

January 28, 2005

**HONDA MOTOR CO., LTD. REPORTS
CONSOLIDATED FINANCIAL RESULTS
FOR THE FISCAL THIRD QUARTER AND
THE NINE MONTHS ENDED DECEMBER 31, 2004**

Tokyo, January 28, 2005--- Honda Motor Co., Ltd. today announced its consolidated financial results for the fiscal third quarter and the nine months ended December 31, 2004.

Third Quarter Results

Honda's consolidated net income for the fiscal third quarter ended December 31, 2004 totaled JPY 150.7 billion (USD 1,447 million), almost the same level as the corresponding period in 2003. Basic net income per common share for the quarter amounted to JPY 161.78 (USD 1.55), compared with JPY 158.66 for the corresponding period in 2003. Two of Honda's American depository shares represent one common share.

Consolidated net sales and other operating revenue (herein referred to as "revenue") for the fiscal third quarter amounted to JPY 2,133.8 billion (USD 20,476 million), an increase of 7.1% from the corresponding period in 2003.

Revenue included currency translation effects, which had a negative impact on foreign currency denominated revenue from Honda's overseas subsidiaries translated into yen. Honda estimates that had the exchange rate of yen remained unchanged from the same period in 2003, revenue for the quarter would have increased by approximately 8.5%.

Consolidated operating income for the fiscal third quarter totaled JPY 157.6 billion (USD 1,513 million), a decrease of 6.9% compared with the corresponding period in 2003.

This decrease in operating income was primarily due to the negative impacts of appreciation of the yen against the U.S. dollar, and to an increase in selling, general and administrative (SG&A) expenses, offsetting positive impacts of increased profit coming from higher revenue and Honda's ongoing cost reduction effects.

Consolidated income before income taxes for the fiscal third quarter totaled JPY 187.9 billion (USD 1,804 million), a decrease of 7.7% from the corresponding period in 2003.

Business Segment

With respect to Honda's sales in the fiscal third quarter by business category, motorcycle unit sales increased by 4.9% from the corresponding period in 2003 to 2,483 thousand units. Of them, unit sales in Japan decreased 9.3% to 78 thousand units, and overseas unit sales increased 5.4% to 2,405 thousand units, due mainly to increased unit sales of parts for local production in Indonesia, and favorable sales in Europe and Other regions, such as Brazil. Revenue from sales to unaffiliated customers increased 6.8%, to JPY 241.8 billion (USD 2,321 million). Operating income decreased by 28.6% to JPY 5.1 billion (USD 49 million), due primarily to a decrease in unit sales in North America, offsetting increased profit from higher revenue in Asia and Europe.

Honda's unit sales of automobiles increased by 9.4% from the corresponding period in 2003 to 817 thousand units. In Japan, unit sales of automobiles decreased 2.3% to 173 thousand units. Overseas unit sales increased 13.0% to 644 thousand units. Increased unit sales of parts for local production in China, and continued favorable sales in Europe and Other regions, such as Brazil were the major contributing factors for this increase in unit sales. Revenue from sales to unaffiliated customers increased 7.0%, to JPY 1,744.6 billion (USD 16,741 million) during the quarter, due to increased unit sales, offsetting the negative currency translation effects. Operating income decreased 7.0% to JPY 126.0 billion (USD 1,209 million) due mainly to negative currency effects caused by the appreciation of the yen against the U.S. dollar, which offset positive impacts of higher profit from increased revenue and ongoing cost reduction effects.

Revenue from sales to unaffiliated customers in financial services increased 15.0% to JPY 67.6 billion (USD 649 million), due to the growth of the automobile business in North America. Operating income decreased 2.4% to JPY 23.9 billion (USD 230 million), due primarily to negative currency translation effects caused by the appreciation of the yen against the U.S. dollar and increase in interest rates.

Unit sales of power products in Japan totaled 95 thousand units, a decrease by 12.8%, and overseas unit sales was 949 thousand units, which was almost the same level as the third quarter in 2003. Total unit sales of power products were 1,044 thousand units, a decrease of 1.9% compared to the corresponding period in 2003, due primarily to decreased sales of general-purpose engines in Europe, offsetting increased sales of general-purpose engines for OEM, generators and water pumps in North America. Revenue from sales to unaffiliated customers in power product and other businesses increased by 4.1% to JPY 79.7 billion (USD 765 million), due mainly to changes in the model mix. Operating income increased 22.1% to JPY 2.4 billion (USD 24 million).

Geographic Segment

With respect to Honda's sales for the third quarter by geographic segment, in Japan, revenue was JPY 1,066.8 billion (USD 10,237 million), up by 10.9% compared to the corresponding period in 2003, due primarily to increased unit sales for export in motorcycle and automobile businesses. Operating income in Japan was JPY 47.4 billion (USD 456 million), up by 62.1%, mainly due to higher profit from increased revenue, and ongoing cost reduction effects.

In North America, revenue increased by 1.2% from the previous year to JPY 1,188.0 billion (USD 11,400 million), due mainly to improved model mix in automobile business, offsetting negative impact of the currency translation effects.

Operating income in North America decreased by 26.2% to JPY 81.7 billion (USD 784 million) from the corresponding period of the previous year, due primarily to the negative impact of the appreciation of the yen against the U.S. dollar, offsetting the positive impacts of increased profit from higher sales and ongoing cost reduction effects.

In Europe, revenue for the quarter increased by 30.7% to JPY 243.8 billion (USD 2,340 million) compared to the corresponding period of the previous year, due primarily to increased unit sales in motorcycle and automobile businesses, and a positive impact of currency translation effects. Operating income in Europe increased by 263.6% to JPY 5.5 billion (USD 53 million), due mainly to positive currency effects caused by the depreciation of the yen against Euro and increased profit from higher revenue.

In Asia, revenue increased by 28.0% to JPY 205.3 billion (USD 1,970 million) from the previous year, due mainly to increases in unit sales in motorcycle and automobile businesses. Operating income also increased by 48.5% to JPY 16.2 billion (USD 156 million) from the corresponding period of the previous year, due mainly to increased profit from higher revenue and ongoing cost reduction effects.

In Other regions, unit sales increased in all business segments, namely motorcycle, automobile and power product, and revenue for the third quarter increased by 19.4% to JPY 114.1 billion (USD 1,095 million) compared to the corresponding period of the previous year. Increased unit sales in Latin America was a major contributing factor to this increase in revenue. Operating income increased by 14.2% from the corresponding period of the previous year to JPY 9.2 billion (USD 89 million).

Nine-Month Results

Honda's consolidated net income for the fiscal nine months ended December 31, 2004 totaled JPY 392.1 billion (USD 3,763 million), an increase of 0.5% from the previous year. Basic net income per common share for the fiscal nine months amounted to JPY 418.99(USD 4.02), compared with JPY 407.87 for the corresponding period a year ago.

Revenue for the fiscal nine months amounted to JPY 6,300.5 billion (USD 60,460 million), an increase of 4.7% from last year.

Revenue included the negative effect of currency translation, and Honda estimates that if the exchange rate of the yen had not changed from the previous year, revenue for the year would have increased by approximately 8.1%.

Consolidated operating income for the fiscal nine months totaled JPY 490.5 billion (USD 4,707 million), an increase of 0.7% compared with the corresponding period last year. This increase in operating income was primarily due to increased profit from higher revenue and continuing cost reduction effects, offsetting negative impacts, such as appreciation of the yen against the U.S. dollar, and an increase in SG&A expenses and research and development (R&D) expenses.

Consolidated income before income taxes for the fiscal nine months totaled JPY 527.6 billion (USD 5,063 million), a decrease of 1.5% compared with the previous year.

Business Segment

With respect to Honda's sales for the fiscal nine months by business category, motorcycle unit sales increased 17.9% to 7,766 thousand units. Of them, unit sales in Japan decreased 5.0% to 285 thousand units, while overseas unit sales increased 19.0% to 7,481 thousand, due mainly to strong sales in Asia, such as India and Indonesia. Revenue from sales to unaffiliated customers increased 10.1% to JPY 772.0 billion (USD 7,408 million), due primarily to increased unit sales, offsetting negative currency translation effects. Operating income increased 184.0% to JPY 42.3 billion (USD 406 million).

Unit sales related to automobiles for the fiscal nine months increased by 8.8% to 2,383 thousands units. In Japan, unit sales of automobiles increased 2.2% to 517 thousand units, and overseas unit sales increased 10.8% to 1,866 thousand units, due mainly to increased sales in Asia, such as China and Indonesia, and Europe. Revenue from sales to unaffiliated customers increased 4.0% to JPY 5,093.6 billion (USD 48,878 million), due mainly to increased unit sales, which offset negative currency translation effects.

Operating income decreased 5.2% to JPY 361.7 billion (USD 3,472 million), due mainly to negative impact of the appreciation of the yen against the US. dollar, which offset positive impacts of increased profit from higher revenue and cost reduction effects.

Revenue from sales to unaffiliated customers in financial services increased 3.2 % to JPY191.0 billion (USD 1,833 million). Operating income decreased 15.4% to JPY 71.7 billion (USD 689 million).

Unit sales of power products totaled 3,516 thousand units, an increase of 7.9% compared to the corresponding period of the previous year. Of them, unit sales in Japan totaled 315 thousand units, decreased by 11.0%, and overseas unit sales increased 10.2% to 3,201 thousand units, mainly contributed by increased unit sales in North America. Revenue from sales to unaffiliated customers increased by 4.5% to JPY 243.8 billion (USD 2,340 million). Operating income increased 145.5% to JPY 14.6 billion (USD 141 million).

Geographic Segment

With respect to Honda's sales for the fiscal nine months by geographic segment, in Japan, revenue was JPY 3,045.5 billion (USD 29,225 million), up by 6.9% from the corresponding period of the previous year, due mainly to increases in unit sales in automobile business. Operating income in Japan was JPY 134.2 billion (USD 1,289 million), up by 30.2% from the previous year.

In North America, revenue decreased by 3.7% from the fiscal nine months of the previous year to JPY 3,421.2 billion (USD 32,830 million), due mainly to decreased unit sales in motorcycle and automobile businesses, and negative currency translation effects. Operating income in North America decreased by 17.3% to JPY 247.5 billion (USD 2,375 million) from the corresponding period of the previous year.

In Europe, revenue for the fiscal nine months increased by 15.2% to JPY 758.4 billion (USD 7,278 million) compared to the corresponding period of the previous year, due mainly to increased unit sales in motorcycle, automobile and power product businesses, and positive impact of currency translation effects. Operating income in Europe increased by 55.4% to JPY 29.6 billion (USD 284 million).

In Asia, revenue increased by 24.4% to JPY 620.9 billion (USD 5,959 million) from the previous year, due primarily to increased unit sales in motorcycle and automobile businesses. Operating income also increased by 53.0% to JPY 53.6 billion (USD 515 million) from the corresponding period of the previous year.

Revenue from Other regions for the fiscal nine months increased by 30.7% to JPY 333.2 billion (USD 3,198 million) compared to the corresponding period of the previous year, due primarily to increased unit sales in motorcycle, automobile and power product businesses. Operating income increased by 47.1% to JPY 28.5 billion (USD 274 million) from the corresponding period of the previous year.

Forecasts for the fiscal year ending March 31, 2005

FY2005 Forecasts for consolidated results

	<u>Yen (billions)</u>	<u>Changes from FY 2004</u>
Net sales and other operating revenue	8,650	+6.0%
Operating income	625	+4.1%
Income before income taxes	640	-0.3%
Net income	480	+3.4%

FY2005 Forecasts for unconsolidated results

	<u>Yen (billions)</u>	<u>Changes from FY2004</u>
Net sales	3,480	+4.8%
Operating income	130	-29.6%
Ordinary profit	208	-33.2%
Net income	143	-36.9%

These forecasts are based on the assumption that the exchange rates for the yen to the U.S. dollar and the euro for the fourth quarter will average JPY 103 and JPY 135, and for the current fiscal year, JPY 107 and JPY 135, 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, 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

	Unit (thousands)			
	Three months ended	Three months ended	Nine months ended	Nine months ended
	Dec. 31, 2004	Dec. 31, 2003	Dec. 31, 2004	Dec. 31, 2003
MOTORCYCLES				
Japan	78	86	285	300
	(78)	(86)	(285)	(300)
North America	135	190	413	429
	(70)	(109)	(212)	(231)
Europe	71	50	247	208
	(68)	(47)	(237)	(200)
Asia	1,965	1,832	6,127	5,021
	(1,965)	(1,832)	(6,127)	(5,021)
Other Regions	234	209	694	628
	(231)	(207)	(685)	(621)
Total	2,483	2,367	7,766	6,586
	(2,412)	(2,281)	(7,546)	(6,373)
AUTOMOBILES				
Japan	173	177	517	506
North America	403	407	1,160	1,189
Europe	59	44	188	157
Asia	136	76	392	239
Other Regions	46	43	126	99
Total	817	747	2,383	2,190
POWER PRODUCTS				
Japan	95	109	315	354
North America	443	415	1,675	1,468
Europe	273	302	766	723
Asia	137	153	510	470
Other Regions	96	85	250	244
Total	1,044	1,064	3,516	3,259

Explanatory notes:

1. The geographic breakdown of unit sales is based on the location of affiliated and unaffiliated customers.
2. Figures in brackets represent unit sales of motorcycles only.

[2] Net Sales Breakdown

(A) For the three months ended December 31, 2004 and 2003

	Yen (millions)			
	Three months ended Dec. 31, 2004		Three months ended Dec. 31, 2003	
MOTORCYCLE BUSINESS				
Japan	21,769	(9.0%)	20,157	(8.9%)
North America	61,029	(25.2%)	82,218	(36.3%)
Europe	37,039	(15.3%)	26,624	(11.8%)
Asia	72,685	(30.1%)	55,971	(24.7%)
Other Regions	49,344	(20.4%)	41,403	(18.3%)
Total	241,866	(100.0%)	226,373	(100.0%)
AUTOMOBILE BUSINESS				
Japan	358,293	(20.5%)	349,140	(21.5%)
North America	1,017,692	(58.3%)	993,448	(60.9%)
Europe	133,478	(7.7%)	98,301	(6.0%)
Asia	154,094	(8.8%)	117,469	(7.2%)
Other Regions	81,057	(4.7%)	72,107	(4.4%)
Total	1,744,614	(100.0%)	1,630,465	(100.0%)
FINANCIAL SERVICES				
Japan	5,295	(7.8%)	5,024	(8.5%)
North America	58,984	(87.3%)	51,277	(87.2%)
Europe	2,167	(3.2%)	1,864	(3.2%)
Asia	363	(0.5%)	236	(0.4%)
Other Regions	808	(1.2%)	414	(0.7%)
Total	67,617	(100.0%)	58,815	(100.0%)
POWER PRODUCT & OTHER BUSINESSES				
Japan	33,411	(41.9%)	33,648	(43.9%)
North America	19,642	(24.6%)	19,016	(24.8%)
Europe	13,735	(17.2%)	12,685	(16.6%)
Asia	8,275	(10.4%)	6,883	(9.0%)
Other Regions	4,660	(5.9%)	4,360	(5.7%)
Total	79,723	(100.0%)	76,592	(100.0%)
TOTAL				
Japan	418,768	(19.6%)	407,969	(20.5%)
North America	1,157,347	(54.3%)	1,145,959	(57.5%)
Europe	186,419	(8.7%)	139,474	(7.0%)
Asia	235,417	(11.0%)	180,559	(9.1%)
Other Regions	135,869	(6.4%)	118,284	(5.9%)
Total	2,133,820	(100.0%)	1,992,245	(100.0%)

[2] Net Sales Breakdown - continued

(B) For the nine months ended December 31, 2004 and 2003

	Yen (millions)			
	Nine months ended Dec. 31, 2004		Nine months ended Dec. 31, 2003	
MOTORCYCLE BUSINESS				
Japan	74,255	(9.6%)	71,060	(10.1%)
North America	208,881	(27.1%)	212,752	(30.3%)
Europe	141,958	(18.4%)	124,423	(17.8%)
Asia	207,852	(26.9%)	175,852	(25.1%)
Other Regions	139,082	(18.0%)	117,357	(16.7%)
Total	772,028	(100.0%)	701,444	(100.0%)
AUTOMOBILE BUSINESS				
Japan	1,078,920	(21.2%)	980,387	(20.0%)
North America	2,877,415	(56.5%)	3,009,238	(61.4%)
Europe	425,866	(8.4%)	350,470	(7.2%)
Asia	486,787	(9.5%)	380,562	(7.8%)
Other Regions	224,632	(4.4%)	177,066	(3.6%)
Total	5,093,620	(100.0%)	4,897,723	(100.0%)
FINANCIAL SERVICES				
Japan	15,306	(8.0%)	15,327	(8.3%)
North America	166,159	(87.0%)	162,470	(87.8%)
Europe	6,512	(3.4%)	5,425	(2.9%)
Asia	1,043	(0.5%)	594	(0.3%)
Other Regions	2,031	(1.1%)	1,235	(0.7%)
Total	191,051	(100.0%)	185,051	(100.0%)
POWER PRODUCT & OTHER BUSINESSES				
Japan	90,413	(37.1%)	91,227	(39.1%)
North America	77,271	(31.7%)	71,024	(30.4%)
Europe	44,428	(18.2%)	38,409	(16.4%)
Asia	19,141	(7.8%)	21,155	(9.1%)
Other Regions	12,599	(5.2%)	11,643	(5.0%)
Total	243,852	(100.0%)	233,458	(100.0%)
TOTAL				
Japan	1,258,894	(20.0%)	1,158,001	(19.2%)
North America	3,329,726	(52.9%)	3,455,484	(57.5%)
Europe	618,764	(9.8%)	518,727	(8.6%)
Asia	714,823	(11.3%)	578,163	(9.6%)
Other Regions	378,344	(6.0%)	307,301	(5.1%)
Total	6,300,551	(100.0%)	6,017,676	(100.0%)

Explanatory notes:

1. The geographic breakdown of net sales is based on the location of affiliated and unaffiliated customers.
2. Net sales of power product & other businesses include revenue from sales of power products and relevant parts, leisure businesses and trading.

[3] Consolidated Financial Summary

For the three months and nine months ended December 31, 2004 and 2003

Financial Highlights

	Yen (millions)					
	Three months ended Dec. 31, 2004	% Change	Three months ended Dec. 31, 2003	Nine months ended Dec. 31, 2004	% Change	Nine months ended Dec. 31, 2003
Net sales and other operating revenue	2,133,820	7.1%	1,992,245	6,300,551	4.7%	6,017,676
Operating income	157,636	-6.9%	169,328	490,561	0.7%	487,224
Income before income taxes	187,996	-7.7%	203,581	527,663	-1.5%	535,462
Net income	150,760	-0.2%	151,050	392,144	0.5%	390,228
	Yen					
Basic net income per Common share	161.78		158.66	418.99		407.87
American depositary share	80.89		79.33	209.49		203.93
	U.S. Dollar (millions)					
	Three months ended Dec. 31, 2004			Nine months ended Dec. 31, 2004		
Net sales and other operating revenue	20,476			60,460		
Operating income	1,513			4,707		
Income before income taxes	1,804			5,063		
Net income	1,447			3,763		
	U.S. Dollar					
Basic net income per Common share	1.55			4.02		
American depositary share	0.78			2.01		

[4] Consolidated Statements of Income and Retained Earnings (Unaudited)

(A) For the three months ended December 31, 2004 and 2003

	Yen (millions)	
	Three months ended Dec. 31, 2004	Three months ended Dec. 31, 2003
Net sales and other operating revenue	2,133,820	1,992,245
Operating costs and expenses:		
Cost of sales	1,483,180	1,363,822
Selling, general and administrative	376,999	346,955
Research and development	116,005	112,140
Operating income	157,636	169,328
Other income:		
Interest	2,850	1,598
Other	30,386	38,331
Other expenses:		
Interest	2,103	1,926
Other	773	3,750
Income before income taxes	187,996	203,581
Income taxes	66,614	77,534
Income before equity in income of affiliates	121,382	126,047
Equity in income of affiliates	29,378	25,003
Net income	150,760	151,050
Retained earnings:		
Balance at beginning of period	3,648,428	3,382,512
Cash dividends paid	(26,156)	(18,155)
Transfer to legal reserves	(91)	(83)
Balance at end of period	3,772,941	3,515,324
Basic net income per	Yen	
Common share	161.78	158.66
American depositary share	80.89	79.33

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

(B) For the nine months ended December 31, 2004 and 2003

	Yen (millions)	
	<u>Nine months ended Dec. 31, 2004</u>	<u>Nine months ended Dec. 31, 2003</u>
Net sales and other operating revenue	6,300,551	6,017,676
Operating costs and expenses:		
Cost of sales	4,369,403	4,129,173
Selling, general and administrative	1,100,385	1,070,267
Research and development	340,202	331,012
Operating income	490,561	487,224
Other income:		
Interest	7,741	6,895
Other	61,566	58,185
Other expenses:		
Interest	8,003	7,453
Other	24,202	9,389
Income before income taxes	527,663	535,462
Income taxes	212,030	206,236
Income before equity in income of affiliates	315,633	329,226
Equity in income of affiliates	76,511	61,002
Net income	392,144	390,228
Retained earnings:		
Balance at beginning of period	3,589,434	3,161,664
Retirement of treasury stocks	(158,570)	—
Cash dividends paid	(47,797)	(33,541)
Transfer to legal reserves	(2,270)	(3,027)
Balance at end of period	3,772,941	3,515,324
Basic net income per		Yen
Common share	418.99	407.87
American depositary share	209.49	203.93

[5] Consolidated Balance Sheets

Assets	Yen (millions)		
	Dec. 31, 2004 (Unaudited)	Mar. 31, 2004 (Audited)	Dec. 31, 2003 (Unaudited)
Current assets:			
Cash and cash equivalents	657,159	724,421	643,020
Trade accounts and notes receivable	347,597	373,416	288,090
Finance subsidiaries receivables, net	1,311,652	1,264,620	1,076,092
Inventories	850,848	765,433	775,710
Deferred income taxes	195,526	222,179	189,512
Other current assets	322,018	303,185	322,493
Total current assets	3,684,800	3,653,254	3,294,917
Finance subsidiaries-receivables, net	2,587,444	2,377,338	2,271,854
Investments and advances	634,431	541,066	516,362
Property, plant and equipment, at cost:			
Land	359,407	354,762	349,417
Buildings	999,994	968,159	929,254
Machinery and equipment	2,171,149	2,072,347	1,988,260
Construction in progress	98,079	49,208	103,680
	3,628,629	3,444,476	3,370,611
Less accumulated depreciation	2,117,488	2,008,945	1,993,496
Net property, plant and equipment	1,511,141	1,435,531	1,377,115
Other assets	338,167	321,579	370,517
Total assets	8,755,983	8,328,768	7,830,765

[5] Consolidated Balance Sheets - continued

Liabilities and Stockholders' Equity	Yen (millions)		
	Dec. 31, 2004 (Unaudited)	Mar. 31, 2004 (Audited)	Dec. 31, 2003 (Unaudited)
Current liabilities:			
Short-term debt	700,243	734,271	565,988
Current portion of long-term debt	552,722	487,125	436,974
Trade payables	832,407	911,237	741,745
Accrued expenses	775,928	813,733	734,251
Income taxes payable	32,806	31,194	48,307
Other current liabilities	436,027	357,259	317,841
Total current liabilities	3,330,133	3,334,819	2,845,106
Long-term debt	1,537,558	1,394,612	1,409,902
Other liabilities	731,104	724,937	801,024
Total liabilities	5,598,795	5,454,368	5,056,032
Stockholders' equity:			
Common stock	86,067	86,067	86,067
Capital surplus	172,529	172,719	172,719
Legal reserves	34,688	32,418	32,418
Retained earnings	3,772,941	3,589,434	3,515,324
Adjustments from foreign currency translation	(665,026)	(665,413)	(635,988)
Net unrealized gains on marketable equity securities	34,294	36,066	32,846
Minimum pension liabilities adjustments	(225,269)	(225,226)	(308,532)
Accumulated other comprehensive income (loss)	(856,001)	(854,573)	(911,674)
Treasury Stock	(53,036)	(151,665)	(120,121)
Total stockholders' equity	3,157,188	2,874,400	2,774,733
Total liabilities and stockholders' equity	8,755,983	8,328,768	7,830,765

[6] Segment Information

1. Business Segment Information

(A) For the three months ended December 31, 2004

	Yen (millions)						
	Motorcycle Business	Automobile Business	Financial Services	Power Product & Other Businesses	Total	Eliminations	Consolidated
Net sales and other operating revenue:							
Sales to unaffiliated customers	241,866	1,744,614	67,617	79,723	2,133,820	-	2,133,820
Intersegment sales	0	0	785	2,345	3,130	(3,130)	-
Total	241,866	1,744,614	68,402	82,068	2,136,950	(3,130)	2,133,820
Cost of sales, SG&A. and R&D expenses	236,723	1,618,604	44,417	79,570	1,979,314	(3,130)	1,976,184
Operating income	5,143	126,010	23,985	2,498	157,636	0	157,636

For the three months ended December 31, 2003

	Yen (millions)						
	Motorcycle Business	Automobile Business	Financial Services	Power Product & Other Businesses	Total	Eliminations	Consolidated
Net sales and other operating revenue:							
Sales to unaffiliated customers	226,373	1,630,465	58,815	76,592	1,992,245	-	1,992,245
Intersegment sales	0	0	860	2,600	3,460	(3,460)	-
Total	226,373	1,630,465	59,675	79,192	1,995,705	(3,460)	1,992,245
Cost of sales, SG&A. and R&D expenses	219,166	1,494,954	35,111	77,146	1,826,377	(3,460)	1,822,917
Operating income	7,207	135,511	24,564	2,046	169,328	0	169,328

(B) For the nine months ended December 31, 2004

	Yen (millions)						
	Motorcycle Business	Automobile Business	Financial Services	Power Product & Other Businesses	Total	Eliminations	Consolidated
Net sales and other operating revenue:							
Sales to unaffiliated customers	772,028	5,093,620	191,051	243,852	6,300,551	-	6,300,551
Intersegment sales	0	0	2,475	8,160	10,635	(10,635)	-
Total	772,028	5,093,620	193,526	252,012	6,311,186	(10,635)	6,300,551
Cost of sales, SG&A. and R&D expenses	729,684	4,731,827	121,746	237,368	5,820,625	(10,635)	5,809,990
Operating income	42,344	361,793	71,780	14,644	490,561	0	490,561

For the nine months ended December 31, 2003

	Yen (millions)						
	Motorcycle Business	Automobile Business	Financial Services	Power Product & Other Businesses	Total	Eliminations	Consolidated
Net sales and other operating revenue:							
Sales to unaffiliated customers	701,444	4,897,723	185,051	233,458	6,017,676	-	6,017,676
Intersegment sales	0	0	2,171	8,307	10,478	(10,478)	-
Total	701,444	4,897,723	187,222	241,765	6,028,154	(10,478)	6,017,676
Cost of sales, SG&A. and R&D expenses	686,536	4,516,204	102,389	235,801	5,540,930	(10,478)	5,530,452
Operating income	14,908	381,519	84,833	5,964	487,224	0	487,224

Explanatory notes:

1. 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

Business	Sales	Principal Products
Motorcycle business	Motorcycles, all-terrain vehicles (ATV), personal watercrafts and relevant parts	Motor-driven cycles, mini-size motorcycles, small-sized motorcycles, all-terrain vehicles (ATV), personal watercrafts
Automobile business	Automobiles and relevant parts	Compact cars, sub-compact cars, minivehicles
Financial services	Financial and insurance services	N/A
Power product & other businesses	Power products and relevant parts, and others	Power tillers, generators, general purpose engines, lawn mowers, outboard engines

2. Geographic Segment Information

(A) For the three months ended December 31, 2004

	Yen (millions)							Consolidated
	Japan	North America	Europe	Asia	Other Regions	Total	Eliminations	
Net sales and other operating revenue:								
Sales to unaffiliated customers	493,041	1,160,484	184,023	186,653	109,619	2,133,820	-	2,133,820
Transfers between geographical segments	573,771	27,525	59,823	18,669	4,536	684,324	(684,324)	-
Total	1,066,812	1,188,009	243,846	205,322	114,155	2,818,144	(684,324)	2,133,820
Cost of sales, SG&A. and R&D expenses	1,019,319	1,106,277	238,286	189,052	104,859	2,657,793	(681,609)	1,976,184
Operating income	47,493	81,732	5,560	16,270	9,296	160,351	(2,715)	157,636

For the three months ended December 31, 2003

	Yen (millions)							Consolidated
	Japan	North America	Europe	Asia	Other Regions	Total	Eliminations	
Net sales and other operating revenue:								
Sales to unaffiliated customers	471,194	1,147,016	136,752	145,346	91,937	1,992,245	-	1,992,245
Transfers between geographical segments	491,168	26,809	49,831	15,081	3,662	586,551	(586,551)	-
Total	962,362	1,173,825	186,583	160,427	95,599	2,578,796	(586,551)	1,992,245
Cost of sales, SG&A. and R&D expenses	933,057	1,063,143	185,054	149,470	87,462	2,418,186	(595,269)	1,822,917
Operating income	29,305	110,682	1,529	10,957	8,137	160,610	8,718	169,328

2. Geographic Segment Information

(B) For the nine months ended December 31, 2004

	Yen (millions)							
	Japan	North America	Europe	Asia	Other Regions	Total	Eliminations	Consolidated
Net sales and other operating revenue:								
Sales to unaffiliated customers	1,474,676	3,336,937	609,043	559,640	320,255	6,300,551	-	6,300,551
Transfers between geographical segments	1,570,891	84,318	149,371	61,356	13,026	1,878,962	(1,878,962)	-
Total	3,045,567	3,421,255	758,414	620,996	333,281	8,179,513	(1,878,962)	6,300,551
Cost of sales, SG&A and R&D expenses	2,911,282	3,173,723	728,806	567,316	304,694	7,685,821	(1,875,831)	5,809,990
Operating income	134,285	247,532	29,608	53,680	28,587	493,692	(3,131)	490,561

For the nine months ended December 31, 2003

	Yen (millions)							
	Japan	North America	Europe	Asia	Other Regions	Total	Eliminations	Consolidated
Net sales and other operating revenue:								
Sales to unaffiliated customers	1,342,276	3,463,206	509,787	456,845	245,562	6,017,676	-	6,017,676
Transfers between geographical segments	1,507,037	89,586	148,629	42,546	9,481	1,797,279	(1,797,279)	-
Total	2,849,313	3,552,792	658,416	499,391	255,043	7,814,955	(1,797,279)	6,017,676
Cost of sales, SG&A and R&D expenses	2,746,138	3,253,358	639,364	464,296	235,607	7,338,763	(1,808,311)	5,530,452
Operating income	103,175	299,434	19,052	35,095	19,436	476,192	11,032	487,224

Explanatory notes:

- The geographic segments are based on the location where sales are originated
- Major countries or regions in each geographic segment; North America United States, Canada, Mexico
 Europe United Kingdom, Germany, France, Italy, Belgium
 Asia Thailand, Indonesia, China, India
 Other Regions Brazil, Australia

3.Overseas Sales

(A) For the three months ended December 31, 2004

	Yen (millions)				Total
	North America	Europe	Asia	Other Regions	
Overseas Sales	1,157,347	186,419	235,417	135,869	1,715,052
Consolidated Sales					2,133,820
Overseas Sales Ratio to Consolidated Sales	54.2%	8.7%	11.0%	6.5%	80.4%

For the three months ended December 31, 2003

	Yen (millions)				Total
	North America	Europe	Asia	Other Regions	
Overseas Sales	1,145,959	139,474	180,559	118,284	1,584,276
Consolidated Sales					1,992,245
Overseas Sales Ratio to Consolidated Sales	57.5%	7.0%	9.1%	5.9%	79.5%

(B) For the nine months ended December 31, 2004

	Yen (millions)				Total
	North America	Europe	Asia	Other Regions	
Overseas Sales	3,329,726	618,764	714,823	378,344	5,041,657
Consolidated Sales					6,300,551
Overseas Sales Ratio to Consolidated Sales	52.8%	9.8%	11.3%	6.1%	80.0%

For the nine months ended December 31, 2003

	Yen (millions)				Total
	North America	Europe	Asia	Other Regions	
Overseas Sales	3,455,484	518,727	578,163	307,301	4,859,675
Consolidated Sales					6,017,676
Overseas Sales Ratio to Consolidated Sales	57.4%	8.6%	9.6%	5.2%	80.8%

Explanatory note:

1. The geographic breakdown of net sales is based on the location of affiliated and unaffiliated customers.

2. Major countries or regions in each geographic segment; North America United States, Canada, Mexico
 Europe United Kingdom, Germany, France, Italy, Belgium
 Asia Thailand, Indonesia, China, India
 Other Regions Brazil, Australia

Explanatory notes:

1. The Company prepares its consolidated financial statements in conformity with accounting principles generally accepted in the United States because 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. All segment information, however, is prepared in accordance with a Ministerial Ordinance under the Securities and Exchange Law of Japan.
2. The average exchange rates for the fiscal third quarter ended December 31, 2004 were ¥105.96=U.S.\$1 and ¥137.16=euro1. The average exchange rates for the corresponding period last year were ¥108.92=U.S.\$1 and ¥129.44=euro1. The average exchange rates for the fiscal nine months ended December 31, 2004 were ¥108.56=U.S.\$1 and ¥134.60=euro1, as compared with ¥115.01=U.S.\$1 and ¥132.12=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 ¥104.21=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 December 31, 2004.
4. The Company's Common Stock-to-ADR exchange rate was 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 the 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.

Yen (millions)	<u>Three months ended Dec. 31, 2004</u>	<u>Three months ended Dec. 31, 2003</u>
Net income	150,760	151,050
Other comprehensive income (loss)	(76,247)	(67,144)
Comprehensive income	<u>74,513</u>	<u>83,906</u>

Yen (millions)	<u>Nine months ended Dec. 31, 2004</u>	<u>Nine months ended Dec. 31, 2003</u>
Net income	392,144	390,228
Other comprehensive income (loss)	(1,428)	(148,509)
Comprehensive income	<u>390,716</u>	<u>241,719</u>

6. Certain gains and losses on sales and disposals of property, plant and equipment, which were previously recorded under other income (expenses), have been reclassified to selling, general and administrative expenses and net realized gains and losses on interest rate swap contracts not designated as accounting hedges by finance subsidiaries, which were previously recorded under cost of sales, have been reclassified to other income (expenses) – other since the prior year's fiscal fourth quarter ended March 31, 2004, respectively. Accordingly, that reclassification have been made to the consolidated statements of income and retained earnings and to the segment information of the prior year's fiscal third quarter and fiscal nine months to conform to the presentation used for the fiscal third quarter and fiscal nine months ended December 31, 2004.
7. The number of treasury stock has been excluded from the calculation for basic net income per common share.

**CONSOLIDATED FINANCIAL SUMMARY
FOR THE FISCAL THIRD QUARTER ENDED DECEMBER 31, 2004**

Yen (billions)

	Results for the fiscal nine months ended Dec. 31, 2003	Results for the fiscal nine months ended Dec. 31, 2004 [change / %]	Forecasts for the fiscal year ending Mar. 31, 2005 [change / %]	Results for the fiscal year ended Mar. 31, 2004
Net sales and other operating revenue	6,017.6	6,300.5 [282.8 / 4.7%]	8,650.0 [487.4 / 6.0%]	8,162.6
- Japan	1,158.0	1,258.8 [100.8 / 8.7%]	1,780.0 [151.5 / 9.3%]	1,628.4
- Overseas	4,859.6	5,041.6 [181.9 / 3.7%]	6,870.0 [335.8 / 5.1%]	6,534.1
Operating income	487.2	490.5 [3.3 / 0.7%]	625.0 [24.8 / 4.1%]	600.1
<as a percentage of net sales>	< 8.1% >	< 7.8% >	< 7.2% >	< 7.4% >
Income before income taxes	535.4	527.6 [-7.7 / -1.5%]	640.0 [-1.9 / -0.3%]	641.9
<as a percentage of net sales>	< 8.9% >	< 8.4% >	< 7.4% >	< 7.9% >
Equity in income of affiliates	61.0	76.5 [15.5 / 25.4%]	97.0 [21.8 / 29.1%]	75.1
<as a percentage of net sales>	< 1.0% >	< 1.2% >	< 1.1% >	< 0.9% >
Net income	390.2	392.1 [1.9 / 0.5%]	480.0 [15.6 / 3.4%]	464.3
<as a percentage of net sales>	< 6.5% >	< 6.2% >	< 5.5% >	< 5.7% >
Factors of changes in Operating income		(INCREASE FACTORS) -Change in revenue model mix, etc. 111.9 -Cost reduction 36.8 (DECREASE FACTORS) -Currency effects -84.0 Change in average rates (-63.9) Translation effects (-20.1) -Change in SG&A -52.2 -Change in R&D -9.1	(INCREASE FACTORS) -Change in revenue model mix, etc. 115.8 -Cost reduction 45.0 (DECREASE FACTORS) -Currency effects -104.5 Change in average rates (-82.5) Translation effects (-22.0) -Change in SG&A -10.3 -Change in R&D -21.0	
Honda's average rates USD=	JPY 115	JPY 108	JPY 107 (4Q: JPY 103)	JPY 113
Honda's average rates EUR=	JPY 132	JPY 135	JPY 135 (4Q: JPY 135)	JPY 133
Capital expenditures	172.7	210.2	330.0	258.3
Depreciation	144.6	150.7	210.0	199.0
Research and development	331.0	340.2	470.0	448.9
Interest bearing debt	2,412.8	2,790.5		2,616.0
Non-financial services	256.0	238.3		228.5
Finance subsidiaries	2,156.8	2,552.1		2,387.4
Remarks		· Net sales and net income set record high for the fiscal nine months.	· Net sales and net income to set record high.	

				Unit (thousands)
Unit sales in motorcycle business (motorcycles only)	6,586 (6,373)	7,766 [1,180 / 17.9%] (7,546) [1,173 / 18.4%]	10,525 [1,319 / 14.3%] (10,185) [1,294 / 14.6%]	9,206 (8,891)
Japan (motorcycles only)	300 (300)	285 [-15 / -5.0%] (285) [-15 / -5.0%]	380 [-23 / -5.7%] (380) [-23 / -5.7%]	403 (403)
Overseas (motorcycles only)	6,286 (6,073)	7,481 [1,195 / 19.0%] (7,261) [1,188 / 19.6%]	10,145 [1,342 / 15.2%] (9,805) [1,317 / 15.5%]	8,803 (8,488)
North America (motorcycles only)	429 (231)	413 [-16 / -3.7%] (212) [-19 / -8.2%]	670 [14 / 2.1%] (350) [-10 / -2.8%]	656 (360)
Europe (motorcycles only)	208 (200)	247 [39 / 18.8%] (237) [37 / 18.5%]	335 [36 / 12.0%] (322) [33 / 11.4%]	299 (289)
Asia (motorcycles only)	5,021 (5,021)	6,127 [1,106 / 22.0%] (6,127) [1,106 / 22.0%]	8,220 [1,203 / 17.1%] (8,220) [1,203 / 17.1%]	7,017 (7,017)
Others (motorcycles only)	628 (621)	694 [66 / 10.5%] (685) [64 / 10.3%]	920 [89 / 10.7%] (913) [91 / 11.1%]	831 (822)
Unit sales in automobile business	2,190	2,383 [193 / 8.8%]	3,250 [267 / 9.0%]	2,983
Japan	506	517 [11 / 2.2%]	740 [24 / 3.4%]	716
Overseas	1,684	1,866 [182 / 10.8%]	2,510 [243 / 10.7%]	2,267
North America	1,189	1,160 [-29 / -2.4%]	1,565 [7 / 0.4%]	1,558
Europe	157	188 [31 / 19.7%]	260 [29 / 12.6%]	231
Asia	239	392 [153 / 64.0%]	510 [169 / 49.6%]	341
Others	99	126 [27 / 27.3%]	175 [38 / 27.7%]	137
Unit sales in power product businesses	3,259	3,516 [257 / 7.9%]	5,360 [313 / 6.2%]	5,047
Japan	354	315 [-39 / -11.0%]	430 [-47 / -9.9%]	477
Overseas	2,905	3,201 [296 / 10.2%]	4,930 [360 / 7.9%]	4,570
North America	1,468	1,675 [207 / 14.1%]	2,670 [307 / 13.0%]	2,363
Europe	723	766 [43 / 5.9%]	1,210 [-51 / -4.0%]	1,261
Asia	470	510 [40 / 8.5%]	780 [161 / 26.0%]	619
Others	244	250 [6 / 2.5%]	270 [-57 / -17.4%]	327

- Notes : 1. Unit sales is the total of sales of completed products of Honda and its consolidated subsidiaries, and sales of parts for local production for affiliates of Honda.
2. Unit sales and net sales of Honda-brand motorcycle products with 100% locally procured and manufactured by overseas affiliates are not included in unit sales and net sales and other operating revenue.
3. "Capital expenditures" and "Depreciation" are the figures of "Property, plant and equipment (excluding company cars)".

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 FORECASTS
FOR THE FISCAL YEAR ENDING MARCH 31, 2005
(Parent company only)**

Yen (billions)

	Results for the fiscal year ended March 31, 2004	Forecasts for the fiscal year ending March 31, 2005 (change / % change)	
Net sales	3,319.7	3,480.0 (160.2 / 4.8%)	
- Domestic	1,144.1	1,235.0 (90.8 / 7.9%)	
- Export	2,175.6	2,245.0 (69.3 / 3.2%)	
Operating income	184.7	130.0 (-54.7 / -29.6%)	
<as a percentage of net sales>	< 5.6% >	< 3.7% >	
Ordinary profit	311.2	208.0 (-103.2 / -33.2%)	
<as a percentage of net sales>	< 9.4% >	< 6.0% >	
Net income	226.4	143.0 (-83.4 / -36.9%)	
<as a percentage of net sales>	< 6.8% >	< 4.1% >	
Factors of changes in Operating income	/	(INCREASE FACTORS)	
		Change in revenue, model mix, etc.	16.7
		Cost reduction	33.0
		(DECREASE FACTORS)	
		Impact from change of accounting standard for royalty (changed in the fiscal year ended Mar. 31, 2004)	-28.5
Currency effects	-39.3		
Change in SG&A (excluding R&D expenses)	-15.6		
Change in R&D	-21.0		
Honda's average rates USD=	JPY 113	JPY 107 (4Q: JPY 103)	
Honda's average rates EUR=	JPY 133	JPY 135 (4Q: JPY 135)	
Capital expenditures	85.0	95.0	
Motorcycle production-related	2.7	3.0	
Automobile production-related	31.5	35.0	
Power product production-related	0.9	2.0	
Others	49.7	55.0	
Depreciation	55.0	56.0	
Research and development	446.9	468.0	
Interest bearing debt	3.8		
Remarks		· Net sales to set record high	

Unit (thousands)

Unit sales in motorcycle business	1,133	1,110 (-23 / -2.1%)
(motorcycles only)	(815)	(775) (-40 / -5.0%)
Domestic sales	403	380 (-23 / -5.8%)
(motorcycles only)	(403)	(380) (-23 / -5.8%)
Export sales	730	730 (— / —)
(motorcycles only)	(412)	(395) (-17 / -4.3%)
Unit sales in automobile business	1,204	1,280 (75 / 6.3%)
Domestic sales	725	750 (24 / 3.4%)
Registration vehicles	455	480 (24 / 5.5%)
Mini vehicles	270	270 (— / —)
Export sales	479	530 (50 / 10.6%)
Unit sales in power product business	5,142	5,400 (257 / 5.0%)
Domestic sales	467	430 (-37 / -8.0%)
Export sales	4,674	4,970 (295 / 6.3%)

Note: 1. "Capital expenditures" and "Depreciation" are the figures of "Property, plant and equipment (excluding company cars)".
2. Interest bearing debt primarily comprises of funds received from subsidiaries by means of the Cash Management System.

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.

Supplemental Version for Consolidated Financial Summary

Unit (thousands), Yen (billions)

	Third Quarter Results			Nine Months Results			Forecasts	
	3M ended Dec. 2004	3M ended Dec. 2003	% change	9M ended Dec. 2004	9M ended Dec. 2003	% change	FY ending Mar.2005	% change
Unit sales in motorcycle business								
Japan	78	86	-9.3 %	285	300	-5.0 %	380	-5.7 %
(motorcycles only)	(78)	(86)	-9.3 %	(285)	(300)	-5.0 %	(380)	-5.7 %
North America	135	190	-28.9 %	413	429	-3.7 %	670	2.1 %
(motorcycles only)	(70)	(109)	-35.8 %	(212)	(231)	-8.2 %	(350)	-2.8 %
Europe	71	50	42.0 %	247	208	18.8 %	335	12.0 %
(motorcycles only)	(68)	(47)	44.7 %	(237)	(200)	18.5 %	(322)	11.4 %
Asia	1,965	1,832	7.3 %	6,127	5,021	22.0 %	8,220	17.1 %
(motorcycles only)	(1,965)	(1,832)	7.3 %	(6,127)	(5,021)	22.0 %	(8,220)	17.1 %
Others	234	209	12.0 %	694	628	10.5 %	920	10.7 %
(motorcycles only)	(231)	(207)	11.6 %	(685)	(621)	10.3 %	(913)	11.1 %
Total	2,483	2,367	4.9 %	7,766	6,586	17.9 %	10,525	14.3 %
(motorcycles only)	(2,412)	(2,281)	5.7 %	(7,546)	(6,373)	18.4 %	(10,185)	14.6 %
Unit sales in automobile business								
Japan	173	177	-2.3 %	517	506	2.2 %	740	3.4 %
North America	403	407	-1.0 %	1,160	1,189	-2.4 %	1,565	0.4 %
Europe	59	44	34.1 %	188	157	19.7 %	260	12.6 %
Asia	136	76	78.9 %	392	239	64.0 %	510	49.6 %
Others	46	43	7.0 %	126	99	27.3 %	175	27.7 %
Total	817	747	9.4 %	2,383	2,190	8.8 %	3,250	9.0 %
Unit sales in power product businesses								
Japan	95	109	-12.8 %	315	354	-11.0 %	430	-9.9 %
North America	443	415	6.7 %	1,675	1,468	14.1 %	2,670	13.0 %
Europe	273	302	-9.6 %	766	723	5.9 %	1,210	-4.0 %
Asia	137	153	-10.5 %	510	470	8.5 %	780	26.0 %
Others	96	85	12.9 %	250	244	2.5 %	270	-17.4 %
Total	1,044	1,064	-1.9 %	3,516	3,259	7.9 %	5,360	6.2 %
Exchange rate to USD (Note)								
Honda's transaction rates	109	113	-3.7 %	109	117	-7.3 %		
Market average rates for the period	105.96	108.92	-2.8 %	108.56	115.01	-5.9 %	107	-5.7 %
Rates for the period-end				104.21	107.13	-2.8 %		
Exchange rate to EUR (Note)								
Honda's transaction rates	134	131	2.2 %	133	128	3.8 %		
Market average rates for the period	137.16	129.44	5.6 %	134.60	132.12	1.8 %	135	1.8 %
Rates for the period-end				141.61	133.74	5.6 %		
Key items								
Net sales and other								
operating revenue	2,133.8	1,992.2	7.1 %	6,300.5	6,017.6	4.7 %	8,650.0	6.0 %
Japan	418.7	407.9	2.6 %	1,258.8	1,158.0	8.7 %	1,780.0	9.3 %
Overseas	1,715.0	1,584.2	8.3 %	5,041.6	4,859.6	3.7 %	6,870.0	5.1 %
Operating income	157.6	169.3	-6.9 %	490.5	487.2	0.7 %	625.0	4.1 %
Income before income taxes	187.9	203.5	-7.7 %	527.6	535.4	-1.5 %	640.0	-0.3 %
Equity in income of affiliates	29.3	25.0	17.5 %	76.5	61.0	25.4 %	97.0	29.1 %
Net income	150.7	151.0	-0.2 %	392.1	390.2	0.5 %	480.0	3.4 %
Capital expenditures	54.4	44.7	21.7 %	210.2	172.7	21.7 %	330.0	27.8 %
Depreciation	52.6	44.4	18.5 %	150.7	144.6	4.2 %	210.0	5.5 %
Research and development	116.0	112.1	3.4 %	340.2	331.0	2.8 %	470.0	4.7 %
Stockholders' equity				3,157.1	2,774.7	13.8 %		
Total assets				8,755.9	7,830.7	11.8 %		
Interest bearing debt				2,790.5	2,412.8	15.7 %		
Non-financial services				238.3	256.0	-6.9 %		
Finance subsidiaries				2,552.1	2,156.8	18.3 %		
Remarks	· Net sales set record high for the third quarter.			· Net sales and net income set record high for the fiscal nine months.			· Net sales and net income to set record high.	

Notes

- Honda's transaction rates : rates to be used mainly for exchanging the Company's foreign currency-denominated trade amount into yen.
Market 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.
- Unit sales is the total of sales of completed products of Honda and its consolidated subsidiaries and sales of parts for local production for affiliates of Honda.
- Unit sales and net sales of Honda-brand motorcycle products with 100% locally procured and manufactured affiliates of Honda are not included in unit sales and net sales and other operating revenues.
- "Capital expenditures" and "Depreciation" are the figures of "property, plant and equipment (excluding company cars)".

	Third Quarter	Fiscal Nine Months	Forecasts FY2005
Factors of changes in operating income			
Change in revenue, model mix, etc.	+22.0	+111.9	+115.8
Currency effects	-11.1	-84.0	-104.5
Change in average rates	-9.1	-63.9	-82.5
U.S. dollar / Yen	(-10.6)	(-54.5)	(-69.2)
Euro / Yen	(+3.3)	(+3.4)	(+4.3)
Others / Yen	(+2.8)	(+3.2)	(+1.9)
Between other currencies	(-4.7)	(-16.1)	(-19.4)
Translation effects	-2.0	-20.1	-22.0
Gross profit	(-3.8)	(-42.2)	(-49.2)
SG&A	(+1.8)	(+22.1)	(+27.2)
Cost reduction	+13.2	+36.8	+45.0
Materials and others	+16.7	+47.4	+58.8
Labor expenses	-3.5	-10.6	-13.8
Change in SG&A expenses	-31.9	-52.2	-10.3
Change in R&D expenses	-3.8	-9.1	-21.0
Changes in operating income	-11.6	+3.3	+24.8

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.