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HONDA'S POSITION ON FORMULA ONE RACING

Tokyo, March 9, 1998 --- Honda Motor Co., Ltd. announced that it has begun a feasibility study on re-entering Formula One ("F-1") racing, after being out of the races since 1992.

At Honda motorsports have always played an integral role in its corporate culture. For this reason, Honda has committed itself to both motorcycle and automobile racing ever since the company's founding fifty years ago.

In entering its third era of F-1 racing efforts, Honda plans to expand on what it had accomplished during its previous era (from 1983 to 1992), when Honda participated as an engine manufacturer. This time, in addition to the engine, Honda intends to develop and manufacture its original formula car chassis and manage its own racing team, becoming a fully comprehensive F-1 team.

Through its renewed F-1 involvement, Honda aims to nurture the capabilities of its engineers and develop advanced technologies, among other objectives, in the fiercely competitive environment which F-1 racing entails.

Honda's overall F-1 planning, including the actual timing of participation, will be finalized by the end of the year. Various items, including team structure and management, are to be worked out with concerned parties throughout the course of the year.

Mr. Nobuhiko Kawamoto, President and CEO of Honda Motor Co., Ltd. commented: "It was the strong determination of our young engineers that prompted Honda to start its serious consideration of returning to F-1 racing. In reaching our 50th anniversary this year, we consider this partaking as a new challenge for Honda of the next generation. We hope to respond to the enthusiastic expectations of many motorsports fans through our involvement in both the Formula One and CART* Indy car races."

*Championship Auto Racing Teams

Reference information on Honda's Formula One involvement:

- First Era (1964-1968): Participated in the races as a Honda team, building original engines and race car chassis; the team won two out of 35 races.
- Second Era (1983-1992): Participated as an engine manufacturer; Honda engines won 69 out of 151 races.