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FY24 1st Quarter Financial Results

August 9, 2023

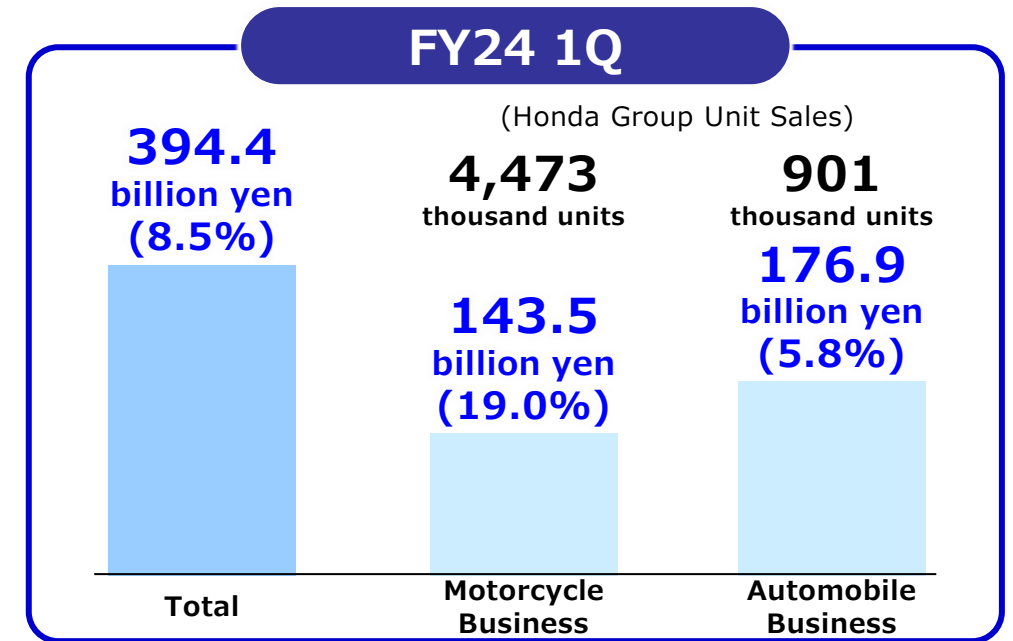
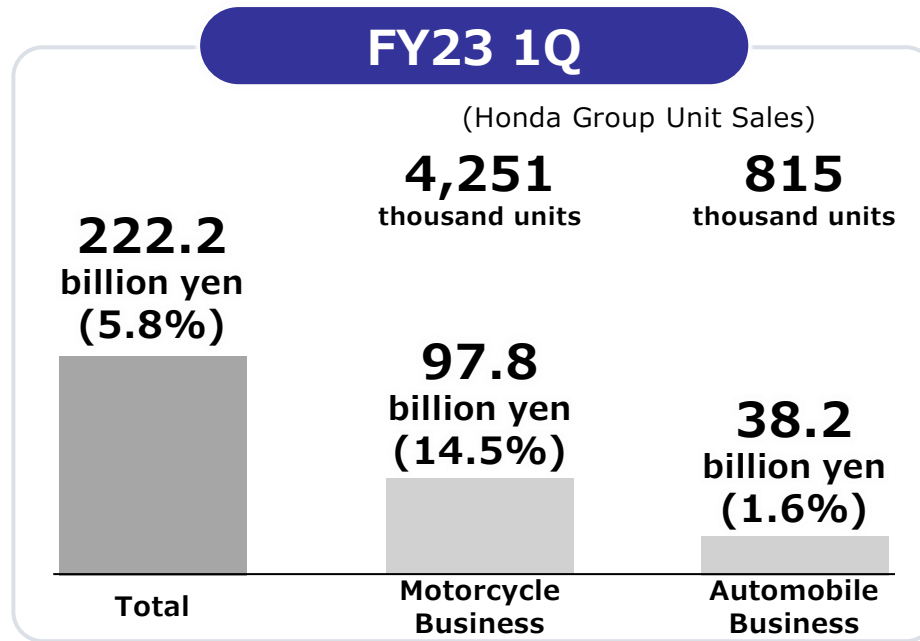
FY24 1st Quarter Financial Results

- *Summary*
- *Details*

■ FY24 Results

- Under the strengthened fixed cost structure, **profitability in Automobile Business has improved** by maximizing the effects of increased sales unit mainly in North America.
- Total Profit: **Operating Profit 394.4 billion yen / Operating Margin 8.5%**

Operating Profit
(Operating Margin)



■ FY24 Forecast

- **Remain unchanged from the previous forecast***. *Previous forecast: announced on May 11th

■ Stock Split

- **Decided to split one share of common stock into three shares** to expand the investor base by reducing the Company's stock price per investment unit.

Main Market (Automobile Business)

Main Countries	Retail	
QTD (Apr. - Jun.)	Unit (thousand)	vs. FY23 (%)
Japan	115	98.8
The United States	347	144.7
China	309	95.0



e:Ny1 (Europe)
To be launched in autumn 2023



N-BOX (Japan)
To be launched in autumn 2023

■ Sales Results in FY24 (1Q)

- In Japan, stayed almost the same level as the same period last year.
- In the United States, significantly increased from the same period last year with recovery in production.
- In China, decreased from the same period last year mainly due to intensified competition in the growing NEV market.
- Overall, exceeded the same period last year.

■ Outlook/Forecast for FY24

- Maintain the previous forecast.

-Electrification updates-

- Reached basic agreement on software development partnership with SCSK (announced in July).
- Seven automakers united to create a leading high-powered charging network across North America (announced in July).

Main Countries	Wholesale	
QTD (Apr. - Jun.)	Unit (thousand)	vs. FY23 (%)
India	952	95.7
Vietnam	506	95.1
Thailand	395	118.3
Indonesia	1,115	163.0
Brazil	271	98.6

■ Sales Results in FY24 (1Q)

- In India, lower than the same period last year mainly due to the impact from the semiconductor supply shortage.
- In Vietnam, lower than the same period last year due to the impact of the recession.
- In Indonesia, significantly exceeded the same period last year due to the recovery of production.
- Overall, exceeded the same period last year.

■ Outlook/Forecast for FY24

- Maintain the previous forecast.

-Electrification updates-

- Announced launch of personal-use electric motorcycle, "EM1 e:".



XL750 TRANSALP (Global)
Launched sequentially from Europe in April 2023



Dio125 (India)
Launched in July 2023



EM1 e: (Japan, Europe, Indonesia)
To be launched sequentially from Japan in August 2023

Summary of FY24 1st Qtr. Results (Consolidated)

Operating profit :

Under the strengthened fixed cost structure, operating profit increased by 172.2 billion yen to **394.4 billion yen** with the maximized effects of increased sales unit mainly in North America and, implemented pricing that reflects increased product value.

Profit for the period*₁: Increased by 213.8 billion yen to **363.0 billion yen.**

Unit (thousand)

Honda Group Unit Sales (Consolidated Unit Sales)	QTD (Three Months)			Income Statements Yen (billion)	QTD (Three Months)		
	FY23 Results	FY24 Results	Change		FY23 Results	FY24 Results	Change
Motorcycles	4,251	4,473	+ 5.2%	Sales revenue	3,829.5	4,624.9	+ 20.8%
	(2,972)	(2,870)	(- 3.4%)	Operating profit	222.2	394.4	+ 77.5%
Automobiles	815	901	+ 10.6%	Operating margin	5.8%	8.5%	+ 2.7pt
	(529)	(633)	(+ 19.7%)	Share of profit of investments accounted for using the equity method	22.6	42.8	+ 89.5%
Power Products	1,546	983	- 36.4%	Profit before income taxes	237.4	514.9	+ 116.9%
	(1,546)	(983)	(- 36.4%)	Profit for the period attributable to owners of the parent	149.2	363.0	+ 143.3%
				Earnings per share attributable to owners of the parent (Yen)* ₂	87.23	219.06	+ 131.83
				Market average rates (Yen)* ₃			
				U.S. Dollar	130	137	+ 7

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

*2 Please refer to the footnotes on the last page

*3 +: weak yen / -: strong yen

【Stock Split】

- Purpose : The purpose is to expand the investor base by reducing the Company's stock price per investment unit.
- Method of the stock split : Each share of common stock will be split into 3 shares per share.
- Record date (tentative) : September 30, 2023
- Effective date (tentative) : October 1, 2023

【Dividends】

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

*1 The interim dividend for FY24 which has a dividend record date of September 30, 2023, will be paid based on the shares before the stock split.

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

FY24 1st Quarter Financial Results

- *Summary*
- *Details*

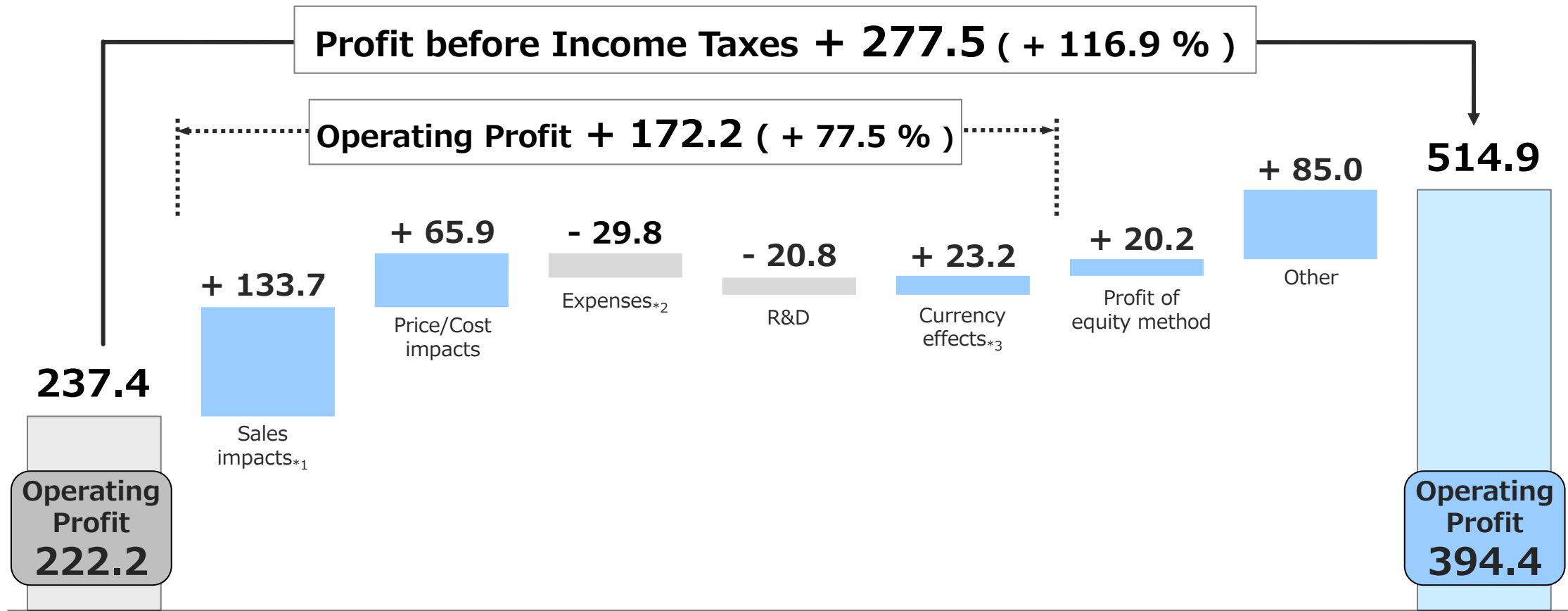
FY24 1st Qtr. Results: Honda Unit Sales (Three Months)

Unit (thousand)

Honda Group Unit Sales	Motorcycles			Automobiles			Power Products		
	FY23	FY24	Change	FY23	FY24	Change	FY23	FY24	Change
Japan	56	58	+ 2	108	115	+ 7	84	60	- 24
North America	110	120	+ 10	267	393	+ 126	684	357	- 327
Europe	81	119	+ 38	23	20	- 3	313	218	- 95
Asia	3,585	3,781	+ 196	387	343	- 44*	368	288	- 80
Other Regions	419	395	- 24	30	30	- 0	97	60	- 37
Total	4,251	4,473	+ 222	815	901	+ 86	1,546	983	- 563
Change (%)			+ 5.2%			+ 10.6%			- 36.4%
Consolidated Unit Sales	2,972	2,870	- 102	529	633	+ 104	1,546	983	- 563

* - 18 in China are included

Yen (billion)



FY23 1Q
Three Months

FY24 1Q
Three Months

*1 Sales impacts		*2 Expenses		*3 Currency effects	
Revenue, model mix	+ 142.1	Warranty	+ 18.9	JPY / USD	+ 26.0
Finance	+ 2.0	Finance	- 7.2	USD / Others (BRL, CAD, MXN)	- 1.0
Other	- 10.4	Other	- 41.5	JPY / Asian currencies (INR, THB, VND, CNY, IDR)	+ 7.0
				Other	- 8.8

**FY24 1st Qtr. Results: Sales Revenue/Operating Profit (Margin)
by Business Segment (Three Months)**

upper : FY24	Motorcycle Business	Automobile Business	Financial Services Business	Power Products and Other Businesses
lower : FY23				
Unit (thousand)	4,473	901	-	983
Honda Group	(2,870)	(633)	-	(983)
Unit Sales	4,251	815	-	1,546
(Consolidated Unit Sales)	(2,972)	(529)	-	(1,546)
Yen (billion)	756.9	3,031.3	773.6	109.1
Sales Revenue	676.0	2,328.1	750.0	119.0
Operating Profit	143.5	176.9	69.5	4.4
	97.8	38.2	78.8	7.3
Operating Margin	19.0%	5.8%	9.0%	4.0%
	14.5%	1.6%	10.5%	6.2%

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)
- 5.6
FY23 1Q: - 3.8

Cash Flows of Non-financial Services Businesses

Yen (billion)

Three Months	FY23	FY24
Cash flows from operating activities	+ 135.1	+ 398.7
Cash flows from investing activities	- 284.4	- 113.0
Free cash flow	- 149.3	+ 285.6
Cash flows from financing activities	- 119.1	- 190.7
Effects of exchange rate changes	+ 186.6	+ 204.6
Net change of cash and cash equivalents	- 81.7	+ 299.5
Cash & cash equivalents at end of period	3,236.3	3,853.1
Net cash at end of period	2,310.1	2,984.1

Caution with Respect to Forward-Looking Statements:

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

Accounting standards:

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

Notice on the Factors for Increases and Decreases in Income:

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

(1) "Foreign currency effects" consist of "translation adjustments", which come from the translation of the currency of foreign subsidiaries' financial statements into Japanese yen, and "foreign currency adjustments", which result from foreign-currency-denominated transaction. With respect to "foreign currency adjustments", analyzed foreign currency adjustments primarily related to the following currencies: U.S. dollar, Japanese yen and others at the level of the Company and its material consolidated subsidiaries.

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

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

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

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

Unit sales:

Motorcycle Business

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

Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries.

Automobile Business

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

Power Product 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 Product 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:

- 1st Quarter	FY23 :	1,710,620,000 (approx.) ,	FY24 :	1,657,433,000 (approx.)	
- Fiscal Year	FY23 :	1,696,307,000 (approx.) ,	Forecast	FY24 :	4,903,878,000 (approx.)* ₁

*₁ FY24 forecast is based on the number of shares after stock split effective from October 1,2023.

HONDA
The Power of Dreams

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Appendix

Change in Sales Revenue (Sales revenue from external customers)

Yen (billion)

Three Months

Compared with FY23 1Q : + 795.4 / + 20.8 % (Excluding currency translation effects : + 633.3 / + 16.5%)

	FY23	FY24	Change	Change excluding currency translation effects (%)	
Motorcycle Business	676.0	756.9	+ 80.9	+ 67.2	+ 9.9%
Automobile Business	2,291.4	2,992.3	+ 700.8	+ 590.9	+ 25.8%
Financial Services Business	749.3	773.0	+ 23.6	- 11.5	- 1.5%
Power Products and Other Businesses	112.6	102.6	- 9.9	- 13.3	- 11.9%
Total	3,829.5	4,624.9	+ 795.4	+ 633.3	+ 16.5%
Market average rate (Yen)					
U.S. Dollar	130	137			

FY24 1st Qtr. Results: Changes in Operating Profit in Motorcycle Business/Automobile Business

Yen (billion)

Motorcycle Business

Operating Profit + 45.6 (+ 46.7 %)

97.8
Operating Margin
14.5%

+ 17.7
Sales
impacts*₁

+ 29.4
Price/Cost
impacts

- 5.8
Expenses*₂

+ 2.5
R&D

+ 1.7
Currency
effects

143.5
Operating Margin
19.0%

*1 Sales impacts		*2 Expenses	
Revenue, model mix	+ 11.2	Warranty	- 0.4
Other	+ 6.5	Other	- 5.4

Automobile Business

Operating Profit + 138.7 (+ 363.1 %)

38.2
Operating Margin
1.6%

+ 122.1
Sales
impacts*₃

+ 34.0
Price/Cost
impacts

- 11.9
Expenses*₄

- 23.4
R&D

+ 17.9
Currency
effects

176.9
Operating Margin
5.8%

*3 Sales impacts		*4 Expenses	
Revenue, model mix	+ 132.1	Warranty	+ 24.1
Other	- 10.0	Other	- 36.0

FY23 1Q
Three Months

FY24 1Q
Three Months

Sales Revenue/Operating Profit by Geographical Segment

Yen (billion)

Three Months	Japan		North America		Europe		Asia		Other Regions	
	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
Sales Revenue	1,016.2	1,152.2	2,144.5	2,808.7	167.5	214.0	1,068.8	1,078.3	200.5	246.1
Operating Profit	24.7	102.7	91.0	167.6	3.4	11.8	86.4	96.4	13.7	33.4
Change (%)	+ 315.2%		+ 84.2%		+ 246.3%		+ 11.5%		+ 142.6%	

	Yen (billion)	QTD (Three Months)		
		FY23 Results	FY24 Results	Change
Capital expenditures		101.5	61.9	- 39.6
Depreciation and amortization		101.5	122.8	+ 21.3
Research and development expenditures		180.6	194.2	+ 13.5

FY24 1st Qtr.: Consolidated Statements of Financial Position

Divided into Non-financial Services Businesses and Finance Subsidiaries

Yen (billions)

Assets	Mar. 31, 2023	Jun. 30, 2023	Liabilities and Equity	Mar. 31, 2023	Jun. 30, 2023
Cash and cash equivalents	3,553.6	3,853.1	Trade payables	1,379.3	1,298.0
Trade receivables	1,063.7	974.0	Financing liabilities	802.7	868.9
Inventories	2,164.8	2,284.2	Other liabilities	2,723.5	2,872.1
Investments accounted for using the equity method	915.9	1,017.2	Non-financial Services Businesses	4,905.7	5,039.2
Property, plant and equipment	3,153.1	3,231.9	Financing liabilities	6,867.4	7,583.8
Other assets	3,052.4	3,206.9	Other liabilities	1,502.9	1,672.3
Non-financial Services Businesses	13,903.9	14,567.7	Finance Subsidiaries	8,370.3	9,256.2
Cash and cash equivalents	249.4	230.2	Reconciling items	-108.3	-118.1
Receivables from financial services	5,895.4	6,748.4	Total liabilities	13,167.7	14,177.2
Equipment on operating leases	4,726.2	5,009.1	Non-financial Services Businesses equity	8,998.2	9,528.5
Other assets	325.8	386.0	Finance Subsidiaries equity	2,826.6	3,117.8
Finance Subsidiaries	11,197.0	12,374.0	Reconciling items	-322.6	-350.2
Reconciling items	-430.9	-468.4	Total equity	11,502.2	12,296.0
Total assets	24,670.0	26,473.3	Total liabilities and equity	24,670.0	26,473.3

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				+ 80.9	+ 12.0%	676.0	756.9	+ 80.9	+ 12.0%
Automobile Business	2,328.1	2,675.7	2,855.0	2,922.6	3,031.3				+ 703.1	+ 30.2%	2,328.1	3,031.3	+ 703.1	+ 30.2%
Financial Services Business	750.0	779.0	733.6	693.4	773.6				+ 23.5	+ 3.1%	750.0	773.6	+ 23.5	+ 3.1%
PP & Other Businesses	119.0	117.0	120.7	119.5	109.1				- 9.8	- 8.3%	119.0	109.1	- 9.8	- 8.3%
Reconciling items	- 43.7	- 52.7	- 60.9	- 58.0	- 46.1				- 2.3	-	- 43.7	- 46.1	- 2.3	-
Total	3,829.5	4,255.7	4,438.1	4,384.2	4,624.9				+ 795.4	+ 20.8%	3,829.5	4,624.9	+ 795.4	+ 20.8%
Operating Profit														
Motorcycle Business	97.8	126.9	151.7	112.1	143.5				+ 45.6	+ 46.7%	97.8	143.5	+ 45.6	+ 46.7%
Automobile Business	38.2	25.3	49.3	- 129.5	176.9				+ 138.7	+ 362.6%	38.2	176.9	+ 138.7	+ 362.6%
Financial Services Business	78.8	74.2	67.3	65.4	69.5				- 9.2	- 11.8%	78.8	69.5	- 9.2	- 11.8%
PP & Other Businesses	7.3	4.7	12.0	- 1.2	4.4				- 2.9	- 39.7%	7.3	4.4	- 2.9	- 39.7%
Total	222.2	231.2	280.4	46.8	394.4				+ 172.2	+ 77.5%	222.2	394.4	+ 172.2	+ 77.5%
Operating profit from aircraft and aircraft engines	- 3.8	- 8.2	- 6.6	- 7.1	- 5.6				- 1.8	-	- 3.8	- 5.6	- 1.8	-
Total Assets of Finance Subsidiaries	11,942.4	12,041.8	11,120.9	11,197.0	12,374.0				+ 431.5	+ 3.6%				

Honda Group Unit Sales/Consolidated Unit Sales

Unit (thousand)

Honda Group Unit Sales	QTD									YTD			Forecast			
	FY23				FY24					Change	FY23 Results	FY24 Results	Change	FY23 Results	FY24 Forecast	Change
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q								
Motorcycles	4,251	4,951	5,083	4,472	4,473					+ 222	4,251	4,473	+ 222	18,757	19,180	+ 423
Japan	56	58	65	67	58					+ 2	56	58	+ 2	246	270	+ 24
North America	110	110	119	120	120					+ 10	110	120	+ 10	459	470	+ 11
Europe	81	63	79	124	119					+ 38	81	119	+ 38	347	435	+ 88
Asia	3,585	4,315	4,410	3,798	3,781					+ 196	3,585	3,781	+ 196	16,108	16,375	+ 267
Other Regions	419	405	410	363	395					- 24	419	395	- 24	1,597	1,630	+ 33
Automobiles	815	970	955	947	901					+ 86	815	901	+ 86	3,687	4,350	+ 663
Japan	108	133	148	161	115					+ 7	108	115	+ 7	550	555	+ 5
North America	267	275	318	335	393					+ 126	267	393	+ 126	1,195	1,645	+ 450
Europe	23	22	18	21	20					- 3	23	20	- 3	84	100	+ 16
Asia	387	511	443	403	343					- 44	387	343	- 44	1,744	1,915	+ 171
Other Regions	30	29	28	27	30					- 0	30	30	- 0	114	135	+ 21
Power Products	1,546	1,389	1,186	1,524	983					- 563	1,546	983	- 563	5,645	4,750	- 895
Japan	84	100	83	109	60					- 24	84	60	- 24	376	340	- 36
North America	684	622	418	550	357					- 327	684	357	- 327	2,274	1,540	- 734
Europe	313	241	219	395	218					- 95	313	218	- 95	1,168	1,040	- 128
Asia	368	323	356	361	288					- 80	368	288	- 80	1,408	1,465	+ 57
Other Regions	97	103	110	109	60					- 37	97	60	- 37	419	365	- 54

Consolidated Unit Sales

Motorcycles	2,972	3,371	3,227	2,591	2,870					- 102	2,972	2,870	- 102	12,161	12,635	+ 474
Japan	56	58	65	67	58					+ 2	56	58	+ 2	246	270	+ 24
North America	110	110	119	120	120					+ 10	110	120	+ 10	459	470	+ 11
Europe	81	63	79	124	119					+ 38	81	119	+ 38	347	435	+ 88
Asia	2,306	2,735	2,554	1,917	2,178					- 128	2,306	2,178	- 128	9,512	9,830	+ 318
Other Regions	419	405	410	363	395					- 24	419	395	- 24	1,597	1,630	+ 33
Automobiles	529	564	619	670	633					+ 104	529	633	+ 104	2,382	2,880	+ 498
Japan	96	116	131	141	102					+ 6	96	102	+ 6	484	480	- 4
North America	267	275	318	335	393					+ 126	267	393	+ 126	1,195	1,645	+ 450
Europe	23	22	18	21	20					- 3	23	20	- 3	84	100	+ 16
Asia	113	122	124	146	88					- 25	113	88	- 25	505	520	+ 15
Other Regions	30	29	28	27	30					- 0	30	30	- 0	114	135	+ 21
Power Products	1,546	1,389	1,186	1,524	983					- 563	1,546	983	- 563	5,645	4,750	- 895
Japan	84	100	83	109	60					- 24	84	60	- 24	376	340	- 36
North America	684	622	418	550	357					- 327	684	357	- 327	2,274	1,540	- 734
Europe	313	241	219	395	218					- 95	313	218	- 95	1,168	1,040	- 128
Asia	368	323	356	361	288					- 80	368	288	- 80	1,408	1,465	+ 57
Other Regions	97	103	110	109	60					- 37	97	60	- 37	419	365	- 54