

Consolidated Financial Summary for the Fiscal 1st Quarter Ended June 30, 2022 and Forecasts for the Fiscal Year Ending March 31, 2023

- Despite some unfavorable factors such as a decrease in automobile unit sales due to the semiconductor supply shortage and the lockdown of Shanghai, and an increase in the cost of raw materials, consolidated operating profit for the fiscal first quarter ended June 30, 2022, amounted to 222.2 billion yen (a year-on-year decrease by 20.9 billion yen), securing operating profit margin equivalent to that of the same period last year. This was due primarily to the effect of changes in sales prices and costs, a reduction of incentives and favorable currency effects.
- Consolidated profit for the fiscal first quarter attributable to owners of the parent amounted to 149.2 billion yen (a year-on-year decrease by 73.2 billion yen), due primarily to a decrease in the share of profit of investments accounted for using the equity method in China.
- The previously announced forecast for consolidated operating profit for the current fiscal year (April 1, 2022 through March 31, 2023) was revised upward by 20 billion yen to 830 billion yen. The previously announced forecast for profit for the fiscal year attributable to owners of the parent remains the same, 710 billion yen.
- Honda will acquire its own shares, with the maximum acquisition amount of 100 billion yen, with the purposes including improving efficiency of its capital structure and implementing a flexible capital strategy.

I. Consolidated financial summary and business-by-business results for the fiscal first quarter (3 months) ended June 30, 2022

- **Sales revenue: 3,829.5 billion yen** (a year-on-year increase of 6.9%)
Although automobile sales decreased, consolidated sales revenue experienced a year-on-year increase due primarily to an increase in motorcycle sales and favorable currency effects.
- **Operating profit: 222.2 billion yen** (a year-on-year decrease of 8.6%)
- **Profit for the period attributable to owners of the parent: 149.2 billion yen** (a year-on-year decrease of 32.9%)

1) Motorcycle business

Sales revenue: 676.0 billion yen (a year-on-year increase of 30.5%)

Increase due primarily to a sales increase in Asia and favorable currency effects.

Operating profit: 97.8 billion yen (a year-on-year increase of 21.2%)

Increase due primarily to an increase in profit related to changes in sales prices and costs and favorable currency effects.

2) Automobile business

Sales revenue: 2,328.1 billion yen (a year-on-year increase of 3.4%)

Although sales decreased mainly in North America, sales revenue experienced a year-on-year increase due primarily to favorable currency effects.

Operating profit: 38.2 billion yen (a year-on-year decrease of 45.9%)

Decrease due primarily to a decrease in profit attributable to sales impacts.

Combined with operating profit from financial services business related to automobile sales, the estimated operating profit for automobile business is 113.9 billion yen.

3) Financial Services business

Operating profit: 78.8 billion yen (a year-on-year decrease of 14.5%)
Decrease due primarily to a decrease in profit due to lower revenue.

4) Power Product and Other businesses

Operating profit: 7.3 billion yen (a year-on-year increase of 7.7 billion yen)
Aircraft/aircraft engine business, which is included in "Other businesses," accounted for an operating loss of 3.8 billion yen.

II. Forecasts for the Fiscal Year Ending March 31, 2023 (FY23)

- **Sales revenue: 16,750 billion yen**
(upward revision of the previously announced forecast by 500 billion yen)
- **Operating profit: 830 billion yen**
(upward revision of the previously announced forecast by 20 billion yen)
- **Profit for the fiscal year attributable to owners of the parent: 710 billion yen**
(no change from the previously announced forecast)

III. Acquisition of the Company's Own Shares

For the purpose of improving efficiency of its capital structure and implementing a flexible capital strategy, among others, Honda resolved the following details regarding the acquisition of its own shares at the Board of Directors meeting held today.

- Total number of shares to be acquired (maximum): 32 million shares (common shares)
- Total amount of acquisition (maximum): 100 billion yen
- Period of acquisition: From August 12, 2022 through March 31, 2023

Consolidated Financial Results for the Fiscal 1st Quarter ended June 30, 2022

		1st quarter ended June 30, 2021 (3 months period)	1st quarter ended June 30, 2022 (3 months period)	Difference
Honda Group Unit Sales ^{*1} (million units)	Motorcycles	3.879	4.251	+0.372
	Automobiles ^{*3}	0.998	0.815	-0.183
	Power Products ^{*4}	1.708	1.546	-0.162
Consolidated Unit Sales ^{*2} (million units)	Motorcycles	2.392	2.972	+0.580
	Automobiles ^{*3}	0.608	0.529	-0.079
	Power Products ^{*4}	1.708	1.546	-0.162
Financial Results (billion yen)	Sales revenue	3,583.8	3,829.5	+245.6
	Operating profit	243.2	222.2	-20.9
	Share of profit of investments accounted for using the equity method	55.9	22.6	-33.3
	Profit before income taxes	311.3	237.4	-73.9
	Profit for the period attributable to owners of the parent	222.5	149.2	-73.2
Honda's Average Rate (yen)	USD=	109	130	JPY depreciated against the USD by 21 yen/dollar

Forecasts for the Fiscal Year Ending March 31, 2023 (FY23)

		FY22 results	Previous FY23 forecasts (2022/5/13)	Revised FY23 forecasts (2022/8/10)	Difference compared to FY22 results	Difference compared to previous forecasts
Honda Group Unit Sales* ¹ (million units)	Motorcycles	17.027	18.560	18.560	+1.533	—
	Automobiles* ³	4.074	4.200	4.200	+0.126	—
	Power Products* ⁴	6.200	5.665	5.665	-0.535	—
Consolidated Unit Sales* ² (million units)	Motorcycles	10.721	11.660	11.660	+0.939	—
	Automobiles* ³	2.424	2.520	2.520	+0.096	—
	Power Products* ⁴	6.200	5.665	5.665	-0.535	—
Financial Results/ Forecasts (billion yen)	Sales revenue	14,552.6	16,250.0	16,750.0	+2,197.3	+500.0
	Operating profit	871.2	810.0	830.0	-41.2	+20.0
	Share of profit of investments accounted for using the equity method	202.5	230.0	215.0	+12.4	-15.0
	Profit before income taxes	1,070.1	1,035.0	1,040.0	-30.1	+5.0
	Profit for the year attributable to owners of the parent	707.0	710.0	710.0	+2.9	—
Annual dividend per share (yen)		120	120	120	—	—
Honda's Average Rate (yen)	USD=	112	120	125	JPY to depreciate against the USD by 13 yen/dollar	JPY to depreciate against the USD by 5 yen/dollar

*1 Honda Group Unit Sales is the total unit sales of completed products (motorcycles, ATVs, Side-by-Sides, automobiles, power products) of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method.

*2 Consolidated Unit Sales is the total unit sales of completed products (motorcycles, ATVs, Side-by-Sides, automobiles, power products) corresponding to consolidated sales revenue, which consists of unit sales of completed products of Honda and its consolidated subsidiaries.

*3 Certain sales of automobiles that are financed with residual value type auto loans and others by our Japanese finance subsidiaries and provided through our consolidated subsidiaries are accounted for as operating leases in conformity with IFRS and are not included in consolidated sales revenue to the external customers in our automobile business. Accordingly, they are not included in Consolidated Unit Sales, but are included in Honda Group Unit Sales of our automobile business.

*4 Life creation business has been renamed Power product business effective April 1, 2022.

For more details, please check the Investor Relations section of Honda website:

<https://www.honda.co.jp/investors/library/financialresult.html>(Japanese)

<https://global.honda/investors/library/financialresult.html>(English)