

May 16, 2006

## **Notice Regarding Partial Amendments to Articles of Incorporation**

Tokyo, May 16, 2006--- Honda Motor Co., Ltd. today announced that its Board of Directors, at its meeting held on May 16, 2006, has resolved to propose a matter of “Amendments to Articles of Incorporation” as follows as an agenda item for the Company’s 82nd ordinary general shareholders meeting scheduled to be held on June 23, 2006.

### **Particulars**

#### **1. Reasons for Amendments:**

1) The Company has retired eleven million (11,000,000) of its own shares pursuant to the resolutions of the meeting of the Board of Directors held on January 31, 2006 in accordance with the provisions of Article 212 of the Commercial Code. Accordingly, the total number of shares authorized to be issued by the Company as set forth in Article 5 of the current Articles of Incorporation of the Company shall be decreased correspondingly by the number of shares so retired.

2) The Company Law (Law No. 86, 2005) went into effect on May 1, 2006, and the following proposals for changes in Honda’s Articles of Incorporation have been made.

(i) Accompanying the elimination under the Company Law of restrictions on the place where general meetings of shareholders are to be held, a proposal has been made to eliminate the article relating to the place for convening such general meetings.

(ii) With the aim of conducting meetings of the Board of Directors more flexibly, a proposal has been made to add a new article that would abbreviate procedures for Board decisions and make it possible for the Board, as necessary, to make decisions in writing or by electronic means.

(iii) With the objectives of setting and implementing capital policy and dividend policy more flexibly, a proposal has been made to add a new article that would give the Board of Directors the authority to make decisions regarding dividends from retained earnings and certain related matters.

(iv) In addition to the three proposals referred to immediately above, a proposal has been made to add, eliminate, or modify the Articles of Incorporation as required, based on the provisions of the Company Law.

3) In addition to the proposals mentioned above, a proposal has been made to make necessary changes in the overall text of the Articles of Incorporation, including alteration of numberings and refinement of wording as appropriate in view of the addition and deletion of articles.

#### **2. Contents of Amendments:**

Portions of the existing Articles of Incorporation will be amended as set out in the attachment.

3. Schedule:

Date of the general shareholders meeting for the purpose of the amendments to the articles of incorporation:

June 23, 2006 (Friday) (scheduled)

Date when amendments to the articles of incorporation come into effect:

June 23, 2006 (Friday) (scheduled) Contents of Amendments:

Portions of the existing Articles of Incorporation will be amended as follows:

(The underlines indicate the portions to be amended.)

NOTE: Certain minor/typographical changes were made to the Japanese language Articles of Incorporation that did not affect the meaning of the article and such changes are not reflected in this English language translation. For example, the spelling of certain Japanese words were changed, but such changes did not affect the meaning of such words.

Existing Articles of Incorporation	Proposed Amendments
<p><b>Chapter I. General Provisions</b> [Newly established]</p> <p>Article 4. (Method of giving public notices)</p> <p><b>Chapter II. Shares</b> Article 5. (Total number of shares authorized to be issued by the Company) The total number of shares authorized to be issued by the Company shall be <u>3,554,000,000 shares; provided, however, that in case any retirement of shares is made, the number of shares authorized to be issued shall be decreased correspondingly by the number of shares so cancelled.</u></p> <p>[Newly established]</p> <p><u>Article 6. (Purchase by Company of its own shares with resolution of the Board of Directors)</u> <u>The Company may purchase its own shares with a resolution of the Board of Directors in accordance with the provision of Article 211-3, Paragraph 1, Item 2 of the Commercial Code.</u></p> <p>Article 7. (Number of shares per one unit of shares, and non-issuance of share certificates)</p>	<p><b>Chapter I. General Provisions</b> <u>Article 4 (Governance components)</u> <u>The Company shall have the following governance components as well as General Meetings of Shareholders and Directors, respectively.</u></p> <ol style="list-style-type: none"> <li><u>1. Board of Directors</u></li> <li><u>2. Corporate Auditors</u></li> <li><u>3. Board of Corporate Auditors</u></li> <li><u>4. Accounting Auditors</u></li> </ol> <p>Article 5. (Method of giving public notices)</p> <p><b>Chapter II. Shares</b> Article 6. (Total number of shares authorized to be issued by the Company) The total number of shares authorized to be issued by the Company shall be <u>3,543,000,000 shares.</u></p> <p><u>Article 7. (Issuance of shares)</u> <u>The Company shall issue share certificates representing its issued shares.</u></p> <p>[Deleted]</p> <p>Article 8. (Number of shares constituting one voting unit, and non-issuance of share certificates)</p>

representing less than one unit)

One unit of shares in the Company consists of one hundred (100) shares.

The Company shall not issue any share certificates representing shares less than one unit of shares (hereinafter referred to as the “Shares Less Than One Unit”); provided, however, that this shall not apply to the matters otherwise provided for in the Share Handling Regulations.

Article 8. (Request for sale of Shares Less Than One Unit)

A shareholder of the Company (including a beneficial shareholder; the same applies hereinafter) holding Shares Less Than One Unit may, in accordance with the provisions of the Share Handling Regulations, make a request to the effect that such number of shares should be sold to it that will, when added to the Shares Less Than One Unit already held by that shareholder, constitute one unit of shares.

Article 9. (Procedures relating to shares, etc.)

Article 10. (Transfer agent)

The Company shall have a transfer agent with respect to shares. The transfer agent and its place of business shall be selected by resolution of the Board of Directors, and a public notice thereof shall be given.

The shareholders' register and the register of beneficial shareholders of the Company (hereinafter referred to as the “shareholders' registers”) and the register of lost share certificates shall be kept at the transfer agent’s place of business and registration of transfer of shares, purchase and request for sale of Shares Less Than One Unit and any other business relating to shares shall be handled by the transfer agent and not by the Company.

Article 11. (Record date)

certificates representing less than one voting unit)

The number of shares constituting one voting unit in the Company consists of one hundred (100) shares.

Notwithstanding the preceding Article, the Company shall not issue any share certificates representing Shares Less Than One Voting Unit; provided, however, that this shall not apply to the matters otherwise provided for in the Share Handling Regulations.

Article 9. (Request for sale of Shares Less Than One Voting Unit)

A shareholder of the Company (including a beneficial shareholder; the same applies hereinafter) may, in accordance with the provisions of the Share Handling Regulations, make a request to the effect that such number of shares should be sold to it that will, when added to the Shares Less Than One Voting Unit already held by that shareholder, constitute one voting unit of shares.

Article 10. (Procedures relating to shares, etc.)

Article 11. (Shareholders’ Register Manager)

The Company shall have a Shareholders’ Register Manager.

The Shareholders’ Register Manager and its place of business shall be decided by resolution of the Board of Directors, and a public notice thereof shall be given.

Preparation and storage of the shareholders’ register (which term shall also include the register of beneficial shareholders in this document) of the Company, the register of stock acquisition rights, and the register of lost share certificates and any other business relating to shares and stock acquisition rights shall be delegated to the Shareholders’ Register Manager and not conducted by the Company.

Article 12. (Record date)

The shareholders appearing or recorded on the shareholders' registers as of the end of each accounting period shall be the shareholders entitled to exercise the rights of shareholders at the ordinary general meeting of shareholders for such accounting period.

If it is necessary in addition to the preceding paragraph, the shareholders or registered pledgees appearing or recorded on the shareholders' registers as of a specific date of which advance public notice is given in accordance with the resolution of the Board of Directors shall be deemed the shareholders or pledgees entitled to exercise the rights of shareholders or pledgees.

### **Chapter III. General Meeting of Shareholders**

#### **Article 12. (Time of convocation)**

The ordinary general meeting of shareholders shall be convened within three months from the day following the end of each fiscal year.

In addition to the above, an extraordinary general meeting of shareholders shall be convened whenever necessary.

#### **Article 13. (Persons to convene meeting and place of meeting)**

Except as otherwise provided by laws or ordinances, a general meeting of shareholders shall be convened by the President, based upon the resolution of the Board of Directors. If the President is prevented from so doing, one of the other Directors in the order fixed in advance by the Board of Directors shall convene the meeting.

A general meeting of shareholders may be held either at the head office or in its vicinity, or in Wako City, Saitama Prefecture.

#### **Article 14. (Chairman)**

#### **Article 15. (Resolutions)**

Unless otherwise provided by laws or

The shareholders appearing or recorded on the shareholders' register as of the end of each business year shall be the shareholders entitled to exercise the rights of shareholders at the ordinary general meeting of shareholders for such business year.

If it is necessary in addition to the preceding paragraph, the shareholders or registered pledgees appearing or recorded on the shareholders' register as of a specific date of which advance public notice is given in accordance with the resolution of the Board of Directors shall be deemed the shareholders or registered pledgees entitled to exercise the rights of shareholders or registered pledgees.

### **Chapter III. General Meeting of Shareholders**

#### **Article 13. (Time of convocation)**

The ordinary general meeting of shareholders shall be convened within three months from the day following the end of each business year.

In addition to the above, an extraordinary general meeting of shareholders shall be convened whenever necessary.

#### **Article 14. (Persons to convene meeting)**

Except as otherwise provided by laws or ordinances, a general meeting of shareholders shall be convened by the President and Director, based upon the resolution of the Board of Directors. If the President and Director is prevented from so doing, one of the other Directors in the order fixed in advance by the Board of Directors shall convene the meeting.

[Deleted]

#### **Article 15. (Chairman)**

#### **Article 16. (Resolutions)**

Except as otherwise provided by laws

ordinances or by the Articles of Incorporation, resolutions at a general meeting of shareholders shall be adopted by a majority vote of the Shareholders present and entitled to vote thereat.

The special resolution provided for in Article 343 of the Commercial Code shall be adopted by two-thirds or more of the votes of the shareholders present at a meeting who hold one-third or more of the voting rights of all shareholders.

Article 16. (Exercise of voting rights by proxy)

Shareholders or their legal representatives may delegate the power to exercise the voting rights to proxies providing such proxies shall be shareholders of the Company who are entitled to the voting rights. Such shareholders or proxies shall present to the Company a document evidencing their power of representation for each general meeting of shareholders.

Article 17. (Minutes)

The minutes of the general meetings of shareholders shall record the substance of the proceedings at the meetings and the results thereof and shall bear the names and seals of the Chairman and the Directors present, and such minutes shall be kept on file for ten years at the head office of the Company and the certified copies thereof shall be kept on file for five years at each of the branches of the Company.

#### **Chapter IV. Directors and Board of Directors**

Article 18. (Number of Directors)

Article 19. (Election of Directors)

Directors shall be elected at a general meeting of shareholders. Resolution of such elections shall be adopted by a majority of the votes of the shareholders present, who must hold one-third or more of the votes of

or ordinances or by the Articles of Incorporation, resolutions at a general meeting of shareholders shall be adopted by a majority vote of the shareholders present who are entitled to exercise their voting rights thereat.

The special resolution provided for in Article 309, Paragraph 2 of the Company Law shall be adopted by two-thirds or more of the votes of the shareholders present at a meeting, who must hold one-third or more of the voting rights of shareholders who are entitled to exercise their voting rights.

Article 17. (Exercise of voting rights by proxy)

Any shareholder or the legal representative may delegate the power to exercise the voting rights to proxy, provided that such proxy shall be one shareholder of the Company who is entitled to the voting rights. Such shareholder or proxy shall present to the Company a document evidencing the proxy's power of representation for each general meeting of shareholders.

Article 18. (Minutes)

The minutes of the general meetings of shareholders shall record the substance of the proceedings at the meetings, the results thereof and other matters as prescribed by laws or ordinances, and such minutes shall be kept on file for ten years at the head office of the Company and the certified copies thereof shall be kept on file for five years at each of the branches of the Company.

#### **Chapter IV. Directors and Board of Directors**

Article 19. (Number of Directors)

Article 20. (Election of Directors)

Directors shall be elected by the resolution of a general meeting of shareholders. Resolution of such elections shall be adopted by a majority of the votes of the shareholders present, who must hold

all shareholders. A resolution for the election of Directors shall not be made by cumulative voting.

Article 20. (Term of Office)

The term of office of Directors shall expire at the close of the ordinary general meeting of shareholders relating to the last business term occurring within one year after their assumption of office.

The term of office of a Director elected to fill vacancies shall expire at the time of expiration of the term of office of the retired Director.

Article 21. (Directors with executive powers)

The Board of Directors shall elect from among the Directors one President and Director and may elect one Chairman of the Board of Directors, several Executive Vice Presidents and Directors, Senior Managing Directors and Managing Directors.

Article 22. (Representative Directors)

The President and Director shall represent the Company.

In addition to the preceding paragraph, the Board of Directors shall elect, pursuant to its resolutions, Directors who shall each represent the Company.

Article 23. (Board of Directors)

Except as provided in the Articles of Incorporation, matters relating to the Board of Directors shall be governed by the Regulations of the Board of Directors established by the Board of Directors.

Article 24. (Notice of meetings of the Board of Directors)

[Newly established]

one-third or more of the votes of shareholders who are entitled to exercise their voting rights. A resolution for the election of Directors shall not be made by cumulative voting.

Article 21. (Term of Office)

The term of office of Directors shall expire at the close of the ordinary general meeting of shareholders relating to the business year ending within one year after their election to office.

[Deleted]

Article 22. (Directors with executive powers)

The Board of Directors shall appoint from among the Directors one President and Director and may appoint one Chairman of the Board of Directors, several Executive Vice Presidents and Directors, Senior Managing Directors and Managing Directors.

Article 23. (Representative Directors)

The President and Director shall represent the Company.

In addition to the preceding paragraph, the Board of Directors shall appoint, pursuant to its resolutions, Directors who shall each represent the Company.

Article 24. (Board of Directors)

Except as provided by laws or ordinances or by the Articles of Incorporation, matters relating to the Board of Directors shall be governed by the Regulations of the Board of Directors established by the Board of Directors.

Article 25. (Notice of meetings of the Board of Directors)

Article 26. (Omission of the resolution of the Board of Directors)

The Company shall deem that there was a resolution of the Board of Directors, if

Article 25. (Remuneration of Directors)  
Remuneration and retirement allowance of Directors shall be determined by resolution of a general meeting of shareholders.

#### **Chapter V. Corporate Auditors and Board of Corporate Auditors**

Article 26. (Number of Corporate Auditors)

Article 27. (Election of Corporate Auditors)  
Corporate Auditors shall be elected at a general meeting of shareholders.

Resolution of such election shall be adopted by a majority of the votes of the shareholders present, who must hold one-third or more of the votes of all shareholders.

Article 28. (Term of Office of Corporate Auditors)

The term of office of Corporate Auditors shall expire at the close of the ordinary general meeting of shareholders relating to the last business term occurring within four years after their assumption of office.

The term of office of a Corporate Auditor elected to fill vacancies shall expire at the time of expiration of the term of office of the retired Corporate Auditor.

Article 29. (Board of Corporate Auditors)

Except as provided in the Articles of Incorporation, matters relating to the Board of Corporate Auditors shall be governed by the Regulations of the Board of Corporate Auditors established by the Board of Corporate Auditors, provided, however, that

the conditions of Article 370 of the Company Law are satisfied.

Article 27 (Remuneration of Directors, etc.)  
Remuneration, bonus, retirement allowance and other proprietary benefits provided by the Company as compensation for the duties of Directors shall be determined by resolution of a general meeting of shareholders.

#### **Chapter V. Corporate Auditors and Board of Corporate Auditors**

Article 28. (Number of Corporate Auditors)

Article 29. (Election of Corporate Auditors)  
Corporate Auditors shall be elected by resolution of a general meeting of shareholders.

Resolution of such election shall be adopted by a majority of the votes of the shareholders present, who must hold one-third or more of the votes of shareholders who are entitled to exercise their voting rights.

Article 30. (Term of Office of Corporate Auditors)

The term of office of Corporate Auditors shall expire at the close of the ordinary general meeting of shareholders relating to the last business year ending within four years after their election to office.

The term of office of a Corporate Auditor elected to fill the vacancy of a Corporate Auditor who resigned from his/her office before the expiration of his/her term shall expire at the time of expiration of the term of office of the retired Corporate Auditor.

Article 31. (Board of Corporate Auditors)

Except as provided by laws or ordinances or by the Articles of Incorporation, matters relating to the Board of Corporate Auditors shall be governed by the Regulations of the Board of Corporate Auditors established by the Board of

such Regulations may not preclude the exercise of the power of any Corporate Auditor.

Article 30. (Notice of Meetings of Board of Corporate Auditors)

Article 31. (Remuneration of Corporate Auditors)

Remuneration and retirement allowance of Corporate Auditors shall be determined by resolution of a general meeting of shareholders.

### **Chapter VI. Accounts**

Article 32. (Date of closing of accounts)

March 31 of each year shall be the date of closing of accounts of the Company.

[Newly established]

Article 33. (Dividend)

Dividends shall be paid to the shareholders or registered pledgees appearing or recorded on the shareholders' registers as of the end of each accounting period.

Article 34. (Interim dividend)

By resolution of the Board of Directors, distribution of money ("Interim Dividend") may be made to the shareholders or registered pledgees appearing or recorded in the shareholders' registers as of September 30 of each year.

[Newly established]

Corporate Auditors, provided, however, that such Regulations may not preclude the exercise of the power of any Corporate Auditor.

Article 32. (Notice of Meetings of Board of Corporate Auditors)

Article 33. (Remuneration of Corporate Auditors, etc.)

Remuneration, bonus, retirement allowance and other proprietary benefits provided by the Company as compensation for the duties of Corporate Auditors shall be determined by resolution of a general meeting of shareholders.

### **Chapter VI. Accounts**

Article 34. (Business year)

The business year of the Company shall commence on the first day of April each year and end on the last day of March the following year.

Article 35. (Governance Component deciding dividends from surplus, etc.)

The Company may determine such matters which are described in each item in Paragraph 1, Article 459 of the Company Law by a resolution of the Board of Directors.

[Deleted]

[Deleted]

Article 36. (Record date for dividend from surplus)

Article 35. (Limitation period for dividends)  
The Company shall be relieved of the obligation to pay dividends and Interim Dividends upon expiration of three full years from the day they became due and payable.

The record date for the year-end dividend is the last day of March each year.

The record date for the interim dividend is the last day of September each year.

In addition to the above, the Company may distribute dividends from surplus by determining any record date.

Article 37. (Limitation period for dividend)  
The Company shall be relieved of the obligation to pay dividend upon expiration of three full years from the day they became due and payable.