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**HONDA MOTOR CO., LTD. REPORTS
CONSOLIDATED FINANCIAL RESULTS
FOR THE FISCAL FOURTH QUARTER AND
THE FISCAL YEAR ENDED MARCH 31, 2002**

Tokyo, April 26, 2002--- Honda Motor Co., Ltd. today announced its consolidated financial results for the fiscal fourth quarter and the fiscal year ended March 31, 2002.

Fourth Quarter Results

Honda's consolidated net income for the fiscal fourth quarter ended March 31, 2002 set a record high totaling ¥106.7 billion (\$801 million), an increase of 69.4% from the corresponding period in 2001. Basic net income per Common Share for the quarter amounted to ¥109.51 (\$0.82), compared to ¥64.65 for the corresponding period in 2001. Two of Honda's American Shares represent one Common Share.

Consolidated net sales and other operating revenue (herein referred to as "revenue") for the fiscal fourth quarter amounted to ¥2,101.0 billion (\$15,768 million), an increase of 14.4% from the corresponding period in 2001. In addition to higher sales, currency translation effects, which had a positive impact on foreign currency-denominated revenue from Honda's overseas subsidiaries, translated into yen, contributed to this increase.

Honda estimates that had the exchange rate of yen remained unchanged from the same period in 2001, revenue for the quarter would have increased by approximately 6.1%.

Consolidated operating income for the fiscal fourth quarter totaled ¥169.2 billion (\$1,270 million), an increase of 55.1% compared to the corresponding period in 2001. This increase in operating income was due mainly to higher automobile sales in Japan and strong sales of light truck models in North America. Honda's ongoing cost cutting strategies and the depreciation of the yen also contributed to this increase.

Consolidated income before income taxes for the quarter totaled ¥160.8 billion (\$1,207 million), an increase of 48.9% from the corresponding period in 2001.

With respect to Honda's sales in the fiscal fourth quarter by business category, motorcycle unit sales increased by 34.2% to 1,752,000 units, and revenue increased 24.6% to ¥301.2 billion (\$2,261 million). These increases were due primarily to higher sales in Asian countries such as Indonesia, India and Thailand. In addition, increased unit sales in the United States and Brazil also contributed to these increases.

Honda's unit sales of automobiles increased by 4.6% to 726,000 units, due primarily to strong sales of small cars such as the Fit and the Mobilio, as well as the newly introduced mini-vehicle That's in Japan. Revenue increased 13.1%, to ¥1,661.8 billion (\$12,471 million) during the quarter, due to higher unit sales in Japan and North America.

Unit sales of power products totaled 1,429,000 units, an increase of 10.6% compared to the corresponding period in 2001. Strong sales of Honda's general-purpose engines in the United States were the major factor in this increase. Revenue from other businesses, including the power product business and financial services, increased by 10.4% to ¥137.9 billion (\$1,036 million) due mainly to higher revenue from financial services led by favorable automobile sales in North America.

Fiscal Year Results

Honda's consolidated net income for the year ended March 31, 2002 set a record high totaling ¥362.7 billion (\$2,722 million), an increase of 56.2% from the previous fiscal year. Basic net income per Common Share for the year amounted to ¥372.23 (\$2.79), compared to ¥238.34 for the previous fiscal year.

Unit sales of Honda's motorcycles, automobiles and power products increased and consolidated net sales and other operating revenue (herein referred to as "revenue") for the year set a record high, amounting to ¥7,362.4 billion (\$55,253 million), an increase of 13.9% over last year.

Revenue included the positive effect of currency translation, and Honda estimates that had the exchange rate of the yen remained unchanged from the previous year, revenue for the year would have increased by approximately 5.3%.

Consolidated operating income for the year totaled ¥639.2 billion (\$4,798 million), an increase of 57.1% compared to the previous fiscal year. Automobile unit sales both in Japan and North America increased, reflecting customers' strong demand for Honda's automobiles. In addition, Honda's continuing cost cutting strategies together with a weaker yen were the major contributing factors in this increase in operating income.

Consolidated income before income taxes for the year totaled ¥551.3 billion (\$4,138 million), an increase of 43.2% compared to the previous year.

With respect to Honda's sales for the fiscal year by business category, motorcycle unit sales increased by 19.1% to 6,095,000 units, and revenue increased 17.7% to ¥947.9 billion (\$7,114 million). Unit sales increased in such Asian countries as Indonesia and India as well as in North America during the period.

Honda's unit sales of automobiles increased by 3.3% to 2,666,000 units, and revenue increased 13.4% to ¥5,929.7 billion (\$44,501 million) from the previous fiscal year. Robust sales of the Fit and favorable sales of the Step Wagon and the Stream in Japan together with increased unit sales of the light truck models such as the Acura MDX and the Odyssey in North America were the primary contributors to these increases.

Unit sales of power products totaled 3,926,000 units, an increase of 1.1% compared to the previous fiscal year. Favorable sales of Honda's general-purpose engines in the United States were the major factor in this increase. Honda's other businesses, including power products and financial services, showed a 13.5% increase in revenue, amounting to ¥484.7 billion (\$3,638 million), due mainly to higher revenue from its finance subsidiaries.

Forecasts for fiscal year ending March 31, 2003

Signs of economic recovery in the United States are observed, while the moderate economic growth in Europe and Asian countries is not expected to remain stable. Further, a steady recovery of the economy in Japan is uncertain and, as a whole, the global business environment for the foreseeable future is expected to remain beset. In these circumstances, Honda expects competition in each of its markets to remain challenging. In regard to the forecasts of the financial results for the fiscal year ending March 31, 2003, Honda projects consolidated results as to be below:

	<u>In billions of yen</u>	<u>Changes from FY 2002</u>
<u>First half ending September 30, 2002</u>		
Net sales and other operating revenue	¥4,100	+17.0%
Income before income taxes	345	+27.8%
Net income	230	+32.4%
 <u>Fiscal year ending March 31, 2003</u>		
Net sales and other operating revenue	¥8,100	+10.0%
Income before income taxes	700	+27.0%
Net income	460	+26.8%

These forecasts are based on the assumption that the exchange rates for the yen to the U.S. dollar and the euro for the current fiscal year will average ¥125 and ¥110, respectively.

This announcement contains forward-looking statements within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934. Honda's actual results could materially differ from those contained in these forward-looking statements as a result of numerous factors outside of Honda's control. Such factors include general economic conditions in Honda's principal markets, and foreign exchange rates between the Japanese yen and other major currencies, as well as other factors detailed from time to time in Honda's reports filed with the U.S. Securities and Exchange Commission.

[1] Unit Sales Breakdown

	(In thousands of units)			
	Three months ended	Three months ended	Year ended	Year ended
	<u>Mar. 31, 2002</u>	<u>Mar. 31, 2001</u>	<u>Mar. 31, 2002</u>	<u>Mar. 31, 2001</u>
MOTORCYCLE BUSINESS				
Japan	101	114	404	407
(motorcycles included above)	(101)	(114)	(404)	(407)
North America	190	153	590	519
(motorcycles included above)	(100)	(72)	(307)	(253)
Europe	96	97	315	341
(motorcycles included above)	(94)	(94)	(308)	(333)
Others	1,365	942	4,786	3,851
(motorcycles included above)	(1,362)	(941)	(4,775)	(3,841)
Total	1,752	1,306	6,095	5,118
(motorcycles included above)	(1,657)	(1,221)	(5,794)	(4,834)
AUTOMOBILE BUSINESS				
Japan	247	219	878	776
North America	364	352	1,368	1,346
Europe	54	56	176	191
Others	61	67	244	267
Total	726	694	2,666	2,580
POWER PRODUCT BUSINESS				
Japan	137	44	409	164
North America	622	499	1,601	1,412
Europe	405	455	1,012	1,269
Others	265	294	904	1,039
Total	1,429	1,292	3,926	3,884

Explanatory Note:

1. The geographical breakdown of unit sales is based on the location of affiliated and unaffiliated customers.
2. Previously, domestic sales of general-purpose engines to customers who will install them in products that are subsequently exported were recorded as overseas sales of power products. However, owing to various factors including changes in transaction formats and contract terms, as of the term under review, such sales will be recorded in domestic power products sales. Unit sales of such general-purpose engines for the fiscal fourth quarter and the fiscal year under review amounted to 93,000 units and 251,000 units, respectively.

[2] Net Sales Breakdown

(A) For the three months ended March 31, 2002 and 2001

	Three months ended Mar. 31, 2002		Three months ended Mar. 31, 2001	
MOTORCYCLE BUSINESS				
Japan	¥24,624	(8.2%)	¥24,655	(10.2%)
North America	126,241	(41.9%)	86,304	(35.7%)
Europe	60,453	(20.1%)	54,201	(22.4%)
Others	89,912	(29.8%)	76,510	(31.7%)
Total	301,230	(100.0%)	241,670	(100.0%)

AUTOMOBILE BUSINESS

Japan	447,843	(26.9%)	428,550	(29.2%)
North America	999,596	(60.2%)	840,125	(57.2%)
Europe	106,228	(6.4%)	95,185	(6.5%)
Others	108,152	(6.5%)	105,302	(7.1%)
Total	1,661,819	(100.0%)	1,469,162	(100.0%)

OTHERS

Japan	28,938	(21.0%)	26,271	(21.0%)
North America	75,673	(54.8%)	68,813	(55.1%)
Europe	22,042	(16.0%)	19,020	(15.2%)
Others	11,328	(8.2%)	10,870	(8.7%)
Total	137,981	(100.0%)	124,974	(100.0%)

TOTAL

Japan	501,405	(23.9%)	479,476	(26.1%)
North America	1,201,510	(57.2%)	995,242	(54.2%)
Europe	188,723	(9.0%)	168,406	(9.2%)
Others	209,392	(9.9%)	192,682	(10.5%)
Total	¥2,101,030	(100.0%)	¥1,835,806	(100.0%)

Explanatory Note:

1. The geographical breakdown of net sales is based on the location of affiliated and unaffiliated customers.
2. Net sales of others including revenue from sales of power products and related parts, leisure businesses, trading and financial services.
3. Previously, revenue from domestic sales of general-purpose engines to customers who install them in products that are subsequently exported were recorded as overseas revenue in Others. However, owing to various factors including changes in transaction formats and contract terms, as of the term under review, such revenue will be recorded as domestic revenue in Others. Revenue from such sales for the fiscal fourth quarter under review amounted to 1,758 million yen.

[2] Net Sales Breakdown - continued

(B) For the years ended March 31, 2002 and 2001

	(In millions of Yen)			
	Year ended Mar. 31, 2002		Year ended Mar. 31, 2001	
MOTORCYCLE BUSINESS				
Japan	¥101,587	(10.7%)	¥97,016	(12.1%)
North America	348,832	(36.8%)	259,688	(32.2%)
Europe	172,378	(18.2%)	157,300	(19.5%)
Others	325,103	(34.3%)	291,300	(36.2%)
Total	947,900	(100.0%)	805,304	(100.0%)
AUTOMOBILE BUSINESS				
Japan	1,654,238	(27.9%)	1,529,428	(29.2%)
North America	3,529,560	(59.5%)	2,999,478	(57.3%)
Europe	336,844	(5.7%)	311,295	(6.0%)
Others	409,100	(6.9%)	391,125	(7.5%)
Total	5,929,742	(100.0%)	5,231,326	(100.0%)
OTHERS				
Japan	112,921	(23.3%)	113,896	(26.7%)
North America	269,535	(55.6%)	222,638	(52.1%)
Europe	54,330	(11.2%)	53,135	(12.4%)
Others	48,010	(9.9%)	37,531	(8.8%)
Total	484,796	(100.0%)	427,200	(100.0%)
TOTAL				
Japan	1,868,746	(25.4%)	1,740,340	(26.9%)
North America	4,147,927	(56.3%)	3,481,804	(53.9%)
Europe	563,552	(7.7%)	521,730	(8.1%)
Others	782,213	(10.6%)	719,956	(11.1%)
Total	¥7,362,438	(100.0%)	¥6,463,830	(100.0%)

Explanatory Note:

1. The geographical breakdown of net sales is based on the location of affiliated and unaffiliated customers.
2. Net sales of others including revenue from sales of power products and related parts, leisure businesses, trading and financial services.
3. Previously, revenue from domestic sales of general-purpose engines to customers who install them in products that are subsequently exported were recorded as overseas revenue in Others. However, owing to various factors including changes in transaction formats and contract terms, as of the term under review, such revenue will be recorded as domestic revenue in Others. Revenue from such sales for the fiscal year under review amounted to 5,468 million yen.

[3] Consolidated Financial Summary

For the three months and years ended March 31, 2002 and 2001

Financial Highlights

	(In millions of Yen)					
	Three months ended Mar. 31, 2002	%	Three months ended Mar. 31, 2001	Year ended Mar. 31, 2002	%	Year ended Mar. 31, 2001
		Change			Change	
Net sales and other operating revenue	¥2,101,030	14.4%	¥1,835,806	¥7,362,438	13.9%	¥6,463,830
Operating income	169,277	55.1%	109,148	639,296	57.1%	406,960
Income before income taxes	160,882	48.9%	108,022	551,342	43.2%	384,976
Net income	106,709	69.4%	63,000	362,707	56.2%	232,241
	(In Yen)					
Basic net income per Common Share	¥109.51		¥64.65	¥372.23		¥238.34
American Share	54.75		129.30	186.11		476.68

	(In millions of U.S. Dollars)	
	Three months ended Mar. 31, 2002	Year ended Mar. 31, 2002
Net sales and other operating revenue	\$15,768	\$55,253
Operating income	1,270	4,798
Income before income taxes	1,207	4,138
Net income	801	2,722
	(In U.S. Dollars)	
Net income per Common Share	\$0.82	\$2.79
American Share	0.41	1.40

Honda's Common stock-to-ADR exchange rate has been changed from two shares of Common Stock to one ADR to one share of Common Stock to two ADRs, effective January 10, 2002. Net income per American share for the fiscal fourth quarter and the fiscal year ended March 31, 2002, were calculated based on this four-for-one ADR split.

[4] Consolidated Statements of Income and Retained Earnings

(A) For the three months ended March 31, 2002 and 2001

	(In millions of Yen)	
	Three months ended Mar. 31, 2002	Three months ended Mar. 31, 2001
Net sales and other operating revenue	¥2,101,030	¥1,835,806
Operating costs and expenses:		
Cost of sales	1,451,738	1,302,798
Selling, general and administrative	372,263	324,543
Research and development	<u>107,752</u>	<u>99,317</u>
Operating income	169,277	109,148
Other income:		
Interest	1,851	3,590
Other	16,009	5,803
Other expenses:		
Interest	3,853	6,380
Other	<u>22,402</u>	<u>4,139</u>
Income before income taxes	160,882	108,022
Income taxes	<u>68,009</u>	<u>54,540</u>
Income before equity in income of affiliates	92,873	53,482
Equity in income of affiliates	<u>13,836</u>	<u>9,518</u>
Net income	106,709	63,000
Retained earnings:		
Balance at beginning of period	2,658,891	2,365,293
Cash dividends paid	—	—
Transfer to legal reserves	—	—
Balance at end of period	<u><u>¥2,765,600</u></u>	<u><u>¥2,428,293</u></u>
	(In Yen)	
Basic net income per		
Common Share	¥109.51	¥64.65
American Share	54.75	129.30

Honda's Common stock-to-ADR exchange rate has been changed from two shares of Common Stock to one ADR to one share of Common Stock to two ADRs, effective January 10, 2002. Net income per American share for the fiscal fourth quarter and the fiscal year ended March 31, 2002, were calculated based on this four-for-one ADR split.

[4] Consolidated Statements of Income and Retained Earnings - continued

(B) For the years ended March 31, 2002 and 2001

	(In millions of Yen)	
	Year ended Mar. 31, 2002	Year ended Mar. 31, 2001
Net sales and other operating revenue	¥7,362,438	¥6,463,830
Operating costs and expenses:		
Cost of sales	5,036,188	4,557,382
Selling, general and administrative	1,291,778	1,146,659
Research and development	395,176	352,829
Operating income	639,296	406,960
Other income:		
Interest	7,445	11,833
Other	1,898	8,873
Other expenses:		
Interest	16,769	21,400
Other	80,528	21,290
Income before income taxes	551,342	384,976
Income taxes	231,150	178,439
Income before equity in income of affiliates	320,192	206,537
Equity in income of affiliates	42,515	25,704
Net income	362,707	232,241
Retained earnings:		
Balance at beginning of year	2,428,293	2,218,848
Cash dividends paid	(24,360)	(22,412)
Transfer to legal reserves	(1,040)	(384)
Balance at end of year	<u>¥2,765,600</u>	<u>¥2,428,293</u>
	(In Yen)	
Basic net income per		
Common Share	¥372.23	¥238.34
American Share	186.11	476.68

Honda's Common stock-to-ADR exchange rate has been changed from two shares of Common Stock to one ADR to one share of Common Stock to two ADRs, effective January 10, 2002. Net income per American share for the fiscal fourth quarter and the fiscal year ended March 31, 2002, were calculated based on this four-for-one ADR split.

[5] Consolidated Balance Sheets

(In millions of Yen)

Assets	Mar. 31, 2002	Mar. 31, 2001
Current assets:		
Cash and cash equivalents	¥609,441	¥417,519
Trade accounts and notes receivable	452,208	440,802
Finance subsidiaries- receivables, net	995,087	762,368
Inventories	644,282	620,754
Deferred income taxes	182,788	151,722
Other current assets	204,538	205,771
Total current assets	3,088,344	2,598,936
Finance subsidiaries- receivables, net	1,808,861	1,304,994
Investments and advances	395,495	376,187
Property, plant and equipment, at cost:		
Land	318,208	299,984
Buildings	920,106	831,868
Machinery and equipment	2,048,244	1,887,630
Construction in progress	82,610	99,552
	3,369,168	3,119,034
Less accumulated depreciation	1,979,455	1,864,411
Net property, plant and equipment	1,389,713	1,254,623
Other assets	258,382	132,669
Total assets	¥6,940,795	¥5,667,409

[5] Consolidated Balance Sheets - continued

(In millions of Yen)

Liabilities and Stockholders' Equity	<u>Mar. 31, 2002</u>	<u>Mar. 31, 2001</u>
Current liabilities:		
Short-term debt	¥1,035,069	¥910,417
Current portion of long-term debt	308,014	274,481
Trade payables	840,957	820,254
Accrued expenses	678,118	539,348
Income taxes payables	61,244	38,633
Other current liabilities	<u>186,657</u>	<u>178,124</u>
Total current liabilities	<u>3,110,059</u>	<u>2,761,257</u>
Long-term debt	716,614	368,173
Other liabilities	540,181	307,688
Total liabilities	<u>¥4,366,854</u>	<u>¥3,437,118</u>
Stockholders' equity:		
Common stock	86,067	86,067
Capital surplus	172,529	172,529
Legal reserves	28,969	27,929
Retained earnings	2,765,600	2,428,293
Adjustments from foreign currency translation	(300,081)	(419,482)
Net unrealized gains on marketable equity securities	8,730	16,637
Minimum pension liabilities adjustment	<u>(187,824)</u>	<u>(81,682)</u>
Accumulated other comprehensive income (loss)	(479,175)	(484,527)
Treasury stock	(49)	-
Total stockholders' equity	<u>¥2,573,941</u>	<u>¥2,230,291</u>
Total liabilities and stockholders' equity	<u>¥6,940,795</u>	<u>¥5,667,409</u>

[6] Consolidated Statements of Cash Flows

	(In millions of Yen)	
	Year ended <u>Mar. 31, 2002</u>	Year ended <u>Mar. 31, 2001</u>
Cash flows from operating activities:		
Net income	¥362,707	¥232,241
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	194,944	170,342
Deffered income taxes	8,086	(18,424)
Equity in income of affiliates	(42,515)	(25,704)
Loss on fair value adjustment of derivative instrument	21,740	-
Decrease (increase) in:		
Trade accounts and notes receivable	5,539	(35,460)
Inventories	10,191	(8,372)
Increase (decrease) in trade payables	(14,101)	83,566
Other, net	203,359	110,121
Net cash provided by operating activities	<u>749,950</u>	<u>508,310</u>
Cash flows from investing activities:		
Decrease (increase) in investments and advances	476	(8,658)
Capital Expenditures	(303,424)	(285,687)
Proceeds from sales of property, plant and equipment	7,416	19,218
Decrease (increase) in finance subsidiaries-receivables	(591,039)	(241,917)
Net cash used in investing activities	<u>(886,571)</u>	<u>(517,044)</u>
Cash flows from financing activities:		
Increase (decrease) in short-term debt	5,997	333,541
Proceeds from long-term debt	624,070	149,108
Repayment of long-term debt	(298,718)	(475,744)
Cash dividends paid	(24,360)	(22,412)
Increase (decrease) in commercial paper classified as long-term debt	649	711
Net cash provided by (used in) financing activities	<u>307,638</u>	<u>(14,796)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>20,905</u>	<u>10,462</u>
Net change in cash and cash equivalents	<u>191,922</u>	<u>(13,068)</u>
Cash and cash equivalents at beginning of year	<u>417,519</u>	<u>430,587</u>
Cash and cash equivalents at end of year	<u>¥609,441</u>	<u>¥417,519</u>

Explanatory Notes:

1. The Company prepares its consolidated financial statements in conformity with accounting principles generally accepted in the United States since the Company has issued American Depositary Receipts listed on the New York Stock Exchange and files reports with the U.S. Securities and Exchange Commission, except all segment information which is prepared in accordance with a Ministerial Ordinance under the Securities and Exchange Law of Japan.
2. The average exchange rates for the fiscal fourth quarter ended March 31, 2002 were ¥132.52=U.S.\$1 and ¥116.11=euro1. The average exchange rates for the corresponding period last year were ¥118.14=U.S.\$1 and ¥109.00=euro1. The average exchange rates for the fiscal year ended March 31, 2002 were ¥125.14=U.S.\$1 and ¥110.58=euro1, as compared with ¥110.59=U.S.\$1 and ¥100.44=euro1 for the corresponding period last year.
3. United States dollar amounts have been translated from yen solely for the convenience of the reader at the rate of ¥133.25=U.S.\$1, the mean of the telegraphic transfer selling exchange rate and the telegraphic transfer buying exchange rate prevailing on the Tokyo foreign exchange market on March 29, 2002.
4. The Company's Common Stock-to-ADR exchange rate has been changed from two shares of Common Stock to one ADR to one share of Common Stock to two ADRs, effective January 10, 2002.
5. The Company has adopted the provisions of Statement of Financial Accounting Standards (SFAS) No.130, "Reporting Comprehensive Income". The following table represents components of the Company's comprehensive income. Other comprehensive income (loss) consists of changes in adjustments from foreign currency translation, net unrealized gains on marketable equity securities and minimum pension liabilities adjustment.

	Three months ended March 31, 2002	Three months ended March 31, 2001
(In millions of Yen)		
Net income	¥ 106,709	¥ 63,000
Other comprehensive income (loss)	(49,847)	37,648
Comprehensive income	56,862	100,648

	Fiscal year ended March 31, 2002	Fiscal year ended March 31, 2001
(In millions of Yen)		
Net income	¥ 362,707	¥ 232,241
Other comprehensive income (loss)	5,352	90,089
Comprehensive	¥ 368,059	¥ 322,330

6. On April 1, 2001, the Company adopted SFAS No.133, "Accounting for Derivative Instruments and Hedging Activities" and SFAS No.138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities, an amendment of FASB statement No.133".
7. Certain reclassifications have been made to the prior year's consolidated financial statements to conform to the presentation used for the year ended March 31, 2002.

[7] Segment Information

(A) Business Segment Information

For the year ended March 31, 2002

	(In millions of Yen)						
	Motor- cycle Business	Auto- mobile Business	Financial Services	Other Businesses	Total	Corporate assets and Eliminations	Consolidated
Net sales and other operating revenue:							
Sales to							
unaffiliated customers	¥947,900	¥5,929,742	¥201,906	¥282,890	¥7,362,438	—	¥7,362,438
Intersegment-sales	0	0	7,409	10,968	18,377	(18,377)	—
Total	947,900	5,929,742	209,315	293,858	7,380,815	(18,377)	7,362,438
Cost of sales, S.G.A. and R&D expenses	878,244	5,409,232	164,231	289,812	6,741,519	(18,377)	6,723,142
Operating income	¥69,656	¥520,510	¥45,084	¥4,046	¥639,296	0	¥639,296
Assets	¥754,512	¥3,377,470	¥2,917,170	¥240,735	¥7,289,887	(¥349,092)	¥6,940,795
Depreciation and amortization	22,129	165,508	786	6,521	194,944	—	194,944
Capital expenditures	29,929	264,657	676	8,162	303,424	—	303,424

For the year ended March 31, 2001

	(In millions of Yen)						
	Motor- cycle Business	Auto- mobile Business	Financial Services	Other Businesses	Total	Corporate assets and Eliminations	Consolidated
Net sales and other operating revenue:							
Sales to							
unaffiliated customers	¥805,304	¥5,231,326	¥169,293	¥257,907	¥6,463,830	—	¥6,463,830
Intersegment-sales	0	0	6,781	6,796	13,577	(13,577)	—
Total	805,304	5,231,326	176,074	264,703	6,477,407	(13,577)	6,463,830
Cost of sales, S.G.A. and R&D expenses	748,826	4,911,291	145,272	265,058	6,070,447	(13,577)	6,056,870
Operating income (losses)	¥56,478	¥320,035	¥30,802	(¥355)	¥406,960	0	¥406,960
Assets	¥597,998	¥2,828,579	¥2,217,186	¥191,223	¥5,834,986	(¥167,577)	¥5,667,409
Depreciation and amortization	19,275	143,884	492	6,691	170,342	—	170,342
Capital expenditure	34,012	239,609	1,320	10,746	285,687	—	285,687

Explanatory Note:

1. Segmentation of Business

Business segment is based on Honda's business organization and the similarity of the principal products included within each segment as well as the relevant markets for such products.

2. Principal products of each segment

<u>Business</u>	<u>Sales</u>	<u>Principal Products</u>
Motorcycle	Motorcycles, all-terrain vehicles (ATV), personal water craft and relevant parts	Large-size motorcycles, mid-size motorized bicycles, all-terrain vehicle personal water craft
Automobile	Automobiles and relevant parts	Compact cars, sub-compact cars, min
Financial Services	Financial and insurance services	N/A
Other	Power products and relevant parts, and others	Power tillers, generators, general purpose engines, lawn mower

3. Corporate assets included in Corporate assets and Eliminations amounted to ¥348,625 million for the year ended March 31, 2002 and ¥315,508 million for the year ended March 31, 2001, which consist primarily of cash and cash equivalents and marketable securities at the Parent company.

(B) Geographical Segment Information

The geographical segmentation is based on the location where sales originated.

For the year ended March 31, 2002

(In millions of Yen)

	Japan	North America	Europe	Others	Total	Corporate assets and Eliminations	Consolidated
Net sales and other operating revenue:							
Sales to unaffiliated customers	¥2,087,765	¥4,163,951	¥570,170	¥540,552	¥7,362,438	—	¥7,362,438
Transfers between geographical segments	1,723,269	143,987	33,335	14,259	1,914,850	(1,914,850)	—
Total	3,811,034	4,307,938	603,505	554,811	9,277,288	(1,914,850)	7,362,438
Cost of sales, S.G.A. and R&D expenses	3,557,603	3,905,543	638,843	514,100	8,616,089	(1,892,947)	6,723,142
Operating income (losses)	¥253,431	¥402,395	(¥35,338)	¥40,711	¥661,199	¥21,903	¥639,296
Assets	¥2,177,095	¥3,679,762	¥514,535	¥374,801	¥6,746,193	¥194,602	¥6,940,795

For the year ended March 31, 2001

(In millions of Yen)

	Japan	North America	Europe	Others	Total	Corporate assets and Eliminations	Consolidated
Net sales and other operating revenue:							
Sales to unaffiliated customers	¥1,950,985	¥3,488,287	¥526,923	¥497,635	¥6,463,830	—	¥6,463,830
Transfers between geographical segments	1,643,591	120,123	20,365	12,921	1,797,000	(1,797,000)	—
Total	3,594,576	3,608,410	547,288	510,556	8,260,830	(1,797,000)	6,463,830
Cost of sales, S.G.A. and R&D expenses	3,448,505	3,331,870	602,815	474,636	7,857,826	(1,800,956)	6,056,870
Operating income (losses)	¥146,071	¥276,540	(¥55,527)	¥35,920	¥403,004	¥3,956	¥406,960
Assets	¥2,022,021	¥2,713,508	¥457,647	¥286,776	¥5,479,952	¥187,457	¥5,667,409

Explanatory Note:

Corporate assets included in Corporate assets and Eliminations amounted to ¥348,625 million for the year ended March 31, 2002 and ¥315,508 million for the year ended March 31, 2001, which consist primarily of cash and cash equivalents and marketable equity securities at the Parent company.

(C) Overseas Sales

For the year ended March 31, 2002

(In Millions of Yen)

	North America	Europe	Others	Total
Overseas Sales	¥4,147,927	¥563,552	¥782,213	¥5,493,692
Consolidated Sales				7,362,438
Overseas Sales Ratio to Consolidated Sales	56.3%	7.7%	10.6%	74.6%

For the year ended March 31, 2001

(In Millions of Yen)

	North America	Europe	Others	Total
Overseas Sales	¥3,481,804	¥521,730	¥719,956	¥4,723,490
Consolidated Sales				6,463,830
Overseas Sales Ratio to Consolidated Sales	53.9%	8.1%	11.1%	73.1%

[8] Consolidated Financial Statements divided into non-financial services and finance subsidiaries

(1) Consolidated Balance Sheets divided into non-financial services businesses and finance subsidiaries

(In millions of Yen)

	The fiscal year ended March 31, 2002	
	Yen	% of total
Assets		
< Non-financial services businesses >		
Current Assets:	2,745,407	39.6
Cash and cash equivalents	590,798	
Trade accounts and notes receivable	455,019	
Inventories	645,218	
Other current assets	1,054,372	
Investments and advances	529,763	7.6
Property, plant and equipment, at cost	1,368,405	19.7
Other assets	221,104	3.2
Total assets	4,864,679	70.1
< Finance subsidiaries >		
Cash and cash equivalents	18,643	0.3
Finance subsidiaries-short-term receivables, net	995,547	14.3
Finance subsidiaries-long-term receivables, net	1,811,502	26.1
Other assets	91,478	1.3
Total assets	2,917,170	42.0
Eliminations among subsidiaries	(841,054)	(12.1)
Total assets	6,940,795	100.0
Liabilities and Stockholders' Equity		
< Non-financial services businesses >		
Current liabilities:	1,869,129	26.9
Short-term debt	302,732	
Current portion of long-term debt	8,052	
Trade payables	845,990	
Accrued expenses	544,144	
Other current liabilities	168,211	
Long-term debt	34,565	0.5
Other liabilities	539,909	7.8
Total liabilities	2,443,603	35.2
< Finance subsidiaries >		
Short-term debt	1,361,807	19.6
Current portion of long-term debt	299,962	4.3
Accrued expenses	137,844	2.0
Long-term debt	684,907	9.9
Other liabilities	145,811	2.1
Total liabilities	2,630,331	37.9
Eliminations among subsidiaries	(707,080)	(10.2)
Total liabilities	4,366,854	62.9
Common stock	86,067	1.2
Capital surplus	172,529	2.5
Legal reserves	28,969	0.4
Retained earnings	2,765,600	39.9
Accumulated other comprehensive income (loss)	(479,175)	(6.9)
Treasury stock	(49)	-
Total stockholders' equity	2,573,941	37.1
Total liabilities and stockholders' equity	6,940,795	100.0

(2) Consolidated Statements of Cash Flows divided into non-financial services businesses and finance subsidiaries

(In millions of Yen)

Items	The fiscal year ended March 31, 2002	
	Non-financial services businesses	Finance subsidiaries
Cash flows from operating activities:		
Net Income	339,392	23,735
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	194,158	786
Deferred income taxes	(33,301)	41,387
Equity in income of affiliates	(43,162)	
Loss on fair value adjustment of derivative instrument	6,931	14,809
Decrease in trade accounts and notes receivable	5,438	—
Decrease in inventories	10,191	—
Decrease in trade payables	(13,828)	—
Other, net	204,088	(1,309)
Net cash provided by operating activities	669,907	79,408
Cash flows from investing activities:		
* Decrease (increase) in investments and advances	(89,633)	(1,349)
Capital expenditures	(302,748)	(676)
Proceeds from sales of property, plant and equipment	7,162	254
Decrease (increase) in finance subsidiaries-receivables	—	(588,875)
Net cash used in investing activities	(385,219)	(590,646)
Free cash flow (cash flows from operating and investing activities)	284,688	(511,238)
Free cash flow of non-financial services businesses excluding the increase in loans (amounting to 70,471 million yen) to finance subsidiaries (Note)	355,159	—
Cash flows from financing activities:		
* Increase (decrease) in short-term debt	(47,430)	141,266
* Proceeds from long-term debt	13,503	610,567
* Repayment of long-term debt	(45,295)	(270,791)
Proceeds from issuance of common stock	—	19,878
Cash dividends paid	(24,391)	(389)
Increase (decrease) in commercial paper classified as long-term debt	—	649
Net cash used in financing activities	(103,613)	501,180
Effect of exchange rate changes on cash and cash equivalents	20,776	129
Net change in cash and cash equivalents	201,851	(9,929)
Cash and cash equivalents at beginning of year	388,947	28,572
Cash and cash equivalents at end of year	590,798	18,643

Note: Non-financial services businesses loans to finance subsidiaries. These cash flows were included in the items of "Decrease(increase) in investments and advances" of non-financial services businesses, and some items of finance subsidiaries (marked by *). Free cash flow of non-financial services businesses excluding the increase in lending to finance subsidiaries are stated for the readers' information.

Unconsolidated Financial Summary

(Parent company only)

For the years ended March 31, 2002 and 2001

1. Financial Highlights

(Parent company only)

	(In millions of Yen)		
	Year ended Mar. 31, 2002	% Change	Year ended Mar. 31, 2001
Net sales	¥3,211,186	5.6%	¥3,042,022
Operating profit	185,829	58.8%	117,010
Ordinary profit	218,987	59.4%	137,374
Net income	134,925	—	11,326
	(In Yen)		
Net income per share	¥138.47		¥11.62
Dividend per share for the term	28		23
Year-end dividend per share	15		12
Interim dividend per share	13		11
	(As a percentage)		
Payout ratio	20.2%		197.9%

2. Estimated Financial Figures for the Fiscal Year Ending March 31, 2003

(Parent company only)

	(In millions of Yen)	
	First half ending Sep.30, 2002	Year ending Mar.31, 2003
Net sales	¥1,630,000	¥3,250,000
Ordinary profit	140,000	250,000
Net income	100,000	180,000
	(In Yen)	
Dividend per share for the term	16	16

3. Unit Sales Breakdown

(Parent company only)

	<u>(In thousands of units)</u>	
	<u>Year ended Mar. 31, 2002</u>	<u>Year ended Mar. 31, 2001</u>
MOTORCYCLE BUSINESS		
Japan	396	400
Export	808	780
(Motorcycles included in export)	<u>(505)</u>	<u>(481)</u>
Total	<u>1,204</u>	<u>1,180</u>
AUTOMOBILES BUSINESS		
Japan	902	788
(Mini-vehicles included above)	<u>(295)</u>	<u>(300)</u>
Export	428	456
Total	<u>1,330</u>	<u>1,244</u>
POWER PRODUCT BUSINESS		
Japan	412	162
Export	<u>3,450</u>	<u>3,879</u>
Total	<u>3,862</u>	<u>4,041</u>

Explanatory Note:

1. Previously, domestic sales of general-purpose engines to customers who will install them in products that are subsequently exported were recorded as export sales of power products. However, owing to various factors including changes in transaction formats and contract terms, as of the term under review, such sales will be recorded in domestic power products sales. Unit sales of such general-purpose engines for the fiscal year ended March 31, 2002 under review amounted to 251,000 units.

3. Net Sales Breakdown - continued

(Parent company only)

	(In millions of Yen)	
	Year ended Mar. 31, 2002	Year ended Mar. 31, 2001
MOTORCYCLE BUSINESS		
Japan	¥81,583	¥77,305
Export	392,785	365,280
Total	474,369	442,586
AUTOMOBILES BUSINESS		
Japan	1,285,340	1,174,938
Export	1,344,981	1,306,844
Total	2,630,321	2,481,783
POWER PRODUCT BUSINESS		
Japan	21,678	16,573
Export	84,817	101,079
Total	106,495	117,653
TOTAL		
Japan	1,388,602	1,268,818
Export	1,822,583	1,773,204
Total	¥3,211,186	¥3,042,022

Explanatory Notes:

1. The summary of unconsolidated financial information set forth above is derived from the complete unconsolidated financial information of the Company to be filed with the Securities and Exchange Commission on the Company's Form 6-K for the month of May 2002.
2. Unconsolidated financial statements have been prepared on the basis of accounting principles generally accepted in Japan in accordance with the Japanese Commercial Code.
3. The unit sales and yen amounts described above are rounded down to the nearest one thousand units and one million yen, respectively.
4. Previously, revenue from domestic sales of general-purpose engines to customers who install them in products that are subsequently exported were recorded as power products export revenue. However, owing to various factors including changes in transaction formats and contract terms, as of the term under review, such revenue will be recorded in domestic revenue. Revenue from such sales for the fiscal year under review amounted to 5,468 million yen.

4. Unconsolidated Statements of Income
(Parent company only)

	(In millions of Yen)	
	Year ended Mar.31, 2002	Year ended Mar.31, 2001
Net sales	¥3,211,186	¥3,042,022
Cost of sales	2,184,432	2,138,959
Selling, general and administrative expenses	<u>840,924</u>	<u>786,052</u>
Operating profit	<u>185,829</u>	<u>117,010</u>
Non-operating profit	92,388	89,002
Non-operating expenses	59,231	68,638
Ordinary Profit	218,987	137,374
Extraordinary profit	1,646	9,519
Extraordinary loss	<u>45,362</u>	<u>109,452</u>
Income before income taxes	175,270	37,441
Income taxes		
Current	73,589	40,067
Deferred	<u>(33,245)</u>	<u>(13,952)</u>
Net income	<u>¥134,925</u>	<u>¥11,326</u>

Notes

1. Research and development expenses for the fiscal year amounted 380,599 million of yen.

2. Extra ordinary loss amounting to 45,362 million yen included 15,177 million yen of impairment from revaluation of shares owned by Honda. Loss from the revaluation of Honda Motor Europe (South) S.A. shares and Anadolu Honda Otomobilcilik. A.S. shares are 6,536 million yen and 3,392 million yen, respectively.

5. Unconsolidated Balance Sheets
(Parent company only)

(In millions of Yen)

	<u>Mar. 31, 2002</u>	<u>Mar. 31, 2001</u>
Current assets	¥766,973	¥659,466
Fixed assets	<u>1,170,832</u>	<u>1,106,348</u>
Total assets	<u><u>1,937,805</u></u>	<u><u>1,765,814</u></u>
Current liabilities	523,785	496,162
Fixed liabilities	<u>71,372</u>	<u>32,965</u>
Total liabilities	<u>595,157</u>	<u>529,127</u>
Common stock	86,067	86,067
Capital surplus	168,912	163,829
Legal reserve	21,516	21,516
Earned surplus	1,040,337	930,061
Unrealized gains on securities available for sale	25,864	35,212
Treasury stock	<u>(49)</u>	<u>—</u>
Stockholders' equity	<u>1,342,648</u>	<u>1,236,686</u>
Total liabilities and stockholders' equity	<u><u>¥1,937,805</u></u>	<u><u>¥1,765,814</u></u>

Management Policy

Honda's business activities are based on fundamental corporate philosophies known as "Respect for the Individual" and "The Three Joys."

"Respect for the Individual" defines Honda's relationship with its associates, business partners and society. It is based on sharing a commitment to initiative, equality and mutual trust among people.

It is Honda's belief that everyone who comes in contact with Honda's activities will gain a sense of satisfaction through the experience of Buying, Selling or Creating our products and services. This philosophy is expressed as "The Three Joys."

With these corporate philosophies as the foundation, Honda's business is guided by the following Company Principle:

"Maintaining a global viewpoint,
we are dedicated to supplying products of the highest quality
yet at a reasonable price for worldwide customer satisfaction"

Honda actively works to share a sense of satisfaction with all of its customers, importantly including shareholders, to continue to improve its corporate value.

Management Organization

Honda has long undertaken proactive measures such as appointing independent board members and independent auditors in order to improve corporate governance.

Honda has established a global organization in which its operations are divided into five geographic regions worldwide, to enable management to respond quickly to the changing needs of customers in each region. Through this system, which is also based on the aforementioned corporate philosophies, Honda is taking a long-term perspective, cooperating with the local communities in which it does business in order to create mutual benefits. The goal is to become a company that society wants to exist. Honda will strive to reflect its market-focused effort to develop quicker and more accurate responses to changes in local needs.

Honda's four business operations—motorcycles, automobiles, power products, and spare parts— formulate the medium and long-term plans for business development in individual product categories, and each operation aims to maximize its business performance on a global basis.

Honda's administrative operations coordinate the entire organization to optimize the allocation of business resources. These efforts are aimed at increasing company-wide efficiencies.

For investors and shareholders, Honda's basic policy emphasizes the disclosure of financial results on a quarterly basis, as well as the timely and accurate disclosure of its management strategies through the mass media. Honda will remain committed to such disclosure in the future.

Dividend Policy

The Company considers redistribution of profits to shareholders as one of the most important management issues. Accordingly, the Company attempts to increase its corporate value while carrying out its operations from a global standpoint.

The Company intends to redistribute profits to shareholders, with regard to its projected comprehensive cash needs/requirements, and to make distribution payments, taking into consideration the Company's consolidated earnings performance in the long-term.

In consideration of shareholder expectations, retained earnings will be applied toward financing the R&D activities that are essential for the future growth of the Company, and capital expenditures and investment programs that will expand its operations for the purpose of improving its business results and strengthening its financial condition. The application of retained earnings towards acquiring the Company's shares will remain open for consideration.

Preparing for the Future

Signs of economic recovery in the United States are observed, while the moderate economic growth in Europe and Asian countries is not expected to remain stable. Further, a steady recovery of the economy in Japan is uncertain and, as a whole, the global business environment for the foreseeable future is expected to remain beset.

In these circumstances, Honda expects competition in each of its markets to remain challenging. Consequently, and as part of its objective of improving competitiveness and modernizing corporate structure to increase the speed and flexibility of responses to changing customer needs, Honda recognizes that further enhancing each of the following specific areas is essential to its success:

- R&D
- Production Efficiency
- Sales Efficiency
- Product Quality
- The Environment
- Safety Technologies
- European Business Strategy

R&D

Along with efforts to develop more effective safety and environmental technologies, Honda will create and swiftly introduce new value-added products that meet specific needs in various regional markets. To improve efficiency and reduce development lead time, Honda will take full advantage of information technology (IT).

Production Efficiency

Honda will establish efficient and flexible production systems, thus increasing the capability of supplying high quality products that meet the market needs. In addition to the ongoing expansion of these systems, the Company also intends to establish a complementary supply network of its competitive products and component parts on a global scale.

Sales Efficiency

Honda will expand its product lineup and upgrade its sales structure. Through the innovative use of IT, Honda will also ensure its sales information system is more convenient for customers.

Product Quality

Responding to increasing consumer demand, Honda will upgrade its quality control through enhanced coordination among the development, purchasing, production, sales and service departments.

The Environment

Honda will step up the introduction of clean, fuel-efficient engine technologies throughout its product lineup. In addition, Honda will continue its efforts to minimize the environmental impact, which is measured by the Life Cycle Assessment, in all of its business fields including logistics and sales. In its production activities, Honda promotes recycling and other environmental preservation issues under its Green Factory concept.

Safety Technologies

In the area of highly crashworthy car body technologies, Honda conducts in-depth accident research at its indoor crash test facility to carry out R&D in passenger- and pedestrian-safety technologies. As part of its contribution to traffic safety in a motorized society, Honda is active in a variety of traffic safety programs, including advanced driving and motorcycling training schemes.

European Business Strategy

In an effort to improve its European business, Honda has restructured its European sales and distribution organizations into three broad regional operations, enabling more area-specific marketing strategies. In addition to reinforcing its current marketing strategies, Honda will expand overall unit sales through the introduction of new models. On the manufacturing side, Honda will take various steps to make its U.K. automobile manufacturing subsidiary – Honda of the UK Manufacturing Limited – cost competitive and fully operational.

Honda will continue to evolve in each of these areas, focusing on activities aligned with the three directions – “Value Creation,” “Glocalization,” and “Commitment for the future” – to reach its goal of becoming a company that whose existence society desires

**CONSOLIDATED FINANCIAL SUMMARY
FOR THE FISCAL YEAR ENDED MARCH 31, 2002**

(Billions of yen)

	Results for the fiscal year ended Mar. 31, 2001	Results for the fiscal year ended Mar. 31, 2002 (change / % change)	Forecasts for the fiscal year ending Mar. 31, 2003 (change / % change)
Net sales and other operating revenue	6,463.8	7,362.4 (898.6 / 13.9%)	8,100.0 (737.5 / 10.0%)
- Japan (Note 1)	1,740.3	1,868.7 (128.4 / 7.4%)	1,950.0 (81.2 / 4.3%)
- Overseas (Note 1)	4,723.4	5,493.6 (770.2 / 16.3%)	6,150.0 (656.3 / 11.9%)
Operating income	406.9	639.2 (232.3 / 57.1%)	720.0 (80.7 / 12.6%)
<as a percentage of net sales>	< 6.3% >	< 8.7% >	< 8.9% >
Income before income taxes	384.9	551.3 (166.3 / 43.2%)	700.0 (148.6 / 27.0%)
<as a percentage of net sales>	< 6.0% >	< 7.5% >	< 8.6% >
Net income	232.2	362.7 (130.4 / 56.2%)	460.0 (97.2 / 26.8%)
<as a percentage of net sales>	< 3.6% >	< 4.9% >	< 5.7% >
Factors of change in operating income *excluding translation effects		(Increase factors) Change in revenue model mix, etc.* 77.1 Currency effects 230.7 Change in transaction rates (137.0) Translation effects (60.0) Effects of SFAS133 (Note 2) (33.7) Cost reduction 43.0 (Decrease factors) Increase in SG&A* 76.1 Increase in R&D expenses 42.3	(Increase factors) Change in revenue model mix, etc.* 101.9 Currency effects 2.3 Change in transaction rates (30.4) Translation effects (5.6) Effects of SFAS133 (Note 2) (-33.7) Cost reduction 63.0 (Decrease factors) Increase in SG&A* 63.7 Increase in R&D expenses 22.8
Weighted average translation rate USD=	¥107	¥125	¥125
Weighted average translation rate EUR=	¥98	¥111	¥110
Honda's transaction rate USD=	¥107	¥122	¥125
Honda's transaction rate EUR=	¥98	¥106	¥110
Capital expenditures	285.6	303.4	300.0
Depreciation	170.3	194.9	210.0
Research and development	352.8	395.1	418.0
Interest bearing debt	1,553.0	2,059.6	
Remarks		• Net sales, operating income, income before income taxes and net income set record high.	• Net sales, operating income, income before income taxes and net income would record highest ever.

				(Thousands of unit)			
Unit sales of motorcycle business	5,118	6,095 (977 / 19.1%)	7,880 (1,785 / 29.3%)	(motorcycles included above)	(4,834)	(5,794) (960 / 19.9%)	(7,548) (1,754 / 30.3%)
Japan	407	404 (-3 / -0.7%)	430 (26 / 6.4%)	(motorcycles included above)	(407)	(404) (-3 / -0.7%)	(430) (26 / 6.4%)
Overseas	4,711	5,691 (980 / 20.8%)	7,450 (1,759 / 30.9%)	(motorcycles included above)	(4,427)	(5,390) (963 / 21.8%)	(7,118) (1,728 / 32.1%)
North America	519	590 (71 / 13.7%)	630 (40 / 6.8%)	(motorcycles included above)	(253)	(307) (54 / 21.3%)	(309) (2 / 0.7%)
Europe	341	315 (-26 / -7.6%)	320 (5 / 1.6%)	(motorcycles included above)	(333)	(308) (-25 / -7.5%)	(315) (7 / 2.3%)
Others	3,851	4,786 (935 / 24.3%)	6,500 (1,714 / 35.8%)	(motorcycles included above)	(3,841)	(4,775) (934 / 24.3%)	(6,494) (1,719 / 36.0%)
Unit sales of automobile business	2,580	2,666 (86 / 3.3%)	2,860 (194 / 7.3%)	Japan	776	878 (102 / 13.1%)	920 (42 / 4.8%)
Overseas	1,804	1,788 (-16 / -0.9%)	1,940 (152 / 8.5%)	North America	1,346	1,368 (22 / 1.6%)	1,490 (122 / 8.9%)
Europe	191	176 (-15 / -7.9%)	190 (14 / 8.0%)	Others	267	244 (-23 / -8.6%)	260 (16 / 6.6%)
Unit sales of power product business	3,884	3,926 (42 / 1.1%)	4,660 (734 / 18.7%)	Japan (Note 1)	164	409 (245 / 149.4%)	440 (31 / 7.6%)
Overseas (Note 1)	3,720	3,517 (-203 / -5.5%)	4,220 (703 / 20.0%)	North America	1,412	1,601 (189 / 13.4%)	2,020 (419 / 26.2%)
Europe	1,269	1,012 (-257 / -20.3%)	1,250 (238 / 23.5%)	Others	1,039	904 (-135 / -13.0%)	950 (46 / 5.1%)

Note 1: Previously, domestic sales of general-purpose engines to customers who install them in products that are subsequently exported were recorded as export sales of power products. However, owing to various factors including changes in transaction formats and contract terms, as of the term under review, such sales will be recorded in domestic sales. Unit sales for this segment during the fiscal year amounted to 251,000 units and revenue from such sales became ¥5,468 million.

Note 2: On April 1, 2001, the Company adopted SFAS No.133, "Accounting for Derivative Instruments and Hedging Activities" and SFAS No.138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities, an amendment of FASB statement No.133". As the result of this adoption, ¥33.7 billion occurred from difference between the Honda's transaction rates & weighted average translation rate was booked on the Other expenses.

This announcement contains forward-looking statements within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934. Honda's actual results could materially differ from those contained in these forward-looking statements as a result of numerous factors outside of Honda's control, including general economic conditions in Honda's principal markets and foreign exchange rates between the Japanese yen and other major currencies, as well as other factors detailed from time to time in Honda's reports filed with the U.S. Securities and Exchange Commission.

**UNCONSOLIDATED FINANCIAL SUMMARY
FOR THE FISCAL YEAR ENDED MARCH 31, 2002**

(Parent company only)

(Billions of yen)

	Results for fiscal year ended Mar. 31, 2001	Results for fiscal year ended Mar. 31, 2002 (change / % change)	Forecasts for fiscal year ending Mar. 31, 2003 (change / % change)
Net sales and other operating revenue	3,042.0	3,211.1 (169.1 / 5.6%)	3,250.0 (38.8 / 1.2%)
- Domestic	1,268.8	1,388.6 (119.7 / 9.4%)	1,406.0 (17.3 / 1.3%)
- Export	1,773.2	1,822.5 (49.3 / 2.8%)	1,844.0 (21.4 / 1.2%)
Operating income <as a percentage of net sales>	117.0 < 3.8% >	185.8 (68.8 / 58.8%) < 5.8% >	155.0 (-30.8 / -16.6%) < 4.8% >
Ordinary profit <as a percentage of net sales>	137.3 < 4.5% >	218.9 (81.6 / 59.4%) < 6.8% >	250.0 (31.0 / 14.2%) < 7.7% >
Net income <as a percentage of net sales>	11.3 < 0.4% >	134.9 (123.5 / —) < 4.2% >	180.0 (45.0 / 33.4%) < 5.5% >
Factors of change in operating income		(Increase factors) -Currency effects 90.0 -Cost reduction 33.0 -Others 0.6 (Decrease factors) -Increase in SG&A (excluding R&D) 16.6 -Increase in R&D 38.2	(Increase factors) -Currency effects — -Cost reduction 39.0 (Decrease factors) -Increase in SG&A (excluding R&D) 33.5 -Increase in R&D 31.4 -Others 4.8
Weighted average translation rate USD=	¥110	¥125	¥125
Weighted average translation rate EUR=	¥101	¥111	¥110
Honda's transaction rate USD=	¥107	¥122	¥125
Honda's transaction rate EUR=	¥98	¥106	¥110
Capital expenditures	99.3	68.6	80.0
M/C production-related	3.6	3.6	2.0
A/M production-related	47.7	39.1	32.0
P/P production-related	1.3	2.3	1.0
Others	46.6	23.4	45.0
Depreciation	59.0	61.7	58.0
Research and development	342.3	380.5	412.0
Interest bearing debt	31.3	1.1	1.0
Remarks		• Net sales set record high. Operating income, ordinary profit and net income increased for the first time in last three years.	• Net sales would set record high for the second consecutive year. Ordinary profit and net income would increase for the second consecutive year.

(Thousands of unit)

Motorcycle business	1,180	1,204 (24 / 2.0%)	1,210 (5 / 0.4%)
(motorcycles included above)	(881)	(901) (20 / 2.3%)	(880) (-21 / -2.4%)
Domestic sales	400	396 (-4 / -1.1%)	430 (33 / 8.6%)
(motorcycles included above)	(400)	(396) (-4 / -1.1%)	(430) (33 / 8.6%)
Export sales	780	808 (28 / 3.7%)	780 (-28 / -3.6%)
(motorcycles included above)	(481)	(505) (24 / 5.1%)	(450) (-55 / -11.0%)
Automobile business	1,244	1,330 (86 / 6.9%)	1,350 (19 / 1.4%)
Domestic sales	788	902 (114 / 14.5%)	920 (17 / 1.9%)
Registration vehicles	487	607 (120 / 24.6%)	650 (42 / 7.0%)
Mini-vehicles	300	295 (-5 / -1.8%)	270 (-25 / -8.6%)
Export sales	456	428 (-28 / -6.2%)	430 (1 / 0.5%)
Power product business	4,041	3,862 (-179 / -4.4%)	4,230 (367 / 9.5%)
Domestic sales	162	412 (249 / 153.5%)	440 (27 / 6.6%)
Export sales	3,879	3,450 (-428 / -11.1%)	3,790 (339 / 9.8%)
Automobile production	2,521	2,692 (171 / 6.8%)	2,910 (217 / 8.1%)
Domestic	1,234	1,315 (81 / 6.6%)	1,340 (24 / 1.9%)
Overseas	1,286	1,376 (89 / 7.0%)	1,570 (193 / 14.0%)

Note: Previously, domestic sales of general-purpose engines to customers who install them in products that are subsequently exported were recorded as export sales of power products. However, owing to various factors including changes in transaction formats and contract terms, as of the term under review, such sales will be recorded in domestic sales. Unit sales for this segment during the fiscal year amounted to 251,000 units and revenue from such sales became ¥5,468 million.

This announcement contains forward-looking statements within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934. Honda's actual results could materially differ from those contained in these forward-looking statements as a result of numerous factors outside of Honda's control, including general economic conditions in Honda's principal markets and foreign exchange rates between the Japanese yen and other major currencies, as well as other factors detailed from time to time in Honda's reports filed with the U.S. Securities and Exchange Commission.

Consolidated Financial Summary (Supplemental version)

Honda Motor Co., Ltd.

(Thousands of units, Millions of yen)

	Fourth Quarter Results			Fiscal Year Results			Forecasts	
	3 mos ended Mar. 2002	3 mos ended Mar. 2001	% change	Year ended Mar. 2002	Year ended Mar. 2001	% change	Year ending Mar. 2003	% change
Unit sales of motorcycles								
Japan	101	114	-11.4 %	404	407	-0.7 %	430	6.4 %
North America	190	153	24.2 %	590	519	13.7 %	630	6.8 %
Europe	96	97	-1.0 %	315	341	-7.6 %	320	1.6 %
Others	1,365	942	44.9 %	4,786	3,851	24.3 %	6,500	35.8 %
Total	1,752	1,306	34.2 %	6,095	5,118	19.1 %	7,880	29.3 %
Unit sales of automobiles								
Japan	247	219	12.8 %	878	776	13.1 %	920	4.8 %
North America	364	352	3.4 %	1,368	1,346	1.6 %	1,490	8.9 %
Europe	54	56	-3.6 %	176	191	-7.9 %	190	8.0 %
Others	61	67	-9.0 %	244	267	-8.6 %	260	6.6 %
Total	726	694	4.6 %	2,666	2,580	3.3 %	2,860	7.3 %
Unit sales of power products (Note 2)								
Japan	137	44	211.4 %	409	164	149.4 %	440	7.6 %
North America	622	499	24.6 %	1,601	1,412	13.4 %	2,020	26.2 %
Europe	405	455	-11.0 %	1,012	1,269	-20.3 %	1,250	23.5 %
Others	265	294	-9.9 %	904	1,039	-13.0 %	950	5.1 %
Total	1,429	1,292	10.6 %	3,926	3,884	1.1 %	4,660	18.7 %
Exchange rate to USD (Note 1)								
Honda's transaction rates	125.00	109.00	12.8 %	122.00	107.00	12.3 %	125.00	2.4 %
Average rates for the period	132.52	118.14	10.9 %	125.14	110.59	11.6 %	125.00	-0.1 %
Rates for the period-end				133.25	123.90	7.0 %		
Exchange rates to EUR (Note 1)								
Honda's transaction rates	110.00	96.00	12.7 %	106.00	98.00	7.5 %	110.00	3.6 %
Average rates for the period	116.11	109.00	6.1 %	110.58	100.44	9.2 %	110.00	-0.5 %
Rates for the period-end				116.14	109.33	5.9 %		
Key items								
Net sales and other								
operating revenue	2,101,030	1,835,806	14.4 %	7,362,438	6,463,830	13.9 %	8,100,000	10.0 %
Operating income	169,277	109,148	55.1 %	639,296	406,960	57.1 %	720,000	12.6 %
Income before income taxes	160,882	108,022	48.9 %	551,342	384,976	43.2 %	700,000	27.0 %
Net income	106,709	63,000	69.4 %	362,707	232,241	56.2 %	460,000	26.8 %
Capital expenditures	106,362	90,147	18.0 %	303,424	285,687	6.2 %	300,000	-1.1 %
Depreciation	54,824	49,401	11.0 %	194,944	170,342	14.4 %	210,000	7.7 %
Research and development	107,752	99,317	8.5 %	395,176	352,829	12.0 %	418,000	5.8 %
Stockholders' equity				2,573,941	2,230,291	15.4 %		
Total assets				6,940,795	5,667,409	22.5 %		
Interest bearing debt				2,059,697	1,553,071	32.6 %		

Note 1:

- Honda's transaction rates : rates to be used mainly for exchanging the Company's foreign currency-denominated trade amount into yen.
Average rates for the period : rates to be used for translating the Company's subsidiaries' foreign currency-denominated statements of income into yen.
Rates for the period-end : rates to be used for translating the Company's subsidiaries' foreign currency-denominated assets and liabilities into yen.

	4th Quarter Results	Fiscal Year Results	Forecasts FY2003
Factors of changes in operating income			
Changes in revenue, model mix, etc.*	+10,684	+77,102	+101,950
Currency effects	+76,600	+230,700	+2,300
(Change in transaction rates)	+43,000	+137,000	+30,400
U. S. Dollar	+35,000	+115,000	+28,000
Euro and other currencies	+8,000	+22,000	+2,400
(Translation effects)	+14,000	+60,000	+5,600
Gross profit	+34,000	+129,000	+8,000
SG&A	-20,000	-69,000	-2,400
(Effects of SFAS133) (Note 3)	+19,600	+33,700	-33,700
Cost reduction	+9,000	+43,000	+63,000
Materials and other	+16,000	+68,000	+93,000
Labor expenses	-3,000	-11,000	-11,000
Depreciation	-4,000	-14,000	-19,000
Changes in SG&A*	-27,720	-76,119	-63,722
Changes in R&D	-8,435	-42,347	-22,824
Changes in operating income	+60,129	+232,336	+80,704

* excluding translation effects

Note 2: Previously, domestic sales of general-purpose engines to customers who install them in products that are subsequently exported were recorded as export sales of power products. Owing to various factors including changes in transaction formats and contract terms, as of the term under review, such sales are recorded in domestic sales. Unit sales related to this change during the fiscal year totaled 251,000 units and revenue related thereto amounted to ¥5.468 billion.

Note 3: On April 1, 2001, the Company adopted SFAS No.133, "Accounting for Derivative Instruments and Hedging Activities" and SFAS No.138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities, an amendment of FASB statement No.133". As the result of this adoption, ¥33.7 billion occurred from difference between Honda's transaction rates & weighted average translation rate was booked on the Other expenses.

This announcement contains forward-looking statements within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934. Honda's actual results could materially differ from those contained in these forward-looking statements as a result of numerous factors outside of Honda's control, including general economic conditions in Honda's principal markets and foreign exchange rates between the Japanese yen and other major currencies, as well as other factors detailed from time to time in Honda's reports filed with the U.S. Securities and Exchange Commission.