

FY2024 Consolidated Financial Results (Japan GAAP)
(April 1, 2023 through March 31, 2024)
English Translation of the Original Japanese-Language Document



May 14, 2024

Company name	: ISUZU MOTORS LIMITED
Stock exchange on which the shares are listed	: Tokyo Stock Exchange in Japan
Code number	: 7202
URL	: https://www.isuzu.co.jp/world/company/investor/
Representative	: Shinsuke Minami, President COO
Contact	: Takayuki Aikawa, General Manager, Public Relations Department Tel. (045)299-9099
Scheduled date for general meeting of shareholders	: June 26, 2024
Expected starting date for distribution of cash dividends	: June 27, 2024
Scheduled date for submission of financial statements	: June 26, 2024
The supplement materials of the quarterly financial results	: Yes
Holding of the quarterly financial results meeting	: Yes

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Highlights (April 1, 2023 through March 31, 2024)

<1> Consolidated Financial Results

(% indicates increase/decrease from previous term.)

	Net Sales		Operating Income		Ordinary Income		Net Income attributable to owners of parent	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2024	3,386,676	6.0	293,085	15.6	313,039	16.0	176,442	16.3
FY2023	3,195,537	27.1	253,546	35.4	269,872	29.5	151,743	20.2

[Note] Comprehensive Income	FY2024	323,093	millions of yen	44.0%
	FY2023	224,390	millions of yen	7.9%

	Net Income per Share	Net Income per Share after Dilution of Potential Stock	Ratio of Net Income to Shareholders' Equity	Ratio of Ordinary Income to Total Assets	Ratio of Operating Income to Net Sales
	yen	yen	%	%	%
FY2024	229.92	-	12.7	9.9	8.7
FY2023	195.75	-	12.1	9.1	7.9

[Note] Equity Income from affiliated companies	FY2024	2,657	millions of yen
	FY2023	5,765	millions of yen

<2> Consolidated Financial Position

	Total Assets	Net Assets	The Capital adequacy ratio	Net Assets per Share
	millions of yen	millions of yen	%	yen
FY2024	3,263,001	1,659,029	44.8	1,951.02
FY2023	3,046,777	1,510,232	42.9	1,688.01

[Note] Total Amount of Shareholders' Equity	FY2024	1,460,695	millions of yen
	FY2023	1,308,506	millions of yen

<3> Consolidated Cash Flows

	Net Cash Provided by (Used in) Operating Activities	Net Cash Provided by (Used in) Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at End of Period
	millions of yen	millions of yen	millions of yen	millions of yen
FY2024	298,568	(155,080)	(144,977)	384,878
FY2023	227,085	(80,527)	(140,372)	364,396

2. Cash Dividends

	Dividend per Share					Total Amount of Cash Dividends	Dividend Payout Ratio (Consolidated)	Dividend on Net Assets (Consolidated)
	The End of 1st Quarter	The End of 2nd Quarter	The End of 3rd Quarter	Year-End	Total			
FY2023	yen -	yen 36.00	yen -	yen 43.00	yen 79.00	millions of yen 61,416	% 40.4	% 4.9
FY2024	yen -	yen 43.00	yen -	yen 49.00	yen 92.00	millions of yen 70,219	% 40.0	% 5.1
FY2025 (Forecast)	yen -	yen 46.00	yen -	yen 46.00	yen 92.00		% 43.0	

3. Consolidated Financial Forecast for FY2025 (April 1, 2024 through March 31, 2025)

(% indicates increase/decrease from previous term.)

	Net Sales		Operating Income		Ordinary Income		Net Income attributable to owners of parent		Net Income per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
FY2025	3,350,000	(1.1)	260,000	(11.3)	275,000	(12.2)	160,000	(9.3)	213.71

*Notes

<1> Changes in significant subsidiaries during this period :None

Newly consolidated : -

Excluded from the scope of consolidation : -

Note: This item indicates whether there were changes in significant subsidiaries affecting the scope of consolidation during this period.

<2> Changes in accounting policies, procedures and disclosures

Changes due to revisions of accounting standards : None

Changes due to factors other than revisions of accounting standards : None

Changes in accounting estimates : None

Retrospective restatement : None

<3> Number of shares issued (common stock)

Number of shares issued and outstanding FY2024 777,442,069 Shares

at the end of the term (inclusive of treasury stock) FY2023 777,442,069 Shares

Number of treasury shares at the end of the term FY2024 28,760,765 Shares

FY2023 2,264,274 Shares

Average number of shares issued FY2024 767,393,388 Shares

FY2023 775,178,896 Shares

Note: "Number of treasury shares at the end of the term" include stocks owned by the Company and by the fund whose beneficiaries are directors of the Company.

"Average number of shares issued" does not include stocks owned by the Company and by the fund whose beneficiaries are directors of the Company.

(Reference) Non-consolidated Financial Results

Non-consolidated Financial Highlights (April 1, 2023 through March 31, 2024)

<1> Non-consolidated Financial Results

(% indicates increase/decrease from previous term.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2024	1,318,030	0.9	14,423	(57.5)	157,726	(19.1)	152,383	(18.4)
FY2023	1,306,768	17.5	33,940	10.4	194,923	102.4	186,650	109.9

	Net Income per Share	Net Income per Share after Dilution of Potential Stock
	yen	yen
FY2024	198.56	-
FY2023	240.77	-

<2> Non-consolidated Financial Position

	Total Assets	Net Assets	The Capital adequacy ratio	Net Assets per Share
	millions of yen	millions of yen	%	yen
FY2024	1,621,544	945,807	58.3	1,263.22
FY2023	1,528,953	871,042	57.0	1,123.60

Note: Total amount of shareholders' equity
FY2024 945,807 millions of yen
FY2023 871,042 millions of yen

*Consolidated financial results (Japan GAAP) are not subject to audit procedures.

*Cautionary Statements with Respect to Forward-Looking Statements and Other Notes

•The financial forecast and other descriptions of the future presented in this document are based on currently available information and assumptions which are deemed reasonable at present.

Consequently, the actual financial performance may vary significantly from the forecast due to various factors.

For such assumptions and notes with respect to performance forecast, please refer to

"1. Overview of Financial Results and Financial Position -(1) Overview of Consolidated Financial Results

②Forecast for FY2025 ending March 2025"

•The Company has posted its financial results on its web site on Friday, May 14, 2024.

List of Contents of Attachments

1. Overview of Financial Results and Financial Position	4
(1) Overview of consolidated Financial Results	4
(2) Overview of consolidated Financial Position	5
(3) Basic Policy regarding Earnings Appropriation and Dividend for FY2024 and FY2025	6
2. Basic Concept on Choice of Accounting Standards.....	6
3. Consolidated Financial Statements and Major Notes	7
(1) Consolidated Balance Sheets.....	7
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	9
(3) Consolidated Statements of Changes in Net Assets	11
(4) Consolidated Statements of Cash Flows	13
(5) Notes on Premise of a Going Concern	14
(6) Notes on consolidated statements of income.....	14
(7) Segment Information.....	14
(8) Per Share Information	14
(9) Additional Information.....	15
(10) Important Subsequent Events.....	16
4. Supplementary Information.....	17
(1) Sales Condition	17
Consolidated sales results	17
Overseas Sales	18

1. Overview of Financial Results and Financial Position

(1) Overview of Consolidated Financial Results

① Financial Results for FY2024 ended March 2024

The total number of vehicles sold at home and abroad for the current fiscal year decreased by 84,835 units (11.3%) compared with the previous fiscal year to 666,809 units.

Vehicle unit sales in Japan rose by 5,084 units (8.8%) over the previous fiscal year to 62,932 units as the parts-shortage situation improved. Regarding overseas unit sales, due to the impact of inflation and rising interest rates, the unit sales of commercial vehicle (CV), i.e. truck and bus, dropped by 39,032 units (13.8%) year-on-year to 244,305 units, and the unit sales of light commercial vehicle (LCV), i.e. pick-up truck and its derivative vehicle, decreased by 50,887 (12.4%) year-on-year, mainly in Thailand, to 359,572 units.

Sales amounts of industrial engines fell by 5.1 billion yen (4.3%) year-over-year to 114.6 billion yen, and other sales grew by 33 billion yen (4.7%) year-over-year to 742 billion yen, thanks to a growth in business segments such as the vehicle life-cycle management business.

Consequently, net sales rose by 191.1 billion yen (6.0%) over the previous fiscal year to 3,386.7 billion yen, which comprised 1,108.9 billion yen posted for the Japanese market, up 12.0% year-on-year, and 2,277.8 billion yen for the rest of the world, up 3.3% year-on-year.

On the profit and loss front, the Company enjoyed an increase in operating income, which amounted to 293.1 billion yen, up 15.6% year-over-year, thanks to the price realization, cost reduction activities, and weaker Japanese yen, despite a profit decreasing impact due to severe market conditions mainly in emerging countries and fluctuations in such things as material costs. Ordinary income reached 313.0 billion yen, up 16.0% year-over-year, and net income attributable to owners of the parent company stood at 176.4 billion yen, up 16.3% year-over-year.

② Forecast for FY2025 ending March 2025

For FY2025 ending March 2025, we aim to increase the unit sales in the Japanese market through the sales expansion of new vehicle models with a full lineup and keep the overseas unit sales at the level of the previous fiscal year amid the overseas sales facing severe market conditions in emerging countries. Regarding LCV, the unit sales are expected to decrease significantly in Thailand due to severe market conditions, and the unit sales for export markets are also projected to fall due to the normalization of backorders.

As regards profits and losses, even though a decline in the LCV unit sales and the prices of such things as material costs are expected to further escalate, the Company expects to generate an operating income of 260 billion yen by trimming down the profit decrease through driving price realization and cost reduction initiatives.

The forecast full-year consolidated financial results for FY2025 ending March 2025 are as follows:

Net sales	3,350 billion yen
Operating Income	260 billion yen
Ordinary Income	275 billion yen
Net Income Attributable to Owners of Parent Company	160 billion yen

* This forecast for FY2025 is calculated by the Company based on information available at this moment of various markets around the world, as well as on the assumption about possible timing of recovery in demand. It also includes risks and uncertainties such as global economic trends and exchange rate fluctuations. The Company's actual consolidated financial results may differ considerably from the forecast above, which therefore should not be the sole basis for any investment decisions.

(2) Overview of Consolidated Financial Position

① Assets, Liabilities and Net Assets

Total assets as of the end of the current fiscal year rose by 216.2 billion yen from March 31, 2023 to 3,263.0 billion yen, mainly due to increases in investment securities of 64.7 billion yen owing to a rise in market values of listed shares, inventories of 58.3 billion yen, property, plant and equipment of 40.0 billion yen, lease receivables and investments in leases of 23.5 billion yen, and accounts receivable of 22.1 billion yen, partially offset by a decrease in deferred tax assets of 17.7 billion yen.

Liabilities grew by 67.4 billion yen from March 31, 2023 to 1,604.0 billion yen, mainly because of increases in interest-bearing liabilities of 43.7 billion yen and accrued expenses of 24.8 billion yen, partially offset by a decrease in accounts payable of 11.6 billion yen.

Net assets increased by 148.8 billion yen from March 31, 2023 to 1,659.0 billion yen, mainly due to increases in valuation difference on available-for-sale securities of 40.1 billion yen and foreign currency translation adjustment of 44.6 billion yen, in addition to 176.4 billion yen posted as the net income attributable to owners of the parent, partially offset by a decrease in retained earnings of 66.9 billion yen as a result of dividend payments and purchase of treasury shares of 50.0 billion yen.

The capital adequacy ratio stood at 44.8%, compared with 42.9% as of March 31, 2023.

Interest-bearing liabilities increased by 43.7 billion yen from March 31, 2023 to 556.8 billion yen.

② Overview of Cash Flows

Cash and cash equivalents (hereinafter referred to as “funds”) at the end of the current consolidated fiscal year increased by 20.5 billion yen from March 31, 2023 to 384.9 billion yen; more specifically, out of the funds from operating activities of 298.6 billion yen, 155.1 billion yen and 145.0 billion yen were used for investing activities and financing activities, respectively.

Free cash flows, calculated by deducting investing cash flows from operating cash flows, recorded an inflow of 143.5 billion yen (versus an inflow of 146.6 billion yen a year earlier)

[Cash Flow from Operating Activities]

Funds provided by operating activities amounted to 298.6 billion yen, up 31.5% from March 31, 2023, mainly due to inflows of 305.6 billion yen and 115.0 billion yen recorded for profit before income taxes and depreciation, respectively, and 9.5 billion yen derived from a decrease in notes and accounts receivable, partially offset by outflows of funds due to a decrease in notes and accounts payable of 50.4 billion yen, an increase in inventories of 23.6 billion yen and a payment of income taxes of 74.5 billion yen.

[Cash Flow from Investing Activities]

Funds used in investing activities reached 155.1 billion yen, up 92.6% from March 31, 2023, mainly due to an outflow of 161.4 billion yen from acquisition of non-current assets.

[Cash Flow from Financing Activities]

Funds used in financing activities amounted to 145.0 billion yen, up 3.3% from March 31, 2023, mainly due to outflows of 110.1 billion yen from repayments of long-term borrowings, 66.8 billion yen from dividend payment, 52.9 billion yen from dividend payment to non-controlling interests, and 50.0 billion yen from purchase of treasury shares, partially offset by an increase in short-term borrowings of 59.0 billion yen and an inflow of 92.1 billion yen from execution of long-term borrowings.

(3) Basic Policy regarding Earnings Appropriation and Dividend for FY2024 and FY2025

The Company deems dividend payment to shareholders and repurchase of its own stock as key measures for corporate management. Thus, when it decides to do so, it carefully assesses and secures an optimal balance between rewarding shareholders and securing an optimal amount of retained earnings for building a stronger business foundation and future business development.

The Company plans to submit a proposal to its annual general meeting of shareholders that it pays a year-end dividend for the current fiscal year of 49 yen per share, up 6 yen over the 43 yen per share forecast before, due to more-than-expected net income attributable to owners of the parent company posted for the current fiscal year; this number is also in line with the payout ratio target of 40% shown in the Company's previous Mid-Term Business Plan 2024 released on May 13, 2021.

Regarding the total amount of dividends to be paid for the next fiscal year, even though the Company expects a temporary profit decline, it plans to improve working capital, and secure free cash flow and cash reserves that enable us to pay stable dividends while implementing growth investments. Therefore, the Company plans to pay an annual dividend of 92 yen per share (i.e. interim dividend of 46 yen, and year-end dividend of 46 yen), which is the same total dividend amount as the current fiscal year.

2. Basic Concept on Choice of Accounting Standards

The Group has adopted Japanese GAAP for its accounting standards in consideration of comparability of consolidated financial statements across periods and among companies.

With regard to applying International Financial Reporting Standards (IFRS), the Company will prepare for adopting it in the future, doing necessary study on its adoption timing.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheets

(millions of yen)

	As of March 31, 2023	As of March 31, 2024
[ASSETS]		
CURRENT ASSETS		
Cash and deposits	383,587	400,786
Notes and accounts receivable, and contract assets	398,630	420,702
Lease receivables and investments in leases	199,841	223,370
Merchandise and finished goods	392,278	445,692
Work in process	51,294	72,096
Raw materials and supplies	169,882	153,970
Other	109,108	103,920
Allowance for doubtful accounts	(2,366)	(2,970)
Total Current Assets	1,702,258	1,817,568
NON-CURRENT ASSETS		
Property, plant and equipment		
Buildings and structures, net	213,461	213,224
Machinery, equipment and vehicles, net	164,318	161,946
Land	371,367	392,871
Leased assets, net	5,794	5,549
Vehicles on operating leases, net	87,259	92,622
Construction in progress	43,361	50,439
Other, net	50,101	59,040
Total Property, Plant and Equipment	935,664	975,694
Intangible assets		
Goodwill	18,010	15,836
Other	56,667	73,748
Total Intangible Assets	74,678	89,584
Investments and other assets		
Investment securities	218,844	283,581
Long-term loans receivable	1,060	1,028
Retirement benefit asset	3,161	3,785
Deferred tax assets	61,956	44,271
Other	50,264	49,309
Allowance for doubtful accounts	(1,111)	(1,823)
Total Investments and Other Assets	334,176	380,153
Total Non-Current Assets	1,344,518	1,445,432
TOTAL ASSETS	3,046,777	3,263,001

(millions of yen)

	As of March 31, 2023	As of March 31, 2024
[LIABILITIES]		
CURRENT LIABILITIES		
Notes and accounts payable	496,833	476,578
Electronically recorded obligations - operating	66,856	75,542
Short-term borrowings	117,880	204,590
Lease obligations	7,610	8,977
Income taxes payable	31,257	32,533
Accrued expenses	115,873	140,704
Provision for bonuses	26,824	30,248
Provision for bonuses for directors	289	316
Provision for product warranties	5,439	6,618
Deposits received	5,062	6,313
Other	94,905	100,719
Total Current Liabilities	968,832	1,083,144
NON-CURRENT LIABILITIES		
Bonds payable	80,000	80,000
Long-term borrowings	285,044	239,266
Lease obligations	22,609	23,987
Deferred tax liabilities	4,000	1,408
Deferred tax liabilities for land revaluation	42,135	42,135
Provision for maintenance costs	5,184	3,184
Provision for share-based remuneration for directors	887	1,517
Net defined benefit liability	94,423	86,292
Provision for product warranties	5,119	7,898
Long-term deposits received	2,539	2,502
Other	25,767	32,632
Total Non-Current Liabilities	567,712	520,827
TOTAL LIABILITIES	1,536,544	1,603,972
[NET ASSETS]		
SHAREHOLDERS' EQUITY		
Share capital	40,644	40,644
Capital surplus	42,048	43,304
Retained earnings	1,021,771	1,132,211
Treasury shares	(3,234)	(53,133)
Total Shareholders' Equity	1,101,230	1,163,027
ACCUMULATED OTHER COMPREHENSIVE INCOME		
Valuation difference on available-for-sale securities	42,530	82,646
Deferred gains or losses on hedges	204	(60)
Revaluation reserve for land	83,952	83,952
Foreign currency translation adjustment	79,190	123,830
Remeasurements of defined benefit plans	1,398	7,299
Total Accumulated Other Comprehensive Income	207,276	297,668
NON-CONTROLLING INTERESTS	201,725	198,333
TOTAL NET ASSETS	1,510,232	1,659,029
TOTAL LIABILITIES AND NET ASSETS	3,046,777	3,263,001

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(millions of yen)

	FY2023 Fiscal year ending March 31, 2023	FY2024 Fiscal year ending March 31, 2024
Net sales	3,195,537	3,386,676
Cost of sales	2,600,347	2,706,443
GROSS PROFIT	595,189	680,233
Selling, general and administrative expenses		
Transportation costs	74,585	64,509
Promotion expenses	8,050	11,385
Advertising expenses	7,543	9,100
Unpaid repair expenses	19,684	21,869
Provision for product warranties	6,228	10,486
Salaries and allowances	110,811	118,693
Provision for bonuses	18,166	21,420
Provision for bonuses for directors	239	195
Provision for share-based remuneration for directors	559	755
Retirement benefit expenses	5,522	5,185
Depreciation	20,836	21,988
Other	69,415	101,556
Total Selling, general and administrative expenses	341,642	387,147
OPERATING PROFIT	253,546	293,085
Non-operating income		
Interest income	5,612	10,122
Dividend income	5,519	5,887
Share of profit of entities accounted for using equity method	5,765	2,657
Rental income	338	364
Foreign exchange gains	-	7,450
Other	9,246	5,307
Total non-operating income	26,482	31,789
Non-operating expenses		
Interest expenses	2,227	4,185
Foreign exchange losses	2,444	-
Litigation settlement	36	47
Compensation expenses	1,578	1,310
Currency option cost	953	1,707
Other	2,916	4,584
Total non-operating expenses	10,156	11,835
ORDINARY PROFIT	269,872	313,039
Extraordinary income		
Gain on sales of non-current assets	332	2,962
Gain on sales of investment securities	3,411	2,564
Total extraordinary income	3,744	5,526
Extraordinary losses		
Loss on disposal of non-current assets	1,480	2,057
Impairment loss	258	4,597
Loss on sales of investment securities	214	22
Loss on valuation of investment securities	152	-
Loss on sale of shares of subsidiaries	-	※2,216
Loss related to the Russian business	1,668	-
Loss on business of subsidiaries	-	4,079
Total extraordinary losses	3,775	12,974
Profit before income taxes	269,841	305,591
Income taxes-current	72,987	86,818
Income taxes-deferred	253	(2,582)
Total Income taxes	73,241	84,235
Profit	196,600	221,356
Profit attributable to non-controlling interests	44,856	44,913
Profit attributable to owners of parent	151,743	176,442

Consolidated Statements of Comprehensive Income

(millions of yen)

	FY2023 Fiscal year ending March 31, 2023	FY2024 Fiscal year ending March 31, 2024
Profit	196,600	221,356
Other comprehensive income		
Valuation difference on available-for-sale securities	(11,476)	40,429
Deferred gains or losses on hedges	1,306	(265)
Foreign currency translation adjustment	33,385	52,350
Remeasurements of defined benefit plans, net of tax	1,643	5,977
Share of other comprehensive income of entities accounted for using equity method	2,931	3,245
Total other comprehensive income	<u>27,790</u>	<u>101,737</u>
Comprehensive income	<u>224,390</u>	<u>323,093</u>
Comprehensive income attributable to		
owners of the parent	173,250	266,834
non-controlling interests	51,139	56,259

(3) Consolidated Statements of Changes in Net Assets

FY2023 (Fiscal year ending March 31, 2023)

(millions of yen)

	Shareholders' Equity				
	Share Capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	40,644	42,606	928,371	(3,290)	1,008,332
Changes during period					
Dividends of surplus			(56,752)		(56,752)
Profit attributable to owners of parent			151,743		151,743
Change due to changes in accounting period of consolidated subsidiaries			(1,591)		(1,591)
Purchase of treasury shares				(40)	(40)
Disposal of treasury shares				96	96
Change in capital surplus due to transactions with non-controlling interests		(557)			(557)
Net changes of items other than shareholders' equity					
Total changes of items during period	-	(557)	93,399	55	92,898
Balance at the end of current period	40,644	42,048	1,021,771	(3,234)	1,101,230

	Accumulated other comprehensive income						Non-controlling interest	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	53,990	(1,102)	83,952	49,459	(531)	185,768	200,324	1,394,425
Changes during period								
Dividends of surplus								(56,752)
Profit attributable to owners of parent								151,743
Change due to changes in accounting period of consolidated subsidiaries								(1,591)
Purchase of treasury shares								(40)
Disposal of treasury shares								96
Change in capital surplus due to transactions with non-controlling interests								(557)
Net changes of items other than shareholders' equity	(11,459)	1,306	-	29,730	1,930	21,507	1,401	22,908
Total changes of items during period	(11,459)	1,306	-	29,730	1,930	21,507	1,401	115,806
Balance at the end of current period	42,530	204	83,952	79,190	1,398	207,276	201,725	1,510,232

	Shareholders' Equity				
	Share Capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	40,644	42,048	1,021,771	(3,234)	1,101,230
Changes during period					
Dividends of surplus			(66,857)		(66,857)
Profit attributable to owners of parent			176,442		176,442
Change due to changes in accounting period of consolidated subsidiaries			855		855
Purchase of treasury shares				(50,013)	(50,013)
Disposal of treasury shares				115	115
Change in capital surplus due to transactions with non-controlling interests		1,255			1,255
Net changes of items other than shareholders' equity					
Total changes of items during period	-	1,255	110,440	(49,898)	61,797
Balance at the end of current period	40,644	43,304	1,132,211	(53,133)	1,163,027

	Accumulated other comprehensive income						Non-controlling interest	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	42,530	204	83,952	79,190	1,398	207,276	201,725	1,510,232
Changes during period								
Dividends of surplus								(66,857)
Profit attributable to owners of parent								176,442
Change due to changes in accounting period of consolidated subsidiaries								855
Purchase of treasury shares								(50,013)
Disposal of treasury shares								115
Change in capital surplus due to transactions with non-controlling interests								1,255
Net changes of items other than shareholders' equity	40,116	(265)	-	44,640	5,900	90,391	(3,392)	86,999
Total changes of items during period	40,116	(265)	-	44,640	5,900	90,391	(3,392)	148,796
Balance at the end of current period	82,646	(60)	83,952	123,830	7,299	297,668	198,333	1,659,029

(4) Consolidated Statements of Cash Flows

(millions of yen)

	FY2023 Fiscal year ending March 31, 2023	FY2024 Fiscal year ending March 31, 2024
Cash flows from operating activities		
Profit before income taxes	269,841	305,591
Depreciation	107,255	115,033
Share of (profit) loss of entities accounted for using equity method	(5,765)	(2,657)
Increase (decrease) in provision for product warranties	542	3,865
Increase (decrease) in provision for bonuses	2,626	3,309
Increase (decrease) in provision for bonuses for directors	68	24
Amortization of goodwill	4,219	4,673
Increase (decrease) in allowance for doubtful accounts	835	864
Increase (decrease) in provision for maintenance costs	(985)	(1,999)
Increase (decrease) in provision for share-based remuneration for directors	468	630
Increase (decrease) in retirement benefit liability	(533)	(4,917)
Interest and dividends income	(11,132)	(16,010)
Interest expenses	2,227	4,185
Loss (gain) on sales of non-current assets	(332)	(2,962)
Loss (gain) on disposal of non-current assets	1,480	2,057
Loss (gain) on sales of investment securities	(3,196)	(2,541)
Loss (gain) on sale of shares of subsidiaries	-	2,216
Loss (gain) on valuation of investment securities	152	-
Loss on business of subsidiaries	-	4,079
Impairment loss	258	4,597
Loss related to the Russian business	1,668	-
Decrease (increase) in notes and accounts receivable	(8,942)	9,460
Net decrease (increase) in lease receivables and investments in leases	(9,198)	(23,526)
Decrease (increase) in inventories	(113,089)	(23,583)
Decrease (increase) in other current assets	(6,915)	9,098
Increase (decrease) in notes and accounts payable	39,311	(50,446)
Increase (decrease) in accrued expenses	17,475	20,309
Increase (decrease) in deposits received	(400)	1,143
Increase (decrease) in other liabilities	(1,431)	(10,102)
Other, net	(295)	833
(Subtotal)	286,210	353,227
Interest and dividends received	15,053	24,063
Interest paid	(2,210)	(4,207)
Income taxes paid	(71,968)	(74,514)
Net cash provided by (used in) operating activities	227,085	298,568
Cash flows from investing activities		
Purchase of investment securities	(121)	(6,467)
Proceeds from sales of investment securities	23,937	5,650
Purchase of non-current assets	(107,319)	(161,381)
Proceeds from sales of non-current assets	6,128	9,764
Long-term loan advances	(330)	(361)
Collection of long-term loans receivable	358	473
Net decrease (increase) in short-term loans receivable	107	43
Net decrease (increase) in time deposits	(4,076)	(641)
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-	(1,758)
Other, net	788	(401)
Net cash provided by (used in) investing activities	(80,527)	(155,080)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(49,400)	58,999
Proceeds from long-term borrowings	117,042	92,058
Repayments of long-term borrowings	(90,577)	(110,135)
Proceeds from share issuance to non-controlling shareholders	8,942	-
Repayments to non-controlling shareholders	(788)	(3,375)
Repayments of lease obligations	(7,349)	(9,354)
Purchase of treasury shares	(38)	(50,012)
Dividends paid	(56,726)	(66,810)
Dividends paid to non-controlling interests	(48,160)	(52,866)
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	7,343	-
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(20,659)	(3,480)
Net cash provided by (used in) financing activities	(140,372)	(144,977)
Effect of Exchange Rate Change on Cash and Cash Equivalents	18,116	25,434
Net Increase (Decrease) in Cash and Cash Equivalents	24,302	23,944
Cash and Cash Equivalents at Beginning of Period	341,713	364,396
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	(1,620)	(3,462)
Cash and Cash Equivalents at End of Period	364,396	384,878

(5) Notes on Premise of a Going Concern

None

(6) Notes on consolidated statements of income

※ Loss on sale of shares of subsidiaries

In June 2023, Isuzu Motors Limited went into an agreement to sell all its shareholdings in local subsidiary ISUZU RUS to Russian automaker Sollers Public Joint Stock Company.

The extraordinary loss of 2,216-million-yen is recorded as loss on sale of shares of subsidiaries.

(7) Segment Information

The Company and its consolidated subsidiaries are composed of a single business segment, primarily engaged in manufacture and sale of vehicles and its components, industrial engines. Therefore the disclosure of segment information is omitted.

(8) Per Share Information

FY2023		FY2024	
Net assets per share (yen)	1,688.01	Net assets per share (yen)	1,951.02
Net income per share (yen)	195.75	Net income per share (yen)	229.92

[Note] Basis for the calculation of Net income per share is as follows.

	FY2023	FY2024
Net income (millions of yen)	151,743	176,442
Amount not attributable to common shareholders (millions of yen)	-	-
Net income associated with common shares (millions of yen)	151,743	176,442
Average number of shares (shares)	775,178,896	767,393,388

(9) Additional Information

(Acquisition and cancellation of treasury stock)

At a meeting of the Board of Directors held on November 10, 2023, the company resolved to acquire its own shares pursuant to the provision of Article 156 of the Companies Act as applied mutatis mutandis pursuant to the Paragraph 3 of Article 165 of the said Act, and to cancel its own shares pursuant to Article 178 of the Companies Act. In accordance with the above resolution of the Board of Directors, the Company acquired and cancelled its own shares as follows:

1. Reasons for acquisition and cancellation of treasury shares

The acquisition and cancellation of treasury shares are carried out for the purposes of enhancing shareholder returns and improving capital efficiency.

2. Details of the acquisition of treasury shares

- | | |
|---|--|
| (1) Class of shares to be acquired | : Common shares |
| (2) Total number of shares to be acquired | : 35 million shares (upper limit) |
| (3) Total acquisition cost | : 50 billion yen (upper limit) |
| (4) Acquisition period | : From November 13, 2023 to March 31, 2024 |
| (5) Acquisition method | : Market purchase on the Tokyo Stock Exchange |
| | ① Purchase of treasury shares through off-auction (ToSTNeT-3) |
| | ② Market purchase based on a discretionary transaction contract pertaining to the acquisition of treasury shares |

3. Result of the acquisition of treasury shares

- | | |
|-------------------------------------|---|
| (1) Class of shares acquired | : Common shares |
| (2) Total number of shares acquired | : 26,568,600 shares |
| (3) Acquisition price | : 49,999,988,700 yen |
| (4) Acquisition period | : From November 13, 2023 to February 20, 2024 |
| (5) Acquisition method | : Market purchase on the Tokyo Stock Exchange |

4. Result of the cancellation of treasury shares

- | | |
|---|---|
| (1) Class of shares cancelled | : Common shares |
| (2) Total number of shares cancelled | : 26,568,600 shares
(3.4% of total outstanding shares before cancellation) |
| (3) Cancellation date | : April 26, 2024 |
| (4) Total number of outstanding shares after cancellation | : 750,873,469 shares |

(Transfer of subsidiary stock)

At the Board of Directors meeting and management meeting held on November 10, 2023, the company, the Japan Monozukuri Mirai Investment Limited Partnership (hereafter the Japan Monozukuri Mirai Fund), for which Sparx Group Inc. (hereafter Sparx) acts as a general partner, ARTS-1 Co., Ltd. (hereafter the tender offeror), all of whose shares are owned by the Japan Monozukuri Mirai Fund, and IJTT Co., Ltd. (hereafter IJTT) a consolidated subsidiary of the company resolved to approve and concluded the following contractual terms pertain to a transaction, among other things (hereafter the transaction), which enabled the tender offeror to make IJTT its wholly owned subsidiary.

1. The company shall make an agreement with the tender offeror not to launch a tender offer (hereafter the tender offer) initiated by the tender offeror for any of the IJTT shares owned by the company.
2. The company shall enter into an agreement with the tender offeror and IJTT that, on condition that the tender offer is concluded, IJTT completes its common share consolidation and the acquisition of its treasury shares (hereafter the acquisition of treasury shares) so that the company and the tender offeror become the only shareholders of IJTT.
3. Furthermore, the company shall agree to the transaction whereby all of its IJTT's common shares are transferred to IJTT (hereafter the share transfer) in order to allow IJTT for the acquisition of its treasury shares, and reinvest in the tender offeror (hereafter the reinvestment) after the acquisition of treasury shares (the percentage of voting rights owned by the company after the reinvestment shall be 33.3%).
4. The company and the Japan Monozukuri Mirai Fund shall conclude a shareholder agreement that stipulates post-investment operations for the tender offeror and IJTT.

The tender offer was executed on November 13, 2023, and ended on January 15, 2024. Based on the results, with regard to the above 2, the company entered into a three-way agreement on February 5, 2024 with the tender offeror and IJTT, which states that IJTT would complete its common share consolidation (hereafter the share consolidation) in order to have only the company as the shareholder of IJTT, and thereafter make maximum efforts to implement necessary measures to have the company and the tender offeror as the shareholders of IJTT.

Subsequently, the share consolidation became effective on March 27, 2024, and the share transfer and reinvestment were implemented on April 26, 2024, making IJTT a non-consolidated subsidiary of the company.

The company plans to record a loss of approximately 6 billion yen recognized in connection with the share transfer as a loss on the sale of its subsidiary's shares in the consolidated statement of income for the following fiscal year.

(10) Important Subsequent Events

None

3. Supplementary Information

(1) Sales Condition

< Consolidated sales results >

		FY2023 (Fiscal year ending March 31, 2023)		FY2024 (Fiscal year ending March 31, 2024)		Change	
		Volume (units)	Amount (millions of yen)	Volume (units)	Amount (millions of yen)	Volume (units)	Amount (millions of yen)
HD/MD CV	Japan	30,157	332,066	33,931	389,900	3,774	57,833
	Overseas	63,052	401,702	58,562	416,237	(4,490)	14,535
		93,209	733,768	92,493	806,137	(716)	72,368
LD CV	Japan	27,691	116,163	29,001	133,830	1,310	17,667
	Overseas	220,285	526,744	185,743	594,800	(34,542)	68,055
		247,976	642,907	214,744	728,630	(33,232)	85,722
LCV	Overseas	410,459	990,164	359,572	995,310	(50,887)	5,145
		410,459	990,164	359,572	995,310	(50,887)	5,145
Total vehicles	Japan	57,848	448,229	62,932	523,730	5,084	75,500
	Overseas	693,796	1,918,611	603,877	2,006,347	(89,919)	87,736
		751,644	2,366,840	666,809	2,530,077	(84,835)	163,236
Industrial Engines	Japan	-	55,360	-	64,840	-	9,480
	Overseas	-	64,332	-	49,720	-	(14,612)
		-	119,693	-	114,561	-	(5,132)
Other	Japan	-	486,243	-	520,332	-	34,089
	Overseas	-	222,759	-	221,705	-	(1,053)
		-	709,002	-	742,038	-	33,035
Sales amount	Japan	-	989,833	-	1,108,903	-	119,069
	Overseas	-	2,205,703	-	2,277,773	-	72,069
		-	3,195,537	-	3,386,676	-	191,139

- (Note) 1. From the current consolidated fiscal period, the categories of HD/MD vehicles and LD vehicles, etc. were renamed to HD/MD CV and LD CV respectively. In addition, a new category LCV was added to separately describe pickup trucks, etc. that were included in LD vehicles, etc. CV and LCV refer to commercial vehicles (trucks and buses) and pickup trucks and variant vehicle models respectively.
2. From the current consolidated fiscal period, Parts for overseas production were spread across LD/MD CV, LD CV, and LCV depending on vehicle types. Because the number of Parts for overseas production were tallied and included in the respective volumes, it resulted in changes in the total number of units for the same period of the previous year.
3. From the current consolidated fiscal period, the category Engines/Components was renamed to Industrial Engines, and a new category Other was added to separately describe components that were included in Engines/Components.
4. The sales results for the previous consolidated fiscal period were summarized and tabulated with new categories.

<Overseas Sales>

FY2023 (April 1, 2022 through March 31, 2023)

(millions of yen)

	North America	Asia	Other	Total
1 Overseas sales	245,273	942,823	1,017,608	2,205,703
2 Consolidated sales	-	-	-	3,195,537
3 Overseas sales per Consolidated sales	% 7.7	% 29.5	% 31.8	% 69.0

1. This segmentation is based on the geographical area.
2. Major countries or areas included
 - (1) North America---USA
 - (2) Asia---Thailand, Indonesia, China, Philippines
 - (3) Other---Saudi Arabia, Australia, Colombia, South Africa, Italy
3. Overseas sales are sales to all countries and areas excluding Japan
made by the parent company and consolidated subsidiaries.

FY2024 (April 1, 2023 through March 31, 2024)

	North America	Asia	Other	Total
1 Overseas sales	365,637	773,903	1,138,233	2,277,773
2 Consolidated sales	-	-	-	3,386,676
3 Overseas sales per Consolidated sales	% 10.8	% 22.9	% 33.6	% 67.3

1. This segmentation is based on the geographical area.
2. Major countries or areas included
 - (1) North America---USA
 - (2) Asia---Thailand, Indonesia, China, Philippines
 - (3) Other---Australia, Saudi Arabia, Italy, Turkey, Mexico
3. Overseas sales are sales to all countries and areas excluding Japan
made by the parent company and consolidated subsidiaries.