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FY24 2nd Quarter Financial Results

November 9, 2023

***FY24 2nd Quarter Financial Results and
FY24 Financial Forecast***

- *Summary*
- *Details*

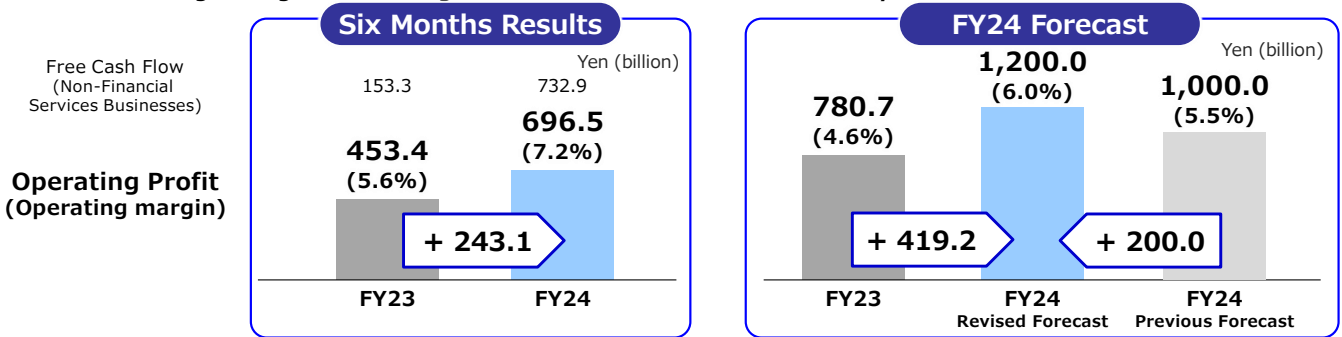
I would like to review the
FY2024 second quarter financial results and
explain financial forecast for fiscal 2024.

■ **FY24 Six Months Results (Apr. - Sep.)**

- In addition to highly profitable Motorcycle operations, profitability of Automobile operations improved significantly due to the recovery in production volume mainly in North America through delivering the competitive products to our customers, **achieved operating profit 696.5 billion yen / Operating Margin 7.2%**

■ **FY24 Forecast**

- Although environment has been challenging in China and Asia, **revised sales revenue, operating profit and profit for the period upward from the previous forecast,**^{*1} reflecting further strengthening of our earnings structure as well as favorable currency effects. ^{*1} Previous forecast: announced on August 9th



■ **Returning profit to shareholders**

- **Dividends 150 yen ⇒ 174 yen^{*2} (forecast)**

^{*2} Forecast for the full-year dividend per share is calculated based on the share before the stock split.

● **Status of acquisition of company's own stock**

App. ¥163.5B has been acquired compared to ¥200.0B announced on 5/11 (as of 10/31).

First, let me explain summary of the financial results.

Looking at the cumulative results through the second quarter of FY2024, in addition to the highly profitable motorcycle business, production volume recovered mainly in North America through the delivery of highly competitive products to our customers. Profitability of automobile business also improved significantly.

Operating profit increased by 243.1 billion yen to 696.5 billion yen. Operating profit margin was 7.2%.

Please note that excluding our financial services businesses, the company's free cash flow amounted to 732.9 billion yen, a substantial increase over the same period last fiscal year.

With respect to the forecast for fiscal year 2024, although environment has been challenging in China and Asia, reflecting further strengthening of our earnings structure as well as favorable currency effects, sales revenue, operating profit, and net income have been revised upwards compared to the previous forecast.

Regarding returning profit to shareholders, we plan to change the dividend from 150 yen, which is all-time high based on the pre-stock split, to 174 yen, an increase of 24 yen.

Please note that on May 11, 2023 when we released our first quarter results, we announced a share buyback with an upper limit of 200 billion yen. As of October 31st, the amount which has been completed totaled approximately 163.5 billion yen.

Main Market (Automobile Business)

Main Countries		Retail	
YTD (Apr. - Sep.)	Unit (thousand)	vs. FY23 (%)	
Japan	257	101.7	
The United States	686	148.6	
China	611	87.7	
QTD (Jul. - Sep.)	Unit (thousand)	vs. FY23 (%)	
Japan	142	104.2	
The United States	339	152.7	
China	302	81.3	



PROLOGUE (North America)
To be launched in early 2024



ZDX Type S (North America)
To be launched in early 2024

■ Sales Results in FY24 (2Q)

- In the United States, significantly increased over the same period last year due to stable demand, recovery in production through the secure of semiconductors and competitive new models introduced in the previous year.
- In China, decreased from the same period last year mainly due to the growing NEV market and intensifying price competition.
- Overall, exceeded the same period last year.

■ Outlook/Forecast for FY24

- Although an increase in Japan is expected, downward revision from the previous forecast due to the continuous challenging environment in China.
- Overall, expect to exceed last fiscal year.

-Electrification updates-

- Announced new EVs, Acura ZDX and Honda Prologue in North America (announced in August, September).
- Agreed with BMW, Ford to create ChargeScape, a new company focused on optimizing electric vehicle grid services (announced in September).
- Signed MoU with Mitsubishi Corporation to explore new businesses in EV age (announced in October).

Next, let me explain the status of the automobile business in main markets.

In the United States, due to firm demand and the ability to secure semiconductors, production has recovered. Together with the high competitiveness of new models introduced in the previous year, there was a significant increase over the same period last year.

On the other hand, in China, due to the influence of the expansion of the new energy vehicle market and intensifying price competition as well as other factors, results were lower than the same period last year.

Regarding the sales forecast for fiscal year 2024, although we expect an increase in unit sales in Japan, considering that the challenging environment in China is expected to continue, we have revised the previous forecast downward.

Despite this change, overall sales are expected to exceed the previous fiscal year's result.

Efforts toward electrification include new EVs (electric vehicles) such as the Acura ZDX and Honda Prologue for North America. We have announced that these models will be released in early 2024.

In addition, in collaboration with BMW and Ford in North America, EVs will be utilized to contribute to the stabilization of the power grid. Further, an agreement has been reached to establish a new company called ChargeScape to provide energy services.

Furthermore, in Japan, we have signed a memorandum of understanding with Mitsubishi Corporation, to discuss commercialization of the energy management business as well as other areas.

Main Countries		Wholesale	
YTD (Apr. - Sep.)	Unit (thousand)	vs. FY23 (%)	
India	2,206	95.5	
Vietnam	999	87.0	
Thailand	751	106.9	
Indonesia	2,307	133.1	
Brazil	597	105.2	
QTD (Jul. - Sep.)	Unit (thousand)	vs. FY23 (%)	
India	1,254	95.4	
Vietnam	493	80.0	
Thailand	356	96.6	
Indonesia	1,192	113.6	
Brazil	326	111.5	

■ Sales Results in FY24 (2Q)

YTD: Overall, exceeded the same period last year mainly due to firm demand in Indonesia and Europe.

QTD: Despite an increase in Indonesia and Brazil due to firm demand, lower than the same period last year mainly due to a decrease in Vietnam and China related to an economic slowdown, as well as other factors.

■ Outlook/Forecast for FY24

- Downward the previous forecast mainly due to the decline in Vietnam and China.
- Overall, expect to be equivalent as last fiscal year.



CB750 Hornet (Europe)

-Electrification updates-

- Exhibited SC e: Concept at JAPAN MOBILITY SHOW 2023 (announced in October).



SC e: Concept

Next is the status of motorcycle business.

In the cumulative second quarter, overall sales exceeded the same period last fiscal year mainly due to firm demand in Indonesia and Europe.

In the three-month period of the second quarter, despite an increase in Indonesia and Brazil due to firm demand, overall sales were lower than the same period last fiscal year mainly due to a decrease in Vietnam and China related to an economic slowdown, as well as other factors.

Regarding the sales forecast for fiscal year 2024, we have revised the previous forecast downward, mainly due to the decline in Vietnam and China.

Overall, the outlook is equivalent as last fiscal year.

Efforts toward electrification include SC e: Concept exhibited at the JAPAN MOBILITY SHOW held recently.

It adopts two swappable batteries - Honda Mobile Power Pack e: as power source.

Summary of FY24 2nd Qtr. Results (Six Months)

Operating profit :

Despite a negative impact from warranty expenses, operating profit increased by 243.1 billion yen to **696.5 billion yen**.

This was primarily due to an increase in unit sales and pricing that reflects increased products value, as well as other factors.

Profit for the period ^{*1} :

Increased by 277.7 billion yen to **616.3 billion yen**.

Honda Group Unit Sales (Consolidated Unit Sales) (Unit thousand)	YTD (Six Months)			Income Statement Yen (billion)	YTD (Six Months)			
	FY23 Results	FY24 Results	Change		FY23 Results	FY24 Results	Amount	Change
Motorcycles	9,202 (6,343)	9,266 (6,006)	+ 0.7% (- 5.3%)	Sales revenue	8,085.3	9,609.3	+ 1,524.0	+ 18.9%
				Operating profit	453.4	696.5	+ 243.1	+ 53.6%
Automobiles	1,785 (1,093)	1,934 (1,332)	+ 8.3% (+ 21.9%)	Operating margin	5.6%	7.2%		+ 1.6 pt
				Share of profit of investments accounted for using the equity method	82.9	66.7	- 16.2	- 19.6%
Power Products	2,935 (2,935)	1,826 (1,826)	- 37.8% (- 37.8%)	Profit before income taxes	515.8	879.2	+ 363.4	+ 70.5%
				Profit for the period attributable to owners of the parent	338.5	616.3	+ 277.7	+ 82.1%
				Earnings per share attributable ^{*2} to owners of the parent (Yen)	66.03	124.63		+ 58.60
				Market average rates (Yen) ^{*3} U.S. Dollar	134	141		+ 7

*1 Profit for the period attributable to owners of the parent.

*2 Each share of common stock was split into 3 shares per share on the record date of September 30, 2023, with an effective date of October 1, 2023. Earnings per share were calculated that the stock split was carried out at the beginning of the previous fiscal year. Please refer to the footnotes on the last page for weighted average number of shares outstanding.

*3 +: weak yen / -: strong yen

Next is a summary of the cumulative second quarter of fiscal year 2024.

Although there was a negative impact from warranty expenses, operating profit increased by 243.1 billion yen to 695.5 billion yen with an increase in unit sales and implemented pricing that reflects increased product value, as well as other factors.

In addition, profit for the period attributable to owners of the parent company increased by 277.7 billion yen for a cumulative total of 616.3 billion yen.

vs Previous Forecast:

Operating profit : Despite challenging environment mainly in China and Asia as well as an increase in warranty expenses in the first half, reflects further strengthening of earnings structure and the positive impacts from currency effects, operating profit is revised upward by 200.0 billion yen to **1,200.0 billion yen.**

Profit for ^{*1} the year : Upward revision by 130.0 billion yen to **930.0 billion yen.**

Honda Group Unit Sales (Consolidated Unit Sales) (Unit thousand)	FY23 Results	FY24 Forecast	Change	Change from previous forecast	Income Statement Yen (billion)	FY23 Results	FY24 Forecast	Amount	Change	Change from previous forecast
Motorcycles	18,757 (12,161)	18,800 (12,270)	+ 0.2% (+ 0.9%)	- 380 (- 365)	Sales revenue	16,907.7	20,000.0	+ 3,092.2	+ 18.3%	+ 1,800.0
Automobiles	3,687 (2,382)	4,100 (2,920)	+ 11.2% (+ 22.6%)	- 250 (+ 40)	Operating profit	780.7	1,200.0	+ 419.2	+ 53.7%	+ 200.0
Power Products	5,645 (5,645)	3,850 (3,850)	- 31.8% (- 31.8%)	- 900 (- 900)	Operating margin	4.6%	6.0%		+ 1.4pt	+ 0.5pt
					Share of profit of investments accounted for using the equity method	117.4	75.0	- 42.4	- 36.1%	- 110.0
					Profit before income taxes	879.5	1,395.0	+ 515.4	+ 58.6%	+ 210.0
					Profit for the year attributable to owners of the parent ^{*2}	651.4	930.0	+ 278.5	+ 42.8%	+ 130.0
					Earnings per share attributable to owners of the parent ^{*3}	128.01	189.64		+ 61.63	+ 26.50
					Market average rate (Yen) U.S. Dollar	136	140		+ 5	+ 15

*1 Profit for the year attributable to owners of the parent.

*2 As of the effective date of October 1, 2023, Honda implemented a three-for-one stock split of its common stock to shareholders as of the record date of September 30, 2023. Basic earnings per share are based on the number of shares after the stock split. Prior to the stock split basis: FY23 results: 384.02 yen, FY24 forecasts: 568.92 yen

*3 FY24 Market average rate against U.S. Dollar :
1H (actual): 141 yen, 2H (assumption): 140 yen

Continuing on,
here is the consolidated performance forecast for fiscal year 2024.

Despite challenging environments mainly in China and Asia as well as an increase in warranty expenses in the first half, further strengthening of our earnings structure and the positive impact from currency effects leading to an increase in operating profit by 200 billion yen.

The fiscal year forecast has been revised upward to 1 trillion 200 billion yen.

In addition, the net profit attributable to owners of the parent company has been increased by 130 billion yen to 930 billion yen.

The assumption for the exchange rate is
140 yen against the US dollar for the second half and the same
140 yen rate for the full fiscal year.

For your reference, the number of units sold and the profit and loss situation are as shown.

Dividends

Dividend per Share (Yen) (pre-stock split)	FY24 Previous	FY24 Forecast	Change from previous
Interim Dividend	75	87 ^{*1}	+ 12
Year-end Dividend	25 (75)	29 (87)	+ 4 (+ 12)
Fiscal Year	- (150)	- ^{*2} (174)	- (+ 24)

*1 The company implemented the stock split into 3 shares per share with the effective date of October 1, 2023. The interim dividend for the fiscal year ending March 31, 2024, which has a dividend record date of September 30, 2023, is paid based on the shares before the stock split.

*2 Forecast for the full-year dividend per share is not presented because simple comparisons are not possible due to the implementation of the stock split. However, the forecast for the full-year dividend per share based on the pre-stock split is ¥24 increase per share.

Next, regarding dividends, the interim dividend for fiscal year 2024 was set at 87 yen per share. The annual dividend, based on the pre-stock split standard, will be 174 yen per share, an increase of 24 yen compared to the previous forecast of 150 yen.

FY24 2nd Quarter Financial Results and FY24 Financial Forecast

- *Summary*
- *Details*

I would like to explain details of the financial results and forecast.

Honda Group Unit Sales	Motorcycles			Automobiles			Power Products		
	YTD (Six Months)			YTD (Six Months)			YTD (Six Months)		
	FY23	FY24	Change	FY23	FY24	Change	FY23	FY24	Change
Japan	114	122	+ 8	241	259	+ 18	184	132	- 52
North America	220	255	+ 35	542	778	+ 236	1,306	594	- 712
Europe	144	229	+ 85	45	43	- 2	554	356	- 198
Asia	7,900	7,874	- 26	898	789	- 109*	691	602	- 89
Other Regions	824	786	- 38	59	65	+ 6	200	142	- 58
Total	9,202	9,266	+ 64	1,785	1,934	+ 149	2,935	1,826	- 1,109
Change (%)			+ 0.7%			+ 8.3%			- 37.8%
* - 87 in China are included									
Consolidated Unit Sales	6,343	6,006	- 337	1,093	1,332	+ 239	2,935	1,826	- 1,109

First, Honda Group Unit Sales for the cumulative second quarter of fiscal year 2024 is as follows:

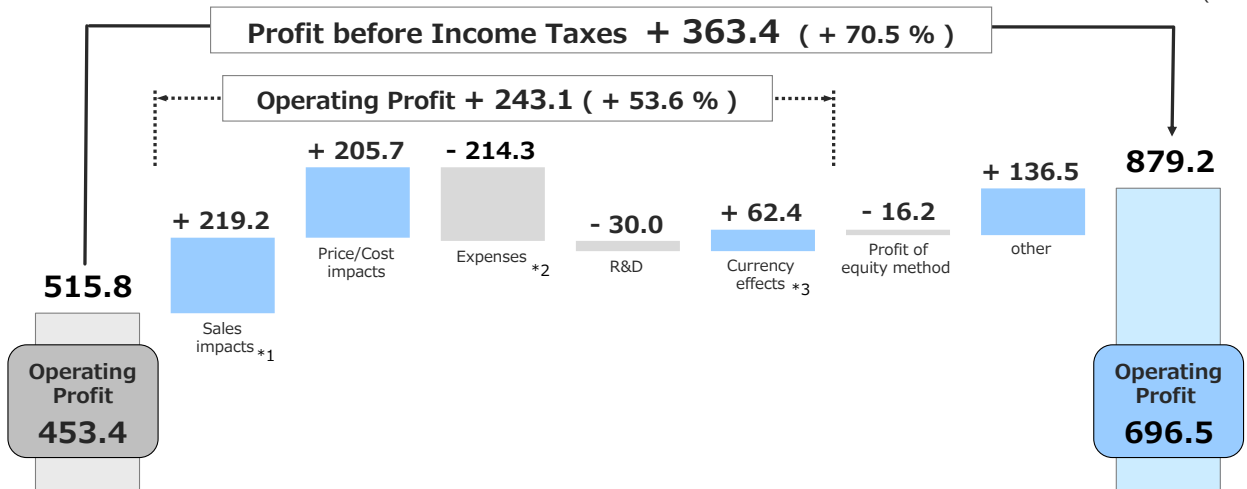
Compared to the same period last fiscal year, motorcycle business increased to 9,266 thousand units, mainly due to increase in Europe.

Automobile business increased to 1,934 thousand units, mainly due to increase in North America.

Power products business decreased to 1,826 thousand units, mainly due to a decrease in North America.

FY24 2nd Qtr. Results: Change in Profit before Income Taxes

Yen (billion)



FY23
Six Months

*1 Sales impacts		*2 Expenses		*3 Currency effects	
Revenue, model mix	+ 255.4	Warranty	- 118.7	JPY/USD	+ 52.0
Finance	+ 2.3	Finance	- 13.9	USD / Others (BRL, CAD, MXN)	+ 7.0
Other	- 38.5	Other	- 81.7	JPY / Asian currencies (INR, THB, VND, CNY, IDR)	+ 10.0
				Other	- 6.6

FY24
Six Months

Next, I would like to explain the factors behind the change in profit before income tax for the cumulative second quarter compared to the same period last fiscal year.

First of all, operating profit increased by 243.1 billion yen compared to the same period last year.

The breakdown is as follows:

Profit attributable to sales impacts increased by 219.2 billion yen, due mainly to increased sales of automobiles, among other factors.

Regarding selling price and cost impacts, profit increased by 205.7 billion yen due to effects of implementing pricing that reflects increased product value, a decrease in raw material prices led mainly by precious metals, as well as other factors.

Looking at expenses, profit decreased by 214.3 billion yen mainly due to an increase in warranty expenses.

Regarding R&D expenses, profit decreased by 30 billion yen.

Looking at currency effects, profit increased by 62.4 billion yen.

Also, with respect to profit before income taxes, upon reflecting valuation gains on foreign currency-denominated receivables, interest received, and other factors, profit increased by 363.4 billion yen.

**FY24 2nd Qtr. Results: Sales Revenue/Operating Profit (Margin)
by Business Segment (Six Months)**

	Motorcycle Business	Automobile Business	Financial Services Business	Power Products and Other Businesses
upper : FY24				
lower : FY23				
Unit (thousand)	9,266	1,934	-	1,826
Honda Group Unit Sales	(6,006)	(1,332)	-	(1,826)
(Consolidated Unit Sales)	9,202	1,785	-	2,935
	(6,343)	(1,093)	-	(2,935)
Yen (billion)	1,572.5	6,347.1	1,577.8	214.3
Sales Revenue	1,412.6	5,003.9	1,529.0	236.0
Operating Profit	253.3	301.3	137.0	4.8
	224.7	63.5	153.0	12.0
Operating Margin	16.1%	4.7%	8.7%	2.2%
	15.9%	1.3%	10.0%	5.1%

In the financial services business, Honda provides retail lending and leasing to customers and wholesale financing to dealers to support the sale of its products.

Operating profit from aircraft and aircraft engines included in above Yen (billion)
- 14.5
FY23 YTD : - 12.0

Continuing on, I would like to explain the status of sales revenue and operating profit by business segment.

Operating profit was

253.3 billion yen in motorcycle business;

301.3 billion yen in automobile business;

137 billion yen in financial services business;

and 4.8 billion yen for power products and other businesses.

Cash Flows of Non-financial Services Businesses

Yen (billion)

Six Months	FY23	FY24
Cash flows from operating activities	+ 555.0	+ 995.8
Cash flows from investing activities	- 401.6	- 262.8
Free cash flow	+ 153.3	+ 732.9
Cash flows from financing activities	- 205.2	- 327.6
Effects of exchange rate changes	+ 240.8	+ 278.5
Net change of cash and cash equivalents	+ 188.9	+ 683.8
Cash & cash equivalents at end of period	3,507.0	4,237.4
Net cash at end of period	2,560.9	3,356.6

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Next,
I would like to explain the cash flows.

The fiscal year 2024 second quarter cumulative free cash flow of non-financial services businesses was 732.9 billion yen,

The net cash balance at the end of the second quarter totaled 3 trillion 356.6 billion yen.

Forecast: Honda Unit Sales

Unit (thousand)

Honda Group Unit Sales	Motorcycles			Automobiles			Power Products		
	FY24 Previous	FY24 Revised	Change	FY24 Previous	FY24 Revised	Change	FY24 Previous	FY24 Revised	Change
Japan	270	255	- 15	555	630	+ 75	340	320	- 20
North America	470	500	+ 30	1,645	1,620	- 25	1,540	1,075	- 465
Europe	435	465	+ 30	100	100	-	1,040	815	- 225
Asia	16,375	15,945	- 430	1,915	1,615	- 300*	1,465	1,310	- 155
Other Regions	1,630	1,635	+ 5	135	135	-	365	330	- 35
Total	19,180	18,800	- 380	4,350	4,100	- 250	4,750	3,850	- 900
FY23 Results	18,757			3,687		* - 300 in China are included	5,645		
Consolidated Unit Sales	12,635	12,270	- 365	2,880	2,920	+ 40	4,750	3,850	- 900

Next,
I would like to explain the forecast for fiscal year 2024.

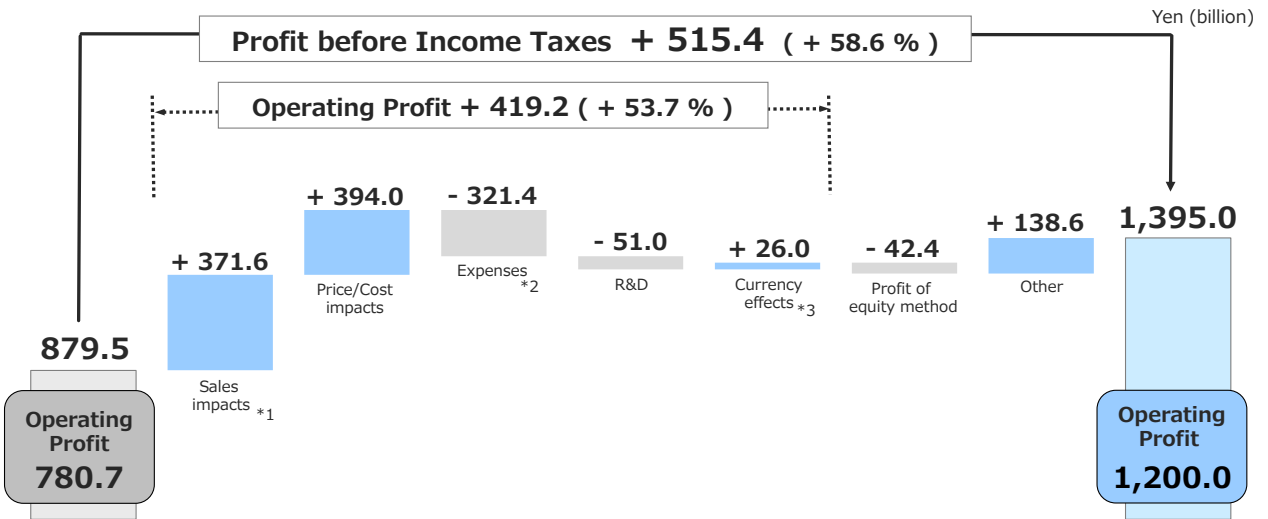
Compared to the previous forecast,
Honda Group Unit Sales is projected as follows:

In motorcycle business,
the forecast is 18.8 million units,
mainly reflecting a decline in Asia.

In automobile business,
the forecast is 4.1 million units,
mainly reflecting a decline in Asia.

In power products business,
the forecast is 3.85 million units,
mainly reflecting a decline in North America.

FY24 Forecast: Change in Profit before Income Taxes



	*1 Sales impacts	*2 Expenses	*3 Currency effects	
Revenue, model mix	+ 554.5	Warranty	JPY / USD	+ 79.0
Finance	+ 0.5	Finance	USD / Others	+ 2.0
Other	- 183.4	Other	(BRL, CAD, MXN)	
			JPY / Asian currencies	+ 4.0
			(INR, THB, VND, CNY, IDR)	
			Other	- 59.0

Next, I would like to explain the change factors behind profit before income taxes compared to the previous fiscal year's results.

First, compared to the previous year's results, operating profit is forecast to increase by 419.2 billion yen.

Let me explain the breakdown.

With respect to sales impacts, a profit increase of 371.6 billion yen is projected due to an increase in the number of automobile sales as well as other factors.

Regarding price and cost impacts, a profit increase of 394 billion yen is projected due to the effect of implementing pricing that reflects increased product, a decrease in raw material prices led mainly by precious metals, as well as other factors.

Regarding expenses, profit is projected to decrease by 321.4 billion yen due to increases in warranty expenses and selling expenses.

Regarding R&D expenses, a profit decrease of 51 billion yen is projected.

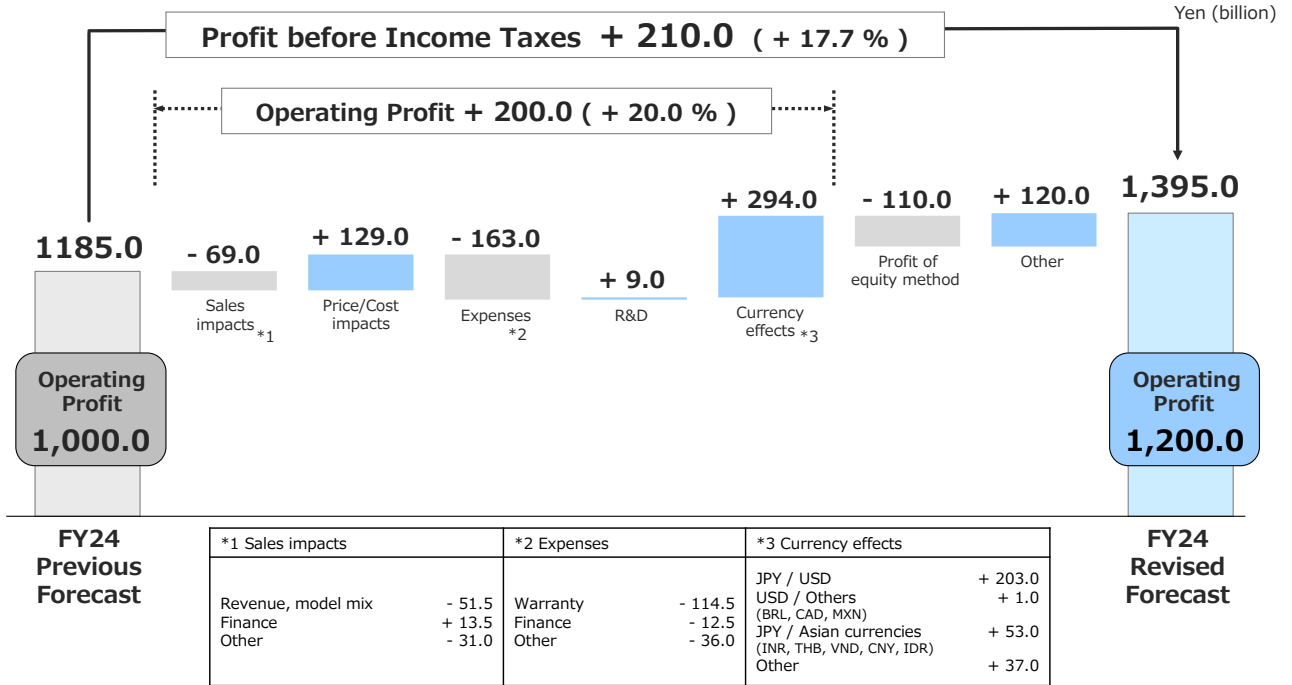
Regarding currency effects, profit is projected to increase by 26 billion yen.

Also, regarding profit before income taxes, profit of equity method is projected to decrease by 42.4 billion yen due to a decline in automobile sales volume in China, and other factors.

Combined with an projected increase in profit of 138.6 billion yen due to an increase in interest income, as well as other factors, profit before income taxes is projected to increase by 515.4 billion yen.

FY24 Forecast: Change in Profit before Income Taxes

Yen (billion)



Next, I would like to explain the factors define that change compared to the previous forecast of fiscal year.

In terms of operating profit, we have forecast an increase in profit of 200 billion yen compared to the previous forecast.

The breakdown is as follows:

Sales impacts is projected to record a decrease of 69 billion yen due to a decrease in sales volume and other factors.

Regarding price and cost impacts, a profit increase of 129 billion yen is projected due to the effect of implementing pricing that reflects increased product value, a decrease in raw material prices led by precious metals, as well as other factors.

Regarding expenses, a profit decrease of 163 billion yen is projected due to an increase in warranty expenses, and other factors.

With respect to R&D expenses, a profit increase of 9 billion yen is projected.

Regarding currency effects, an increase in profit of 294 billion yen is projected.

With respect to profit before income taxes, a 110 billion yen decrease in profit of equity method is projected due to a decrease in the number of automobiles sold in China, as well as other factors.

Reflected together with a projected 120 billion yen increase in interest income, and among factors, we forecast an increase in profit before income taxes of 210 billion yen.

FY24 Forecast: Capital Expenditures/Depreciation/R&D

Yen (billion)	FY23 Results	FY24 Forecast	Change	Change from previous forecast
Capital expenditures ^{*1}	493.9	440.0	- 53.9	+ 40.0
Depreciation and amortization ^{*1}	439.3	480.0	+ 40.6	+ 35.0
Research and development expenditures ^{*2}	852.0	990.0	+ 137.9	+ 10.0

*1 Capital expenditures as well as Depreciation in Results and Forecast shown above exclude investment in operating leases, right-of-use assets, and intangible assets.

*2 Research and development expenditures are research and development activity related costs incurred during the reporting period. In accordance with IFRS, a portion of research and development expenditures is recognized as an intangible asset and amortized over its estimated useful life. As such, this amount is not in conformity with "Research and development" on Consolidated Statements of Income.

Lastly,
the forecast for capital expenditures, depreciation and amortization expenses,
as well as R&D expenditures for FY2024 are as shown

Caution with Respect to Forward-Looking Statements:

This presentation 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 fluctuation of foreign exchange rates, as well as other factors detailed from time to time.

Accounting standards:

Our consolidated financial statements are prepared in conformity with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

Notice on the Factors for Increases and Decreases in Income:

With respect to the discussion in this presentation of the changes, identified factors and used what it believes to be a reasonable method to analyze the respective changes in such factors. 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 transaction. With respect to "foreign currency adjustments", analyzed foreign currency adjustments primarily related to the following currencies: U.S. dollar, Japanese yen and others at the level of the Company and its material consolidated subsidiaries.

(2) With respect to "Price and Cost Impacts", analyzed effects of changes in sales price, cost reductions, effects of raw material cost fluctuations and others, excluding foreign currency effects.

(3) With respect to "Sales Impacts", analyzed changes in sales volume and in the mix of product models sold that resulted in increases/decreases in profit, changes in sales revenue of Financial services business that resulted in increases/decreases in profit, as well as certain other reasons for increases/decreases in sales revenue and cost of sales, excluding foreign currency effects.

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

(5) With respect to "Research and Development expenses", analyzed reasons for an increase/decrease in research and development expenses from the previous fiscal year excluding foreign currency translation effects.

Unit sales:**Motorcycle Business**

Honda Group Unit Sales is the total unit sales of completed products, including motorcycles, ATVs, and Side-by-Sides of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries.

Automobile Business

Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries. Certain sales of automobiles that are financed with residual value type auto loans and other 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.

Power Products Business

Honda Group Unit Sales is the total unit sales of completed power products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed power products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed power products of Honda and its consolidated subsidiaries. In Power Products business, there is no discrepancy between Honda Group Unit Sales and Consolidated Unit Sales since no affiliate and joint venture accounted for using the equity method was involved in the sale of Honda power products.

* Earnings per share attributable to owners of the parent is calculated based on weighted average number of shares outstanding as shown below:

- 2nd Quarter	FY23 :	5,123,176,000 (approx.) ,	FY24 :	4,918,544,000 (approx.)
- Six Months *1	FY23 :	5,126,872,000 (approx.) ,	FY24 :	4,944,996,000 (approx.)
- Fiscal year	FY23 :	5,088,921,000 (approx.) ,	FY24 Forecast :	4,904,027,000 (approx.)

*1 Each share of common stock was split into 3 shares per share on the record date of September 30, 2023, with an effective date of October 1, 2023. Weighted average number of shares outstanding is calculated that the stock split was carried out at the beginning of the previous fiscal year.

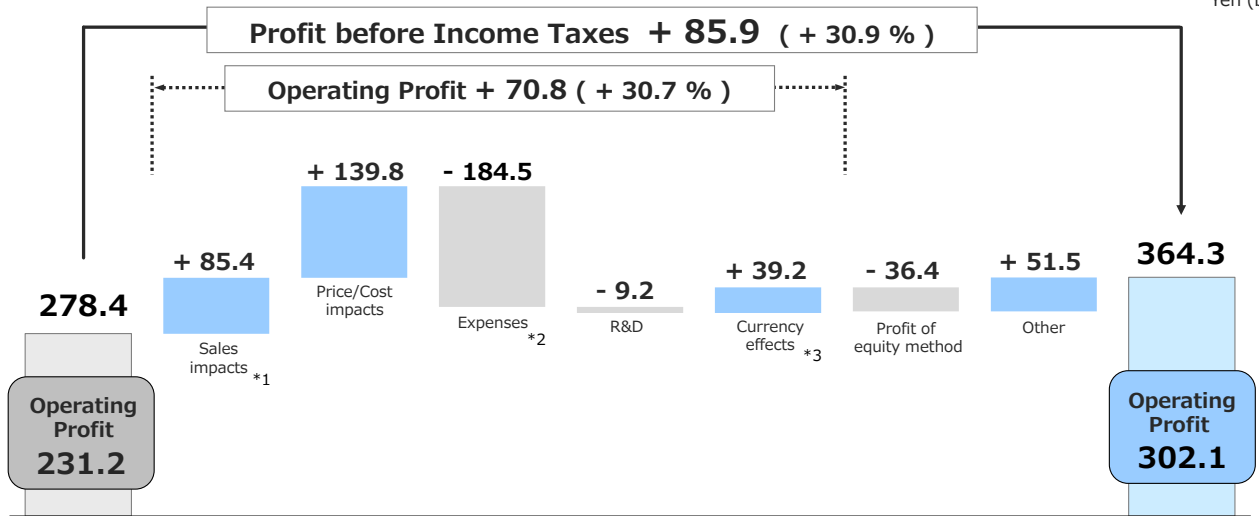
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Appendix

FY24 2nd Qtr. Results: Change in Profit before Income Taxes

Yen (billion)



FY23 2Q
Three Months

*1 Sales impacts		*2 Expenses		*3 Currency effects	
Revenue, model mix	+ 113.4	Warranty	- 137.6	JPY / USD	+ 26.0
Finance	+ 0.4	Finance	- 6.7	USD / Others (BRL, CAD, MXN)	+ 8.0
Other	- 28.4	Other	- 40.2	JPY / Asian currencies (INR, THB, VND, CNY, IDR)	+ 3.0
				Other	+ 2.2

FY24 2Q
Three Months

**FY24 2nd Qtr. Results: Sales Revenue/Operating Profit (Margin)
by Business Segment (Three Months)**

upper : FY24 lower : FY23	Motorcycle Business	Automobile Business	Financial Services Business	Power Products and Other Businesses
Unit (thousand)	4,793	1,033	-	843
Honda Group	(3,136)	(699)	-	(843)
Unit Sales	4,951	970	-	1,389
(Consolidated Unit Sales)	(3,371)	(564)	-	(1,389)
Yen (billion)	815.6	3,315.7	804.2	105.1
Sales	736.6	2,675.7	779.0	117.0
Revenue	109.8	124.3	67.4	0.3
Operating	126.9	25.3	74.2	4.7
Profit	13.5%	3.8%	8.4%	0.4%
Operating	17.2%	0.9%	9.5%	4.0%
Margin				

In the financial services business, Honda provides retail lending and leasing to customers and wholesale financing to dealers to support the sale of its products.

Operating profit from aircraft and aircraft engines included in above Yen (billion)

- 8.8

FY23 2Q : - 8.2

Change in Sales Revenue (Sales revenue from external customers)

Yen (billion)

Three Months

Compared with FY23 2Q : + 728.6 / + 17.1% (Excluding currency translation effects : + 568.0 / + 13.3%)

	FY23	FY24	Change	Change excluding currency translation effects (%)	
Motorcycle Business	736.6	815.6	+ 78.9	+ 55.7	+ 7.6%
Automobile Business	2,628.7	3,269.9	+ 641.2	+ 535.8	+ 20.4%
Financial Services Business	778.5	803.5	+ 25.0	- 4.2	- 0.5%
Power Products and Other Businesses	111.8	95.2	- 16.6	- 19.2	- 17.2%
Total	4,255.7	4,984.3	+ 728.6	+ 568.0	+ 13.3%
Market average rate (Yen)					
U.S. Dollar	138	145			

Six Months

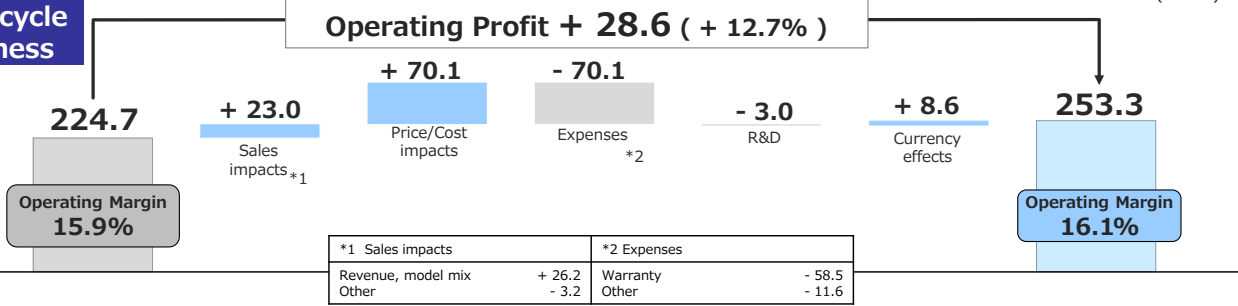
Compared with FY23 : + 1,524.0 / + 18.9% (Excluding currency translation effects : + 1,201.3 / + 14.9%)

	FY23	FY24	Change	Change excluding currency translation effects (%)	
Motorcycle Business	1,412.6	1,572.5	+ 159.8	+ 122.9	+ 8.7%
Automobile Business	4,920.1	6,262.2	+ 1,342.0	+ 1,126.8	+ 22.9%
Financial Services Business	1,527.9	1,576.6	+ 48.6	- 15.7	- 1.0%
Power Products and Other Businesses	224.5	197.9	- 26.5	- 32.6	- 14.5%
Total	8,085.3	9,609.3	+ 1,524.0	+ 1,201.3	+ 14.9%
Market average rate (Yen)					
U.S. Dollar	134	141			

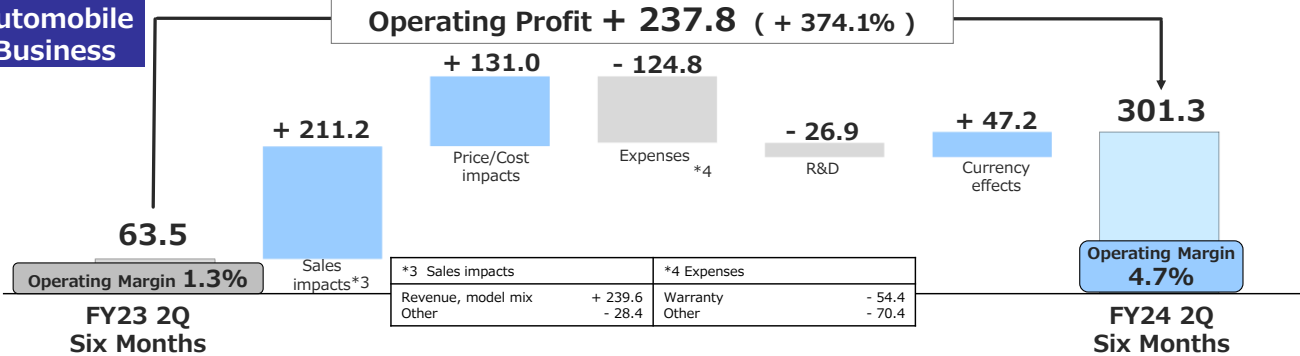
**FY24 2nd Qtr. Results: Changes in Operating Profit
in Motorcycle Business/Automobile Business (Six Months)**

Yen (billion)

Motorcycle Business



Automobile Business



**FY23 2Q
Six Months**

**FY24 2Q
Six Months**

Sales Revenue/Operating Profit by Geographical Segment

Yen (billion)

Three Months	Japan		North America		Europe		Asia		Other Regions	
	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
Sales Revenue	1,168.6	1,361.0	2,317.9	2,909.2	151.8	233.0	1,326.9	1,250.8	203.9	260.6
Operating Profit	55.9	58.1	52.9	114.4	4.2	13.0	116.2	111.7	15.7	40.6
Change (%)	+ 3.8%		+ 115.9%		+ 206.5%		- 3.8%		+ 157.7%	

Six Months	Japan		North America		Europe		Asia		Other Regions	
	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
Sales Revenue	2,184.8	2,513.3	4,462.4	5,717.9	319.4	447.0	2,395.7	2,329.2	404.5	506.8
Operating Profit	80.7	160.8	144.0	282.1	7.6	24.9	202.7	208.1	29.5	74.0
Change (%)	+ 99.2%		+ 95.9%		+ 224.2%		+ 2.7%		+ 150.7%	

Yen (billion)	QTD (Three Months)			YTD (Six Months)		
	FY23 Results	FY24 Results	Change	FY23 Results	FY24 Results	Change
Capital expenditures	140.5	73.2	- 67.2	242.1	135.2	- 106.8
Depreciation and amortization	105.8	123.3	+ 17.5	207.3	246.2	+ 38.8
Research and development expenditures	190.8	214.0	+ 23.1	371.4	408.2	+ 36.7

FY24 2nd Qtr.: Consolidated Statements of Financial Position
Divided into Non-financial Services Businesses and Finance Subsidiaries

Yen (billion)

Assets	Mar. 31, 2023	Sep. 30, 2023	Liabilities and Equity	Mar. 31, 2023	Sep. 30, 2023
Cash and cash equivalents	3,553.6	4,237.4	Trade payables	1,379.3	1,367.9
Trade receivables	1,063.7	1,083.9	Financing liabilities	802.7	880.6
Inventories	2,164.8	2,353.0	Other liabilities	2,723.5	3,082.0
Investments accounted for using the equity method	915.9	1,065.6	Non-financial Services Businesses	4,905.7	5,330.8
Property, plant and equipment	3,153.1	3,214.5	Financing liabilities	6,867.4	8,136.3
Other assets	3,052.4	3,257.6	Other liabilities	1,502.9	1,686.8
Non-financial Services Businesses	13,903.9	15,212.2	Finance Subsidiaries	8,370.3	9,823.2
Cash and cash equivalents	249.4	203.0	Reconciling items	-108.3	-155.4
Receivables from financial services	5,895.4	7,321.4	Total liabilities	13,167.7	14,998.6
Equipment on operating leases	4,726.2	5,069.1	Non-financial Services Businesses equity	8,998.2	9,881.4
Other assets	325.8	383.5	Finance Subsidiaries equity	2,826.6	3,154.0
Finance Subsidiaries	11,197.0	12,977.3	Reconciling items	-322.6	-357.5
Reconciling items	-430.9	-512.9	Total equity	11,502.2	12,677.9
Total assets	24,670.0	27,676.6	Total liabilities and equity	24,670.0	27,676.6

Sales Revenue/Operating Profit by Business Segment

Yen (billion)

Segment Information	QTD										YTD			
	FY23				FY24				Change	Change (%)	FY23 Results	FY24 Results	Change	Change (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q						
Sales Revenue														
Motorcycle Business	676.0	736.6	789.6	706.6	756.9	815.6			+ 78.9	+ 10.7%	1,412.6	1,572.5	+ 159.8	+ 11.3%
Automobile Business	2,328.1	2,675.7	2,855.0	2,922.6	3,031.3	3,315.7			+ 639.9	+ 23.9%	5,003.9	6,347.1	+ 1,343.1	+ 26.8%
Financial Services Business	750.0	779.0	733.6	693.4	773.6	804.2			+ 25.1	+ 3.2%	1,529.0	1,577.8	+ 48.7	+ 3.2%
PP & Other Businesses	119.0	117.0	120.7	119.5	109.1	105.1			- 11.9	- 10.2%	236.0	214.3	- 21.7	- 9.2%
Reconciling items	- 43.7	- 52.7	- 60.9	- 58.0	- 46.1	- 56.2			- 3.5	-	- 96.4	- 102.4	- 5.9	-
Total	3,829.5	4,255.7	4,438.1	4,384.2	4,624.9	4,984.3			+ 728.6	+ 17.1%	8,085.3	9,609.3	+ 1,524.0	+ 18.9%
Operating Profit														
Motorcycle Business	97.8	126.9	151.7	112.1	143.5	109.8			- 17.0	- 13.5%	224.7	253.3	+ 28.6	+ 12.7%
Automobile Business	38.2	25.3	49.3	- 129.5	176.9	124.3			+ 99.0	+ 391.6%	63.5	301.3	+ 237.8	+ 374.1%
Financial Services Business	78.8	74.2	67.3	65.4	69.5	67.4			- 6.7	- 9.1%	153.0	137.0	- 16.0	- 10.5%
PP & Other Businesses	7.3	4.7	12.0	- 1.2	4.4	0.3			- 4.3	- 91.8%	12.0	4.8	- 7.2	- 60.1%
Total	222.2	231.2	280.4	46.8	394.4	302.1			+ 70.8	+ 30.7%	453.4	696.5	+ 243.1	+ 53.6%
Operating profit from aircraft and aircraft engines	- 3.8	- 8.2	- 6.6	- 7.1	- 5.6	- 8.8			- 0.6	-	- 12.0	- 14.5	- 2.5	-
Total Assets of Finance Subsidiaries	11,942.4	12,041.8	11,120.9	11,197.0	12,374.0	12,977.3			+ 935.4	+ 7.8%				

Honda Group Unit Sales/Consolidated Unit Sales

Honda Group Unit Sales	QTD								YTD			Forecast			
	FY23				FY24				Change	FY23 Results	FY24 Results	Change	FY23 Results	FY24 Forecast	Change
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q							
Motorcycles	4,251	4,951	5,083	4,472	4,473	4,793			- 158	9,202	9,266	+ 64	18,757	18,800	+ 43
Japan	56	58	65	67	58	64			+ 6	114	122	+ 8	246	255	+ 9
North America	110	110	119	120	120	135			+ 25	220	255	+ 35	459	500	+ 41
Europe	81	63	79	124	119	110			+ 47	144	229	+ 85	347	465	+ 118
Asia	3,585	4,315	4,410	3,798	3,781	4,093			- 222	7,900	7,874	- 26	16,108	15,945	- 163
Other Regions	419	405	410	363	395	391			- 14	824	786	- 38	1,597	1,635	+ 38
Automobiles	815	970	955	947	901	1,033			+ 63	1,785	1,934	+ 149	3,687	4,100	+ 413
Japan	108	133	148	161	115	144			+ 11	241	259	+ 18	550	630	+ 80
North America	267	275	318	335	393	385			+ 110	542	778	+ 236	1,195	1,620	+ 425
Europe	23	22	18	21	20	23			+ 1	45	43	- 2	84	100	+ 16
Asia	387	511	443	403	343	446			- 65	898	789	- 109	1,744	1,615	- 129
Other Regions	30	29	28	27	30	35			+ 6	59	65	+ 6	114	135	+ 21
Power Products	1,546	1,389	1,186	1,524	983	843			- 546	2,935	1,826	- 1,109	5,645	3,850	- 1,795
Japan	84	100	83	109	60	72			- 28	184	132	- 52	376	320	- 56
North America	684	622	418	550	357	237			- 385	1,306	594	- 712	2,274	1,075	- 1,199
Europe	313	241	219	395	218	138			- 103	554	356	- 198	1,168	815	- 353
Asia	368	323	356	361	288	314			- 9	691	602	- 89	1,408	1,310	- 98
Other Regions	97	103	110	109	60	82			- 21	200	142	- 58	419	330	- 89
Consolidated Unit Sales	2,972	3,371	3,227	2,591	2,870	3,136			- 235	6,343	6,006	- 337	12,161	12,270	+ 109
Motorcycles	56	58	65	67	58	64			+ 6	114	122	+ 8	246	255	+ 9
North America	110	110	119	120	120	135			+ 25	220	255	+ 35	459	500	+ 41
Europe	81	63	79	124	119	110			+ 47	144	229	+ 85	347	465	+ 118
Asia	2,306	2,735	2,554	1,917	2,178	2,436			- 299	5,041	4,614	- 427	9,512	9,415	- 97
Other Regions	419	405	410	363	395	391			- 14	824	786	- 38	1,597	1,635	+ 38
Automobiles	96	116	131	141	102	129			+ 13	212	231	+ 19	484	545	+ 61
North America	267	275	318	335	393	385			+ 110	542	778	+ 236	1,195	1,620	+ 425
Europe	23	22	18	21	20	23			+ 1	45	43	- 2	84	100	+ 16
Asia	113	122	124	146	88	127			+ 5	235	215	- 20	505	520	+ 15
Other Regions	30	29	28	27	30	35			+ 6	59	65	+ 6	114	135	+ 21
Power Products	84	100	83	109	60	72			- 28	184	132	- 52	376	320	- 56
North America	684	622	418	550	357	237			- 385	1,306	594	- 712	2,274	1,075	- 1,199
Europe	313	241	219	395	218	138			- 103	554	356	- 198	1,168	815	- 353
Asia	368	323	356	361	288	314			- 9	691	602	- 89	1,408	1,310	- 98
Other Regions	97	103	110	109	60	82			- 21	200	142	- 58	419	330	- 89