
Press Information

FOR IMMEDIATE RELEASE – 6 April 2011

Reduced Volume Production at Honda of the UK Manufacturing Ltd

Honda would like to express its deepest sympathy and condolences to the victims of the earthquake in Japan, and our sincere hopes for the earliest possible relief and recovery of the affected areas.

To follow is an update on the impact of the major earthquake on Honda's operations.

Japan Operations

Following the 11 March earthquake and tsunami in Japan, Honda suspended automobile and component part production in Japan. On 31 March, Honda announced that automobile production at Suzuka and Sayama Factories would resume from 11 April, with production and shipment of component parts resuming on 4 April.

However, as the parts supply situation remains unstable; production of component parts and vehicles at Honda plants will resume at approximately 50% of the original production plan.

Honda of the UK Manufacturing (HUM)

The vast majority of the automotive parts for cars produced at HUM are sourced in Europe. However, for global efficiency, a number of parts continue to be supplied from Japan. The interruption of supply of these parts will impact production activity at HUM.

HUM production volume will continue at approximately 50% of the planned weekly level from 11 April. By taking this action, HUM will be able to continue production by utilising HUM's flexible working policy; pay is maintained for all Associates. Once full production is resumed the reduced volume production will be quickly recovered using the banked hours.

Ken Keir, Executive Vice President, Honda Motor Europe stated, "We've taken the decision to reduce our production volumes at HUM as it enables us to continue with our manufacturing activities, thus minimising the impact on Honda customers, dealers and Associates. We appreciate everyone's understanding, customers and dealers, during these challenging times."

As parts supply stabilises and full production resumes, Honda will quickly develop a production schedule to meet the needs of Honda's European customers.

ENDS

Editors Notes

Honda of the U.K. Manufacturing, Ltd.(HUM)
Highworth Road,
South Marston,
Swindon,
Wiltshire
SN3 4TZ

Total investment: £1.44billion

Managing Director: Soichiro Takizawa

Started production:

- Engines 1989
- No1 Car Plant ~1992
- No2 Car Plant ~ 2001.

Employment: 3,000 (as of April 2011)

Annual production capacity: 250,000 vehicles
Current Daily Production: 638p/d

Production results:

2008 230,423 FY Mar 08 -09 = 174,535

2009 75,583 FY Mar 09-10 = 99,346

2010 139,264 FY Mar 10-11 = 139,085