TRANSLATION

ISUZU MID-TERM BUSINESS PLAN - Isuzu "V" Plan -

Isuzu Motors Limited (Isuzu) today announced a Mid-term Business Plan for a period through March, 2004 that aims at far reaching, fundamental reform of business and corporate structure, to restore enterprise value and strengthen company's competitiveness.

In 1992, when a new business plan was established, Isuzu discarded the past management practices based on the so-called "Jack-of-all-trades" principle and refocused itself on three core operations, Commercial Vehicle(CV), RV and component. Since then, Isuzu has been running business operations aggressively. Among key initiatives taken since 1992 were optimization of manufacturing operations, reform of purchasing structure and expansion of overseas manufacturing activities. In the meantime, Isuzu made a significant leap forward in enhancing its collaborative relation with General Motors that greatly helped Isuzu re-define its positioning within the GM Group as a "Center of Expertise (COE)" for diesel engine and commercial vehicle businesses.

However, since the middle part of 90s, with Japan's long, persistent economic slump and market nosedive in ASEAN countries, the deteriorating business conditions had dealt a severe blow on Isuzu's operating performance. Being beset with aggravating business environment, Isuzu embarked upon a Group-wide Structural Reform in December 1998 to weather through the hardships and strengthen group-wide management vitality on consolidated basis. The reform initiatives taken

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<TARGET> By fiscal year ending March 2004 (Excluding financial sector)

(on consolidated basis in JPY bil.)

Sales:	1,520
Operating Profit:	Over 60
Net Income:	Over 30
Assets	1,110
Debt (Interest-bearing)	510

^{*} The V in "Isuzu V Plan" means "Victory" and "V-shaped rebound".

<OVERVIEW OF ISUZU "V" PLAN>

Right-sizing cost structure in Japan

Leverage Isuzu' own strengths/collaboration with GM

I. RESTORE ENTERPRIZE VALUE	II. EXPAND BUSINESS
Consolidate manufacturing infrastructures in Japan	
Reduce group-	

- Close down completely by end of 2005, after relocation.
- Phased relocation by operation to Fujisawa and Tochigi to begin in 2002.

HD truck production: Be relocated to Fujisawa Medium Duty Truck manufacturing line by end of 2002, realizing mixed

production of Heavy & Medium Duty trucks.

Engine production: Be relocated to Tochigi by end of 2005.

CONSOLIDATE MANUFACTURING BASE:

Vehicle assembly: Consolidate operations at Fujisawa Plant Relocate export pick-up truck production to Thailand

from 2003. Shift SUV production to North America.

Engine production:

All-out - Leverage access to and effective use of GM WWP (Worldwide Purchasing) information and

benchmarking: expertise.

Selective suppliers: - 470 current vendors be reduced to approx. 300 companies

- Joint purchasing with GM WWP.

Full-time function: - Reinforce cross-functional full-time team activities (180-strong workforce) among

Engineering, Manufacturing and Purchasing Divisions

- A new function "Overseas Sourcing & Control" in Purchasing Division

4) COMPRESS TOTAL CONSOLIDATED ASSETS

Sell assets and stock holding, and improve fund-raising capabilities and cashflow.

<TARGET> (Excluding financial sector)

Total consolidated assets: Approx. JPY 350 bil. reduction in 3 years.

Current JPY 1,460 bil (at end of March 2001) be reduced to JPY 1,110 bil (at end

of March 2004)

Interest-bearing consolidated debt: Approx. JPY 250 bil reduction in 3 years.

Current JPY 750 bil (at end of March 2001) be reduced to approx. JPY 510 bil (at

end of March 2004).

<INITIATIVES>

Asset sale: - Kawasaki Plant

- Head office, etc. JPY 65 bil.

Sale of stock holding: - Resolution of cross-shareholding, etc. JPY 25 bil.

Inventory: - 25% group-wide reduction (at March 2002) JPY 50 bil.

Misc: - Securitization of receivables and reduction of receivables' collection period, etc. JPY 70 bil.

5) REINFORCE EARNINGS POWER OF DOMESTIC DEALERS

<TARGET>

Across-the-board profitability at all dealers: fiscal year ending March 2004

< INITIATIVES>

Accelerate CV dealer consolidation: Total number of dealers in Japan be reduced to 25 (currently, 41).

- Full-line dealers: Combine H/D and L/D truck-exclusive dealers
- Expand sale territory per dealer: Merge dealers with overlapping sales territories.

- Review of market coverage of service operations

ESTABLISH GLOBALLY-BASED BUSINESS STRUCTURE

- Establish global work-sharing structure around 4 centers, Japan, ASEAN, China and America, and realize optimization of engineering, sourcing, production and sales efficiencies by each product line-up

- Reinforce Isuzu's position as a leading DE/CV/LCV engineering company within GM Group
- Leverage use of GM's advanced technology and expertise

→ Purchasing:

- Participate in GM WWP process, and realize cost reduction

→ Manufacturing:

- Promote reciprocal use of manufacturing infrastructure: In Thailand & North America

→ Products:

- Supply Isuzu CV and LCV to GM sales channels
- Introduce GM products in Isuzu sales channel

→ Sales:

- Pursue synergetic effects through integration of sales channels: In North America & Japan