

HONDA MOTOR CO LTD
Form 6-K
February 10, 2009
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No.1-7628

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

PURSUANT TO RULE 13a-16 OR 15d-16

UNDER THE SECURITIES EXCHANGE ACT OF 1934

FOR THE MONTH OF January 2009

COMMISSION FILE NUMBER: 1-07628

HONDA GIKEN KOGYO KABUSHIKI KAISHA

(Name of registrant)

HONDA MOTOR CO., LTD.

(Translation of registrant's name into English)

1-1, Minami-Aoyama 2-chome, Minato-ku, Tokyo 107-8556, Japan

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

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Yes " No "

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):82-_____

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Exhibit 1:

Honda Motor Co., Ltd. revised its forecasts for consolidated and unconsolidated financial results of the fiscal year ending March 31, 2009 that were announced on December 17, 2008, based on various factors such as recent trends in the Company's financial results.

Exhibit 2:

On January 30, 2009, Honda Motor Co., Ltd. today announced its consolidated financial results for the fiscal third quarter and the fiscal nine months ended December 31, 2008.

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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HONDA GIKEN KOGYO KABUSHIKI KAISHA
(HONDA MOTOR CO., LTD.)

/s/ Yoichi Hojo
Yoichi Hojo
Director
Chief Operating Officer for

Business Management Operations

Honda Motor Co., Ltd.

Date: February 10, 2009

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[Translation]

January 30, 2009

To: Shareholders of Honda Motor Co., Ltd.

From: Honda Motor Co., Ltd.
 1-1, Minami-Aoyama 2-chome,
 Minato-ku, Tokyo, 107-8556
 Takeo Fukui
 President and Representative Director

Notice Concerning Revision of Forecasts for**Consolidated and Unconsolidated Financial Results of the Fiscal Year Ending March 31, 2009**

Honda Motor Co., Ltd. (the Company) revised its forecasts for consolidated and unconsolidated financial results of the fiscal year ending March 31, 2009 that were announced on December 17, 2008, based on various factors such as recent trends in the Company's financial results.

Particulars

Revision of Forecasts for Consolidated Financial Results of the Fiscal Year Ending March 31, 2009

| (Millions of Yen, except Basic net income per common share) | Net sales and other operating revenue | Operating income | Income before income taxes, minority interest and equity in income of affiliates | Net income | Basic net income per common share (Yen) |
|---|---------------------------------------|------------------|--|------------|---|
| Forecast previously announced (A) | 10,400,000 | 180,000 | 190,000 | 185,000 | 101.95 |
| Forecast revised on January 30, 2009 (B) | 10,100,000 | 140,000 | 135,000 | 80,000 | 44.09 |
| Change (B-A) | -300,000 | -40,000 | -55,000 | -105,000 | |
| Percentage change (%) (Reference) | -2.9 | -22.2 | -28.9 | -56.8 | |
| Results of the fiscal year ended March 31, 2008 | 12,002,834 | 953,109 | 895,841 | 600,039 | 330.54 |

Revision of Forecasts for Unconsolidated Financial Results of the Fiscal Year Ending March 31, 2009

| (Millions of Yen, except Basic net income per common share) | Net sales | Operating income | Ordinary income | Net income | Basic net income per common share (Yen) |
|---|-----------|------------------|-----------------|------------|---|
| Forecast previously announced (A) | 3,490,000 | -200,000 | -21,000 | -55,000 | -30.31 |
| Forecast revised on January 30, 2009 (B) | 3,380,000 | -205,000 | -45,000 | -95,000 | -52.35 |
| Change (B-A) | -110,000 | -5,000 | -24,000 | -40,000 | |
| Percentage change (%) (Reference) | -3.2 | | | | |
| Results of the fiscal year ended March 31, 2008 | 4,088,029 | 140,490 | 351,154 | 298,594 | 164.44 |

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Basis for Revision of Forecasts for Financial Results of the Fiscal Year Ending March 31, 2009

The Company has reviewed its sales plan for motorcycles, automobiles and power products and other businesses as well as its assumption of average exchange rates for the fourth quarter period and has revised its consolidated and unconsolidated financial forecasts which were announced on December 17, 2008.

The assumption of the average exchange rates for the fiscal fourth quarter ending March 31, 2009 at which these forecasts are based on was changed to ¥ 85 = U.S.\$1 and to ¥ 110 = Euro 1. The assumption of the average exchange rates for the fiscal year ending March 31, 2009 at which these forecasts are based on was changed to ¥ 100 = U.S.\$1 from ¥ 101 = U.S.\$1 and to ¥ 140 = Euro 1 from ¥ 136 = Euro 1.

- * For more detail, please refer to the presentation and financial results in consolidated financial results for the fiscal third quarter and the nine months ended December 31, 2008 ([URL, http://world.honda.com/investors/event/](http://world.honda.com/investors/event/)) announced by the Company on the same date hereof.

- * These forward-looking statements of Honda 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 materially differ from those described in these forward-looking statements as a result of numerous factors, including general economic conditions in Honda's principal markets and foreign exchange rates between the Japanese yen and the U.S. dollar, the Euro and other major currencies, as well as other factors detailed from time to time.

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January 30, 2009

HONDA MOTOR CO., LTD. REPORTS

CONSOLIDATED FINANCIAL RESULTS

FOR THE FISCAL THIRD QUARTER AND

THE NINE MONTHS ENDED DECEMBER 31, 2008

Tokyo, January 30, 2009 Honda Motor Co., Ltd. today announced its consolidated financial results for the fiscal third quarter and the fiscal nine months ended December 31, 2008.

Third Quarter Results

Honda's consolidated net income for the fiscal third quarter ended December 31, 2008 totaled JPY 20.2 billion (USD 222 million), a decrease of 89.9% from the same period in 2007. Basic net income per common share for the quarter amounted to JPY 11.16 (USD 0.12), a decrease of JPY 99.09 from JPY 110.25 for the corresponding period last year. One Honda American Depository Share represents one common share.

Consolidated net sales and other operating revenue (herein referred to as revenue) for the quarter amounted to JPY 2,533.2 billion (USD 27,829 million), a decrease of 16.8% from the same period in 2007, primarily due to decreased revenue in the automobile business and currency translation effects, although unit sales in motorcycle business increased. Honda estimates that if calculated at the same exchange rate as the corresponding period in 2007, revenue for the quarter would have decreased by approximately 4.4%.

Consolidated operating income for the quarter totaled JPY 102.4 billion (USD 1,125 million), a decrease of 62.9%, due primarily to increased raw material costs, fixed costs per unit as a result of reduced production and SG&A expenses and the negative impact of currency effects caused by the appreciation of the Japanese yen.

Consolidated income before income taxes, minority interest and equity in income of affiliates for the quarter totaled JPY 86.7 billion (USD 953 million), a decrease of 66.7% from the same period in 2007.

Equity in income of affiliates amounted to JPY 30.7 billion (USD 338 million) for the quarter, a decrease of 1.6% from the corresponding period last year.

Table of Contents**Business Segment**

With respect to Honda's sales for the fiscal third quarter by business segment, motorcycle unit sales totaled 2,504 thousand units, an increase of 5.8% from the same period last year. Unit sales in Japan totaled 44 thousand units, a decrease of 18.5% compared to the same period last year. Overseas unit sales was 2,460 thousand units, an increase of 6.4% from the same period in 2007*, due mainly to increased unit sales in Asia, particularly in India and Vietnam, and in Brazil. Revenue from sales to external customers decreased 6.0%, to JPY 342.8 billion (USD 3,767 million) from the same period last year, due mainly to negative currency translation effects. Operating income was JPY 25.2 billion (USD 277 million), a decrease of 16.9% from the same period last year, due mainly to increased raw material costs and the negative impact of currency effects caused by the appreciation of the Japanese yen, more than offsetting the positive impact of increased revenue, model mix, etc., continuing cost reduction efforts and decreased SG&A expenses.

* Of the net sales of Honda-brand motorcycle products that are manufactured and sold by overseas affiliates accounted for under the equity method, those with respect to which parts for manufacturing were not supplied from Honda or its subsidiaries are not included in net sales and other operating revenue, in conformity with U.S. generally accepted accounting principles. Accordingly, these unit sales are not included in the financial results. Sales of such products amounted to approximately 1,110 thousand units for the period.

Honda's automobile unit sales totaled 940 thousand units, a decrease of 5.1% for the same period last year. In Japan, unit sales amounted to 135 thousand units, a decrease of 6.9% from the same period last year. Overseas unit sales decreased 4.8% to 805 thousand units from the corresponding period last year, due mainly to weak demand, primarily for light trucks, in North America and decreased unit sales in Europe, more than offsetting an increase of unit sales in Asia, mainly in Thailand and other regions including Brazil, and increased sales of automobile knocked-down parts to China. Revenue from sales to external customers decreased 19.4% to JPY 1,974.2 billion (USD 21,688 million) from the same period in 2007, due mainly to the negative currency translation effects and decreased overseas unit sales, particularly in North America. Operating income decreased 68.0% to JPY 70.5 billion (USD 775 million) from the same period last year, due primarily to increased raw material costs, decreased revenue, increased SG&A expenses and the negative impact of currency effects, more than offsetting continuing cost reduction efforts.

Revenue from customers in the financial services business increased 5.0% to JPY 142.6 billion (USD 1,568 million) from the same period in 2007, due mainly to an increase in operating lease revenues. Operating income decreased 58.5% to JPY 9.4 billion (USD 104 million) from the same period in 2007, due primarily to the increased provision related to credit losses and allowance for losses on lease residual values.

Honda's power product unit sales totaled 1,115 thousand units, a decrease of 5.3% from the same period in 2007. In Japan, unit sales totaled 110 thousand units, a decrease of 10.6% from the same period last year. Overseas unit sales totaled 1,005 thousand units, a decrease of 4.7% from the corresponding period last year, due primarily to a decline of unit sales of general-purpose engines for OEM* production in Europe and of generators in North America. Revenue from sales to external customers in power product and other businesses decreased by 22.9% to JPY 73.3 billion (USD 806 million) from the same period last year, due mainly to decreased unit sales of power products and negative currency translation effects. The Company reported operating loss of JPY 2.8 billion (USD 31 million), a decrease of JPY 5.0 billion from the same period in 2007. This was primarily due to the negative impact of decreased revenue, model mix etc., negative currency effects caused by the appreciation of the Japanese yen and increased R&D expenses of other businesses, which more than offset decreased SG&A expenses.

* OEM (Original equipment manufacturing)

OEM refers to a manufacturing of products and components supplied for sale under a third-party brand.

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Geographical Information

With respect to Honda's sales for the fiscal third quarter by geographic area, in Japan, revenue from domestic and exports sales amounted to JPY 1,079.2 billion (USD 11,856 million), down 13.4% compared to the same period last year, due primarily to decreased unit sales in automobile business in Japan. Operating income decreased JPY 120.5 billion from the same period last year, to record operating loss of JPY 64.3 billion (USD 707 million), due primarily to the negative impact of decreased revenue, model mix, etc., increased raw material costs and the negative impact of the currency effects caused by the appreciation of the Japanese yen, more than offsetting continuing cost reduction efforts and decreased SG&A expenses.

In North America, revenue decreased by 24.9% to JPY 1,231.6 billion (USD 13,530 million) from the same period in 2007 due mainly to the negative impact of the currency translation effects and decreased revenue in the automobile business. Operating income decreased by 55.2% to JPY 70.0 billion (USD 770 million) from the same period last year due primarily to the negative impact of decreased revenue, weak model mix, increased raw material costs, the increase in fixed costs per unit as a result of reduced production and the negative impact of currency effects caused by appreciation of the Japanese yen, more than offsetting decreased SG&A expenses.

In Europe, revenue decreased by 17.2% to JPY 299.4 billion (USD 3,289 million), from the same period in 2007 due primarily to the negative impact of currency translation effects and decreased revenue in all of the business segments. Operating income decreased by 80.5% to JPY 1.1 billion (USD 13 million) from the same period last year due primarily to increased SG&A expenses and increased raw material costs despite continuing cost reduction efforts.

In Asia, revenue decreased by 6.8% to JPY 385.2 billion (USD 4,232 million) from the same period last year due to the negative impact of the currency translation effects despite increased sales in the motorcycle and automobile businesses. Operating income decreased by 34.8% to JPY 24.9 billion (USD 275 million) from the corresponding period last year due mainly to the negative impact of the currency effects caused by the appreciation of the Japanese yen, increased raw material costs and increased SG&A expenses, more than offsetting the positive impact of increased revenue.

In Asia, in addition to subsidiaries, many affiliates accounted for under the equity method manufacture and sell Honda-brand products. Operating income does not include income from these affiliates. Income from these affiliates is recorded as equity in income of affiliates and reflected in net income. Accounting terms of some of the affiliates differ from the Company's.

In other regions such as Latin America, the Middle East, Africa and Oceania, revenue increased by 7.1% to JPY 304.7 billion (USD 3,347 million) compared to the same period last year, due mainly to increased sales in all business segments, which more than offset the negative impact of currency translation effects. Operating income increased by 31.8% to JPY 41.8 billion (USD 460 million) from the corresponding period in 2007.

United States dollar amounts have been translated from yen solely for the convenience of the reader at the rate of ¥91.03=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, 2008.

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Nine Months Results

Honda's consolidated net income for the fiscal nine months ended December 31, 2008 totaled JPY 323.1 billion (USD 3,550 million), a decrease of 43.8% from the same period in 2007. Basic net income per Common share for the period amounted to JPY 178.10 (USD 1.96), a decrease of JPY 138.39 from JPY 316.49 for the same period in 2007.

Consolidated revenue for the period amounted to JPY 8,227.3 billion (USD 90,381 million), a decrease of 8.0% from the same period in 2007, primarily due to currency translation effects. Honda estimates that if calculated at the same exchange rate as the same period in 2007, revenue for the quarter would have increased by approximately 1.4%.

Consolidated operating income for the period totaled JPY 472.6 billion (USD 5,192 million), a decrease of 39.7% compared to the same period in 2007. This decrease in operating income was primarily due to increased SG&A expenses, increased raw material costs, increased depreciation expenses and the negative currency effects caused by the appreciation of the Japanese yen, more than offsetting the positive impact of the change in revenue and continuing cost reduction efforts.

Consolidated income before income taxes, minority interest and equity in income of affiliates for the period totaled JPY 471.3 billion (USD 5,177 million), a decrease of 37.1% from the same period in 2007.

Equity in income of affiliates amounted to JPY 96.2 billion (USD 1,058 million) for the period, an increase of 1.8% from the same period in 2007. Equity in income of affiliates set a record high profit for the fiscal nine months.

Table of Contents**Business Segment**

With respect to Honda's sales for the fiscal nine months by business segment, unit sales of motorcycles totaled 8,112 thousand units, an increase of 16.7% from the same period in 2007. Unit sales in Japan totaled 181 thousand units, a decrease of 26.1%. Overseas unit sales was 7,931 thousand units, an increase of 18.2%*, due mainly to the increased units sales of motorcycle knocked-down parts for local production at Honda's affiliates accounted for under the equity method in Asia. Revenue from sales to external customers increased 2.0%, to JPY 1,137.0 billion (USD 12,491 million) from the same period in 2007, due mainly to increased revenue in Asia and other regions including Brazil, despite the negative currency translation effects. Operating income increased by 4.3% to JPY 102.7 billion (USD 1,129 million) from the same period in 2007, due mainly to the positive impact of increased revenue, model mix, etc. and continuing cost reduction efforts, which more than offset increased raw material costs, the negative currency effects caused by the appreciation of the Japanese yen and increased depreciation expenses.

* Of the net sales of Honda-brand motorcycle products that are manufactured and sold by overseas affiliates accounted for under the equity method, those with respect to which parts for manufacturing were not supplied from Honda or its subsidiaries are not included in net sales and other operating revenue, in conformity with U.S. generally accepted accounting principles. Accordingly, these unit sales are not included in the financial results. Sales of such products amounted to approximately 3,590 thousand units for the period.

Honda's unit sales of automobiles was 2,837 thousand units, decreased by 1.3% from the same period in 2007. In Japan, unit sales totaled 415 thousand units, decreased by 2.1% from the same period in 2007. Overseas unit sales decreased 1.1% to 2,422 thousand units, due mainly to decreased unit sales in North America, which more than offset the increased unit sales in Asia and other regions including Brazil. Revenue from sales to external customers decreased 10.7% to JPY 6,372.9 billion (USD 70,009 million) from the same period in 2007, due to the negative impact of the currency translation effects. Operating income decreased 46.6% to JPY 310.8 billion (USD 3,415 million) from the same period in 2007, primarily due to increased raw material costs, increased SG&A expenses, increased depreciation expenses and the negative currency effects caused by the appreciation of the Japanese yen, which more than offset the positive impact of the change in revenue, continuing cost reduction efforts and decreased R&D expenses.

Revenue from sales to external customers in financial services business increased 13.0% to JPY 447.0 billion (USD 4,911 million) from the same period in 2007, due mainly to the increased operating lease revenues, despite negative currency translation effects. Operating income decreased 27.6% to JPY 62.5 billion (USD 688 million) from the same period in 2007, due mainly to the increased provision related to credit losses and allowance for losses on lease residual values and the negative currency effects caused by the appreciation of the Japanese yen, which more than offset the increased revenue.

Honda's unit sales of power products was 3,656 thousand units, down by 7.8% from the same period in 2007. In Japan, unit sales totaled 415 thousand units, an increase of 4.0%. Overseas unit sales decreased 9.1%, to 3,241 thousand units, due mainly to the declined sales in North America and Europe. Revenue from sales to external customers in power product and other businesses decreased by 11.2% to JPY 270.3 billion (USD 2,970 million) from the same period in 2007, due mainly to the negative currency translation effects and decreased unit sales in power product business. Operating income decreased JPY 20.7 billion from the same period in 2007, to record operating loss of JPY 3.5 billion (USD 39 million), due mainly to the negative impact of decreased revenue, increased R&D expenses of other businesses and the negative currency effects caused by the appreciation of the Japanese yen, more than offsetting decreased SG&A expenses.

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Geographical Information

With respect to Honda's sales for the fiscal nine months by geographical segment, in Japan, revenue for domestic and exports sales was JPY 3,422.4 billion (USD 37,596 million), down by 5.9% compared to the same period in 2007, due primarily to decreased sales in the motorcycle and automobile businesses in Japan. Operating income was JPY 14.4 billion (USD 159 million), down by 92.4% from the same period in 2007.

In North America, revenue decreased by 14.4% to JPY 4,094.8 billion (USD 44,984 million) from the same period in 2007, due mainly to the negative currency translation effects and decreased sales in the automobile business. Operating income decreased by 49.3% to JPY 187.1 billion (USD 2,056 million) from the same period in 2007.

In Europe, revenue decreased by 12.0% to JPY 1,014.6 billion (USD 11,147 million) compared to the same period in 2007, due primarily to the negative impact of the currency translation effects. Operating income decreased by 37.0% to JPY 20.7 billion (USD 228 million) from the same period in 2007.

In Asia, revenue increased by 4.2% to JPY 1,273.3 billion (USD 13,988 million) from the same period in 2007, due primarily to the increased revenue in all of the business segments, which offset the negative impact of the currency translation effects. Operating income increased by 1.1% to JPY 109.9 billion (USD 1,208 million) from the same period in 2007.

In other regions, revenue increased by 21.7% to JPY 948.0 billion (USD 10,415 million) compared to the same period in 2007, due mainly to the increased revenue in all of the business segments. Operating income increased by 51.7% to JPY 127.0 billion (USD 1,395 million) from the same period in 2007.

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Consolidated Statements of Balance Sheets for the Fiscal Nine Months Ended December 31, 2008

From April 1, 2008, total assets decreased JPY 578.1 billion (USD 6,351 million), to JPY 12,037.3 billion (USD 132,235 million) at December 31, 2008, mainly due to the currency translation effects despite increased current assets, finance subsidiaries-receivables and property on operating leases. From April 1, 2008, total liabilities decreased by JPY 283.2 billion (USD 3,112 million), to JPY 7,646.2 billion (USD 83,997 million) at December 31, 2008, mainly due to currency translation effects, which more than offset an increase in funds raised by finance subsidiaries and increased current liabilities. For the nine months ended December 31, 2008, total stockholders' equity decreased JPY 287.9 billion (USD 3,163 million), to JPY 4,256.3 billion (USD 46,758 million), primarily due to the currency translation effects and cash dividends paid, despite quarterly net income.

Consolidated Statements of Cash Flows for the Fiscal Nine Months

Consolidated cash and cash equivalents at the end of the period from April 1, 2008 through December 31, 2008 decreased by JPY 311.4 billion (USD 3,422 million) from March 31, 2008, to JPY 739.4 billion (USD 8,123 million). The reasons for the increases or decreases for each cash flow activity are as follows.

Cash flows from operating activities

Net cash provided by operating activities amounted to JPY 376.1 billion (USD 4,133 million) of cash inflows for the fiscal nine months ended December 31, 2008, mainly attributable to an increase in quarterly net income and a decrease in depreciation, which offset an increase in inventories and a decrease in accrued expenses. Cash inflows from operating activities decreased by JPY 331.2 billion (USD 3,639 million) compared with the corresponding period in 2007.

Cash flows from investing activities

Net cash used in investing activities amounted to JPY 1,214.5 billion (USD 13,342 million), due mainly to capital expenditures, the acquisitions of finance subsidiaries-receivables, which exceeded collections of and proceeds from sales of finance subsidiaries-receivables, and the purchase and sales of operating lease assets. Cash outflows from investing activities decreased by JPY 28.6 billion (USD 315 million) compared with the corresponding period in 2007.

Cash flows from financing activities

Net cash provided by financing activities amounted to JPY 640.9 billion (USD 7,042 million), which was attributable to proceeds from long-term debt, increase in short-term debt and repayment of long-term debt, despite cash dividends paid. Cash inflows from financing activities increased by JPY 117.6 billion (USD 1,293 million) compared with the

corresponding period in 2007.

Table of Contents**Forecasts for the Fiscal Year Ending March 31, 2009**

In regard to the forecasts of the financial results for the fiscal year ending March 31, 2009, Honda projects consolidated results to be as shown below:

The forecasts are based on the assumption that the average exchange rates for the Japanese yen to the U.S. dollar and the Euro will be JPY 85 and JPY 110, respectively, for the fourth quarter of the year ending March 31, 2009, and JPY 100 and JPY 140, respectively, for the full year ending March 31, 2009.

Projected unit sales for the full year ending March 31, 2009 are shown below.

| | Unit (thousands) | Changes from FY2008 (thousands) |
|------------------------|------------------|------------------------------------|
| Motorcycle business | 10,175 | +855 |
| Automobile business | 3,525 | -400 |
| Power product business | 5,260 | -797 |

FY2009 Forecasts for Consolidated Results**Fiscal year ending March 31, 2009**

| | Yen (billions) | Changes from FY 2008 |
|---|----------------|----------------------|
| Net sales and other operating revenue | 10,100 | -15.9% |
| Operating income | 140 | -85.3% |
| Income before income taxes minority interest and equity in income of affiliates | 135 | -84.9% |
| Net income | 80 | -86.7% |

| | Yen |
|-----------------------------------|-------|
| Basic net income per Common share | 44.09 |

The reasons for the increases or decreases for forecasts of the operating income and income before income taxes, minority interest and equity in income of affiliates for the fiscal year ending March 31, 2009 from the corresponding period last year are as follows.

| | Yen (billions) |
|---|----------------|
| Revenue, model mix, etc., excluding currency effect | -216.0 |
| Cost reduction, the effect of raw material cost fluctuations, etc. | -216.0 |
| SG&A expenses, excluding currency effect | - 92.0 |
| R&D expenses | -7.1 |
| Currency effect | -282.0 |
| Operating income compared with fiscal year 2008 | -813.1 |
| Fair value of derivative instruments | 96.0 |
| Others | -43.7 |
| Income before income taxes, minority interest and equity in income of affiliates compared with fiscal year 2008 | -760.8 |

Dividend per Share of Common Stock

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The Board of Directors of Honda Motor Co., Ltd., at its meeting held on January 30, 2009, resolved to make the quarterly dividend JPY 11 per share of common stock, the record date of which is December 31, 2008. The expected year-end dividend per share of common stock for the fiscal year ending March 31, 2009 has not been determined yet. The Company will make a proposal for such dividend after considering consolidated financial results for the fiscal year ending March 31, 2009 and forecasts for consolidated financial results for the fiscal year ending March 31, 2010.

This announcement contains forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements 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, including general economic conditions in Honda's principal markets and foreign exchange rates between the Japanese yen and the U.S. dollar, the Euro and other major currencies, as well as other factors detailed from time to time. The various factors for increases and decreases in income have been classified in accordance with a method that Honda considers reasonable.

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Others

1. Changes in significant subsidiaries for the three months ended December 31, 2008 (i.e. changes in specific subsidiaries that caused a change in the scope of consolidated financial statements)

None

2. Accounting policies specifically applied for quarterly consolidated financial statements

(a) Income taxes

Honda computes nine months income tax expense (benefit) by multiplying reasonably estimated annual effective tax rate, which includes the effects of deferred taxes, by year-to-date income before income taxes, minority interest and equity in income of affiliates for the nine months ended December 31, 2008. If a reliable estimate cannot be made, Honda utilizes the actual year-to-date effective tax rate.

3. Changes in accounting procedures for consolidated quarterly financial results

(a) Fair value measurements

Honda adopted Statement of Financial Accounting Standards (SFAS) No. 157, Fair Value Measurements effective April 1, 2008. This statement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction, and emphasizes that a fair value measurement should be determined based on the assumptions that market participants would use in pricing an asset or liability.

In February 2008, FASB issued FASB staff position (FSP) No. FAS 157-2 Effective date of FASB statement No. 157 . This FSP delays the effective date for SFAS No. 157, for nonfinancial assets and nonfinancial liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). The adoption of this statement does not have a material impact on the Company's consolidated financial position or results of operations.

The Company has omitted disclosures required by this statement.

(b) The fair value option for financial assets and financial liabilities

The Statement of Financial Accounting Standards (SFAS) No. 159, The Fair Value Option for Financial Assets and Financial Liabilities including an amendment of SFAS No. 115 has been effective since April 1, 2008. This statement permits entities to choose to measure at fair value many financial instruments and certain other items that are not currently required to be measured at fair value. Subsequent changes in fair value for designated items will be required to be reported in earnings in the current period. Honda has not elected the fair value option during the nine months ended December 31, 2008. Accordingly, the adoption of this statement has no impact on the Company's consolidated financial position or results of operations.

Table of Contents**[1] Consolidated Financial Summary**

For the three months and nine months ended December 31, 2008 and 2007

Financial Highlights

| | Yen (millions) | | | |
|---|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
| | Three months ended Dec. 31, 2008 | Three months ended Dec. 31, 2007 | Nine months ended Dec. 31, 2008 | Nine months ended Dec. 31, 2007 |
| Net sales and other operating revenue | 2,533,257 | 3,044,814 | 8,227,343 | 8,947,283 |
| Operating income | 102,452 | 276,243 | 472,650 | 784,265 |
| Income before income taxes, minority interest and equity in income of affiliates | 86,750 | 260,745 | 471,307 | 748,995 |
| Net income | 20,242 | 200,009 | 323,169 | 574,609 |
| | | | Yen | |
| Basic net income per common share | 11.16 | 110.25 | 178.10 | 316.49 |
| | | | U.S. Dollar (millions) | |
| | Three months ended Dec. 31, 2008 | | | |
| | | Nine months ended Dec. 31, 2008 | | |
| Net sales and other operating revenue | 27,829 | 90,381 | | |
| Operating income | 1,125 | 5,192 | | |
| Income before income taxes, minority interest and equity in income of affiliates | 953 | 5,177 | | |
| Net income | 222 | 3,550 | | |
| | | | U.S. Dollar | |
| Basic net income per common share | 0.12 | | 1.96 | |

Table of Contents**[2] Consolidated Balance Sheets**

| | Yen (millions) | |
|--|----------------------------------|-------------------|
| | December 31, 2008 (Unaudited) | March 31, 2008 |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | 739,414 | 1,050,902 |
| Trade accounts and notes receivable | 888,880 | 1,021,743 |
| Finance subsidiaries-receivables, net | 1,271,206 | 1,340,728 |
| Inventories | 1,365,824 | 1,199,260 |
| Deferred income taxes | 124,865 | 158,825 |
| Other current assets | 467,675 | 460,110 |
| Total current assets | 4,857,864 | 5,231,568 |
| Finance subsidiaries-receivables, net | 2,476,325 | 2,707,820 |
| Investments and advances: | | |
| Investments in and advances to affiliates | 571,865 | 549,812 |
| Other, including marketable equity securities | 131,523 | 222,110 |
| Total investments and advances | 703,388 | 771,922 |
| Property on operating leases: | | |
| Vehicles | 1,347,105 | 1,014,412 |
| Less accumulated depreciation | 205,730 | 95,440 |
| Net property on operating leases | 1,141,375 | 918,972 |
| Property, plant and equipment, at cost: | | |
| Land | 459,220 | 457,352 |
| Buildings | 1,393,565 | 1,396,934 |
| Machinery and equipment | 3,042,866 | 3,135,513 |
| Construction in progress | 172,491 | 227,479 |
| | 5,068,142 | 5,217,278 |
| Less accumulated depreciation and amortization | 2,975,049 | 3,015,979 |
| Net property, plant and equipment | 2,093,093 | 2,201,299 |
| Other assets | 765,337 | 783,962 |
| Total assets | 12,037,382 | 12,615,543 |

Table of Contents**[2] Consolidated Balance Sheets continued**

| | Yen (millions) | |
|---|----------------------------------|-------------------|
| | December 31, 2008 (Unaudited) | March 31, 2008 |
| Liabilities, Minority Interests and Stockholders Equity | | |
| Current liabilities: | | |
| Short-term debt | 1,831,972 | 1,687,115 |
| Current portion of long-term debt | 787,020 | 871,050 |
| Trade payables: | | |
| Notes | 34,730 | 39,006 |
| Accounts | 802,025 | 1,015,130 |
| Accrued expenses | 540,924 | 730,615 |
| Income taxes payable | 63,434 | 71,354 |
| Other current liabilities | 250,794 | 264,280 |
| Total current liabilities | 4,310,899 | 4,678,550 |
| Long-term debt, excluding current portion | 1,913,842 | 1,836,652 |
| Other liabilities | 1,421,462 | 1,414,270 |
| Total liabilities | 7,646,203 | 7,929,472 |
| Minority interests in consolidated subsidiaries | 134,842 | 141,806 |
| Stockholders equity: | | |
| Common stock, authorized 7,086,000,000 shares; issued 1,834,828,430 shares | 86,067 | 86,067 |
| Capital surplus | 172,529 | 172,529 |
| Legal reserves | 42,275 | 39,811 |
| Retained earnings | 5,300,909 | 5,099,983 |
| Accumulated other comprehensive income (loss), net | (1,273,734) | (782,198) |
| Treasury stock, at cost 20,290,531 shares on Mar. 31, 2008 and 20,217,750 shares in Dec. 31, 2008 | (71,709) | (71,927) |
| Total stockholders equity | 4,256,337 | 4,544,265 |
| Commitments and contingent liabilities | | |
| Total liabilities, minority interests and stockholders equity | 12,037,382 | 12,615,543 |

Table of Contents**[3] Consolidated Statements of Income**

(A) For the nine months ended December 31, 2007 and 2008

| | Yen (millions) | |
|---|------------------------------------|------------------------------------|
| | Nine months ended Dec. 31, 2007 | Nine months ended Dec. 31, 2008 |
| Net sales and other operating revenue | 8,947,283 | 8,227,343 |
| Operating costs and expenses: | | |
| Cost of sales | 6,341,145 | 5,932,637 |
| Selling, general and administrative | 1,393,361 | 1,398,935 |
| Research and development | 428,512 | 423,121 |
| Operating income | 784,265 | 472,650 |
| Other income: | | |
| Interest | 37,186 | 33,778 |
| Other | 1,865 | 22,099 |
| Other expenses: | | |
| Interest | 11,290 | 17,680 |
| Other | 63,031 | 39,540 |
| Income before income taxes, minority interest and equity in income of affiliates | 748,995 | 471,307 |
| Income tax (benefit) expense: | | |
| Current | 195,976 | 104,605 |
| Deferred | 51,546 | 122,162 |
| Income before minority interest and equity in income of affiliates | 501,473 | 244,540 |
| Minority interest in income of consolidated subsidiaries | (21,432) | (17,647) |
| Equity in income of affiliates | 94,568 | 96,276 |
| Net income | 574,609 | 323,169 |
| | | Yen |
| Basic net income per common share | 316.49 | 178.10 |

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(B) For the three months ended December 31, 2007 and 2008

| | Yen (millions) | |
|---|-------------------------------------|-------------------------------------|
| | Three months ended Dec. 31, 2007 | Three months ended Dec. 31, 2008 |
| Net sales and other operating revenue | 3,044,814 | 2,533,257 |
| Operating costs and expenses: | | |
| Cost of sales | 2,140,323 | 1,833,960 |
| Selling, general and administrative | 481,042 | 447,497 |
| Research and development | 147,206 | 149,348 |
| Operating income | 276,243 | 102,452 |
| Other income: | | |
| Interest | 11,666 | 11,386 |
| Other | 2,750 | 19,734 |
| Other expenses: | | |
| Interest | 3,535 | 6,266 |
| Other | 26,379 | 40,556 |
| Income before income taxes, minority interest and equity in income of affiliates | 260,745 | 86,750 |
| Income tax (benefit) expense: | | |
| Current | 36,780 | 37,518 |
| Deferred | 47,100 | 55,633 |
| Income before minority interest and equity in income of affiliates | 176,865 | (6,401) |
| Minority interest in income of consolidated subsidiaries | (8,163) | (4,152) |
| Equity in income of affiliates | 31,307 | 30,795 |
| Net income | 200,009 | 20,242 |
| | | Yen |
| Basic net income per common share | 110.25 | 11.16 |

Table of Contents**[4] Consolidated Statements of Cash Flows**

| | Yen (millions) | |
|--|---|---|
| | Nine months ended Dec. 31, 2007 (Unaudited) | Nine months ended Dec. 31, 2008 (Unaudited) |
| Cash flows from operating activities: | | |
| Net income | 574,609 | 323,169 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation excluding property on operating leases | 306,841 | 308,112 |
| Depreciation of property on operating leases | 68,493 | 144,001 |
| Deferred income taxes | 51,546 | 122,162 |
| Minority interest in income | 21,432 | 17,647 |
| Equity in income of affiliates | (94,568) | (96,276) |
| Dividends from affiliates | 40,419 | 33,932 |
| Provision for credit and lease residual losses on finance subsidiaries-receivables | 39,646 | 63,472 |
| Impairment loss on investments in securities | 480 | 22,822 |
| Impairment loss on long-lived assets and goodwill | 3,154 | 26,905 |
| Loss (gain) on derivative instruments, net | 50,029 | (43,386) |
| Decrease (increase) in assets: | | |
| Trade accounts and notes receivable | 94,870 | (82,449) |
| Inventories | (154,792) | (367,119) |
| Other current assets | (14,902) | (36,954) |
| Other assets | (98,008) | 4,791 |
| Increase (decrease) in liabilities: | | |
| Trade accounts and notes payable | (98,239) | 8,162 |
| Accrued expenses | (117,797) | (106,011) |
| Income taxes payable | (7,763) | 5,631 |
| Other current liabilities | 11,591 | 1,310 |
| Other liabilities | 39,391 | 45,887 |
| Other, net | (8,969) | (19,612) |
| Net cash provided by operating activities | 707,463 | 376,196 |
| Cash flows from investing activities: | | |
| Increase in investments and advances | (4,363) | (1,749) |
| Decrease in investments and advances | 636 | 1,739 |
| Payments for purchases of available-for-sale securities | (145,949) | (31,738) |
| Proceeds from sales of available-for-sale securities | 160,505 | 24,895 |
| Payments for purchases of held-to-maturity securities | (30,006) | (17,348) |
| Proceeds from redemptions of held-to-maturity securities | 28,345 | 32,667 |
| Capital expenditures | (493,087) | (457,628) |
| Proceeds from sales of property, plant and equipment | 21,592 | 15,733 |
| Acquisitions of finance subsidiaries-receivables | (2,054,367) | (2,072,549) |
| Collections of finance subsidiaries-receivables | 1,705,004 | 1,620,230 |
| Proceeds from sales of finance subsidiaries-receivables | 160,338 | 128,762 |
| Purchase of operating lease assets | (608,485) | (534,591) |
| Proceeds from sales of operating lease assets | 16,641 | 77,027 |
| Net cash used in investing activities | (1,243,196) | (1,214,550) |

Table of Contents**[4] Consolidated Statements of Cash Flows continued**

| | Yen (millions) | |
|---|---|---|
| | Nine months ended Dec. 31, 2007 (Unaudited) | Nine months ended Dec. 31, 2008 (Unaudited) |
| Cash flows from financing activities: | | |
| Increase (decrease) in short-term debt, net | 408,819 | 456,467 |
| Proceeds from long-term debt | 880,308 | 1,047,155 |
| Repayment of long-term debt | (613,888) | (733,269) |
| Cash dividends paid | (112,669) | (119,764) |
| Cash dividends paid to minority interests | (8,504) | (9,897) |
| Payment for purchase of treasury stock, net | (30,771) | 296 |
| Net cash provided by financing activities | 523,295 | 640,988 |
| Effect of exchange rate changes on cash and cash equivalents | 30,430 | (114,122) |
| Net change in cash and cash equivalents | 17,992 | (311,488) |
| Cash and cash equivalents at beginning of year | 945,546 | 1,050,902 |
| Cash and cash equivalents at end of period | 963,538 | 739,414 |

Table of Contents**[5] Assumptions for Going Concern**

None

[6] Segment Information

Honda has four reportable segments: the Motorcycle business, the Automobile business, the Financial services business and the Power product and other businesses, which are based on Honda's organizational structure and characteristics of products and services. Operating segments are defined as components of Honda's about which separate financial information is available that is evaluated regularly by management in deciding how to allocate resources and in assessing performance. The accounting policies used for these reportable segments are consistent with the accounting policies used in Honda's consolidated financial statements.

1. Principal products and services, and functions of each segment are as follows:

| Segment | Principal products and services | Functions |
|----------------------------------|--|---|
| Motorcycle business | Motorcycles, all-terrain vehicles (ATVs), personal watercrafts and relevant parts | Research & Development, Manufacturing, Sales and related services |
| Automobile business | Automobiles and relevant parts | Research & Development, Manufacturing Sales and related services |
| Financial services business | Financial, insurance services | Retail loan and lease related to Honda products, and Others |
| Power product & other businesses | Power products and relevant parts, and others | Research & Development, Manufacturing Sales and related services, and Others |

(A) As of and for the three months ended December 31, 2007

| | Yen (millions) | | | | Segment | Reconciling | Consolidated |
|--|---------------------|---------------------|-----------------------------|----------------------------------|-----------|-------------|--------------|
| | Motorcycle Business | Automobile Business | Financial Services Business | Power Product & Other Businesses | Total | Items | |
| Net sales and other operating revenue: | | | | | | | |
| External customers | 364,672 | 2,449,018 | 135,926 | 95,198 | 3,044,814 | | 3,044,814 |
| Intersegment | | | 3,745 | 5,015 | 8,760 | (8,760) | |
| Total | 364,672 | 2,449,018 | 139,671 | 100,213 | 3,053,574 | (8,760) | 3,044,814 |
| Segment income (loss) | 30,367 | 220,712 | 22,907 | 2,257 | 276,243 | | 276,243 |

As of and for the three months ended December 31, 2008

| | Yen (millions) | | | | Segment | Reconciling | Consolidated |
|--|---------------------|---------------------|-----------------------------|----------------------------------|---------|-------------|--------------|
| | Motorcycle Business | Automobile Business | Financial Services Business | Power Product & Other Businesses | Total | Items | |
| Net sales and other operating revenue: | | | | | | | |

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| | | | | | | | |
|-----------------------|---------|-----------|---------|---------|-----------|---------|-----------|
| External customers | 342,881 | 1,974,288 | 142,690 | 73,398 | 2,533,257 | | 2,533,257 |
| Intersegment | | | 3,338 | 6,166 | 9,504 | (9,504) | |
| Total | 342,881 | 1,974,288 | 146,028 | 79,564 | 2,542,761 | (9,504) | 2,533,257 |
| Segment income (loss) | 25,233 | 70,547 | 9,495 | (2,823) | 102,452 | | 102,452 |

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Table of Contents**(B) As of and for the nine months ended December 31, 2007**

| | Motorcycle Business | Automobile Business | Financial Services Business | Yen (millions) Power Product & Other Businesses | Segment Total | Reconciling Items | Consolidated |
|--|------------------------|------------------------|-----------------------------------|--|------------------|----------------------|--------------|
| Net sales and other operating revenue: | | | | | | | |
| External customers | 1,114,635 | 7,132,725 | 395,535 | 304,388 | 8,947,283 | | 8,947,283 |
| Intersegment | | | 11,807 | 16,073 | 27,880 | (27,880) | |
| Total | 1,114,635 | 7,132,725 | 407,342 | 320,461 | 8,975,163 | (27,880) | 8,947,283 |
| Segment income (loss) | 98,534 | 582,075 | 86,437 | 17,219 | 784,265 | | 784,265 |
| Assets | 1,230,350 | 5,738,024 | 6,273,168 | 323,987 | 13,565,529 | (541,944) | 13,023,585 |
| Depreciation and amortization | 34,506 | 262,765 | 69,229 | 8,834 | 375,334 | | 375,334 |
| Capital expenditures | 53,196 | 390,439 | 608,913 | 17,036 | 1,069,584 | | 1,069,584 |

As of and for the nine months ended December 31, 2008

| | Motorcycle Business | Automobile Business | Financial Services Business | Yen (millions) Power Product & Other Businesses | Segment Total | Reconciling Items | Consolidated |
|--|------------------------|------------------------|-----------------------------------|--|------------------|----------------------|--------------|
| Net sales and other operating revenue: | | | | | | | |
| External customers | 1,137,019 | 6,372,933 | 447,018 | 270,373 | 8,227,343 | | 8,227,343 |
| Intersegment | | | 11,206 | 19,126 | 30,332 | (30,332) | |
| Total | 1,137,019 | 6,372,933 | 458,224 | 289,499 | 8,257,675 | (30,332) | 8,227,343 |
| Segment income (loss) | 102,781 | 310,822 | 62,585 | (3,538) | 472,650 | | 472,650 |
| Assets | 1,131,371 | 5,531,129 | 5,781,503 | 285,359 | 12,729,362 | (691,980) | 12,037,382 |
| Depreciation and amortization | 39,065 | 258,247 | 144,614 | 10,187 | 452,113 | | 452,113 |
| Capital expenditures | 67,990 | 341,292 | 535,368 | 10,956 | 955,606 | | 955,606 |
| Explanatory notes: | | | | | | | |

- Intersegment sales and revenues are generally made at values that approximate arm's-length prices.
- Unallocated corporate assets, included in reconciling items, amounted to JPY 362,408 million as of December 31, 2007 and JPY 165,657 million as of December 31, 2008 respectively, which consist primarily of cash and cash equivalents and marketable securities held by the Company. Reconciling items also include elimination of intersegment transactions.
- Depreciation and amortization of Financial Services Business include JPY 68,493 million for the nine months ended December 31, 2007 and JPY 144,001 million for the nine months ended December 31, 2008, respectively, of depreciation of property on operating leases.
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Capital expenditure of Financial Services Business includes JPY 608,485 million for the nine months ended December 31, 2007 and JPY 534,591 million for the nine months ended December 31, 2008 respectively, of purchase of operating lease assets.

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Table of Contents**[7] Supplemental Geographical Information**

In addition to the disclosure required by U.S.GAAP, Honda provides the following supplemental information as required by Financial Instruments and Exchange Law:

1. Supplemental geographical information based on the location of the Company and its subsidiaries

(A) As of and for the three months ended December 31, 2007

| | Yen (millions) | | | | | | | |
|--|----------------|---------------|---------|---------|---------------|-----------|-------------------|--------------|
| | Japan | North America | Europe | Asia | Other Regions | Total | Reconciling Items | Consolidated |
| Net sales and other operating revenue: | | | | | | | | |
| External customers | 515,041 | 1,600,090 | 336,651 | 320,565 | 272,467 | 3,044,814 | | 3,044,814 |
| Transfers between geographic areas | 731,083 | 40,493 | 25,098 | 92,846 | 12,144 | 901,664 | (901,664) | |
| Total | 1,246,124 | 1,640,583 | 361,749 | 413,411 | 284,611 | 3,946,478 | (901,664) | 3,044,814 |
| Operating income | 56,225 | 156,378 | 5,821 | 38,348 | 31,790 | 288,562 | (12,319) | 276,243 |

As of and for the three months ended December 31, 2008

| | Yen (millions) | | | | | | | |
|--|----------------|---------------|---------|---------|---------------|-----------|-------------------|--------------|
| | Japan | North America | Europe | Asia | Other Regions | Total | Reconciling Items | Consolidated |
| Net sales and other operating revenue: | | | | | | | | |
| External customers | 486,707 | 1,171,067 | 265,308 | 320,605 | 289,570 | 2,533,257 | | 2,533,257 |
| Transfers between geographic areas | 592,567 | 60,571 | 34,110 | 64,674 | 15,136 | 767,058 | (767,058) | |
| Total | 1,079,274 | 1,231,638 | 299,418 | 385,279 | 304,706 | 3,300,315 | (767,058) | 2,533,257 |
| Operating income | (64,361) | 70,077 | 1,138 | 24,995 | 41,899 | 73,748 | 28,704 | 102,452 |

Table of Contents(B) As of and for the nine months ended December 31, 2007

| | Yen (millions) | | | | | | | |
|--|----------------|---------------|-----------|-----------|---------------|------------|-------------------|--------------|
| | Japan | North America | Europe | Asia | Other Regions | Total | Reconciling Items | Consolidated |
| Net sales and other operating revenue: | | | | | | | | |
| External customers | 1,483,939 | 4,653,559 | 1,082,813 | 973,501 | 753,471 | 8,947,283 | | 8,947,283 |
| Transfers between geographic areas | 2,154,002 | 127,525 | 70,026 | 248,869 | 25,356 | 2,625,778 | (2,625,778) | |
| Total | 3,637,941 | 4,781,084 | 1,152,839 | 1,222,370 | 778,827 | 11,573,061 | (2,625,778) | 8,947,283 |
| Operating income | 190,202 | 369,450 | 32,887 | 108,727 | 83,703 | 784,969 | (704) | 784,265 |
| Assets | 3,020,771 | 7,418,111 | 963,723 | 1,097,331 | 556,412 | 13,056,348 | (32,763) | 13,023,585 |
| Long-lived assets | 1,030,986 | 1,588,850 | 188,609 | 257,169 | 120,126 | 3,185,740 | | 3,185,740 |

As of and for the nine months ended December 31, 2008

| | Yen (millions) | | | | | | | |
|--|----------------|---------------|-----------|-----------|---------------|------------|-------------------|--------------|
| | Japan | North America | Europe | Asia | Other Regions | Total | Reconciling Items | Consolidated |
| Net sales and other operating revenue: | | | | | | | | |
| External customers | 1,456,127 | 3,904,029 | 920,630 | 1,054,664 | 891,893 | 8,227,343 | | 8,227,343 |
| Transfers between geographic areas | 1,966,275 | 190,839 | 94,050 | 218,694 | 56,148 | 2,526,006 | (2,526,006) | |
| Total | 3,422,402 | 4,094,868 | 1,014,680 | 1,273,358 | 948,041 | 10,753,349 | (2,526,006) | 8,227,343 |
| Operating income | 14,483 | 187,186 | 20,732 | 109,959 | 127,002 | 459,362 | 13,288 | 472,650 |
| Assets | 3,210,205 | 6,534,535 | 838,282 | 1,087,068 | 623,594 | 12,293,684 | (256,302) | 12,037,382 |
| Long-lived assets | 1,091,718 | 1,749,035 | 109,896 | 252,503 | 134,478 | 3,337,630 | | 3,337,630 |

Explanatory notes:

1. Major countries or regions in each geographic area:

| | |
|---------------|---|
| North America | United States, Canada, Mexico |
| Europe | United Kingdom, Germany, France, Italy, Belgium |
| Asia | Thailand, Indonesia, China, India |
| Other Regions | Brazil, Australia |

2. Sales and revenues between geographic areas are generally made at values that approximate arm's-length prices.

3. Unallocated corporate assets, included in reconciling items, amounted to JPY 362,408 million as of December 31, 2007 and JPY 165,657 million as of December 31, 2008 respectively, which consist primarily of cash and cash equivalents and marketable securities held by the Company. Reconciling items also include elimination of transactions between geographic areas.

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2. Overseas Sales and revenues based on the location of the customer

(A) For the three months ended December 31, 2007

| | Yen (millions) | | | | Total |
|--|----------------|---------|---------|---------------|-----------|
| | North America | Europe | Asia | Other Regions | |
| Overseas sales | 1,594,741 | 341,023 | 393,438 | 333,034 | 2,662,236 |
| Consolidated sales | | | | | 3,044,814 |
| Overseas sales ratio to consolidated sales | 52.4% | 11.2% | 12.9% | 10.9% | 87.4% |

For the three months ended December 31, 2008

| | Yen (millions) | | | | Total |
|--|----------------|---------|---------|---------------|-----------|
| | North America | Europe | Asia | Other Regions | |
| Overseas sales | 1,163,927 | 263,612 | 396,305 | 349,114 | 2,172,958 |
| Consolidated sales | | | | | 2,533,257 |
| Overseas sales ratio to consolidated sales | 45.9% | 10.4% | 15.6% | 13.9% | 85.8% |

(B) For the Nine months ended December 31, 2007

| | Yen (millions) | | | | Total |
|--|----------------|-----------|-----------|---------------|-----------|
| | North America | Europe | Asia | Other Regions | |
| Overseas sales | 4,637,241 | 1,095,566 | 1,179,397 | 898,585 | 7,810,789 |
| Consolidated sales | | | | | 8,947,283 |
| Overseas sales ratio to consolidated sales | 51.8% | 12.2% | 13.2% | 10.1% | 87.3% |

For the Nine months ended December 31, 2008

| | Yen (millions) | | | | Total |
|--|----------------|---------|-----------|---------------|-----------|
| | North America | Europe | Asia | Other Regions | |
| Overseas sales | 3,885,573 | 913,837 | 1,268,134 | 1,057,051 | 7,124,595 |
| Consolidated sales | | | | | 8,227,343 |
| Overseas sales ratio to consolidated sales | 47.2% | 11.1% | 15.4% | 12.9% | 86.6% |

Explanatory note:

Major countries or regions in each geographic area:

| | |
|---------------|---|
| North America | United States, Canada, Mexico |
| Europe | United Kingdom, Germany, France, Italy, Belgium |
| Asia | Thailand, Indonesia, China, India |
| Other Regions | Brazil, Australia |

Table of Contents**[8] Information Related to Stockholders Equity**

As of and for the Nine months ended December 31, 2008

1. Information concerning cash dividends

(a) Cash dividends paid during the period

Resolved at the General Meeting of Shareholders on June 24, 2008

| | |
|--|-------------------|
| Total amount of dividends (million yen) | 39,921 |
| Dividend per share of common stock (yen) | 22.00 |
| Record date | March 31, 2008 |
| Effective date | June 25, 2008 |
| Resource for dividend | Retained earnings |

Resolved by the Board of Directors at its meeting held on July 25, 2008

| | |
|--|-------------------|
| Total amount of dividends (million yen) | 39,921 |
| Dividend per share of common stock (yen) | 22.00 |
| Record date | June 30, 2008 |
| Effective date | August 25, 2008 |
| Resource for dividend | Retained earnings |

Resolved by the Board of Directors at its meeting held on October 28, 2008

| | |
|--|--------------------|
| Total amount of dividends (million yen) | 39,921 |
| Dividend per share of common stock (yen) | 22.00 |
| Record date | September 30, 2008 |
| Effective date | November 26, 2008 |
| Resource for dividend | Retained earnings |

(b) Cash dividends to be paid for the three months ended December 31, 2008, effective date of which is after December 31, 2008

Resolved by the Board of Directors at its meeting held on January 30, 2009

| | |
|--|-------------------|
| Total amount of dividends (million yen) | 19,960 |
| Dividend per share of common stock (yen) | 11.00 |
| Record date | December 31, 2008 |
| Effective date | February 26, 2009 |
| Resource for dividend | Retained earnings |

2. Significant changes in stockholders equity

None

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[9] Income Tax Expense

Due to the decrease in the amount of foreign tax credit carryforwards expected to be utilized in the future years, Honda has recorded a valuation allowance for the related deferred tax asset as of December 31, 2008. Honda records deferred tax liabilities for undistributed earnings of foreign subsidiaries and joint ventures. As the amount of foreign tax credit expected to be utilized upon the receipt of dividends from these foreign subsidiaries and joint ventures has also been decreased, Honda has recorded additional deferred tax liabilities for undistributed earnings of foreign subsidiaries and joint ventures as of December 31, 2008. Due primarily to these accounting treatments, the effective tax rates of Honda for the three months and nine months periods ended December 31, 2008 differ from Honda's statutory income tax rate, which is 40% for the fiscal year ending March 31, 2009.

[10] Reclassifications

Certain revisions for misclassifications and reclassifications have been made to the prior years' consolidated financial statements to conform to the presentation used for the same period in 2008.

Table of Contents**[11] Unit Sales Breakdown**

| | Unit (thousands) | | | |
|-----------------------|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
| | Three months ended Dec. 31, 2007 | Three months ended Dec. 31, 2008 | Nine months ended Dec. 31, 2007 | Nine months ended Dec. 31, 2008 |
| MOTORCYCLES | | | | |
| Japan | 54 | 44 | 245 | 181 |
| | (54) | (44) | (245) | (181) |
| North America | 102 | 75 | 303 | 248 |
| | (52) | (48) | (157) | (143) |
| Europe | 61 | 48 | 224 | 205 |
| | (58) | (46) | (216) | (198) |
| Asia | 1,748 | 1,878 | 5,016 | 6,074 |
| | (1,748) | (1,878) | (5,016) | (6,074) |
| Other Regions | 401 | 459 | 1,164 | 1,404 |
| | (396) | (455) | (1,153) | (1,392) |
| Total | 2,366 | 2,504 | 6,952 | 8,112 |
| | (2,308) | (2,471) | (6,787) | (7,988) |
| AUTOMOBILES | | | | |
| Japan | 145 | 135 | 424 | 415 |
| North America | 481 | 416 | 1,391 | 1,277 |
| Europe | 90 | 85 | 282 | 247 |
| Asia | 188 | 217 | 552 | 642 |
| Other Regions | 87 | 87 | 225 | 256 |
| Total | 991 | 940 | 2,874 | 2,837 |
| POWER PRODUCTS | | | | |
| Japan | 123 | 110 | 399 | 415 |
| North America | 361 | 343 | 1,527 | 1,238 |
| Europe | 352 | 284 | 1,022 | 834 |
| Asia | 202 | 225 | 664 | 770 |
| Other Regions | 140 | 153 | 353 | 399 |
| Total | 1,178 | 1,115 | 3,965 | 3,656 |
| Explanatory notes: | | | | |

1. The geographical breakdown of unit sales is based on the location of external customers.
2. Unit sales are the total of sales of completed products of Honda and its consolidated subsidiaries, and sales of parts for local production at Honda's affiliates accounted for under the equity method.
3. Figures in brackets represent unit sales of motorcycles only.

Table of Contents**[12] Net Sales Breakdown**

For the three months and nine months ended December 31, 2007 and 2008

| | Yen (millions) | | | |
|---|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
| | Three months ended Dec. 31, 2007 | Three months ended Dec. 31, 2008 | Nine months ended Dec. 31, 2007 | Nine months ended Dec. 31, 2008 |
| MOTORCYCLE BUSINESS | | | | |
| Japan | 17,934 | 17,091 | 72,398 | 64,240 |
| North America | 56,238 | 39,275 | 177,336 | 142,633 |
| Europe | 43,404 | 26,393 | 159,296 | 138,870 |
| Asia | 124,604 | 117,703 | 358,664 | 362,709 |
| Other Regions | 122,492 | 142,419 | 346,941 | 428,567 |
| Total | 364,672 | 342,881 | 1,114,635 | 1,137,019 |
| AUTOMOBILE BUSINESS | | | | |
| Japan | 320,285 | 305,806 | 933,793 | 916,639 |
| North America | 1,395,559 | 982,909 | 4,022,806 | 3,276,571 |
| Europe | 274,366 | 222,110 | 863,173 | 714,055 |
| Asia | 258,139 | 267,259 | 787,144 | 866,860 |
| Other Regions | 200,669 | 196,204 | 525,809 | 598,808 |
| Total | 2,449,018 | 1,974,288 | 7,132,725 | 6,372,933 |
| FINANCIAL SERVICES BUSINESS | | | | |
| Japan | 5,765 | 6,062 | 17,414 | 18,062 |
| North America | 123,318 | 128,570 | 358,695 | 405,429 |
| Europe | 3,424 | 2,923 | 9,998 | 10,122 |
| Asia | 1,289 | 1,143 | 3,733 | 3,641 |
| Other Regions | 2,130 | 3,992 | 5,695 | 9,764 |
| Total | 135,926 | 142,690 | 395,535 | 447,018 |
| POWER PRODUCT & OTHER BUSINESSES | | | | |
| Japan | 38,594 | 31,340 | 112,889 | 103,807 |
| North America | 19,626 | 13,173 | 78,404 | 60,940 |
| Europe | 19,829 | 12,186 | 63,099 | 50,790 |
| Asia | 9,406 | 10,200 | 29,856 | 34,924 |
| Other Regions | 7,743 | 6,499 | 20,140 | 19,912 |
| Total | 95,198 | 73,398 | 304,388 | 270,373 |
| TOTAL | | | | |
| Japan | 382,578 | 360,299 | 1,136,494 | 1,102,748 |
| North America | 1,594,741 | 1,163,927 | 4,637,241 | 3,885,573 |
| Europe | 341,023 | 263,612 | 1,095,566 | 913,837 |
| Asia | 393,438 | 396,305 | 1,179,397 | 1,268,134 |
| Other Regions | 333,034 | 349,114 | 898,585 | 1,057,051 |
| Total | 3,044,814 | 2,533,257 | 8,947,283 | 8,227,343 |
| Explanatory notes: | | | | |

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

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