

## Consolidated Financial Summary for the Fiscal 3rd Quarter Ended December 31, 2020 and Forecasts for the Fiscal Year Ending March 31, 2021

- Despite a decrease in demand due to the impact of the COVID-19 pandemic, consolidated operating profit for the fiscal nine months amounted to 447.0 billion yen due primarily to control of selling, general and administrative (SG&A) expenses and cost reduction efforts resulting from a fundamental review of business activities conducted throughout the entire company.
- The previously announced forecast for consolidated operating profit for the current fiscal year (April 1, 2020 through March 31, 2021) was revised upward by 100.0 billion yen to 520.0 billion yen. This was despite the impact of both the COVID-19 pandemic and the shortage of semiconductor supply.
- The previously announced forecast for profit for the fiscal year attributable to owners of the parent was revised upward by 75.0 billion yen to 465.0 billion yen, a year-on-year increase.
- The previously announced forecast for total dividends to be paid for the fiscal year was revised upward by 14 yen per share to 82 yen per share; the quarterly dividend for the fiscal third quarter will be 26 yen per share.

### I. Consolidated financial summary for the fiscal nine months ended December 31, 2020

- **Sales revenue: 9,546.7 billion yen**  
The year-on-year decrease was due primarily to a decrease in sales revenue from all businesses as a result of the impact of the COVID-19 pandemic.
- **Operating profit: 447.0 billion yen**  
The improvement was due primarily to control of SG&A expenses and cost reduction efforts. This was despite a decrease in profit related to changes in sales volume and model mix.
- **Profit before income taxes: 658.7 billion yen**
- **Profit for the period attributable to owners of the parent: 444.1 billion yen**

### II. Consolidated financial summary and business-by-business results for the fiscal third quarter (3 months) ended December 31, 2020

- **Sales revenue: 3,771.5 billion yen** (a year-on-year increase of 0.6%)  
The increase was due primarily to an increase in sales revenue from automobile business.
- **Operating profit: 277.7 billion yen** (a year-on-year increase of 66.7%)  
The increase was due primarily to increased efficiency of R&D expenditures and cost reduction efforts. This was despite unfavorable currency effects.

#### 1) Motorcycle business

**Sales revenue: 490.8 billion yen** (a year-on-year decrease of 39.3 billion yen)

Although sales are recovering in many countries, sales revenue experienced a year-on-year decrease due primarily to decreased sales, mainly in Asia.

**Operating profit: 72.7 billion yen** (a year-on-year decrease of 1.8 billion yen).

The improvement was due primarily to cost reduction efforts and control of SG&A expenses. This was despite a decrease in profit related to changes in sales volume and model mix.

## 2) Automobile business

**Sales revenue: 2,638.1 billion yen** (a year-on-year increase of 63.2 billion yen)

The increase was due primarily to an increase in sales in Japan and the U.S. offsetting a decrease in sales in Europe and Asia.

**Operating profit: 123.1 billion yen** (a year-on-year increase of 89.4 billion yen)

The increase was due primarily to an increase in profit related to changes in sales volume and model mix and cost reduction efforts. This was despite an increase in SG&A expenses. The operating profit margin also increased.

Combined with operating profit from financial services business related to automobile sales, the estimated operating profit for automobile business is 205.4 billion yen.

## 3) Financial Services business

**Operating profit: 85.7 billion yen** (a year-on-year increase of 21.1 billion yen)

The increase was due primarily to a year-on-year difference in the amount of the provision for credit losses recorded.

## 4) Life Creation (power products) and Other businesses

**Operating loss: 3.8 billion yen** (a year-on-year improvement of 2.3 billion yen)

The loss was due primarily to a decrease in profit related to changes in sales volume and model mix. Aircraft and aircraft engine business, which is included in other businesses, accounted to an operating loss of 9.1 billion yen.

### III. Forecasts for the Fiscal Year Ending March 31, 2021 (FY21)

- The future outlook of the market remains uncertain due to the impact of the COVID-19 pandemic.
- Despite the impact of the shortage of semiconductor supply, the previously announced forecast for consolidated operating profit for the current fiscal year was revised upward by 100.0 billion yen to 520.0 billion yen.
- The previously announced forecast for profit for the fiscal year attributable to owners of the parent was revised upward by 75.0 billion yen to 465.0 billion yen, a year-on-year increase.

### Consolidated Financial Results for the Fiscal 3rd Quarter

		3rd quarter ended Dec. 31, 2019 (3 months period)	3rd quarter ended Dec. 31, 2020 (3 months period)	Difference
Honda Group Unit Sales <sup>*1</sup> (million units)	Motorcycles	5.019	4.269	- 0.750
	Automobiles <sup>*3</sup>	1.247	1.380	+0.133
	Life Creation	1.195	1.402	+0.207
Consolidated Unit Sales <sup>*2</sup> (million units)	Motorcycles	3.190	3.019	- 0.171
	Automobiles <sup>*3</sup>	0.808	0.809	+0.001
	Life Creation	1.195	1.402	+0.207
Financial Results (billion yen)	Sales revenue	3,747.5	3,771.5	+23.9
	Operating profit	166.6	277.7	+111.0
	Share of profit of investments accounted for using the equity method	41.5	102.2	+60.7
	Profit before income taxes	206.7	386.4	+179.6
	Profit for the period attributable to owners of the parent	116.4	284.0	+167.6
Quarterly dividend per share (yen)		28	26	-2
Honda's Average Rate (yen)	USD/JPY	109	104	JPY appreciated against the USD by 5 yen/dollar

## Consolidated Financial Results for the Fiscal Nine Months

		Fiscal nine months ended Dec. 31, 2019 (9 months period)	Fiscal nine months ended Dec. 31, 2020 (9 months period)	Difference
Honda Group Unit Sales <sup>*1</sup> (million units)	Motorcycles	15.038	10.591	- 4.447
	Automobiles <sup>*3</sup>	3.809	3.425	- 0.384
	Life Creation	3.630	3.855	+0.225
Consolidated Unit Sales <sup>*2</sup> (million units)	Motorcycles	9.732	7.263	- 2.469
	Automobiles <sup>*3</sup>	2.541	1.899	- 0.642
	Life Creation	3.630	3.855	+0.225
Financial Results (billion yen)	Sales revenue	11,472.9	9,546.7	- 1,926.2
	Operating profit	639.2	447.0	-192.2
	Share of profit of investments accounted for using the equity method	149.7	204.5	+54.8
	Profit before income taxes	786.1	658.7	- 127.4
	Profit for the period attributable to owners of the parent	485.2	444.1	- 41.1
Dividend per share (yen)		84	56	-28
Honda's Average Rate (yen)	USD/JPY	109	106	JPY appreciated against the USD by 3 yen/dollar

## Forecasts for the Fiscal Year Ending March 31, 2021 (FY21)

		FY20 results	Previous FY21 forecasts (2020/11/6)	Revised FY21 forecasts (2021/2/9)	Difference compared to FY20 results	Difference compared to previous forecasts
Honda Group Unit Sales <sup>*1</sup> (million units)	Motorcycles	19.340	14.800	15.000	-4.340	+0.200
	Automobiles <sup>*3</sup>	4.790	4.600	4.500	-0.290	-0.100
	Life Creation	5.701	5.500	5.500	-0.201	-
Consolidated Unit Sales <sup>*2</sup> (million units)	Motorcycles	12.426	10.145	10.185	-2.241	+0.040
	Automobiles <sup>*3</sup>	3.318	2.715	2.615	-0.703	-0.100
	Life Creation	5.701	5.500	5.500	-0.201	-
Financial Results/ Forecasts (billion yen)	Sales revenue	14,931.0	13,050.0	12,950.0	-1,981.0	-100.0
	Operating profit	633.6	420.0	520.0	-113.6	+100.0
	Share of profit of investments accounted for using the equity method	164.2	225.0	235.0	+70.7	+10.0
	Profit before income taxes	789.9	660.0	745.0	-44.9	+85.0
	Profit for the period attributable to owners of the parent	455.7	390.0	465.0	+9.2	+75.0
Annual dividend per share (yen)		112	68	82	-30	+14
Honda's Average Rate (yen)	USD/JPY	109	106	105	JPY to appreciate against the USD by 4 yen/dollar	JPY to appreciate against the USD by 1 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 by our Japanese finance subsidiaries and sold 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.

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)