

# Second Quarter Fact Sheet

Period Ended September 30, 2008

Honda Motor Co., Ltd.

(TSE:7267, NYSE: HMC, LSE: HND4)

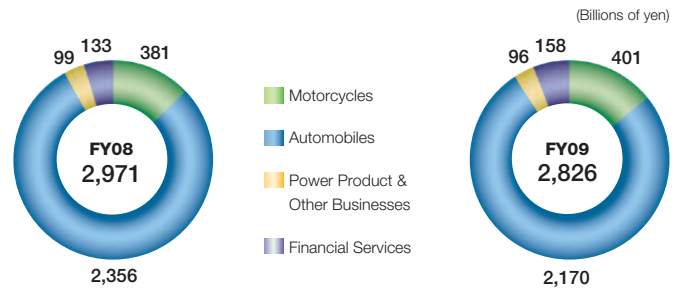
FY 2009

Q2

## Business Environment

- Fluctuations in oil prices and prices of raw materials remain at high levels
- Concern about impending recession in the U.S. economy while financial crisis worsens
- European economies weak because of stagnation in consumption
- Decline in pace of economic expansion in Asian countries
- Japanese economy shows signs of weakness
- Yen appreciates against the U.S. dollar and Euro

## 2nd Quarter Net Sales by Business Segment



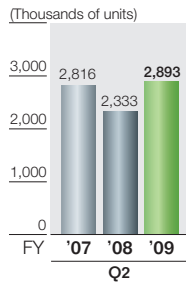
## Motorcycles

### Market

- Continued expansion in Indonesia, India and Brazil
- North American market for ATV/off-road vehicles weakens

### Honda

- Strong sales in Asia and Other Regions, which includes Brazil



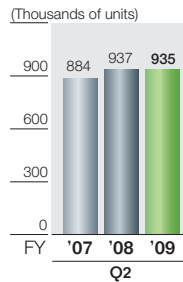
## Automobiles

### Market

- Total demand decreases in the United States and Western Europe
- Continued growth in Brazil and Russia
- Total demand in India and China declines

### Honda

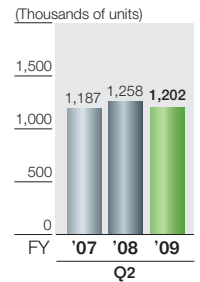
- Strong sales in Asia and Other Regions, which includes Brazil
- Sales decreases in North America and Europe



## Power Products

### Honda

- Sales increases in Asia and Other Regions, which includes Middle East
- Sales decreases in North America and Europe



Wave S (Vietnam)



CG125 FAN (Brazil)



FREED (Japan)



JAZZ (Indonesia)



Civic FFV (Brazil)



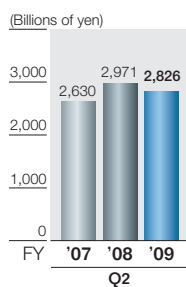
EU2000i (Generator)



WB30 (Water pump)

## Net Sales & Other Operating Revenue

- Declined due to currency factors despite increased unit sales of motorcycles



## Operating Income

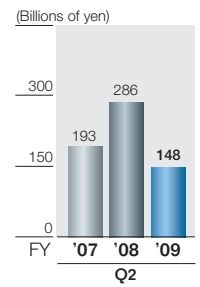
Although sales performance in Asia and Brazil continued strong, operating income declined in comparison with the same period of the previous fiscal year due to the sudden changes in market conditions in North America and the impact of currency factors.

### <Increase Factors>

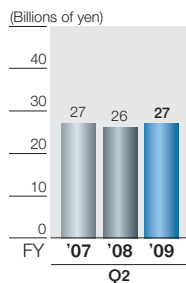
- Effects of cost reductions

### <Decrease Factors>

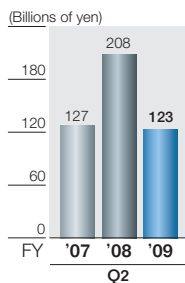
- Increase in SG&A expenses
- Decrease in revenue and model mix change, etc.
- Increase in raw material costs
- Currency factors



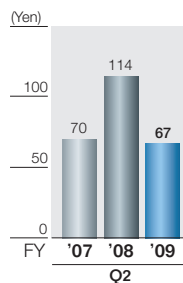
## Equity in Income of Affiliates



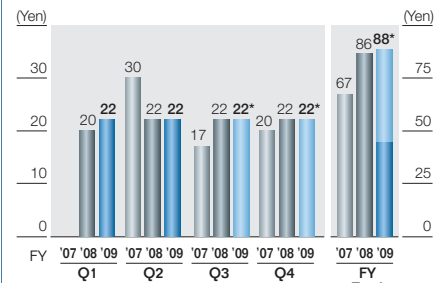
## Net Income



## EPS



## Dividends to Shareholders



\* Projection as of Oct. 28, 2008

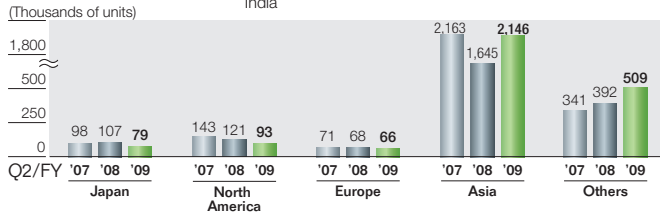
Honda began quarterly dividend payments from FY07 Q3.



## 2nd Quarter Unit Sales

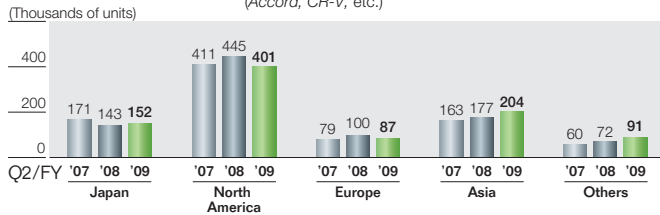
### Motorcycle Business

- Japan**
- Decreased sales of *TODAY* and other scooters
- North America**
- Decreased sales of off-road motorcycles, sport ATVs, etc.
  - Increase of *Ruckus* and other scooters
- Europe**
- Decreased sales of scooters in Spain and elsewhere
  - Increased sales of *CB1000* and other models in Italy, France, Germany, etc.
- Asia**
- Increased sales of component parts for Indonesia and India
- Other Regions**
- Increased sales of *Wave S* and AT Model *Air Blade* and other models in Vietnam
  - Increased sales of *CG 125 FAN*, *150 TITAN* and other models in Brazil



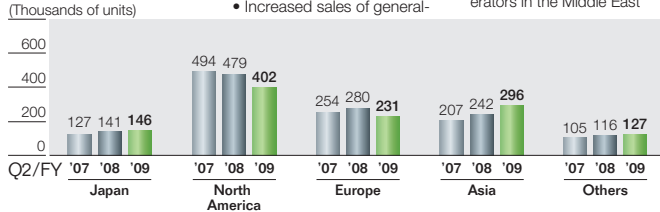
### Automobile Business

- Japan**
- Increased sales of *FIT*, *FREED*, etc.
  - Decreased sales of *That's*, *Stream*, etc.
- North America**
- Decreased sales of *Ridgeline*, *Odyssey*, *CR-V*, etc.
- Europe**
- Increased sales of *CR-V*, *Civic*, etc., in Russia
  - Decreased sales of *CR-V*, *Civic*, etc., in the U.K., Italy, etc.
- Asia**
- Increased sales of component parts for China (*Accord*, *CR-V*, etc.)
- Other Regions**
- Increased sales of *Jazz*, etc., in Indonesia, Thailand, etc.
  - Increased sales of *Civic FFV*, *Fit*, etc., in Brazil



### Power Product & Other Businesses

- Japan**
- Increased sales of general-purpose *GX* series engines for OEM generators
- North America**
- Decreased sales of general-purpose engines, such as *GC (V)* series engines, for OEM construction machinery and generators in Spain, U.K., etc.
- Europe**
- Increased sales of general-purpose engines, such as *GX* series for OEM and water pumps, etc., in Thailand and Indonesia
- Other Regions**
- Increased sales of general-purpose engines, such as the *GX* series for OEM construction machinery and generators in the Middle East
- Asia**
- Increased sales of general-purpose engines, such as *GX* series for OEM and water pumps, etc., in Thailand and Indonesia



### For Further Information

**Financial Results Meeting**  
<http://world.honda.com/investors/meeting/>

**Press Release Worldwide Site**  
<http://world.honda.com/news/>

**American Honda Motor Co., Inc.**  
<http://corporate.honda.com/press/list.aspx>

**Investor Relations English**  
<http://world.honda.com/investors/>

### IR Offices

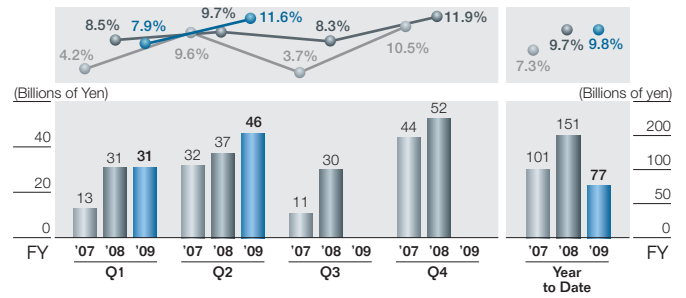
**Japan**  
 Investor Relations  
 Honda Motor Co., Ltd.  
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 Minato-ku, Tokyo 107-8556, Japan  
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 New York Office  
 156 West 56th Street, 20th Floor,  
 New York, NY 10019, U.S.A  
 TEL: 1-212-707-9920

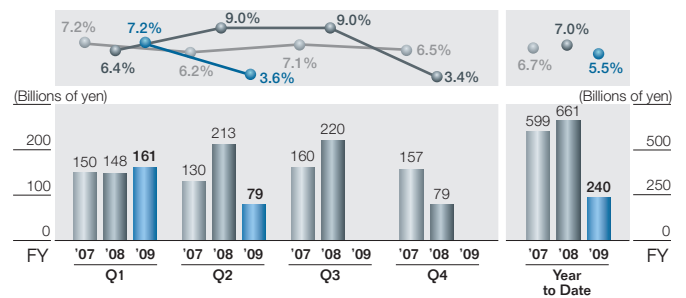
**U.K.**  
 Honda Motor Europe Limited  
 Investor Relations  
 470 London Road, Slough,  
 Berkshire SL3 8QY, U.K.  
 TEL: 44 (0) 1753-590-392

## Operating Income/Operating Margin

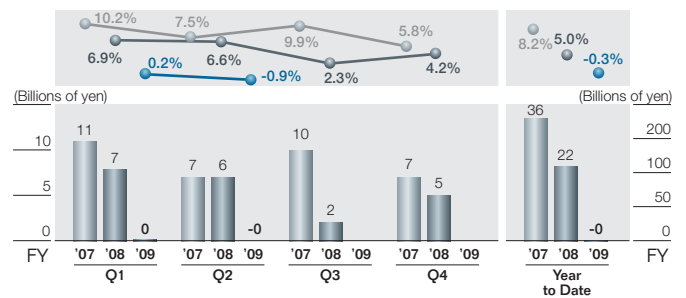
- <Increase Factors>**
- Increase in revenue and model mix change, etc.
- <Decrease Factors>**
- Effects of cost reductions, etc.
  - Increase in raw material costs, etc.



- <Increase Factors>**
- Effects of cost reductions, etc.
- <Decrease Factors>**
- Decrease in revenue and model mix change, etc.
  - Increase in SG&A expenses
  - Increase in raw material costs
  - Effects of currency factors, etc.



- <Decrease Factors>**
- Increase in R&D expenses for Other Businesses
  - (Expenses related to start-up of new businesses)
  - Decrease in revenue and model mix change, etc.



### Financial Services Business

- <Increase Factors>**
- Increase in profit due to higher sales, etc.
- <Decrease Factors>**
- Increase in expenses related to credit loss and lease residual values
  - Effects of currency factors, etc.

