

# Honda Information Meeting

Acura MDX



**HONDA**

The power of dreams.™

## Caution with respect to forward-looking statements

**This presentation contains forward-looking statements about the future performance of Honda, which are based on management's assumptions and beliefs taking into account information currently available to it. Therefore, please be advised that Honda's actual results could differ materially from those described in these forward-looking statements as a result of numerous factors outside of the Company'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 the Company's reports filed with the U.S. Securities and Exchange Commission.**

**Satoshi Aoki**  
**Senior Managing Director**  
**Honda Motor Co., Ltd.**

**Honda listed on NYSE in 1977**



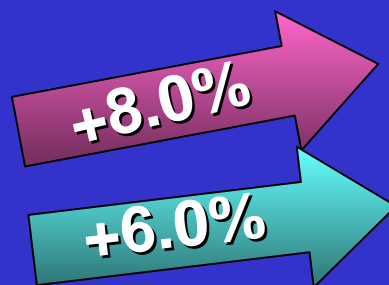
# Currency Translation Effects (FY01)

**Consolidated Net sales: +6.0%**

(billions of yen)



**FY00**

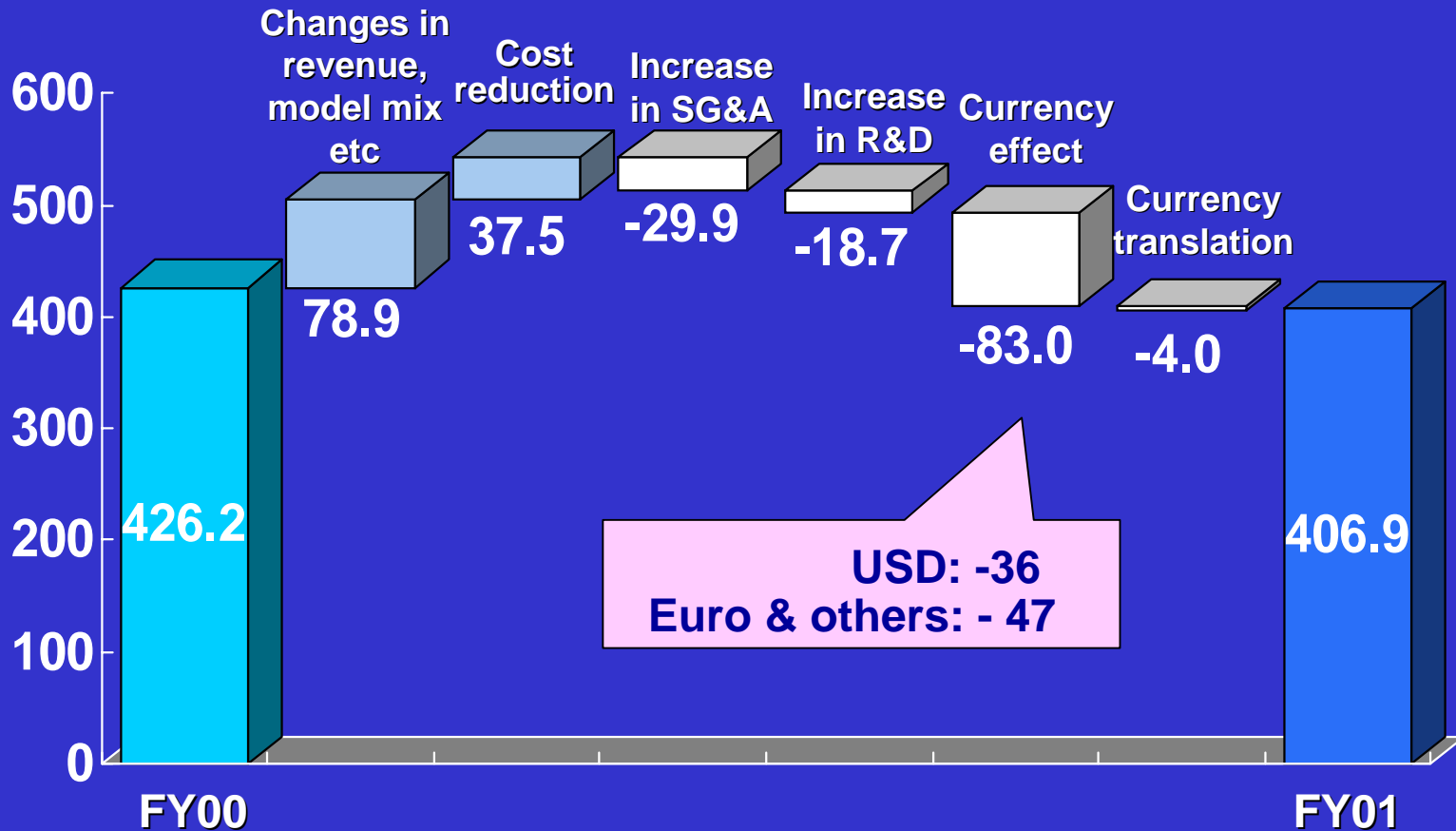


**FY01**

Translation effects  
-120.0

# Changes in Operating Income

(billions of yen)



# Motorcycle Business

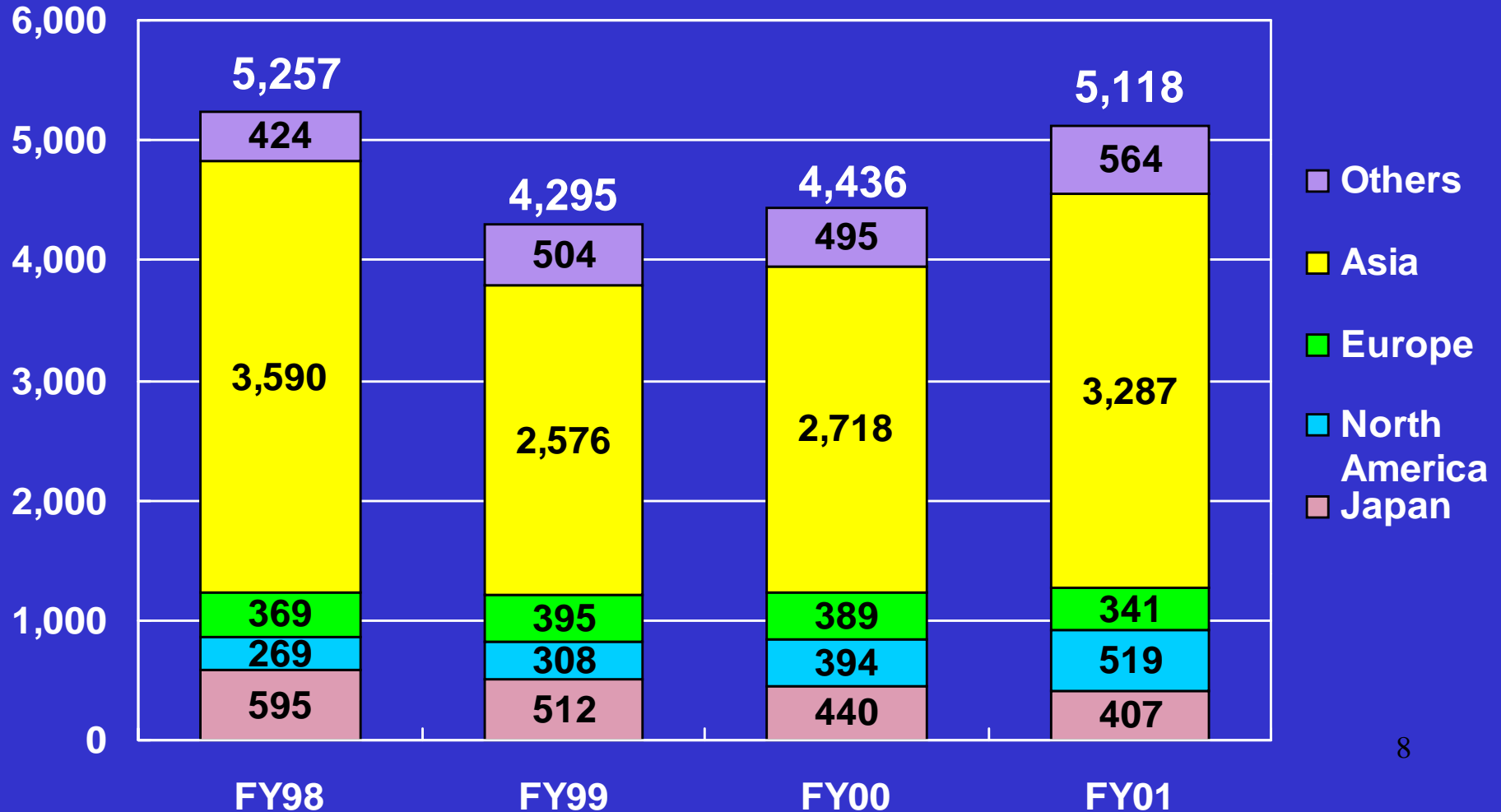
(including ATVs)



# Worldwide Unit Sales of Motorcycles

(including ATVs)

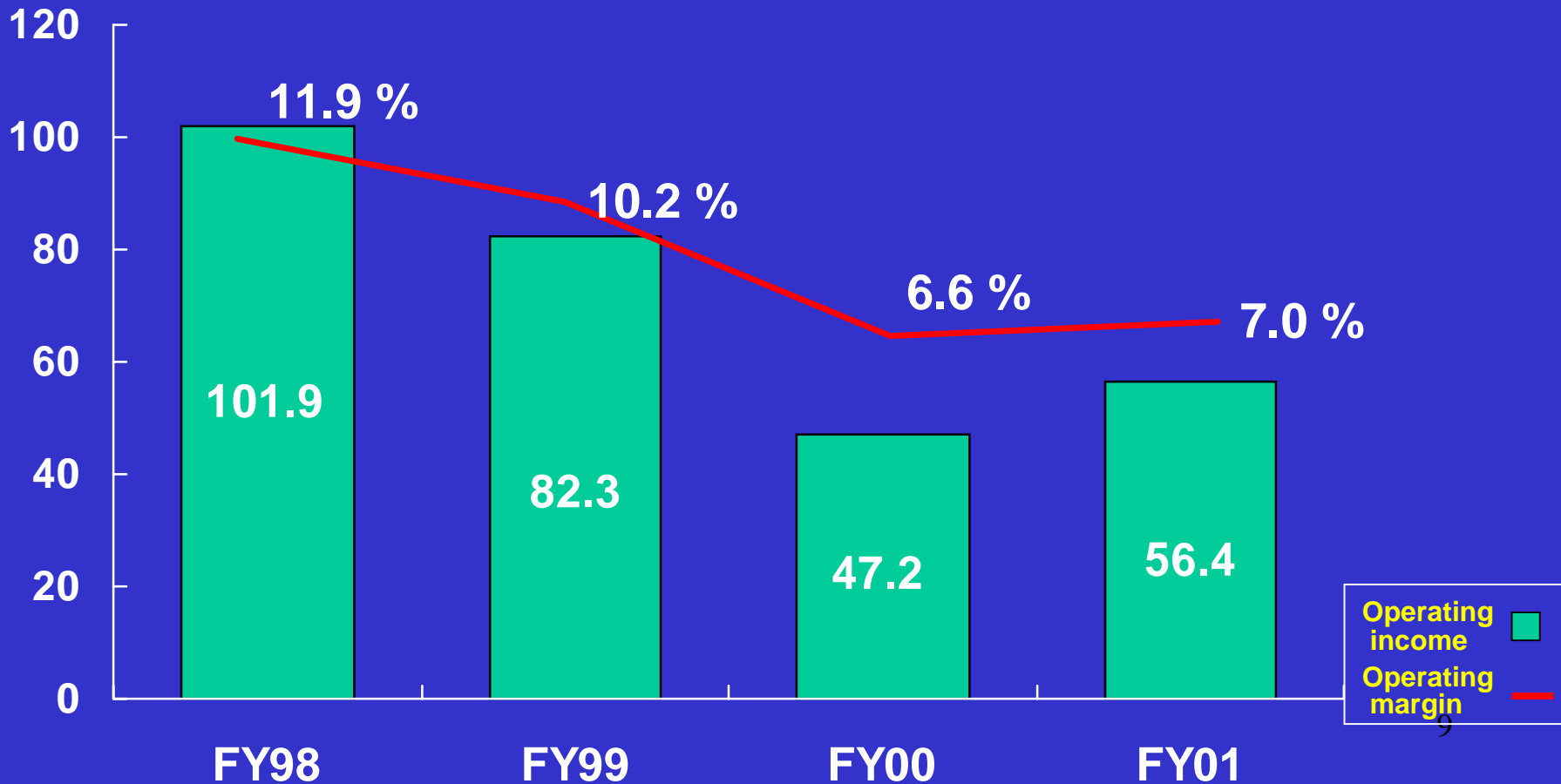
(thousand units)



# Motorcycle Business: Operating Income/Margin

Net sales ¥ 805.3 billion (+12.0%)

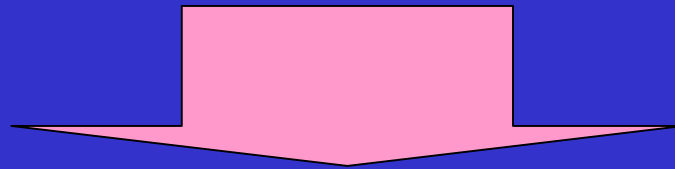
(billions of yen)



# Motorcycle Business Strategy

**Creation of  
new value added  
products**

**Prompt response  
to market needs**



- **Production efficiency -- improve parts sharing and modularization**
- **Technology -- cleaner 4-stroke engine**
- **Product -- customizable models**

# Motorcycle Business in Japan

**FY01 Unit sales: 407,000 (-7.5%)**

**Net sales: ¥97.0 billion (-3.8%)**

## Newly introduced models:

- Customizable model -- FTR
- 250cc scooter -- FORZA
- 50cc scooters -- Crea Scoopy and Dio



**FTR**



**Forza**



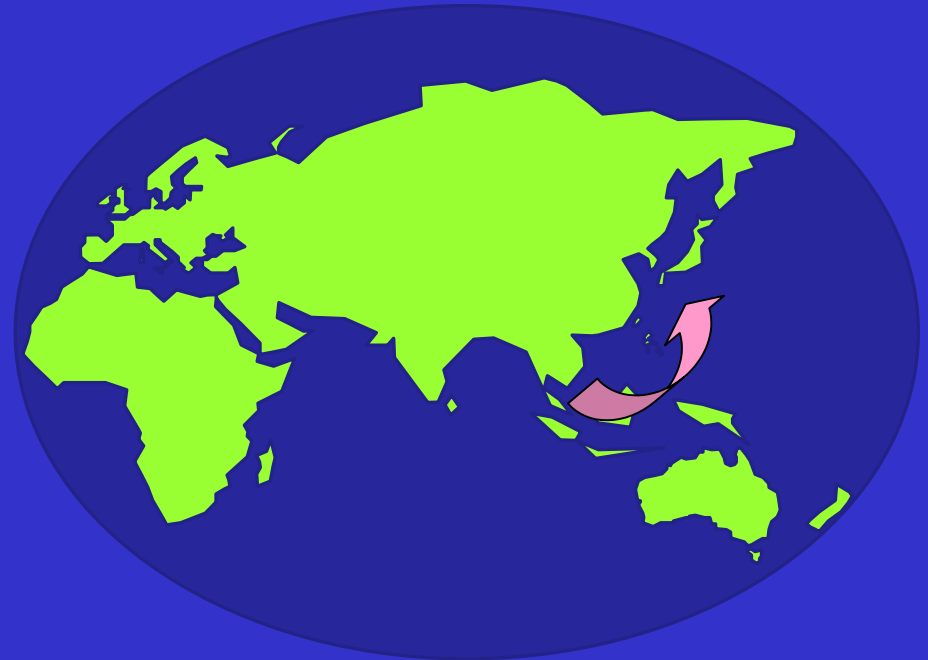
**Crea Scoopy**



**Dio**

# Motorcycle Business in Japan

- **50cc scooter streamlined to one core platform**
- **Modular assembly of engines and frames**
- **Importing 4-stroke scooters from Asia**



# Motorcycle Business in North America

(including ATVs)

FY01 Unit sales: 519,000 (+31.7%)  
Net sales: ¥259.6 billion (+30.0%)

- Strengthen custom models and big cruiser
- New CBR929RR super sport model
- Strengthen ATV lineup



Shadow



Gold Wing



CBR929RR



FourTrax Foreman  
Rubicon (ATV)

# Motorcycle Business in Europe

(including ATVs)

FY01 Unit sales: 341,000 (-12.3%)  
Net sales: ¥157.3 billion (- 9.0%)

- Imported models hurt by higher yen
- Silver Wing 600cc scooter
- Introduction of Italian-built @125 scooter



Silver Wing



@125

# Motorcycle Business in Other Regions

(including ATVs)

**FY01 Unit sales: 3,851,000 (+19.9%)**

**Net sales: ¥ 291.3 billion (+18.7%)**

- **Influx of counterfeit models**
- **Favorable sales in Thailand, Indonesia, and Vietnam**
- **Production of Activa scooter began in India**



**Sonic (Thailand)**

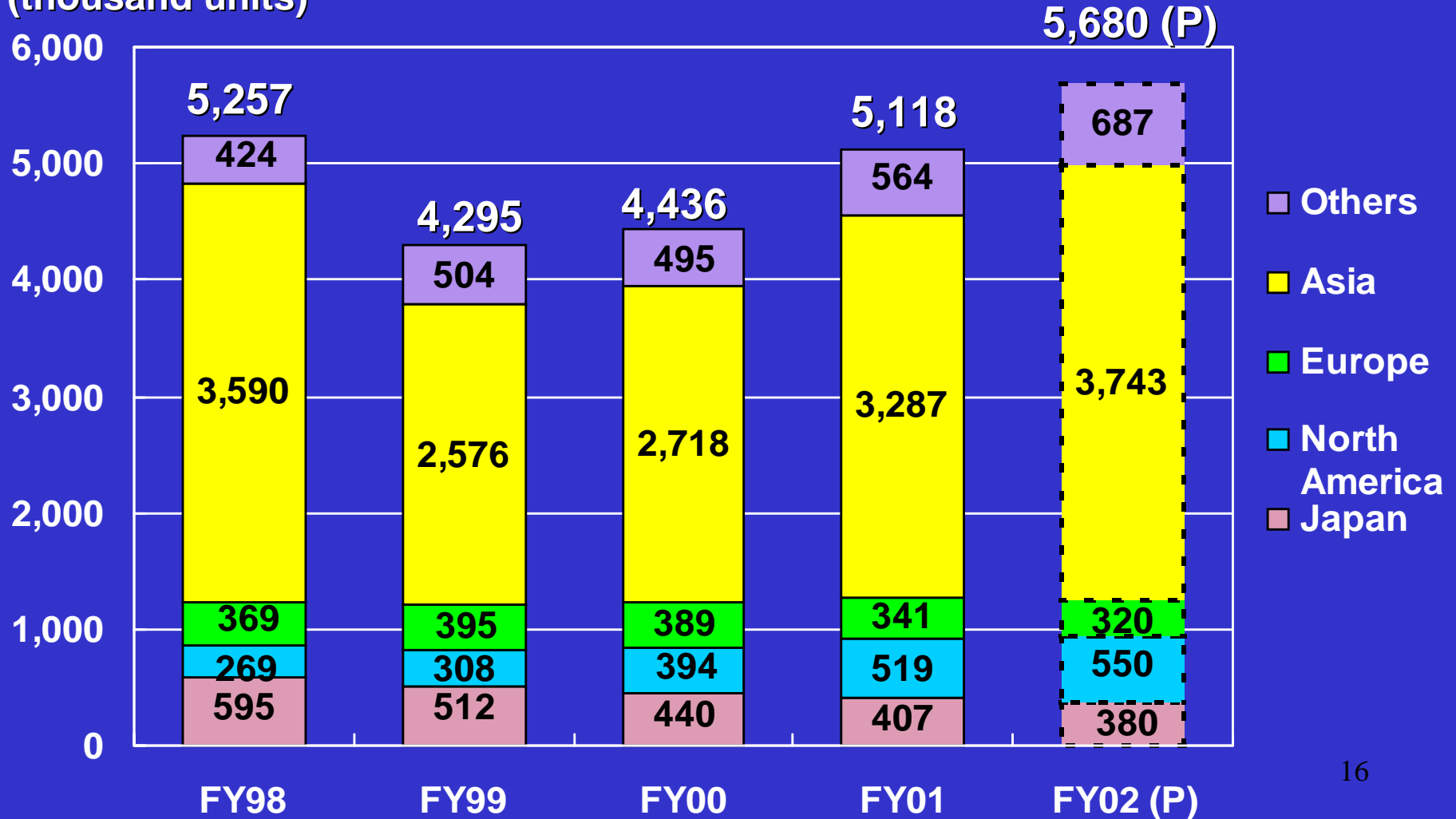


**Activa (India)**

# Worldwide Unit Sales of Motorcycles

(including ATVs)

(thousand units)

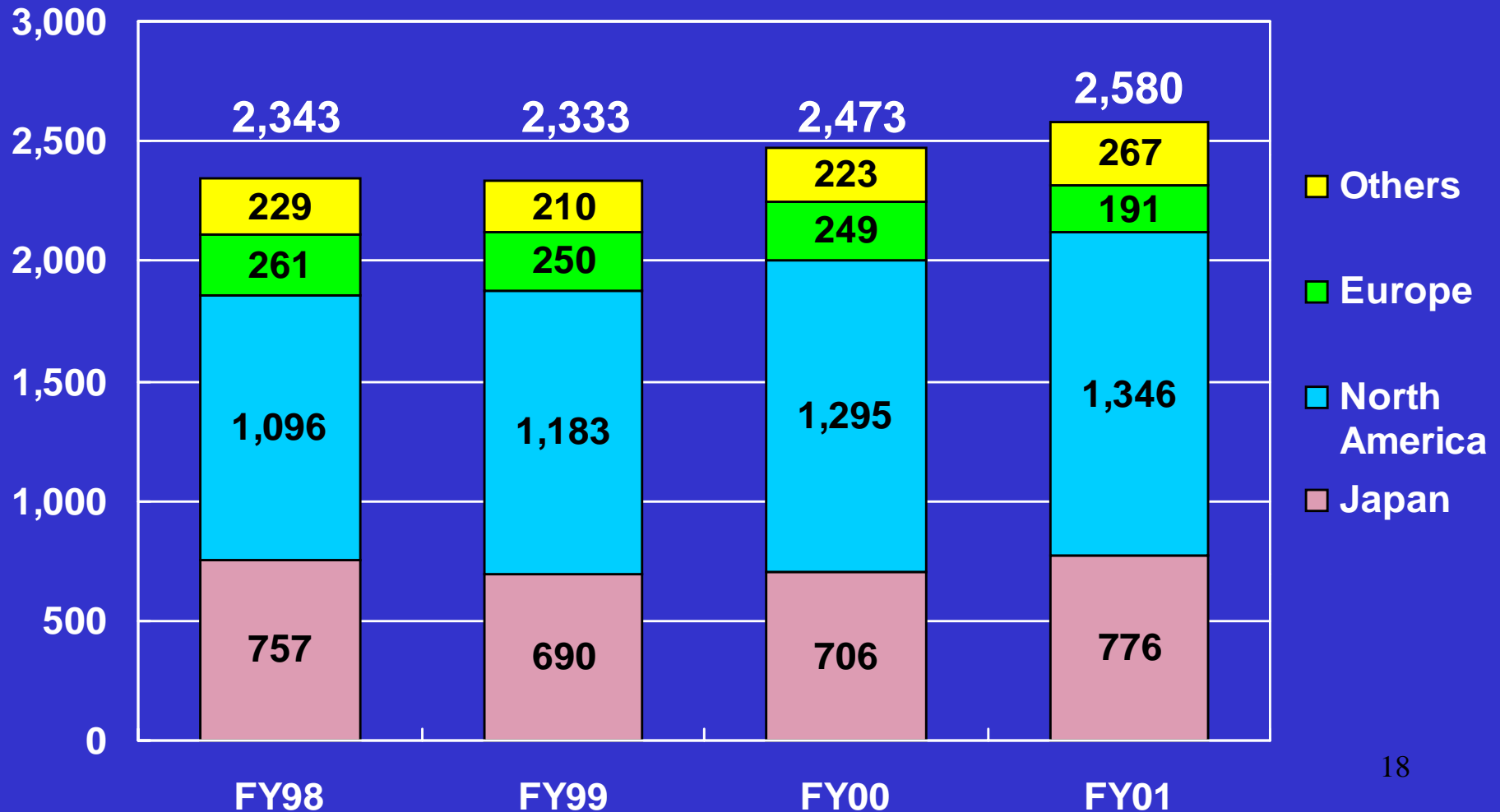




# Automobile Business

# Worldwide Unit Sales of Automobiles

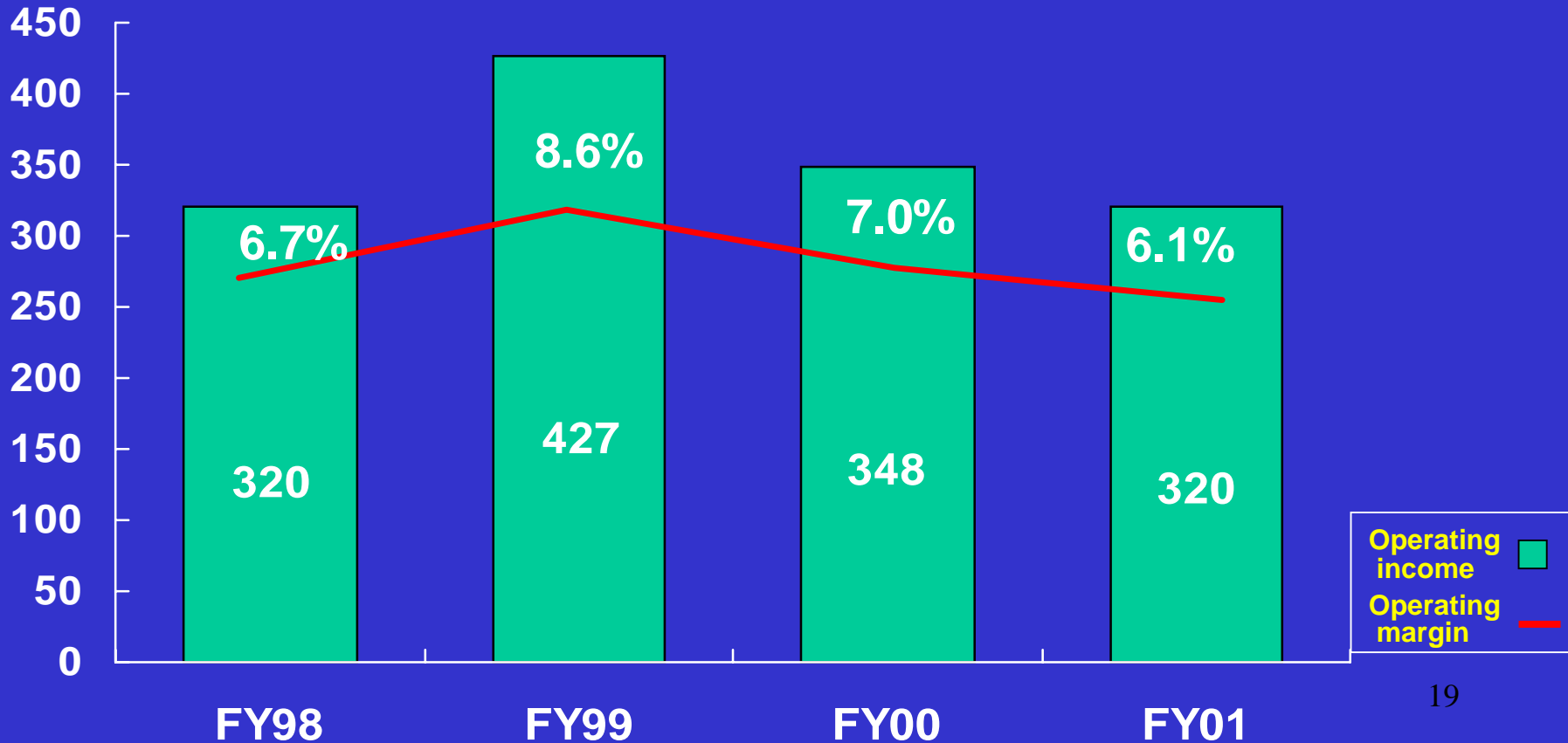
(thousand units)



# Automobile Business: Operating Income/Margin

Net sales ¥ 5,231.3 billion (+5.4%)

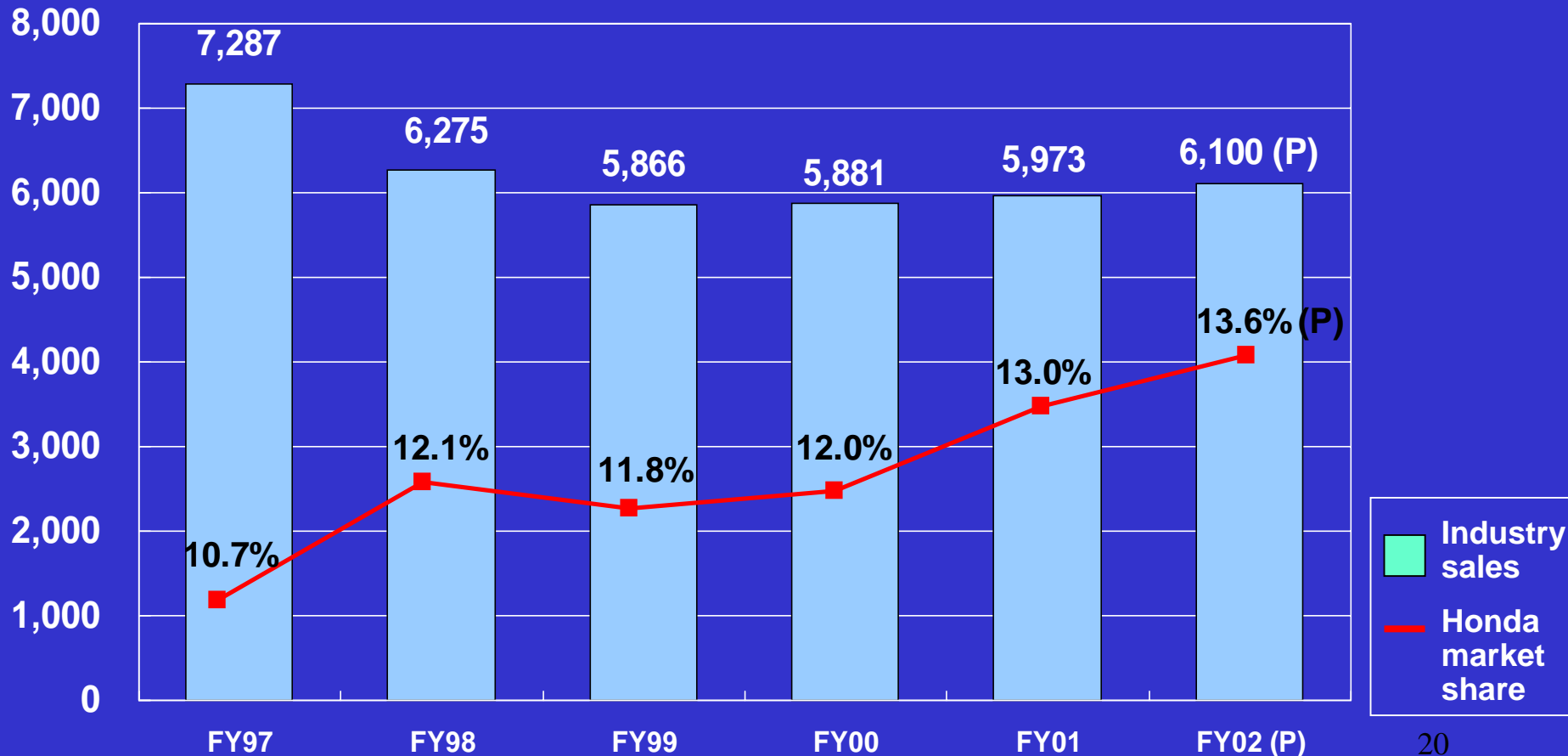
(billions of yen)



# Automobile Demand in Japan

(thousand units)

Industry demand picked up 1.7% in FY01



# Automobile Business in Japan

**FY01 Unit sales: 776,000 (+9.9%)**

**Net sales: ¥ 1,529.4 billion (+9.8%)**

- **Redesigned Civic, new Stream and Life Dunk contributed to increased sales**
- **Stream monthly sales exceeding 10,000 units**



**Civic 5 door**



**Stream**



**Life Dunk**

# Automobile Business in Japan

## Outlook for FY2002

- Full year contribution of Civic, Stream and StepWGN
- Redesigned CR-V and Integra
- New line of small cars



**StepWGN**

# Automobile Business in North America

**FY01 Unit sales: 1,340,000 (+3.9%)**

**Net sales: ¥ 2,999.4 billion (+7.8%)**

- **Brisk sales of Odyssey, Acura TL and MDX improved sales and mix**



**Odyssey**



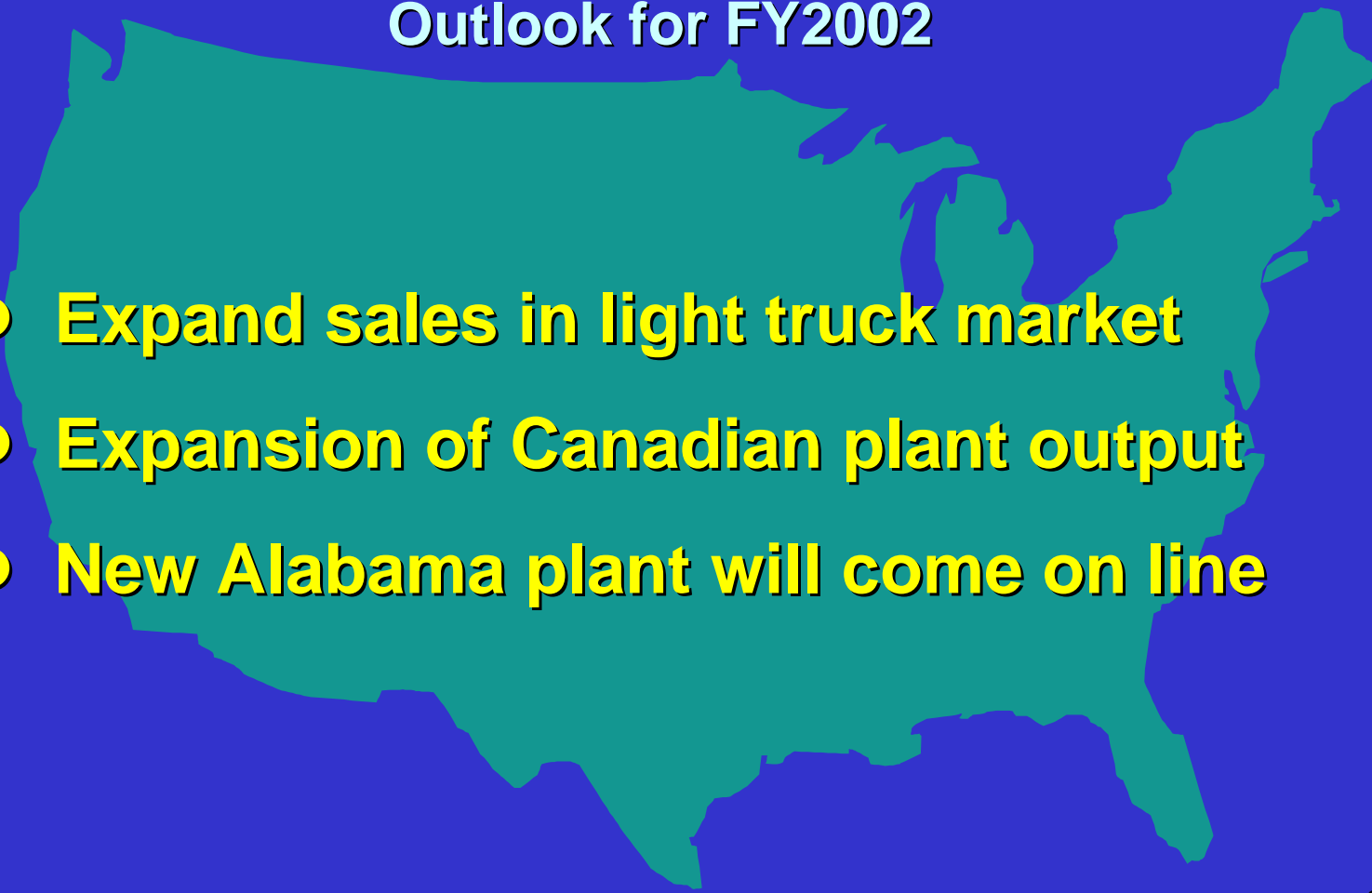
**Acura TL**



**Acura MDX**

# Automobile Business in North America

## Outlook for FY2002

- 
- **Expand sales in light truck market**
  - **Expansion of Canadian plant output**
  - **New Alabama plant will come on line**

# Automobile Business in Europe

**FY01 Unit sales: 191,000 (-23.3%)**

**Net sales: ¥ 311.2 billion (-30.8%)**

- **Less competitive products**
- **Higher yen**
- **Weaker euro against pound**
- **Pricing pressure in U.K.**

# Automobile Business in Europe

## Outlook for FY2002

- **New Civic series**
- **Redesigned CR-V, Stream and compact cars will boost sales**



**Civic 3 door**

# Automobile Business in Other Regions

**FY01 Unit sales: 267,000 (+19.7%)**

**Net sales: ¥ 391.1 billion (+16.5%)**

- **Growing sales in Thailand and China**
- **Accord output in China to expand to 50,000**
- **Profitable operations under small scale production**



**Civic (Thailand)**

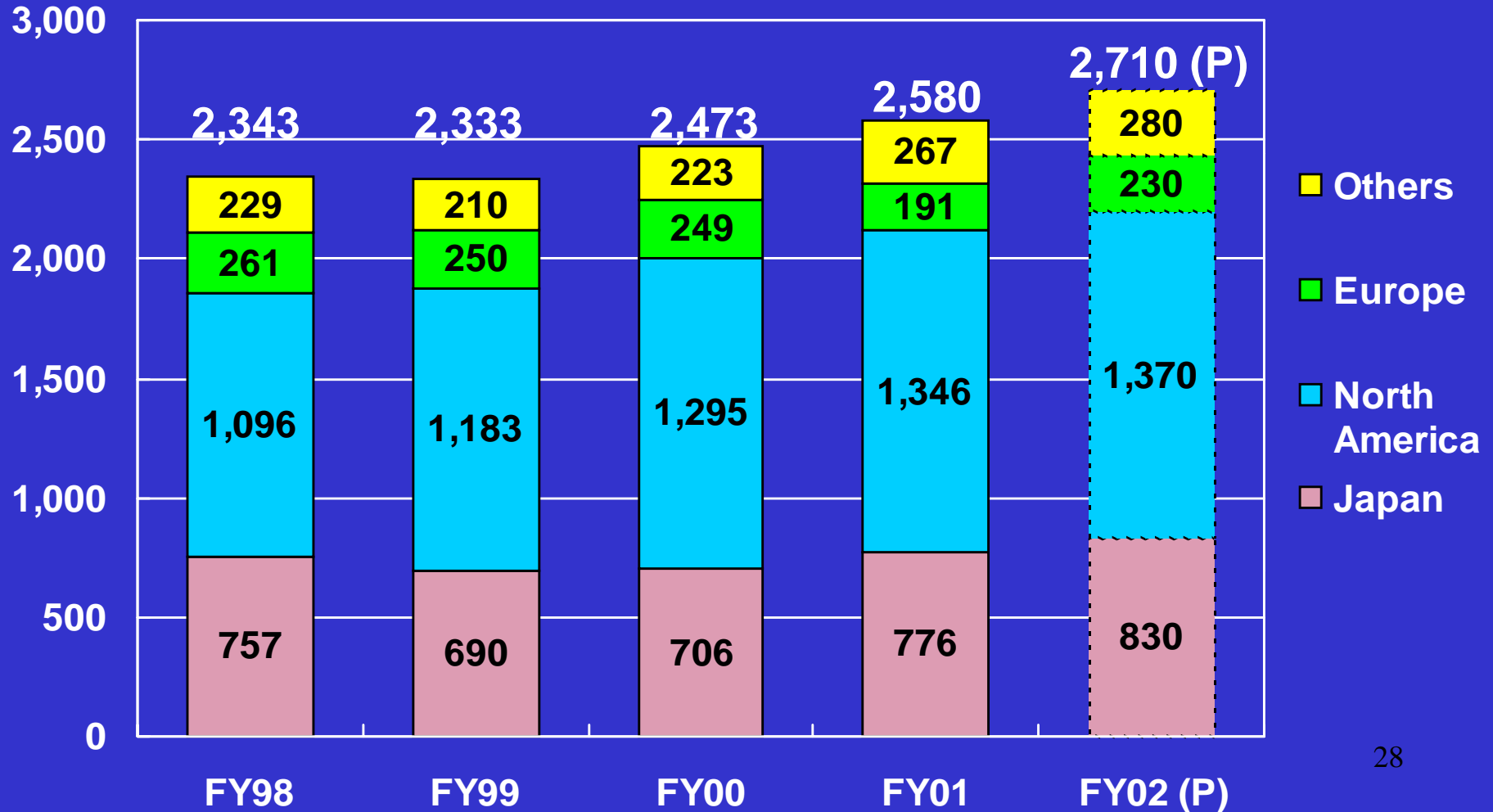


**Accord (China)**

# Worldwide Unit Sales of Automobiles

## Outlook for FY02

(thousand units)





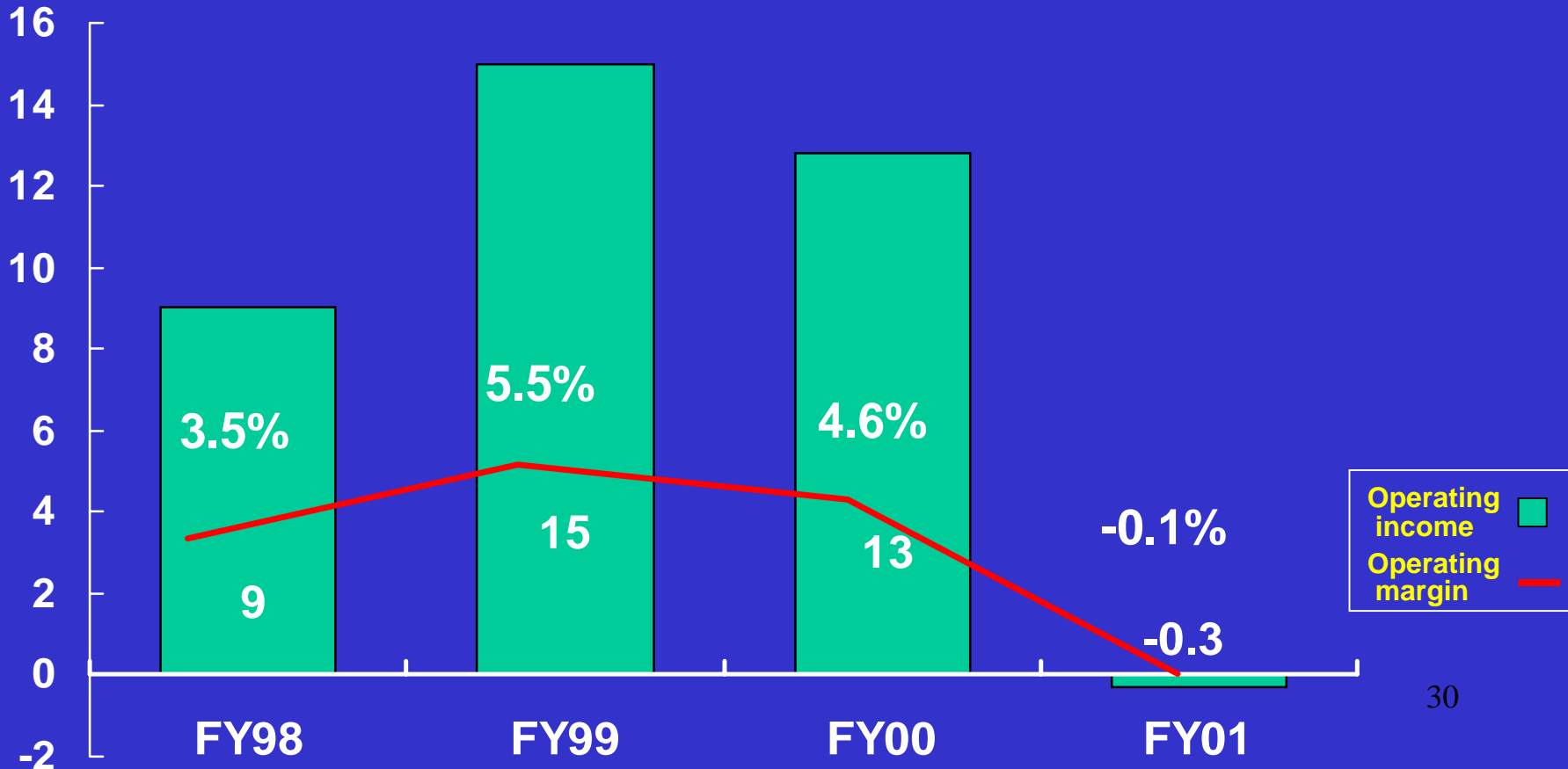
# Power Products and Other Businesses



# Power Products and Other Businesses: Operating Income/Margin

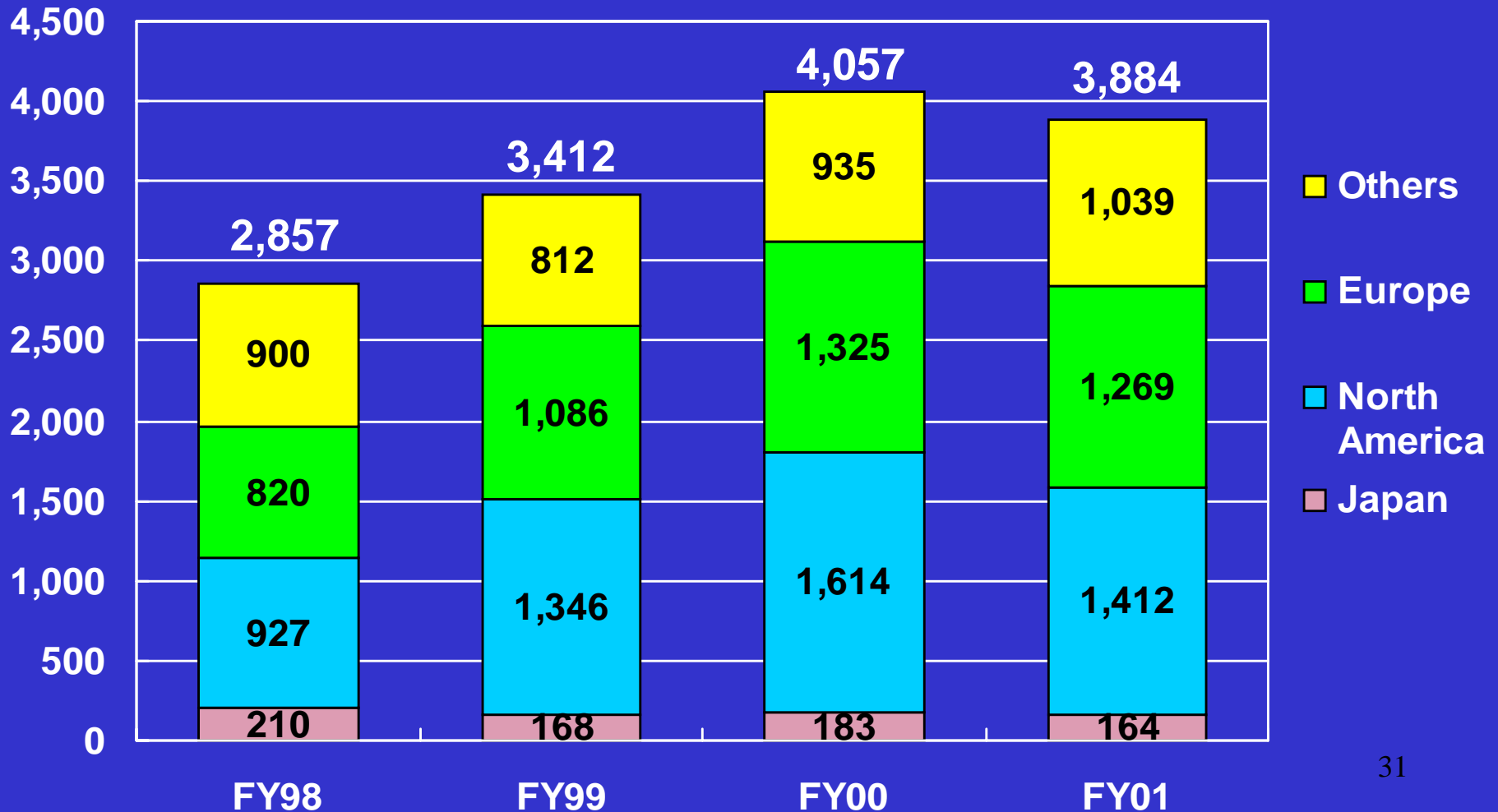
Net sales ¥ 257.9 billion (-8.5%)

(billions of yen)



# Worldwide Unit Sales of Power Products

(thousand units)



# Other Businesses

Net sales: ¥ 257.9 billion (+8.5%)

- 
- **Less favorable entertainment business (racing circuits)**
  - **Favorable power products sales in Asia**
  - **End of Y2K fears in North America and Europe**

# Power Products Business

## Outlook for FY2002

- **Start production of general purpose engine in US**
- **Production of lawnmower engine in Italy**
- **New sales subsidiary in Indonesia**

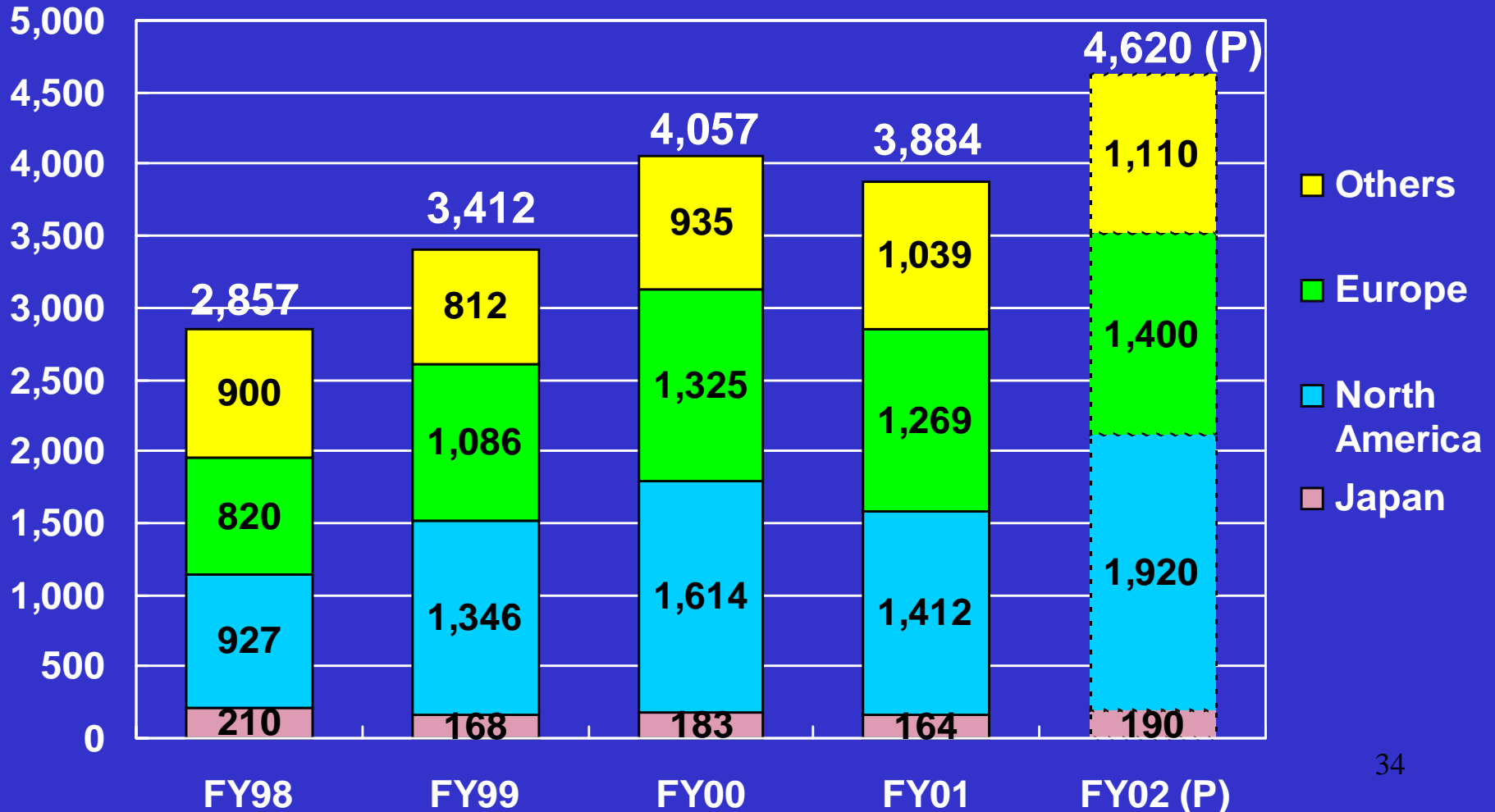


**GC 160 engine**

# Worldwide Unit Sales of Power Products

## Outlook for FY02

(thousand units)

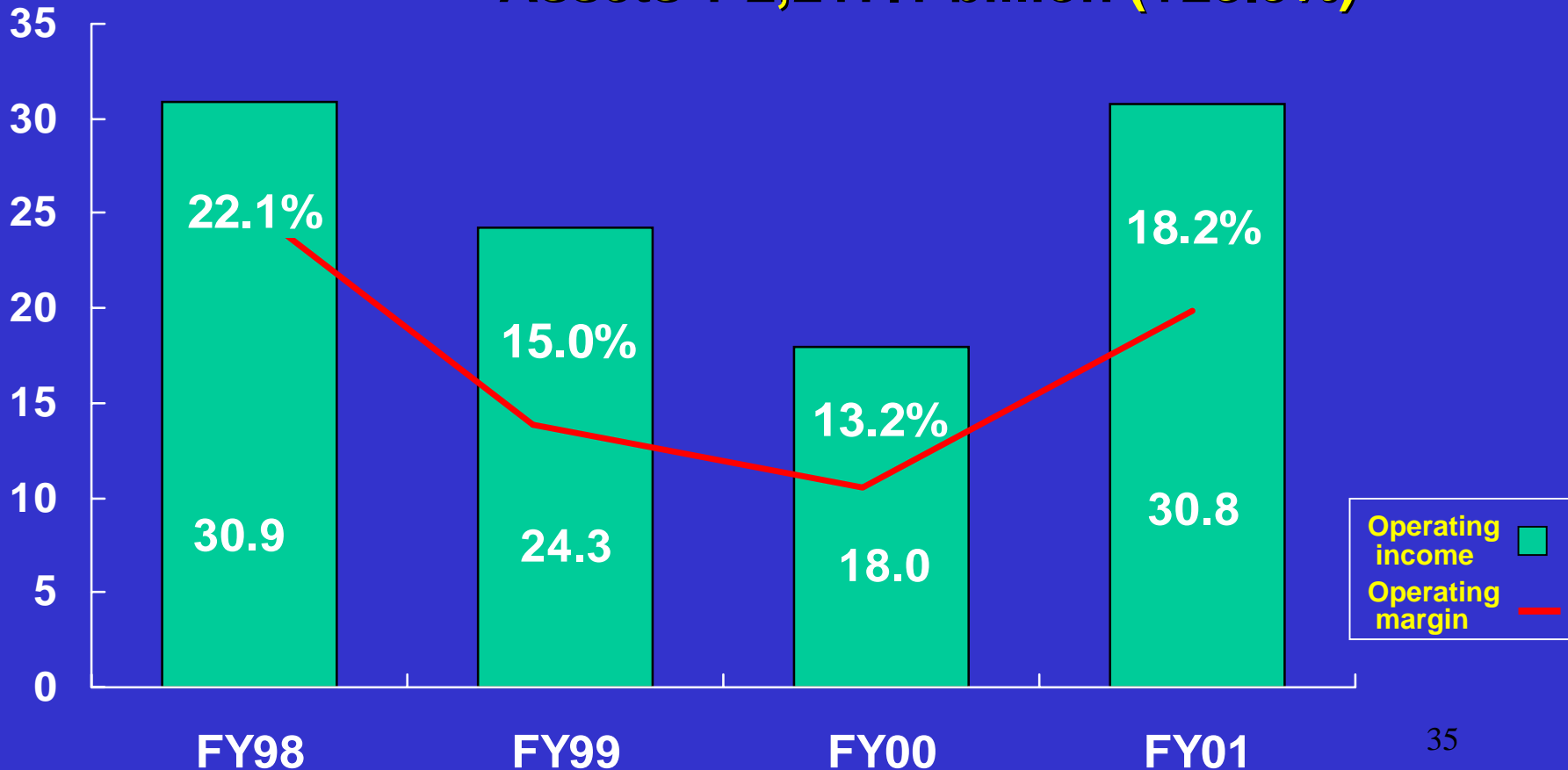


# Financial Service Business: Operating Income/Margin

Net sales ¥ 169.2 billion (+23.5%)

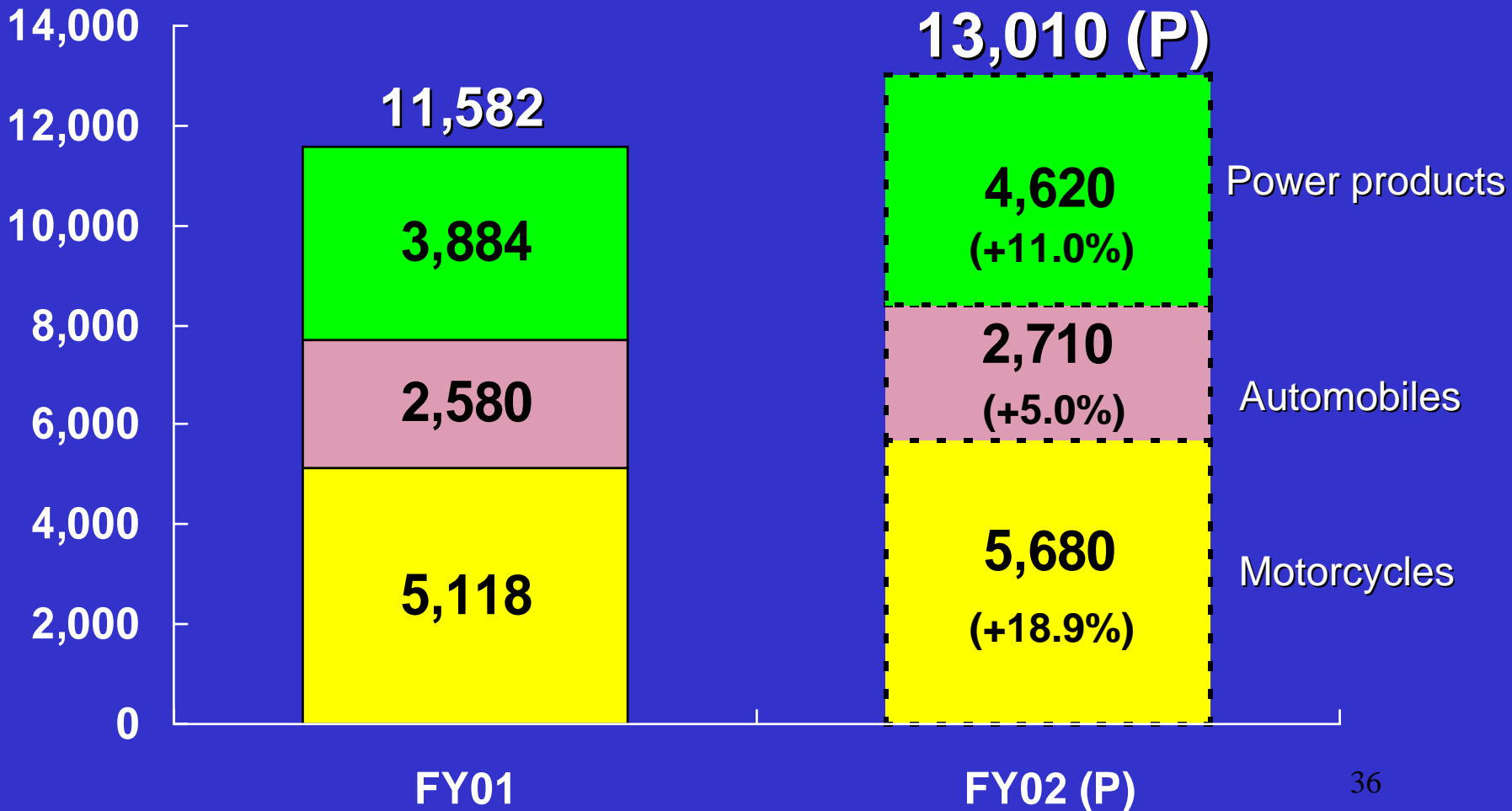
Assets ¥ 2,217.1 billion (+28.5%)

(billions of yen)



# Total Unit Sales

(thousand units)



# FY02 Earnings Forecast

(billions of yen)

	FY02	FY01	Changes
Net sales	7,150.0	6,463.8	+ 10.6%
Operating income	525.0	406.9	+ 29.0%

<u>Exchange rates</u>			
U.S. dollar	116 yen	107 yen	
Euro	106 yen	98 yen	