

FY24 3rd Quarter Financial Results

February 8, 2024

Firstly, we would like to extend our heartfelt condolences to the victims and family members of the January 1st earthquake in Noto Peninsula. We earnestly pray that a full recovery and restoration of the disaster area will take place as quickly as possible.

***FY24 3rd Quarter Financial Results and
FY24 Financial Forecast***

- *Summary*
- *Details*

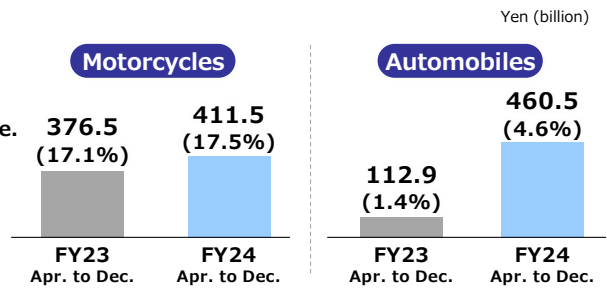
I would like to review the FY2024 third quarter financial results and explain financial forecast for fiscal 2024.

■ **FY24 Nine Months Results (Apr. – Dec.)**

- **Operating Profit 1,076.3 billion yen**
Operating Margin 7.2%

-Motorcycles: An increase in unit sales mainly in Brazil and Europe. Marked record highs for operating profit and operating margin.

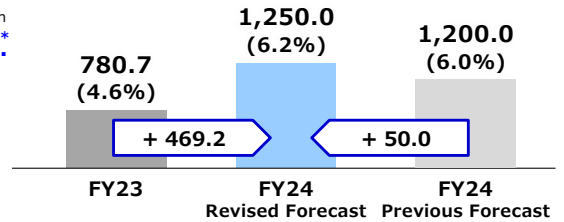
-Automobiles: Despite a negative impact from warranty expenses, operating profit improved significantly from the same period last year.



■ **FY24 Forecast**

* Previous forecast: announced on November 9th

- **Revised operating profit upward from the previous forecast.***
- Despite the challenging environment mainly in Asia, reflecting the further strengthening of our earning structure as well as favorable currency effects.



■ **Returning Profit to Shareholders**

- To improve efficiency of capital structure, resolved to **acquire company's own share up to 50.0 billion yen.**
- **Cancellation of treasury shares of approximately 154 million**

First, let me explain summary of the financial results.

Looking at the cumulative results through the third quarter of FY2024, an increase in motorcycle unit sales, predominantly in Brazil and Europe, led to all-time highs for operating profit as well as operating profit margin in motorcycle business.

Further, in automobile business, although there was a negative impact from warranty expenses, a unit volume increase, mainly in North America, led to a significant increase in operating profit compared to the same period of last fiscal year. As a result, overall operating profit increased to 1 trillion 76.3 billion yen. Operating profit margin was 7.2%.

Despite some challenging market conditions, mainly in Asia, we have made an upward revision to our earnings forecast for FY2024 compared to our previous forecast, by reflecting further strengthening of our earnings structure as well as positive impact from currency effects.

With respect to shareholder returns, as part of an effort to improve capital efficiency, at the board of directors' meeting today, a resolution was passed to conduct a share buyback. The value of this share buyback will be 50 billion yen. When combined with the 200 billion yen share buyback made earlier this fiscal year, the total value of share buybacks for this fiscal year is 250 billion yen.

In conjunction with this share buyback, a resolution was passed to cancel approximately 154 million shares of treasury stock.

We will continue to accelerate efforts to improve capital efficiency for the enhancement of corporate value.

Main Market (Automobile Business)

Main Countries	Retail	
YTD (Apr. - Dec.)	Unit (thousand)	vs. FY23 (%)
Japan	427	108.6
The United States	1,024	142.8
China	1,014	99.5

QTD (Oct. - Dec.)	Unit (thousand)	vs. FY23 (%)
Japan	170	120.9
The United States	338	132.2
China	403	124.8

■ Sales Results in FY24 (3Q)

- Overall, exceeded the same period last year mainly due to stable demand in the United States and recovery in production in Japan.

■ Outlook/Forecast for FY24

- Although a decrease in Thailand and Indonesia is expected, maintain the previous forecast due to an increase in China.
- Overall, expect to exceed last fiscal year.

-Electrification Updates-

- Presented world premiere of the “Honda 0 Series” represented by two new global EV concept models at CES 2024 -Adopting new “H mark” design exclusively for the next-generation EVs- (announced in January).
- Fuel Cell System Manufacturing LLC (FCSM), a joint venture with GM, began commercial production of fuel cell system (announced in January).



New “H mark” design



SALOON



SPACE-HUB

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

Firm demand in the United States as well as a production recovery in Japan led to an increase in unit sales and overall results which exceeded the results of the same period last fiscal year.

With respect to the FY2024 forecast, sales declines in Thailand, Indonesia and other markets are anticipated, however, due to an increase in sales in China, we have maintained previous forecast.

In terms of initiatives towards electrification, the world premier of the Honda “0” series was revealed at CES in Las Vegas, one of the largest global technology exhibitions. Exhibits included new future generation global EV concept models such as the Saloon and Space Hub, which were emblazoned with a newly designed “H mark” badge for next generation EVs.

In addition, commercial production of fuel cell systems began at Fuel Cell System Manufacturing, LLC, a joint venture with General Motors.

Main Market (Motorcycle Business)

Main Countries		Wholesale	
YTD (Apr. - Dec.)	Unit (thousand)	vs. FY23 (%)	
India	3,376	101.6	
Vietnam	1,576	81.3	
Thailand	1,079	101.4	
Indonesia	3,445	113.2	
Brazil	908	109.0	

QTD (Oct. - Dec.)	Unit (thousand)	vs. FY23 (%)	
India	1,170	115.5	
Vietnam	578	72.9	
Thailand	329	90.7	
Indonesia	1,139	86.8	
Brazil	311	117.0	

■ Sales Results in FY24 (3Q)

YTD: Despite a decrease in Vietnam related to an economic slowdown, stayed almost the same level as the same period last year mainly due to firm demand in Indonesia and Brazil.

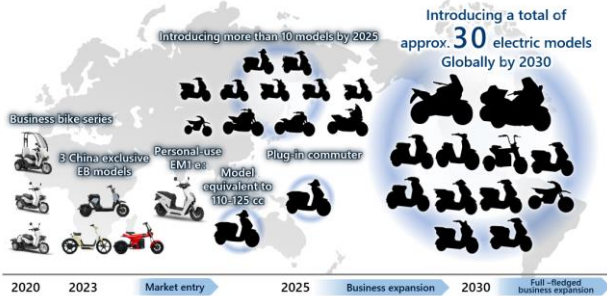
QTD: Despite an increase in Brazil and India, lower than the same period last year mainly due to a decrease in Vietnam.

■ Outlook/Forecast for FY24

- Although a decrease in Vietnam and Japan is expected, maintain the previous forecast mainly due to an increase in India and Thailand.
- Overall, expect to be equivalent as last fiscal year.

-Electrification Updates-

- 2023 Briefing on Honda Electric Motorcycle Business in November.



Next, I will explain the status of motorcycle business.

In the cumulative third quarter, there was a decline in Vietnam due to an economic slowdown, however, due to firm demand in countries such as Indonesia and Brazil, overall sales were basically unchanged compared to the same period last fiscal year.

In the three months of the fiscal third quarter, there was an increase in sales in Brazil and India, however, mainly due to a decrease in Vietnam, overall sales were lower than the same period last year.

Regarding the sales forecast for fiscal year 2024, although a decrease in sales is expected in Vietnam and Japan, due to increased sales in countries such as India and Thailand, we have maintained previous forecast.

Also, we held 2023 Briefing on Electric Motorcycle Business in November.

The sales target for electric motorcycles in 2030 was raised to 4 million units from the previously announced 3.5 million units.

Our electrification strategy announcement also included the number of models to be introduced, production, procurement system and other details.

We will accelerate electrification of our motorcycle business as well towards realization of carbon neutrality.

Summary of FY24 3rd Qtr. Results (Nine Months)

Operating profit :

Despite a negative impact from warranty expenses, operating profit increased by 342.4 billion yen to **1,076.3 billion yen**.

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

Profit for the period ^{*1} :

Increased by 286.4 billion yen to **869.6 billion yen**.

Honda Group Unit Sales (Consolidated Unit Sales) (Unit thousand)	YTD (Nine Months)			Income Statement Yen (billion)	YTD (Nine Months)			
	FY23 Results	FY24 Results	Change		FY23 Results	FY24 Results	Amount	Change
Motorcycles	14,285	13,961	- 2.3%	Sales revenue	12,523.4	14,999.4	+ 2,476.0	+ 19.8%
	(9,570)	(9,103)	(- 4.9%)	Operating profit	733.9	1,076.3	+ 342.4	+ 46.7%
Automobiles	2,740	3,114	+ 13.6%	Operating margin	5.9%	7.2%		+ 1.3 pt
	(1,712)	(2,099)	(+ 22.6%)	Share of profit of investments accounted for using the equity method	148.8	67.2	- 81.6	- 54.8%
Power Products	4,121	2,548	- 38.2%	Profit before income taxes	859.3	1,264.5	+ 405.1	+ 47.1%
	(4,121)	(2,548)	(- 38.2%)	Profit for the period attributable to owners of the parent	583.1	869.6	+ 286.4	+ 49.1%
				Earnings per share attributable *2 to owners of the parent (Yen)	114.13	176.78		+ 62.65
				Market average rates (Yen)				*3
				U.S. Dollar	137	143		+ 6

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

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

*3 + weak yen / - strong yen

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

Although there was a negative impact from warranty expenses, an increase in automobile sales as well as pricing that reflects increased product value among other factors, led to a 342.4 billion yen increase in profit compared to the same period last year.

The total operating profit for the period amounted to 1 trillion 76.3 billion yen.

In addition, profit for the period attributable to owners of the parent company realized an increase in profit of 286.4 billion yen leading to a total amount of 869.6 billion yen.

vs Previous Forecast:

Operating profit : Despite challenging environment in Asia as well as an increase in warranty expenses, reflects further strengthening measures to improve profitability and the positive impacts from currency effects,

operating profit is revised upward by 50.0 billion yen to **1,250.0 billion yen.**

Profit for ^{*1} the year :

Upward revision by 30.0 billion yen to **960.0 billion yen.**

Honda Group Unit Sales (Consolidated Unit Sales) (Unit thousand)	FY23 Results	FY24 Forecast	Change	Change from previous forecast	Income Statement Yen (billion)	FY23 Results	FY24 Forecast	Amount	Change	Change from previous forecast
Motorcycles	18,757 (12,161)	18,800 (12,240)	+ 0.2% (+ 0.6%)	- (- 30)	Sales revenue	16,907.7	20,200.0	+ 3,292.2	+ 19.5%	+ 200.0
Automobiles	3,687 (2,382)	4,100 (2,900)	+ 11.2% (+ 21.7%)	- (- 20)	Operating profit	780.7	1,250.0	+ 469.2	+ 60.1%	+ 50.0
Power Products	5,645 (5,645)	3,850 (3,850)	- 31.8% (- 31.8%)	- (-)	Operating margin	4.6%	6.2%		+ 1.6pt	+ 0.2pt
					Share of profit of investments accounted for using the equity method	117.4	75.0	- 42.4	- 36.1%	-
					Profit before income taxes	879.5	1,445.0	+ 565.4	+ 64.3%	+ 50.0
					Profit for the year attributable to owners of the parent	651.4	960.0	+ 308.5	+ 47.4%	+ 30.0
					Earnings per share attributable to owners of the parent (Yen) ^{*2}	128.01	195.83		+ 67.82	+ 6.19
					Market average rate (Yen) ^{*3}	136	142		+ 7	+ 2

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

*2 As of the effective date of October 1, 2023, Honda implemented a three- for-one stock split of its common stock to shareholders as of the record date of September 30, 2023. Basic earnings per share are based on the number of shares after the stock split. Prior to the stock split basis: FY23 results: 384.02 yen, FY24 forecasts: 587.50 yen

*3 FY24 Market average rate against U.S. Dollar :
1H (actual): 141 yen, 2H (assumption): 144 yen

Next, I will explain the consolidated results forecast for fiscal year 2024.

Despite the challenging market environment in Asia as well as an increase in warranty expenses, the further strengthening of measures to improve profitability combined with the positive impact from currency effects has led to operating income to be increased by 50 billion yen.

As a result, the forecast has been revised upward to 1 trillion 250 billion yen.

In addition, profit for the year attributable to owners of the parent company has been increased by 30 billion yen to 960 billion yen.

Furthermore, assumptions for the exchange rate are 144 yen against the US dollar in the second half and a full-year projection of 142 yen.

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

Dividends

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

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

*2 Forecast for the full-year dividend per share is not presented because simple comparisons are not possible due to the implementation of the stock split.

Next, I would like to explain dividends.

Regarding the forecast for annual dividends for fiscal 2024, no change in the 174 yen per share plan has been made since the previous announcement, based on pre-stock split standards.

<Purpose for acquisition and cancellation of own shares>

Improving efficiency of its capital structure and implementing a flexible capital strategy, among others.

<Acquisition of the Company's Own Shares>

Details:

- Total number of shares to be acquired (maximum):
34 million shares (shares of common stock)
(0.7 % of total number of issued shares (excluding treasury stock))
- Total amount of shares to be acquired (maximum): 50 billion yen
- Period of acquisition: Starting on March 1, 2024 and ending on April 30, 2024

<Cancellation of the Company's Own Shares>

Details:

- Total number of shares to be cancelled:
154,285,290 shares (shares of common stock)
(2.8 % of total number of issued shares)
- Scheduled date of cancellation: February 29, 2024
- Total number of shares issued after the cancellation: 5,280,000,000 shares

At the board of directors meeting held today, we have passed a resolution regarding the acquisition and the cancellation of its own shares.

Regarding the acquisition of our own shares, we have set an upper limit of 34 million shares or 50 billion yen.

Regarding the cancellation of our own shares, approximately 154 million shares will be canceled.

FY24 3rd Quarter Financial Results and FY24 Financial Forecast

- *Summary*
- *Details*

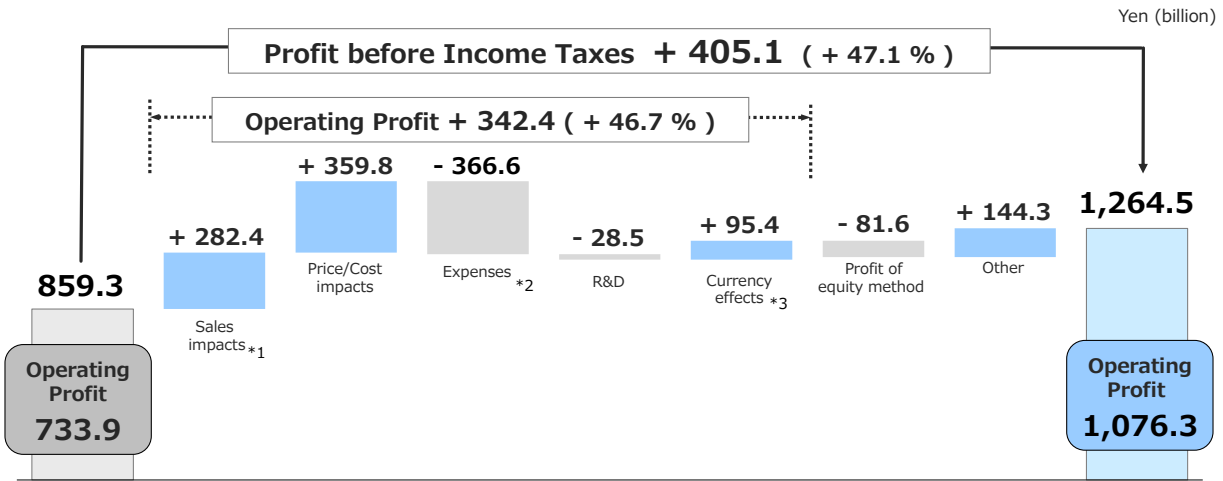
Honda Group Unit Sales	Motorcycles			Automobiles			Power Products		
	YTD (Nine Months)			YTD (Nine Months)			YTD (Nine Months)		
	FY23	FY24	Change	FY23	FY24	Change	FY23	FY24	Change
Japan	179	181	+ 2	389	428	+ 39	267	204	- 63
North America	339	374	+ 35	860	1,211	+ 351	1,724	684	- 1,040
Europe	223	324	+ 101	63	68	+ 5	773	481	- 292
Asia	12,310	11,884	- 426	1,341	1,307	- 34*	1,047	942	- 105
Other Regions	1,234	1,198	- 36	87	100	+ 13	310	237	- 73
Total	14,285	13,961	- 324	2,740	3,114	+ 374	4,121	2,548	- 1,573
Change (%)			- 2.3%			+ 13.6%			- 38.2%
						* -12 in China are included			
Consolidated Unit Sales	9,570	9,103	- 467	1,712	2,099	+ 387	4,121	2,548	- 1,573

First, the Honda Group cumulative unit sales volume through the third quarter of fiscal year 2024 by business area is as follows:

In motorcycle business, there was a decline to 13 million 961 thousand units compared to the same period last year, mainly due to a decrease in Asia.

In automobile business, the result was 3 million 114 thousand units, mainly due to an increase in North America.

In power products business, total sales amounted to 2 million 548 thousand units, mainly due to a decrease in North America.



**FY23
Nine Months**

	*1 Sales impacts	*2 Expenses	*3 Currency effects
Revenue, model mix	+ 357.9	Warranty	- 201.7
Finance	+ 4.1	Finance	- 20.6
Other	- 79.6	Other	- 144.3
			JPY/USD
			+ 68.0
			USD / Others
			+ 19.5
			(BRL, CAD, MXN)
			- 20.6
			JPY / Asian currencies
			+ 6.5
			(INR, THB, VND, CNY, IDR)
			Other
			+ 1.4

**FY24
Nine Months**

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

Firstly, operating profit increased by 342.4 billion yen compared to the same period last year.

The increase and decrease factors are as follows:

Regarding sales impacts, there was a positive impact on profit of 282.4 billion yen mainly due to increased sales of automobiles.

Regarding price and cost impacts, the effect of pricing that reflects increased products value, a decrease in raw material costs, mainly of precious metals, as well as other factors, had a positive impact on profit of 359.8 billion yen.

Regarding expenses, due to an increase in warranty expenses as well as other factors, there was a negative impact on profit of 366.6 billion yen.

Regarding R&D expenses, there was a negative impact on profit of 28.5 billion yen.

Regarding currency effects, a positive impact of 95.4 billion yen was realized.

Also, regarding profit before income taxes, despite a decrease in equity method profit, mainly from China, with an increase in operating profit, interest income and so on, profit was increased by 405.1 billion yen.

**FY24 3rd Qtr. Results: Sales Revenue/Operating Profit (Margin)
by Business Segment (Nine Months)**

	Motorcycle Business	Automobile Business	Financial Services Business	Power Products and Other Businesses
Unit (thousand)	13,961	3,114	-	2,548
Honda Group	(9,103)	(2,099)	-	(2,548)
Unit Sales				
(Consolidated Unit Sales)	14,285	2,740	-	4,121
	(9,570)	(1,712)	-	(4,121)
Yen (billion)	2,358.0	10,120.5	2,388.0	306.5
Sales				
Revenue	2,202.3	7,859.0	2,262.7	356.8
Operating Profit	411.5	460.5	204.8	- 0.4
	376.5	112.9	220.3	24.1
Operating Margin	17.5%	4.6%	8.6%	- 0.2%
	17.1%	1.4%	9.7%	6.8%

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

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

- 24.5

FY23 YTD : - 18.6

Continuing on, regarding the status of sales revenue and operating profit by business segment, operating profit marked a record high of 411.5 billion yen in motorcycle business.

Operating profit was 460.5 billion yen in automobile business and 204.8 billion yen in financial services business operations.

For power products business and other businesses, the result was a negative 400 million yen.

Cash Flows of Non-Financial Services Businesses

Yen (billion)

Nine Months	FY23	FY24
Cash flows from operating activities	+ 807.8	+ 1,429.6
Cash flows from investing activities	- 590.7	- 503.0
Free cash flow	+ 217.0	+ 926.5
Cash flows from financing activities	- 378.0	- 540.4
Effects of exchange rate changes	+ 82.2	+ 144.2
Net change of cash and cash equivalents	- 78.6	+ 530.4
Cash & cash equivalents at end of period	3,239.3	4,084.0
Cash and cash equivalents included in assets held for sale	-	23.7
Cash & cash equivalents at end of period (Excluding cash and cash equivalents included in assets held for sale)	3,239.3	4,060.2
Net cash at end of period (Excluding cash and cash equivalents included in assets held for sale)	2,339.3	3,183.3

Next, I would like to explain the cash flow situation.

The FY2024 3rd quarter cumulative free cash flow of operating companies, excluding financial business operations, was 926.5 billion yen.

The net cash balance at the end of the third quarter was 3 trillion 183.3 billion yen.

Forecast: Honda Unit Sales

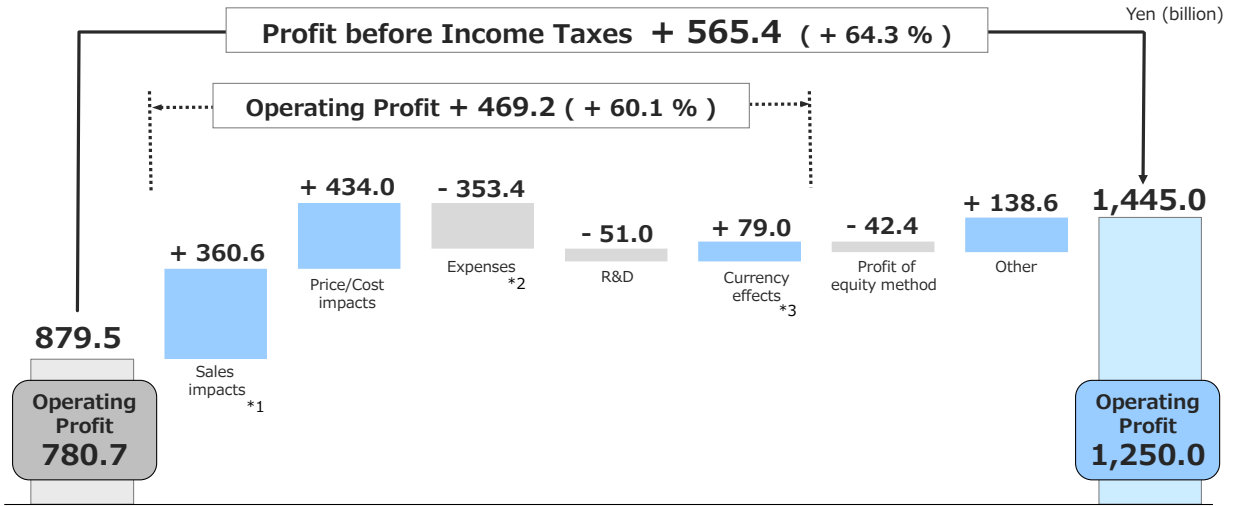
Unit (thousand)

Honda Group Unit Sales	Motorcycles			Automobiles			Power Products		
	FY24 Previous	FY24 Revised	Change	FY24 Previous	FY24 Revised	Change	FY24 Previous	FY24 Revised	Change
Japan	255	245	- 10	630	630	-	320	300	- 20
North America	500	505	+ 5	1,620	1,620	-	1,075	1,130	+ 55
Europe	465	460	- 5	100	100	-	815	815	-
Asia	15,945	15,965	+ 20	1,615	1,615	*	1,310	1,295	- 15
Other Regions	1,635	1,625	- 10	135	135	-	330	310	- 20
Total	18,800	18,800	-	4,100	4,100	-	3,850	3,850	-
FY23 Results	18,757			3,687			5,645		
				* + 30 in China are included					
Consolidated Unit Sales	12,270	12,240	- 30	2,920	2,900	- 20	3,850	3,850	-

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

With respect to Honda group unit sales volume, although refinements are made for each business operation by region, we maintain the total volume unchanged from our previous forecast.

FY24 Forecast: Change in Profit before Income Taxes



	*1 Sales impacts	*2 Expenses	*3 Currency effects
Revenue, model mix	+ 541.0	Warranty	- 121.9
Finance	+ 1.5	Finance	- 32.5
Other	- 181.9	Other	- 199.0
			JPY/USD
			USD / Others
			(BRL, CAD, MXN)
			JPY / Asian currencies
			(INR, THB, VND, CNY, IDR)
			Other
			+ 96.5
			+ 17.5
			+ 6.5
			- 41.5

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

First, with respect to operating profit, profit is prospected to be increased by 469.2 billion yen compared to the previous year's results.

The breakdown is as follows:

Sales impacts is expected to record a profit increase of 360.6 billion yen, mainly due to an increase in the number of automobile unit sales.

Regarding price and cost impacts, although labor costs increase is expected, the positive effect of pricing that reflects increased products value, a decline in raw material prices, mainly of precious metals, as well as other factors, let to an increase in profit of 434 billion yen.

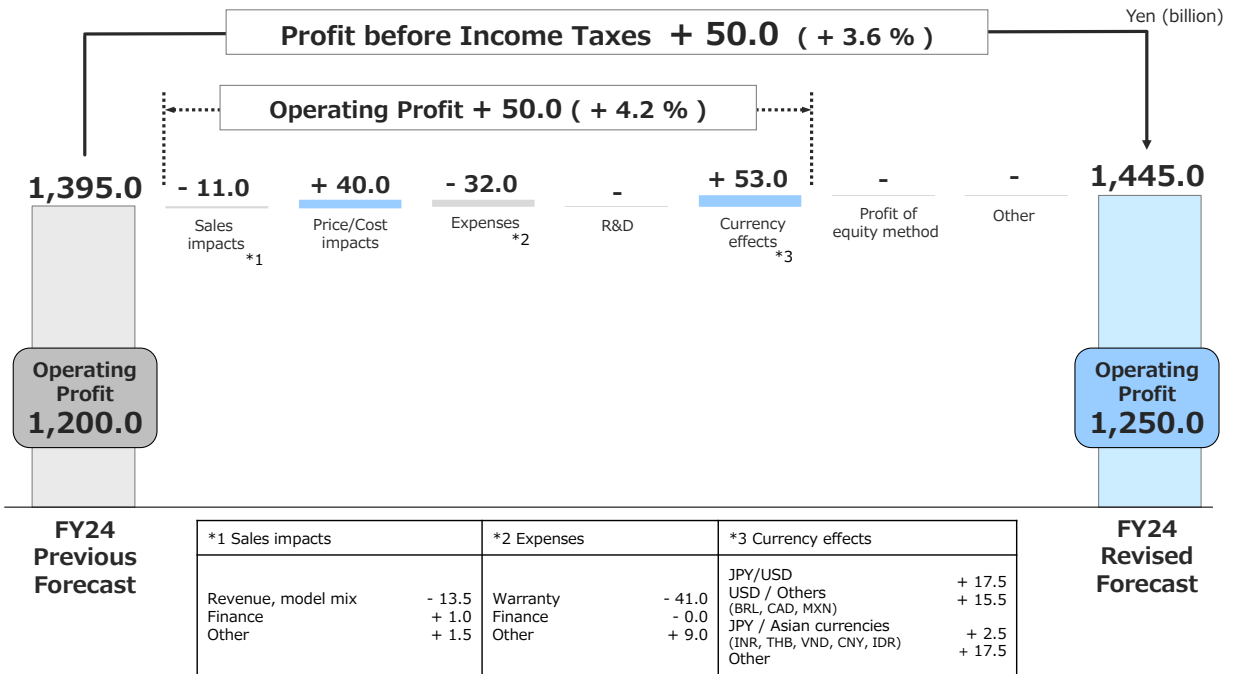
Regarding expenses, expects a decrease of 353.4 billion yen, mainly due to an increase in warranty expenses.

Regarding R&D expenses, there expected to be a negative impact of 51 billion yen on profits.

Regarding currency effects, there expected to be a positive increase of 79 billion yen.

Regarding profit before income taxes, it is expected to improve by 565.4 billion yen due to an increase in operating income and interest income, despite a decrease in equity method profit, mainly in China.

FY24 Forecast: Change in Profit before Income Taxes



Next, I would like to explain the increase and decrease factors compared to the previous forecast.

Operating profit and profit before tax have been increased by 50 billion yen compared to the previous forecast.

An explanation of the breakdown is as follows:

Regarding sales impacts, an 11 billion yen decrease in profit is expected to be realized mainly due to the negative impact from a decrease in consolidated unit sales volume.

Regarding price and cost impacts, although an increase in labor costs is expected, the effect of pricing that reflects increased products value, a decrease in raw material costs, mainly of precious metals, and other factors, resulted in a 40 billion yen increase in profit.

Regarding expenses, a profit decrease of 32 billion yen is expected to be realized mainly due to an increase in warranty expenses.

Regarding currency effects, an increase in profit of 53 billion yen is expected to be achieved.

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

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

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

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

There are no changes from the previous outlook.

Caution with Respect to Forward-Looking Statements:

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

Accounting standards:

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

Notice on the Factors for Increases and Decreases in Income:

With respect to the discussion in this presentation of the changes, identified factors and used what it believes to be a reasonable method to analyze the respective changes in such factors. Analyzed changes in these factors at the levels of the Company and its material consolidated subsidiaries.

- (1) "Foreign currency effects" consist of "translation adjustments", which come from the translation of the currency of foreign subsidiaries' financial statements into Japanese yen, and "foreign currency adjustments", which result from foreign-currency-denominated transaction. With respect to "foreign currency adjustments", analyzed foreign currency adjustments primarily related to the following currencies: U.S. dollar, Japanese yen and others at the level of the Company and its material consolidated subsidiaries.
- (2) With respect to "Price and Cost Impacts", analyzed effects of changes in sales price, cost reductions, effects of raw material cost fluctuations and others, excluding foreign currency effects.
- (3) With respect to "Sales impacts", analyzed changes in sales volume and in the mix of product models sold that resulted in increases/decreases in profit, changes in sales revenue of Financial services business that resulted in increases/decreases in profit, as well as certain other reasons for increases/decreases in sales revenue and cost of sales, excluding foreign currency effects.
- (4) With respect to "Expenses", analyzed reasons for an increase/decrease in selling, general and administrative expenses from the previous fiscal year excluding foreign currency translation effects.
- (5) With respect to "Research and Development expenses", analyzed reasons for an increase/decrease in research and development expenses from the previous fiscal year excluding foreign currency translation effects.

Unit sales:**Motorcycle Business**

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

Automobile Business

Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries. Certain sales of automobiles that are financed with residual value type auto loans and other by our Japanese finance subsidiaries and provided through our consolidated subsidiaries are accounted for as operating leases in conformity with IFRS and are not included in consolidated sales revenue to the external customers in our Automobile business. Accordingly, they are not included in Consolidated Unit Sales, but are included in Honda Group Unit Sales of our Automobile business.

Power Products Business

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

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

- 3rd Quarter *	FY23 :	5,079,640,000 (approx.) ,	FY24 :	4,867,320,000 (approx.)
- Nine Months	FY23 :	5,109,859,000 (approx.) ,	FY24 :	4,919,185,000 (approx.)
- Fiscal Year	FY23 :	5,088,921,000 (approx.) ,	FY24 : Forecast	4,902,132,000 (approx.)

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

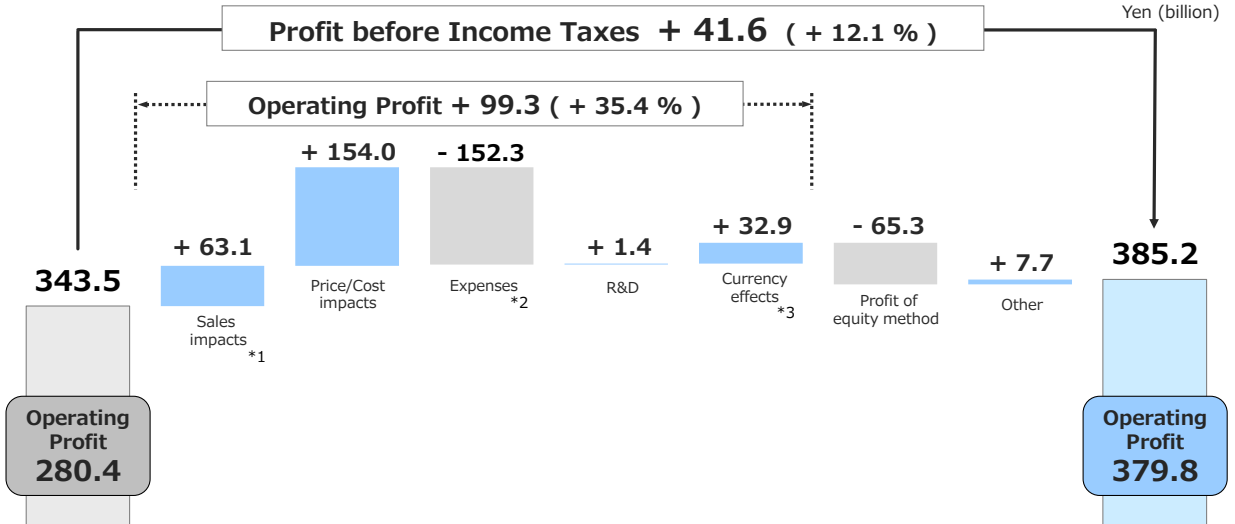
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Appendix

FY24 3rd Qtr. Results: Change in Profit before Income Taxes

Yen (billion)



FY23 3Q
Three Months

*1 Sales impacts		*2 Expenses		*3 Currency effects	
Revenue, model mix	+ 102.3	Warranty	- 83.1	JPY / USD	+ 16.0
Finance	+ 1.8	Finance	- 6.6	USD / Others (BRL, CAD, MXN)	+ 12.5
Other	- 41.0	Other	- 62.6	JPY / Asian currencies (INR, THB, VND, CNY, IDR)	- 3.5
				Other	+ 7.9

FY24 3Q
Three Months

**FY24 3rd Qtr. Results: Sales Revenue/Operating Profit (Margin)
by Business Segment (Three Months)**

upper : FY24 lower : FY23	Motorcycle Business	Automobile Business	Financial Services Business	Power Products and Other Businesses
Unit (thousand)	4,695	1,180	-	722
Honda Group	(3,097)	(767)	-	(722)
Unit Sales (Consolidated Unit Sales)	5,083 (3,227)	955 (619)	- -	1,186 (1,186)
Yen (billion)	785.4	3,773.4	810.2	92.2
Sales Revenue	789.6	2,855.0	733.6	120.7
Operating Profit	158.1	159.1	67.8	- 5.2
	151.7	49.3	67.3	12.0
Operating Margin	20.1%	4.2%	8.4%	- 5.7%
	19.2%	1.7%	9.2%	10.0%

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

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

- 10.0

FY23 3Q : - 6.6

Change in Sales Revenue (sales revenue from external customers)

Yen (billion)

Three Months Compared with FY23 3Q : + 951.9 / + 21.4 % (Excluding currency translation effects : + 773.9 / + 17.4 %)

	FY23	FY24	Change	Change excluding currency translation effects (%)	
Motorcycle Business	789.6	785.4	- 4.1	- 25.8	- 3.3%
Automobile Business	2,803.4	3,710.1	+ 906.7	+ 780.2	+ 27.8%
Financial Services Business	733.1	809.5	+ 76.4	+ 48.5	+ 6.6%
Power Products and Other Businesses	111.9	84.9	- 27.0	- 29.0	- 25.9%
Total	4,438.1	5,390.1	+ 951.9	+ 773.9	+ 17.4%
Market average rate (Yen)					
U.S. Dollar	142	148			

Nine Months Compared with FY23 : + 2,476.0 / + 19.8 % (Excluding currency translation effects : + 1,975.3 / + 15.8 %)

	FY23	FY24	Change	Change excluding currency translation effects (%)	
Motorcycle Business	2,202.3	2,358.0	+ 155.6	+ 97.1	+ 4.4%
Automobile Business	7,723.5	9,972.4	+ 2,248.8	+ 1,907.0	+ 24.7%
Financial Services Business	2,261.0	2,386.1	+ 125.1	+ 32.7	+ 1.5%
Power Products and Other Businesses	336.4	282.8	- 53.6	- 61.7	- 18.3%
Total	12,523.4	14,999.4	+ 2,476.0	+ 1,975.3	+ 15.8%
Market average rate (Yen)					
U.S. Dollar	137	143			

**FY24 3rd Qtr. Results: Changes in Operating Profit
in Motorcycle Business/Automobile Business (Nine Months)**

Yen (billion)

Motorcycle Business

Operating Profit + 34.9 (+ 9.3 %)

376.5

+ 12.0
Sales impacts*1

+ 102.6
Price/Cost impacts

- 80.3
Expenses*2

- 5.0
R&D

+ 5.7
Currency effects

411.5

Operating Margin
17.1%

Operating Margin
17.5%

*1 Sales impacts		*2 Expenses	
Revenue, model mix	+ 12.5	Warranty	- 57.1
Other	- 0.5	Other	- 23.2

Automobile Business

Operating Profit + 347.5 (+ 307.8 %)

112.9

+ 295.4
Sales impacts*3

+ 252.8
Price/Cost impacts

- 258.5
Expenses*4

- 25.0
R&D

+ 82.8
Currency effects

460.5

Operating Margin
1.4%

Operating Margin
4.6%

*3 Sales impacts		*4 Expenses	
Revenue, model mix	+ 367.9	Warranty	- 139.1
Other	- 72.5	Other	- 119.4

**FY23 3Q
Nine Months**

**FY24 3Q
Nine Months**

Yen (billion)

Three Months	Japan		North America		Europe		Asia		Other Regions	
	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
Sales Revenue	1,235.6	1,590.3	2,494.9	3,184.0	163.8	211.5	1,282.1	1,373.6	211.1	270.9
Operating Profit	36.8	155.7	98.2	124.6	3.0	1.7	116.3	81.2	16.2	38.2
Change (%)	+ 323.4%		+ 26.9%		- 43.2%		- 30.1%		+ 135.2%	

Nine Months	Japan		North America		Europe		Asia		Other Regions	
	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
Sales Revenue	3,420.5	4,103.6	6,957.3	8,902.0	483.2	658.6	3,677.8	3,702.8	615.7	777.8
Operating Profit	117.5	316.6	242.2	406.7	10.7	26.6	319.0	289.4	45.7	112.2
Change (%)	+ 169.4%		+ 67.9%		+ 148.2%		- 9.3%		+ 145.2%	

Yen (billion)	QTD (Three Months)			YTD (Nine Months)		
	FY23 Results	FY24 Results	Change	FY23 Results	FY24 Results	Change
Capital expenditures	156.7	85.1	- 71.6	398.8	220.3	- 178.4
Depreciation and amortization	112.2	118.6	+ 6.3	319.6	364.9	+ 45.2
Research and development expenditures	217.4	242.9	+ 25.5	588.8	651.2	+ 62.3

FY24 3rd Qtr.: Consolidated Statements of Financial Position
Divided into Non-financial Services Businesses and Finance Subsidiaries

Yen (billion)

Assets	Mar. 31, 2023	Dec. 31, 2023	Liabilities and Equity	Mar. 31, 2023	Dec. 31, 2023
Cash and cash equivalents	3,553.6	4,060.2	Trade payables	1,379.3	1,325.6
Trade receivables	1,063.7	1,160.2	Financing liabilities	802.7	876.7
Inventories	2,164.8	2,335.5	Other liabilities	2,723.5	3,230.7
Investments accounted for using the equity method	915.9	1,102.7	Non-financial Services Businesses	4,905.7	5,433.3
Property, plant and equipment	3,153.1	3,046.6	Financing liabilities	6,867.4	8,301.3
Other assets	3,052.4	3,399.7	Other liabilities	1,502.9	1,612.6
Non-financial Services Businesses	13,903.9	15,105.2	Finance Subsidiaries	8,370.3	9,914.0
Cash and cash equivalents	249.4	260.4	Reconciling items	-108.3	-252.3
Receivables from financial services	5,895.4	7,410.0	Total liabilities	13,167.7	15,095.1
Equipment on operating leases	4,726.2	4,887.1	Non-financial Services Businesses equity	8,998.2	9,671.8
Other assets	325.8	363.2	Finance Subsidiaries equity	2,826.6	3,007.0
Finance Subsidiaries	11,197.0	12,921.0	Reconciling items	-322.6	-344.2
Reconciling items	-430.9	-596.5	Total equity	11,502.2	12,334.6
Total assets	24,670.0	27,429.7	Total liabilities and equity	24,670.0	27,429.7

Sales Revenue/Operating Profit by Business Segment

Yen (billion)

Segment Information	QTD										YTD			
	FY23				FY24				Change	Change (%)	FY23 Results	FY24 Results	Change	Change (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q						
Sales Revenue														
Motorcycle Business	676.0	736.6	789.6	706.6	756.9	815.6	785.4		- 4.1	- 0.5%	2,202.3	2,358.0	+ 155.6	+ 7.1%
Automobile Business	2,328.1	2,675.7	2,855.0	2,922.6	3,031.3	3,315.7	3,773.4		+ 918.3	+ 32.2%	7,859.0	10,120.5	+ 2,261.5	+ 28.8%
Financial Services Business	750.0	779.0	733.6	693.4	773.6	804.2	810.2		+ 76.6	+ 10.4%	2,262.7	2,388.0	+ 125.3	+ 5.5%
PP & Other Businesses	119.0	117.0	120.7	119.5	109.1	105.1	92.2		- 28.5	- 23.7%	356.8	306.5	- 50.3	- 14.1%
Reconciling items	- 43.7	- 52.7	- 60.9	- 58.0	- 46.1	- 56.2	- 71.2		- 10.2	-	- 157.4	- 173.6	- 16.2	-
Total	3,829.5	4,255.7	4,438.1	4,384.2	4,624.9	4,984.3	5,390.1		+ 951.9	+ 21.4%	12,523.4	14,999.4	+ 2,476.0	+ 19.8%
Operating Profit														
Motorcycle Business	97.8	126.9	151.7	112.1	143.5	109.8	158.1		+ 6.3	+ 4.2%	376.5	411.5	+ 34.9	+ 9.3%
Automobile Business	38.2	25.3	49.3	- 129.5	176.9	124.3	159.1		+ 109.7	+ 222.4%	112.9	460.5	+ 347.5	+ 307.8%
Financial Services Business	78.8	74.2	67.3	65.4	69.5	67.4	67.8		+ 0.5	+ 0.8%	220.3	204.8	- 15.5	- 7.0%
PP & Other Businesses	7.3	4.7	12.0	- 1.2	4.4	0.3	- 5.2		- 17.3	-	24.1	- 0.4	- 24.5	-
Total	222.2	231.2	280.4	46.8	394.4	302.1	379.8		+ 99.3	+ 35.4%	733.9	1,076.3	+ 342.4	+ 46.7%
Operating profit from aircraft and aircraft engines	- 3.8	- 8.2	- 6.6	- 7.1	- 5.6	- 8.8	- 10.0		- 3.3	-	- 18.6	- 24.5	- 5.8	-
Total Assets of Finance Subsidiaries	11,942.4	12,041.8	11,120.9	11,197.0	12,374.0	12,977.3	12,921.0		+ 1,724.0	+ 15.5%				

Honda Group Unit Sales/Consolidated Unit Sales

Honda Group Unit Sales	Unit (thousand)														
	QTD								YTD			Forecast			
	FY23				FY24				FY23 Results	FY24 Results	Change	FY23 Results	FY24 Forecast	Change	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	Change						
Motorcycles	4,251	4,951	5,083	4,472	4,473	4,793	4,695		- 388	14,285	13,961	- 324	18,757	18,800	+ 43
Japan	56	58	65	67	58	64	59		- 6	179	181	+ 2	246	245	- 1
North America	110	110	119	120	120	135	119		+ 0	339	374	+ 35	459	505	+ 46
Europe	81	63	79	124	119	110	95		+ 16	223	324	+ 101	347	460	+ 113
Asia	3,585	4,315	4,410	3,798	3,781	4,093	4,010		- 400	12,310	11,884	- 426	16,108	15,965	- 143
Other Regions	419	405	410	363	395	391	412		+ 2	1,234	1,198	- 36	1,597	1,625	+ 28
Automobiles	815	970	955	947	901	1,033	1,180		+ 225	2,740	3,114	+ 374	3,687	4,100	+ 413
Japan	108	133	148	161	115	144	169		+ 21	389	428	+ 39	550	630	+ 80
North America	267	275	318	335	393	385	433		+ 115	860	1,211	+ 351	1,195	1,620	+ 425
Europe	23	22	18	21	20	23	25		+ 7	63	68	+ 5	84	100	+ 16
Asia	387	511	443	403	343	446	518		+ 75	1,341	1,307	- 34	1,744	1,615	- 129
Other Regions	30	29	28	27	30	35	35		+ 7	87	100	+ 13	114	135	+ 21
Power Products	1,546	1,389	1,186	1,524	983	843	722		- 464	4,121	2,548	- 1,573	5,645	3,850	- 1,795
Japan	84	100	83	109	60	72	72		- 11	267	204	- 63	376	300	- 76
North America	684	622	418	550	357	237	90		- 328	1,724	684	- 1,040	2,274	1,130	- 1,144
Europe	313	241	219	395	218	138	125		- 94	773	481	- 292	1,168	815	- 353
Asia	368	323	356	361	288	314	340		- 16	1,047	942	- 105	1,408	1,295	- 113
Other Regions	97	103	110	109	60	82	95		- 15	310	237	- 73	419	310	- 109
Consolidated Unit Sales															
Motorcycles	2,972	3,371	3,227	2,591	2,870	3,136	3,097		- 130	9,570	9,103	- 467	12,161	12,240	+ 79
Japan	56	58	65	67	58	64	59		- 6	179	181	+ 2	246	245	- 1
North America	110	110	119	120	120	135	119		+ 0	339	374	+ 35	459	505	+ 46
Europe	81	63	79	124	119	110	95		+ 16	223	324	+ 101	347	460	+ 113
Asia	2,306	2,735	2,554	1,917	2,178	2,436	2,412		- 142	7,595	7,026	- 569	9,512	9,405	- 107
Other Regions	419	405	410	363	395	391	412		+ 2	1,234	1,198	- 36	1,597	1,625	+ 28
Automobiles	529	564	619	670	633	699	767		+ 148	1,712	2,099	+ 387	2,382	2,900	+ 518
Japan	96	116	131	141	102	129	149		+ 18	343	380	+ 37	484	555	+ 71
North America	267	275	318	335	393	385	433		+ 115	860	1,211	+ 351	1,195	1,620	+ 425
Europe	23	22	18	21	20	23	25		+ 7	63	68	+ 5	84	100	+ 16
Asia	113	122	124	146	88	127	125		+ 1	359	340	- 19	505	490	- 15
Other Regions	30	29	28	27	30	35	35		+ 7	87	100	+ 13	114	135	+ 21
Power Products	1,546	1,389	1,186	1,524	983	843	722		- 464	4,121	2,548	- 1,573	5,645	3,850	- 1,795
Japan	84	100	83	109	60	72	72		- 11	267	204	- 63	376	300	- 76
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Asia	368	323	356	361	288	314	340		- 16	1,047	942	- 105	1,408	1,295	- 113
Other Regions	97	103	110	109	60	82	95		- 15	310	237	- 73	419	310	- 109