

[Translation]

July 25, 2007

To: Shareholders of Honda Motor Co., Ltd.

From: Honda Motor Co., Ltd.
1-1, Minami-Aoyama 2-chome,
Minato-ku, Tokyo, 107-8556
Takeo Fukui
President and Representative Director

**Notice Concerning Revision of Forecasts for Consolidated Financial Results of
the Fiscal Half Ending September 30, 2007 and the Fiscal Year Ending March 31, 2008**

Honda Motor Co., Ltd. (the “Company”) revised its forecasts for consolidated financial results of the fiscal half ending September 30, 2007 and the fiscal year ending March 31, 2008 that were announced on April 25, 2007, based on various factors such as recent trends in the Company’s financial results.

Particulars

1. Revision of Forecast for Financial Results of the Fiscal Half Ending September 30, 2007

Consolidated Financial Results

Yen (millions)

	Net sales and other operating revenue	Operating income	Income before income taxes, minority interest and equity in income of affiliates	Net income
Forecast announced on April 25, 2007 (A)	5,800,000	355,000	360,000	275,000
Forecast revised on July 25, 2007 (B)	6,120,000	470,000	480,000	350,000
Change (B-A)	320,000	115,000	120,000	75,000
Percentage change (%)	5.5	32.4	33.3	27.3
(Reference) Results of the fiscal half ended September 30, 2006	5,230,598	396,545	355,008	271,311

* Certain revisions for misclassifications and reclassifications have been made to the prior fiscal first half’s consolidated financial statements to conform to the presentation used for the fiscal year ending March 31, 2008.

Unconsolidated Financial Results

Yen (millions)

	Net sales	Operating income	Ordinary income	Net income
Forecast announced on April 25, 2007 (A)	1,980,000	45,000	136,000	120,000
Forecast revised on July 25, 2007 (B)	2,040,000	97,000	184,000	155,000
Change (B-A)	60,000	52,000	48,000	35,000
Percentage change (%)	3.0	115.6	35.3	29.2
(Reference) Results of the fiscal half ended September 30, 2006	1,914,408	91,358	151,692	127,295

2. Basis for Revision of Forecast for Financial Results of the Fiscal Half Ending September 30, 2007

Consolidated Financial Results

Due mainly to the currency effects caused by the depreciation of the Japanese yen for the fiscal half ending September 30, 2007, and unit sales of motorcycles, automobiles and power products having been reviewed, net sales and other operating revenue, operating income, income before income taxes, minority interest and equity in income of affiliates, and net income are now expected to exceed the forecast announced on April 25, 2007.

The assumption of the average exchange rates at which these forecasts are based on for the fiscal half ending September 30, 2007 was changed to ¥ 121 = U.S.\$1 from ¥ 116 = U.S.\$1 and to ¥ 163 = euro 1 from ¥ 152 = euro 1.

Unconsolidated Financial Results

Due mainly to the currency effects caused by the depreciation of the Japanese yen for the fiscal half ending September 30, 2007, and export unit sales of motorcycles, automobiles and power products having been reviewed, and net sales, operating income, ordinary income and net income are now expected to exceed the forecast announced on April 25, 2007.

The assumption of the average exchange rates at which these forecasts are based on for the fiscal half ending September 30, 2007 was changed to ¥ 121 = U.S.\$1 from ¥ 116 = U.S.\$1 and to ¥ 163 = euro 1 from ¥ 152 = euro 1.

3. Revision of Forecast for Financial Results of the Fiscal Year Ending March 31, 2008

Consolidated Financial Results

Yen (millions)

	Net sales and other operating revenue	Operating income	Income before income taxes, minority interest and equity in income of affiliates	Net income
Forecast announced on April 25, 2007 (A)	11,750,000	770,000	780,000	575,000
Forecast revised on July 25, 2007 (B)	12,350,000	880,000	885,000	625,000
Change (B-A)	600,000	110,000	105,000	50,000
Percentage change (%)	5.1	14.3	13.5	8.7
(Reference) Results of the fiscal year ended March 31, 2007	11,087,140	851,879	792,868	592,322

Unconsolidated Financial Results

Yen (millions)

	Net sales	Operating income	Ordinary income	Net income
Forecast announced on April 25, 2007 (A)	4,010,000	110,000	270,000	230,000
Forecast revised on July 25, 2007 (B)	4,140,000	165,000	315,000	270,000
Change (B-A)	130,000	55,000	45,000	40,000
Percentage change (%)	3.2	50.0	16.7	17.4
(Reference) Results of the fiscal year ended March 31, 2007	4,030,881	201,719	306,145	214,106

4. Basis for Revision of Forecast for Financial Results of the Fiscal Year Ending March 31, 2008

Consolidated Financial Results

Due mainly to the unit sales of motorcycles, automobiles and power products having been reviewed, and the currency effects caused by the depreciation of the Japanese yen for the fiscal year ending March 31, 2008, offsetting the increased SG&A expenses, net sales and other operating revenue, operating income, income before income taxes, minority interest and equity in income of affiliates, and net income are now expected to exceed the forecast announced on April 25, 2007.

The assumption of the average exchange rates at which these forecasts are based on for the fiscal year ending March 31, 2008 was changed to ¥ 117 = U.S.\$1 from ¥ 115 = U.S.\$1 and to ¥ 155 = euro 1 from ¥ 150 = euro 1.

Unconsolidated Financial Results

Due mainly to the currency effects caused by the depreciation of the Japanese yen for the fiscal year ending March 31, 2008, and export unit sales of motorcycles, automobiles and power products having been reviewed, net sales, operating income, ordinary income and net income are now expected to exceed the forecast announced on April 25, 2007.

The assumption of the average exchange rates at which these forecasts are based on for the fiscal year ending March 31, 2008 was changed to ¥ 117 = U.S.\$1 from ¥ 115 = U.S.\$1 and to ¥ 155 = euro 1 from ¥ 150 = euro 1.

- * For more detail, please refer to the “consolidated financial summary for the fiscal first quarter ended June 30, 2007” and the “unconsolidated financial summary for the fiscal year ending March 31, 2008 (Parent company only)” included in the “consolidated financial results for the fiscal first quarter ended June 30, 2007” announced by the Company on the same date hereof.
- * 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 materially differ 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.