



Over its 75-year history, Honda has always looked ahead of the times and kept on evolving. "Trajectory of Challenges" provides a factual account of the management, policies, products, and technologies that set the path for Honda on its extraordinary journey, taking on challenges amidst drastically changing environments and societies.

# The 1950s

Honda Takes on Brave Challenges with Dreams and Passion



With 34 employees and 1 million yen in capital, Honda started out as a small town factory in Hamamatsu. The company ran with passion toward its dream. After the launch of the Cub F-Type, business grew rapidly with its unique sales network and excellent motorcycle products. Honda gained a firm position in the motorcycle industry after the Super Cub C100 became a hit in Japan and the U.S., and the company participated in the Isle of Man TT races.

## Japan in the 1950s

In 1951, the San Francisco Peace Treaty was signed, ending Japan's state of war internationally. At the same time, the Japan-U.S. Security Treaty was concluded. Combined with the government's tax incentives for key industries, capital investment in the mining, manufacturing, and energy sectors was vigorous, laying the foundation for Japan's economic development in the years to come.

## **Honda Topics**

5 Key Themes

#### Unique Product that Proved "Good Products Know No National Boundaries"

Governance

Following the words of Soichiro Honda, "Make something that can fit in the hand," the company pursued a motorcycle size and functional design that would be easy for anyone to handle. The new model was epoch-making, and many new innovations were incorporated without hesitation, including a 4-stroke engine, which was considered difficult to mass-produce in the 50 cc category, and an automatic centrifugal clutch that eliminated the need for clutch lever operation. The design concept remains consistent to this day, and the Supe Cub continues to be loved around the world.



### Honda's First Full-fledged Motorcycle

Dream D-Type (1949)



The Dream D-Type was developed to be a faster, more comfortable, and more authentic motorcycle. At a time when tubular steel frames were the mainstream for Janan domestic motorcycles, the use of a channel frame made of easy to mass-produce pressed steel plate and the beautiful maroon painted body were eye-catching. Honda also developed a two-speed transmission that could be shifted by foot pedal alone, eliminating the need to operate the clutch. This was a challenge to create a motorcycle that could be easily handled by anyone.

#### Bicycle Auxiliary Engine that Became a Hit Through Direct Mail Marketing

Cub F-Type (1952)

With postwar reconstruction, bicycles with auxiliary engines became an important means of transportation, and amid countless competing products, the innovative design of the "white fuel tank and red engine" took Japan by storm. Honda's sales network rapidly expanded from 400 to 13,000 outlets.

#### Soichiro Honda, the Maker, Meets Takeo Fujisawa, the Seller (1949)



Honda and Fujisawa first met in August 1949. They liked each other immediately. Although they had completely different personalities and specialties in different fields of work, the two liked each other because they saw something in the other that they did not have, Soichiro Honda, the maker. Takeo Fujisawa, the seller. A partnership was born, in which serious talking and sharing of unfathomable dreams was possible.

#### Youth Versus the World: Entering the Isle of Man TT Races (1959)



1954, Honda declared its intention to participate in the Isle of Man TT Races, considered the world's most prestigious racing event. Kiyoshi Kawashima and a group of young associates in their twenties were entrusted with this major project, which was to be the company's most ambitious yet. Although keenly aware of the gap between their strengths and that of the rest of the world, they kept moving forward, and in their first entry in the Isle of Man TT Races in 1959, they won the manufacturers' prize. The team's momentum continued, and in 1961 Honda finally achieved its long-cherished goal of winning the race.

Related Topics in Main

of cornorate rationalization ·Japan Automobile Manufacturers Association established •Economic Stability Headquarters announces five-vear plan for economic reconstruction

•Exchange rate fixed at 360 yen to announced. the dollar. Japanese Industrial Standards ·North Atlantic Treat Organization (NATO) signed.

1949

·Outbreak of Korean War. Census of Japan's total population: 83.19 million

Chuo-ku, Tokyo,

Tokvo.

1950

Organization) approves Japan's membership. Japan-U.S. Security Treaty signed. Japan's automobile registration ordinance is announced.

 Japan becomes an official member of the IMF. •Road Traffic Control Ordinance enacted. Japan enacts the K-cars license

Japan Friendship Commerce And Navigation Treaty with U.S. signed. ·Korean War armistice agreement signed at Panmunjom

Plan adonted Jinmu economic boom begins.

 Rational Sequence Measures to eliminate cycle distinctions for motorcycles implemented.
•First five-year road improvement

·MITI announces the National Car · Japan formally joins GATT. (Sony Corporation)

and Modernization of the Japanese Economy" released. Japan joins the United Nations.

Japan Highway Public Corporation established

observation team names observation base "Showa Station" Cabinet approves the use of domestically produced cars. ·The European Economic Community (EEC) Treaty is signed. (Nissin Foods).

Tokyo Tower construction Kanmon National Highway Tunnel opens.
Iwato economic boom begins. instant ramen noodles go on sale

Traffic fatalities exceed 10,000 for the first time •Trade with the U.S. shows a surplus for the first time in the postwar period. Dollar exchange rate liberalized.
 Ise Bay Typhoon.

1959

First overseas subsidiary

American Honda Moto

(AH), established in Los

Angeles, U.S.A.\*4

1948

Honda Motor Co., Ltd. established



Founder: Soichiro Honda

Honda's first original product, the A-Type. launched in 1947

Tokyo Sales Office established in Maki-cho.



Takeo Fujisawa joins the company as Managing Director.

C-Type launched.

C-Type wins championship in the Japan-U.S. auto races.



First full-fledged motorcycle Dream D-Type launched.

Report

Tokyo Plant established in Kamijujo, Kita-ku,

Begins exporting products (300 A-Type units to Taiwan)\*

Published "Three Joys" in Honda's Monthly

Successful test of Dream E-Type crossing the Hakone pass



First 4-stroke engine Dream E-Type launched.

First instruction manual for Dream E.

# 1952

Closed Tokyo Plant and established Shirako Plant (Saitama Factory)

Head office moved from Hamamatsu to Tokyo (3-chome, Maki-cho, Chuo-ku)

> Decided to nurchase imported machine tools worth 450 million yen\*

Establishes Nagoya Shikoku, Osaka, and Kvushu branches.



#### Cub F-Type released.

Exported Cub F-Type to Taiwan and other countries (Honda's overseas business started)

Established sales system centered on bicvcle stores in conjunction with the launch of the Cub F-Type.

### 1953

Ranked first in Japan in motorcycle production



Head office and sales office moved to 2-chome, Maki-cho, Chuo-ku, Tokyo.

> Honda labor union formed. Shirako and Yamato

plants combined to form Saitama Factory. Yamashita and Noguchi

plants combined to forn Hamamatsu Factory.



First pressed backbone frame Benly J-Type released.

Honda HES (Honda Engineering Standard) established.

Honda develops the first dedicated on-board tool kit.

H-Type general-purpose engine launched. Exported approximately 5,000 units of the general-purpose H-Type

engine to Brazil.

### 1954

Declared participation in the Isle of Man TT races.



Participated in and finished the Sao Paulo International Auto Race with R125



Honda's first scooter, the Juno K-Type, launched.

The T-Type 4-stroke general-purpose engine launched.

# 1956

Started 1-year motorcycle warranty program.

1955

Launched the Dream SA-Type (250cc) and Dream SB-Type (350cc) equipped with Honda's first OHC engine.

Company Principle established\*

General-purpose engine VN-Type launched.

Implemented 1-year motorcycle warranty service program.

# 1957

R&D center established in the Saiitama Factory's Shirako Plant.

Honda dominates the Asama Volcano Race, taking first through fifth places in the junior class.



Dream C70 equipped with Honda's first two-cylinder engine launched.

Honda listed on the Tokyo Stock Exchange.

1958

Arakawa high-speed



Super Cub C100

General-purpose engines VNC-Type and VND-Type launched



Benly CB92 Super Sport



E150 tiller launched

Super Cub C100 exports to the U.S. begin.

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Topics

# The 1960s

Entering the Automobile Market Motorcycles Go Global

Against the backdrop of a strong economy, interest in, and expectations for, motorization were on the rise in Japan. Honda was building a framework to enter the automobile market, and in 1963 it launched its first k-truck, the T360. This marked Honda's start as an auto manufacturer. Meanwhile, Honda took on the challenge to take its' motorcycle business global in search of a larger market.



## Japan in the 1960s

Fconomic expansion continued over a long period, with real economic growth remaining high at around 10% per year. Domestic demand expanded, exports increased, the population grew and the labor force moved from rural to urban areas, and the level of education improved significantly. In addition, road networks were developed and motorization accelerated. While the car boom and other improvements in lifestyle brought affluence, new social problems such as traffic accidents and pollution also emerged

## **Honda Topics**

#### The "Enu-koro" ignites the "my car" boom

The N360 (nicknamed "Enu-koro" (Little Puppy N)) had a roomy interior that could easily seat four adults, a maximum output of 31 PS (more than its rivals), and an astonishingly low price of 313,000 yen. Its cute appearance earned it the nickname "Enu-koro". Top priority in designing the N360 was placed on interior spaciousness, based on the concept of making the mechanisms small and the cabin space large. The M/M (Mar Maximum, Machine Minimum) principle remains the basis of Honda's automobile development to this day.



Contributing to the Development of Japanese Motorsports

Suzuka Circuit (1962)



In 1960, Japan did not have highways yet. Honda began a project to build a full-scale, completely paved racing track. After only one year and a month of construction, the Suzuka Circuit was completed in 1962. The track is 6.004 m long, with a capacity of 200,000 spectators (10,000 in the grandstands). The circuit attracted worldwide attention for its accommodations, restaurants, and an automobile amusement park.

#### **Revolutionary Portable Generator** That Could Be Held in One Hand

E300 Portable Generator (1965)

Following tillers and outhoard engines. Honda launched the F300 handheld generator in a market where few leisure-use products were available The switches were designed with round knobs and screw heads were kept out of view as much as possible, in accordance with Soichiro Honda's insistence that, "Generators should not show any mechanical elements and should give the user a sense of security." The result was a novel cubic design reminiscent of a fully encased household electrical appliance, which went on to be used in a variety of settings around the world.

Car Racing the Next Frontier for the Motorcycle World Champion: Declaration of participation in Formula 1 (1964)



Honda had just released production cars, as the last Japanese manufacturer to enter the automobile market, but soon took on the challenge of Formula 1 racing, the pinnacle of car racing. No other Japanese car manufacturer had even considered such a challenge. Despite Honda's efforts, its first race, the German GP, was a disastrous failure. Nonetheless, Honda continued on this difficult path, and in its second year, achieved its first victory in the final race of the season, the Mexican GP.

#### The Motorcycle that Sparked the Worldwide "Nana-han" Boom

Dream CB750 FOUR (1969)



The CR750 FOLIR was the culmination of new challenges: the world's first mass-produced motorcycle with a parallel four-cylinder SOHC engine, hydraulic disc brakes, double cradle frame, and four mufflers. With a maximum output of 67 PS and a top speed of 200 km/h, it outperformed other manufacturers' flagship models, and even spawned the popular term "Nana-han" (7-and-a-half) to symbolize the large motorcycle that completely changed the European-dominated motorcycle market.

Topics

-Japan-U.S. Security Treaty signed.
-Cabinet approves the National Income Doubling Plan. ·The Organization of Petroleum Exporting Countries (OPEC) is formed.

MITI plans to create three groups of passenger car manufacturers.

John F. Kennedy becomes president of the United States The Soviet Union successfully launches and recovers a human satellite ship.

in 230 items (liberalization rate of apan and the U.S. sign GATT tariff President Kennedy assassinated in

ces its intent to become a GATT Article 11 country (prohibiting trade restrictions on balance of payments grounds).

Meishin Expressway opens.

Tokaido Shinkansen hegins service (between Tokyo and Shin-Osaka). Japan joins the OECD (Organization for Economic Cooperation and Development).

1964

"You Meet the Nicest People

U.S. magazine advertising

Honda France (FH), a sales

company, is established in

Production of motorcycles

Asian Honda Motor (ASH)

Savama Factory established

industrial machinery plant

All Honda Service Factory (SF)

Wins the 125cc, 250cc, and

Declares participation in

Formula 1. Makes first

appearance in F1 at

Honda's first outboard

(4-stroke) launched

Round 6. German

GP, with RA271.

S600 launched.

engine, GB30

350cc classes of the Isle of Man

established in Thailand.

automobile plant and

begin operations.

established.

TT races

begins at Atlas Autos (AHL) in

Pakistan through a technical

award

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collaboration

On a Honda" campaign wins a

passenger cars implemented. Izanagi economic boom begins Automobile driver's license holders Japan's population exceeds 100

Automobile emission regulations are implemented, including CO concentration of 3% or less Japan Automobile Appraisal Association established.

The Kennedy Round concluded among major countries. Basic Law on Pollution Contro Measures promulgated. Japan overtakes West Germany to become the world's second largest producer of automobiles

1967

· Rasic Law on Consumer Protection ropean Community (EC) established.

announced. ·Air Pollution Control Law and Noise Regulation Law enacted. ·Organization of Arab Petroleum Exporting Countries (OAPEC) formed. Automobile acquisition tax establishe

The Ministry of Transportation institutionalizes the recall systen ·First manned moon landing by the

1960

1961



New Head Office building completed in Yaesu, Chuo-ku



Suzuka Factory begins



Honda R&D Co., Ltd. established.\*

Dream CB72 Super Sports launched

Production of Super Cub C100 transferred from Saitama Factory to Suzuka Factory

Motorcycle sales company European Honda Motor (EH)

established in Germany. Export of knockdown motorcycles from Suzuka Factory to Taiwan begins.



Sweeps first through fifth places in 125cc and 250cc classes of the Isle of Man TT

Wins World GP 125cc and 250cc manufacturers' titles

Motor Sports Land Co., Ltd. established and Tama Tech begins operations.

Super Cub production reaches



F60 and F190 tillers launched

#### 1962

Honda's first overseas production subsidiary, Honda Motor, a motorcycle production and sales company, established in Belgium.

Production of motorcycles begins through a technical collaboration with San Yang Industry (SY) of Taiwan.

Die&Machinery factory established in the Shirako Factory.

Wins 125cc and 250cc classes of the Isle of Man TT races. Wins manufacturers' titles in the 125cc, 250cc, and 350cc

classes of the World GP. Suzuka Circuit completed in Suzuka City, Mie Prefecture.

SPORTS 360, SPORTS 500 and T360 introduced at the 9th All Japan Auto Show

Gas Turbine (GT) R&D established<sup>3</sup>



Juno M85 (horizontally opposed two-cylinder with Badalini transmission) launched'

#### 1963

15th anniversary of the company's founding

Wins the 250cc and 350cc classes of the Isle of Man TT

Wins the 50cc. 250cc. and 350cc classes in the first World GP road race in Japan.

Wins manufacturers' titles in the 250cc and 350cc classes of the World GP



Launches the T360 k-truck (Honda's first automobile product)



Launches the \$500 compact sports car.

Launches the G20 and G30 general-purpose engines.

## 1965

Takeo Fujisawa appointed vice Honda U.K. (HUK) established

Wins Isle of Man TT races in



RA272 wins F1 Mexican GP.



Dream CB450 (with Honda's first DOHC engine for mass-produced motorcycles) launched\*



Honda's first portable generator E300 launched.

# 1966

Honda Sales Research (HSR) established

Thai Honda Manufacturing (TH) established. Second generation Super Cub with OHC engine C50, C65, C70, and C90\*9 launched.



Wins Isle of Man TT races in 50cc, 250cc, and 500cc classes

Achieves first ever complete domination of all five World GP classes.

Participates in F1 Italy GP with newly developed 3000 cc engine (RA273).



F90 the first diesel-nowered tiller, launched

Automobile plant at Suzuka Factory begins operations. Production of motorcycles begins at Thai Honda (TH).

Wins the Isle of Man TT Races 250cc, 350cc, and 500cc

Announces withdrawal from World GP racing.

classes.



RA300 wins F1 Italian GP.

Cumulative production of Super Cub reaches 5 million



N360 introduced

GB40 4-stroke outboard engine introduced

1968

air-cooled engine (RA302), but

water-cooled engine (RA301).

retires, finishes 2nd with the

Hunter Cub CT50 Jaunched

Begins N360 exports to Italy,

Southeast Asia, and other

Cumulative production of

motorcycles reaches 10 million

Ends F1 racing activities after

the 1968 season

N series K-car tops the

domestic sales report

markets

units.

1969 Enters F1 French GP with new Canadian Honda (CH)

> Begins production of motorcycles at Boon Siew Sdn

Bhd. (BSW) through a technical collaboration in Malaysia.

Honda Australia (AUH), an automobile sales company, established in Australia

Regins production of automobiles for the first time overseas, through a technical tie-up with San Yang Industry (SY) of Taiwan

Begins production of automobiles through a technical collaboration with Malaysia's Kah Motor (HKL)



Dream CB750 FOUR launched in Japan and exported to the



Honda's first compact passenger car, the 1300 launched.

**Topics** 

# The 1970s

Inheriting the Passion and Principles from the Founding Era to Take on New Challenges in the New Era

At a time when emission regulations and oil shocks created the need for clean and fuel-efficient vehicles, Honda succeeded in developing the CVCC, a revolutionary low-emission engine. The Civic equipped with CVCC became a huge hit in Japan and the United States.

In 1973, both Soichiro Honda and Takeo Fujisawa retired from their posts, triggering the company to move on from its founding phase, to its expansion phase.



# Japan in the 1970s

The Fourth Middle Fast War of 1973 drove up the price of crude oil. In 1974 Japan's economic growth rate, which depended almost entirely on imports, plunged into negative growth for the first time in the postwar period. However, the oil crisis triggered the promotion of energy and resource conservation. While industrial pollution problems decreased, air pollution became more serious as urbanization progressed, and automobile emission regulations began to take effect in earnest.

## **Honda Topics**

#### Aiming to Become the "People's Car" Worldwide

capabilities.

At a time when most domestic small cars were RWD sedans, the Civic was an FWD 2-box without a trunk, with tires as close the chassis' corners as possible.

Honda's original trapezoidal hatchback design achieved an unprecedented level of comfort. In 1973, a model equipped with a low-pollution CVCC engine was introduced.



#### Cultivating a New Market of Female Users

Road Pal (1976)



ME (Million Seller) Engine Series (1977)

"Rattatta!" while lightly stepping on the Road Pal's kick starting pedal. Its popular price point and the ease of use attracted many women who came to dealers to buy the Road Pal, asking for the "Rattatta!" Honda went on to develop several derivative models and became a pioneer in the family bike segment.

The development concept that led to the seemingly foolbardy goal

of 1 million units was "durable, long-lasting, and at one-half the

sales of 1 million units, a memorable product for general-purpose

cost." Five years later, in 1982, the ME engine achieved annual

engines that was the culmination of Honda's comprehensive

#### 3-door Hatchback Aimed at the Global Market Accord CVCC (1976)



The Accord CVCC was introduced as a high-grade hatchback sedan that offered a higher level of comfort and was designed as an upgrade path for Civic owners. Upon its launch, it was highly acclaimed both in Japan and abroad, and won the Car of the Year awards in Japan and the United States. It featured a stylish design and spacious interior, as well as power steering, air conditioning, and power windows. It was a small car ahead of its time, and gained tremendous popularity.

#### A Production Base in the Kingdom of Cars

Honda of America Manufacturing (1978)



Established in Columbus, Ohio, LISA, Local employees were called 'associates," not "workers," to achieve a common goal, and were supported by Japanese expatriates who aimed to ensure that quality was as good as Japan, and to develop human resources for the future. After gaining experience and knowledge through the production of motorcycles, Honda became the first Japanese manufacturer to produce locally in the Kingdom of Cars, the U.S.

·World Expo held in Osaka ·Photochemical smog become a social •The U.S. Clean Air Act of 1970 (commonly known as the Muskie Act) is enacted

U.S. President Richard Nixon issues a statement defending the dollar (dollar The fixed exchange rate system for the dollar and yen is ended.

Capital liberalization of the automobile industry and reduction of import tariffs

 Dinlomatic relations between Janar and China are established. ·Road Law revised; beginner's mark ·Helmet use for motorcycles becomes

 International currency crisis: ven soars as Japan moves to a floating exchange rate system •Fourth Middle East War begins.

1973

Negative growth for the first time in the nostwar period The Ministry of Transport revises safety standards (e.g., mandating three-point seat belts for front seats). The automobile acquisition tax and weight tax are sharply raised

· End of the Vietnam War ·First summit of industrialized nations held in France.

arrested in the Lockheed Incident ·10-mode fuel economy announcement system begins.

1976

 Japan establishes an exclusive economic zone of 200 nautical miles. ·Japan's first geostationary meteorological satellite Himawari is launched.

·U.S. motorcycle emission regulations begin

 1978 exhaust gas regulations (Japanese version of the Muskie Law) applied to

Airport) opens.
-Reform and open-door policy adopted audio player). in China (transition to a market ·Tokyo Summit is held by the leaders of Japan, the U.S., and Europe. ·Diplomatic relations between the U.S. and China are established.

Sony launches the Walkman (nortable

1979

1970

N360 defect dispute.

Saitama Factory's Moka Plant opens and begins operation in Moka, Tochigi Prefecture.

Safe Driving Promotion Operations established

Four senior managing directors system begins

Establishment of Honda Machinery Co., Ltd.

Pollution control headquarters established.

American Honda Motor (AH) begins donation of 10,000 mini--trailers and other equipment to the YMCA as part of its youth support

1971 Honda Motor do Brasil (HDB)

established in Brazil. PT Federal Motor (HEI) established in Indonesia

Dream CB500 FOUR launched.

Yusei (mail delivery) Super Cub MD90, exclusively for postal services, launched.

Super Cub C50DX, C70DX and C90DX launched

Outboard engines 45 TWIN (horizontally opposed two-cylinder engine) and 75 TWIN (in-line two-cylinder engine) launched.



Life, a k-car equipped with a water-cooled engine.

1972

Dream CB350 FOUR launched

Chaly, Honda's first family

Civic (2-door and 3-door)

low-pollution CVCC engine are

CVCC engine complies with

U.S. Muskie Act 1975

regulations.

motorcycle, launched.

launched.

Full details of the

officially announced

Soichiro Honda and Takeo Fujisawa retire and Kivoshi Kawashima becomes Honda's second president.

Honda R&D spins off its motorcycle development division and establishes the Asaka R&D Center



Civic CVCC 4-door launched

Yusei (mail delivery) Cub MD50 and MD70 launched\*10

EM5000 generator (utilizing the LIFE 360cc water-cooled engine) launched.

Motor Recreation Promotion Headquarters established.

Racing Service Center (RSC) established

1974

Head office moved from Yaesu, Chuo-ku to Haraiuku,

SFD development system introduced, in which sales (S), production (E), and development (D) each perform their functions to the fullest extent.

Honda Machinery Co., Ltd. renamed Honda Engineering Co. Ltd.

Honda Carburetor R&D Co.,Ltd. established. Suspension of k-car



Dream CB400 FOUR and CB550 FOUR launched.



Civic RS launched

Conducts motorcycle service activities in wartime South Vietnam (Saigon).

1975

Develop to Sell a Million Units

Moto Honda da Amazonia (HDA), a motorcycle established in Brazil.

Comprehensive patent on the principle of the CVCC system approved and published in

Production of Civic through technical collaboration with Prospect Motor begins in

Dream CB750 FOUR-II and CB550 FOUR-II launched.



Gold Wing GL1000 launched in the U.S.

Safety Sports Shop (SSS) motorcycle store system established (282 stores).



Kumamoto Factory begins operations

Honda Parts & Accessories R&D Co.,Ltd. established

Production of motorcycles begins in Brazil (HDA) (CG125) Production of motorcycles begins at IAP Industriare (IAP,

Family motorcycle Road Pal launched.

Cumulative production of the Civic series reaches 1 million units in the four years since launch

Accord CVCC launched.

RCB1000 wins debut race in the European Endurance Championship.

Furusato no Mori (Hometown Forestation Project ) **Executive Committee** established



Roller Through GoGo launched\*1

1977

Imola Honda (IH), a joint venture for the production of motorcycles and parts for power products, established in Indonesia.

Consolidated financial results announced for the first time

Resumed participation in the World GP TT-F1 race, winning in the F1 class

Fara (with Hondamatic transmission) launched

General-purpose ME engines G200 and G150 launched.



Outboard engines 75 and 100 launched.

Held the 1st NH Circle company-wide convention Honda of America Manufacturing (HAM), a motorcycle production company, established in the United States.

1978

New Tokyo International Airport (Narita

Honda Motor de Argentina S.A. (HAR) established in



Prelude (firs

Verno dealer network Promotes Hometown Forestation Project at all

business sites Hawk CB400T (equipped with

Hondamatic) launched Honda's first lawnmower



World's first stainless steel vacuum bottle, the ACT stainless steel pot\*12 launched.

Opened newly renovated Suzuka Circuit Traffic Education Center

Completed the Tochiai Proving Ground (PG-T), a comprehensive test course

Asaka East R&D Center for power products established.

Honda Manufacturing Nigeria (HMN) established in Nigeria to sell motorcycles and power

Motorcycle Wing dealer



NR500 makes its debut in the World GP.

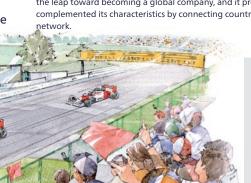
CBX (1000cc), CB750F, and Civic is revamped for the first

time in seven years.

Portable generator Denta EX400 launched.

Agreement with British Levland (BL) signed for licensed production technology for Triumph Acclaim (Ballard)

Growth into a Global Company, Expansion in the New Era



The City, among other major Honda models, had become best-sellers. Honda's overseas manufacturing was accelerating. With motorcycles, fierce competition for market share in the family bike market continued. In this period, Honda was also preparing to make the leap toward becoming a global company, and it proceeded to build a system that complemented its characteristics by connecting countries around the world through its

## Japan in the 1980s

Amidst the continuing recession caused by the oil crises, competitiveness of Japan's export industries increased dramatically. In the automotive industry, the excess of exports from Japan became an issue as a result of Japan-U.S. trade friction. After the Plaza Accord in the G5 meeting in 1985, the yen's appreciation accelerated sharply. The Bank of Japan's ultra-low interest rate policy caused assets to flow into the stock market, leading to the so-called "bubble economy," with the Nikkei Stock Average reaching an all-time high in 1989.

# **Honda Topics**

An Unprecedented Bubble Economy in Japan (1983)

#### Honda's Second Phase of F1 Participation Sparks Social Phenomenon in

"Racing is part of Honda's corporate culture. It does not matter if we win or lose. We want to show our best technology to the users of Honda cars in the form of entertaining spectacles," Kiyoshi Kawashima, then president of Honda said. The dominance of the McLaren-Honda team sparked a Formula 1 boom in Japan. The team set a new record with 15 wins in 16 races in 1988 and a double-title in the four consecutive seasons to 1991



McLaren-Honda MP4/4

#### The Benchmark for the Rest of the Industry

Tact (1980)



#### Taking Japan by Storm with Unique Styling and TV Commercials

City (1981)

The catchphrase, "City is full of news," was used in a TV commercial featuring the British band Madness performing a hizarre centinede dance, which was widely covered by the media The City was a big hit thanks to its innovative features, such as a tall-boy design realizing a large cabin space, and the simultaneous launch of Motocompo, a motorcycle that could be carried in the

# Creating New Markets in Europe and Japan

Mini-Tiller Comame F200 (1980)



The F200 was developed based on the concept of an entry-level model for amateur and hobby gardeners, at a time when the agricultural industry was shrinking and the need for home vegetable gardens was beginning to grow. The Comame's cute, compact appearance and high performance that contrasted with large tillers were well received, and at its peak, 50,000 units were sold annually in Japan alone, making it a best-selling product.

#### Dream Engine that Challenged the 100 Horsepower Per Liter Barrier

VTEC (1988)



Honda tackled its own challenge of what the next generation engine technology should be. In 1989, the first VTEC engine was equipped in the fully revamped Integra, delivering the world's first '100 horsepower per liter" performance in a mass production automobile engine. VTEC attracted worldwide attention because it was the world's first production automobile engine to achieve this

to achieve sales of 1 trillion ven. not to participate in the Moscow Olympics. ·Elimination in principle of tariffs on

·Daiei becomes the first retailer in Japan Voluntary regulations begin to limit exports of passenger cars to the U.S. to 1.68 million units per year. Japan's automobile production volume ranked first in the world for the second consecutive year, and motorcycle production reached an all-time high of 7.41 million units. auto parts imports

·Tohoku-Joetsu Shinkansen begins

The Chuo Expressway opens to traffic. Philips begins production of the world's first CD (jointly developed with Sony).

·Tokyo Disneyland® opens. Nintendo introduces the Family Unleaded high-octane gasoline

·Glico-Morinaga Incident Excise tax, automobile tax, and K-car tax raised.
•Automobile driver's license holders

1984

The G5 Finance Ministers and Central Rank Governors' Meeting agrees on coordinated market intervention to correct the strong dollar (Plaza

Head office relocated to

after building completed.

Aoyama, Minato-ku, Tokyo

Domestic automobile sales

system is reorganized into

three PCV (Primo, Clio, and

Verno) categories.

Honda of the UK

Manufacturing (HUM)

established in the U.K.

Honda France Industrielle

general-purpose production joint

subsidiary, established in Mexico.

Freddie Spencer wins 500cc

and 250cc titles (first time in

venture, established in India.

Honda de Mexico (HDM), an

automobile production

WGP history).

(HFI), a power products

production company,

established in France

Shriram Honda Power

Equipment (SHPL), a

 Privatized Nippon Telegraph and Telephone Cor-poration (NTT) and Japan Tobacco Inc. established. Number of light vehicles K-car owned exceeds 10 1985

·The Equal Employment Opportunity Law is enacted motorized bicycles.

·Number of automobiles owned exceeds 50 million.

1986

·Japanese National Railways is split up and privatized.

NTT launches its first cell phone ·Black Monday in the U.S. New York stock market

·Tokyo Dome, Japan's first indoor hasehall stadium is completed Integrated Services Digital Network (ISDN) service is launched. Freon Control Law is enacted

Emperor Showa passes away Crown Prince Akihito takes to the throne, and the new year begins as "Heisei" (the Heisei era) ·Consumption tax introduced for the first time at 3% (excise tax is abolished).
•The Berlin Wall falls.

1989

1980

Sales (non-consolidated) reach 1,069.44 billion yen, ioining the ranks of 1 trillion ven companies

Shipment sales rivalry with Yamaha begins

Scooter Tact launched

Gold Wing GL1100 launched.

RS1000 wins inaugural Road Racing Endurance World Championship.



Civic 4-door sedan launched

Comame F200 mini tiller launched.

Snowla HS35 compact home-use snow thrower launched

1981 Honda Sun Co., Ltd.

established as a special subsidiary based on the Law for Employment Promotion of the Disabled, (Approved as special subsidiary in 1982.)

Mass production of alcohol-fueled motorcycles begins at HDA in Brazil.

BL Jaunches Triumph Acclaim (Ballard) in the UK

Production of motorcycles begins in Nigeria (HMN).

City and Motocompo (stored in City's trunk) simultaneously launched\*1

Kengo Kivama wins the NR500 All-Japan Championship Suzuka 200km

New Super Cub 50, which achieves 105 km per liter, launched\*14

Civic becomes first gasoline vehicle to achieve 40-miles per gallor



Honda Flectro Gyrocator (world's first map-based car navigation system) introduced.

1982

First mass-produced Accord 4-door sedan rolls off line at HAM's automobile plant in the U.S.

Production of motorcycles being through a technical collaboration with China's Jialing Industry Co., Ltd.

Honda Sun recognized as a special subsidiary of Honda Motor Co. Ltd.



V3 NS500 debuts in WGP500 winning three races.

Honda Racing Corporation (HRC) established by integrating the motorcycle racing divisions.



VF750 Sabre and VF750 Magna with V4 engine launched.

New Super Cub 50 SDX, achieving 150 km per liter, Jaunched

1983 Kiyoshi Kawashima retires and

Tadashi Kume becomes Honda's third president. Shipment sales rivalry with

Yamaha ends.

Honda Power Equipment Manufacturing (HPE), a power products manufacturing company, established in the U.S.

Joint development agreement signed with BL (Rover 800/Legend).

Honda Cars Thailand (HCT), an automobile sales joint venture, established in Thailand.

WGP500 NS500 (Freddie Spencer) wins WGP500 series and manufacturers' titles.

Honda enters F1 World Championship again.

XI V750R Jaunched

Super Cub 50 Super Custom launched, achieving 180 km



General-purpose engines (ZE engine series) GX110 and GX140 launched

3rd generation Civic and 2nd generation Ballade series launched.

Ballade Sports CR-X launched Gold Wing GL1200 launched Honda stores are reorganized as Clio and Primo stores

(Primo store opened in 1985). New motorcycle specialty dealership system Select Dealers, New Wing Dealers, and New SSS Dealers introduced.

Honda R&D Americas, Inc. (HRA) established in Los Angeles, U.S.A. \*15

Hero Honda Motors Limited (HHML), a motorcycle production joint venture established in India.

Kinetic Honda Motor (KHM), a motorcycle (scooter) production and sales joint venture, established in India

Commissioned production of automobiles begins at Bangchan General Assembly (BGAC) in Thailand.

Honda of Canada Manufacturing (HCM) established

NSR500 (V4) debuts with three wins (early model)

F1 Williams-Honda takes its first win in Round 9 (Dallas Newly designed DOHC

16-valve engine model added

to Civic Ballade series. Spacy 250 Freeway light scooter launched.



ACURA channel development begins in the United States

motorcycle sales joint venture. established in Thailand.



on its debut (4 consecutive wins until 1989)

constructors' title.

VFR750F equipped with newly designed water-cooled 4-stroke, V-4 engine launched

The Fusion, a new light 250cc scooter, launched.

Research on small jet engines and jet aircraft begins.

Mighty 11 compact Riding

management company, established.

Austin Rover.

Δ P Honda (ΔPH) a



NXR750 wins Paris-Dakar Rally

F1 Williams Honda wins

Research and development of humanoid robots begins

1987

Honda North America (HNA), a North American business

Research Center established\*1 Signed joint production and engine supply agreement with

> New NSR500 launched in WGP500. Wayne Gardner wins riders' and manufacturers' titles Nelson Piquet of Williams

Honda takes series' and constructors' titles in F1 F1 Janan GP is held at Suzuka



VFR750R and RC30 launched

Tact Fullmark (with built-in helmet storage) launched.



4th generation Civic and 2nd generation CR-X launched.

Legend equipped with Japan's first SRS airbags launched.

EX300, the world's smallest and lightest portable generator, launched.

1988

incorporated company (HRE-G).

Senna wins drivers' and

Africa Twin (650cc) \*17

imports and sales begin.

Variable valve timing lift

Development project for the

MH02 experimental small Jet

mechanism (VTEC)

engine commenced.

introduced

New Gold Wing GL1500

equipped with horizontally

opposed 6-cylinder engine is

Cub 100EX (from TH in Thailand)

constructors' titles.

launched

launched

HRE, Honda R&D's Primo / Clio / Verno (PCV) representative office in exclusive sales channels Germany, becomes a locally begin.

Accord selected as the Kumamoto Factory's best-selling car in the U.S. Hometown Forestation Project (passenger car sales by receives the Prime Minister's model) Award

Honda Motor Europe (HME). F1 McLaren-Honda's Ayrton Honda's European headquarters, established in the U.K.

> KD imports of Nigeria (HMN) CG125NR from Brazil as first assembled product.

WGP500 Eddie Lawson wins series title

F1 Mcl aren-Honda driver Alain Prost wins drivers' title



Civic 3-door with VTEC engine CR-X and Integra launched.

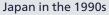
Honda Report 2024



# The 1990s

Overcoming Crisis Through Reforms and Market Challenges

The bubble economy had burst. Faced with an unprecedented business crisis due to its inability to grasp changing market needs, Honda introduced company-wide TQM (Total Quality Management) and implemented the "800,000 unit domestic automobile sales structure," aiming to sell 800,000 automobiles in Japan. The Creative Mover (lifestyle creation) series, turned around the sluggish sales, becoming a major turning point that supported Honda's subsequent automobile business.



The bubble economy had collapsed. Land prices and stock prices plummeted due to an increase in the official land price index and the enforcement of the Land Price Tax Law in 1991. A prolonged recession led to a financial crisis in which even banks and securities firms went bankrupt. Meanwhile, a new change was emerging: Internet-related investment heated up, leading to an IT bubble. On the environmental front, the Kyoto Protocol was adopted in 1997, committing Japan to reduce greenhouse gas emissions by 6% from the 1990 level.

# **Honda Topics**

#### The first Creative Mover aimed at creating a car with new ideas

In the 1990s, Honda sought to create new value. To enrich people's lives, Honda began with looking at how cars should be made. The Odyssey, the first model in the Creative Mover series, was a hit as a minivan to replace sedans. The series continued to expand, based on the concept that "the car is a tool for people to create and direct their own lives as they wish, and the main character is always the person."



#### A New Generation of Sports Cars Filled with Dreams and Technology

# NSX (1990)



While many sports cars require advanced driving skills, the NSX was launched as a new-generation sports car with a human-centric concept, easy for anyone to drive and with high performance. In order to perfect its driving, turning, and stopping, the same drive system as F1 cars was employed, with a mid-engine and ear-wheel drive. It was also the first mass-produced car in the world to adopt an all-aluminum body. The new car offered both dynamic performance and ease of driving

#### New Honda Outboard Engines with Flair in Design and Color

BF35A and BF45A Outboard Engines (1992)

For 20 years. Honda had been focusing on 4-stroke outboard engines based on the helief that "watercraft should not pollute the water," Finally, society began to question the use of two-strokes as an environmental problem. At that time, Honda developed a new outboard engines. Unlike the straight and square outboard engines that had been the norm, the beautifully designed silver BF45A and BF35A made the Honda brand stand out.

### Road Sports Suitable for a New Era

CB1000 Super Four (1992)



The CB1000 Super Four was came out of the BIG-1 project, which aimed to determine "what Honda's naked road sport models should be like for the new era." The CB1000 Super Four, which pursued performance that captivated the hearts of its riders, was a huge hit despite large motorcycle licenses (or "Limited license") were difficult to attain at the time. Since then, the CB1000 Super Four was steadily matured and evolved, and in 2022, the 30th anniversary model was introduced.

#### Mobility World to Nurture the Future of People and Nature

Twin Ring Motegi (1997)



Twing Ring Motegi was opened in August 1997, with the aim of contributing to improving life culture by providing a venue and opportunity to experience the joy of recreation and motorsports in nature, learn safe driving, and acquire scientific knowledge and skills. In 2022, on its 25th anniversary, it was renamed to Mobility Resort Motegi, in hopes of further coexistence between people, nature, and mobility

·Bank of Japan raises the official discount rate by 6%.
•Revised standards for K-cars (overall length and displacement increased by 660 cc) come into effect. ·Unification of Fast and West Germany: birth of Federal Republic of Germany

· Liberalization of beef and orange The Recycling Law came into effect. The automatic-only driver's license system is established

Official land prices fall for the first time in 17 years.
•The EC agrees to a quota of 1.26 million automobiles for export to the

·Fuel efficiency standards for gasoline passenger vehicles reviewed (target for FY2000). ropean Union (EU) inaugurated. Basic Environment Law enacted

Japan-U.S. Comprehensive Talks reach agreement on three areas excluding automobiles and parts. MITI announces elimination of voluntary restrictions on passenger car exports to the U.S.

The United States becomes the world's largest automobile producer for the first

1994

·The Great Hanshin-Awaji Earthquake

occurs.
•The Product Liability Law (PL Law) goes into effect ·Number of automobiles owned exceeds 70 million.

·General elections based on a parallel primary election and proportional represen tation system are held for the first time Newly éstablished large motorcycle and standard motorcycle licenses. Vehicle Information and Communication.

System (VICS) begins operation.

·Environmental Impact Assessment Law Kvoto Conference on Global Warming Ministry of Transportation announces motorcycle emission regulations.

Law Concerning the Promotion of Measures to Cone with Global Warming enacted. Preferred numbering system for license plates begins.

·The euro, the EU's common currency, is established Nissan and Renault agree to a capital

1999

1990

### Tadashi Kume retires, Nobuhiko Kawamoto

AH headquarters relocates from Gardener, Los Angeles to Torrance

becomes Honda's fourth

president

Capital alliance agreement signed with Rover Group.

Honda Cars Philippines, Inc. (HCPI), an automobile production joint venture, established in the Philippines.

#### NSX launched.

McLaren-Honda' Ayrton Senna wins F1 drivers' title.

Africa Twin 750 launched

Digital map and navigation system (second-generation Legend) introduced.



system for the passenger seat is equipped with the Legend

# 1991 Soichiro Honda, Honda's

Supreme Advisor passes away. Motorcycle Business Division begins.

and Power Products Business Division established.



McLaren Honda takes the constructors' title at the F1 Japanese GP, Ayrton Senna wins the drivers' title.

HFT-equipped RC250MA motocrosser wins the All Japan Motocross Championship series title



Civic Ferio launched.

VTEC-E engine introduced.

### 1992

Automobile plant starts operation at HUM in the U.K. Production of the Accord

Honda Cars Manufacturing (Thailand) Co., Ltd. established

Wuyang-Honda Motorcycle (Guangzhou) Co., Ltd. and ianjin Honda Motorcycle Co., Ltd. established in China

Honda Atlas Cars Pakistan Limited (HACPL), an automobile production and sales joint venture, established in Pakistan.

Won WGP Janan GP in all classes (125cc, 250cc, and

Announced suspension of F1 racing activities after 1992

#### CB400 Super Four and CB1000 Super Four launched.

CBR900RR Fireblade (SC28)

NR equipped with the world's first oval piston engine for a production motorcycle, . launched

Cumulative production of the Super Cub reaches 20 million units (world record for motorcycles)

BF35A and BF45A outboard engines with a new sleek, silver-colored design, launched.

# 1993

Concluded a basic agreement with Isuzu Motors for mutual complementation of products\*18

Jialing-Honda Motor Co., Ltd. established in China.

Honda Motor China (HMC) established in Hong Kong.

Hamamatsu Factory's power products factory obtains ISO 9001 certification (Honda's first domestic factory).

Honda Collection Hall opens at Suzuka Circuit.

GX120 General-purpose engine becomes world's first engine to be certified as emission-compliant by the State of California LLS A

Successful first flight of MH02 all-composite experimental light jet\*19



CRR900RR Fireblade (SC28)

Middle East office (HAMER) established in the United Arab Emirates (UAE).

#### Japan regional operations Domestic automobile sales

established (4 regional independent headquarters system), aiming for self-reliance in each region Power Products Division

consolidated into HGH (SD integration).

#### Honda's first minivan, the Odyssey, launched.

Honda's CG125 motorcycle is featured on a commemorative postage stamp in Brazil.

Agreed to dissolve capital alliance with Rover Group.

Established Euijan Mindong-Honda Generator Co., Ltd. as a joint venture to produce and sell small generators in China

Dongfeng Honda Auto Parts Co., Ltd. established.

Honda CUV ES, an electric scooter, launched on a limited lease basis for public offices.

WGP500 Mick Doohan wins series title and manufacturer's



RC45 (750cc) Jaunched



CR-V launched

New Civic made in the U.S. is certified as the first LEV (Low Emission Vehicle) for mass-produced gasoline vehicles.

1995

Honda Siel Cars India (HSCI), automobile production and sales joint venture. established in India

Wins WGP manufacturers' titles in the 500cc and 125cc classes.

Cumulative global production of Civic reaches 10 million Operational test-flight of

Honda's first turbofan engine HFX-01. 3-stage VTEC engine and Honda Multimatic (CVT) developed and equipped on

Developed the world's first new brake system for motorcycles, M.A.C. ABS for small motorcycles and T.R.-C. ABS for large motorcycles.



1996

Step Wagon S-MX launched. Honda Automoveis do Brasil (HAB), an automobile production and sales

company, established in Brazil. Honda Europe Motorcycle (HEM), a new company for motorcycle operations in Europe, established in Rome,

HRE-R, a research and development hase established in Rome, Italy

Italy

Honda Vietnam (HVN), a motorcycle production and sales joint venture. established in Vietnam.

Production of City begins at Ayutthaya Plant in Thailand.

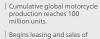
Thailand strengthens regional functions by adding ASEAN regional headquarters function to Asian Honda Motor (ASH)

Domestic motorcycle PRO'S drealership system introduced\*2

Wins WGP500 manufacturers' title.

Unveiled P2, a prototype of an autonomous walking humanoid robot

### 1997



Honda EV Plus electric vehicle in Japan and the U.S. Honda R&D Southeast Asia (HRS) established in Thailand.

WGP500 NSR500 wins all 15

#### Twin Ring Motegi opens.

Compact Little Cub with small-diameter wheels adopted from the Super Cub launched



World's first 360° freely tilting ultra-compact and lightweight 4-stroke general-purpose engines, the GX22 and GX31, launched.

Hybrid system Honda Integrated Motor Assist (IMA) introduced

### 1998

Nobuhiko Kawamoto retires, Hirovuki Yoshino becomes Honda's fifth president.

Honda R&D India (HRID), a motorcycle and power products R&D office established in India.

Guangzhou Honda Automobile Co., Ltd. (GHAC) and Dongfeng Honda Engine Co., Ltd. (DHEC) established in China

WGP500 Honda wins 22 consecutive races



Japan's first CART IndyCar race held at Twin Ring Motegi.

Honda Collection Hall opens at Twin Ring Motegi. CB1300 Super Four launched.

VFR (800cc) launched.

C100 BIZ, a model exclusively for local production in Brazil (the first Cub-type model to adopt under-seat helmet storage) launched



Compact. lightweight new-generation generator EU9i with sine-wave inverter launched



Honda's first hybrid car, the Insight is simultaneously launched in Japan and the

New-generation S2000, a real open-sports model, launched.

Honda Motorcycle & Scooter India Pvt. Ltd (HMSI), a motorcycle production and sales base, established in India

Accord production begins at Guangzhou Honda Automobile Co., Ltd. (GHAC).

WGP500 Àlex Crivillé debuts and wins riders' and manufacturers' titles

CB400 Super Four Hyper VTEC launched.

New generation 4-stroke scooter Honda Giorno Crea







# The 2000s

Maintaining Independence and Self-reliance in the Face of Fierce Headwinds

"The Power of Dreams" was established as Honda's global brand slogan to guide all its activities in the 21st century. The slogan clearly states the company's will to live independently and self-reliantly in an era of mergers and acquisitions. During this period, Honda launched advanced creations worthy of its brand in the new century, such as the Fit with a center tank layout and FCX Clarity fuel cell vehicle.



# Japan in the 2000s

The economy bottomed out and corporate performance began to recover. However, real economic growth was still less than 1%, a "recovery without the satisfaction," and consumer spending was sluggish. This gradual economic expansion continued for 73 months, the longest period in the postwar period, but the financial crisis in 2008 dragged Japan's economy back into a major recession. As the economies of developed countries cooled, China's GDP became the world's third largest after the U.S. and Japan.

## **Honda Topics**

#### Pursuing Environmental Performance, And Enjoyment and Pleasure that FCVs Can Provide

Innovations in Small Cars with Unique M/M Principle

Honda has been evolving fuel cell vehicles since the FCX was introduced in 2002, and the FCX Clarity was a further breakthrough. Honda built a revolutionary platform by downsizing the power plant, including the fuel cell system, drive motor, and hydrogen tank. In addition to its environmental performance, the FCX Clarity proposed to the world the concept that "a car should always be a dream come true and fun to drive.

#### Seeking and Realizing Dreams Together with People

HONDA

The Power of Dreams

The Power of Dreams (2000)

In 2000, Honda created a new global brand slogan, "The Power of Dreams," as its benchmark for all of its corporate activities in the 21st century, based on its founding philosophy of "seeking and realizing dreams together with people." The design of product logos, such as the wing mark for motorcycles and the H mark for automobiles, was also renewed for the new century.

The Fit was designed to be the new benchmark for the world, by

rethinking what kind of small car Honda should create. The small

spaciousness in a small size, aiming to be light weight, simple, and

rational. The M/M (Man Maximum, Machine Minimum) Principle

car's global platform was developed to achieve innovative

was pursued to create the ideal small car.

#### **Envisioning a Future to Make People** HappyThrough Technology

FCX Clarity (2008)

ASIMO (2000)



ASIMO was created to be with people, to be useful, to improve their quality of life, and to expand their possibilities. In addition to being able to move freely on stairs and slopes. ASIMO was also able to provide specialized movements and audio guidance tailored to the user's needs

#### Challenges Etched in the History of Motorcycle Racing



Honda's history of WGP victories began with its win in the onening round of the 1961 Spanish GP 1966 saw Honda win all five classes of the WGP, but the company suspended its participation after the 1967 season. 1979 saw Honda return to the WGP, but it would be three years before it won again. In 2001, Honda achieved its 500th WGP victory. This was an outstanding achievement, by a company that has continued to race for 40 years, and will not accept defeat

500th WGP Victory (2001)

·Containers and Packaging Recycling Law enforced.

Child restraints are mandated under the revised Road Traffic Law. ·9/11 terrorist attacks in the U.S. Rank of Janan decides on its first quantitative easing policy.

•Universal Studios Japan®, Tokyo Disney

Keidanren and Nikkeiren merge to form Nippon Keidanren (Japan Business •Euro, the EU's unified currency, begins circulating.

Revised Vehicle Law was enacted, tightening regulations on recalls.

 Japan Post established.
 The number of ETC on-board units exceeds 1 million units.

Revised Worker Dispatch Law lifts ban on dispatching workers to manufacturing operations.
•Revision of the Road Traffic Law. including revision of the two-seat limit for motorcycles on expressways, is

 Kvoto Protocol takes effect. Personal Information Protection Law Automobile Recycling Law enacted.

 Economic expansion exceeds the Izanagi economic boom and becomes the longest in the postwar period. ·Digital terrestrial broadcasting and one-segment terrestrial broadcasting begin Japan Post Holdings Co., Ltd.

Japan Post privatization begins. "2007 problem" - significant number U.S. súbprime loan problem surfaces.

Medical care system for the elderly hegins in the latter half of the year bank in the U.S., collapses.

·The yen hits 84 yen against the dollar, the strongest in 14 years.

Tax breaks for eco-friendly cars begin.

2000

### P.T. Astra Honda Motor (AHJ) established in Indonesia to

Honda South America Limitada (HSA) established in

Production of CR-V at Honda of the UK Manufacturing (HUM) begins.

Honda Automobile (Thailand) (HATC) established in Thailand.

Enters F1 as joint project with British American Racing.

CBR929RR Fireblade (SC44) launched.

ATV FourTrax Foreman Ruhicon with new Hondamatic (HFT) transmission introduced

ASIMO, a humanoid robot. launched.



New generation engine DOHC i-VTFC introduced and equipped in the Stream.

Fully revamped Civic and Civic Ferio (Civic's 7th generation) launched

2001 Honda Motorcycle Japan

Production of outboard motors begins at Hamamatsu Factory's Hosoe Plant.

(HMJ) established\*

Honda Manufacturing of Alabama (HMA) starts operations and begins production of Odyssey.

India Honda Motorcycle and Scooter India (HMSI) launched its first scooter model, the

Sundiro Honda Motorcycle Co., Ltd. established in China.

WGP500 Valentino Rossi wins 11 races to secure riders' and manufacturers' titles. Honda achieves 500th WGP victory at Japan GP.

Gold Wing, with a horizontally opposed 6-cylinder 1800cc engine,

BF225 and BF200, the world's largest class 4-stroke outboard engines, launched.

Civic Hybrid launched.

The revolutionary small Fit launched.

2002

"Dream" motorcycle dealers network system introduced in Japan\*23

Honda Wave  $\alpha$ , a high-quality, low-priced Cub-type motorcycle, launched in

Honda Motorcycle R&D China Co., Ltd. (HRCh) in Shanghai,

Exports to Japan of the Today scooter manufactured by Sundiro Honda Motorcycle Co., Ltd. begin.

Production of general-purpose engines at Jialing-Honda Motor Co., Ltd. begins.

Quality Innovation Center opened in Tochigi.

WGP500 renamed to MotoGF RC211V MotoGP debuts Valentino Rossi wins riders and manufacturers' titles



FCX, the world's first fuel cell vehicle, receives U.S. government certification

World's lightest 4-stroke engine, the GX25, with a 360° free-tilt, ultra-compact design, launched

ASIMO rings the bell at the New York Stock Exchange to begin trading.

2003

Hiroyuki Yoshino retires, and Takeo Fukui becomes Honda's sixth president.

Regional Operations, China is established, creating a six-region headquarters

Donafena Honda Automobile (WDHAC) and Honda Automobile (China)(CHAC) established

Voluntary beach cleaner development and beach cleanup activities are recognized as official company initiatives.

MotoGP RC211V rider Valentino Rossi wins manufacturers' title



CR1300 Super Four Jaunched

CB400 Super Four equipped with VTEC SPEC III engine launched

2nd generation BF150 and BF135 outboard engines equipped with DOHC VTEC Successful first flight of

Japan.

HondaJet concept (equipped with HF118 engine). Inspire with newly-developed V6 3.0L i-VTEC engine with variable cylinder system launched in

2004

GE Honda Aero Engines, a ioint venture for small business jet engines, established.

CR-V production begins at Dongfeng Honda Automobile (Wuhan) Co., Ltd. (WDHAC)

Fit production begins at Guangzhou Honda Automobile Co., Ltd. (GHAC).

Capital investment in Honda



CBR1000RR Fireblade (SC57) launched

Honda's first in-house inverter generator rolls off the line at Honda Engineering (EG-T).

EM/EB series, the world's first sine-wave inverter-equipped generators capable of simultaneous 100V and 200V output, launched.

Accord Hybrid (cylinder deactivation + IMA) launched in the U.S.

2005

World's first FCX fuel cell vehicle capable of starting in sub-zero temperatures is leased to private customers

Production of diesel engines begins at HUM in the U.K.

Honda Motor (China) Co., Ltd. (CHAC) begins to ship the Jazz (Japanese name: Fit) to Europe.

Jialing-Honda Motors Co., Ltd. discontinues production of motorcycles and focuses on the power products business.

Acquires all shares of F1 B-A-R Honda Ltd.

Cumulative global production of the Super Cub series reaches 50 million units.

iGX440, the world's first next-generation general-purpose engine with electronic control technology. introduced.

HondaJet exhibited at the Oshkosh Air Show in the U.S.

Develops the 1.8L i-VTEC engine that achieves both powerful running and low fuel consumption by controlling valve timing

2006

Flex-fuel vehicles in Brazil. Civic FFV and Fit FFV launched.

Production of Civic begins at Dongfeng Honda Automobile

MotoGP RC211V Nicky and manufacturers' titles.



round of the F1 World Championship in Hungary

Suzuka Circuit Land and Twin Ring Motegi merge to form Mobilityland Corporation.

launch their first AT scooter, the Click Honda Aircraft Company (HACI) established to develop manufacture, and market

Honda Motorcycle Riding Trainer for safe motorcycle

launched

Establishes Honda Cars dealer

(Wuhan) Co., Ltd. (WDHAC).

Hayden wins riders' rookies'

Jenson Button wins the 13th

Thai Honda (TH) and Vietnam Honda (HVN) produce and

riding education launched in Janan Hondalet aircraft

Beach Cleanup Project

2007

Three-wheeled motorcycle taxi manufacturing and sales begin at Honda Selva Del Peru S.A.(HSP) in Itoquiz, Peru.

Guangzhou Honda Automobile Research & Development Co., Ltd. (GHRD), an automobile research company, established by Guangzhou Honda



New MotoGP RC212V (800cc V4) debuts.

Air Blade, Honda Vietnam's second automatic transmission scooter, is developed and launched.

Indonesia's first Cub-type model, the REVO debuts.



Gold Wing (airbag), equipped with the world's first motorcycle airbag system launched

Completely revamped Fit

Super Cub series celebrates the 50th anniversary and cumulative production of 60 million units

2008

New fuel cell vehicle, FCX Clarity, launched for lease in Japan and the U.S.

New City produced at Honda Automobile (Thailand) Co., Ltd. (HATC) Avutthava Plant launched.

Fully revamped CBR1000RR Fireblade (SC59 early model) launched



DN-01 equipped with the innovative automatic mechanism HFT\*25 launched.

Develops the world's first electronically controlled combined ABS, a new brake system for supersports models. Develops Combined ABS, a new electronically controlled brake system for supersports

Announces withdrawal from F1 racing activities.

Takeo Fukui retires, and new Takanobu Ito becomes

2009



New hybrid car, Insight launched

CG150 TITAN MIX. an FFM motorcycle with flexible fuel selection, and City, an FFV four-wheeler, launched in Brazil.

New 125cc scooter PCX, produced and launched by Honda Thailand (TH) for global market.

Saitama Factory's Ogawa engine plant begins operations.

Tama Tech closes.

Super Cub 110 (new engine and frame) launched

World's first braking system electronically controlled combined ABS for supersport models, equipped on CBR1000RR Fireblade launched.

Civic Type R Euro introduced

Pianta EV200 gas-powered tiller that uses cassette gas fuel launched.







that Blends In with the Customer's Lifestyle Miimo HRM520 (2013)

# The 2010s

Taking on the Challenge of a **Completely Different Dimension** Weaving New Dreams with Society

Amid the ongoing global recession, Honda established its six-region global operation structure to promote self-reliant management in each region of the world. The goal was to create products that meet the needs of each region. This strategy evolved toward the realization of the 2030 Vision and led to bold reforms of the business management structure to achieve further growth, such as the establishment of the Monozukuri Center.



## Japan in the 2010s

On March 11, 2011, the Great East Japan Earthquake occurred, causing unprecedented damage in many areas. The Japanese economy plunged into a period of low growth with no clear future. Amid a sense of stagnation, the government adopted a strategy to revive Japan and implemented economic recovery measures through monetary policy, fiscal policy, and private investment, but these measures failed to raise domestic demand. Meanwhile, environmental measures accelerated around the world. The Paris Agreement confirmed environmental conservation on a global scale, including developing countries.

#### Innovative Ideas to Change Japan's Vehicles

managed to create an innovative platform through its M/M (Man Maximum, Machine Minimum) principle. Honda's goal was to create a new "vehicle" that could be used by all kinds of people living in Japan, from daily life to hobbies and even nursing care.



#### Pursuing Scooter Value as a Global Standard

Thinking Out of the Box, Into the Sky



be ridden in various cities around the world."

A Lawnmower with "Gentleness and Affinity"



The Super Cub Series Reaches a Cumulative Global Production of 100 Million Units (2017)



continued from the 20th to the 21st century, reached a cumulative global production volume of 100 million units. 59 years after the first model in 1958, this astonishing record is the world's highest production volume for a single series of motorized mobility. In conjunction with its 60th anniversary in 2018, a 100 Million Unit. 60th Anniversary model was also produced in a glamorous gold

of Being Loved by Everyone,

the Corporate Reorganization Law.
•All lines of the Tohoku Shinkansen begin service.
•An 8.8 magnitude earthquake strikes

· Japan Airlines files for protection under

·Great East Japan Earthquake of Flooding damage spread in Thailand due to heavy rainfall. ·New "eco-car subsidy" starts.

·Renewable energy feed-in tariffs begin. ·Completion and opening of Tokyo Sky

·Bank of Japan's "Extraordinary Monetary Easing" aimed at overcoming World's first clinical study of iPS cells First PM2.5 alert forecast for Fukuoka

·First consumption tax hike in 17 years, from 5% to 8%. ·Hearing Held in U.S. Senate Over Takata Airbag Recall.

Revised Electricity Business Act passed, deregulation of all electricity sales. Takata agrees to a consent order from the National Highway Traffic Safety Administration (NHTSA) to pay fines for the airbag issue The Paris Agreement, an international framework for global warming counter-

·The Kumamoto earthquake of magnitude 7.3 occurs.
•Revised Public Office Election Law goes into effect, lowering the minimum voting age to 18. Bank of Japan decides to introduce negative interest rates for the first time.

· Ministry of Land, Infrastructure, Transport and Tourism announces revised safety standards, expanding the scope of seat belt alerts to all seats (new models required to install seat belt alerts starting n September 2020).

ritish government officially announces

its intention to leave the European Union. (TPP) begins 2017

 Torrential rains in western Japan cause widespread river flooding and landslides. Transport and Tourism introduces a certification system for the development of automatic driving systems.
•Trans-Pacific Partnership Agreement

·Ministry of Land, Infrastructure, Transport and Tourism certifies 67 models of collision damage reduction brakes for

#### 2010

- EV-neo electric scooter lease sales commenced
- Dissolution of Hero/Honda joint venture in India and signing of future technology licensing agreement.
- Motorcycle R&D Center Kumamoto branch office (HGA-K) established in the Kumamoto Factory
- CB1100 series equipped with a newly developed air-cooled engine launched.
- VFR1200F equipped with the world's first dual clutch transmission (DCT) for motorcycles introduced

#### The 125cc moped scooter PCX launched in Japan.

Cub-type Wave110i AT equipped with the new CVmatic automatic transmis sion introduced in Thailand.



- Enepo EU9iGB gas-powered generator that uses cassette gas fuel launched.
- First HondaJet mass-production test model takes first
- Fit Hybrid Jaunched

### 2011

- Thailand's Ayutthaya Automobile Plant (HATC) damaged by massive flood.
- Low-priced strategic small motorcycle, Ace CB125, launched in Nigeria.
- MotoGP RC212V Casey Stoner wins triple crown of riders', constructors', and teams' titles.
- INDY® IAPAN THE FINAL hold at Twin Ring Motegi, ending IndvCar Japan round



- New 4-stroke outboard engine BF250 is unveiled at the Genoa International Boat
- N-ROX k-car launched



Kumamoto Factory strengthens mid and large FLIN model and DEB collaboration structure in line with evolution of motorcycle development processes.

2012

- Super Cub 50 and 110, with a new frame structure for the first time since its launch in 1958, launched (produced by Sundiro Honda Motorcycle Co., Ltd. in China)
- Change the name of the General-Purpose operations to the General-Purpose power products operations
- Flood-damaged HATC resumes production four months after recovery begins
- MotoGP RC213V (1000cc, V4) debuts, winning teams' and manufacturers' titles.
- Full-scale operation of new motorcycle plant for global models begins in Thailand with CB500 series production



- New mid-concept series NC700X, NC700S, and Integra launched, first to feature second-generation dual-clutch
- PCX150 launched. SH-AWD, i-DCD, and i-MMD
- sports hybrid systems for auto nobiles introduced\*26
- N-ONE k-car launched

#### 2013

- Saitama Factory's Yorii Plant for complete automobiles begins operations.
  - Honda Energy do Brasil Ltda. (HEN), a wind power generation company established in Brazil
  - Honda Motorcycle Kenya (HMK), a motorcycle business company, established in
  - Honda Automobile Western Africa (HAWA), an automobile subsidiary, established in Nigeria.
  - Marc Marquez wins MotoGP title as youngest rider in history (wins triple crown of riders', teams' and constructors' titles)

#### Miimo automatic lawnmower launched in Europe.

Third generation Fit and Fit Hybrid (i-DCD) launched.



Vezel launched Accord Hybrid and Accord Plug-in Hybrid launched



Reginal Operations, Japan established

2014

- Cumulative global motorcycle production reaches 300 million units.
- Fit and Vezel i-DCD recall due to DCT unit control.
- Civic Tourer, developed exclusively for Europe launched
- MotoGP Marc Marquez wins triple crown (riders', teams', and constructors' titles) for second consecutive year
- Honda Sun Hiji Plant's data business building completed.
- NC series motorcycles launched with displacement increased to 750 cc.
- Fully revamped PCX and PCX150 scooters launched
- Super Cub design approved for registration as a three-dimensional trademark in Japan, a first for a vehicle\*
- The first mass-produced HondaJet aircraft successfully completes first flight.

- 2015 Takanobu Ito retires, and Takahiro Hachigo becomes Honda's eighth president.
- Honda enters Formula 1 World Championship as McLaren Honda.



RC213V-S, a road-going version of Honda's MotoGP racing bike, went on sale in Europe, U.S., Australia, and Japan; applications for orde were opened.



- Civic Type R launched.
- HondaJet received type certification from the U.S. Federal Aviation Administration and began deliveries in the U.S.

Prachinburi automobile plant in Thailand\*28 begins

New fuel cell vehicle Clarity FUEL CELL launched

operations.

2016

Marc Marquez wins MotoGP





- Comame F220 compact tiller, in 15 years and launched

- riders' and constructors' titles



- CRF1000L Africa Twin
- Odyssey Hybrid launched



- NSX launched.
- is redesigned for the first time

- Honda Power Products Japan (HPI) established GM and Honda establish the
- industry's first joint venture to produce fuel cell systems. Ace110, a new compact
  - motorcycle suitable for business use in Nigeria, launched. MotoGP Marc Marquez wins
    - his second consecutive title, and constructors' and teams titles for another triple crown. Ends partnership with McLaren F1 and decides to supply F1 power units to
    - Scuderia Toro Rosso starting CBR1000RR Fireblade (SC77) fully revamped and released
    - Honda celebrates 60th anniversary of the Super Cub series and 100 million units produced worldwide: launches fully remodeled Super Cub series



- LiB-AID E500 portable energy storage device launched.
- Hondalet achieves the most deliveries in its category in the first half of 2017.
- Civic and second generation N-BOX launched.

#### 2018

- Honda Dream and Honda Commuter\*29 motorcycle sales channels launched.
- Clarity PHEV plug-in hybrid model launched. MotoGP Marc Marquez wins
- fifth title in three consecutive years and third consecutive . Triple Crown.
- HondaJet Elite announced. Agreement reached to supply F1 power units to Red Bull Racing starting in the 2019
- with the 2018 season



season

- Large premium tourer Gold Wing, revamped for the first time in 17 years, launched.
- PCX HYRRID launched, and leasing of PCX ELECTRIC
- Super Cub C125 launched.
- HondaJet achieves the highest number of deliveries in its category for the full year of 2017
- N-VAN launched

#### Motorcycle Operations and Motorcycle R&D Center combined into Monozukuri Center

- Announced that Honda of the UK Manufacturing (HUM) will cease complete vehicle
- World's first BS6-compliant



- F1 Red Bull Racing Max Verstannen takes first win at the Austrian Grand Prix since returning in 2015
- CRF1100L Africa Twin fully revamped with displacement increased to 1100cc.
- Benly et series of electric motorcycles for business use announced. HondaGO, a project to revitalize

the motorcycle market,

implemented.

HondaJet achieves the highest number of deliveries in its category for the second consecutive year.



# **Honda Topics**

The N-BOX took maximum advantage of the k-car standard to achieve unprecedented utility. Honda

Each region of the world has its own road conditions, and its riders' tastes differ. However, Honda believed that by thoroughly pursuing the essence of a scooter, it could create a scooter that will please everyone. The PCX was developed with this in mind. With its luxurious design, relaxed riding position, and large 14-inch tires for riding stability, the goal was "a design that can

Honda's aircraft research since 1986 led to the successful type

certification from the U.S. Federal Aviation Administration and in

2015, nearly 30 years later, paving the way for deliveries in the U.S.

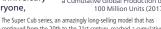
It featured a novel layout with engines located on top of the main

wings. This unconventional idea, which achieves comfort, quietness,

allowing others to imitate, but not imitating themselves, into the sky

cruising performance, and fuel economy, takes Honda's ethos of

# Celebrating the 60th Anniversary





·Emperor Naruhito accedes to the thron and changes the era name to "Reiwa" onsumption tax is raised from 8% to

### 2019



- manufacturing in 2021.
- Activa 125 motorcycle with tumble flow enhancement technology launched in India.
- MotoGP Marc Marquez wins sixth title in four consecutive



**Topics** 

# The 2020s

# Serving People Worldwide with the "Joy of Expanding Their Life's Potential"

# Japan in the early 2020s

In 2020, a state of emergency was declared throughout the country due to the coronavirus pandemic, causing a drop in socioeconomic activity. The social environment also underwent a major transition, with significant changes in daily living conditions and customs.

Diversification of values, an aging population, accelerating urbanization, worsening climate, as well as changes in industrial structure due to technological advances such as electrification and IoT, are progressing on a global scale.

Honda declared it would "lead the advancement of mobility and enable people everywhere in the world to improve their daily lives," toward the realization of its 2030 Vision, which aims to provide the joy of expanding life's potential for all. With the three pillars of "Creating Joys," "Expanding Joys," and "Ensuring the Joys for the Next Generation" as its guide, Honda will continue to "pursue growth through the pursuit of quality."

### **Honda Topics**

#### A New Generation of Urban Commuter

Honda e: (2020)



Honda's goal in developing the new EV was to create mobility that would evolve to the next stage. The Honda e was created to be a unique entity that is connected to a variety of things, universal, comfortable, witty, and brings smiles to users' faces. It aims to realize a prosperous future by pursuing a completely new kind of appeal, based on flexible ideas

#### Classic Roadster from the Indian Market

GB350 (2021)



The H'ness CB350, aiming to increase Honda's market share in India, the world's largest motorcycle market, was also introduced in Japan. Named as the GB350, it gained popularity as a traditional roadster. The relaxed riding position, upright single-cylinder engine, and steel front and rear fenders all contribute to the bike's tasteful appearance.

# United Kingdom leaves the European

·Ban on Level 3 automated vehicles is lifted, and related laws and regulations such as the Road Traffic Law and the Road Trucking Vehicle Law are revised

·Spread of novel coronavirus

Union

 Tokyo Olympics and Paralympics are held. Revised Law Concerning the Promotion of the Measures to Cope with Global Warming enacted. Four motorcycle manufacturers agree to standardize swappable batteries for EV

·Government announces the launch of a consortium to strengthen the semiconductor industry.

Ministry of Land, Infrastructure, Transport and Tourism mandates installation of EDR (Event Data Recorder) in new vehicles. Tourism lifts ban on Level 3 self-driving trucks

·Ministry of Land, Infrastructure, Transport and Tourism (MLIT) digitizes automobile inspection certifi-

 The European Union (EU) reverses its policy of banning the sale of engine-powered vehicles by 2035 and decides to allow sales on a conditional basis. Mandatory effort to wear a helmet when riding a

2023

Establishes a joint venture with LG

Signs a basic agreement with GS

Energy Solution to produce

lithium-ion batteries for EVs

Yuasa to collaborate on

lithium-ion batteries

announced.

high-capacity, high-power

Cub e:. Dax e:. and ZOOMER e:

electric motorcycles for China

with Honda's fuel cell system in

Conducts driving demonstration test of a commercial truck equipped

collaboration with Dongfeng Motor

#### 2020

Integrates automobile development function and EG automobile operations into the Monozukuri Center Automobile Operations

# Honda e: electric vehicle

- Signs comprehensive strategic alliance agreement with Contemporary Amperex Technology (CATL, China) on batteries for Honda's new energy vehicles.
- Isuzu and Honda sign a joint cell (FC) heavy-duty trucks.
- GM and Honda agree to jointly develop next-generation EV for Honda that uses GM Altium
- Honda agrees to introduce Benly e: for mail delivery.
- Scuderia Alphatauri Honda's Pierre Gasly wins his first F1 race.
- CBR1000RR-R Fireblade (SC82)



- CT125 and Hunter Cub
- Hondalet achieves category-leading deliveries for

### 2021

- Takahiro Hachigo retires, and Toshihiro Mibe becomes Honda's ninth president.
- Automobile production at Honda of the UK Manufacturing (HUM) and Honda Turkey (HTR) ends.
- Production of complete vehicles at Sayama Plant ends on December 27, 2021.
- Automobile business transitions to a new headquarters structure integrating SEDB.
- Honda Sun and Honda R&D Sun
- GYRO e: and GYRO CANOPY e:, electric three-wheeled scooters for business use, launched.
- E1 Red Rull Honda's Max Verstappen wins F1 drivers' title
- New car online store Honda ON
- 11th generation Civic launched.
- eGX electric power units for commercial work launched.
- HondaJet Elite S introduced.
- HondaJet 2600 Concept, a smal business jet concept aircraft, is exhibited as a reference model at NRAA 2021

- Honda Mobility Inc.\*31
  - station begin
    - GM and Honda agree to jointly develop a series of volume-priced
    - new EV e:NS1 and Guanggi Honda Automobile's new EV e:NP1 launched.
    - constructors' title Max Verstannen wins drivers' title for second consecutive year



- Civic Type R and Civic e:HEV
- Daks 125, a new moped-type leisure bike launched



- HondaJet Elite II launched
- 30th anniversary of the Type R.

### 2022

- Signs joint venture agreement with Sony to establish Sony
- Sales of the Honda Power Pack Exchanger e: battery exchange
- Dongfeng Honda Automobile's
- F1 Red Bull Honda wins



Announces aim to commercialize new small business jet based on the HondaJet 2600 Concept by 2028



Civic Type R sets fastest lap time for a FWD model at Nürburgring

## Trajectory of Challenges

- \*1 Honda's first overseas export began with the A-Type to Taiwan through a buyer connected by a dealership in Osaka.
- \*2 Honda decided to install state-of-the-art machine tools imported at a total cost of 450 million yen. This decision to invest in the future was made Honda's capital was only 6 million yen. One of the machines installed, the Harvard Ship HYDR-6A (nicknamed "sip"), is still in use at Production Technology Operations after 63 years, partly due to daily maintenance, but also because "some products could not be made without the sip." Soichiro Honda would be very pleased to see the sip roaring in action.
- Soichiro Honda's first company motto, which appeared in the Honda Newsletter No. 23 (January 1956), was "Maintaining an international viewpoint, we are dedicated to supplying products of the highest efficiency, yet at reasonable prices, for worldwide customer satisfaction.
- \*4 In 1959, Honda established its first overseas sales subsidiary, American Honda Motor Company, and began building its own sales network. Today, Honda's North American operations have established independent operations that combine sales, production, and R&D functions, and serve as a model for Honda's overseas regional operations. In the mid-2000s, Honda's cumulative investment in its North American operations exceeded approximately \$8 billion US dollars, and the company employed more than 30,000 people directly in North America.
- \*5 Honda R&D Center was spun off from Honda to form Honda R&D Co., Ltd. Soichiro Honda's reason for this decision was to create an environment in which research and development could be separated from business reasons, and to create an environment in which future-oriented research could be conducted freely without being influenced by the ups and downs of the immediate business, and to produce and purture povel and original technologies. Since then, Honda R&D has developed and brought to market innovative technologies that have supported the backbone of Honda for the past 60 years, and with the change to an integrated management structure for motorcycles in February 2019 and automobiles in April 2020, the divisions responsible for motorcycle and automobile development will be merged with Honda. The Honda R&D Cente will now specialize and focus on the functions of advanced research and development, pioneering uncharted new worlds for future value creation. "Mass production must succeed more than 100% of the time. On the other hand, advanced technology that will be the core of the future must be tackled with a strong will, even if it is likely to fail 99% of the time." Honda concluded that the two areas should be separated, leading to the reorganization.
- \*6 The development team who worked on gas turbine engine research, originally for automobiles, played an important role in developing the engine that would later lead to the HF120.
- \*7 Honda's first automatic-transmission motorcycle equipped with HRD, the prototype of HFT.
- \*8 The CB450's engine was based on the N360 engine
- \*9 The first generation engine's OHV (overhead valve) was replaced by OHC (overhead camshaft), which continued to be produced for several decades while undergoing minor improvements.
- \*10 In 1965, a hundred C100s were delivered to the Ministry of Posts and Telecommunications, and in 1971, Honda developed the Honda Delivery MD 90 (Mail Delivery) in postal red paint, known as the "Postal Service Cub," and delivered 2,625 units. In 1972, the prototype of the current model with 14-inch tires was completed and delivered, and in 1973, production of the MD50/70 also began, contributing to the smooth communication of people.
- \*11 The idea contest entry was commercialized and became a big hit. Production was initially outsourced to a subcontractor, but could not keep up with demand, and the Hamamatsu Factory rapidly entered production as well. This was the only Honda vehicle without an engine. (It was produced at the Hamamatsu Factory for eight months.)
- \*12 The world's first stainless steel vacuum flask with a double-layer structure and without glass was jointly developed by Nippon Sanso and Honda, and released by Act-L. Currently, various products are being sold under the THERMOS brand by Thermos K.K., which was spun off from Nippon Sanso.
- \*13 With the launch of the City and Motocompo, the Honda promoted a new outdoor lifestyle by loading motorcycles into automobiles, multiplying the fun through using different types of mobility together rather than separately. Honda moved forward with something no other company had attempted, to fully leverage its strengths in both motorcycles and automobiles.
- \*14 The Super Cub, which achieved fuel economy of 105 km per liter\*, was followed in 1982 by a model that achieved 150 km per liter\*, and then in 1983 by an ultra-low fuel consumption model that achieved 180 km per liter\* \* All figures are based on a 30 km/h flat road test with 50 cc model
- \*15 Honda had been promoting local production based on its fundamental principle of building products close to the customer, but in the U.S., the world's largest automobile market, considered it necessary to strengthen its system by localizing all SFD functions. Honda established Honda Research of America, a development division, in 1984 (renamed to Honda R&D North America (HRA) in 1986).
- \*16 Conducts a diverse range of future-oriented research, including fuel cells, robotics, aircraft, and aircraft engines, aimed at practical application. Some have already been commercialized. Aircraft research and development transitioned from basic research to mass production development, and was commercialized as HondaJet at the end of 2015.
- \*17 In 1986, Honda introduced the NXR750 factory racer in the Paris-Dakar Rally, which won the rally for four consecutive years until 1989. The Africa Twin (XRV650) was launched in 1988 as an adventure sports model inheriting the technology of the NXR750. It embodied the equipment and image of the NXR

- with the same liquid-cooled 52° V-twin 583cc, SOHC 3-valve 2-plug engine as the Transalp 600V. In 1989 and 1990, Honda France organized the Objet Dakar rally in which riders selected from the general public entered the Paris-Dakar rally on the XRV650, and the XRV650 won the class of unmodified production models for two consecutive years, expanding its popularity in Europe and other areas.
- \*18 The contract was concluded with Isuzu, to extend Honda's lineup which was short on RV models.
- \*19 An ultra-compact jet that used composite materials for its entire fuselage structure. Although it was an experimental aircraft, it was later positioned as the world's first all-composite business jet.
- \*20 "PRO'S" was named after the professional dealers who could respond to a wide range of customer needs
- \*21 Equipped with the world's first liquid-cooled, 4-stroke 50cc engine for a mass-produced motorcycle, the Giorno Crea achieved 1/2 the emissions of Japan's new emission regulations and approximately 30% better fuel economy compared to conventional 2-stroke engines (compared to a Honda scooter of the same displacement, based on 30km/h flat road test values). The chassis was made of a die-cast aluminum frame, a first for a scooter in Japan, and a modular structure was adopted to improve production efficiency to serve as the basic framework for future Honda scooters.
- \*22 A comprehensive sales company consolidating motorcycle sales functions in Japan to meet diversifying customer expectations in the motorcycle business and to develop efficient sales activities with a high degree of satisfaction. HMJ engages in a variety of activities to improve customer satisfaction, including product planning, marketing, motor sports, and advertising activities.
- \*23 Dream Dealers are "prestige dealers" created to meet the increasing demands of customers While the goal has always been to satisfy a large number of customers, the
  - Dream Dealers aim to satisfy all customers everyone who ride Honda motorcycles. Dream Dealers were introduced as a venue that not only sells the latest models, but also offers all the "fun" of motorcycling, including various events and safe riding lessons, and that directly communicate Honda's passion to its customers.
- \*24 Going back to the customer-first perspective, Honda integrated its sales channels into Honda Cars in March 2006. The purpose was to strengthen its sales network by rebuilding an optimal sales network suitable for a one-channel system. increasing the size of dealerships in major cities, and opening dealerships that incorporate the new Honda Cars concept.
- \*25 DN-01 was developed based on the concept of a comfortable sports cruiser, aiming to create new value and propose a new motorcycle lifestyle. A new transmission was adopted: the HFT (Human Fitting Transmission), a hydraulic-mechanical continuously variable transmission, and in addition to two types of fully automatic modes, it was equipped with a 6-speed manual mode that allows gear shifting at the touch of a button. The HFT also featured the world's first lock-up mechanism as a hydraulic continuously variable transmission. which enables smooth riding without shift shock, making riding easier and more comfortable than on previous sports models. HFT continued to evolve from the Juno M85's HRD in 1962, and was equipped on a large two-wheeled sports model for the first time
- \*26 Honda introduced three hybrid systems: the one-motor SPORT HYBRID Intelligent Dual Clutch Drive, the two-motor SPORT HYBRID Intelligent Multi Mode Drive/Plug-in, and the three-motor SPORT HYBRID SH-AWD (SPORT HYBRID Super Handling-All Wheel Drive).
- \*27 As a result of maintaining a consistent design concept for more than 50 years since 1958, while making functional improvements, customers have come to recognize the Super Cub as a Honda product just by looking at the design. leading to the recognition by the Japan Patent Office and resulting in registration as a three-dimensional trademark.
- \*28 Based on the concept of "optimizing human work and advanced technology to deliver quality products to the market," the Prachinburi plant employed the latest, highly efficient production technology available at Honda at the time. These new technologies include the Assembly Revolution Cell (ARC) line, a fluidized cell production system line integrated into the main assembly line for complete vehicles, a world first for the mass production of complete automobiles

\*29 At the time. Honda had five motorcycle sales channels, reorganized into two:

- Honda Dream and Honda Commuter, Honda Dream dealers handle the full lineup of Honda motorcycles, mainly sports models, offering lifestyle suggestions and high-grade services. Honda Commuter dealers focus on commuter models under 250cc, offering convenient products and reliable service closely related to daily life. Through the reorganization of its motorcycle sales channels, Honda aims to build a sales network that can precisely meet the needs of customers for both sports and commuter models
- \*30 GM and Honda agreed to jointly develop two new electric vehicle (EV) models for Honda based on GM's global EV platform equipped with Altium batteries. The relationship between GM and Honda began more than 20 years ago, with the collaboration spanning fuel cells, batteries, and the Cruise Origin, a vehicle for the self-driving mobility service business.
- \*31 The collaboration combines Honda's cutting-edge environmental and safety technologies and other mobility development capabilities, vehicle manufacturing technologies, and after-sales service operation experience, with Sony's experience in the development and operation of imaging sensing, communication, network, and various entertainment technologies. Sony Honda Mobility aims to realize a new era of mobility and mobility-oriented services that continue to evolve in step with the user and the environment.

## •

# Motorsports



Max Verstappen

On August 2, 1964, at the sixth round of the FIA\* Formula One World Championship (referred to as F1), the German Grand Prix held at Nürburgring, Honda's F1 machine, the RA271, featuring an ivory-white body adorned with the rising sun, made its debut.

**Topics** 

Just one year after launching its automobiles, the T360 and S500, Honda ventured into the pinnacle of automobile racing. The RA271, which was developed entirely in-house with both its engine and chassis, finished 13th in Germany but retired in the following two races. In 1965, Honda introduced the RA272, which featured significant weight reductions. The RA272 secured Honda's first F1 victory at the final race of the season, the Mexican Grand Prix. This achievement, alongside the victory in the Isle of Man TT in 1961, marked Honda's triumph at the highest level of both motorcycle and automobile racing.



The spirit of boldly taking on challenges that seem impossible to everyone has been honed through racing since our founding.

2024 marks the 60th anniversary of our first F1 participation, and to symbolize the enduring spirit of challenge, we have established the logo on the left.

Honing people and technology at the pinnacle of global racing—this has been Honda's racing spirit since its founding.

# Dream Again — A New Challenge

Governance

On May 24, 2023, Honda announced that it will re-enter Formula 1 from the 2026 season in partnership with Aston Martin Aramco Formula One® Team.

Formula 1 is working towards achieving carbon neutrality, and the new regulations to be introduced in 2026 include:

- 1. The adoption of 100% carbon-neutral fuels
- Increasing the proportion of electrical energy in the total power output to approximately 50%, which is about three times the current level of electrical output

These significant changes in regulations align with Honda's goal of achieving carbon neutrality and hold great importance for the development of future technologies aimed at this goal. Therefore, we have decided to participate in the F1 championship.

Honda Racing Corporation (HRC) is strengthening its global operations by renaming its U.S. automobile racing development subsidiary to "Honda Racing Corporation USA (HRC US)" and enhancing collaboration. Additionally, HRC UK has been established in Europe, further solidifying the global framework.

\* Fédération Internationale de l'Automobile

5 Key Themes

Value Creation Story

#### Motorsports



# **Passing Dreams to the Next Generation**

As of 2024, Yuki Tsunoda, currently competing in Formula 1 with the VISA Cash App RB Formula One® Team, is an alumnus of Honda Racing School Suzuka (HRS Suzuka). Having started karting at the age of five, Tsunoda has expressed that nothing makes him happier than fulfilling his desire to be the fastest. Since 2019, he has been racing around the world, primarily in Europe, in FIA F3. In 2020, he stepped up to F2, where he was awarded FIA Rookie of the Year, making steady progress towards his dreams. He entered Formula 1 in 2021, achieving seven top finishes and a highest position of fourth that year.

"What I pursue is driving fast. It is what I find most enjoyable. When other drivers are faster than me in various situations and conditions, I feel frustrated. At the same time, when I surpass them and become the best, I truly feel happy. My dream is to become the Formula 1 World Champion. An even bigger dream is to break all the records set by the great drivers," said Tsunoda. His challenge goes beyond just winning the championship.

Having grown into a leading racing driver representing Japan, Yuki Tsunoda will enter his fifth season in Formula 1 in 2025.

# "Nothing Is Impossible"

On April 5, 2024, in the spring of the 60th anniversary of Honda's participation in Formula 1, the "Honda RACING Gallery" opened at the Suzuka Circuit.

Takuma Sato, a two-time Indy 500 winner who attended the opening, shared his thoughts: "I have experienced that even things thought to be impossible can ultimately be achieved by approaching them from various angles. I believe nothing is impossible. My current dream is to become an Indy 500 champion once again, but at the same time, supporting young drivers in their challenges abroad is my next challenge."



Takuma Sato

Adhering to the policy of "No Attack, No

Chance," Takuma Sato, who is an alumnus of Honda Racing School Suzuka (HRS Suzuka, formerly SRS), has served as the principal of the school since 2019.



Yuki Tsunoda

# **Sports Activities**

# Honda Sports Challenge

Honda began its corporate sports activities with the establishment of the Saitama Factory's baseball team in 1960 and has been engaged in corporate sports for over 60 years. In this era of once-in-a-century transformation, the "spirit of challenge," which serves as the source of progress, is increasingly needed. The importance of sports, which embody this spirit and resonate with many people, is growing. To maximize this potential, Honda is working to strengthen its corporate sports initiatives.

Under the vision of "increasing the number of people who take on challenges and enriching everyone's lives through Honda's sports activities." Honda has adopted the slogan "Honda Sports Challenge" for its initiatives. The focus is on three key directions centered around challenge: Joy, Growth, and Connection.

We continue to take on challenges across a wide range of areas, including participating in various sports, sponsoring tournaments, and supporting athletes.

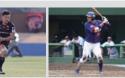
## Official Sports Clubs (Japan)

In pursuit of their dreams, five sports—track and field, rugby, baseball, soccer, and softball—are represented by seven clubs that continue to take on challenges.



Honda Track and Field

MIE Honda HEAT (Rugby)







Suzuka Baseball Club / Kumamoto Baseball Club

Honda Reverta (Softball)

### **Sponsored Athletes**

We support athletes both domestically and internationally in achieving their dreams.

### **Ambassadors**





## **Sponsored Athletes**

Honda Baseball Club /



Akie Iwai · Chisato Iwai (Golf)

## **Supported Athletes**

Golf Yuka Saso

Wheelchair Track & Field Catherine Debrunner Susannah Scaroni Hiroki Nishida Manuela Schär

# **Tournament Sponsorship**

To promote sports, we support various tournaments.



Hot Air Balloon Honda Grand



Oita International Wheelchair



Stanley Ladies Honda Golf Tournament

Honda Track and Field Team Naoki Koyama

### "I want to compete with the world's top marathon runners and set a new Japanese record."

Koyama's name became widely known with his victory at the Marathon Grand Championship in October 2023. Having fulfilled his childhood dream of running in long-distance relay races with Honda, he quickly made a remarkable achievement by transitioning to marathon running. "I genuinely love track and field and find joy in running. Right now, my dream is to set a new Japanese record and make a name for myself. I also want to challenge myself in international races and compete with the world's top runners." With a deep passion for running, Koyama continues his quest for global challenges.

#### "I want to prove I can compete on the world stage."

In the 2023 World Athletics Championships, Aoki advanced to the finals in the 3000m steeplechase, becoming the first Japanese athlete to do so in 20 years. "As I continued to chase the world's top athletes, a desire to beat them grew within me, and I wanted to see how far I could go," says Aoki, who is committed to competing against the best and achieving results. "I've been stepping up one step at a time, but this is not the finish line. I won't be satisfied until I become the best in the world." As he pursues his dream, there is no time to stand still. The challenge to reach even greater heights continues.



Honda Track and Field Team Ryoma Aoki



MIE Honda HEAT Takuro Hojo

### "My dream is to win as part of the Japan national team on the world stage."

In the spring of 2024, rookie Hojo made a spectacular debut at Chichibunomiya Rugby Stadium, making a strong impression with his game-changing plays. "I can stay focused and play without getting nervous on the big stage. I want to be more proactive in getting involved with the ball, using the hunger and drive I developed during the frustrating times when I couldn't play in my student days as my weapon." His dream is to win against the world's top teams in the Rugby World Cup as a representative of Japan. "I want to be intensely focused on winning, no matter what." With his eyes set on the world, this rookie's pursuit of his dream has just begun. Carrying a strong passion for rugby, his challenge is only beginning.

### "I want to demonstrate my ability to perform under pressure at my first world championship."

"I would love to play baseball for the rest of my life if I could. For me, baseball is life," says Koguchi with a sincere gaze. No matter how tough the training or how disappointing the experiences, his love for baseball remains undiminished. Known for his ability to perform under pressure, Koguchi quickly became a key player on the team by contributing RBIs on a national stage during his first year. "The goal is to showcase my inherent strength in high-pressure situations at the world championship. I also want to pave the way to a professional career and repay the support of my family." Fueled by these aspirations, Koguchi continues to chase his dreams.



Honda Baseball Club Jintaro Koguchi



Honda Women's Golf Akie Iwai and Chisato Iwai

# "Dreams fulfilled by two sisters. The goal is to win on the world stage."

Sisters Akie Iwai and Chisato Iwai, who continuously improve by challenging each other, have both achieved multiple victories and are growing into top professionals. Guided by their parents' teachings of "playing with integrity" and "being kind to others," they show great sportsmanship by always considering their opponents and responding with smiles to fans' cheers. Their personalities stand out strongly among tour participants.

Their goal is to compete and win on the world stage. Honda supports these sisters as they challenge themselves towards their dreams.