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HONDA TO PRODUCE AUTOMOBILES IN PAKISTAN

Honda Motor Co., Ltd. announced today an agreement with the Shirazi family, a major shareholder in the Atlas Group, to produce and sell automobiles in Pakistan, beginning in mid-1994.

The new company, Honda Atlas Cars (Pakistan) Ltd., will be capitalized at about 2 billion yen, with Honda controlling a 51% share, and local investors holding the remaining 49%. The Atlas Group, a major conglomerate, has been Honda's motorcycle joint venture partner in Pakistan since 1964.

A new plant will be built at a site in the Lahore area. Production for the first full year will be 3,000 units and will increase according to market demand.

Improved business conditions in Pakistan, including the deregulation of licensed auto production, have influenced Honda's decision to enter this joint venture.

Passenger car sales in Pakistan were about 32,000 units in 1991. As new government economic policies lead to increased personal income levels, steady market growth is forecast.

*** COMPANY PROFILE ***

Name :	Honda Atlas Cars (Pakistan) Ltd.
Capital :	400 million rupee (about ¥2 billion)
Equity ratio :	Honda 51%; local investors 49%
Business :	Automobile production and sales
Company start-up:	By the end of 1992
Production start-up :	Mid-1994
Production capacity :	6,000 units annually (3,000 units in the first year)