

October 30, 2013

**HONDA MOTOR CO., LTD. REPORTS
CONSOLIDATED FINANCIAL RESULTS
FOR THE FISCAL SECOUND QUARTER ENDED SEPTEMBER 30, 2013**

Tokyo, October 30, 2013--- Honda Motor Co., Ltd. today announced its consolidated financial results for the fiscal second quarter ended September 30, 2013.

Second Quarter Results

Honda's consolidated net income attributable to Honda Motor Co., Ltd. for the fiscal second quarter ended September 30, 2013 totaled JPY 120.3 billion (USD 1,231 million), an increase of 46.4% from the same period last year. Basic net income attributable to Honda Motor Co., Ltd. per common share for the quarter amounted to JPY 66.79 (USD 0.68), an increase of JPY 21.16 (USD 0.22) from JPY 45.63 for the corresponding period last year. One Honda American Depository Share represents one common share.

Consolidated net sales and other operating revenue (herein referred to as "revenue") for the quarter amounted to JPY 2,890.2 billion (USD 29,567 million), an increase of 27.3% from the same period last year, due primarily to increased revenue in automobile and motorcycle business operations, as well as favorable foreign currency translation effects.

Consolidated operating income for the quarter amounted to JPY 171.4 billion (USD 1,754 million), an increase of 70.0% from the same period last year, due primarily to an increase in sales volume and model mix and favorable foreign currency effects, despite increased SG&A expenses.

Consolidated income before income taxes and equity in income of affiliates for the quarter totaled JPY 165.5 billion (USD 1,694 million), an increase of 55.8% from the same period last year.

Equity in income of affiliates amounted to JPY 31.6 billion (USD 324 million) for the quarter, an increase of 15.2% from the corresponding period last year.

Business Segment

Motorcycle Business

For the three months ended September 30, 2012 and 2013

Unit (Thousands)

	Honda Group Unit Sales				Consolidated Unit Sales			
	Three months ended Sep. 30, 2012	Three months ended Sep. 30, 2013	Change	%	Three months ended Sep. 30, 2012	Three months ended Sep. 30, 2013	Change	%
Motorcycle business	3,806	4,216	410	10.8	2,304	2,585	281	12.2
Japan	57	63	6	10.5	57	63	6	10.5
North America	60	68	8	13.3	60	68	8	13.3
Europe	38	38	0	0.0	38	38	0	0.0
Asia	3,162	3,536	374	11.8	1,660	1,905	245	14.8
Other Regions	489	511	22	4.5	489	511	22	4.5

Notes:

- Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for under the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated net sales to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries.
- Honda Group Unit Sales and Consolidated Unit Sales of Motorcycle business for the three months ended September 30, 2012 is revised.

With respect to Honda's sales for the fiscal second quarter by business segment, in motorcycle business operations, revenue from sales to external customers increased 35.0%, to JPY 418.0 billion (USD 4,277 million) from the same period last year, due mainly to increased consolidated unit sales and favorable foreign currency translation effects. Operating income totaled JPY 45.5 billion (USD 466 million), an increase of 79.3% from the same period last year, due primarily to an increase in sales volume and model mix and favorable foreign currency effects, despite increased SG&A and R&D expenses.

Automobile Business

For the three months ended September 30, 2012 and 2013

Unit (Thousands)

	Honda Group Unit Sales				Consolidated Unit Sales			
	Three months ended Sep. 30, 2012	Three months ended Sep. 30, 2013	Change	%	Three months ended Sep. 30, 2012	Three months ended Sep. 30, 2013	Change	%
Automobile business	996	1,047	51	5.1	816	869	53	6.5
Japan	169	180	11	6.5	168	178	10	6.0
North America	404	447	43	10.6	404	447	43	10.6
Europe	44	40	-4	-9.1	44	40	-4	-9.1
Asia	301	309	8	2.7	122	133	11	9.0
Other Regions	78	71	-7	-9.0	78	71	-7	-9.0

Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for under the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated net sales 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 by our Japanese finance subsidiaries are accounted for as operating leases in conformity with U.S. generally accepted accounting principles and are not included in consolidated net sales to the external customers in our automobile business. As a result, they are not included in Consolidated Unit Sales, but are included in Honda Group Unit Sales of our automobile business.

In automobile business operations, revenue from sales to external customers increased 26.2%, to JPY 2,229.0 billion (USD 22,803 million) from the same period last year due mainly to increased consolidated unit sales and favorable foreign currency translation effects. Operating income totaled JPY 80.1 billion (USD 820 million), an increase of 115.8% from the same period last year, due primarily to an increase in sales volume and

model mix and favorable foreign currency effects, despite increased SG&A expenses.

Financial Services Business

Revenue from customers in the financial services business increased 30.4%, to JPY 170.0 billion (USD 1,739 million) from the same period last year due mainly to an increase in revenue from operating leases and favorable foreign currency translation effects.

Operating income increased 21.7% to JPY 46.5 billion (USD 477 million) from the same period last year due mainly to favorable foreign currency effects.

Power Product and Other Businesses

For the three months ended September 30, 2012 and 2013

	Unit (Thousands)			
	Honda Group Unit Sales/ Consolidated Unit Sales		Change	%
	Three months ended Sep. 30, 2012	Three months ended Sep. 30, 2013		
Power product business	1,288	1,295	7	0.5
Japan	88	93	5	5.7
North America	436	504	68	15.6
Europe	150	156	6	4.0
Asia	462	426	-36	-7.8
Other Regions	152	116	-36	-23.7

Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for under the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated net sales to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries. In power product business, there is no discrepancy between Honda Group Unit Sales and Consolidated Unit Sales for the three months ended September 30, 2012 and for the three months ended September 30, 2013, since no affiliate accounted for under the equity method was involved in the sale of Honda power products.

Revenue from sales to external customers in power product and other businesses increased 12.6%, to JPY 73.1 billion (USD 748 million) from the same period last year, due mainly to favorable foreign currency translation effects. Honda reported an operating loss of JPY 0.8 billion (USD 8 million), a decrease of JPY 0.8 billion (USD 9 million) from the same period last year due mainly to increased SG&A expenses in other businesses.

Geographical Information

With respect to Honda's sales for the fiscal second quarter by geographic segment, in Japan, revenue from domestic and export sales amounted to JPY 1,014.4 billion (USD 10,378 million), an increase of 9.7% from the same period last year due mainly to increased revenue in automobile and motorcycle business operations. Operating income totaled JPY 49.2 billion (USD 504 million), an increase of 64.0% from the same period last year, due mainly to an increase in sales volume and model mix and favorable foreign currency effects, despite increased SG&A and R&D expenses.

In North America, revenue increased by 39.5%, to JPY 1,471.9 billion (USD 15,058 million) from the same period last year due mainly to increased revenue in automobile business operations and favorable foreign currency translation effects. Operating income totaled JPY 46.0 billion (USD 471 million), an increase of 72.1% from the same period last year due mainly to an increase in sales volume and model mix and favorable foreign currency effects, despite increased SG&A expenses.

In Europe, revenue increased by 20.7%, to JPY 174.4 billion (USD 1,785 million) from the same period last year due to favorable foreign currency translation effects, despite decreased revenue in automobile business operations. Honda reported an operating loss of JPY 13.5 billion (USD 139 million), a decline of JPY 4.8 billion (USD 50 million) from the same period last year due mainly to a decrease in sales volume and model mix, despite decreased SG&A expenses and favorable foreign currency effects.

In Asia, revenue increased by 28.6%, to JPY 693.8 billion (USD 7,098 million) from the same period last year mainly due to increased revenue in motorcycle business operations and favorable foreign currency translation effects. Operating income increased by 64.9%, to JPY 60.0 billion (USD 614 million) from the same period last year due mainly to an increase in sales volume and model mix as well as favorable foreign currency effects, despite increased SG&A expenses.

In Other regions, which includes South America, the Middle East, Africa and Oceania, revenue increased by 22.1%, to JPY 280.4 billion (USD 2,869 million) from the same period last year mainly due to increased revenue in motorcycle business operations and favorable foreign currency translation effects. Operating income totaled JPY 18.6 billion (USD 191 million), an increase of 76.9% from the same period last year mainly due to an increase in sales volume and model mix, despite increased SG&A expenses.

Explanatory note:

United States dollar amounts have been translated from yen solely for the convenience of the reader at the rate of JPY 97.75=USD 1, the mean of the telegraphic transfer selling exchange rate and the telegraphic transfer buying exchange rate prevailing on the Tokyo foreign exchange market on September 30, 2013.

First Half Year Results

Honda's consolidated net income attributable to Honda Motor Co., Ltd. for the fiscal half year ended September 30, 2013 totaled JPY 242.8 billion, an increase of 13.5% from the same period last year. Basic net income attributable to Honda Motor Co., Ltd. per common share for the fiscal first half year amounted to JPY 134.75, an increase of JPY 16.04 from JPY 118.71 for the same period last year.

Consolidated net sales and other operating revenue for the fiscal half year amounted to JPY 5,724.3 billion, an increase of 21.6% from the same period last year, due primarily to increased revenue in automobile and motorcycle business operations as well as favorable foreign currency translation effects.

Consolidated operating income for the fiscal first half year amounted to JPY 356.4 billion, an increase of 28.7% from the same period last year, due primarily to favorable foreign currency effects, despite increased SG&A and R&D expenses.

Consolidated income before income taxes and equity in income of affiliates for the fiscal first half year totaled JPY 337.6 billion, an increase of 12.2% from the same period last year.

Equity in income of affiliates amounted to JPY 63.4 billion for the fiscal first half year, an increase of 31.6% from the same period last year.

Business Segment

Motorcycle Business

For the six months ended September 30, 2012 and 2013

Unit (Thousands)

	Honda Group Unit Sales				Consolidated Unit Sales			
	Six months ended Sep. 30, 2012	Six months ended Sep. 30, 2013	Change	%	Six months ended Sep. 30, 2012	Six months ended Sep. 30, 2013	Change	%
Motorcycle business	7,717	8,270	553	7.2	4,670	4,956	286	6.1
Japan	116	117	1	0.9	116	117	1	0.9
North America	119	130	11	9.2	119	130	11	9.2
Europe	98	90	-8	-8.2	98	90	-8	-8.2
Asia	6,447	7,015	568	8.8	3,400	3,701	301	8.9
Other Regions	937	918	-19	-2.0	937	918	-19	-2.0

Notes:

- Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for under the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated net sales to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries.
- Honda Group Unit Sales and Consolidated Unit Sales of Motorcycle business for the six months ended September 30, 2012 is revised.

With respect to Honda's sales for the fiscal first half year by business segment, in motorcycle business operations, revenue from sales to external customers increased 24.2%, to JPY 814.9 billion from the same period last year, due mainly to increased consolidated unit sales and favorable foreign currency translation effects. Operating income totaled JPY 88.1 billion, an increase of 41.7% from the same period last year, due primarily to an increase in sales volume and model mix and favorable foreign currency effects, despite increased SG&A and R&D expenses.

Automobile Business

For the six months ended September 30, 2012 and 2013

Unit (Thousands)

	Honda Group Unit Sales				Consolidated Unit Sales			
	Six months ended Sep. 30, 2012	Six months ended Sep. 30, 2013	Change	%	Six months ended Sep. 30, 2012	Six months ended Sep. 30, 2013	Change	%
Automobile business	1,995	2,046	51	2.6	1,665	1,727	62	3.7
Japan	354	320	-34	-9.6	351	317	-34	-9.7
North America	854	906	52	6.1	854	906	52	6.1
Europe	83	80	-3	-3.6	83	80	-3	-3.6
Asia	563	594	31	5.5	236	278	42	17.8
Other Regions	141	146	5	3.5	141	146	5	3.5

Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for under the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated net sales 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 by our Japanese finance subsidiaries are accounted for as operating leases in conformity with U.S. generally accepted accounting principles and are not included in consolidated net sales to the external customers in our automobile business. As a result, they are not included in Consolidated Unit Sales, but are included in Honda Group Unit Sales of our automobile business.

In automobile business operations, revenue from sales to external customers increased 21.0%, to JPY 4,425.5 billion from the same period last year due mainly to favorable foreign currency translation effects. Operating income totaled JPY 176.5 billion, an increase of 28.1% from the same period last year, due primarily to favorable foreign

currency effects, despite a decrease in sales volume and model mix as well as increased SG&A expenses.

Financial Services Business

Revenue from customers in the financial services business increased 28.2%, to JPY 335.4 billion from the same period last year due mainly to increase in revenue from operating leases and favorable foreign currency translation effects. Operating income increased 15.3% to JPY 91.2 billion from the same period last year due mainly to favorable foreign currency effects, despite an increase in SG&A expenses.

Power Product and Other Businesses

For the six months ended September 30, 2012 and 2013

	Unit (Thousands)			
	Honda Group Unit Sales/ Consolidated Unit Sales			
	Six months ended Sep. 30, 2012	Six months ended Sep. 30, 2013	Change	%
Power product business	2,913	2,884	-29	-1.0
Japan	170	156	-14	-8.2
North America	1,194	1,332	138	11.6
Europe	386	393	7	1.8
Asia	883	790	-93	-10.5
Other Regions	280	213	-67	-23.9

Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for under the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated net sales to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries. In power product business, there is no discrepancy between Honda Group Unit Sales and Consolidated Unit Sales for the six months ended September 30, 2012 and for the six months ended September 30, 2013, since no affiliate accounted for under the equity method was involved in the sale of Honda power products.

Revenue from sales to external customers in power product and other businesses increased 12.0%, to JPY 148.3 billion from the same period last year, due mainly to favorable foreign currency translation effects. Operating income totaled JPY 0.5 billion, an increase of JPY 2.7 billion from the same period last year, due mainly to decreased SG&A expenses and favorable foreign currency effects, despite a decrease in sales volume and model mix in power product business operations.

Geographical Information

With respect to Honda's sales for the fiscal first half year by geographic segment, in Japan, revenue from domestic and export sales amounted to JPY 1,990.3 billion, an increase of 3.0% from the same period last year due mainly to increased revenue in automobile and motorcycle business operations. Operating income totaled JPY 111.4 billion, an increase of 22.5% from the same period last year due mainly to favorable foreign currency effects, despite increased R&D expenses and SG&A expenses.

In North America, revenue increased by 31.0%, to JPY 2,973.2 billion from the same period last year due mainly to increased revenue in automobile business operations and financial services business, as well as favorable foreign currency translation effects. Operating income totaled JPY 117.8 billion, an increase of 8.2% from the same period last year due mainly to an increase in sales volume and model mix, and favorable foreign currency effects, despite increased SG&A expenses.

In Europe, revenue increased by 19.8%, to JPY 350.4 billion from the same period last year mainly due to favorable foreign currency translation effects, despite decreased revenue in motorcycle and automobile business operations. Honda reported an operating loss of JPY 23.3 billion, a decline of JPY 6.9 billion from the same period last year mainly due to a decrease in sales volume and model mix, despite decreased SG&A expenses and favorable foreign currency effects.

In Asia, revenue increased by 33.1%, to JPY 1,400.6 billion from the same period last year mainly due to increased revenue in automobile and motorcycle business operations as well as favorable foreign currency translation effects. Operating income increased by 66.9%, to JPY 113.7 billion from the same period last year due mainly to an increase in sales volume and model mix as well as favorable foreign currency effects, despite increased SG&A expenses.

In Other regions, which includes South America, the Middle East, Africa and Oceania, revenue increased by 15.8%, to JPY 521.1 billion from the same period last year mainly due to increased revenue in automobile and motorcycle business operations as well as favorable foreign currency translation effects. Operating income totaled JPY 24.0 billion, an increase of 5.5% from the same period last year mainly due to an increase in sales volume and model mix, despite increased SG&A expenses.

**Consolidated Statements of Balance Sheets for the Fiscal First Half Ended
September 30, 2013**

Total assets increased by JPY 872.8 billion, to JPY 14,508.1 billion from March 31, 2013, mainly due to increases in Finance subsidiaries' long-term receivables and Property, plant and equipment, property on operating leases as well as foreign currency translation effects, despite a decrease in cash and cash equivalents. Total liabilities increased by JPY 425.0 billion, to JPY 8,854.9 billion from March 31, 2013, mainly due to an increase in long-term debt and foreign currency translation effects. Total equity increased by JPY 447.8 billion, to JPY 5,653.2 billion from March 31, 2013 due mainly to additional net income and foreign currency translation effects.

Consolidated Statements of Cash Flow for the Fiscal First Half Ended September 30, 2013

Consolidated cash and cash equivalents on September 30, 2013 decreased by JPY 73.8 billion from March 31, 2013, to JPY 1,132.2 billion. The reasons for the increases or decreases for each cash flow activity, when compared with the same period of the previous fiscal year, are as follows:

Cash flow from operating activities

Net cash provided by operating activities amounted to JPY 671.5 billion for the fiscal first half ended September 30, 2013. Cash inflows from operating activities increased by JPY 348.2 billion compared with the same period of the previous fiscal year due mainly to an increase in cash received from customers as a result of increased unit sales of automobiles, despite increased payments for parts and raw materials.

Cash flow from investing activities

Net cash used in investing activities amounted to JPY 989.4 billion. Cash outflows from investing activities increased by JPY 438.3 billion compared with the same period of the previous fiscal year, due mainly to an increase in acquisitions of finance subsidiaries-receivables and purchases of operating lease assets, despite an increase in collections of finance subsidiaries-receivables.

Cash flow from financing activities

Net cash provided by financing activities amounted to JPY 209.6 billion. Cash inflows from financing activities increased by JPY 200.4 billion compared with the same period of the previous fiscal year, due mainly to an increase in proceeds from debt, despite increase in cash outflow due to an increase in dividends paid.

Forecasts for the Fiscal Year Ending March 31, 2014

In regard to the forecasts of the financial results for the fiscal year ending March 31, 2014, Honda projects consolidated results to be as shown below:

Fiscal year ending March 31, 2014

	<u>Yen (billions)</u>	<u>Changes from FY 2013</u>
Net sales and other operating revenue	12,100.0	+ 22.5%
Operating income	780.0	+ 43.2%
Income before income taxes and equity in income of affiliates	765.0	+ 56.5%
Net income attributable to Honda Motor Co., Ltd.	580.0	+ 58.0%
	<u>Yen</u>	
Basic net income attributable to Honda Motor Co., Ltd. per common share	321.81	

Note: The forecasts are based on the assumption that the average exchange rates for the Japanese yen to the U.S. dollar and the Euro will be JPY 97 and JPY 127, respectively, for the full year ending March 31, 2014.

The reasons for the increases or decreases in the forecasts of the operating income, and income before income taxes and equity in income of affiliates for the fiscal year ending March 31, 2014 from the previous year are as follows.

	Yen (billions)
Revenue, model mix, etc.	143.6
Cost reduction, the effect of raw material cost fluctuations, etc.	20.0
SG&A expenses	- 129.0
R&D expenses	- 47.5
Currency effect	248.0
<u>Operating income compared with fiscal year 2013</u>	<u>235.1</u>
Fair value of derivative instruments	72.0
Others	- 31.1
<u>Income before income taxes and equity in income of affiliates compared with fiscal year 2013</u>	<u>276.1</u>

Dividend per Share of Common Stock

The Board of Directors of Honda Motor Co., Ltd., at its meeting held on October 30, 2013, resolved to make the quarterly dividend JPY 20 per share of common stock, the record date of which is September 30, 2013. The total expected annual dividend per share of common stock for the fiscal year ending March 31, 2014, is JPY 80 per share.

This announcement contains "forward-looking statements" as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements 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 foreign exchange rates between the Japanese yen and the U.S. dollar, the Euro and other major currencies, as well as other factors detailed from time to time.

Other Information

1. Accounting policies specifically applied for quarterly consolidated financial statements

(a) Income taxes

Honda computes interim income tax expense (benefit) by multiplying reasonably estimated annual effective tax rate, which includes the effects of deferred taxes, by year-to-date income before income taxes and equity in income of affiliates for the fiscal three months ended September 30, 2013. If a reliable estimate cannot be made, Honda utilizes the actual year-to-date effective tax rate.

2. Changes in accounting policy

(a) Adoption of New Accounting Pronouncements

In February 2013, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2013-02 "Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income". This amendment requires reporting entities to provide information about the amounts reclassified out of accumulated other comprehensive income by component, and to present, either on the face of the statement where net income is presented or in the notes, significant amounts reclassified out of accumulated other comprehensive income by the respective line items of net income.

Honda adopted ASU 2013-02, effective April 1, 2013. This adoption has no impact on the Honda's financial position or results of operations.

(b) Changing in Fiscal Year-end of a Subsidiary

Effective April 1, 2013, a subsidiary of the Company changed its fiscal year-end from December 31 to March 31. As a result, the Company eliminated the previously existing three month differences between the reporting periods of the Company and the subsidiary in the consolidated financial statements. The elimination of the lag period represents a change in accounting principle and has been reported by retrospective application. The impacts on the retained earnings and noncontrolling interests as of April 1, 2012 are JPY 6,023 million and JPY 1,658 million, respectively. Honda believes the effect of the retrospective application is not material to the Company's consolidated financial statements as of and for the three months and the six months ended September 30, 2012, and therefore the Company's consolidated financial statements have not been retrospectively adjusted, except for the adjustment to retained earnings and noncontrolling interests as of April 1, 2012.

Consolidated Financial Summary

For the three months and six months ended September 30, 2012 and 2013

Financial Highlights

	Yen (millions)			
	Three months ended Sep. 30, 2012 Unaudited	Three months ended Sep. 30, 2013 Unaudited	Six months ended Sep. 30, 2012 unaudited	Six months ended Sep. 30, 2013 Unaudited
Net sales and other operating revenue	2,271,286	2,890,221	4,707,195	5,724,316
Operating income	100,867	171,451	276,880	356,414
Income before income taxes and equity in income of affiliates	106,260	165,587	301,040	337,622
Net income attributable to Honda Motor Co., Ltd.	82,233	120,368	213,956	242,867
	Yen			
Basic net income attributable to Honda Motor Co., Ltd per common share	45.63	66.79	118.71	134.75
	U.S. Dollar (millions)			
		Three months ended Sep. 30, 2012 Unaudited		Six months ended Sep. 30, 2012 Unaudited
Net sales and other operating revenue		29,567		58,561
Operating income		1,754		3,646
Income before income taxes and equity in income of affiliates		1,694		3,454
Net income attributable to Honda Motor Co., Ltd.		1,231		2,485
		U.S. Dollar		
Basic net income attributable to Honda Motor Co., Ltd per common share		0.68		1.38

[1] Consolidated Balance Sheets

	Yen (millions)	
	Mar. 31, 2013 audited	Sep. 30, 2013 unaudited
Assets		
Current assets:		
Cash and cash equivalents	1,206,128	1,132,283
Trade accounts and notes receivable	1,005,981	941,229
Finance subsidiaries-receivables, net	1,243,002	1,393,245
Inventories	1,215,421	1,216,975
Deferred income taxes	234,075	230,522
Other current assets	418,446	409,929
Total current assets	5,323,053	5,324,183
 Finance subsidiaries-receivables, net	 2,788,135	 3,147,146
 Investments and advances:		
Investments in and advances to affiliates	459,110	568,181
Other, including marketable equity securities	209,680	262,669
Total investments and advances	668,790	830,850
 Property on operating leases:		
Vehicles	2,243,424	2,461,216
Less accumulated depreciation	400,292	425,431
Net property on operating leases	1,843,132	2,035,785
 Property, plant and equipment, at cost:		
Land	515,661	508,733
Buildings	1,686,638	1,767,957
Machinery and equipment	3,832,090	4,110,591
Construction in progress	288,073	302,516
	6,322,462	6,689,797
Less accumulated depreciation and amortization	3,922,932	4,129,063
Net property, plant and equipment	2,399,530	2,560,734
 Other assets	 612,717	 609,496
Total assets	13,635,357	14,508,194

[1] Consolidated Balance Sheets – continued

Liabilities and Equity	Yen (millions)	
	Mar. 31, 2013 audited	Sep. 30, 2013 unaudited
Current liabilities:		
Short-term debt	1,238,297	1,456,324
Current portion of long-term debt	945,046	915,504
Trade payables:		
Notes	31,354	24,790
Accounts	956,660	934,347
Accrued expenses	593,570	556,681
Income taxes payable	48,454	36,778
Other current liabilities	275,623	291,470
Total current liabilities	4,089,004	4,215,894
Long-term debt, excluding current portion	2,710,845	3,020,453
Other liabilities	1,630,085	1,618,611
Total liabilities	8,429,934	8,854,958
Equity:		
Honda Motor Co., Ltd. shareholders' equity:		
Common stock, authorized 7,086,000,000 shares; issued 1,811,428,430 shares on Mar. 31, 2013 and 1,811,428,430 shares on Sep. 30, 2013	86,067	86,067
Capital surplus	171,117	171,117
Legal reserves	47,583	48,998
Retained earnings	6,001,649	6,172,811
Accumulated other comprehensive income (loss), net	(1,236,792)	(976,052)
Treasury stock, at cost 9,131,140 shares on Mar. 31, 2013 and 9,133,532 shares on Sep. 30, 2013	(26,124)	(26,134)
Total Honda Motor Co., Ltd. shareholders' equity	5,043,500	5,476,807
Noncontrolling interests	161,923	176,429
Total equity	5,205,423	5,653,236
Commitments and contingent liabilities		
Total liabilities and equity	13,635,357	14,508,194

[2] Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

For the three months ended September 30, 2012 and 2013

	Yen (millions)	
	Three months ended Sep. 30, 2012 unaudited	Three months ended Sep. 30, 2013 unaudited
Net sales and other operating revenue	2,271,286	2,890,221
Operating costs and expenses:		
Cost of sales	1,702,835	2,150,812
Selling, general and administrative	327,472	416,863
Research and development	140,112	151,095
	<u>2,170,419</u>	<u>2,718,770</u>
Operating income	100,867	171,451
Other income (expenses):		
Interest income	6,661	5,928
Interest expense	(3,115)	(2,838)
Other, net	1,847	(8,954)
	<u>5,393</u>	<u>(5,864)</u>
Income before income taxes and equity in income of affiliates	106,260	165,587
Income tax expense:		
Current	37,915	59,142
Deferred	6,898	10,288
	<u>44,813</u>	<u>69,430</u>
Income before equity in income of affiliates	61,447	96,157
Equity in income of affiliates	27,497	31,686
Net income	<u>88,944</u>	<u>127,843</u>
Less: Net income attributable to noncontrolling interests	6,711	7,475
Net income attributable to Honda Motor Co., Ltd.	<u>82,233</u>	<u>120,368</u>
	Yen	
Basic net income attributable to Honda Motor Co., Ltd. per common share	45.63	66.79

Consolidated Statements of Comprehensive Income
For the three months ended September 30, 2012 and 2013

	Yen (millions)	
	Three months ended Sep. 30, 2012 unaudited	Three months ended Sep. 30, 2013 unaudited
Net income	88,944	127,843
Other comprehensive income (loss), net of tax:		
Adjustments from foreign currency translation	(101,851)	(23,796)
Unrealized gains (losses) on available-for-sale securities, net	(2,420)	9,756
Unrealized gains (losses) on derivative instruments,	210	(241)
Pension and other postretirement benefits adjustments	1,903	78,709
Other comprehensive income (loss), net of tax	(102,158)	64,428
Comprehensive income (loss)	(13,214)	192,271
Less: Comprehensive income attributable to noncontrolling interests	4,911	4,164
Comprehensive income (loss) attributable to Honda Motor Co., Ltd.	(18,125)	188,107

Consolidated Statements of Income

For the six months ended September 30, 2012 and 2013

	Yen (millions)	
	Six months ended Sep. 30, 2012 unaudited	Six months ended Sep. 30, 2013 unaudited
Net sales and other operating revenue	4,707,195	5,724,316
Operating costs and expenses:		
Cost of sales	3,494,049	4,275,221
Selling, general and administrative	670,155	799,924
Research and development	266,111	292,757
	<u>4,430,315</u>	<u>5,367,902</u>
Operating income	276,880	356,414
Other income (expenses):		
Interest income	14,360	11,920
Interest expense	(6,131)	(5,812)
Other, net	15,931	(24,900)
	<u>24,160</u>	<u>(18,792)</u>
Income before income taxes and equity in income of affiliates	301,040	337,622
Income tax expense:		
Current	73,786	103,008
Deferred	48,860	37,261
	<u>122,646</u>	<u>140,269</u>
Income before equity in income of affiliates	178,394	197,353
Equity in income of affiliates	48,229	63,453
Net income	<u>226,623</u>	<u>260,806</u>
Less: Net income attributable to noncontrolling interests	12,667	17,939
Net income attributable to Honda Motor Co., Ltd.	<u>213,956</u>	<u>242,867</u>
	<hr/> <hr/>	
	Yen	
Basic net income attributable to Honda Motor Co., Ltd. per common share	118.71	134.75

Consolidated Statements of Comprehensive Income
For the six months ended September 30, 2012 and 2013

	Yen (millions)	
	Six months ended Sep. 30, 2012 unaudited	Six months ended Sep. 30, 2013 unaudited
Net income	226,623	260,806
Other comprehensive income (loss), net of tax:		
Adjustments from foreign currency translation	(152,299)	165,750
Unrealized gains (losses) on available-for-sale securities, net	(12,228)	18,450
Unrealized gains (losses) on derivative instruments,	349	346
Pension and other postretirement benefits adjustments	4,266	81,394
Other comprehensive income (loss), net of tax	(159,912)	265,940
Comprehensive income (loss)	66,711	526,746
Less: Comprehensive income attributable to noncontrolling interests	10,824	23,139
Comprehensive income (loss) attributable to Honda Motor Co., Ltd.	55,887	503,607

[3] Consolidated Statements of Cash Flows

	Yen (millions)	
	Six months ended Sep. 30, 2012 unaudited	Six months ended Sep. 30, 2013 unaudited
Cash flows from operating activities:		
Net income	226,623	260,806
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation excluding property on operating leases	155,614	216,736
Depreciation of property on operating leases	118,213	164,334
Deferred income taxes	48,860	37,261
Equity in income of affiliates	(48,229)	(63,453)
Dividends from affiliates	31,365	8,060
Provision for credit and lease residual losses on finance subsidiaries-receivables	2,664	10,341
Impairment loss on property on operating leases	2,208	1,322
Loss (gain) on derivative instruments, net	(24,656)	(39,142)
Decrease (increase) in assets:		
Trade accounts and notes receivable	(8,278)	99,663
Inventories	(91,728)	39,676
Other current assets	53,338	22,522
Other assets	(18,574)	(7,883)
Increase (decrease) in liabilities:		
Trade accounts and notes payable	(120,313)	(1,393)
Accrued expenses	24,494	(16,923)
Income taxes payable	5,407	(15,829)
Other current liabilities	(387)	27,696
Other liabilities	1,290	(6,138)
Other, net	(34,640)	(66,154)
Net cash provided by operating activities	323,271	671,502
Cash flows from investing activities:		
Increase in investments and advances	(10,928)	(23,411)
Decrease in investments and advances	9,572	25,214
Payments for purchases of available-for-sale securities	—	(27,590)
Proceeds from sales of available-for-sale securities	—	4,085
Payments for purchases of held-to-maturity securities	(1,118)	(58)
Proceeds from redemptions of held-to-maturity securities	6,435	1,753
Capital expenditures	(282,332)	(355,990)
Proceeds from sales of property, plant and equipment	19,932	14,588
Proceeds from insurance recoveries for damaged property, plant and equipment	2,917	6,800
Acquisitions of finance subsidiaries-receivables	(992,380)	(1,582,865)
Collections of finance subsidiaries-receivables	908,938	1,219,326
Purchases of operating lease assets	(416,447)	(582,206)
Proceeds from sales of operating lease assets	204,356	310,900
Net cash used in investing activities	(551,055)	(989,454)

[3] Consolidated Statements of Cash Flows – continued

	Yen (millions)	
	Six months ended Sep. 30, 2012 unaudited	Six months ended Sep. 30, 2013 unaudited
Cash flows from financing activities:		
Proceeds from short-term debt	3,374,385	4,307,274
Repayment of short-term debt	(3,355,219)	(4,133,849)
Proceeds from long-term debt	592,080	821,199
Repayment of long-term debt	(520,564)	(688,583)
Dividends paid	(61,278)	(70,289)
Dividends paid to noncontrolling interests	(5,060)	(8,467)
Sales (purchases) of treasury stock, net	(2)	(10)
Other, net	(15,078)	(17,581)
Net cash provided by (used in) financing activities	9,264	209,694
Effect of exchange rate changes on cash and cash equivalents	(47,284)	34,413
Net change in cash and cash equivalents	(265,804)	(73,845)
Cash and cash equivalents at beginning of the year	1,247,113	1,206,128
Cash and cash equivalents at end of the period	981,309	1,132,283

[4] Assumptions for Going Concern

None

[5] Significant changes in Honda Motor Co., Ltd. shareholders' equity

None

[6] Segment Information

Honda has four reportable segments: Motorcycle business, Automobile business, Financial services business and Power product & other businesses, which are based on Honda's organizational structure and characteristics of products and services. Operating segments are defined as components of Honda's about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The accounting policies used for these reportable segments are consistent with the accounting policies used in Honda's consolidated financial statements.

Principal products and services, and functions of each segment are as follows:

Segment	Principal products and services	Functions
Motorcycle business	Motorcycles, all-terrain vehicles (ATVs) and relevant parts	Research & Development, Manufacturing, Sales and related services
Automobile business	Automobiles and relevant parts	Research & Development, Manufacturing Sales and related services
Financial services business	Financial, insurance services	Retail loan and lease related to Honda products, and Others
Power product & Other businesses	Power products and relevant parts, and others	Research & Development, Manufacturing Sales and related services, and Others

1. Segment information based on products and services

(A) As of and for the three months ended September 30, 2012

	Yen (millions)						
	Motorcycle Business	Automobile Business	Financial Services Business	Power Product & Other Businesses	Segment Total	Reconciling Items	Consolidated
Net sales and other operating revenue:							
External customers	309,714	1,766,213	130,400	64,959	2,271,286	—	2,271,286
Intersegment	—	3,582	2,770	2,330	8,682	(8,682)	—
Total	309,714	1,769,795	133,170	67,289	2,279,968	(8,682)	2,271,286
Segment income (loss)	25,400	37,137	38,277	53	100,867	—	100,867

As of and for the three months ended September 30, 2013

	Yen (millions)						
	Motorcycle Business	Automobile Business	Financial Services Business	Power Product & Other Businesses	Segment Total	Reconciling Items	Consolidated
Net sales and other operating revenue:							
External customers	418,089	2,229,004	170,016	73,112	2,890,221	—	2,890,221
Intersegment	—	4,186	2,567	2,839	9,592	(9,592)	—
Total	418,089	2,233,190	172,583	75,951	2,899,813	(9,592)	2,890,221
Segment income (loss)	45,542	80,153	46,585	(829)	171,451	—	171,451

(B) As of and for the six months ended September 30, 2012

	Yen (millions)						
	Motorcycle Business	Automobile Business	Financial Services Business	Power Product & Other Businesses	Segment Total	Reconciling Items	Consolidated
Net sales and other operating revenue:							
External customers	656,364	3,656,723	261,679	132,429	4,707,195	—	4,707,195
Intersegment	—	7,832	5,517	4,818	18,167	(18,167)	—
Total	656,364	3,664,555	267,196	137,247	4,725,362	(18,167)	4,707,195
Segment income (loss)	62,202	137,798	79,114	(2,234)	276,880	—	276,880
Assets	904,173	4,952,109	5,577,763	284,572	11,718,617	(264,190)	11,454,427
Depreciation and amortization	17,701	133,051	118,872	4,203	273,827	—	273,827
Capital expenditures	26,653	230,473	417,058	6,780	680,964	—	680,964

As of and for the six months ended September 30, 2013

	Yen (millions)						
	Motorcycle Business	Automobile Business	Financial Services Business	Power Product & Other Businesses	Segment Total	Reconciling Items	Consolidated
Net sales and other operating revenue:							
External customers	814,959	4,425,595	335,412	148,350	5,724,316	—	5,724,316
Intersegment	—	8,590	5,159	5,557	19,306	(19,306)	—
Total	814,959	4,434,185	340,571	153,907	5,743,622	(19,306)	5,724,316
Segment income (loss)	88,124	176,530	91,228	532	356,414	—	356,414
Assets	1,220,606	5,906,273	7,404,632	334,588	14,866,099	(357,905)	14,508,194
Depreciation and amortization	22,110	188,703	165,122	5,135	381,070	—	381,070
Capital expenditures	26,147	294,398	584,140	6,632	911,317	—	911,317

Explanatory notes:

1. Intersegment sales and revenues are generally made at values that approximate arm's-length prices.
2. Unallocated corporate assets, included in reconciling items, amounted to JPY 228,945 million as of September 30, 2012 and JPY 300,860 million as of September 30, 2013 respectively, which consist primarily of cash and cash equivalents, available-for-sale securities and held-to-maturity securities held by the Company. Reconciling items also include elimination of intersegment transactions.
3. Depreciation and amortization of Financial Services Business include JPY 118,213 million for the six months ended September 30, 2012 and JPY 164,334 million for the six months ended September 30, 2013, respectively, of depreciation of property on operating leases.
4. Capital expenditure of Financial Services Business includes JPY 416,447 million for the six months ended September 30, 2012 and JPY 582,206 million for the six months ended September 30, 2013 respectively, of purchase of operating lease assets.
5. The amounts of Assets and Depreciation and amortization for the six months ended September 30, 2012 have been corrected from the amounts previously disclosed.

In addition to the disclosure required by U.S. GAAP, Honda provides the following supplemental information in order to provide financial statements users with useful information:

2. Supplemental geographical information based on the location of the Company and its subsidiaries

(A) As of and for the three months ended September 30, 2012

	Yen (millions)							
	Japan	North America	Europe	Asia	Other Regions	Total	Reconciling Items	Consolidated
Net sales and other operating revenue:								
External customers	487,603	991,793	125,461	442,879	223,550	2,271,286	—	2,271,286
Transfers between geographic areas	437,483	62,969	19,110	96,582	6,122	622,266	(622,266)	—
Total	925,086	1,054,762	144,571	539,461	229,672	2,893,552	(622,266)	2,271,286
Operating income (loss)	30,047	26,749	(8,725)	36,404	10,542	95,017	5,850	100,867

As of and for the three months ended September 30, 2013

	Yen (millions)							
	Japan	North America	Europe	Asia	Other Regions	Total	Reconciling Items	Consolidated
Net sales and other operating revenue:								
External customers	505,002	1,384,716	154,810	568,889	276,804	2,890,221	—	2,890,221
Transfers between geographic areas	509,468	87,197	19,665	124,989	3,645	744,964	(744,964)	—
Total	1,014,470	1,471,913	174,475	693,878	280,449	3,635,185	(744,964)	2,890,221
Operating income (loss)	49,281	46,029	(13,574)	60,020	18,651	160,407	11,044	171,451

(B) As of and for the six months ended September 30, 2012

	Yen (millions)							Reconciling Items	Consolidated
	Japan	North America	Europe	Asia	Other Regions	Total			
Net sales and other operating revenue:									
External customers	999,565	2,147,345	247,479	873,541	439,265	4,707,195	—	4,707,195	
Transfers between geographic areas	932,179	122,128	44,971	178,730	10,749	1,288,757	(1,288,757)	—	
Total	1,931,744	2,269,473	292,450	1,052,271	450,014	5,995,952	(1,288,757)	4,707,195	
Operating income (loss)	91,025	108,966	(16,359)	68,154	22,819	274,605	2,275	276,880	
Assets	3,106,694	6,136,429	481,588	1,170,618	615,405	11,510,734	(56,307)	11,454,427	
Long-lived assets	1,085,389	2,000,980	106,766	301,710	127,950	3,622,795	—	3,622,795	

As of and for the six months ended September 30, 2013

	Yen (millions)							Reconciling Items	Consolidated
	Japan	North America	Europe	Asia	Other Regions	Total			
Net sales and other operating revenue:									
External customers	938,540	2,790,218	313,679	1,167,258	514,621	5,724,316	—	5,724,316	
Transfers between geographic areas	1,051,814	183,003	36,778	233,363	6,547	1,511,505	(1,511,505)	—	
Total	1,990,354	2,973,221	350,457	1,400,621	521,168	7,235,821	(1,511,505)	5,724,316	
Operating income (loss)	111,468	117,887	(23,314)	113,775	24,066	343,882	12,532	356,414	
Assets	3,234,347	8,239,650	619,640	1,751,665	747,168	14,592,470	(84,276)	14,508,194	
Long-lived assets	1,210,069	2,735,896	128,953	489,710	154,364	4,718,992	—	4,718,992	

Explanatory notes:

- Major countries or regions in each geographic area:

North America	United States, Canada, Mexico
Europe	United Kingdom, Germany, France, Belgium, Russia
Asia	Thailand, Indonesia, China, India, Vietnam
Other Regions	Brazil, Australia
- Sales and revenues between geographic areas are generally made at values that approximate arm's-length prices.
- Unallocated corporate assets, included in reconciling items, amounted to JPY 228,945 million as of September 30, 2012 and JPY 300,860 million as of September 30, 2013 respectively, which consist primarily of cash and cash equivalents, available-for-sale securities and held-to-maturity securities held by the Company. Reconciling items also include elimination of transactions between geographic areas.
- The amounts of Assets for the six months ended September 30, 2012 have been corrected from the amounts previously disclosed.

[7] Other

1. Impairment loss on investments in affiliates

For the six months ended September 30, 2012, Honda recognized impairment loss of JPY 6,525 million, net of tax, on certain investments in affiliates which have quoted market values because of other-than-temporary decline in fair value below their carrying values. The fair values of the investments were based on quoted market price. The impairment loss is included in equity in income of affiliates in the accompanying consolidated statement of income. For the three months ended September 30, 2012, for the six months ended September 30, 2013 and for the three months ended September 30, 2013, Honda did not recognize any significant impairment losses.

2. Immaterial corrections of the prior year's Consolidated Statements of Cash Flows

Adjustments have been made to correct previous immaterial understatements in both depreciation excluding property on operating leases, which is included in cash flows from operating activities, and payments of other debt, which is included in other, net in cash flows from financing activities, in the consolidated statements of cash flows for the six months ended September 30, 2012. These adjustments increased previously reported net cash provided by operating activities and increased previously reported net cash used in financing activities by JPY 13,464 million for the six months ended September 30, 2012.

CONSOLIDATED FINANCIAL SUMMARY 1 FOR THE FISCAL SECOND QUARTER AND THE FISCAL FIRST HALF ENDED SEPTEMBER 30, 2013

Yen (billions)	Second Quarter Results				First Half Results				Fiscal Year Results and Forecasts			
	3 months ended Sep. 30, 2012	3 months ended Sep. 30, 2013	change	%	6 months ended Sep. 30, 2012	6 months ended Sep. 30, 2013	change	%	Year ended Mar. 31, 2013	Year ending Mar. 31, 2014	change	%
Net sales and other operating revenue	2,271.2	2,890.2	618.9	27.3	4,707.1	5,724.3	1,017.1	21.6	9,877.9	12,100.0	2,222.0	22.5
Operating income	100.8	171.4	70.5	70.0	276.8	356.4	79.5	28.7	544.8	780.0	235.1	43.2
<as a percentage of net sales>	< 4.4% >	< 5.9% >			< 5.9% >	< 6.2% >			< 5.5% >	< 6.4% >		
Income before income taxes and equity in income of affiliates	106.2	165.5	59.3	55.8	301.0	337.6	36.5	12.2	488.8	765.0	276.1	56.5
<as a percentage of net sales>	< 4.7% >	< 5.7% >			< 6.4% >	< 5.9% >			< 4.9% >	< 6.3% >		
Equity in income of affiliates	27.4	31.6	4.1	15.2	48.2	63.4	15.2	31.6	82.7	130.0	47.2	57.2
<as a percentage of net sales>	< 1.2% >	< 1.1% >			< 1.0% >	< 1.1% >			< 0.8% >	< 1.1% >		
Net income attributable to Honda Motor Co., Ltd.	82.2	120.3	38.1	46.4	213.9	242.8	28.9	13.5	367.1	580.0	212.8	58.0
<as a percentage of net sales>	< 3.6% >	< 4.2% >			< 4.5% >	< 4.2% >			< 3.7% >	< 4.8% >		
Change factors in Operating income			70.5				79.5				235.1	
Change in revenue, model mix, etc.			34.6				- 12.0				143.6	
Cost reduction, the effect of raw material cost fluctuations, etc.			- 17.6				- 35.1				20.0	
Change in SG&A expenses			- 36.0				- 36.1				- 129.0	
Change in R&D expenses			- 4.1				- 13.8				- 47.5	
Currency effects			93.6				176.6				248.0	
Change in average rates			(43.8)				(80.4)				(102.0)	
Translation effects			(49.8)				(96.2)				(146.0)	
Change factors in Other income/expenses			- 11.2				- 42.9				40.9	
Unrealized gains and losses related to derivative instruments			22.0				14.4				72.0	
Others			- 33.3				- 57.4				- 31.1	
Honda's average rates	USD=	JPY 79	JPY 99		JPY 79	JPY 99			JPY 84	JPY 97		
	EUR=	JPY 98	JPY 131		JPY 101	JPY 130			JPY 108	JPY 127		
Capital expenditures		154.7	132.2		250.7	303.7			593.6	700.0		
Depreciation and amortization		66.1	92.0		131.1	184.2			286.6	370.0		
Research and development expenses		140.1	151.0		266.1	292.7			560.2	630.0		

Note:

Capital expenditures exclude purchase of operating lease assets and capital lease assets and acquisition of intangible assets, and depreciation and amortization exclude depreciation of property on operating leases and capital leases and amortization of intangible assets.

This announcement contains "forward-looking statements" of Honda. Such statements 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 foreign exchange rates between the Japanese yen and the U.S. dollar, the Euro and other major currencies, as well as other factors detailed from time to time. The various factors for increases and decreases in income have been classified in accordance with a method that Honda considers reasonable.



CONSOLIDATED FINANCIAL SUMMARY 2
FOR THE FISCAL SECOND QUARTER AND THE FISCAL FIRST HALF ENDED SEPTEMBER 30, 2013

Honda Group Unit Sales Breakdown by geographical markets based on the location of the external customers

Unit (thousands)

	Second Quarter Results				First Half Results				Fiscal Year Results and Forecasts			
	3 months ended Sep. 30, 2012	3 months ended Sep. 30, 2013	change	%	6 months ended Sep. 30, 2012	6 months ended Sep. 30, 2013	change	%	Year ended Mar. 31, 2013	Year ending Mar. 31, 2014	change	%
Motorcycle Business	3,806	4,216	410	10.8	7,717	8,270	553	7.2	15,494	17,320	1,826	11.8
Japan	57	63	6	10.5	116	117	1	0.9	217	225	8	3.7
North America	60	68	8	13.3	119	130	11	9.2	250	280	30	12.0
Europe	38	38	0	0.0	98	90	-8	-8.2	179	170	-9	-5.0
Asia	3,162	3,536	374	11.8	6,447	7,015	568	8.8	13,035	14,800	1,765	13.5
Other Regions	489	511	22	4.5	937	918	-19	-2.0	1,813	1,845	32	1.8
Automobile Business	996	1,047	51	5.1	1,995	2,046	51	2.6	4,014	4,430	416	10.4
Japan	169	180	11	6.5	354	320	-34	-9.6	692	825	133	19.2
North America	404	447	43	10.6	854	906	52	6.1	1,731	1,795	64	3.7
Europe	44	40	-4	-9.1	83	80	-3	-3.6	171	185	14	8.2
Asia	301	309	8	2.7	563	594	31	5.5	1,122	1,325	203	18.1
Other Regions	78	71	-7	-9.0	141	146	5	3.5	298	300	2	0.7
Power Product Business	1,288	1,295	7	0.5	2,913	2,884	-29	-1.0	6,071	6,000	-71	-1.2
Japan	88	93	5	5.7	170	156	-14	-8.2	314	315	1	0.3
North America	436	504	68	15.6	1,194	1,332	138	11.6	2,604	2,740	136	5.2
Europe	150	156	6	4.0	386	393	7	1.8	1,004	965	-39	-3.9
Asia	462	426	-36	-7.8	883	790	-93	-10.5	1,572	1,485	-87	-5.5
Other Regions	152	116	-36	-23.7	280	213	-67	-23.9	577	495	-82	-14.2

Notes:

- Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for under the equity method.
- Certain sales of automobiles that are financed with residual value type auto loans by our Japanese finance subsidiaries are accounted for as operating leases in conformity with U.S. generally accepted accounting principles and are not included in consolidated net sales to the external customers in our Automobile business. As a result, they are not included in Consolidated Unit Sales, but are included in Honda Group Unit Sales of our Automobile business.
- Honda Group Unit Sales of ATV included in Motorcycle business for the three months ended September 30, 2012 and 2013 are 30 thousand units and 28 thousand units, for the six months ended September 30, 2012 and 2013 are 59 thousand units and 49 thousand units, respectively.
- Honda Group Unit Sales of Motorcycle business of Asia for the three months ended September 30, 2012 is revised. This revision is included in Honda Group Unit Sales of Motorcycle business for the six months ended September 30, 2012.

Consolidated Unit Sales Breakdown by geographical markets based on the location of the external customers

Unit (thousands)

	Second Quarter Results				First Half Results				Fiscal Year Results and Forecasts			
	3 months ended Sep. 30, 2012	3 months ended Sep. 30, 2013	change	%	6 months ended Sep. 30, 2012	6 months ended Sep. 30, 2013	change	%	Year ended Mar. 31, 2013	Year ending Mar. 31, 2014	change	%
Motorcycle Business	2,304	2,585	281	12.2	4,670	4,956	286	6.1	9,510	10,650	1,140	12.0
Japan	57	63	6	10.5	116	117	1	0.9	217	225	8	3.7
North America	60	68	8	13.3	119	130	11	9.2	250	280	30	12.0
Europe	38	38	0	0.0	98	90	-8	-8.2	179	170	-9	-5.0
Asia	1,660	1,905	245	14.8	3,400	3,701	301	8.9	7,051	8,130	1,079	15.3
Other Regions	489	511	22	4.5	937	918	-19	-2.0	1,813	1,845	32	1.8
Automobile Business	816	869	53	6.5	1,665	1,727	62	3.7	3,408	3,670	262	7.7
Japan	168	178	10	6.0	351	317	-34	-9.7	685	815	130	19.0
North America	404	447	43	10.6	854	906	52	6.1	1,731	1,795	64	3.7
Europe	44	40	-4	-9.1	83	80	-3	-3.6	171	185	14	8.2
Asia	122	133	11	9.0	236	278	42	17.8	523	575	52	9.9
Other Regions	78	71	-7	-9.0	141	146	5	3.5	298	300	2	0.7
Power Product Business	1,288	1,295	7	0.5	2,913	2,884	-29	-1.0	6,071	6,000	-71	-1.2
Japan	88	93	5	5.7	170	156	-14	-8.2	314	315	1	0.3
North America	436	504	68	15.6	1,194	1,332	138	11.6	2,604	2,740	136	5.2
Europe	150	156	6	4.0	386	393	7	1.8	1,004	965	-39	-3.9
Asia	462	426	-36	-7.8	883	790	-93	-10.5	1,572	1,485	-87	-5.5
Other Regions	152	116	-36	-23.7	280	213	-67	-23.9	577	495	-82	-14.2

Notes:

- Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated net sales, which consists of unit sales of completed products of Honda and its consolidated subsidiaries.
- Consolidated Unit Sales of ATV included in Motorcycle business for the three months ended September 30, 2012 and 2013 are 30 thousand units and 28 thousand units, for the six months ended September 30, 2012 and 2013 are 59 thousand units and 49 thousand units, respectively.
- Consolidated Unit Sales of Motorcycle business of Asia for the three months ended September 30, 2012 is revised. This revision is included in Consolidated Unit Sales of Motorcycle business for the six months ended September 30, 2012.

This announcement contains "forward-looking statements" of Honda. Such statements 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 foreign exchange rates between the Japanese yen and the U.S. dollar, the Euro and other major currencies, as well as other factors detailed from time to time.

CONSOLIDATED FINANCIAL SUMMARY 3 FOR THE FISCAL SECOND QUARTER AND THE FISCAL FIRST HALF ENDED SEPTEMBER 30, 2013

Net Sales Breakdown by geographical markets based on the location of the external customers

Yen (millions)	Second Quarter Results				First Half Results			
	3 months ended Sep. 30, 2012	3 months ended Sep. 30, 2013	change	%	6 months ended Sep. 30, 2012	6 months ended Sep. 30, 2013	change	%
Total	2,271,286	2,890,221	618,935	27.3	4,707,195	5,724,316	1,017,121	21.6
Japan	414,047	427,337	13,290	3.2	849,623	781,886	- 67,737	- 8.0
North America	985,886	1,377,663	391,777	39.7	2,135,271	2,775,888	640,617	30.0
Europe	124,774	152,372	27,598	22.1	246,254	309,346	63,092	25.6
Asia	491,094	619,686	128,592	26.2	971,757	1,259,911	288,154	29.7
Other Regions	255,485	313,163	57,678	22.6	504,290	597,285	92,995	18.4
Motorecycle Business	309,714	418,089	108,375	35.0	656,364	814,959	158,595	24.2
Japan	18,682	22,559	3,877	20.8	38,258	42,215	3,957	10.3
North America	24,130	32,474	8,344	34.6	53,334	64,848	11,514	21.6
Europe	18,351	22,799	4,448	24.2	45,227	52,203	6,976	15.4
Asia	147,498	205,123	57,625	39.1	308,973	415,101	106,128	34.3
Other Regions	101,053	135,134	34,081	33.7	210,572	240,592	30,020	14.3
Automobile Business	1,766,213	2,229,004	462,791	26.2	3,656,723	4,425,595	768,872	21.0
Japan	364,614	373,994	9,380	2.6	753,661	684,030	- 69,631	- 9.2
North America	830,241	1,173,647	343,406	41.4	1,812,679	2,364,862	552,183	30.5
Europe	94,440	114,535	20,095	21.3	175,032	223,857	48,825	27.9
Asia	333,229	401,199	67,970	20.4	642,670	819,646	176,976	27.5
Other Regions	143,689	165,629	21,940	15.3	272,681	333,200	60,519	22.2
Financial Service Business	130,400	170,016	39,616	30.4	261,679	335,412	73,733	28.2
Japan	8,561	8,401	- 160	- 1.9	16,812	16,872	60	0.4
North America	114,643	149,921	35,278	30.8	229,938	296,566	66,628	29.0
Europe	1,720	3,368	1,648	95.8	3,525	6,328	2,803	79.5
Asia	651	1,842	1,191	182.9	1,262	3,430	2,168	171.8
Other Regions	4,825	6,484	1,659	34.4	10,142	12,216	2,074	20.4
Power Product and Other Businesses	64,959	73,112	8,153	12.6	132,429	148,350	15,921	12.0
Japan	22,190	22,383	193	0.9	40,892	38,769	- 2,123	- 5.2
North America	16,872	21,621	4,749	28.1	39,320	49,612	10,292	26.2
Europe	10,263	11,670	1,407	13.7	22,470	26,958	4,488	20.0
Asia	9,716	11,522	1,806	18.6	18,852	21,734	2,882	15.3
Other Regions	5,918	5,916	- 2	- 0.0	10,895	11,277	382	3.5

Note:

For detailed information of principal products and services, and functions of each segment, please refer to Fiscal Second Quarter Financial Results "[6] Segment Information."

CONSOLIDATED FINANCIAL SUMMARY 4
FOR THE FISCAL FIRST HALF ENDED SEPTEMBER 30, 2013

Unaudited Consolidated Balance Sheets
Divided into Non-financial Services Businesses and Finance Subsidiaries

	Yen (millions)	
	Mar. 31, 2013	Sep. 30, 2013
Assets		
< Non-financial Services Businesses >		
Current Assets:	4,014,300	3,959,217
Cash and cash equivalents	1,180,029	1,107,095
Trade accounts and notes receivable, net	551,161	539,713
Inventories	1,215,421	1,216,975
Other current assets	1,067,689	1,095,434
Investments and advances	918,168	1,126,627
Property, plant and equipment, net	2,387,461	2,548,713
Other assets	399,355	374,844
Total assets	7,719,284	8,009,401
< Finance Subsidiaries >		
Cash and cash equivalents	26,099	25,188
Finance subsidiaries—short-term receivables, net	1,245,491	1,393,742
Finance subsidiaries—long-term receivables, net	2,818,654	3,148,328
Net property on operating leases	1,843,132	2,035,785
Other assets	831,946	801,589
Total assets	6,765,322	7,404,632
Reconciling Items	(849,249)	(905,839)
Total assets	13,635,357	14,508,194
Liabilities and Equity		
< Non-financial Services Businesses >		
Current liabilities:	2,170,981	2,077,530
Short-term debt	343,085	278,378
Current portion of long-term debt	50,664	59,655
Trade payables	998,989	965,201
Accrued expenses	517,253	518,979
Other current liabilities	260,990	255,317
Long-term debt, excluding current portion	146,528	199,870
Other liabilities	994,905	923,029
Total liabilities	3,312,414	3,200,429
< Finance Subsidiaries >		
Short-term debt	1,397,870	1,718,245
Current portion of long-term debt	894,439	855,920
Accrued expenses	117,360	58,234
Long-term debt, excluding current portion	2,571,196	2,837,299
Other liabilities	716,385	796,041
Total liabilities	5,697,250	6,265,739
Reconciling Items	(579,730)	(611,210)
Total liabilities	8,429,934	8,854,958
Honda Motor Co., Ltd. shareholders' equity	5,043,500	5,476,807
Noncontrolling interests	161,923	176,429
Total equity	5,205,423	5,653,236
Total liabilities and equity	13,635,357	14,508,194

Note:

Honda adjusts the amounts for the year ended March 31, 2013. For detailed information, please refer to Fiscal Second Quarter Financial Results "Other Information."

CONSOLIDATED FINANCIAL SUMMARY 5 FOR THE FISCAL FIRST HALF ENDED SEPTEMBER 30, 2013

Unaudited Consolidated Statements of Cash Flows Divided into Non-financial Services Businesses and Finance Subsidiaries

	Yen (millions)			
	Non-financial Services Businesses	Finance Subsidiaries	Reconciling Items	Consolidated
For the six months ended September 30, 2012				
Cash flows from operating activities:				
Net income	175,736	50,887	—	226,623
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	154,955	118,872	—	273,827
Deferred income taxes	37,110	11,750	—	48,860
Equity in income of affiliates	(48,229)	—	—	(48,229)
Dividends from affiliates	31,365	—	—	31,365
Impairment loss on long-lived assets	—	2,208	—	2,208
Loss (gain) on derivative instruments, net	(24,857)	201	—	(24,656)
Decrease (increase) in trade accounts and notes receivable	(6,109)	(2,936)	767	(8,278)
Decrease (increase) in inventories	(91,728)	—	—	(91,728)
Increase (decrease) in trade accounts and notes payable	(119,737)	—	(576)	(120,313)
Other, net	58,649	(17,715)	(7,342)	33,592
Net cash provided by (used in) operating activities	167,155	163,267	(7,151)	323,271
Cash flows from investing activities:				
* Decrease (increase) in investments and advances	17,928	(2,950)	(11,017)	3,961
Capital expenditures	(281,721)	(611)	—	(282,332)
Proceeds from sales of property, plant and equipment	19,862	70	—	19,932
Proceeds from insurance recoveries for damaged property, plant and equipment	2,917	—	—	2,917
Collections (acquisitions) of finance subsidiaries-receivables	—	(84,441)	999	(83,442)
Purchase of operating lease assets	—	(416,447)	—	(416,447)
Proceeds from sales of operating lease assets	—	204,356	—	204,356
Net cash provided by (used in) investing activities	(241,014)	(300,023)	(10,018)	(551,055)
Cash flows from financing activities:				
* Proceeds from (repayment of) short-term debt, net	(17,479)	23,185	13,460	19,166
* Proceeds from long-term debt	62,769	529,311	—	592,080
* Repayment of long-term debt	(107,698)	(416,575)	3,709	(520,564)
Dividends paid	(61,278)	—	—	(61,278)
Dividends paid to noncontrolling interests	(5,060)	—	—	(5,060)
Sales (purchases) of treasury stock, net	(2)	—	—	(2)
Other, net	(15,078)	—	—	(15,078)
Net cash provided by (used in) financing activities	(143,826)	135,921	17,169	9,264
Effect of exchange rate changes on cash and cash equivalents	(46,024)	(1,260)	—	(47,284)
Net change in cash and cash equivalents	(263,709)	(2,095)	—	(265,804)
Cash and cash equivalents at beginning of period	1,224,185	22,928	—	1,247,113
Cash and cash equivalents at end of period	960,476	20,833	—	981,309

CONSOLIDATED FINANCIAL SUMMARY 5 FOR THE FISCAL FIRST HALF ENDED SEPTEMBER 30, 2013

Unaudited Consolidated Statements of Cash Flows Divided into Non-financial Services Businesses and Finance Subsidiaries

	Yen (millions)			
	Non-financial Services Businesses	Finance Subsidiaries	Reconciling Items	Consolidated
For the six months ended September 30, 2013				
Cash flows from operating activities:				
Net income	207,282	53,524	—	260,806
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	215,948	165,122	—	381,070
Deferred income taxes	23,463	13,798	—	37,261
Equity in income of affiliates	(63,453)	—	—	(63,453)
Dividends from affiliates	8,060	—	—	8,060
Impairment loss on long-lived assets	—	1,322	—	1,322
Loss (gain) on derivative instruments, net	(47,988)	8,846	—	(39,142)
Decrease (increase) in trade accounts and notes receivable	31,427	67,268	968	99,663
Decrease (increase) in inventories	39,676	—	—	39,676
Increase (decrease) in trade accounts and notes payable	(1,062)	2,226	(2,557)	(1,393)
Other, net	2,154	(52,603)	(1,919)	(52,368)
Net cash provided by (used in) operating activities	415,507	259,503	(3,508)	671,502
Cash flows from investing activities:				
* Decrease (increase) in investments and advances	(51,259)	(471)	31,723	(20,007)
Capital expenditures	(354,056)	(1,934)	—	(355,990)
Proceeds from sales of property, plant and equipment	13,253	1,335	—	14,588
Proceeds from insurance recoveries for damaged property, plant and equipment	6,800	—	—	6,800
Collections (acquisitions) of finance subsidiaries-receivables	—	(368,341)	4,802	(363,539)
Purchase of operating lease assets	—	(582,206)	—	(582,206)
Proceeds from sales of operating lease assets	—	310,900	—	310,900
Net cash provided by (used in) investing activities	(385,262)	(640,717)	36,525	(989,454)
Cash flows from financing activities:				
* Proceeds from (repayment of) short-term debt, net	(83,007)	278,819	(22,387)	173,425
* Proceeds from long-term debt	67,623	764,206	(10,630)	821,199
* Repayment of long-term debt	(24,644)	(663,939)	—	(688,583)
Dividends paid	(70,289)	—	—	(70,289)
Dividends paid to noncontrolling interests	(8,467)	—	—	(8,467)
Sales (purchases) of treasury stock, net	(10)	—	—	(10)
Other, net	(17,581)	—	—	(17,581)
Net cash provided by (used in) financing activities	(136,375)	379,086	(33,017)	209,694
Effect of exchange rate changes on cash and cash equivalents	33,196	1,217	—	34,413
Net change in cash and cash equivalents	(72,934)	(911)	—	(73,845)
Cash and cash equivalents at beginning of period	1,180,029	26,099	—	1,206,128
Cash and cash equivalents at end of period	1,107,095	25,188	—	1,132,283

Notes:

- 1 Non-financial services businesses provide loans to finance subsidiaries. These cash flows are included in the decrease (increase) in investments and advances, proceeds from (repayment of) short-term debt, proceeds from long-term debt, and repayment of long-term debt (marked by *). The amount of the loans to finance subsidiaries is a JPY 11,017 million decrease for the fiscal first half ended September 30, 2012, and a JPY 31,723 million increase for the fiscal first half ended September 30, 2013, respectively.
- 2 Decrease (increase) in trade accounts and notes receivable for finance subsidiaries is due to the reclassification of finance subsidiaries-receivables which relate to sales of inventory in the unaudited consolidated statements of cash flows presented above.
- 3 Regarding non-financial services businesses, the amounts of depreciation in cash flows from operating activities, and other, net in cash flows from financing activities for the fiscal first half ended September 30, 2012 have been corrected from the amounts previously disclosed. For detailed information, please refer to Fiscal Second Quarter Financial Results "[7] Other."