

Consolidated Financial Summary for the Fiscal 1st Quarter Ended June 30, 2021 and Forecasts for the Fiscal Year Ending March 31, 2022

- Despite some unfavorable factors such as the semiconductor supply shortage and an increase in raw material costs, consolidated operating profit for the fiscal first quarter ended June 30, 2021 amounted to 243.2 billion yen, a year-on-year increase by 356.9 billion yen. This was due primarily to a positive effect of the company's ongoing initiatives to solidify its existing businesses as well as an increase in unit sales compared to the same period last year which was heavily impacted by the COVID-19 pandemic.
- Consolidated profit for the fiscal first quarter attributable to owners of the parent amounted to 222.5 billion yen, a year-on-year increase by 303.3 billion yen, due also to an increase in the share of profit of investments accounted for using the equity method.
- Based on the forecast of a year-on-year increase in both sales revenue and profit for the current fiscal year (April 1, 2021 through March 31, 2022), the previously announced forecast for operating profit for this fiscal year was revised upward by 120.0 billion yen to 780.0 billion yen, and the previously announced forecast for profit for the fiscal year attributable to owners of the parent was revised upward by 80.0 billion yen to 670.0 billion yen.
- Honda will acquire its own shares for the purpose, among others, of improving efficiency of its capital structure and implementing a flexible capital strategy.

I. Consolidated financial summary and business-by-business results for the fiscal first quarter (3 months) ended June 30, 2021

- **Sales revenue: 3,583.8 billion yen** (a year-on-year increase of 68.7%)
The increase was due to higher sales revenue from all businesses.
- **Operating profit: 243.2 billion yen** (a year-on-year increase of 356.9 billion yen)
The increase was due primarily to higher profit related to changes in sales volume and model mix and favorable currency effects.
- **Profit for the period attributable to owners of the parent: 222.5 billion yen**, a year-on-year increase of 303.3 billion yen.
The increase was due also to an increase in the share of profit of investments accounted for using the equity method.

1) Motorcycle business

Sales revenue: 518.2 billion yen (a year-on-year increase of 243.9 billion yen)

The increase was due to the recovery of sales mainly in Asia.

Operating profit: 80.6 billion yen (a year-on-year increase of 69.4 billion yen).

The increase was due primarily to higher profit related to changes in sales volume and model mix.

2) Automobile business

Sales revenue: 2,252.4 billion yen (a year-on-year increase of 996.7 billion yen)

The increase was due primarily to the recovery of sales mainly in North America.

Operating profit: 70.6 billion yen (a year-on-year increase of 266.5 billion yen)

The increase was due primarily to higher profit related to changes in sales volume and model mix.

Combined with operating profit from financial services business related to automobile sales, the estimated operating profit for automobile business is 159.2 billion yen.

3) Financial Services business

Operating profit: 92.2 billion yen (a year-on-year increase of 20.6 billion yen)

The increase was due primarily to higher prices for used vehicles.

4) Life Creation (power products) and Other businesses

Operating loss: 0.3 billion yen (a year-on-year improvement of 0.1 billion yen)

Aircraft/aircraft engine business, which is included in "Other businesses," accounted for an operating loss of 8.3 billion yen.

II. Forecasts for the Fiscal Year Ending March 31, 2022(FY22)

- Honda is forecasting a year-on-year increase in both sales revenue and profit for the current fiscal year due primarily to an increase in unit sales and the positive effect of the company's ongoing initiatives to solidify its existing businesses.
- The previously announced forecast for operating profit for this fiscal year was revised upward by 120.0 billion yen to 780.0 billion yen. This is based on the forecast that further control of selling, general and administrative (SG&A) expenses and cost reduction efforts will offset the impact of unfavorable factors such as the semiconductor supply shortage and the resurgence of the COVID-19 pandemic mainly in Asia.
- The previously announced forecast for profit for the year attributable to owners of the parent was revised upward by 80.0 billion yen to 670.0 billion yen, due primarily to an increase in operating profit.

III. Acquisition of the Company's Own Shares

For the purpose of improving efficiency of its capital structure and implementing a flexible capital strategy, among others, Honda resolved the following details regarding the acquisition of its own shares at the Board of Directors meeting held today.

- Total number of shares to be acquired (maximum): 18 million shares (common shares)
- Total amount of acquisition (maximum): 70 billion yen
- Period of acquisition: From August 5, 2021 through December 31, 2021

Consolidated Financial Results for the Fiscal 1st Quarter ended June 30, 2021

		1st quarter ended June 30, 2020 (3 months period)	1st quarter ended June 30, 2021 (3 months period)	Difference
Honda Group Unit Sales* ¹ (million units)	Motorcycles	1.855	3.879	+2.024
	Automobiles* ³	0.792	0.998	+0.206
	Life Creation	1.083	1.708	+0.625
Consolidated Unit Sales* ² (million units)	Motorcycles	1.221	2.392	+1.171
	Automobiles* ³	0.337	0.608	+0.271
	Life Creation	1.083	1.708	+0.625
Financial Results (billion yen)	Sales revenue	2,123.7	3,583.8	+1,460.0
	Operating profit	-113.6	243.2	+356.9
	Share of profit of investments accounted for using the equity method	39.9	55.9	+15.9
	Profit before income taxes	-73.4	311.3	+384.7
	Profit for the period attributable to owners of the parent	-80.8	222.5	+303.3
Honda's Average Rate (yen)	USD=	108	109	JPY depreciated against the USD by 1 yen/dollar

Forecasts for the Fiscal Year Ending March 31, 2022 (FY22)

		FY21 results	Previous FY22 forecasts (2021/5/14)	Revised FY22 forecasts (2021/8/4)	Difference compared to FY21 results	Difference compared to previous forecasts
Honda Group Unit Sales* ¹ (million units)	Motorcycles	15.132	18.000	17.400	+2.268	-0.600
	Automobiles* ³	4.546	5.000	4.850	+0.304	-0.150
	Life Creation	5.623	5.900	6.300	+0.677	+0.400
Consolidated Unit Sales* ² (million units)	Motorcycles	10.264	11.860	11.130	+0.866	-0.730
	Automobiles* ³	2.617	3.030	2.940	+0.323	-0.090
	Life Creation	5.623	5.900	6.300	+0.677	+0.400
Financial Results (billion yen)	Sales revenue	13,170.5	15,200.0	15,450.0	+2,279.4	+250.0
	Operating profit	660.2	660.0	780.0	+119.7	+120.0
	Share of profit of investments accounted for using the equity method	272.7	220.0	220.0	-52.7	—
	Profit before income taxes	914.0	870.0	1,000.0	+85.9	+130.0
	Profit for the year attributable to owners of the parent	657.4	590.0	670.0	+12.5	+80.0
Quarterly dividend per share (yen)		110	110	110	—	—
Honda's Average Rate (yen)	USD=	106	105	106	—	JPY to depreciate against the USD by 1 yen/dollar

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

*2 Consolidated Unit Sales is the total unit sales of completed products (motorcycles, ATVs, Side-by-Sides, automobiles, power products) corresponding to consolidated sales revenue, which consists of unit sales of completed products of Honda and its consolidated subsidiaries.

*3 Certain sales of automobiles that are financed with residual value type auto loans by our Japanese finance subsidiaries and sold 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.

For more details, please check the Investor Relations section of Honda website:

<https://www.honda.co.jp/investors/library/financialresult.html> (Japanese)

<https://global.honda/investors/library/financialresult.html> (English)