

[Translation]
March 30, 2023

To: Shareholders of Honda Motor Co., Ltd.
From: Honda Motor Co., Ltd.
1-1, Minami-Aoyama 2-chome,
Minato-ku, Tokyo, 107-8556
Toshihiro Mibe
Director, President and Representative Executive Officer

**Announcement Regarding the Change in Capital Structure of Hitachi Astemo
including Capital Participation of JIC Capital**

Honda Motor Co., Ltd. (“Honda”) today announced that Hitachi, Ltd., JICC-01 Limited Partnership managed by JICC-01 G.K., which is a wholly owned subsidiary of JIC Capital, Ltd. (“JICC”), Hitachi Astemo, Ltd. (“Hitachi Astemo”) and Honda have agreed capital participation of JICC on Hitachi Astemo and change in its capital structure.

With this agreement, Hitachi Astemo aims to realize sustainable growth and consolidate its position as a global mega supplier by leveraging its competitive software development technology with accelerating investment in advanced technologies.
For details, please see the attached press release.

This transaction is not anticipated to have a material impact on Honda’s consolidated financial results for the fiscal year ending March 31, 2023.

- End -

March 30, 2023

Hitachi, Ltd.
Honda Motor Co., Ltd.
JIC Capital, Ltd.
Hitachi Astemo, Ltd.

Notice of Change in Capital Structure of Hitachi Astemo including Capital Participation of JIC Capital

Hitachi, Ltd. (“Hitachi”), Honda Motor Co., Ltd (“Honda”), JICC-01 Limited Partnership (“JICC-01”) managed by JICC-01 G.K., which is a wholly owned subsidiary of JIC Capital, Ltd. (“JICC”) and Hitachi Astemo, Ltd. (“Hitachi Astemo”) have today agreed capital participation of JICC on Hitachi Astemo and change in its capital structure. Based on this agreement, the ownership ratio of voting rights for Hitachi Astemo will be changed from Hitachi : Honda = 66.6% : 33.4% to Hitachi : Honda : JICC-01 = 40.0% : 40.0% : 20.0% in September 2023. For this change in Hitachi Astemo’s capital structure, Hitachi Astemo plans to issue class shares to JICC-01 and purchases a certain number of shares of its common stock held by Hitachi, using a portion of the funds raised through the issuance of class shares. In the meantime, Honda plans to purchase a certain number of shares of Hitachi Astemo’s common stock from Hitachi and also plans to transfer all of its common shares of Hitachi Astemo Electric Motor Systems, Ltd. (“Hitachi Astemo EMS”) to Hitachi Astemo, and in exchange Honda will acquire common shares of Hitachi Astemo which will be newly issued. As a result of the share transfer from Honda, Hitachi Astemo will make Hitachi Astemo EMS a wholly owned subsidiary to integrate Hitachi EMS strategically and optimize and strengthen further the strategy for electric powertrain.

■ Purpose and Background

After the management integration of Hitachi Automotive Systems, Ltd., Keihin Corporation, Showa Corporation, and Nissin Kogyo Co., Ltd., Hitachi Astemo has established its position as a global mega supplier which provides competitive mobility solutions in the CASE field by combining the strengths of each supplier and leveraging the relationships with existing shareholders Hitachi and Honda.

As the automobile and motorcycle industries are currently facing a revolution, Hitachi Astemo aims to realize sustainable growth and consolidate its position as a global mega supplier by leveraging its competitive software development technology with accelerating investment in

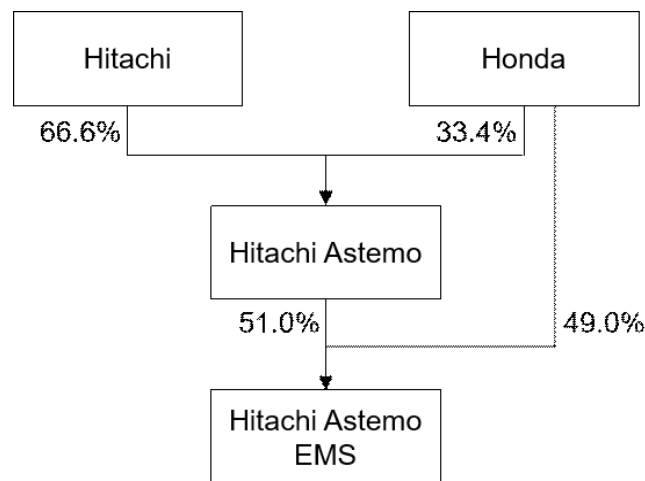
advanced technologies such as electric powertrains for automobiles, autonomous driving/advanced driver assistance systems, advanced chassis and next-generation motorcycles.

For achieving the above purpose, Hitachi Astemo and its shareholders, Hitachi and Honda, came to the conclusion that, taking IPO into consideration, it would be desirable that Hitachi and Honda, as existing shareholders, support Hitachi Astemo's growth on an equal position and invite JICC as a new joint partner to utilize its extensive track record of investment and support, including in the automotive industry, as well as its knowledge and information network based on that experience in order to realize Hitachi Astemo's sustained growth.

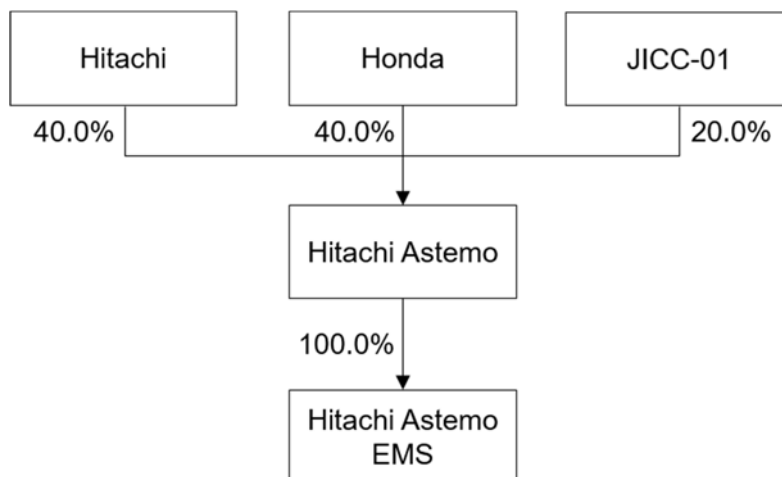
Based on the above, Hitachi, Honda, JICC and Hitachi Astemo determined change in capital structure of Hitachi Astemo including capital participation of JICC as follows.

■Outline

< Current >



< After a series of transactions >



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