

Securities Identification Code: 7202  
June 5, 2009

To Our Shareholders,



## Guide to Exercising Voting Rights via the Internet

**Business Report**  
**(April 1, 2008 to March 31, 2009)**

**1. Current Conditions of the Corporate Group**

**1) Business Progress and Results of the Current Consolidated Fiscal Year**

(Including the status of fund raising and capital investments)

**Business Progress**

In the current consolidated fiscal year, turmoil in financial markets affected the global real economy, which slowed worldwide. In particular, the financial crisis stemming from the bankruptcy of a major U.S. financial institution expanded in the second half into the global economy, including not only the U.S. and Europe but also emerging countries. The Japanese economy was also affected by the financial crisis and significantly deteriorated. Among other things, corporate income decreased significantly and both domestic and overseas demand in the truck market fell drastically.

Amid these conditions, the Group has been striving to reorder and strengthen our business structure with the aim of stopping the decline in sales and establishing a firm foundation for sustainable future growth. We have also promoted cost reduction, including cuts in fixed costs, to build cash reserves and improve cash flows in response to the severe financial environment.

Further, since measures to restrict air pollution and global warming must be taken worldwide, we, as a commercial vehicle manufacturer, have continued to actively develop and expand the use of low-emission vehicles to preserve the global environment. Recently, as part of our efforts, we exhibited a light-duty truck called ELF CNG-MPI (compressed natural gas multi-point injection system), that runs on natural gas, as an alternative to oil burning vehicles, at the Integrated Exhibition of the Environment 2008 in celebration of the Hokkaido Toyako Summit. Also, at the request of the government of Japan, we provided the ERGA CNG, a heavy-duty route bus, as a shuttle bus for government officials and press at the Hokkaido Toyako Summit. In addition, we focused on developing low-emission vehicles equipped with clean diesel technologies and a series hybrid system that uses a computer to maintain the most effective engine operation.

To sustain business development in the current consolidated fiscal year, we established Isuzu North America Corporation, a holding company controlling our business in the North American market as part of our business restructuring in the region. Isuzu North America Corporation not only controls subsidiaries that operate the commercial vehicle and engine component businesses in North America, but also centrally conducts administrative operations of each subsidiary to enhance operational efficiency.

At the same time, after consultation, the Company and Toyota Motor Corporation decided to temporarily freeze the development of 1.6-liter diesel engines which we had been jointly promoting, given the extremely uncertain market outlook due to the global economic downturn. We will continue to hold discussions concerning a comprehensive collaborative framework toward enhancing long-term mutual competitiveness and development.

The funds raised during the current consolidated fiscal year include the long-term borrowings of 111.2 billion yen and other funds. In particular, we raised 85 billion yen in syndicate loans earmarked for capital investment and operating funds.

The Company led other Group companies in capital investment during the current consolidated fiscal year, totaling 66.6 billion yen. Our major continuing capital investment includes the Company's production facilities and research and development facilities as well as the casting facilities of I Metal Technology Co., Ltd., a Company subsidiary.

## **Business Results**

The domestic sales of vehicles during the current consolidated fiscal year fell by 16,307 units (22.0 %) to 57,748 units from the previous consolidated fiscal year due to decrease in demand. Overseas sales also declined by 91,984 units (21.2%) from the previous year to 342,919 units.

As for sales of other products, exports of parts for overseas assembly amounted to 74.9 billion yen, a decrease of 20.6 billion yen (21.6%)

but we appreciate your understanding.

NOTE: Amounts have been rounded down to the nearest 100 million yen. Percentages are rounded to one decimal place.

## **2) Issues Faced by the Corporate Group**

Prospects for economic recovery are still uncertain because of the worsening global financial situation and the stagnation of the U.S. economy. Such uncertainty is likely to further, adversely affect the exchange rate and fund raising environment and future prospects look cloudy.

In the truck market, we predict that demand trends will continue to be adverse both in Japan and overseas. We realize that the severe environment surrounding our business will persist, including rising expenses for safety and environmental measures as well as intensifying competition in the domestic and foreign markets.

Through the Mid-term Business Plan launched in the current consolidated fiscal year, the Group aims to expand and enhance our overseas bases, product lineup and competitiveness, and basic technical capacity.

Although the rapid deterioration in the global economy caused a temporary and significant decrease in world demand for commercial vehicles, going against a precondition for the Mid-term Business Plan, we will not change the Group's basic long-term aim of realizing rapid growth by expanding our overseas business.

For the time being, however, we consider this difficult business environment as an opportunity to lay the foundation for future growth, and focus on imminent challenges by reorganizing and strengthening basic manufacturing functions, analyzing and re-prioritizing projects and shifting

**3) Assets and Earnings in the Current and Past Three Terms**

The assets and earnings in the current 107th Term (FY2009) and the past three terms (FY2006 to FY2008) are as follows:

ii) Changes in assets and earnings of the Company

(JPY million, unless otherwise stated)

Category	104th Term (Ended March 2006)	105th Term (Ended March 2007)	106th Term (Ended March 2008)	107th Term (Ended March 2009)
Net Sales	917,895	973,884	1,027,349	857,439
Ordinary Income	64,149	68,273	50,168	(3,268)
Net Income	46,476	68,325	43,504	(35,220)
Net Income per Share (JPY)	38.31	47.87	25.52	(20.78)
Net Assets	231,289	292,807	284,177	229,287
Net Assets per Share (JPY)	140.56	148.62	167.61	135.27
Total Assets	867,698	899,783	886,390	761,263

NOTES:

1. Effective the 105th term (FY2007), the Company adopted "Accounting Standards for Presentation of Net Assets in the Balance Sheet" (ASBJ Statement No. 5 dated December 9, 2005) and "Guidelines



#### 4) Principal Subsidiaries (as of March 31, 2009)

The 12 major subsidiaries out of a total of 88 are listed below:

(JPY million, unless otherwise stated)

Company	Capital	% of shares held by the Company	Main Operations
Isuzu Network Co., Ltd.	25,025	75.00	Sales support
Tokyo Isuzu Motors Ltd.	300	75.00 (75.00)	Selling and repairing vehicles
Isuzu Motors Kinki Co., Ltd.	300	75.00 (75.00)	Selling and repairing vehicles
ISUZU MOTORS TOKAI Co., Ltd.	300	75.00 (75.00)	Selling and repairing vehicles
I Metal Technology Co., Ltd.	1,480	54.91	Casting, machining, and selling automotive parts
ISUZU LINEX Co., Ltd.	800	100.00	Warehousing and transportation
Isuzu North America Corporation	(USD thousand) 542,488	100.00	Controlling subsidiaries in North America and providing common indirect operations
Isuzu Motors America, LLC	(USD thousand) 406,738	100.00 (100.00)	Selling parts for vehicles and industrial engines, after-sales service for light vehicles
Isuzu Commercial Truck of America, Inc.	(USD thousand) 25	80.00 (80.00)	Importing and selling vehicles
Isuzu Motors Asia Ltd.	(USD thousand) 187,272	100.00	Importing and selling parts for vehicle production
Isuzu Motors Co., (Thailand) Ltd.	(TBH million) 8,500	71.15 (64.43)	Producing and selling vehicles
Isuzu Australia Ltd.	(USD thousand) 47,000	100.00	Importing and selling vehicles

#### NOTES:

1. The percentage of shares held is the percentage of number of shares held to total number of outstanding shares, rounded off to two decimal places.
2. The numerals in parentheses indicate percentage of shares indirectly held by the Company and is included in the total number of shares held by the Company.

### 5) Major Operations (as of March 31, 2009)

Our Corporate Group principally manufactures and sells vehicles, parts, and industrial engines. It also deploys logistics and various other services relating to these products.

Category		Main Product	
Vehicles	Heavy-duty (and medium-duty) vehicles	Truck	Heavy-duty trucks (GIGA series) Medium-duty trucks (FORWAD series)
		Bus	Sightseeing bus (GALA series) Transit bus (ERGA series)
	Light-duty vehicles	Truck	ELF series, COMO, D-MAX
		Bus	JOURNEY
Parts for overseas production		KD units and parts for overseas production	
Engines and components		Industrial engines, components (such as engines, transaxles, and transmissions)	
Service parts and accessories		Parts, components, and options and accessories for repair and service	

NOTE: GIGA, FORWAD, GALA, ERGA, ELF, COMO and JOURNEY are brand names for Japan, while D-MAX is a brand name for Thailand.





**2. Items relating to Shares of the Company (as of March 31, 2009)**

- 1) Total number of shares the Company is authorized to issue: 3,369,000,000 shares
- 2) Total number of outstanding shares: 1,696,845,339 shares
- 3) Total number of shareholders: 86,698

**NOTES:**

- 1. Total number of outstanding shares did not change during the current business year.
- 2. The Articles of Incorporation was partially amended at the 106th Annual General Meeting of Shareholders held on June 27, 2008, and descriptions concerning the total number of shares authorized to be issued with respect to Class I, Class III and Class IV Preferred Stocks were deleted.

- 4) Shareholders holding one-tenth or more of the total number of outstanding shares  
There are no shareholders holding one-tenth or more, while the ten major shareholders of the Company are as follows:

	Isuzu shares owned by shareholders
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#### 4. Directors and Auditors of the Company

##### 1) Directors and Auditors (as of March 31, 2009)

Position and Title	Name	Responsibilities and Primary Profession
Chairman and Director	Yoshinori Ida	
President and Representative Director	Susumu Hosoi	
Executive Vice President and Representative Director	Yoshihiro Tadaki	Senior Division Executive of Sales Headquarters, Senior Division Executive of Quality Assurance Division
Executive Vice President and Director	Goro Shintani	Supervisory Management Officer
Executive Vice President and Director	Naotoshi Tsutsumi	Supervisory Management Officer
Director	Yasuaki Shimizu	Senior Division Executive of Purchasing Division
Director	Eizo Kawasaki	Division Executive of Corporate Planning & Finance Division
Director	Ryouzo Tsukioka	Division Executive of Administration Division; Division Executive of PT Business Division and of International Division No.5, Sales Headquarters;
Director	Shunichi Satomi	Division Executive of Engineering Division
Director	Masanori Katayama	Division Executive of International Division No.4, Sales Headquarters;
Director	Shigeki Toma	Division Executive of Manufacturing Division
Standing Corporate Auditor	Kouji Yamaguchi	Special Assignment and Supervisory Management Officer
Standing Corporate Auditor	Yoshio Kinouchi	
Standing Corporate Auditor	Shigeaki Wakabayashi	
Corporate Auditor	Yasuharu Nagashima	Lawyer
Corporate Auditor	Hajime Mita	

##### NOTES:

- There are no outside directors on the Company's board.
- Corporate Auditors Shigeaki Wakabayashi, Yasuharu Nagashima, and Hajime Mita are outside auditors.
- Important positions held by directors at other corporations during the current business term are as follows:  
Director Eizo Kawasaki concurrently serves as Chairman of the Isuzu Group Employee Health Insurance Association and Chairman of the Isuzu Motors Limited Pension Fund.
- Corporate Auditor Kouji Yamaguchi had served at our Company's Finance Division for many years, and has considerable expertise in finance and accounting.

2) Total remuneration for Directors and Corporate Auditors

Category	Number of persons	Total remuneration (JPY million)
Directors	11	480
Corporate Auditors	6	88
(including outside auditors)	(4)	(39)
Total	17	568

NOTES:

1. Amounts have been rounded down to the nearest one million yen.
2. The total amount of Directors' remuneration is limited to 64 million yen per month (excluding amounts paid as salaries for employees to those Directors who are also employees) by a resolution passed at the 86th Annual General Meeting of Shareholders held on January 30, 1989.
3. The total amount of Corporate Auditors' remuneration is limited to 10 million yen per month by a resolution passed at the 103rd Annual General Meeting of Shareholders held on June 29, 2005.

### 3) Outside Auditors

- i) Status of concurrent outside directorship positions at other companies (as of March 31, 2009)  
 Corporate Auditor Yasuharu Nagashima also serves as Director of Shinsei Bank, Limited. Our Company does not have any special relationship with this company.  
 Corporate Auditor Hajime Mita also serves as Representative Director of M. U. Trust Apple Planning Company, Ltd. and Corporate Auditor of Miyoshi Oil & Fat Co., Ltd. Our Company does not have any special relationship with these companies.
- ii) Principal activities during the current business term  
 Statements made and attendance at Board of Directors Meetings and Board of Corporate Auditors Meetings:

Name	Status of Statements Made and Attendance
Corporate Auditor Shigeaki Wakabayashi	Attended all 15 Meetings of the Board of Directors and all 17 Meetings of the Board of Corporate Auditors held in the current business term. When necessary, he gave his opinions from the standpoint of a specialist in financial and corporate financial affairs. He gave words of support and advice to assure the appropriateness and suitability of the decisions of the Board of Directors.
Corporate Auditor Yasuharu Nagashima	Attended all 15 Meetings of the Board of Directors and all 17 Meetings of the Board of Corporate Auditors held in the current business term. When necessary, he stated his opinions based on his rich experience as a specialist in corporate legal affairs. He gave words of support and advice to assure the legality of the decisions of the Board of Directors.
Corporate Auditor Hajime Mita	Attended 9 of the 10 Meetings of the Board of Directors and 9 of the 10 Meetings of the Board of Corporate Auditors held in the current business term. When necessary, he stated his opinions from the standpoint of a specialist in finance and corporate management affairs. He gave words of support and advice to assure the appropriateness and suitability of the decisions of the Board of Directors.



## 5 Matters concerning the Independent Auditor

1) Name of the Independent Auditor: Ernst & Young ShinNihon LLC

2) Fee and other amounts payable to the Independent Auditor:

	Amount payable (JPY million)
Independent auditor' fee payable by the Company for the current business term	173
Total cash and other financial profits payable by the Company and its subsidiaries to the Independent Auditor:	301

### NOTES:

1. Amounts have been rounded down to the nearest 1 million yen.
2. The Company and the Independent Auditor have signed an Audit Contract. This contract, however, does not make a clear distinction between the auditing fees stipulated in the Corporation Law and those defined in the Financial Instruments and Exchange Law. These fees cannot be practically separated. The above fee, therefore, shows the aggregate amount of these fees.
3. Ernst & Young ShinNihon LLC serves as the Independent Auditor for significant subsidiaries in Japan, and significant overseas subsidiaries are subject to the audit of Ernst & Young or Deloitte Touche Tohmatsu.

3) Non-audit duties of the Independent Auditor

The Company has engaged Ernst & Young ShinNihon LLC in consulting work in evaluation of CSR (corporate social responsibility) activities



employees of the Corporate Group act in accordance with the “Corporate Group Vision,” the “Corporate Mission,” and the “Group Basic Compliance Initiative.”

The Company asks subsidiaries and affiliates to develop their own compliance systems suited to their respective circumstances and ensure that their systems are fully implemented. The Company Management continually monitors the activities of its subsidiaries’ management, and requests improvements if they determine that a subsidiary’s system for ensuring proper operations is inadequate.

## CONSOLIDATED BALANCE SHEET

As of March 31, 2009

(millions of yen)

ASSETS		LIABILITIES	
ITEMS	AMOUNT	ITEMS	AMOUNT
<b>CURRENT ASSETS</b>	<b>399,638</b>	<b>CURRENT LIABILITIES</b>	<b>337,833</b>
Cash and cash equivalents	111,245	Trade notes and accounts payable	161,516
Trade notes and accounts receivable	132,781	Short-term borrowings	84,287
Merchandise and finished goods	77,425	Current portion of bonds	10,000
Work in progress	9,371	Lease obligations	1,351
Raw materials and supplies	33,029	Accrued income taxes	3,187
Deferred tax assets	9,492	Accrued expenses	32,472
Other	27,863	Accrued bonus costs	10,835
Allowance for doubtful accounts	(1,570)	Provisions for warranty costs	3,565
<b>NON-CURRENT ASSETS</b>	<b>627,148</b>	Deposits received	3,674
<b>Property, plant and equipment</b>	<b>512,408</b>	Other	26,942
Buildings and structures	102,372	<b>NON-CURRENT LIABILITIES</b>	<b>357,179</b>
Machinery, equipment and vehicles	92,475	Bonds	43,000
Land	269,289	Long-term borrowings	184,521
Lease assets	3,777	Lease obligations	2,704
Construction in progress	31,811	Deferred tax liabilities	4,366
Other	12,681	Deferred tax liabilities on revaluation reserve for land	55,818
<b>Intangible assets</b>	<b>8,970</b>	Accrued retirement benefits	57,702
Other	8,970	Long-term deposits received	1,249
<b>Investments and other assets</b>	<b>105,769</b>	Negative goodwill	379
Investment securities	81,732	Other	7,438
Long-term loans receivable	4,107	<b>TOTAL LIABILITIES</b>	<b>695,012</b>



## CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

From April 1, 2008 through March 31, 2009

(millions of yen)

	SHAREHOLDERS' EQUITY				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
As of March 31, 2008	<b>40,644</b>	<b>50,427</b>	<b>185,601</b>	<b>(463)</b>	<b>276,209</b>
Change in accounting policies applied to overseas subsidiaries			<b>328</b>		<b>328</b>
Change of the period					
Cash dividends			(13,563)		(13,563)
Reversal of unrealized holding gain or loss on land revaluation			(100)		(100)
Net income (loss)			(26,858)		(26,858)
Acquisition of treasury stock				(106)	(106)
Net changes on items other than shareholders' equity					
Total change of the period	-	-	(40,522)	(106)	(40,629)
As of March 31, 2009	<b>40,644</b>	<b>50,427</b>	<b>145,407</b>	<b>(570)</b>	<b>235,908</b>

	VALUATION, FOREIGN CURRENCY TRANSLATION ADJUSTMENTS & OTHER			
Unrealized holding gain or loss on securities	Unrealized gain or loss (185)			

## NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

### **Basis for Consolidated Financial Statements**

#### 1. Scope of Consolidation

- (1) Number of consolidated subsidiaries: 61
- (2) Principal subsidiaries: Isuzu Motors Kinki Co., Ltd; Tokyo Isuzu Motors Ltd.;  
Isuzu Motors America, LLC.; Isuzu Motors Co., (Thailand) Ltd.
- (3) Changes in scope of consolidation
- i) P.T. Mesin Isuzu Indonesia has been included in the scope of consolidation because it became more important in terms of their influence on our consolidated financial statements.
  - ii) Isuzu North America Corporation and Isuzu Motors America, LLC have been included in the scope of consolidation because it was newly established.
  - iii) Oyamakawa Co., Ltd. and Isuzu Motors Acceptance Corporation have been excluded from the scope of consolidation due to liquidation and Isuzu Motors America, Inc. has been excluded from the scope of consolidation because it was merged with Isuzu Motors America, LLC.
- (4) Principal non-consolidated subsidiaries: Hakodate Isuzu Motors Ltd.
- (5) Reasons for excluding subsidiaries from consolidation  
The non-consolidated subsidiaries are small in terms of their total assets, net sales, total net income or loss, and total retained earnings (the Company's interest basis). Thus, they only have minor effects on the consolidated financial statements.

#### 2. Scope of Equity Method

- (1) Number of companies accounted for by the equity method: 70
- (2) Principal companies accounted for by the equity method
- Non-consolidated subsidiaries: Omori Regional Airconditioning Co., Ltd.  
Affiliates: Jidosha Buhin Kogyo Co., Ltd.; TDF Corporation
- (3) Changes in scope of equity method accounting  
The changes in scope of the equity method accounting for the fiscal year are as follows.
- i) Isuzu Body Corporation (Thailand) Limited, a non-consolidated subsidiary of the Company, is accounted for by the equity method because it was newly established.
  - ii) P.T. Mesin Isuzu Indonesia has been excluded from the scope of equity accounting and included in the scope of consolidation because it gained in importance in terms of influence on our consolidated financial statements.
  - iii) Torei Computer Service Co., Ltd., a non-consolidated subsidiary of the Company, has been excluded from the scope of equity accounting due to liquidation and Yamaichi Sharyou Co., Ltd., a non-consolidated subsidiary of the Company, has been excluded from the scope of equity accounting as a result of sale of stocks.
  - iv) GM-Isuzu Camiones Andinos de Ecuador Ltda., ISUZU BUSINESS SERVICES, S. de R.L. and QINGLING ISUZU (CHONGQING) Automobile Sales and Service Co., Ltd., affiliates of the Company, are accounted for by the equity method because they were newly established.
  - v) Importation and Commerce (of) Automobile, Ltd., an affiliate of the Company, is accounted for by the equity method because it gained in importance in terms of influence on our consolidated financial statements.
  - vi) Guangzhou Isuzu Bus Co., Ltd., an affiliate of the Company, has been excluded from the scope of equity accounting as a result of equity transfer.
- (4) Principal companies not accounted for by the equity method
- Non-consolidated subsidiaries: Hakodate Isuzu Motors Ltd.  
Affiliates: Anadolu Isuzu Otomotiv Sanayi Ve Ticaret A.S.
- (5) Reasons for not accounting by the equity method  
These companies are not accounted for by the equity method because their effect on the consolidated financial statements is not significant, either individually or collectively.

### 3. Fiscal Period of Consolidated Subsidiaries

Of the consolidated subsidiaries, the accounting date for 15 overseas subsidiaries is December 31, 2008.

In preparing consolidated financial statements, the Company uses subsidiaries' respective financial statements. If significant transactions have been made between the two accounting



These provisions are calculated based on past experience.

iv) Accrued retirement benefits

Accrued retirement benefits are calculated in an amount based on the projected benefit obligation expected and the pension plan assets expected at the end of the current fiscal year. Prior service costs are amortized by the straight-line method over periods shorter



## Notes on the Consolidated Balance Sheet

### 1. Pledged Assets

Assets pledged as collateral	
Land	162,609 million yen
Buildings and structures	48,070 million yen
Machinery, equipment and vehicles	58,344 million yen
Other	16 million yen
Secured liabilities	
Short-term borrowings	1,109 million yen
Long-term borrowings (including borrowings to be returned within a year)	94,691 million yen

2. Accumulated depreciation of property, plant and equipment 608,781 million yen

### 3. Balance of Contingent Liabilities

Balance of secured liabilities	2,157 million yen
Balance of guarantee resemblance act	2 million yen
Balance of export bills discounted	4 million yen

### 4. Revaluation of business land

The Company and some consolidated subsidiaries & affiliates revalue their business land under the Law to Revise Part of Land Revaluation Law (Law No. 24 of March 31, 1999). The tax equivalent to this revaluation variance has been stated in Liabilities as "Deferred tax liabilities on revaluation reserve for land", the amount deducted this has been stated in Net Assets as "Unrealized holding gain or loss on land revaluation".

The difference between the total fair value of the revaluated land at the end of the current consolidated fiscal year and the total book value after revaluation was 57,880 million yen.

## Notes on the Consolidated Statement of Changes in Net Assets

1. Number of shares issued and outstanding at the end of the fiscal year  
Common stock 1,696,845,339 shares

2. Details of dividends paid as distribution of profits  
Amount of dividends paid

Date of Resolution	Type of Stock	Total Amount of Dividends Paid (million yen)	Dividend per Share	Ex-dividend Date	Payment Date
June 27, 2008 General Meeting of Shareholders	Common stock	8,477	5.00 yen	March 31, 2008	June 30, 2008
November 5, 2008 Meeting of board of Directors	Common stock	5,086	3.00 yen	September 30, 2008	December 8, 2008

## BALANCE SHEET

## **STATEMENT OF INCOME**

From April 1, 2008 through March 31, 2009

## **STATEMENT OF CHANGES IN NET ASSETS**

From April 1, 2008 through March 31, 2009

(millions of yen)

	SHAREHOLDERS' EQUITY					
	Capital surplus		Retained Earnings			
			Other retained earnings			





(6) Foreign currency translation

Receivables and payables denominated in foreign currencies are translated into yen at the exchange rate prevailing on the date of the balance sheet, and any differences arising from the translation are included in the financial statements as gains or losses.

(7) Hedge accounting

continuously accounted for on a basis similar to that for ordinary rental transactions. Consequently, the effect on the operating income, ordinary income, and income before income taxes and minority interest is smaller than that caused by the previous method.

(Additional information)

Change of Expected Lifetime of Property, Plant and Equipment

The expected lifetime of the machinery and equipment was revised upon revision of the Corporation Tax Law and depreciation expenses have been calculated after changing the expected lifetime since the current fiscal year.

Consequently, as compared with the amounts measured by the previous method, the operating income, ordinary income, and income before income taxes and minority interest each decreased by 583 million yen.

## Notes on the Balance Sheet

1. Pledged Assets	
Assets pledged as collateral	
Buildings	29,891 million yen
Structures	6,306 million yen
Machinery and equipment	52,397 million yen
Land	157,079 million yen
Secured liabilities	
Current portion of long-term borrowings	39,102 million yen
Long-term borrowings	45,722 million yen
2. Accumulated Depreciation of Property, Plant and Equipment	406,867 million yen
3. Balance of Contingent Liabilities	
Balance of secured liabilities	1,404 million yen
Balance of export bills discounted	4 million yen
4. Debts and Credits to Subsidiaries and Affiliates	
Short-term credits	59,098 million yen
Long-term credits	78,979 million yen
Short-term debts	33,147 million yen
Long-term debts	3,432 million yen
5. Other	
The difference between the total fair value of the revalued business land, as stipulated in Article 10 of the Land Revaluation Law, and the total book value after revaluation is 56,244 million yen.	

## Notes on the Statement of Income

Transactions with Subsidiaries and Affiliates	
Sales to subsidiaries and affiliates	279,823 million yen
Purchases from subsidiaries and affiliates	170,145 million yen
Other	771 million yen

## Notes on the Statement of Changes in Net Assets

Type and Number of Stocks Held as Treasury Stocks	
Common stock	1,827,381 shares

**Notes on Tax-Effect Accounting**

**Notes on Lease Assets**

**(Attachment)**  
**Notes on Transactions with Related Parties**

(English Translation of Report of Independent Auditors on the Consolidated Financial Statements,  
Originally Issued in the Japanese Language]

## Report of Independent Auditors

May 18, 2009

The Board of Directors  
ISUZU MOTORS LIMITED

Ernst & Young ShinNihon LLC

Yoshikatsu Sugiyama  
Certified Public Accountant  
Designated and Limited Liability Partner

Hideki Nishida  
Certified Public Accountant  
Designated and Limited Liability Partner

Harukazu Ogane  
Certified Public Accountant  
Designated and Limited Liability Partner

Pursuant to Article 444, Section 4 of the Corporation Law, we have audited the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes on the consolidated financial statements of ISUZU MOTORS LIMITED (the "Company") applicable to the consolidated fiscal year from April 1, 2008 through March 31, 2009. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles and procedures adopted by management, and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Isuzu Group, which consisted of the Company and consolidated subsidiaries, applicable to the consolidated fiscal year ended March 31, 2009 in conformity with accounting principles generally accepted in Japan.

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

(English Translation of Report of Independent Auditors on the Financial Statements, Originally Issued



(English Translation of Report of the Board of Corporate Auditors)

## **AUDIT REPORT**

In relation to the Directors' performance of their duties during the 107th business term from April 1, 2008 to March 31, 2009, the Board of Corporate Auditors prepared this Audit Report based on the audit report prepared by each Corporate Auditor.

### **1. Auditing Procedures Adopted by the Corporate Auditors and Board of Corporate Auditors and Details of Such Procedures**

The Board of Corporate Auditors established the audit policies and audit plan, and received reports from all the Corporate Auditors regarding their auditing activities and the results thereof. In addition, we received reports from the Directors and Independent Auditor regarding the execution of their duties, and when necessary, we requested their explanations.

In accordance with the auditing standards for Corporate Auditors and the audit plan stipulated by

**2. Audit Results**

(1) Results of Audit of Business Report and Other Relevant Documents

## **Reference Material for the General Meeting of Shareholders**

### **Proposal 1: Partial Amendments to the Articles of Incorporation**

1. Reasons for amendments

The current Articles of Incorporation are to be amended as follows since the “Law Partially Revising the Law on Book-Entry Transfer of Corporate Bonds, etc. for the Rational Settlements of Stock Transaction” (Law No.88 of 2004; the “Settlements Rationalization Law”) was enforced on January 5, 2009 and the “Law on the Custody and Book-Entry Transfer of Share Certificates” (Law No. 30 of 1984) was abolished.

- 1) Pursuant to Article 6 of the supplementary provisions of the Settlements Rationalization Law, the Company is deemed to have passed a resolution on January 5, 2009 to abolish the provision of the Articles of Incorporation that provides for the issuance of share certificates; Article 9 (Issue of share certificate), Article 10 (Share certificate of odd-lot share) and Article 11 (Denomination of share certificate) of the Articles of Incorporation of the Company are to be deleted and descriptions concerning share certificates are to be deleted or amended.
- 2) Descriptions in the provisions of the Articles of Incorporation of the Company regarding beneficial shareholders or the register of beneficial shareholders are to be deleted.
- 3) In principle, the procedures for shares after enforcement of the Settlements Rationalization Law are handled by securities companies and other similar companies and are not directly handled by the manager of the register of shareholders; therefore, part of current Article 13 (Shareholder Register Manager) and Article 14 (Notification of name, address, and seal) and Article 15 (Provisional address of foreign resident) are to be deleted.
- 4) Since the register of the lost share certificates shall be prepared and kept for a period of one (1) year from the day immediately after the date of the enforcement of the Settlements Rationalization Law, necessary provisions are to be added to the supplemental provisions.
- 5) Any other necessary amendments such as the addition, deletion, or modification of descriptions and renumbering of Articles of the current Articles of Incorporation are to be made.

2. Details of the amendments  
 The amendments are as follows:

(The underlined portions denote the amendments.)

Current Articles of Incorporation of the Company	After amendment
<p><u>Article 9: (Issue of share certificate)</u>  <u>The Company shall issue share certificates for those shares.</u></p>	<p>(Deleted)</p>
<p><u>Article 10: (Share certificate of odd-lot shares falling short of one trading unit of no-par-value stock)</u>  <u>Notwithstanding provisions of Article 9, the Company shall not issue any share certificates of odd-lot shares falling short of one unit of the no-par-value stock (hereinafter referred to as the "odd-lot shares").</u></p>	<p>(Deleted)</p>
<p><u>Article 11: (Denomination of share certificates)</u>  <u>The denominations of share certificates of the Company shall be determined by the Board of Directors.</u></p>	<p>(Deleted)</p>
<p>Article <u>12</u>: (Share Handling Regulation)                      The procedures for entering or recording in the shareholders register (<u>including beneficiary shareholders register: the same applies below</u>), new share subscription rights register <u>and lost share certificate register</u>, and purchase of any odd-lot shares, registration of share pledges, representation of assets in trust, <u>delivery of re-issued share certificates</u>, and any other proceedings concerning shares shall be governed by laws and ordinances, the Articles of Incorporation, and the Share Handling Regulation established by the resolution of the Board of Directors.</p>	<p>Article <u>9</u>: (Share Handling Regulation)                      The procedures for entering or recording in the shareholders register, new share subscription rights register and purchase of any odd-lot shares, registration of pledge of shares, representation of assets in trust, and any other proceedings concerning shares and new share subscription <u>rights</u> shall be governed by laws and ordinances, the Articles of Incorporation, and the Share Handling Regulation established by the resolution of the Board of Directors.</p>

<b>Current Articles of Incorporation of the Company</b>	<b>After revision</b>
<p>Article <u>13</u>: (Shareholder Register Manager)  The Company shall designate the Shareholder Register Manager to handle its shares. The Shareholder Register Manager and its place of business shall be determined by the resolution of the Board of Directors, and a public notice thereof shall be given.</p> <p><u>The shareholder register, share acquisition rights register, and share certificates loss register shall be maintained at the place of business of the Shareholder Register Manager. The Share Handling Regulations mentioned in the preceding Article shall be handled by the Shareholder Register Manager, not by the Company.</u></p> <p>Article 14: (Notification of name, address, and seal)  <u>Shareholders (including beneficiary shareholders: the same applies below), registered pledgees of shares or their legal representatives must notify the Shareholder Register Manager designated by the Company concerning their names, addresses and seals. In case of any change thereof, they shall notify the change.</u></p>	<p>Article <u>10</u>: (Shareholder Register Manager)  The Company shall designate the Shareholder Register Manager to handle its shares. The Shareholder Register Manager and their place of business shall be determined by the Board of Directors' resolution, and a public notice thereof shall be given.</p> <p>(Deleted)</p> <p>(Deleted)</p>

Current Articles of Incorporation of the Company	After revision
<p><u>Article 15: (Provisional address of foreign resident)</u>  <u>When shareholders, registered pledgees of shares or their legal representatives do not have an address or a place of residence in Japan, they shall set up a provisional address in Japan and notify the Shareholder Register Manager designated by the Company concerning the provisional address. In case of any change of address, they shall notify the change.</u></p> <p>Article <u>16</u> to Article <u>49</u>            (Provisions omitted)</p> <p>(To be newly established)</p> <p>(To be newly established)</p> <p>(To be newly established)</p>	<p>(Deleted)</p> <p>Article <u>11</u> to Article <u>44</u>            (Same as the provisions defined in Article 16 to Article 49 of the current Articles of Incorporation of the Company.)</p> <p><u>Supplementary Provisions</u></p> <p><u>Article 1</u>  <u>The preparation and keeping of the register of lost stock certificates and other operations relating to the foregoing register shall be entrusted to the Shareholder Register Manager and shall not be handled by the Company.</u></p> <p><u>Article 2</u>  <u>The preceding Article and this Article of these Supplementary Provisions shall be effective until January 5, 2010 and shall be deleted as of January 6, 2010.</u></p>

## **Proposal 2: Election of Six (6) Directors**

The terms of office of six (6) Directors (Yoshinori Ida, Goro Shintani, Naotoshi Tsutsumi, Yasuaki Shimizu, Eizo Kawasaki and Masanori Katayama) will expire at the close of this General Meeting of

No.	Name (Date of Birth)	Personal profile, positions and responsibilities in the Company, and representative posts held in other companies	No. of Company shares
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No.	Name (Date of Birth)	Personal profile, positions and responsibilities in the Company, and representative posts held in other companies
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