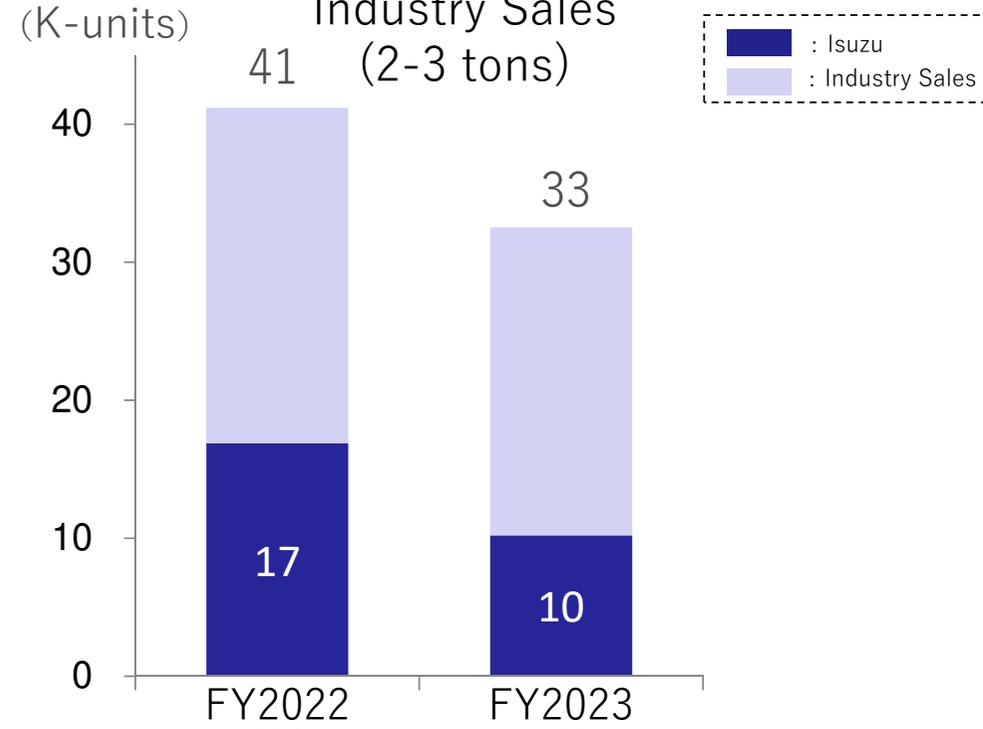


1H Share

Isuzu	33.5%	36.8%
UDT	10.6%	18.1%

L/D Trucks Japan

Industry Sales
(2-3 tons)

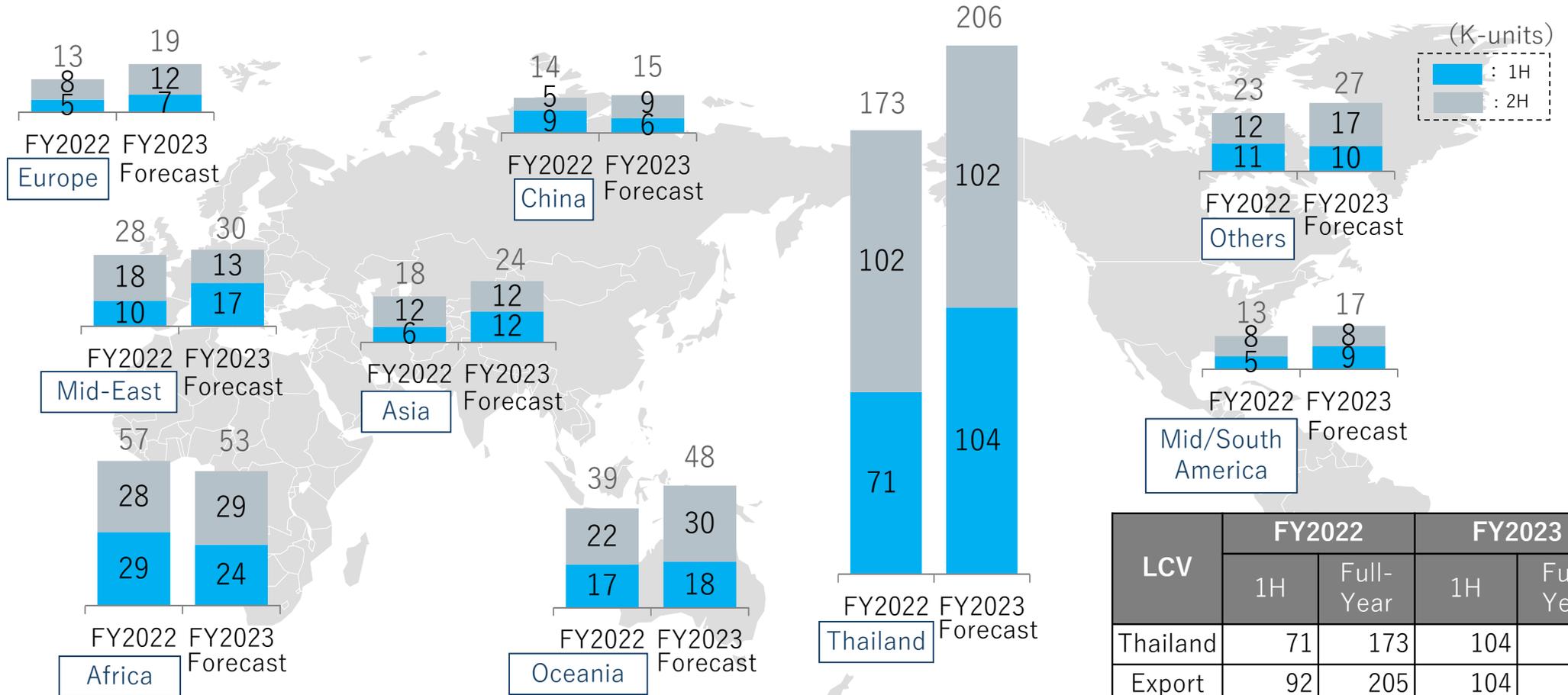


1H Share

Isuzu	41.0%	31.4%
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Global Sales Units (LCV) -1

■ Previous year experienced impact from lack of chips. Sales units grew for both Thailand and export.

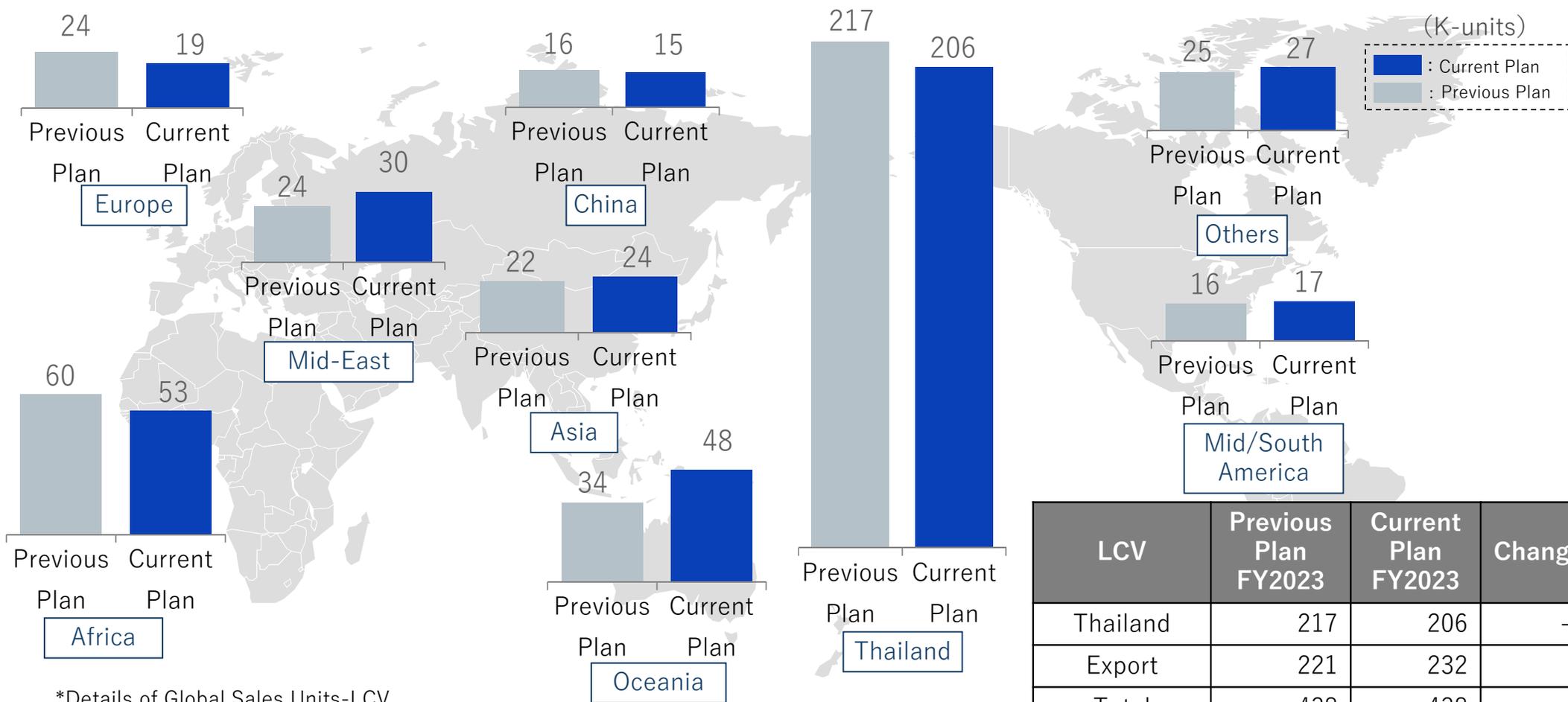


*Details of Global Sales Units-LCV
Shipment from Thailand only

Global Sales Units (LCV) -2 Comparison of Full-Year Outlook in Comparison to those announced in May



■ Took advantage of recovery in supply of certain components to revise the destination and model of vehicles. No changes to the total sales units.

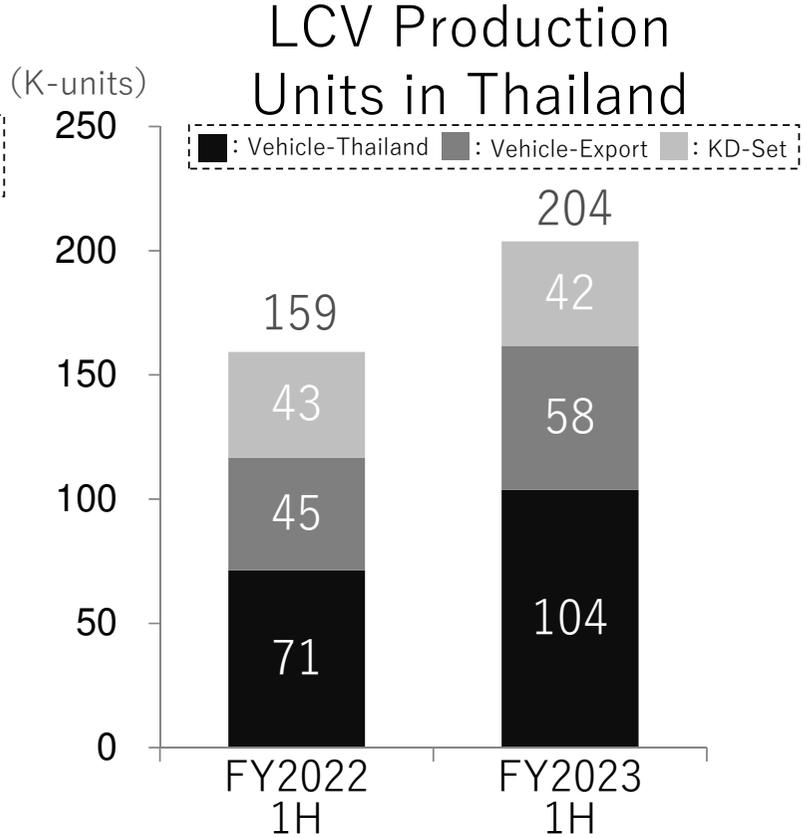
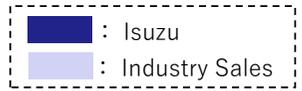
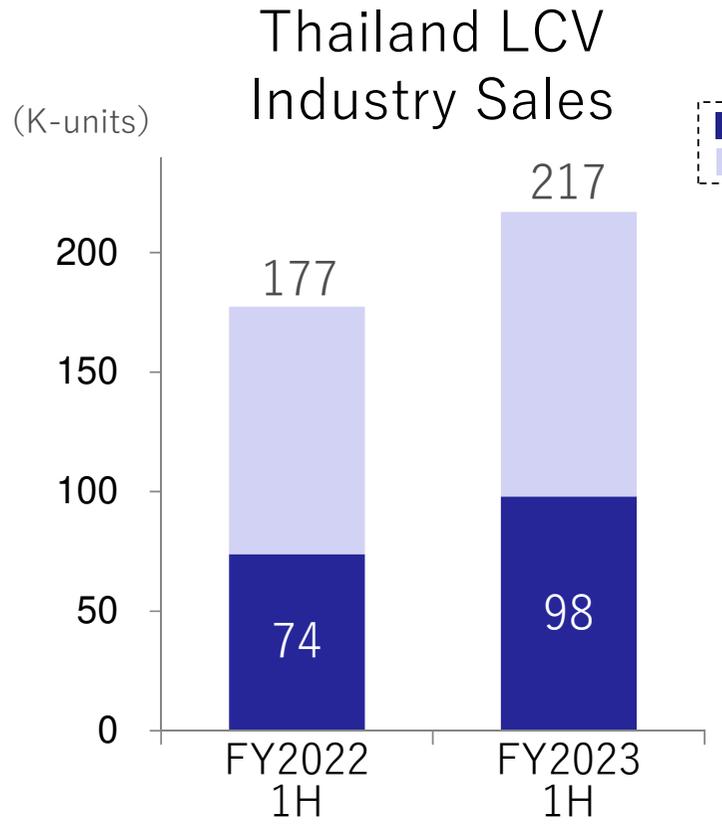


LCV	Previous Plan FY2023	Current Plan FY2023	Changes
Thailand	217	206	-11
Export	221	232	11
Total	438	438	0

*Details of Global Sales Units-LCV Shipment from Thailand only

Thailand LCV Industry Sales & Share / LCV Production Units (April-Sept.)

- Industry sales & share: Shares grew from previous year in the midst of recovery in industry sales.
- Production units: Considerable hike from previous year, when production was affected by lack of chips.

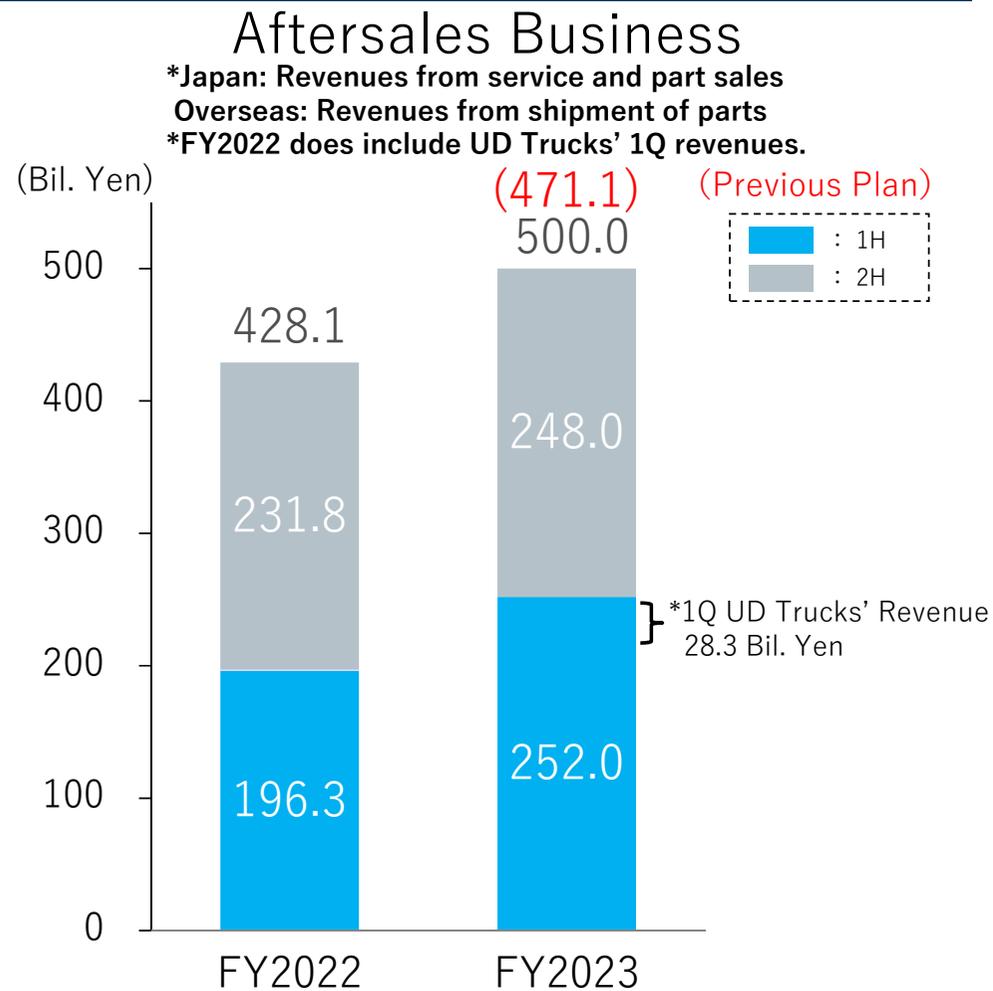
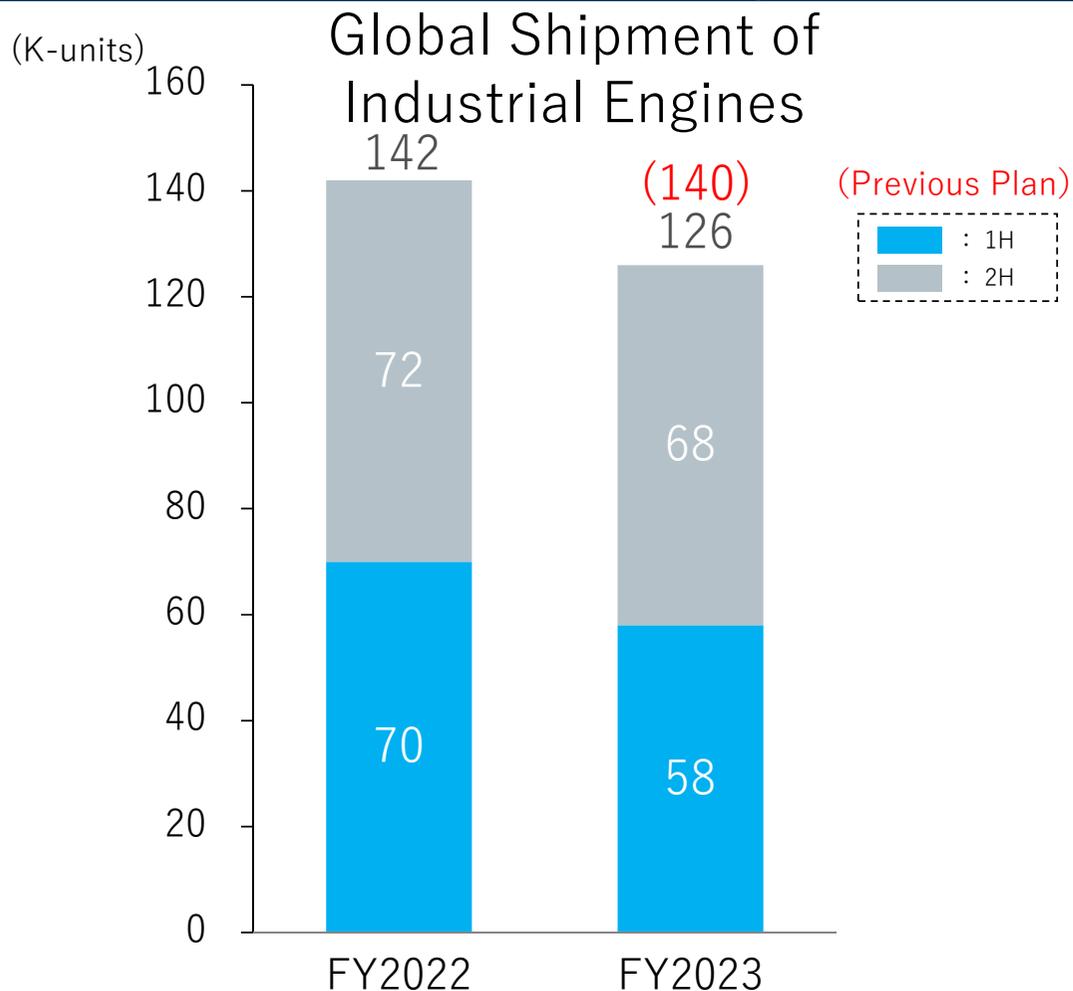


1H Share	Isuzu	FY2022 1H	FY2023 1H
		41.7%	45.1%

Industrial Engine Global Shipment/Revenue from Aftersales Business



- Industrial Engines: Lowered forecast due to declining Chinese construction machinery demand and semiconductor shortage.
- Aftersales Business: Not only revenues shows stable growth in both Japan and abroad, but also enjoys positive FX rates. Positive revisions to the full-year outlook.

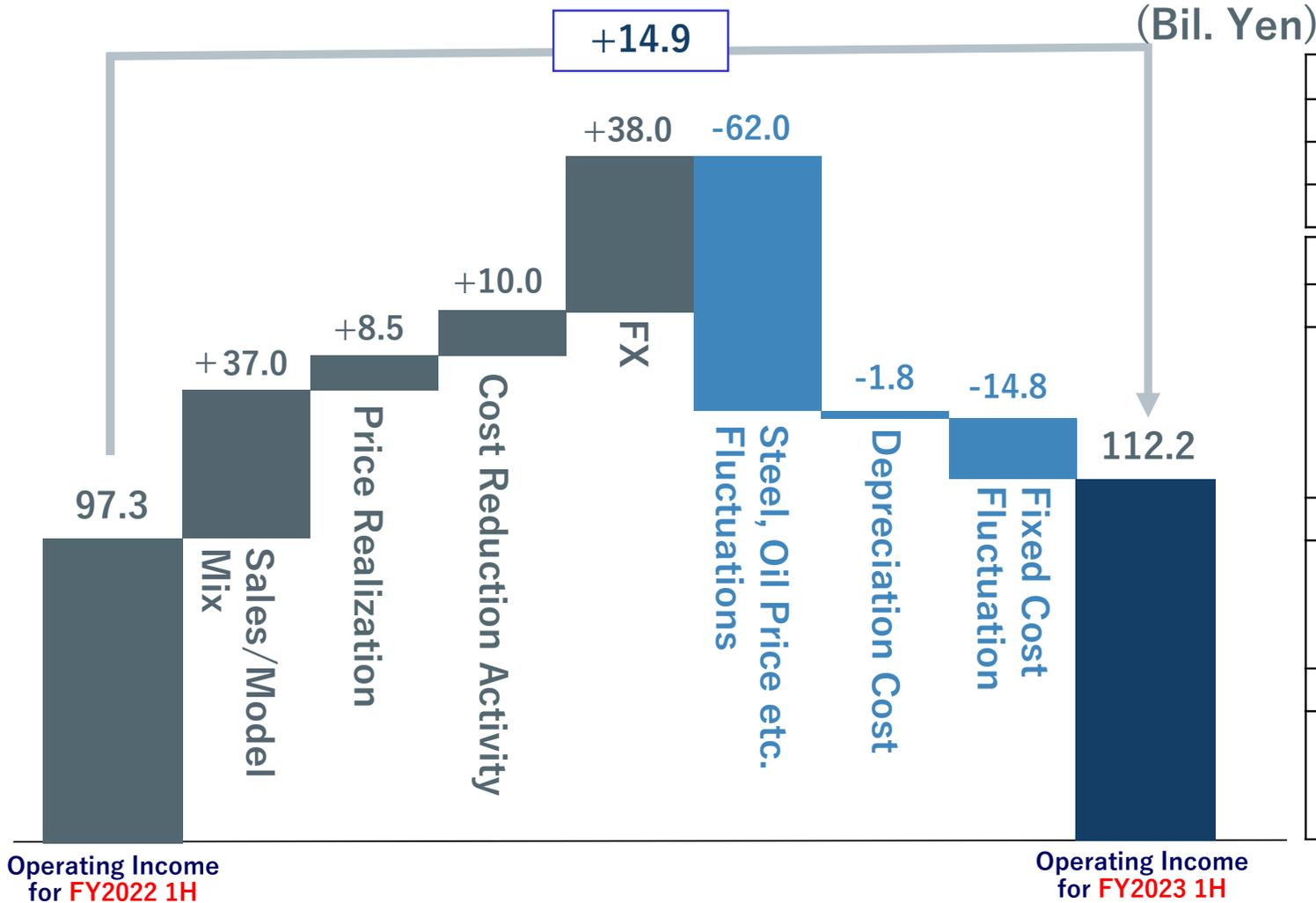


FY2022 1H vs. FY2023 1H Fluctuations



- Consolidated operating income : analysis of change -

- Though gone through a surge in material costs and logistic fees, realized larger operating income thanks to weaker Japanese yen, rise in sales units, cost reduction activity, and price realization.



FX Rates	FY2022	FY2023
USD/JPY	109.8	134.2
THB/JPY	3.42	3.79
AUD/JPY	82.6	93.6

Breakdowns	FY2023
Sales/Model Mix	+37.0
CV-Japan	-13.0
CV-Overseas	+13.0
LCV	+28.0
Others	+9.0
FX	+38.0
USD	+21.0
AUD	+3.5
THB & Other Currencies	+13.5
Fixed Cost Fluctuation	-14.8
R&D	-10.8
Labor Costs	-3.9
Others	-0.1

FY2023 1st Half Consolidated Results - Year-on-year Comparison -

(Bil. Yen)	FY2023 1H	FY2022 1H	Changes	
Sales	1,493.3	1,145.1	348.2	30%
Operating Income	112.2	97.3	14.9	15%
Ordinary Income	125.5	106.6	18.9	18%
*Net Income	73.0	71.1	1.9	3%

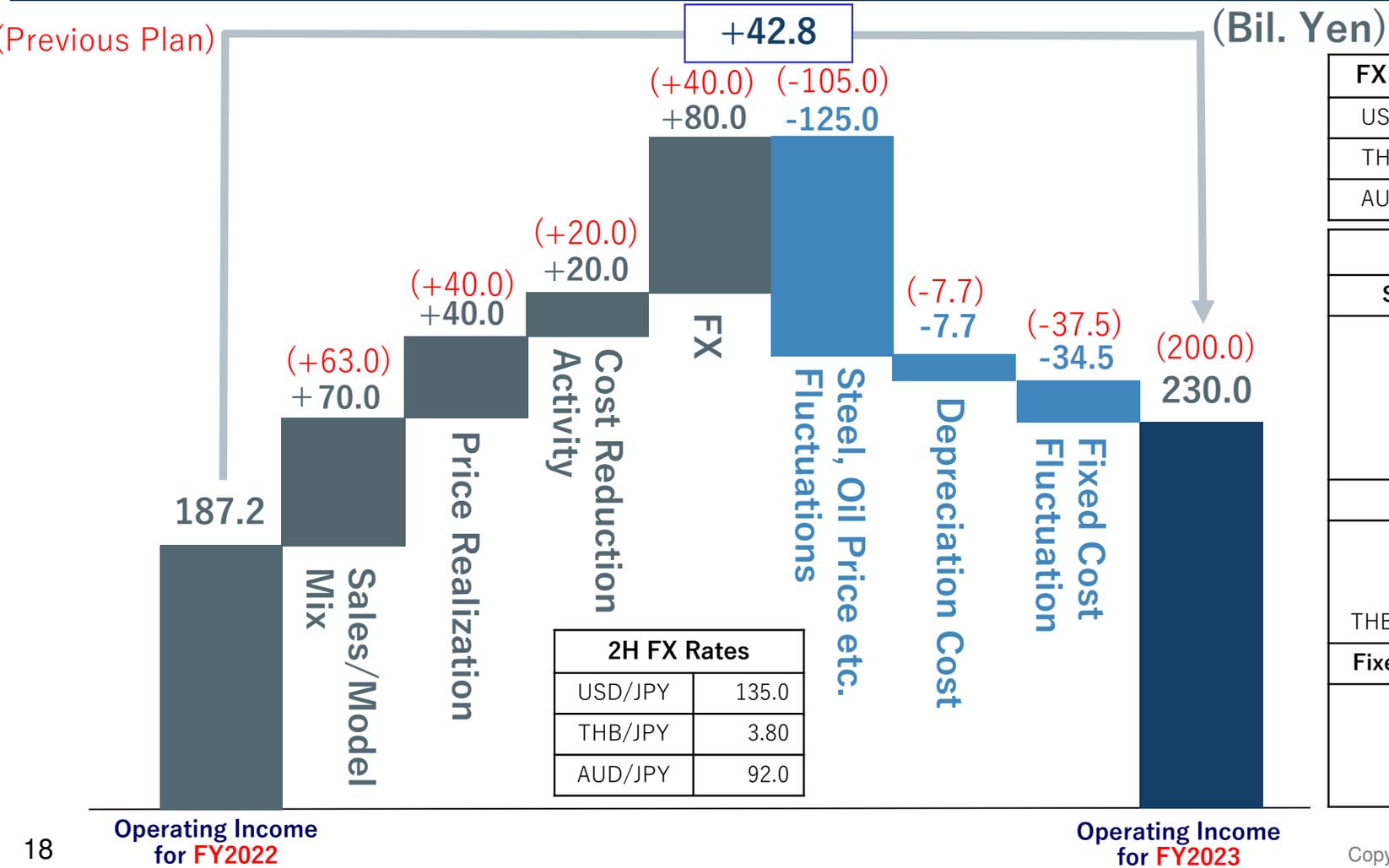
	FY23 1H	FY22 1H		FY23 1H	FY22 1H
Operating Income	112.2	97.3	Ordinary Income	125.5	106.6
Share of profit of entities accounted for using equity method	3.4	5.0	Gain/Loss on sales of investment securities, Loss on disposal of non-current assets, etc.	0.5	-0.9
Foreign exchange gains	4.4	0.9	Income Taxes	-32.7	-21.1
Others	5.5	3.4	Profit attributable to non-controlling interests	-20.3	-13.5
Ordinary Income	125.5	106.6	*Net Income	73.0	71.1

*Profit attributable to owners of the parent Copyright(C) 2022 Isuzu Motors Limited All rights reserved

FY2022 vs. FY2023 Fluctuations

- Consolidated operating income : analysis of change -

■ Though delay in recovery of chip supply and material price hike shall overwhelm our original assumptions, revising upward the operating income thanks to better model mix and major decline in Japanese yen. Renewing FX rate assumptions.



FX Rates	FY2022	FY2023
USD/JPY	112.4	134.6
THB/JPY	3.44	3.80
AUD/JPY	83.1	92.8

Breakdowns	FY2023
Sales/Model Mix	+70.0
CV-Japan	+10.0
CV-Overseas	+15.5
LCV	+28.5
Others	+16.0
FX	+80.0
USD	+40.0
AUD	+7.5
THB & Other Currencies	+32.5
Fixed Cost Fluctuation	-34.5
R&D	-14.2
Labor Costs	-7.8
Others	-12.5

FY2023 Full-Year Outlook - Year-on-year Comparison -

(Bil. Yen)	FY2023	FY2022	Changes	
Sales	3,100.0	2,514.3	585.7	23%
Operating Income	230.0	187.2	42.8	23%
Ordinary Income	245.0	208.4	36.6	18%
*Net Income	140.0	126.2	13.8	11%

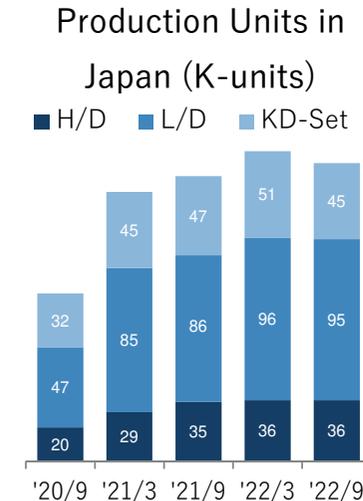
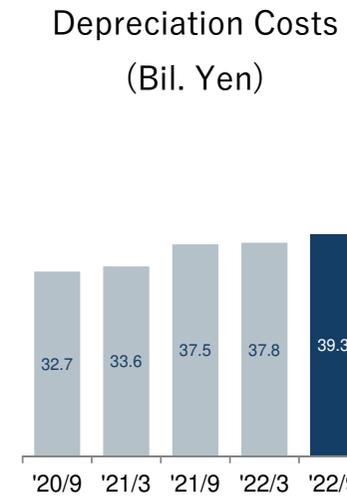
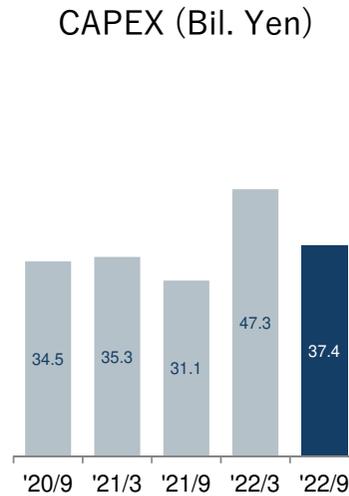
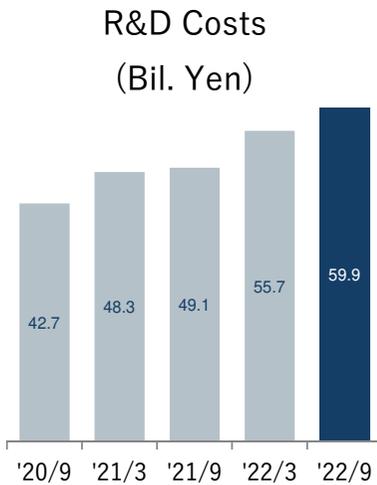
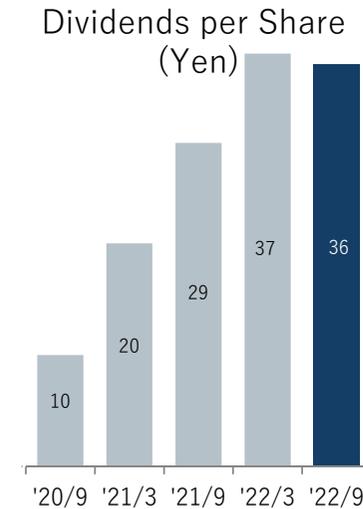
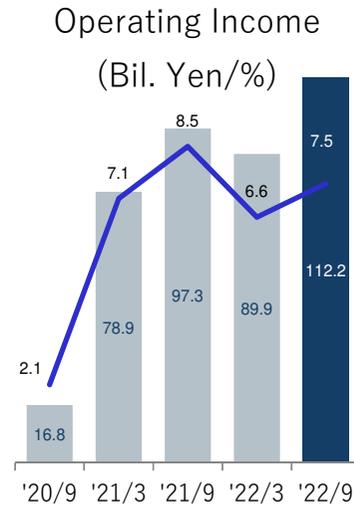
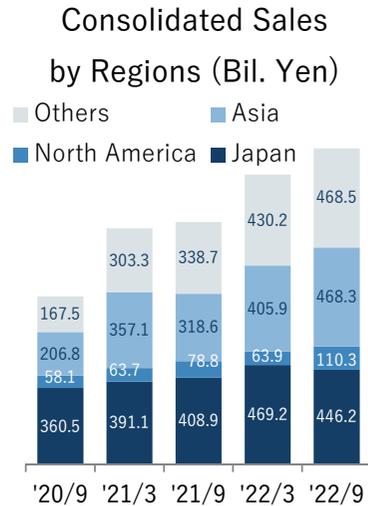
	FY23	FY22		FY23	FY22
Operating Income	230.0	187.2	Ordinary Income	245.0	208.4
Share of profit of entities accounted for using equity method	6.9	9.6	Gain/Loss on sales of investment securities, Loss on disposal of non-current assets, etc.	-6.0	-4.1
Foreign exchange gains	5.0	5.8	Income Taxes	-59.0	-47.6
Others	3.1	5.8	Profit attributable to non-controlling interests	-40.0	-30.5
Ordinary Income	245.0	208.4	*Net Income	140.0	126.2

*Profit attributable to owners of the parent

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Trucks for life
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(Appendix) Main Financial Index (6 months)



NOTE: Units from '21/9 and onwards includes units manufactured by UD Trucks.