

HONDA MOTOR CO LTD  
Form 6-K  
February 03, 2012  
Table of Contents

No.1-7628

# SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

## FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

PURSUANT TO RULE 13a-16 OR 15d-16

UNDER THE SECURITIES EXCHANGE ACT OF 1934

FOR THE MONTH OF January 2012

COMMISSION FILE NUMBER: 1-07628

## HONDA GIKEN KOGYO KABUSHIKI KAISHA

(Name of registrant)

## HONDA MOTOR CO., LTD.

(Translation of registrant's name into English)

1-1, Minami-Aoyama 2-chome, Minato-ku, Tokyo 107-8556, Japan

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):



**Table of Contents**

Contents

**Exhibit 1:**

On January 31, 2012, Honda Motor Co., Ltd. (the Company ) announced its consolidated financial results for the fiscal third quarter ended December 31, 2011.

**Exhibit 2:**

The Company revised its forecasts for consolidated and unconsolidated financial results of the fiscal year ending March 31, 2012 that had been revised as not determined on October 31, 2011.

**Exhibit 3:**

On January 31, 2012, the Company announced an update on the current status of Honda Automobile (Thailand) Co., Ltd. (headquarter at Rojana Industrial Park, Ayutthaya Province, Thailand), Honda s Thai automobile production facility which suffered flood damage, as well as Honda s group companies in Asian countries in the vicinity.

**Table of Contents**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HONDA GIKEN KOGYO KABUSHIKI KAISHA  
(HONDA MOTOR CO., LTD.)

/s/ Fumihiko Ike  
Fumihiko Ike  
Senior Managing Officer and Director  
Chief Financial Officer  
Honda Motor Co., Ltd.

Date: February 3, 2012

**Table of Contents**

**January 31, 2012**

**HONDA MOTOR CO., LTD. REPORTS**

**CONSOLIDATED FINANCIAL RESULTS**

**FOR THE FISCAL THIRD QUARTER AND**

**THE FISCAL NINE-MONTH PERIOD ENDED DECEMBER 31, 2011**

Tokyo, January 31, 2012 Honda Motor Co., Ltd. today announced its consolidated financial results for the fiscal third quarter and the fiscal nine month period ended December 31, 2011.

**Third Quarter Results**

Honda's consolidated net income attributable to Honda Motor Co., Ltd. for the fiscal third quarter ended December 31, 2011 totaled JPY 47.6 billion (USD 613 million), a decrease of 41.2% from the same period last year. Basic net income attributable to Honda Motor Co., Ltd. per common share for the quarter amounted to JPY 26.45 (USD 0.34), a decrease of JPY 18.56 (USD 0.24) from JPY 45.01 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 1,942.5 billion (USD 24,988 million), a decrease of 8.0% from the same period last year, due primarily to decreased revenue in the automobile business due to the supply chain disruption mainly caused by Thailand flood and the unfavorable foreign currency translation effects, despite increased revenue in the motorcycle business. Honda estimates that if calculated at the same exchange rate as the corresponding period last year, revenue for the quarter would have decreased by approximately 1.7%

Consolidated operating income for the quarter amounted to JPY 44.2 billion (USD 570 million), a decrease of 64.7% from the same period last year, due primarily to a decrease in sales volume and model mix, an increase in fixed costs per unit as production volume decreased, the impact of raw material price increases and the unfavorable foreign currency effect.

Consolidated income before income taxes and equity in income of affiliates for the quarter totaled JPY 58.4 billion (USD 752 million), a decrease of 55.5% from the same period last year.

Equity in income of affiliates amounted to JPY 22.9 billion (USD 295 million) for the quarter, a decrease of 47.3% from the corresponding period last year due mainly to declined income in affiliated companies in China due to decreased sales and production caused by supply-chain disruption after the Great East Japan Earthquake occurred on March 11, 2011 (the Earthquake).

## **Table of Contents**

### **Business Segment**

With respect to Honda's sales for the fiscal third quarter by business segment, motorcycle unit sales totaled 3,076 thousand units, an increase of 6.3% from the same period last year\* due mainly to increased unit sales in Asia and other regions including South America. Revenue from sales to external customers increased 0.2%, to JPY 302.5 billion (USD 3,892 million), from the same period last year, due mainly to increased unit sales, despite unfavorable foreign currency translation effects. Operating income totaled to JPY 25.8 billion (USD 333 million), a decrease of 11.2% from the same period last year, due primarily to increased SG&A expenses and unfavorable foreign currency effects, despite an increase in sales volume and model mix.

\* Of the net sales of Honda-brand motorcycle products that are manufactured and sold by overseas affiliates accounted for under the equity method, those with respect to which parts for manufacturing were not supplied from Honda or its subsidiaries are not included in net sales and other operating revenue, in conformity with U.S. generally accepted accounting principles. Accordingly, these unit sales are not included in the financial results. Sales of such products amounted to approximately 750 thousand units for the period.

Honda's automobile unit sales totaled 830 thousand units\*\*, a decrease of 2.9% from the same period last year due to decreased unit sales mainly in Asia primarily caused by the impact of the Thailand flood. Revenue from sales to external customers decreased 10.1%, to JPY 1,451.0 billion (USD 18,665 million), from the same period last year due mainly to a decrease in sales unit and unfavorable currency translation effects. Honda reported an operating loss of JPY 16.9 billion (USD 219 million), a decrease of JPY 85.3 billion (USD 1,098 million) from the same period last year, due primarily to a decrease in sales volume and model mix, the impact of raw material price increases, increased R&D expenses and unfavorable currency effects, despite decreased SG&A expenses.

\*\* Certain sales of automobiles that are financed with residual value type auto loans by our domestic finance subsidiaries are accounted for as operating leases in conformity with U.S. generally accepted accounting principles. As a result, they are not included in total sales of our automobile segment or in our measure of unit sales.

**Table of Contents**

Revenue from customers in the financial services business decreased 8.5%, to JPY 124.8 billion (USD 1,605 million) from the same period last year due mainly to the unfavorable foreign currency translation effects. Operating income decreased 15.7% to JPY 37.5 billion (USD 484 million) from the same period last year due mainly to the unfavorable foreign currency effects.

Honda's power product unit sales totaled 1,021 thousand units, a decrease of 11.8% from the same period last year due to decreased unit sales in all regions. Revenue from sales to external customers in power product and other businesses decreased 5.8%, to JPY 64.0 billion (USD 824 million), from the same period last year, due mainly to decreased unit sales in power products and the unfavorable currency translation effects. Honda reported an operating loss of JPY 2.1 billion (USD 28 million), a deterioration of JPY 0.1 billion from the same period last year due mainly to unfavorable foreign currency effects.

**Table of Contents**

*Geographical Information*

With respect to Honda's sales for the fiscal third quarter by geographic segment, in Japan, revenue from domestic and exports sales amounted to JPY 863.1 billion (USD 11,104 million), a decrease of 0.5% from the same period last year due mainly to decreased revenue in the automobile business mainly impacted by the supply-chain disruptions caused by the Thailand flood. Honda reported an operating loss of JPY 41.2 billion (USD 530 million), a decrease of JPY 55.8 billion (USD 718 million) from the same period last year due mainly to increased R&D expenses, the impact of raw material price increases and the unfavorable foreign currency effects, despite decreased SG&A expenses.

In North America, revenue decreased by 2.5%, to JPY 986.2 billion (USD 12,687 million), from the same period last year due mainly to unfavorable foreign currency translation effects, despite increased revenue in the automobile business. Operating income totaled JPY 74.8 billion (USD 963 million), a decrease of 16.5% from the same period last year due mainly to the impact of raw material price increases and unfavorable foreign currency effects.

In Europe, revenue decreased by 20.7%, to JPY 119.4 billion (USD 1,537 million), from the same period last year mainly due to decreased revenue in the automobile business impacted by Thailand flood and unfavorable foreign currency translation effects. Honda reported an operating loss of JPY 3.8 billion (USD 49 million), an improvement of JPY 5.6 billion (USD 72 million) from the same period last year mainly due to decreased SG&A expenses.

In Asia, revenue decreased by 28.7%, to JPY 317.6 billion (USD 4,086 million), from the same period last year as revenue from the automobile business decreased mainly impacted by Thailand flood and the unfavorable foreign currency translation effects, despite increased revenue in the motorcycle business. Operating income decreased by 62.7%, to JPY 13.3 billion (USD 172 million), from the same period last year due mainly to a decrease in sales volume and model mix, an increase in fixed costs per unit as production output has reduced and unfavorable foreign currency effects.

In Asia, in addition to subsidiaries, many affiliates accounted for under the equity method manufacture and sell Honda-brand products. Operating income does not include income from these affiliates. Income from these affiliates is recorded as equity in income of affiliates and reflected in net income. Accounting terms of some of the affiliates differ from the Company's.



**Table of Contents**

In Other regions including South America, the Middle East, Africa and Oceania, revenue decreased by 13.7%, to JPY 206.1 billion (USD 2,652 billion) from the same period last year as revenue from the automobile business decreased mainly impacted by Thailand flood and unfavorable foreign currency translation effects, despite increased revenue in the motorcycle business. Operating income totaled to JPY 12.5 billion (USD 161 million), a decrease of 20.2% from the same period last year mainly due to a decrease in sales volume and model mix and unfavorable foreign currency effects.

United States dollar amounts have been translated from yen solely for the convenience of the reader at the rate of JPY 77.74=U.S.\$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 December 31, 2011.

**Table of Contents**

**Nine Months Results**

Honda's consolidated net income attributable to Honda Motor Co., Ltd. for the fiscal nine months ended December 31, 2011 totaled JPY 139.8 billion, a decrease of 71.4% from the same period last year. Basic net income attributable to Honda Motor Co., Ltd. per common share for the fiscal nine months amounted to JPY 77.62, a decrease of JPY 193.20 from JPY 270.82 for the fiscal nine months in the previous fiscal year.

Consolidated revenue for the period amounted to JPY 5,543.0 billion, a decrease of 17.6% from the same period last year, primarily due to decreased revenue in the automobile business mainly led by decreased production attributable to the impact of the Earthquake and Thailand flood, and unfavorable foreign currency translation effects, despite increased revenue in the motorcycle business.

Consolidated operating income for the period totaled JPY 119.3 billion, a decrease of 77.2% from the same period last year, due primarily to a decrease in sales volume and model mix, increase in fixed costs as volume of production decrease, the impact of raw material price increases and unfavorable foreign currency effect, despite decreased SG&A expenses.

Consolidated income before income taxes and equity in income of affiliates for the period totaled JPY 164.3 billion, a decrease of 70.3% from the same period last year.

Equity in income of affiliates amounted to JPY 67.1 billion for the period, a decrease of 41.5% from the same period last year.

**Table of Contents**

**Business Segment**

With respect to Honda's sales for the fiscal nine months by business segment, unit sales of motorcycles totaled 9,103 thousand units, an increase of 7.0% from the same period last year\*, due mainly to increased unit sales in Asia and Other regions including South America. Revenue from sales to external customers increased 5.9%, to JPY 990.2 billion from the same period last year, primarily due to increased unit sales, despite unfavorable foreign currency translation effects. Operating income totaled to JPY 109.7 billion, an increase of 21.3% from the previous fiscal year, due primarily to an increase in sales volume and model mix, despite increased SG&A expenses and unfavorable foreign currency effects.

\* Of the net sales of Honda-brand motorcycle products that are manufactured and sold by overseas affiliates accounted for under the equity method, those with respect to which parts for manufacturing were not supplied from Honda or its subsidiaries are not included in net sales and other operating revenue, in conformity with U.S. generally accepted accounting principles. Accordingly, these unit sales are not included in the financial results. Sales of such products amounted to approximately 2,130 thousand units for the period.

Honda's unit sales of automobiles for the fiscal nine months totaled 2,149 thousand units, a decrease of 19.0% from the same period last year, due mainly to production disruptions in all regions resulting from the Earthquake and Thailand flood. Revenue from sales to external customers decreased 23.1%, to JPY 3,961.0 billion, from the same period last year\*\*, due mainly to decreased unit sales and unfavorable foreign currency translation effect. Honda reported an operating loss of JPY 122.3 billion, a decrease of JPY 426.0 billion from the same period last year, due primarily to a decrease in sales volume and model mix, increase in fixed costs as volume of production decrease, the impact of raw material price increases and unfavorable foreign currency effect, despite decreased SG&A expenses.

\*\* Certain sales of automobiles that are financed with residual value type auto loans by our domestic finance subsidiaries are accounted for as operating leases in conformity with U.S. generally accepted accounting principles. As a result, they are not included in total sales of our automobile segment or in our measure of unit sales.

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**Table of Contents**

Revenue from the financial services business to external customers decreased 9.4%, to JPY 387.1 billion, from the same period last year, primarily due to unfavorable foreign currency translation effects. Operating income decreased 8.6%, to JPY 134.0 billion, from the same period last year due mainly to unfavorable foreign currency effects, despite the decreased allowance for losses on both credit and lease residual values.

Honda's unit sales of power products totaled 3,809 thousand units, an increase of 1.2% from the same period last year due primarily to an increase in unit sales in Asia, Europe and Japan. Revenue from sales to external customers in power product and other businesses decreased by 3.8%, to JPY 204.6 billion from the same period last year, due mainly to unfavorable foreign currency translation effects, despite increased unit sales of power products. Honda reported an operating loss of JPY 2.0 billion, an improvement of JPY 1.1 billion from the same period last year due primarily to an increase in sales volume and model mix of power products.

**Geographical Information**

With respect to Honda's sales for the fiscal nine months by geographic segment, in Japan, revenue from domestic and export sales was JPY 2,293.9 billion, a decrease of 15.6% compared to the same period last year mainly due to decreased revenue in the automobile business mainly impacted by the Earthquake and Thailand flood. Honda reported an operating loss of JPY 122.4 billion, a decrease of JPY 210.3 billion from the same period last year, due mainly to a decrease in sales volume and model mix, increase in fixed costs per unit as production output has reduced mainly caused by the Earthquake and Thailand flood, and the unfavorable foreign currency effects, despite decreased SG&A expenses.

In North America, revenue decreased by 20.7%, to JPY 2,514.3 billion from the same period last year mainly due to decreased revenue in the automobile business primarily due to the impact of the Earthquake and Thailand flood, and unfavorable foreign currency translation effects. Operating income totaled JPY 141.0 billion, a decrease of 49.0% from the same period last year mainly due to a decrease in sales volume and model mix, increase in fixed cost per unit as production output has reduced, the impact of raw material price increases and unfavorable foreign currency effects, despite decreased SG&A expenses.

In Europe, revenue decreased by 17.3%, to JPY 414.9 billion from the same period last year mainly due to decreased revenue in the automobile business primarily due to the impact of the Earthquake and Thailand flood, and unfavorable foreign currency translation effects, despite increased revenue in the power product and other businesses. Honda reported an operating loss of JPY 13.9 billion a deterioration of JPY 5.4 billion from the same period last year due mainly to a decrease in sales volume and model mix and increase in fixed cost per unit as production output has reduced.

In Asia, revenue decreased by 19.7% to JPY 1,098.9 billion from the same period last year, as revenue from the automobile business decreased mainly due to decreased production impacted by the Earthquake and Thailand flood and the unfavorable foreign currency translation effects, despite increased revenue in the motorcycle business. Operating income decreased by 49.1%, to JPY 60.3 billion from the same period last year due mainly to a decrease in sales volume and model mix, an increase in fixed cost per unit as production output has reduced, the impact of raw material price increases and unfavorable foreign currency effects.

In Other Regions, revenue decreased by 5.2% to JPY 680.4 billion from the same period last year as revenue from the automobile business decreased mainly due to decreased production impacted by the Earthquake and Thailand flood and the unfavorable foreign

currency translation effects, despite increased revenue in the motorcycle business. Operating income totaled JPY 51.3 billion, a decrease of 9.0% from the same period last year mainly due to increased SG&A expenses, despite an increase in sales volume and model mix.

**Table of Contents**

**Consolidated Statements of Balance Sheets for the Fiscal Nine Months Ended December 31, 2011**

Total assets decreased JPY 688.5 billion, to JPY 10,882.2 billion from March 31, 2011, mainly due to a decrease in trade accounts and notes receivable and unfavorable foreign currency translation effects, despite an increase in property on operating leases. Total liabilities decreased by JPY 464.8 billion, to JPY 6,523.1 billion from March 31, 2011, mainly due to foreign currency translation effects. Total equity decreased JPY 223.7 billion, to JPY 4,359.1 billion from March 31, 2011 due mainly to foreign currency translation effects.

**Consolidated Statements of Cash Flows for the Fiscal Nine Months**

Consolidated cash and cash equivalents at December 31, 2011 decreased by JPY 136.3 billion from March 31, 2011, to JPY 1,142.7 billion. The reasons for the increases or decreases for each cash flow activity compared with the previous fiscal year are as follows.

**Cash flows from operating activities**

Net cash provided by operating activities amounted to JPY 507.9 billion of cash inflows for the fiscal nine months ended December 31, 2011. Cash inflows from operating activities decreased by JPY 257.6 billion compared with the same period of the previous fiscal year due mainly to a decrease in cash received from customers primarily caused by decreased unit sales in the automobile business, despite decreased payments for parts and raw materials primarily caused by a decrease in automobile production.

**Cash flows from investing activities**

Net cash used in investing activities amounted to JPY 457.5 billion of cash outflows. Cash outflows from investing activities decreased by JPY 157.7 billion compared with the same period of the previous fiscal year, due mainly to a decrease in payments for purchases of held-to-maturity securities, a decrease in acquisitions of finance subsidiaries-receivables and a decrease in purchase of operating lease assets, despite a decrease in collections of finance subsidiaries-receivables.

**Cash flows from financing activities**

Net cash used in financing activities amounted to JPY 95.0 billion of cash outflows. Cash outflows from financing activities increased by JPY 74.1 billion, compared with the same period of the previous fiscal year, due mainly to a decrease in proceeds from debts and an increase in dividends paid, despite a decrease in purchases of treasury stock.

**Table of Contents****Forecasts for the Fiscal Year Ending March 31, 2012**

In regard to the forecasts of the financial results for the fiscal year ending March 31, 2012, Honda projects consolidated results to be as shown below:

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 77 and JPY 97, respectively, for the fiscal fourth quarter of the year ending March 31, 2012, and JPY 78 and JPY 106, respectively, for the fiscal full year ending March 31, 2012.

Projected unit sales for the full year ending March 31, 2012 are shown below.

|                                    | Unit (thousands) | Changes from FY2011<br>(thousands) |
|------------------------------------|------------------|------------------------------------|
| Motorcycle business                | 12,660           | + 1,215                            |
| Automobile business                | 3,150            | - 362                              |
| Power product and Other Businesses | 5,850            | + 341                              |

**FY2012 Forecasts for Consolidated Results****Fiscal year ending March 31, 2012**

|   | Yen (billions) | Changes from FY 2011 |
|---|----------------|----------------------|
| Net sales and other operating revenue                         | 7,850          | - 12.2%              |
| Operating income  | 200            | - 64.9%              |
| Income before income taxes and equity in income of affiliates | 250            | - 60.4%              |
| Net income attributable to Honda Motor Co., Ltd.              | 215            | - 59.7%              |

|   | Yen    |
|---|--------|
| Basic net income attributable to Honda Motor Co., Ltd. per common share | 119.29 |

**Table of Contents**

The reasons for the increases or decreases for forecasts of the operating income, and income before income taxes and equity in income of affiliates for the fiscal year ending March 31, 2012 from the corresponding period last year are as follows.

|  | <b>Yen (billions)</b> |
|--|-----------------------|
| Revenue, model mix, etc., excluding currency effect  | - 171.2               |
| Cost reduction, the effect of raw material cost fluctuations, etc.                           | - 79.0                |
| SG&A expenses, excluding currency effect   | + 46.0                |
| R&D expenses   | - 37.5                |
| Currency effect  | - 128.0               |
| Operating income compared with fiscal year 2011  | - 369.7               |
| Fair value of derivative instruments   | 17.0                  |
| Others   | - 27.7                |
| Income before income taxes and equity in income of affiliates compared with fiscal year 2011 | - 380.5               |

**Dividend per Share of Common Stock**

The Board of Directors of Honda Motor Co., Ltd., at its meeting held on January 31, 2012, resolved to make the quarterly dividend JPY 15 per share of common stock, the record date of which is December 31, 2011. The total expected annual dividend per share of common stock for the fiscal year ending March 31, 2012, is JPY 60 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.

**Others****Accounting policies specifically applied for quarterly consolidated financial statements****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 nine months ended December 31, 2011. If a reliable estimate cannot be made, Honda utilizes the actual year-to-date effective tax rate.

**Table of Contents****Consolidated Financial Summary**

For the three months and nine months ended December 31, 2010 and 2011

**Financial Highlights**

|  | Yen (millions)                                      |  |   |   |
|--|---|--|---|---|
|  | Three months ended<br>Dec. 31,<br>2010<br>unaudited | Three months Ended<br>Dec. 31, 2011<br>unaudited | Nine months ended<br>Dec. 31, 2010<br>unaudited | Nine months ended<br>Dec. 31, 2011<br>unaudited |
| Net sales and other operating revenue                                  | 2,110,414   | 1,942,545  | 6,723,788                                       | 5,543,033                                       |
| Operating income   | 125,653   | 44,298   | 523,569   | 119,388   |
| Income before income taxes and equity in income of affiliates          | 131,580   | 58,492   | 553,933   | 164,346   |
| Net income attributable to Honda Motor Co., Ltd.                       | 81,118  | 47,662   | 489,534   | 139,888   |
|  | Yen   |  |   |   |
| Basic net income attributable to Honda Motor Co., Ltd per common share | 45.01   | 26.45  | 270.82  | 77.62   |
|  | U.S. Dollar (millions)                              |  |   |   |
|  |   | Three months ended<br>Dec. 31, 2011<br>unaudited |   | Nine months ended<br>Dec. 31, 2011<br>unaudited |
| Net sales and other operating revenue                                  |   | 24,988   |   | 71,302  |
| Operating income   |   | 570  |   | 1,536   |
| Income before income taxes and equity in income of affiliates          |   | 752  |   | 2,114   |
| Net income attributable to Honda Motor Co., Ltd.                       |   | 613  |   | 1,799   |
|  |   | U.S. Dollar                                      |   |   |
| Basic net income attributable to Honda Motor Co., Ltd per common share |   | 0.34   |   | 1.00  |



**Table of Contents****[1] Consolidated Balance Sheets**

|  | Yen (millions)           |                            |
|--|--------------------------|----------------------------|
|  | Mar. 31, 2011<br>audited | Dec. 31, 2011<br>unaudited |
| <b>Assets</b>                                  |                          |                            |
| <b>Current assets:</b>                         |                          |                            |
| Cash and cash equivalents                      | 1,279,024                | 1,142,719                  |
| Trade accounts and notes receivable            | 787,691                  | 605,522                    |
| Finance subsidiaries-receivables, net          | 1,131,068                | 1,048,114                  |
| Inventories                                    | 899,813                  | 882,931                    |
| Deferred income taxes                          | 202,291                  | 194,277                    |
| Other current assets                           | 390,160                  | 335,796                    |
| <b>Total current assets</b>                    | <b>4,690,047</b>         | <b>4,209,359</b>           |
| <b>Finance subsidiaries-receivables, net</b>   | <b>2,348,913</b>         | <b>2,234,563</b>           |
| <b>Investments and advances:</b>               |                          |                            |
| Investments in and advances to affiliates      | 440,026                  | 456,666                    |
| Other, including marketable equity securities  | 199,906                  | 155,924                    |
| <b>Total investments and advances</b>          | <b>639,932</b>           | <b>612,590</b>             |
| <b>Property on operating leases:</b>           |                          |                            |
| Vehicles                                       | 1,645,517                | 1,630,150                  |
| Less accumulated depreciation                  | 287,885                  | 277,034                    |
| <b>Net property on operating leases</b>        | <b>1,357,632</b>         | <b>1,353,116</b>           |
| <b>Property, plant and equipment, at cost:</b> |                          |                            |
| Land   | 483,654                  | 477,697                    |
| Buildings                                      | 1,473,067                | 1,442,417                  |
| Machinery and equipment                        | 3,166,353                | 3,089,143                  |
| Construction in progress                       | 202,186                  | 207,583                    |
|  | 5,325,260                | 5,216,840                  |
| Less accumulated depreciation and amortization | 3,385,904                | 3,369,151                  |
| <b>Net property, plant and equipment</b>       | <b>1,939,356</b>         | <b>1,847,689</b>           |
| <b>Other assets</b>                            | <b>594,994</b>           | <b>624,979</b>             |
| <b>Total assets</b>                            | <b>11,570,874</b>        | <b>10,882,296</b>          |

**Table of Contents****[1] Consolidated Balance Sheets continued**

|   | Yen (millions)           |                            |
|---|--------------------------|----------------------------|
|   | Mar. 31, 2011<br>audited | Dec. 31, 2011<br>unaudited |
| <b>Liabilities and Equity</b>   |                          |                            |
| <b>Current liabilities:</b>   |                          |                            |
| Short-term debt   | 1,094,740                | 1,019,866                  |
| Current portion of long-term debt   | 962,455                  | 966,466                    |
| Trade payables:   |                          |                            |
| Notes   | 25,216                   | 24,190                     |
| Accounts  | 691,520                  | 653,315                    |
| Accrued expenses  | 525,540                  | 430,591                    |
| Income taxes payable  | 31,960                   | 22,992                     |
| Other current liabilities   | 236,761                  | 196,218                    |
| <b>Total current liabilities</b>  | <b>3,568,192</b>         | <b>3,313,638</b>           |
| <b>Long-term debt, excluding current portion</b>  | <b>2,043,240</b>         | <b>1,849,536</b>           |
| <b>Other liabilities</b>  | <b>1,376,530</b>         | <b>1,359,954</b>           |
| <b>Total liabilities</b>  | <b>6,987,962</b>         | <b>6,523,128</b>           |
| <b>Equity:</b>  |                          |                            |
| <b>Honda Motor Co., Ltd. shareholders equity:</b>   |                          |                            |
| Common stock, authorized 7,086,000,000 shares; issued 1,811,428,430 shares on Mar. 31, 2011 and 1,811,428,430 shares on Dec. 31, 2011 | 86,067                   | 86,067                     |
| Capital surplus   | 172,529                  | 172,529                    |
| Legal reserves  | 46,330                   | 46,843                     |
| Retained earnings   | 5,666,539                | 5,724,811                  |
| Accumulated other comprehensive income (loss), net  | (1,495,380)              | (1,758,752)                |
| Treasury stock, at cost 9,126,716 shares on Mar. 31, 2011 and 9,128,231 shares on Dec. 31, 2011                                       | (26,110)                 | (26,115)                   |
| <b>Total Honda Motor Co., Ltd. shareholders equity</b>  | <b>4,449,975</b>         | <b>4,245,383</b>           |
| <b>Noncontrolling interests</b>   | <b>132,937</b>           | <b>113,785</b>             |
| <b>Total equity</b>   | <b>4,582,912</b>         | <b>4,359,168</b>           |
| <b>Commitments and contingent liabilities</b>   |                          |                            |
| <b>Total liabilities and equity</b>   | <b>11,570,874</b>        | <b>10,882,296</b>          |

**Table of Contents****[2] Consolidated Statements of Income**

(A) For the three months ended December 31, 2010 and 2011

|  | Yen (millions)                                      |  |
|--|---|--|
|  | Three months ended<br>Dec. 31,<br>2010<br>unaudited | Three months ended<br>Dec. 31, 2011<br>unaudited |
| <b>Net sales and other operating revenue</b>                                   | 2,110,414   | 1,942,545  |
| <b>Operating costs and expenses:</b>   |   |  |
| Cost of sales  | 1,517,648   | 1,446,474  |
| Selling, general and administrative  | 343,003   | 317,354  |
| Research and development   | 124,110   | 134,419  |
|  | 1,984,761   | 1,898,247  |
| <b>Operating income</b>  | 125,653   | 44,298   |
| <b>Other income (expenses):</b>  |   |  |
| Interest income  | 6,069   | 8,775  |
| Interest expense   | (2,017)   | (2,445)  |
| Other, net   | 1,875   | 7,864  |
|  | 5,927   | 14,194   |
| <b>Income before income taxes and equity in income of affiliates</b>           | 131,580   | 58,492   |
| <b>Income tax expense:</b>   |   |  |
| Current  | 19,575  | (904)  |
| Deferred   | 67,461  | 34,151   |
|  | 87,036  | 33,247   |
| <b>Income before equity in income of affiliates</b>                            | 44,544  | 25,245   |
| <b>Equity in income of affiliates</b>  | 43,443  | 22,911   |
| <b>Net income</b>  | 87,987  | 48,156   |
| <b>Less: Net income attributable to noncontrolling interests</b>               | 6,869   | 494  |
| <b>Net income attributable to Honda Motor Co., Ltd.</b>                        | 81,118  | 47,662   |
|  |   | Yen  |
| <b>Basic net income attributable to Honda Motor Co., Ltd. per common share</b> | 45.01   | 26.45  |

**Table of Contents**

(B) For the nine months ended December 31, 2010 and 2011

|  | Yen (millions)                                     |   |
|--|--|---|
|  | Nine months ended<br>Dec. 31,<br>2010<br>unaudited | Nine months ended<br>Dec. 31, 2011<br>unaudited |
| <b>Net sales and other operating revenue</b>                                   | 6,723,788  | 5,543,033                                       |
| <b>Operating costs and expenses:</b>   |  |   |
| Cost of sales  | 4,849,409  | 4,141,925                                       |
| Selling, general and administrative  | 987,045  | 909,418   |
| Research and development   | 363,765  | 372,302   |
|  | 6,200,219  | 5,423,645                                       |
| <b>Operating income</b>  | 523,569  | 119,388   |
| <b>Other income (expenses):</b>  |  |   |
| Interest income  | 16,836   | 25,119  |
| Interest expense   | (6,264)  | (7,509)   |
| Other, net   | 19,792   | 27,348  |
|  | 30,364   | 44,958  |
| <b>Income before income taxes and equity in income of affiliates</b>           | 553,933  | 164,346   |
| <b>Income tax expense:</b>   |  |   |
| Current  | 40,511   | 57,346  |
| Deferred   | 117,165  | 29,451  |
|  | 157,676  | 86,797  |
| <b>Income before equity in income of affiliates</b>                            | 396,257  | 77,549  |
| <b>Equity in income of affiliates</b>  | 114,742  | 67,111  |
| <b>Net income</b>  | 510,999  | 144,660   |
| <b>Less: Net income attributable to noncontrolling interests</b>               | 21,465   | 4,772   |
| <b>Net income attributable to Honda Motor Co., Ltd.</b>                        | 489,534  | 139,888   |
|  |  | Yen   |
| <b>Basic net income attributable to Honda Motor Co., Ltd. per common share</b> | 270.82   | 77.62   |

**Table of Contents****[3] Consolidated Statements of Cash Flows**

|  | Yen (millions)                |                            |
|--|-------------------------------|----------------------------|
|  | Nine months ended             | Nine months ended          |
|  | Dec. 31,<br>2010<br>unaudited | Dec. 31, 2011<br>unaudited |
| <b>Cash flows from operating activities:</b>   |                               |                            |
| Net income   | 510,999                       | 144,660                    |
| Adjustments to reconcile net income to net cash provided by operating activities:                    |                               |                            |
| Depreciation excluding property on operating leases  | 262,251                       | 228,448                    |
| Depreciation of property on operating leases   | 160,036                       | 154,054                    |
| Deferred income taxes  | 117,165                       | 29,451                     |
| Equity in income of affiliates   | (114,742)                     | (67,111)                   |
| Dividends from affiliates  | 44,156                        | 47,261                     |
| Provision for credit and lease residual losses on finance subsidiaries-receivables                   | 11,328                        | 7,905                      |
| Impairment loss on investments in securities   | 673                           | 501                        |
| Damaged and Impairment loss on long-lived assets and goodwill excluding property on operating leases | 534                           | 7,654                      |
| Loss (gain) on derivative instruments, net   | (26,644)                      | (27,380)                   |
| Decrease (increase) in assets:   |                               |                            |
| Trade accounts and notes receivable  | 73,716                        | 123,712                    |
| Inventories  | (93,519)                      | (45,264)                   |
| Other current assets   | 18,408                        | 57,835                     |
| Other assets   | (9,105)                       | (11,115)                   |
| Increase (decrease) in liabilities:  |                               |                            |
| Trade accounts and notes payable   | (61,340)                      | 14,023                     |
| Accrued expenses   | (28,242)                      | (58,769)                   |
| Income taxes payable   | 10,226                        | (8,027)                    |
| Other current liabilities  | (3,940)                       | (28,872)                   |
| Other liabilities  | (81,850)                      | (22,696)                   |
| Other, net   | (24,480)                      | (38,309)                   |
| <b>Net cash provided by operating activities</b>   | <b>765,630</b>                | <b>507,961</b>             |
| <b>Cash flows from investing activities:</b>   |                               |                            |
| Increase in investments and advances   | (7,432)                       | (18,363)                   |
| Decrease in investments and advances   | 10,759                        | 10,458                     |
| Payments for purchases of available-for-sale securities  | (199)                         |                            |
| Proceeds from sales of available-for-sale securities   | 2,319                         |                            |
| Payments for purchases of held-to-maturity securities  | (164,145)                     | (14,624)                   |
| Proceeds from redemptions of held-to-maturity securities   | 79,517                        | 45,827                     |
| Capital expenditures   | (204,193)                     | (240,522)                  |
| Proceeds from sales of property, plant and equipment   | 18,311                        | 21,921                     |
| Proceeds from insurance recoveries for damaged property, plant and equipment                         |                               | 4,944                      |
| Acquisitions of finance subsidiaries-receivables   | (1,629,600)                   | (1,546,337)                |
| Collections of finance subsidiaries-receivables  | 1,567,415                     | 1,504,989                  |
| Purchases of operating lease assets  | (586,391)                     | (498,380)                  |
| Proceeds from sales of operating lease assets  | 298,308                       | 272,504                    |
| <b>Net cash used in investing activities</b>   | <b>(615,331)</b>              | <b>(457,583)</b>           |

**Table of Contents****[3] Consolidated Statements of Cash Flows continued**

|   | Yen (millions)                                     |   |
|---|--|---|
|   | Nine months ended<br>Dec. 31,<br>2010<br>unaudited | Nine months ended<br>Dec. 31, 2011<br>unaudited |
| <b>Cash flows from financing activities:</b>                        |  |   |
| Increase (decrease) in short-term debt, net                         | 127,340  | 5,008   |
| Proceeds from long-term debt  | 579,844  | 707,736   |
| Repayment of long-term debt   | (612,441)  | (711,590)                                       |
| Dividends paid  | (65,136)   | (81,103)  |
| Dividends paid to noncontrolling interests                          | (15,641)   | (15,060)  |
| Sales (purchases) of treasury stock, net                            | (34,794)   | (5)   |
| <b>Net cash provided by (used in) financing activities</b>          | <b>(20,828)</b>                                    | <b>(95,014)</b>                                 |
| <b>Effect of exchange rate changes on cash and cash equivalents</b> | <b>(90,704)</b>                                    | <b>(91,669)</b>                                 |
| <b>Net change in cash and cash equivalents</b>                      | <b>38,767</b>                                      | <b>(136,305)</b>                                |
| <b>Cash and cash equivalents at beginning of the year</b>           | <b>1,119,902</b>                                   | <b>1,279,024</b>                                |
| <b>Cash and cash equivalents at end of the period</b>               | <b>1,158,669</b>                                   | <b>1,142,719</b>                                |

**Table of Contents**

**[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: the Motorcycle business, the Automobile business, the Financial services business and the 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 management 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) For the three months ended December 31, 2010

|  | Yen (millions)      |                     |                             |                                  |               |                   |                   |              |
|--|---------------------|---------------------|-----------------------------|----------------------------------|---------------|-------------------|-------------------|--------------|
|  | Motorcycle Business | Automobile Business | Financial Services Business | Power Product & Other Businesses | Segment Total | Reconciling Items | Other Adjustments | Consolidated |
| Net sales and other operating revenue: |                     |                     |                             |                                  |               |                   |                   |              |
| External customers                     | 301,996             | 1,613,841           | 136,442                     | 68,023                           | 2,120,302     |                   | (9,888)           | 2,110,414    |
| Intersegment                           |                     | 2,087               | 2,854                       | 4,164                            | 9,105         | (9,105)           |                   |              |
| Total                                  | 301,996             | 1,615,928           | 139,296                     | 72,187                           | 2,129,407     | (9,105)           | (9,888)           | 2,110,414    |
| Segment income (loss)                  | 29,132              | 68,400              | 44,603                      | (2,079)                          | 140,056       |                   | (14,403)          | 125,653      |

**For the three months ended December 31, 2011**

Yen (millions)

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|  | <b>Motorcycle<br/>Business</b> | <b>Automobile<br/>Business</b> | <b>Financial<br/>Services<br/>Business</b> | <b>Power Product<br/>&amp; Other<br/>Businesses</b> | <b>Segment<br/>Total</b> | <b>Reconciling<br/>Items</b> | <b>Other<br/>Adjustments</b> | <b>Consolidated</b> |
|--|--------------------------------|--------------------------------|--|---|--------------------------|------------------------------|------------------------------|---------------------|
| Net sales and other operating revenue: |                                |                                |  |   |                          |                              |                              |                     |
| External customers                     | <b>302,590</b>                 | <b>1,451,054</b>               | <b>124,806</b>                             | <b>64,095</b>                                       | <b>1,942,545</b>         |                              |                              | <b>1,942,545</b>    |
| Intersegment                           |                                | <b>4,578</b>                   | <b>2,760</b>                               | <b>3,951</b>  | <b>11,289</b>            | <b>(11,289)</b>              |                              |                     |
| Total                                  | <b>302,590</b>                 | <b>1,455,632</b>               | <b>127,566</b>                             | <b>68,046</b>                                       | <b>1,953,834</b>         | <b>(11,289)</b>              |                              | <b>1,942,545</b>    |
| Segment income (loss)                  | <b>25,866</b>                  | <b>(16,997)</b>                | <b>37,597</b>                              | <b>(2,168)</b>                                      | <b>44,298</b>            |                              |                              | <b>44,298</b>       |

- 19 -



**Table of Contents**

(B) As of and for the nine months ended December 31, 2010

|  | Yen (millions)         |                        |                                   |  |                  |                      |                      |              |
|--|------------------------|------------------------|-----------------------------------|--|------------------|----------------------|----------------------|--------------|
|  | Motorcycle<br>Business | Automobile<br>Business | Financial<br>Services<br>Business | Power Product<br>& Other<br>Businesses | Segment<br>Total | Reconciling<br>Items | Other<br>Adjustments | Consolidated |
| Net sales and other operating revenue: |                        |                        |                                   |  |                  |                      |                      |              |
| External customers                     | 935,082                | 5,148,743              | 427,346                           | 212,617                                | 6,723,788        |                      |                      | 6,723,788    |
| Intersegment                           |                        | 5,135                  | 8,759                             | 12,086                                 | 25,980           | (25,980)             |                      |              |
| Total                                  | 935,082                | 5,153,878              | 436,105                           | 224,703                                | 6,749,768        | (25,980)             |                      | 6,723,788    |
| Segment income (loss)                  | 90,460                 | 303,727                | 146,672                           | (3,167)                                | 537,692          |                      | (14,123)             | 523,569      |
| Assets                                 | 944,662                | 4,764,066              | 5,427,253                         | 283,030                                | 11,419,011       | (159,399)            |                      | 11,259,612   |
| Depreciation and amortization          | 30,542                 | 221,922                | 161,287                           | 8,536                                  | 422,287          |                      |                      | 422,287      |
| Capital expenditures                   | 21,086                 | 171,191                | 587,981                           | 7,198                                  | 787,456          |                      |                      | 787,456      |

**As of and for the nine months ended December 31, 2011**

|  | Yen (millions)         |                        |                                   |  |                  |                      |                      |              |
|--|------------------------|------------------------|-----------------------------------|--|------------------|----------------------|----------------------|--------------|
|  | Motorcycle<br>Business | Automobile<br>Business | Financial<br>Services<br>Business | Power Product<br>& Other<br>Businesses | Segment<br>Total | Reconciling<br>Items | Other<br>Adjustments | Consolidated |
| Net sales and other operating revenue: |                        |                        |                                   |  |                  |                      |                      |              |
| External customers                     | 990,287                | 3,961,018              | 387,127                           | 204,601                                | 5,543,033        |                      |                      | 5,543,033    |
| Intersegment                           |                        | 10,587                 | 8,231                             | 9,516                                  | 28,334           | (28,334)             |                      |              |
| Total                                  | 990,287                | 3,971,605              | 395,358                           | 214,117                                | 5,571,367        | (28,334)             |                      | 5,543,033    |
| Segment income (loss)                  | 109,733                | (122,366)              | 134,043                           | (2,022)                                | 119,388          |                      |                      | 119,388      |
| Assets                                 | 965,325                | 4,448,203              | 5,290,548                         | 292,342                                | 10,996,418       | (114,122)            |                      | 10,882,296   |
| Depreciation and amortization          | 29,914                 | 190,295                | 155,165                           | 7,128                                  | 382,502          |                      |                      | 382,502      |
| Capital expenditures                   | 39,447                 | 203,771                | 500,553                           | 6,012                                  | 749,783          |                      |                      | 749,783      |

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 393,266 million as of December 31, 2010 and JPY 371,004 million as of December 31, 2011 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.

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Depreciation and amortization of Financial Services Business include JPY 160,036 million for the nine months ended December 31, 2010 and JPY 154,054 million for the nine months ended December 31, 2011, respectively, of depreciation of property on operating leases.

4. Capital expenditure of Financial Services Business includes JPY 586,391 million for the nine months ended December 31, 2010 and JPY 498,380 million for the nine months ended December 31, 2011 respectively, of purchase of operating lease assets.
5. For further information on Other Adjustments, refer to [8] Other 1. Out-of-period adjustments . The amount of out-of-period adjustments are not used by the chief operating decision maker in deciding how to allocate resources and in assessing the Company s operating performance. Therefore, the adjustments are not included in Power Product and Other Businesses but as Other Adjustments for the three months and nine months ended December 31, 2010.
6. The amounts of Net sales and other operating revenue Intersegment for the three months and nine months ended December 31, 2010 have been corrected from the amounts previously disclosed.

- 20 -

**Table of Contents**

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) For the three months ended December 31, 2010

|  | Japan   | North America | Europe  | Asia    | Yen (millions)<br>Other Regions | Total     | Reconciling Items | Other Adjustments | Consolidated |
|--|---------|---------------|---------|---------|---------------------------------|-----------|-------------------|-------------------|--------------|
| Net sales and other operating revenue: |         |               |         |         |                                 |           |                   |                   |              |
| External customers                     | 404,219 | 964,492       | 132,514 | 387,477 | 231,600                         | 2,120,302 |                   | (9,888)           | 2,110,414    |
| Transfers between geographic areas     | 463,331 | 47,319        | 18,226  | 58,044  | 7,291                           | 594,211   | (594,211)         |                   |              |
| Total                                  | 867,550 | 1,011,811     | 150,740 | 445,521 | 238,891                         | 2,714,513 | (594,211)         | (9,888)           | 2,110,414    |
| Operating income (loss)                | 14,633  | 89,698        | (9,436) | 35,780  | 15,690                          | 146,365   | (6,309)           | (14,403)          | 125,653      |

For the three months ended December 31, 2011

|  | Japan    | North America | Europe  | Asia    | Yen (millions)<br>Other Regions | Total     | Reconciling Items | Other Adjustments | Consolidated |
|--|----------|---------------|---------|---------|---------------------------------|-----------|-------------------|-------------------|--------------|
| Net sales and other operating revenue: |          |               |         |         |                                 |           |                   |                   |              |
| External customers                     | 434,749  | 928,336       | 105,229 | 269,470 | 204,761                         | 1,942,545 |                   |                   | 1,942,545    |
| Transfers between geographic areas     | 428,450  | 57,956        | 14,233  | 48,210  | 1,373                           | 550,222   | (550,222)         |                   |              |
| Total                                  | 863,199  | 986,292       | 119,462 | 317,680 | 206,134                         | 2,492,767 | (550,222)         |                   | 1,942,545    |
| Operating income (loss)                | (41,219) | 74,865        | (3,801) | 13,350  | 12,525                          | 55,720    | (11,422)          |                   | 44,298       |

**Table of Contents**

(B) As of and for the nine months ended December 31, 2010

|  | Japan     | North America | Europe  | Asia      | Yen (millions)<br>Other Regions | Total      | Reconciling Items | Other Adjustments | Consolidated |
|--|-----------|---------------|---------|-----------|---------------------------------|------------|-------------------|-------------------|--------------|
| Net sales and other operating revenue: |           |               |         |           |                                 |            |                   |                   |              |
| External customers                     | 1,377,539 | 3,017,225     | 447,418 | 1,189,687 | 691,919                         | 6,723,788  |                   |                   | 6,723,788    |
| Transfers between geographic areas     | 1,339,789 | 154,054       | 54,521  | 179,068   | 25,858                          | 1,753,290  | (1,753,290)       |                   |              |
| Total                                  | 2,717,328 | 3,171,279     | 501,939 | 1,368,755 | 717,777                         | 8,477,078  | (1,753,290)       |                   | 6,723,788    |
| Operating income (loss)                | 87,919    | 276,364       | (8,438) | 118,530   | 56,389                          | 530,764    | 6,928             | (14,123)          | 523,569      |
| Assets                                 | 2,895,405 | 6,025,463     | 492,882 | 1,046,431 | 663,111                         | 11,123,292 | 136,320           |                   | 11,259,612   |
| Long-lived assets                      | 1,059,010 | 1,744,305     | 97,808  | 219,810   | 146,464                         | 3,267,397  |                   |                   | 3,267,397    |

**As of and for the nine months ended December 31, 2011**

|  | Japan     | North America | Europe   | Asia      | Yen (millions)<br>Other Regions | Total      | Reconciling Items | Other Adjustments | Consolidated |
|--|-----------|---------------|----------|-----------|---------------------------------|------------|-------------------|-------------------|--------------|
| Net sales and other operating revenue: |           |               |          |           |                                 |            |                   |                   |              |
| External customers                     | 1,188,657 | 2,366,920     | 370,471  | 945,363   | 671,622                         | 5,543,033  |                   |                   | 5,543,033    |
| Transfers between geographic areas     | 1,105,253 | 147,445       | 44,461   | 153,553   | 8,822                           | 1,459,534  | (1,459,534)       |                   |              |
| Total                                  | 2,293,910 | 2,514,365     | 414,932  | 1,098,916 | 680,444                         | 7,002,567  | (1,459,534)       |                   | 5,543,033    |
| Operating income (loss)                | (122,422) | 141,083       | (13,934) | 60,326    | 51,333                          | 116,386    | 3,002             |                   | 119,388      |
| Assets                                 | 2,956,920 | 5,809,611     | 437,391  | 938,207   | 601,543                         | 10,743,672 | 138,624           |                   | 10,882,296   |
| Long-lived assets                      | 1,035,861 | 1,805,658     | 97,691   | 218,844   | 126,558                         | 3,284,612  |                   |                   | 3,284,612    |

Explanatory notes:

1. Major countries or regions in each geographic area:

|               |   |
|---------------|---|
| North America | United States, Canada, Mexico                   |
| Europe        | United Kingdom, Germany, France, Italy, Belgium |
| Asia          | Thailand, Indonesia, China, India, Vietnam      |
| Other Regions | Brazil, Australia                               |

2. Sales and revenues between geographic areas are generally made at values that approximate arm's-length prices.

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3. Unallocated corporate assets, included in reconciling items, amounted to JPY 393,266 million as of December 31, 2010 and JPY 371,004 million as of December 31, 2011 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.
4. For further information on Other Adjustments, refer to [8] Other 1.Out-of-period adjustments . The adjustments are not included in Japan but as Other Adjustments for the three months and nine months periods ended December 31, 2010.

- 22 -

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**Table of Contents**

**[7] Income Taxes**

On November 30, 2011, the National Diet of Japan approved the laws for amendments to previous income tax laws.

Upon the change in the laws, the statutory income tax rate in Japan will be changed to approximately 38% for fiscal years beginning on or after April 1, 2012, and to approximately 35% for fiscal years beginning on or after April 1, 2015. Thus, the Company and its Japanese consolidated subsidiaries measured deferred tax assets and liabilities based on the tax rates to be applied in the fiscal years in which temporary differences are expected to be recovered or settled.

As a result, net of deferred tax assets decreased JPY 16,072 million as of December 31, 2011, and income tax expenses increased JPY 16,072 million for the three months and nine months ended December 31, 2011.

Due primarily to the impact of this tax rate change, the effective tax rates of Honda for the three months and nine months ended December 31, 2011 differ from Japanese (or the Company's) statutory income tax rate, which is 40% for the fiscal year ending March 31, 2012.

**[8] Other**

1. Out-of-period adjustments

During the three months ended December 31, 2010, certain overstatements were found in trade accounts and notes receivable, inventories, net sales and other operating revenue, and cost of sales in previously issued consolidated financial statements, pertaining to the Company's inventory management trading activities at a domestic subsidiary. This domestic subsidiary temporarily purchases sea food products from seafood companies with the promise that they will buy back such products after certain period, in order to bridge the gap between the purchasing period (the fishing season) and the sales period for sea food products. In the Company's consolidated statements of income for the three months ended December 31, 2010, the Company adjusted net sales and other operating revenue amounted to JPY 9,888 million and operating income amounted to JPY 280 million overstated in the Company's consolidated statements of income for the six months ended September 30, 2010, in conjunction with the related cumulative loss amounted to JPY 14,123 million as of March 31, 2010. As a result, operating income for the three months and nine months ended December 31, 2010, decreased by JPY 14,403 million and 14,123 million, respectively. Honda believes that these adjustments are immaterial to the Company's consolidated financial statements or results of operations in prior periods.

2. Impact on the Company's consolidated financial position or results of operations of the flood in Thailand.

Since October 2011, Thailand suffered from severe floods, which caused damage to inventories, and machineries and equipments of certain consolidated subsidiaries and affiliates of the Company. Accordingly, production activities in plant facilities at Honda and its affiliates have been affected by floods.

As a result, Honda recognized JPY 17,348 million of costs and expenses, of which JPY 9,387 million is included in cost of sales and JPY 7,961 million is included in selling, general and administrative expenses in the accompanying consolidated statement of income for the period ended December 31, 2011. These costs and expenses mainly consist of loss on inventories of JPY 7,330 million which are included in cost of sales, and loss on damaged property, plant and equipment of JPY 7,654 million which is included in selling, general and administrative expenses.

In addition, Honda recognized insurance recoveries of JPY 11,838 million which is included in selling, general and administrative expenses in the accompanying consolidated statement of income for the period ended December 31, 2011. The recognized insurance recovery is limited to the amount of the related incurred losses and Honda will recognize insurance recoveries in excess of the incurred losses when final settlements with insurance companies are reached.

**Table of Contents**

[Translation]

January 31, 2012

To: Shareholders of Honda Motor Co., Ltd.

From: Honda Motor Co., Ltd.

1-1, Minami-Aoyama 2-chome,

Minato-ku, Tokyo, 107-8556

Takanobu Ito

President and Representative Director

**Notice Concerning Revision of Forecasts for****Consolidated and Unconsolidated Financial Results of the Fiscal Year Ending March 31, 2012**

Honda Motor Co., Ltd. (the Company) revised its forecasts for consolidated and unconsolidated financial results of the fiscal year ending March 31, 2012 that had been revised as not determined on October 31, 2011.

**Consolidated Financial Results**

(Millions of Yen, except Basic net income attributable to Honda Motor Co., Ltd. per common share)

|   | Net sales and<br>other operating<br>revenue | Operating<br>income | Income before<br>income taxes<br>and equity in<br>income of<br>affiliates | Net income<br>attributable to<br>Honda<br>Motor<br>Co., Ltd. | Basic net<br>income<br>attributable to<br>Honda<br>Motor<br>Co., Ltd. per<br>common share<br>(Yen) |
|---|---|---------------------|---|--|--|
| Forecast previously announced on October 31, 2011 (A) |   |                     |   |  |  |
| Forecast revised on January 31, 2012 (B)              | 7,850,000                                   | 200,000             | 250,000   | 215,000  | 119.29   |
| Change (B-A)  |   |                     |   |  |  |
| Percentage change (%)<br>(Reference)                  |   |                     |   |  |  |
| Results of the fiscal year ended March 31, 2011       | 8,936,867                                   | 569,775             | 630,548   | 534,088  | 295.67   |

**Unconsolidated Financial Results**

(Millions of Yen, except Net income per common share)

|   | Net sales | Operating<br>income | Ordinary income | Net income | Net income per<br>common<br>share<br>(Yen) |
|---|-----------|---------------------|-----------------|------------|--|
| Forecast previously announced on October 31, 2011 (A) |           |                     |                 |            |  |

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|   |           |           |         |        |       |
|---|-----------|-----------|---------|--------|-------|
| Forecast revised on January 31, 2012 (B)        | 2,760,000 | (150,000) | 35,000  | 50,000 | 27.74 |
| Change (B-A)                                    |           |           |         |        |       |
| Percentage change (%)<br>(Reference)            |           |           |         |        |       |
| Results of the fiscal year ended March 31, 2011 | 2,915,416 | 13,994    | 229,769 | 86,657 | 47.97 |
| <u>Reason for Revision of Forecasts</u>         |           |           |         |        |       |

The Company previously announced that the forecasts for the consolidated and unconsolidated financial results for the fiscal year ending March 31, 2012 had been revised as not determined due to the impact of flood damage in Thailand. However, as it has become possible to make a reasonable estimation based on information available at the current time, the Company hereby announces its forecasts for the consolidated and unconsolidated financial results for the fiscal year ending March 31, 2012, as above.

\* These forward-looking statements of Honda 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.



**Table of Contents**

[Translation]

January 31, 2012

To: Shareholders of Honda Motor Co., Ltd.

From: HondaMotor Co., Ltd.  
1-1, Minami-Aoyama 2-chome,  
Minato-ku, Tokyo, 107-8556  
Takanobu Ito  
President and Representative Director

**Ninth Notice Concerning Impact of Thai Floods**

Honda Motor Co., Ltd. (the Company) today announced an update on the current status of Honda Automobile (Thailand) Co., Ltd. (headquarter at Rojana Industrial Park, Ayutthaya Province, Thailand), Honda's Thai automobile production facility which suffered flood damage, as well as Honda's group companies in Asian countries in the vicinity.

1. Thai Automobile Production Facilities

The plant of Honda Automobile (Thailand) Co., Ltd. has suspended operations since October 4, 2011, but water removal work begun at the end of November has been completed, and currently restoration of the plant building and manufacturing equipment is being carried out and it is scheduled to resume production at the end of March.

2. Production in Asian Countries in the Vicinity of Thailand

Production facilities in Asian countries in the vicinity of Thailand, which have been suspending production or carrying out production adjustment due to the impact of disruptions to parts supply from Thailand, are gradually resuming production activities, and the outlook is for all such production facilities to return to normal levels of production by April.

3. Future Measures

In addition to periodically performing fixed point observations of the waterline, Honda will coordinate with Rojana Industrial Park and plans to implement measures such as installing bulkheads along the plant periphery. Together with this, Honda may also make requests for flood risk mitigation and other necessary measures to the Thai government and Rojana Industrial Park.

In addition, based on this experience, Honda will also make efforts towards risk mitigation by coordinating with suppliers in regards to the supply chain issues that became apparent during this flood disaster.

4. Impact on Financial Results

For details of the impact of these floods on the Company and Honda's group companies, please refer to [8] Other, 2. Impact on the Company's consolidated financial position or results of operations of the flood in Thailand in the notes to the Consolidated Financial Results for the Fiscal Third Quarter and the Fiscal Nine-Month Period Ended December 31, 2011 released today.