

May 25, 2005

Honda and Kikuchi Strengthen Business Relationship

Tokyo, May 25, 2005 – Honda Motor Co., Ltd. today announced that it has increased its investment ratio from 8.3% to 20.7% in Kikuchi Co., Ltd., (location of headquarters: Hamura, Tokyo; President: Toshitsugu Kikuchi), a parts manufacturer which mainly produces body frame components for automobiles, with the objective of further strengthening their business relationship.

Honda has enjoyed a favorable working relationship with Kikuchi ever since it first ventured into the automobile business in 1964, over 40 years ago.

The body frame components manufactured by Kikuchi are in high demand due to features which include advanced environmental friendliness, lightweight design technologies which meet safety requirements and technologically advanced high rigidity characteristics. Amidst severe global competition, a wide variety of products in the market and heightened environmental and safety requirements from customers, the strengthening of this business relationship will enable both companies to realize a highly efficient automobile frame development structure based on a long-term technological strategy.

Further, with future growth expected in China and Asian markets, a fortification of the relationship, based on cooperation in the areas of QCD (quality, cost and delivery), will be pursued in the accompanying expansion of overseas operations, so that local production of body frame components can take place rapidly.

(About Kikuchi Co., Ltd. – as of the end of March, 2005)

Established:	November, 1953
Capital:	JPY 1,526.42 million
Investment ratio:	K. P. Co., Ltd. 16.8%, Toshitsugu Kikuchi 16.7%, Honda Motor Co., Ltd. 8.3%, other 58.2%
Location:	Hamura, Tokyo
Representative:	Toshitsugu Kikuchi, President & C.E.O.

Business activities: Manufacture and sale of automobile body frame components
Main operations: Japan: Tokyo (Hamura, Akishima), Tochigi, Gunma, Suzuka
Overseas: U.S. (Michigan, Ohio, Indiana, Georgia), Canada
(Ontario), Brazil (Sao Paolo), China (Guangzhou), etc.
Number of employees: 600 (approx.)
Consolidated Net Sales: JPY 31,490 million (Fiscal Year ended September, 2004)
Ordinary Profit: JPY 1,180 million (Fiscal Year ended September, 2004)
Other: Began over-the-counter trading at Japan Securities Dealers'
Association (present JASDAQ Securities Exchange) in April,
1996.