For immediate release

## Regarding Capital Reduction (with Retirement of Class-II Preferred Stock with Payment to the Shareholders, "Kabushiki Yusho Shokyaku") and Reduction in Capital Reserve

November 18, 2004 (Tokyo) - Isuzu Motors Limited (TSE7202) held a board meeting today, approving a resolution to submit proposals to an Extraordinary General Meeting of Shareholders scheduled for December 22, 2004, concerning the capital reduction (with retirement of Class-II Preferred Stock with payment to the shareholders) and the reduction in capital reserve.

I. Capital Reduction (with the retirement of Class-II Preferred Stock with payment to the shareholders)

1.

## 2. Description (Amount of capital reserve to be reduced):

A total of 50,000,000,000 yen capital reserve shall be reduced in accordance with Article 289, Section 2 of the Commercial Code. The entire amount of capital reserve to be reduced shall be appropriated to write off the losses carried forward. At the end of October 2004, Isuzu Motors carried a 77,422,663,097yen in its capital reserve account. When the capital reserve reduction becomes effective, the said account will be 27,422,663,097yen (not including the increase of capital reserve arising as the result of the exercise of new subscription rights of the Convertible Bonds that become exercisable between November 2004 and the date at which the said capital reduction becomes effective).

## 3. Schedule

1) Board of Directors Meeting: November 18, 2004

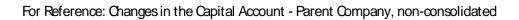
2) Resolution of the Extraordinary General

Meeting of Shareholders: December 22, 2004 (plan)

3) Deadline of creditors' objection period: End of January, 2005 (plan)

4) Reduction of capital reserve takes effect: End of January, 2005 (plan)

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Note: 1)

