

May 31, 2005

**Notice Concerning Future Policies for Reduction of
the Number of Shares Constituting One Investment Unit**

Tokyo, May 31, 2005 --- Honda Motor Co., Ltd. (the “Company”) today announced the following with respect to the management policy described in the press release dated April 26, 2005, on its unaudited consolidated financial statements.

“Future Policies for Reduction of the Number of Shares Constituting One Investment Unit”

On August 1, 2001, the Company changed the number of shares that constitute one investment unit from 1,000 shares to 100 shares, aiming at further liquidity of the Company’s shares on the stock market and encouraging more investors to hold such shares.

The Company will continuously investigate the possibility of a further reduction of the number of shares constituting one investment unit, taking into consideration the future share price and trading volume of the Company’s shares on the stock market.