



FY13 1st Quarter Financial Results



Honda Motor Co., Ltd.

July 31, 2012

ACURA RDX
(North America)

FY13 1st Quarter Financial Results & FY13 Financial Forecasts

Fumihiko Ike

***Senior Managing Officer and Director
Chief Financial Officer***

- *FY13 1st Quarter Consolidated Financial Results*
- *FY13 Financial Forecasts*
- *Dividend*

Kohei Takeuchi

Operating Officer, General Manager of Accounting Division

- *FY13 1st Quarter Consolidated Financial Results*
 - Net Sales and Other Operating Revenue*
 - Change in Income before Income Taxes*
 - Business Segment Information*
 - Geographical Information*
 - Change in Equity in Income of Affiliates*
 - Consolidated Capital Expenditures*

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Outline of FY13 1st Quarter Financial Results (Consolidated)

Honda Group Unit Sales (Consolidated Unit Sales) (thousand)	1Q Results (Three Months)		
	FY12	FY13	Change
Motorcycles	3,477 (1,949)	3,911 (2,366)	+ 12.5% (+ 21.4%)
Automobiles	625 (458)	999 (849)	+ 59.8% (+ 85.4%)
Power Products	1,512 (1,512)	1,625 (1,625)	+ 7.5% (+ 7.5%)

Financial results (Yen (billion))	1Q Results (Three Months)		
	FY12	FY13	Change
Net sales & other operating revenue	1,714.5	2,435.9	+ 42.1%
Operating income	22.5	176.0	+ 679.5%
Income before income taxes	29.2	194.7	+ 564.8%
Equity in income of affiliates	28.6	20.7	- 27.6%
Net income attributable to Honda Motor Co., Ltd.	31.7	131.7	+ 314.3%
EPS attributable to Honda Motor Co., Ltd. (Yen)	17.64	73.09	+ 55.45

Note : Shares which are based on calculation of EPS

approx.	approx.
1,802,301,000 shares	1,802,299,000 shares
(weighted average number of shares outstanding)	(weighted average number of shares outstanding)

Average Rates (Yen)

US Dollar	82	80	Yen up by 2 yen
Euro	118	104	Yen up by 14 yen

Financial Summary

Operating margin for the quarter was 7.2%. Strong sales of new models as well as a strong recovery from the supply chain disruption caused by the Earthquake last year, contributed to a significant increase in profit in Japan and North America automobile operations. Motorcycle and automobile business operations in Asia also contributed to an increase in profit.

Financial Highlights

Honda Group Unit Sales:

Motorcycle:

Increased in Asia and North America

Automobile:

Increased in all regions

Power Products:

Increased in North America, Asia and Other regions

Net sales & other operating revenue

- Increased in automobile business with the recovery from supply chain disruption caused by the Earthquake
- Increased in motorcycle business

Operating income

- Positive change in sales volume and model mix
- Cost reduction efforts
- Increased SG&A expenses

FY13 Financial Forecasts (Consolidated)

No changes are made from the previous Forecasts on April 27, 2012 Yen (billion)

	FY12 Results	FY13 Forecasts	Change	
			amount	%
Net sales & other operating revenue	7,948.0	10,300.0	+ 2,351.9	+ 29.6%
Operating income	231.3	620.0	+ 388.6	+ 168.0%
Income before income taxes	257.4	635.0	+ 377.5	+ 146.7%
Equity in income of affiliates	100.4	120.0	+ 19.5	+ 19.5%
Net income attributable to Honda Motor Co., Ltd.	211.4	470.0	+ 258.5	+ 122.2%
EPS attributable to Honda Motor Co., Ltd. (Yen)	117.34	260.78	+ 143.44	

Note : Shares which are based on calculation of EPS

approx.
1,802,300,000 shares
(weighted average number of shares outstanding)

approx.
1,802,299,451 shares
(weighted average number of shares outstanding)

Average Rates (Yen)

US Dollar	79	80	Yen down by 1 yen
Euro	108	105	Yen up by 3 yen

(Yen)

Dividend per share	FY12 Results	FY13 Results & Projection	
		Increase / Decrease from FY12	
1 st quarter End	15	19	+ 4
2 nd quarter End	15	(19)	(+ 4)
3 rd quarter End	15	(19)	(+ 4)
4 th quarter End	15	(19)	(+ 4)
Fiscal Year	60	(76)	(+ 16)

FY13 1st Quarter Financial Results & FY13 Financial Forecasts

Fumihiko Ike

Senior Managing Officer and Director

Chief Financial Officer

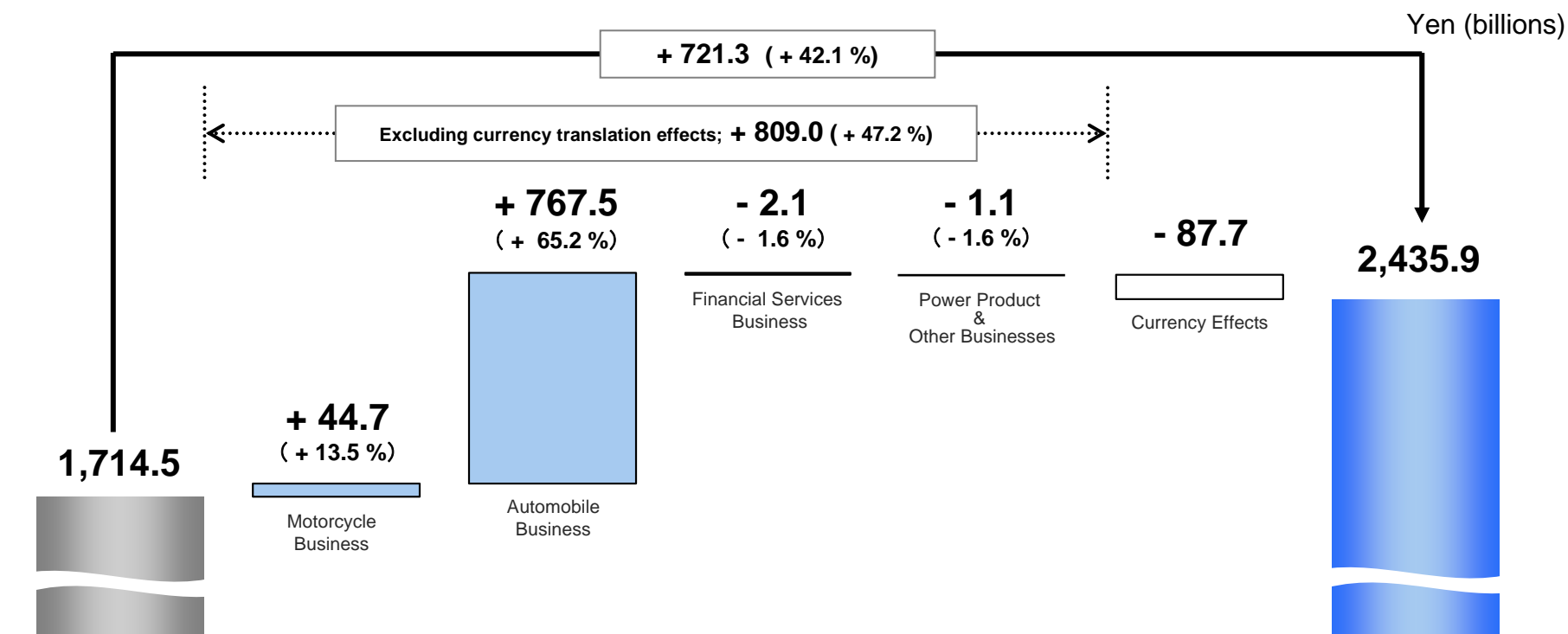
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Net Sales and Other Operating Revenue



FY12 1Q

Yen (billion)

Motorcycle Business	330.3
Automobile Business	1,176.9
Financial Services Business	135.8
Power Product & Other Businesses	71.4
Total	1,714.5

Market average rates

US Dollar	82
Euro	117

FY13 1Q

Yen (billion)

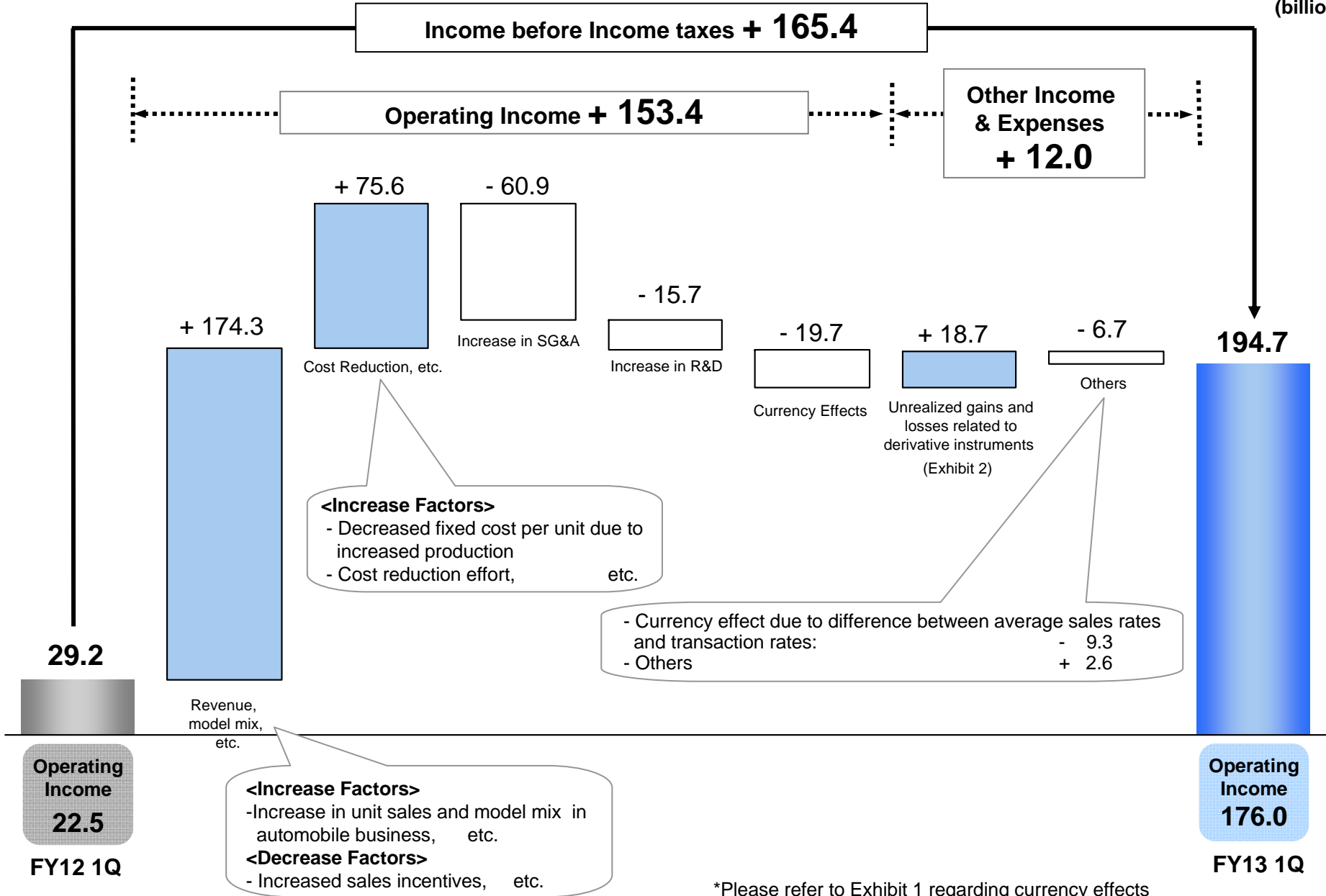
Motorcycle Business	346.6
Automobile Business	1,890.5
Financial Services Business	131.2
Power Product & Other Businesses	67.4
Total	2,435.9

Market average rates

US Dollar	80
Euro	103

Change in Income before Income Taxes <FY13 1st Quarter>

Yen (billion)

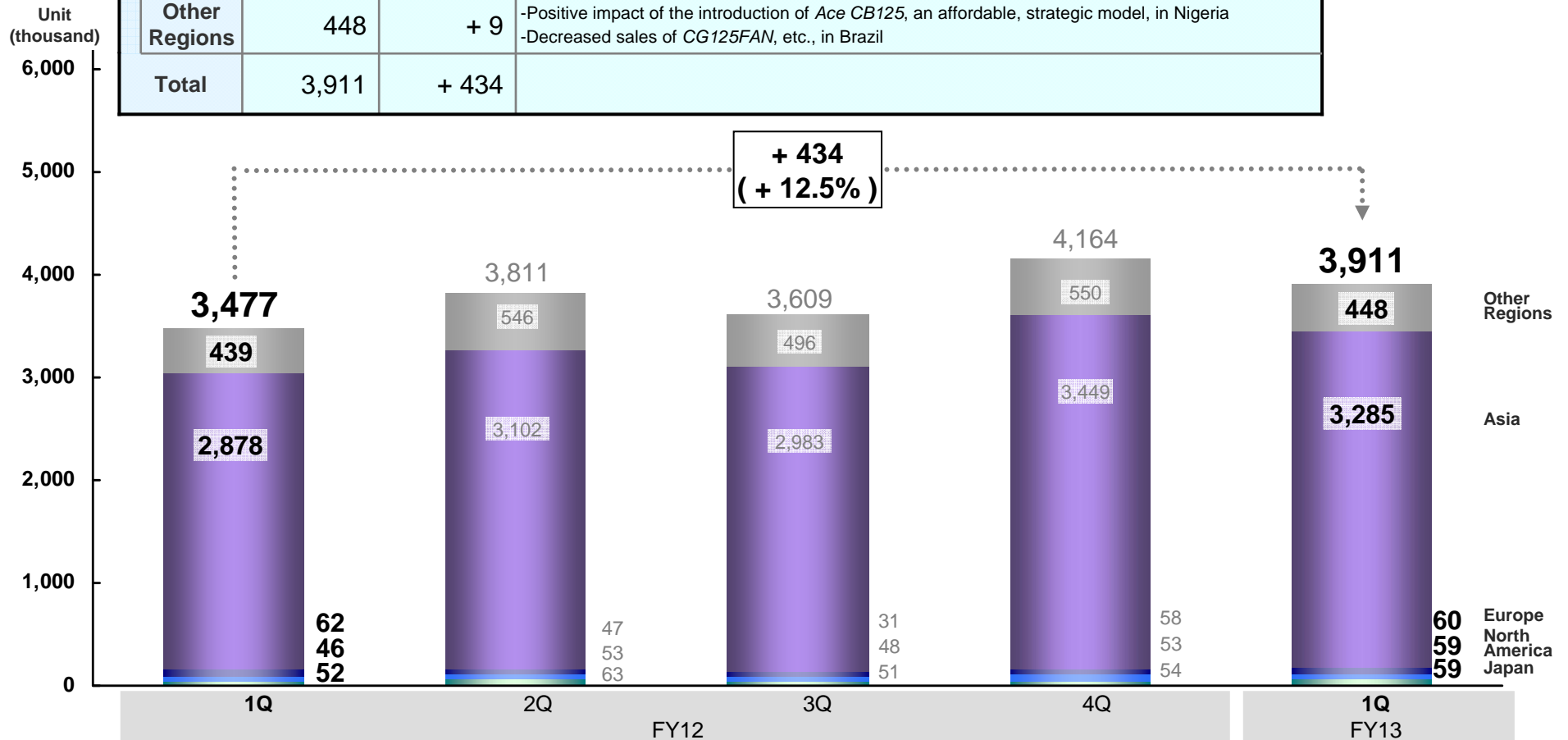


Motorcycle Honda Group Unit Sales (Motorcycles + All-Terrain Vehicles, etc.)

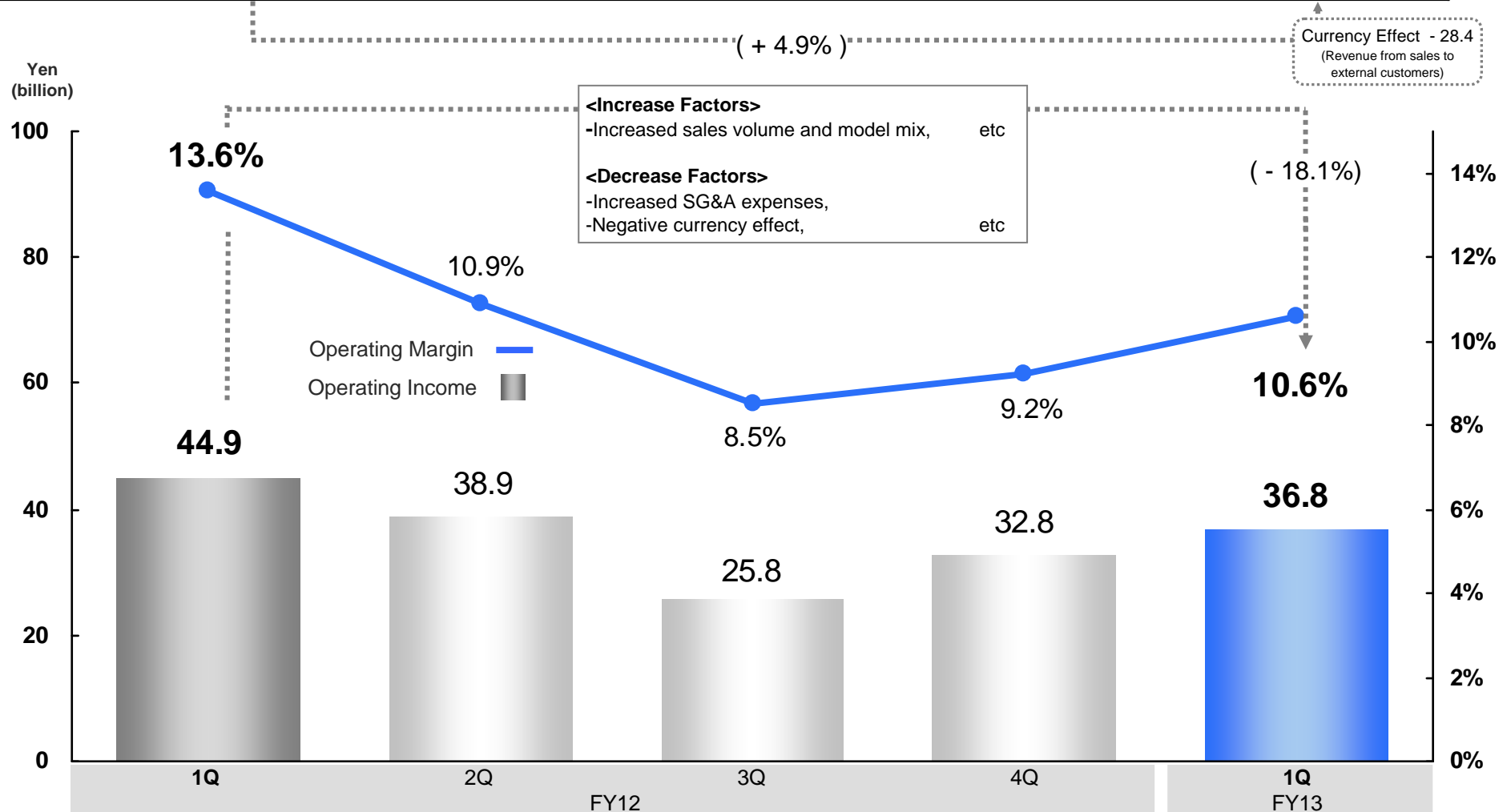
Unit (thousand)	FY13 1Q	Change from FY12 1Q	Major increase / decrease factors
Japan	59	+ 7	-Positive impact of the introduction of fully remodeled <i>Super Cub50</i> , on-off road motorcycle <i>CRF250L</i> , and <i>NC700</i> series models
North America	59	+ 13	-Increased sales of ATV models such as <i>FourTrax Rancher</i> -Increased sales of <i>CBR250R</i> , <i>Ruckus</i> scooters, etc.
Europe	60	- 2	-Positive impact of the introduction of NC series motorcycles in Germany and the U.K. -Decreased sales of scooters in Southern European countries
Asia	3,285	+ 407	-Increased sales of <i>Activa</i> , <i>CB Shine</i> , etc., positive impact of the introduction of <i>Dream Yuga</i> in India -Positive Impact of the introduction of <i>Vision</i> in Vietnam, increased sales of <i>Click i</i> and <i>Wave110i</i> in Thailand -Increased sales of <i>BeAT</i> and positive impact of the introduction of <i>Vario Techno</i> in Indonesia
Other Regions	448	+ 9	-Positive impact of the introduction of <i>Ace CB125</i> , an affordable, strategic model, in Nigeria -Decreased sales of <i>CG125FAN</i> , etc., in Brazil
Total	3,911	+ 434	



Dream Yuga
(India)



	FY12				FY13	Unit (thousand)
	1Q	2Q	3Q	4Q	1Q	
Honda Group Unit Sales (Consolidated Unit Sales)	3,477 (1,949)	3,811 (2,187)	3,609 (2,031)	4,164 (2,483)	3,911 (2,366)	
Net Sales	330.3	357.3	302.5	358.5	346.6	Yen (billion)

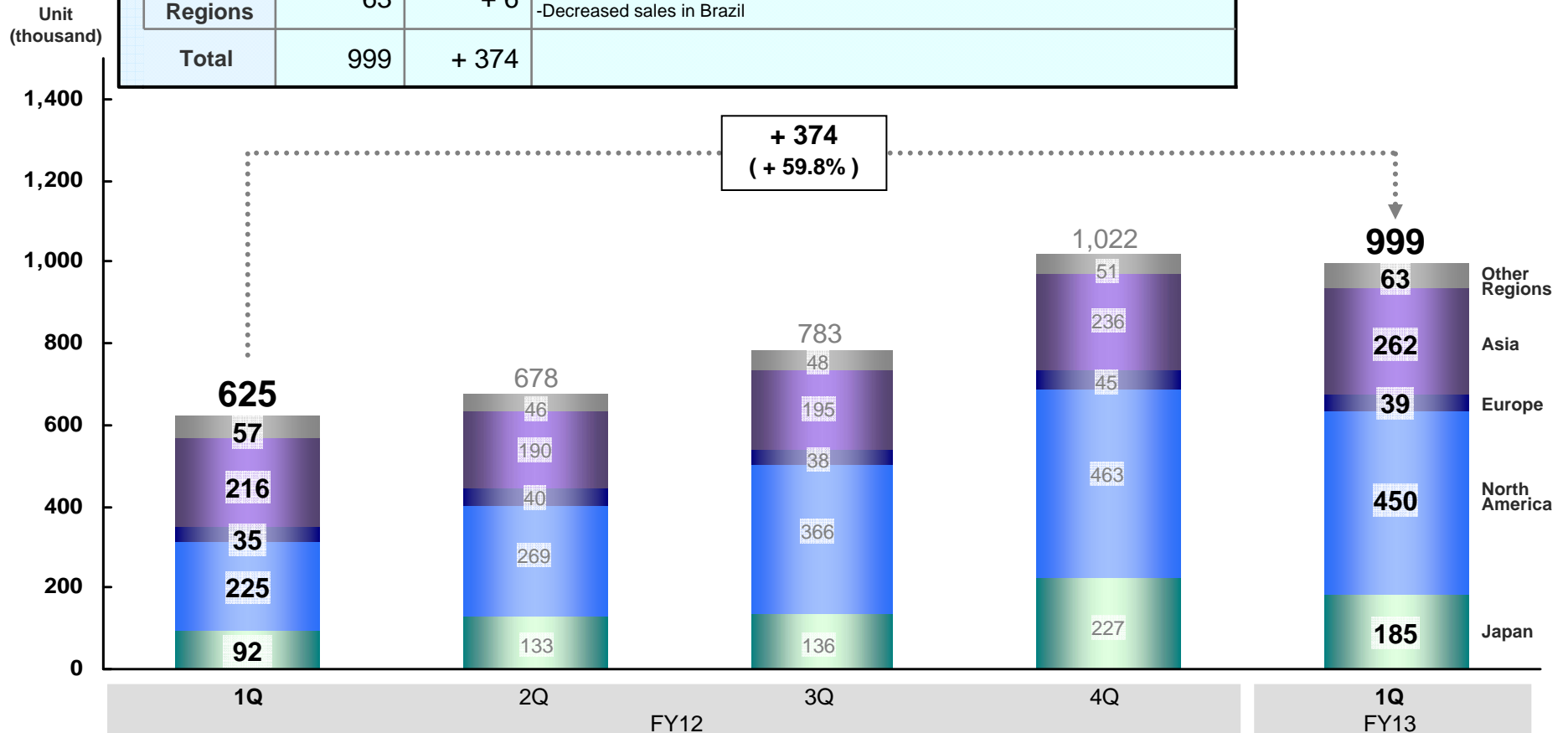


Automobile Honda Group Unit Sales

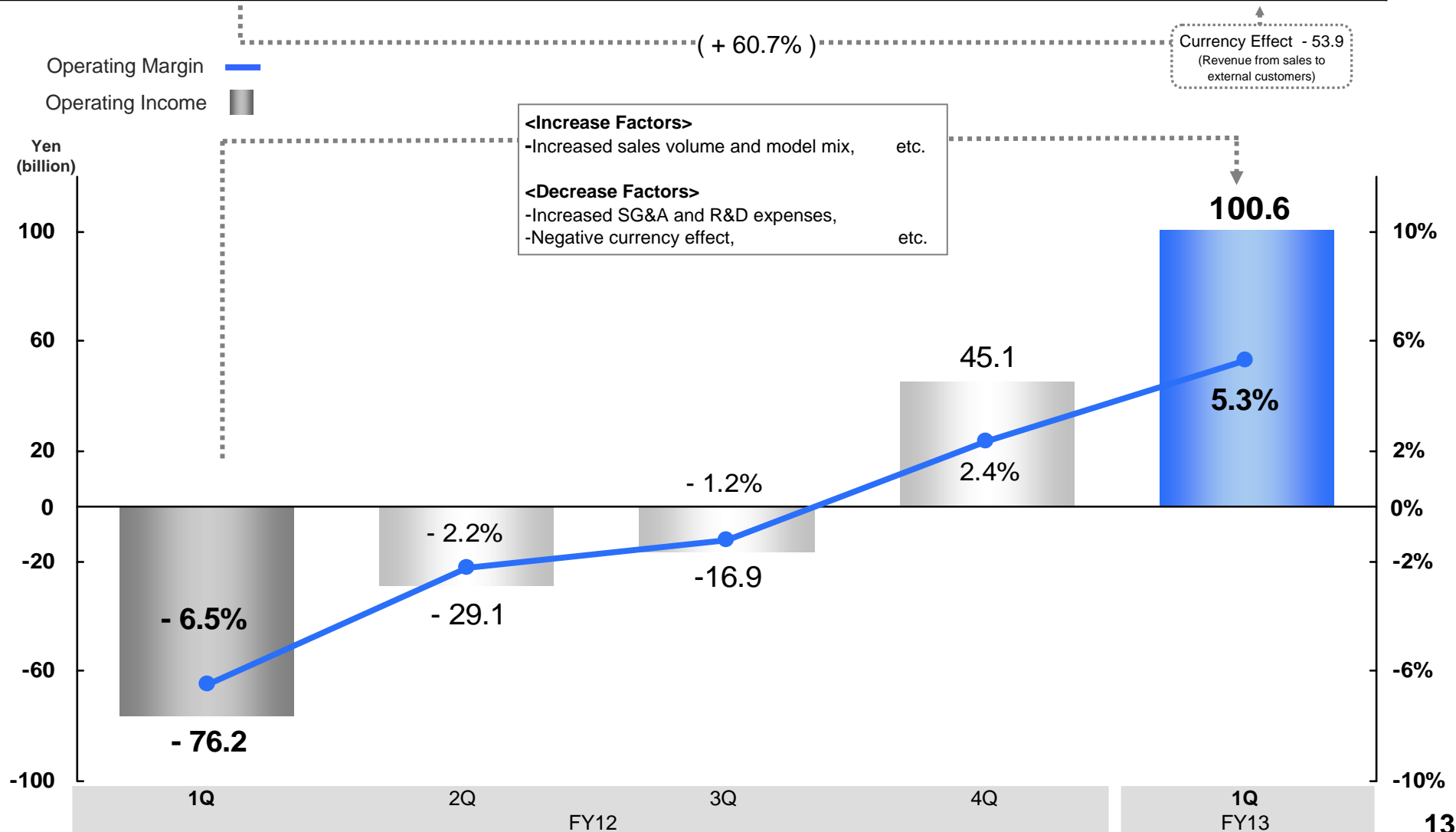
Unit (thousand)	FY13 1Q	Change from FY12 1Q	Major increase / decrease factors
Japan	185	+ 93	-Positive impact of the introduction of <i>N-BOX</i> , <i>FREED HYBRID</i> , <i>FREED SPIKE HYBRID</i> , etc.
North America	450	+ 225	-Sales recovery of mainstay models such as <i>ACCORD</i> and <i>CIVIC</i> that decreased last year due to the supply chain disruption caused by the Earthquake -Positive impact of the introduction of new models such as <i>CR-V</i> , <i>RDX</i> and <i>ILX</i>
Europe	39	+ 4	-Rebound in sales of <i>JAZZ</i> and <i>CIVIC</i> in the U.K. and Germany from a decrease during the same period last year due to the supply chain disruption caused by the Earthquake
Asia	262	+ 46	-Increased sales of <i>CITY</i> in Thailand and <i>BRIO</i> in India and Thailand
Other Regions	63	+ 6	-Increased sales in the Middle East and Australia -Decreased sales in Brazil
Total	999	+ 374	



Civic
(North America)



	FY12				FY13	
	1Q	2Q	3Q	4Q	1Q	
Honda Group Unit Sales (Consolidated Unit Sales)	625 (458)	678 (571)	783 (622)	1,022 (831)	999 (849)	Unit (thousand)
Net Sales	1,178.8	1,337.1	1,455.6	1,851.1	1,894.7	Yen (billion)

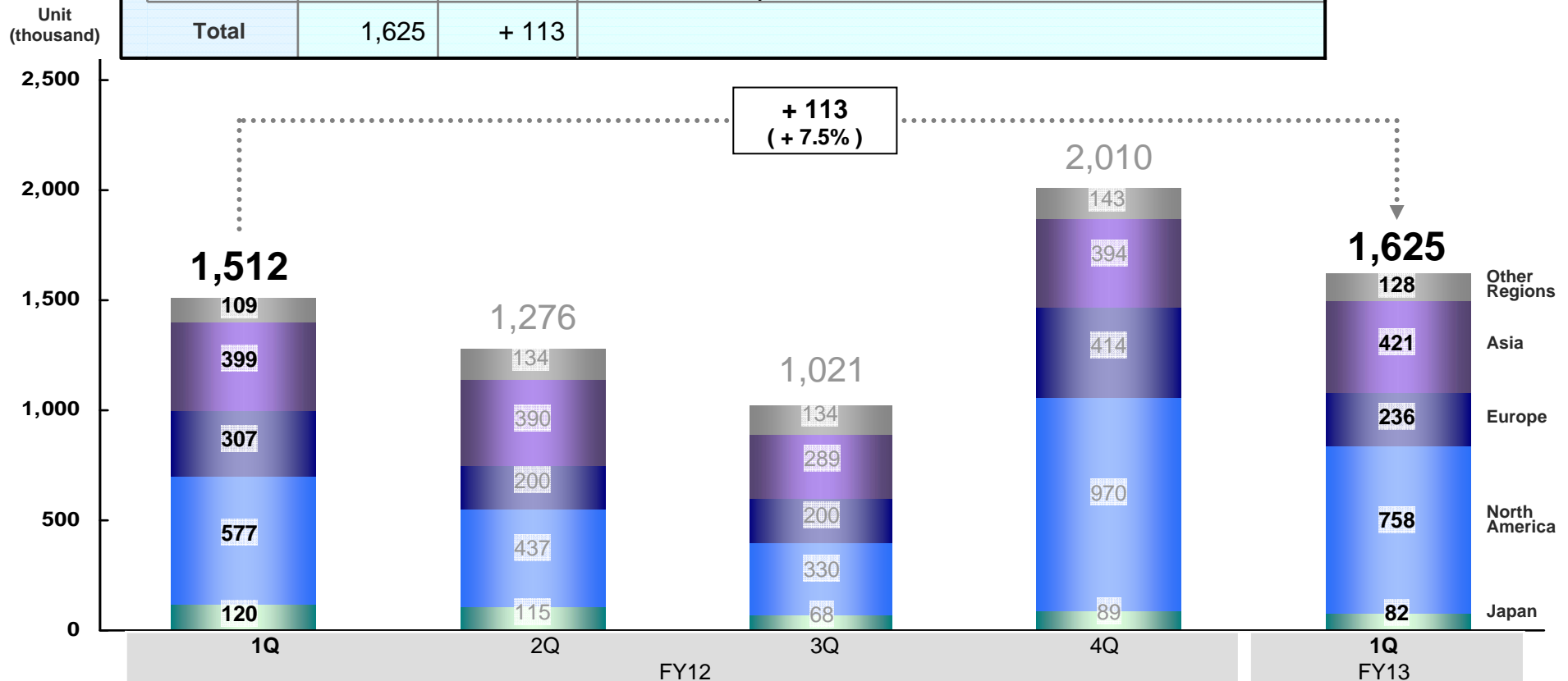


Power Products Honda Group Unit Sales

Unit (thousand)	FY13 1Q	Change from FY12 1Q	Major increase / decrease factors
Japan	82	- 38	-Decreased sales of GX390, GX25 / 35, GX160 engines for OEM use in generators and pumps due to appreciation of the yen and deterioration of the economy in Europe
North America	758	+ 181	-Increased sales of GCV160 engines, etc., for OEM use in lawnmowers and pressure washers due to increased demand caused by the warm winter -Increased sales of lawnmowers and generators
Europe	236	- 71	-Decreased sales of GCV135 / 160 engines for OEM use in lawnmowers in Southern European countries
Asia	421	+ 22	-Increased sales of GX160 engines for OEM use and WB20 / 30 pumps in Indonesia due to expansion of sales network -Increased sales of GX160 engines for OEM use in China
Other Regions	128	+ 19	-Significantly increased sales of WB20 / 30 pumps and general-purpose engines made in Thailand for South America, due to the commencement of production and delivery of backorders created by the flood in Thailand
Total	1,625	+ 113	

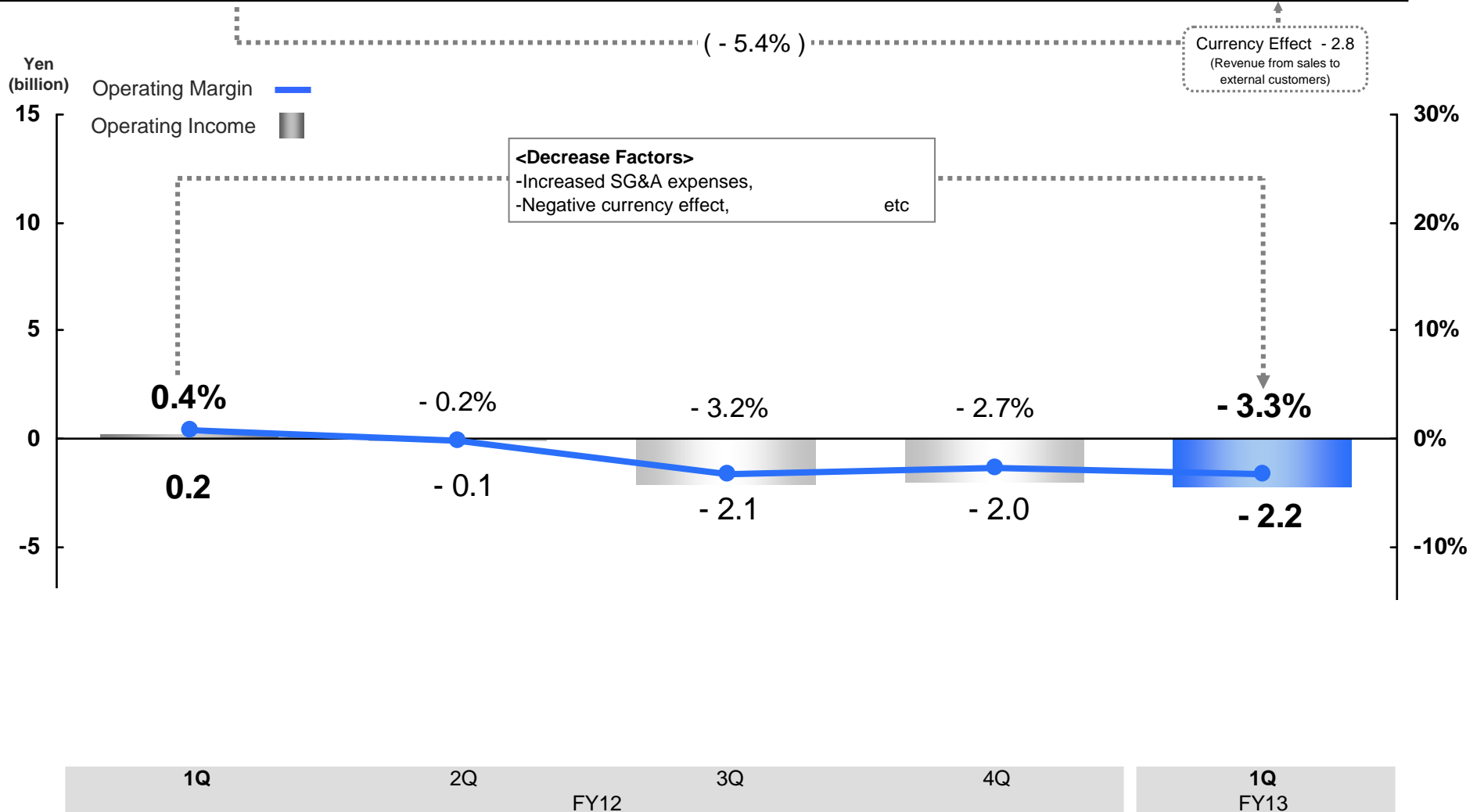


GCV160
(North America)

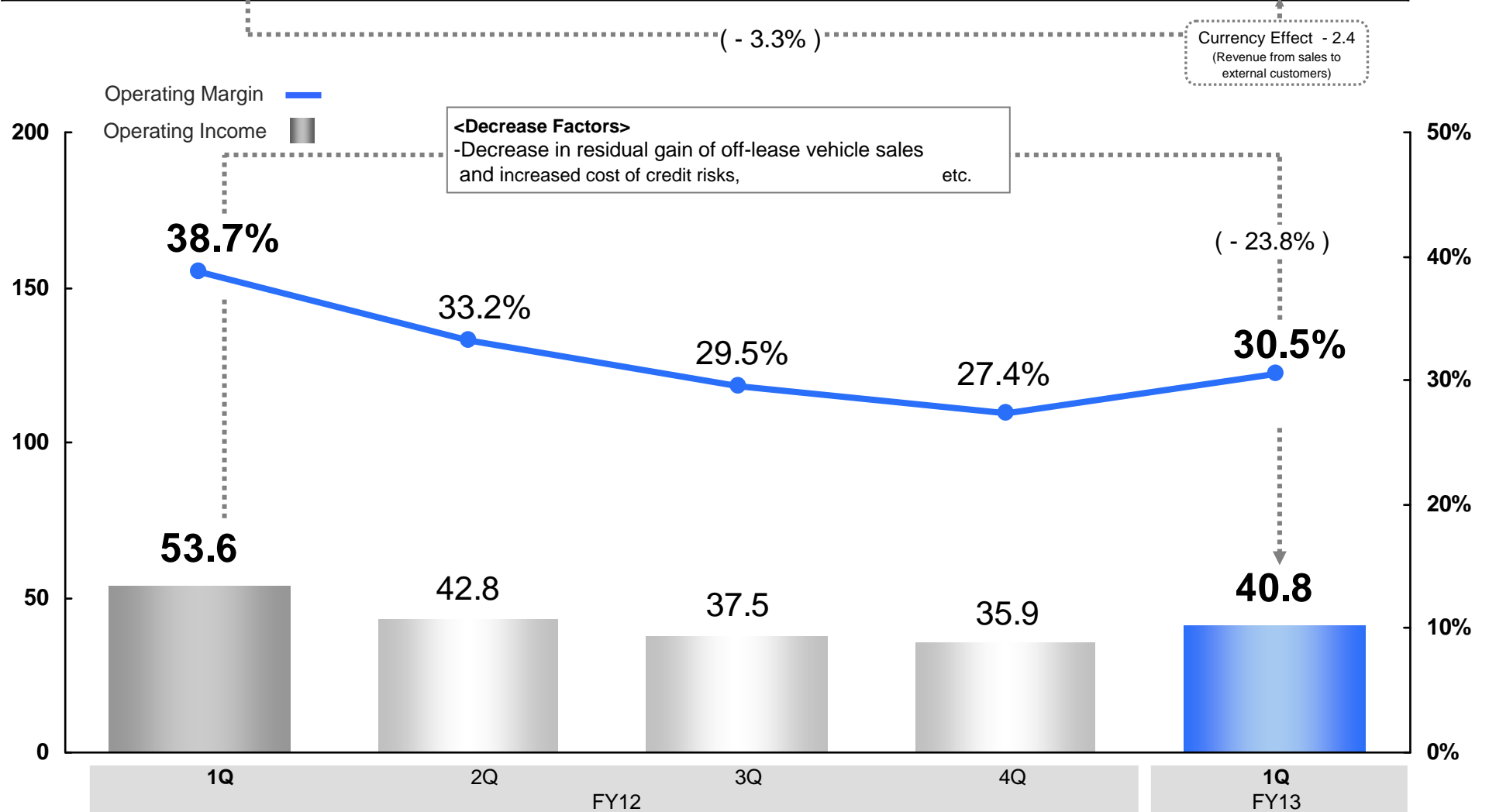


Power Product & Other Businesses Unit Sales/Net Sales/Operating Income (Margin)

	FY12				FY13	Unit (thousand)
	1Q	2Q	3Q	4Q	1Q	
Honda Group Unit Sales (Consolidated Unit Sales)	1,512 (1,512)	1,276 (1,276)	1,021 (1,021)	2,010 (2,010)	1,625 (1,625)	
Net Sales	73.9	72.1	68.0	75.6	69.9	Yen (billion)



	FY12				FY13	
	1Q	2Q	3Q	4Q	1Q	
Total Assets of Finance Subsidiaries	5,445.7	5,169.2	5,290.5	5,644.3	5,567.6	Yen (billion)
Net Sales	138.6	129.1	127.5	131.2	134.0	



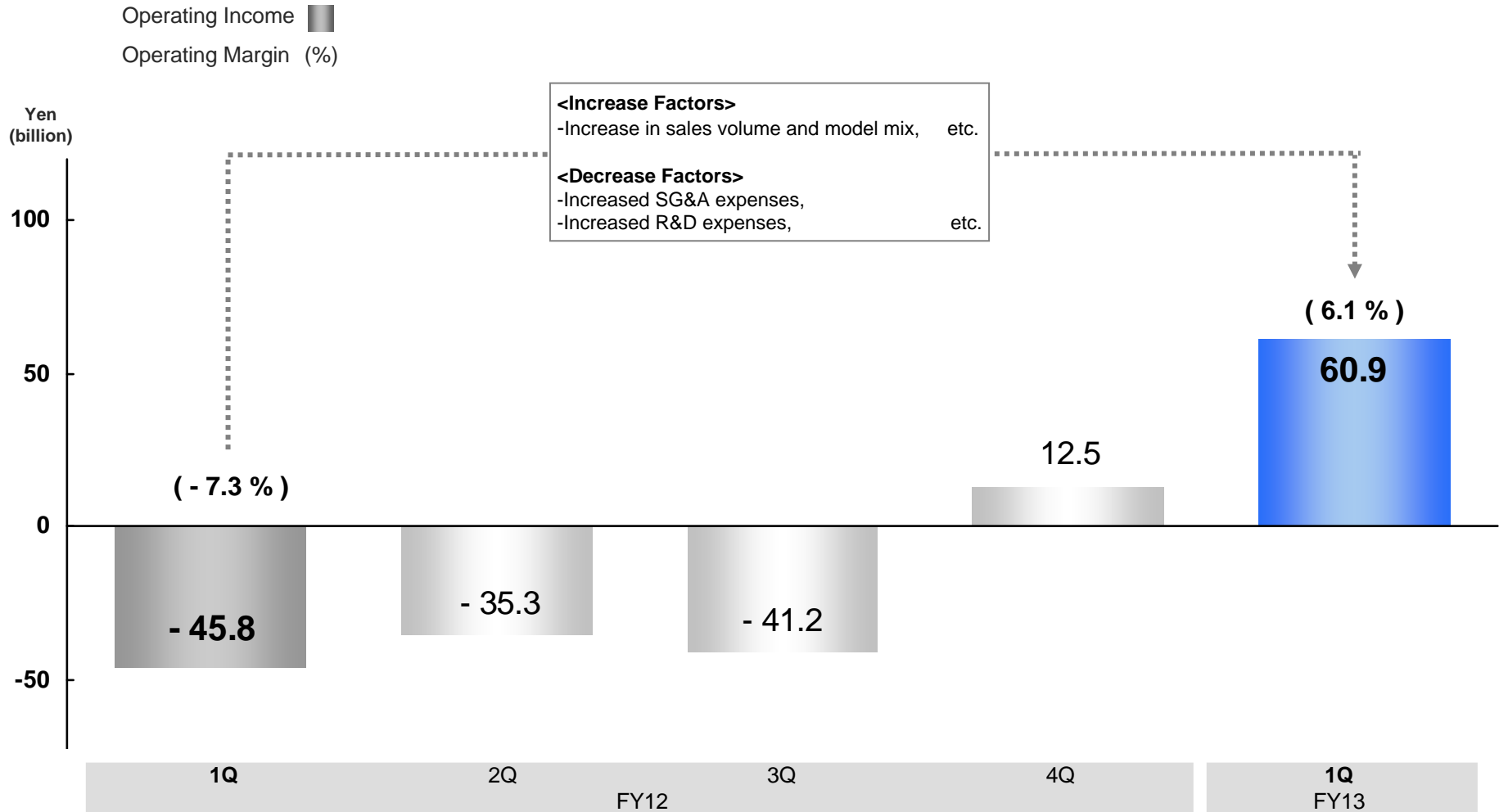
Japan

Net Sales/Operating Income (Margin)

	FY12				FY13
	1Q	2Q	3Q	4Q	1Q
Net Sales	625.3	805.3	863.1	1,069.0	1,006.6

Yen (billion)

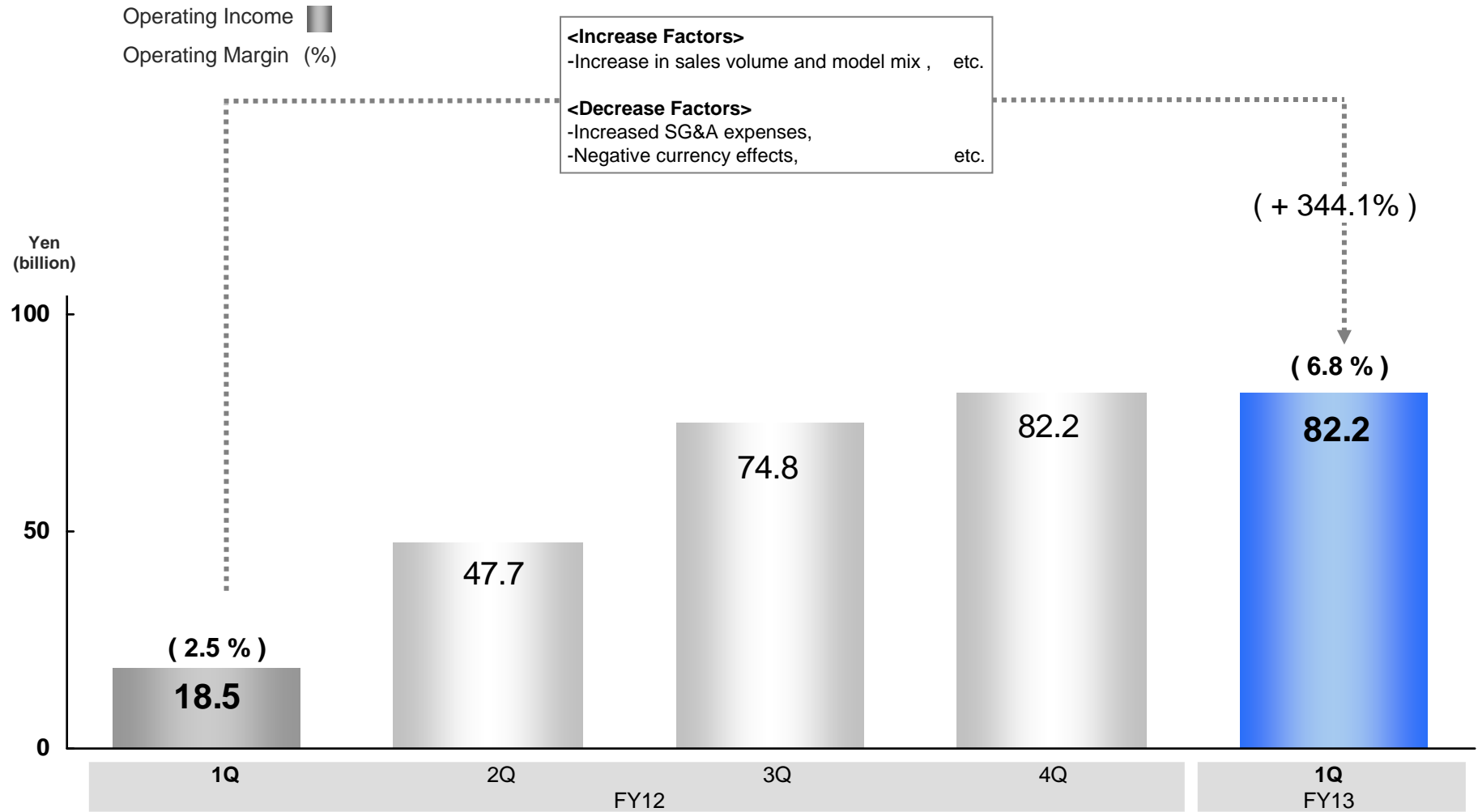
(+ 61.0%)



	FY12				FY13
	1Q	2Q	3Q	4Q	1Q
Net Sales	733.9	794.1	986.2	1,200.3	1,214.7

Yen (billion)

(+ 65.5%)



Europe

Net Sales/Operating Income (Margin)

	FY12				FY13
	1Q	2Q	3Q	4Q	1Q
Net Sales	150.9	144.5	119.4	165.8	147.8

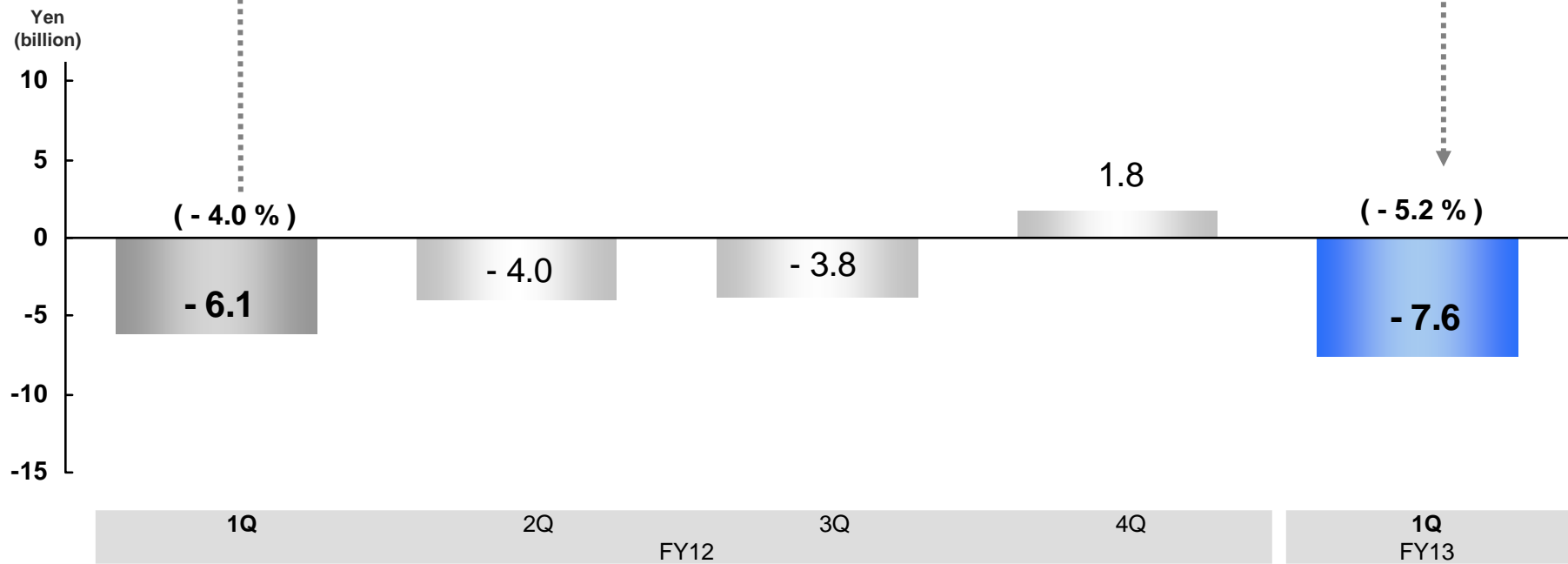
Yen (billion)

----- (- 2.0%) -----

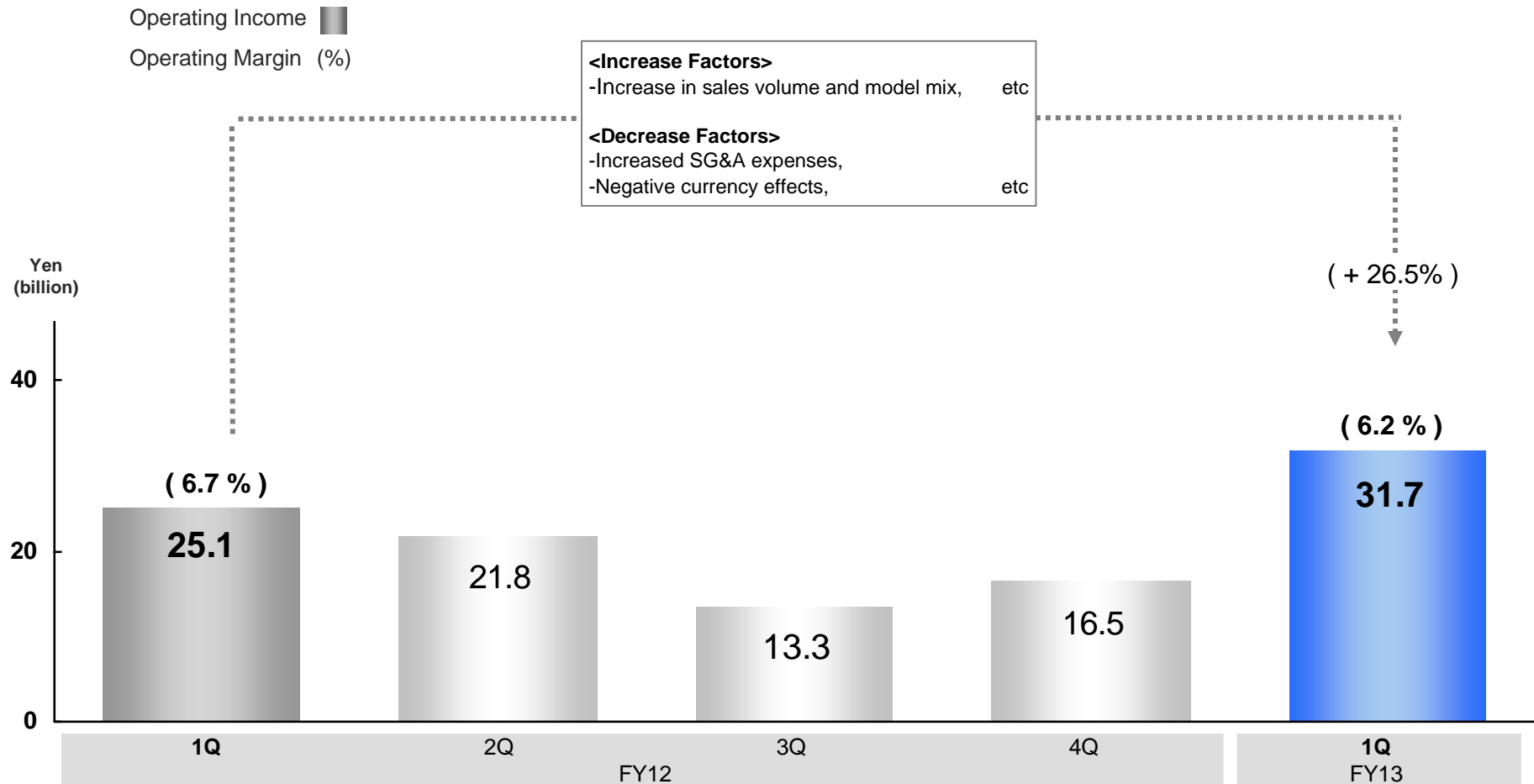
Operating Income ■
Operating Margin (%)

<Increase Factors>
-Increase in sales volume and model mix, etc.

<Decrease Factors>
-Increase SG&A expenses, etc.
-Negative currency effects, etc.



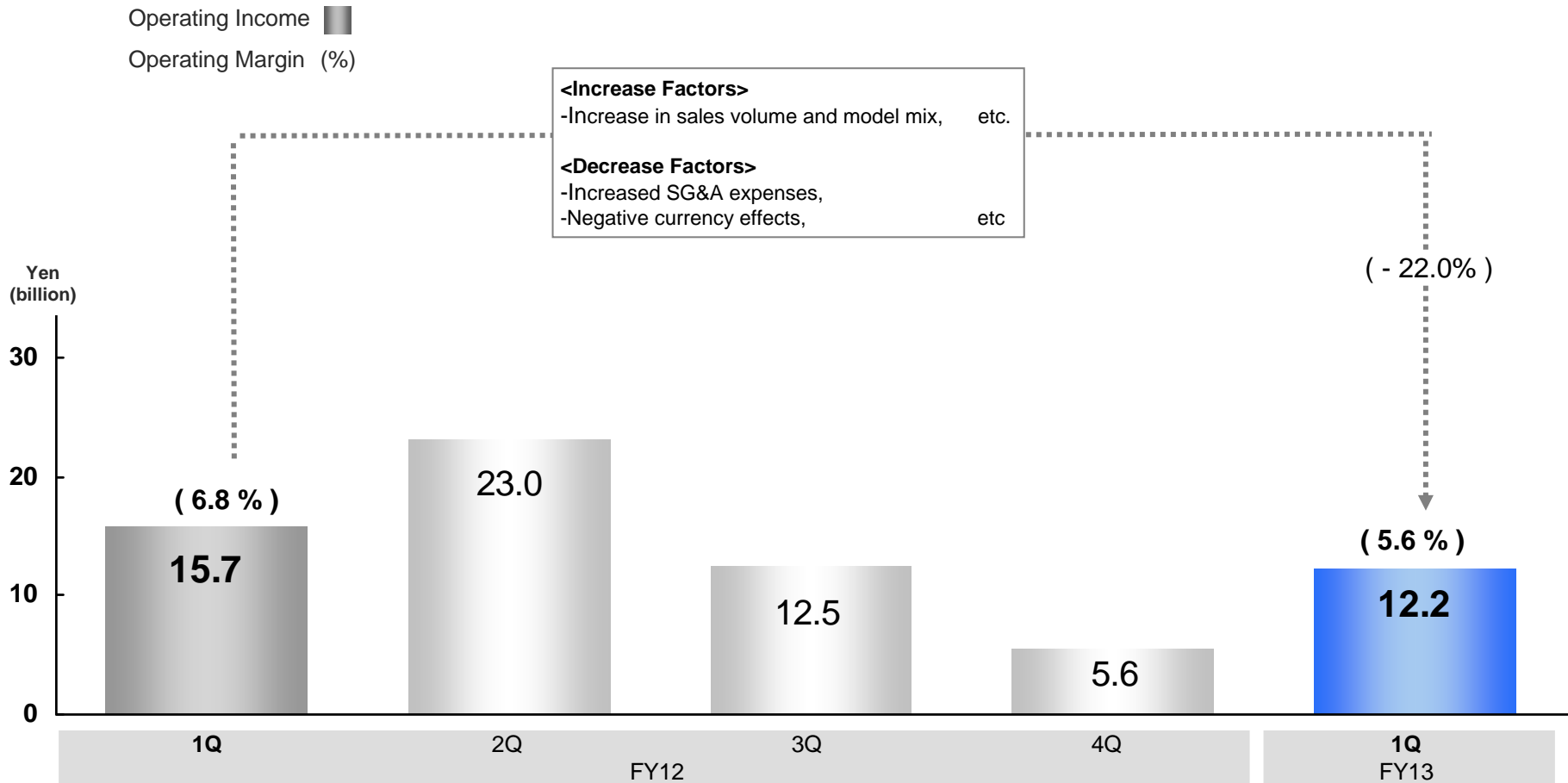
	FY12				FY13	
	1Q	2Q	3Q	4Q	1Q	
Net Sales	373.4	407.7	317.6	391.5	512.8	Yen (billion)
	(+ 37.3%)					



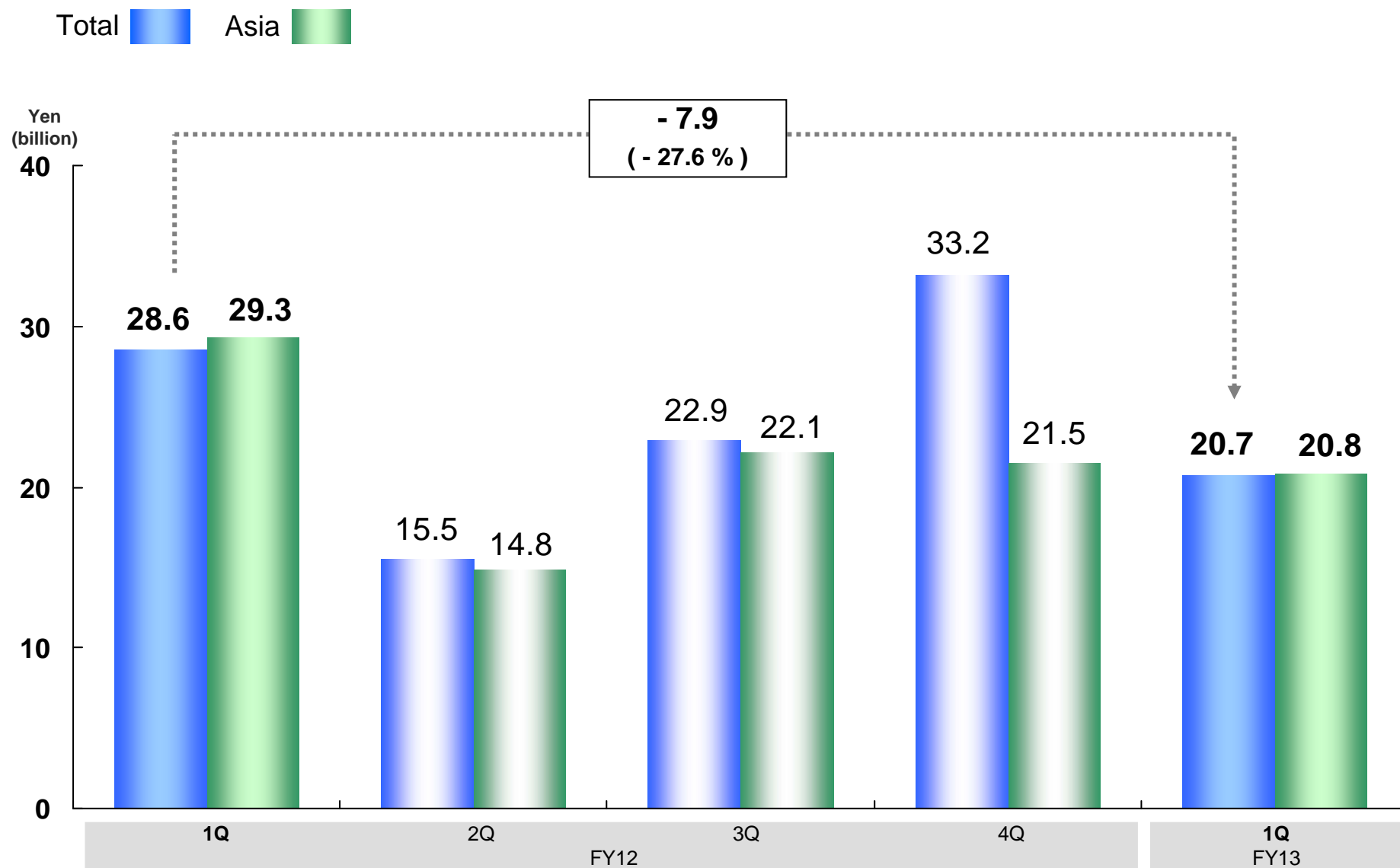
Other Regions

Net Sales/Operating Income (Margin)

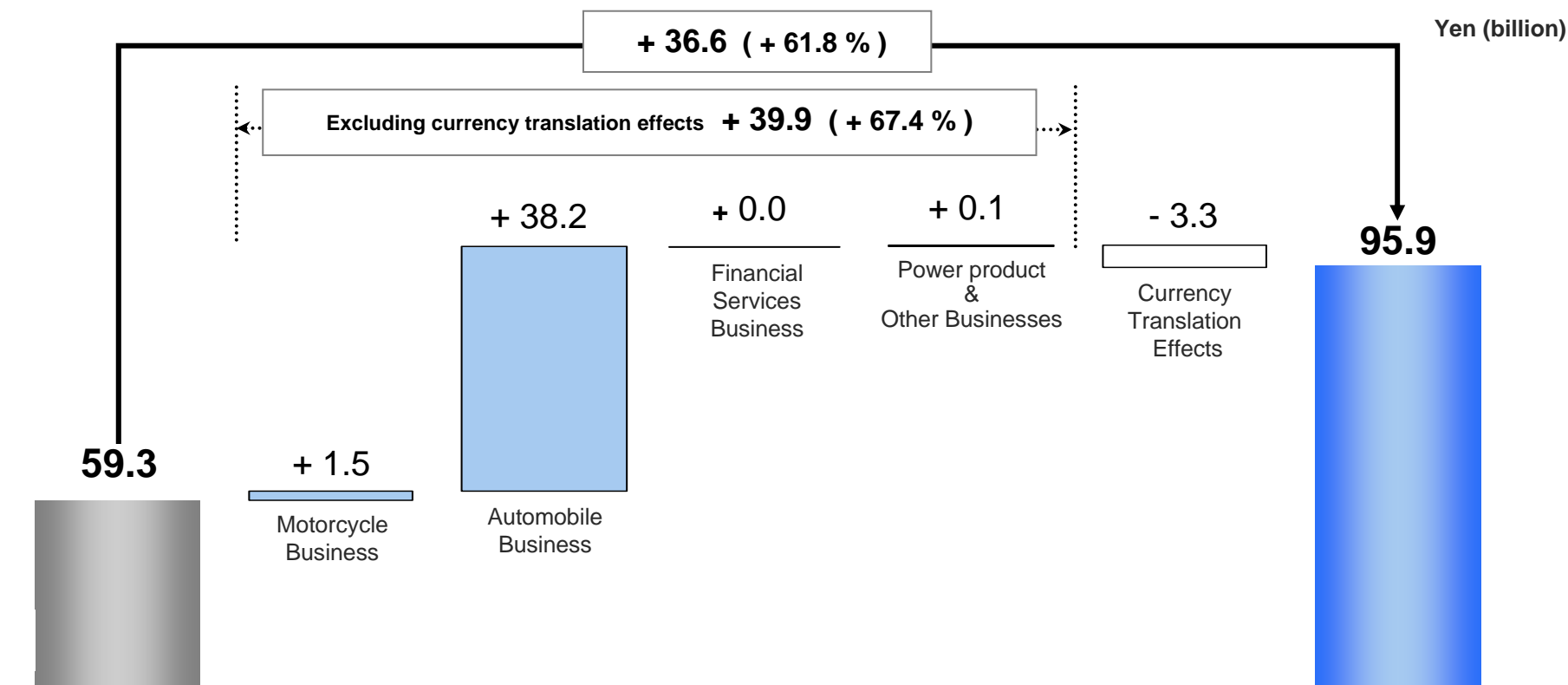
	FY12				FY13	
	1Q	2Q	3Q	4Q	1Q	
Net Sales	229.9	244.3	206.1	212.6	220.3	Yen (billion)
	(- 4.2%)					



Change in Equity in income of affiliates



Consolidated Capital Expenditures <FY13 Three Months>



FY12 1Q

Market average rates
US\$ 1= JPY 82
Euro 1= JPY 117

	Yen (billions)
Motorcycle Business	11.1
Automobile Business	46.0
Financial Services Business	0.0
Power Product & Other Businesses	2.0
Total	59.3

※ Capital expenditures in results aforementioned exclude investment in operating leases and intangible assets

FY13 1Q

Market average rates
US\$ 1= JPY 80 (Yen up by 2 yen)
Euro 1= JPY 103 (Yen up by 14 yen)

	Yen (billions)
Motorcycle Business	11.7
Automobile Business	82.1
Financial Services Business	0.0
Power Product & Other Businesses	2.0
Total	95.9

Caution with Respect to Forward-Looking Statements:

This slide contains forward-looking statements about the performance of Honda, which are based on management's assumptions and beliefs taking into account information currently available to it. Therefore, please be advised that Honda's actual results could differ materially from those described in these forward-looking statements as a result of numerous factors, including general economic conditions in Honda's principal markets and foreign exchange rates between the Japanese yen and the U.S. dollar, the Euro and other major currencies, as well as other factors detailed from time to time.

Accounting standards:

Our consolidated financial standards are prepared in conformity with U.S. generally accepted accounting principles.

Notice on the Factors for Increases and Decreases in Income:

With respect to the discussion above of the change in operating income, management has identified the factors set forth below and used what it believes to be a reasonable method to analyze the respective changes in such factors. Each of these factors is explained below. Management has analyzed changes in these factors at the levels of the Company and its material consolidated subsidiaries.

(1) "Foreign currency effects" consist of translation adjustments, which come from the translation of the currency of foreign subsidiaries' financial statements into Japanese Yen, and foreign currency adjustments, which result from foreign-currency-denominated sales, which, at the levels of the Company and those consolidated subsidiaries which have been analyzed, primarily relate to the following currencies: U.S. dollar, Canada dollar, Euro, GBP, BRL and Japanese Yen.

(2) With respect to "cost reduction and effects of raw material cost fluctuations", management has analyzed cost reduction and effects of raw material cost fluctuations at the levels of the Company and its material foreign manufacturing subsidiaries in North America, Europe, Asia and other regions.

(3) With respect to "changes in net sales and model mix", management has analyzed changes in sales volume and in the mix of product models sold in major markets which have resulted in increases/decreases in profit, as well as certain other reasons for increases/decreases in net sales and cost of sales.

(4) With respect to "selling, general and administrative expenses", management has analyzed reasons for an increase/decrease in selling, general and administrative expenses from the previous fiscal year net of currency translation effects.

-Currency Effects-
(effects associated with sales transactions and translation effects)

(Exhibit 1)

Yen
(billion)

		FY13 1Q	Average Rates (Yen)		
			FY12 1Q	FY13 1Q	Change
	JPY / USD	- 3.6	82	80	Yen up by 2 yen
	JPY / Euro	- 1.9	118	104	Yen up by 14 yen
	JPY / Others	- 6.0	—	—	—
	Transactions between other currencies	- 2.0	—	—	—
	Difference of average rates (Impact on Operating income) *1	- 13.6			
	Difference between transaction *2 rates and average sales rates (Impact on Other income & expenses)	- 9.3			
	Currency effect associated with sales transaction	- 23.0			
	Currency effect from translation of *3 foreign financial statements (impact on operating income)	- 6.1			
	Total	- 29.1			

*1: Impact of YOY difference of FOREX to be used for booking revenue of foreign currency transactions

*2: Impact of YOY difference between average FOREX and hedge rates during the period

*3: Effect due to the difference of the rate used for translating Honda's overseas subsidiaries' financial statements denominated in foreign currencies into Japanese yen with the corresponding period of the fiscal year

Yen
(billion)

	1Q		
	FY12	FY13	Change
Foreign currency Forward	+ 8.3	+ 25.5	+ 17.2
Interest rate swap Currency swap	+ 1.9	+ 3.4	+ 1.4
Others	+ 0.1	+ 0.1	+ 0.0
Total	+ 10.4	+ 29.1	+ 18.7

HONDA
The Power of Dreams