

[Translation]
May 13, 2016

To: Shareholders of Honda Motor Co., Ltd.
From: Honda Motor Co., Ltd.
1-1, Minami-Aoyama 2-chome,
Minato-ku, 107-8556 Tokyo
Takahiro Hachigo
President and Representative Director

Notice Regarding Product Warranty (Quality Related) Expenses

Honda Motor Co., Ltd. (the “Company”) announces the financial impact of product warranty (quality related) expenses for the Company and its consolidated subsidiaries related to an agreement reached between the U.S. National Highway Traffic Safety Administration (“NHTSA”) and our supplier on May 4, 2016.

The Company and its consolidated subsidiaries have been conducting market-based measures in relation to airbag inflators. Due to an amendment of the Consent Order issued by NHTSA on November 3, 2015 being agreed to between NHTSA and our supplier on May 4, 2016, a change arose in our estimate of product warranty (quality related) expenses. The financial impact from this amendment resulted in an approximately 267.0 billion yen adjustment to the consolidated financial results for the fiscal year ended March 31, 2016 and an approximately 103.0 billion yen adjustment to the unconsolidated financial results for the fiscal year ended March 31, 2016.

The impact of this event was not included in the assumptions underlying the forecast for the consolidated financial results (based on IFRS) for the fiscal year ending March 31, 2016, which was announced on January 29, 2016, nor the forecast for the unconsolidated financial results for the fiscal year ending March 31, 2016, which was announced on November 4, 2015. For details regarding the differences between the forecasts and the financial results, please refer to the separate announcement released by the Company today entitled “Notice Concerning Differences between Forecasts and Actual Consolidated and Unconsolidated Financial Results for the Fiscal Year Ended March 31, 2016”.