

July 7, 2005

Honda and Nihon Plast Strengthen Business Relationship

Tokyo, July 7, 2005 – Honda Motor Co., Ltd. announced today that it has decided to acquire four million shares of new shares through a third-party allotment from Nihon Plast Co., Ltd. (location of headquarters: Fuji, Shizuoka; President: Makoto Hirose), a parts manufacturer that mainly produces automobile airbag modules and interior plastic injection molded parts, with the objective of further strengthening their business relationship.

Honda has enjoyed a favorable working relationship with Nihon Plast ever since Honda began purchasing automobile steering parts from them 37 years ago, in 1968.

Amidst severe global competition, a wide variety of competing products in the market as well as heightened safety requirements from customers, the airbag modules and plastic injection molded interior parts manufactured by Nihon Plast are in high demand due to features which include advanced lightweight design and multiple functions.

Further, the demand for advanced airbag modules and plastic injection molded parts is expected to expand mainly in the Chinese and Asian markets in the future. Thus, with the aim of strengthening competitiveness and local production, Honda has decided to acquire the new shares through the third-party allotment from Nihon Plast to reinforce our business relationships with the company. Specifically, regarding the development of airbag modules and plastic injection molded parts, both companies will lay out a highly efficient development structure based on a long-term technological strategy, further reinforce development performance and promote enhanced structures in the areas of quality, cost and delivery.

About Nihon Plast Co., Ltd. – as of the end of March, 2005

Established:	October, 1948
Capital:	JPY 2,006.06 million
Investment ratio:	Dalphi Metal Espana, S.A. 13.1%, Mollertech International GmbH 11.7%, Makoto Hirose 10.4%, other 64.8%

Location: Fuji, Shizuoka
Representative: Makoto Hirose, President & C.E.O.
Business activities: Manufacture and sale of automobile airbag modules and interior plastic injection molded parts
Main operations: Japan: Shizuoka (Fuji, Fujinomiya), Gunma, Fukuoka
Overseas: U.S. (Ohio, Georgia), Mexico, Thailand, Indonesia
China (Zhongshan), etc.
Number of employees: 1,031
Consolidated Net Sales: JPY 83,094 million (Fiscal Year ended March, 2005)
Ordinary Profit: JPY 1,836 million (Fiscal Year ended March, 2005)
Other: Began over-the-counter trading at Japan Securities Dealers' Association (present JASDAQ Securities Exchange) in December, 1990.