

HONDA MOTOR CO LTD  
Form 6-K  
November 04, 2016  
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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 OCTOBER 2016

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):

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):



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**Exhibit 1:**

On October 31, 2016, Honda Motor Co., Ltd. (the Company ) announced its consolidated financial results for the fiscal second quarter and the fiscal first half year ended September 30, 2016.

**Exhibit 2:**

The Company revised its forecast for consolidated financial results for the fiscal year ending March 31, 2017, which was announced on May 13, 2016, and announced forecast for unconsolidated financial results for the fiscal year ending March 31, 2017.

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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/ Shinji Suzuki  
Shinji Suzuki  
General Manager  
Finance Division  
Honda Motor Co., Ltd.

Date: November 4, 2016

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**October 31, 2016**

**HONDA MOTOR CO., LTD. REPORTS**

**CONSOLIDATED FINANCIAL RESULTS**

**FOR THE FISCAL SECOND QUARTER AND**

**THE FISCAL FIRST HALF YEAR ENDED SEPTEMBER 30, 2016**

Tokyo, October 31, 2016 Honda Motor Co., Ltd. today announced its consolidated financial results for the fiscal second quarter and the fiscal first half year ended September 30, 2016.

**Second Quarter Results**

Honda's consolidated profit for the period attributable to owners of the parent for the fiscal second quarter ended September 30, 2016 totaled JPY 177.0 billion (USD 1,751 million), an increase of 38.6% from the same period last year. Earnings per share attributable to owners of the parent for the quarter amounted to JPY 98.26 (USD 0.97), an increase of JPY 27.38 (USD 0.27) from JPY 70.88 for the corresponding period last year. One Honda American Depository Share represents one common share.

Consolidated sales revenue for the quarter amounted to JPY 3,262.9 billion (USD 32,268 million), a decrease of 9.9% from the same period last year, due primarily to unfavorable foreign currency translation effects, despite increased revenue in automobile business, financial services business and motorcycle business operations.

Consolidated operating profit for the quarter amounted to JPY 228.0 billion (USD 2,256 million), an increase of 38.4% from the same period last year, due primarily to continuing cost reduction efforts, decreased SG&A expenses, including quality related expenses, and the impact of pension accounting treatment, despite unfavorable foreign currency effects.

Share of profit of investments accounted for using the equity method for the quarter amounted to JPY 39.8 billion (USD 394 million), an increase of 16.6% from the corresponding period last year.

Consolidated profit before income taxes for the quarter totaled JPY 270.5 billion (USD 2,676 million), an increase of 28.3% from the same period last year.

**Table of Contents****Business Segment****Motorcycle Business**

For the three months ended September 30, 2015 and 2016

	Unit (Thousands)							
	Honda Group Unit Sales				Consolidated Unit Sale			
	Three months ended		Three months ended		Three months ended		Three months ended	
	ended	ended	Change	%	ended	ended	Change	%
	Sep. 30,	Sep. 30,			Sep. 30,	Sep. 30,		
	2015	2016			2015	2016		
<b>Motorcycle business</b>	4,370	<b>4,538</b>	168	3.8	2,740	<b>3,042</b>	302	11.0
Japan	50	<b>33</b>	- 17	- 34.0	50	<b>33</b>	- 17	- 34.0
North America	75	<b>71</b>	- 4	- 5.3	75	<b>71</b>	- 4	- 5.3
Europe	48	<b>48</b>	0	0.0	48	<b>48</b>	0	0.0
Asia	3,851	<b>4,125</b>	274	7.1	2,221	<b>2,629</b>	408	18.4
Other Regions	346	<b>261</b>	- 85	- 24.6	346	<b>261</b>	- 85	- 24.6

Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries.

With respect to Honda's sales for the fiscal second quarter by business segment, in motorcycle business operations, sales revenue from sales to external customers decreased 9.7%, to JPY 409.3 billion (USD 4,048 million) from the same period last year due mainly to unfavorable foreign currency translation effects, despite increased consolidated unit sales. Operating profit totaled JPY 59.5 billion (USD 589 million), an increase of 21.3% from the same period last year, due primarily to continuing cost reduction efforts, an increase in sales volume and model mix, and the impact of pension accounting treatment, despite unfavorable foreign currency effects.

**Automobile Business**

For the three months ended September 30, 2015 and 2016

	Unit (Thousands)							
	Honda Group Unit Sales				Consolidated Unit Sales			
	Three months ended		Three months ended		Three months ended		Three months ended	
	ended	ended	Change	%	ended	ended	Change	%
	Sep. 30,	Sep. 30,			Sep. 30,	Sep. 30,		
	2015	2016			2015	2016		
<b>Automobile business</b>	1,139	<b>1,218</b>	79	6.9	889	<b>890</b>	1	0.1
Japan	168	<b>156</b>	- 12	- 7.1	155	<b>143</b>	- 12	- 7.7
North America	473	<b>479</b>	6	1.3	473	<b>479</b>	6	1.3
Europe	42	<b>45</b>	3	7.1	42	<b>45</b>	3	7.1
Asia	395	<b>482</b>	87	22.0	158	<b>167</b>	9	5.7
Other Regions	61	<b>56</b>	- 5	- 8.2	61	<b>56</b>	- 5	- 8.2

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Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries. Certain sales of automobiles that are financed with residual value type auto loans by our Japanese finance subsidiaries and sold through our consolidated subsidiaries are accounted for as operating leases in conformity with IFRS and are not included in consolidated sales revenue to the external customers in our Automobile business. Accordingly, they are not included in Consolidated Unit Sales, but are included in Honda Group Unit Sales of our Automobile business.

In automobile business operations, sales revenue from sales to external customers decreased 10.7%, to JPY 2,341.6 billion (USD 23,157 million) from the same period last year due mainly to unfavorable foreign currency translation effects. Operating profit totaled JPY 131.8 billion (USD 1,304 million), an increase of 94.5% from the same period last year, due primarily to continuing cost reduction efforts, decreased SG&A expenses, including quality related expenses, and the impact of pension accounting treatment, despite unfavorable foreign currency effects.

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**Table of Contents****Financial Services Business**

Sales revenue from customers in the financial services business operations decreased 4.1%, to JPY 443.2 billion (USD 4,383 million) from the same period last year due mainly to unfavorable foreign currency translation effects, despite an increase in revenue from operating leases and sales of returned lease vehicles. Operating profit decreased 27.2% to JPY 37.7 billion (USD 374 million) from the same period last year due mainly to increased SG&A expenses and unfavorable foreign currency effects.

**Power Product and Other Businesses**

For the three months ended September 30, 2015 and 2016

	Unit (Thousands)			
	Honda Group Unit Sales/ Consolidated Unit Sales			
	Three months ended Sep. 30, 2015	Three months ended Sep. 30, 2016	Change	%
<b>Power product business</b>	1,275	1,240	- 35	- 2.7
Japan	115	87	- 28	- 24.3
North America	532	522	- 10	- 1.9
Europe	174	165	- 9	- 5.2
Asia	346	376	30	8.7
Other Regions	108	90	- 18	- 16.7

Note: Honda Group Unit Sales is the total unit sales of completed power products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed power products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed power products of Honda and its consolidated subsidiaries. In power product business, there is no discrepancy between Honda Group Unit Sales and Consolidated Unit Sales for the three months ended September 30, 2015 and 2016, since no affiliates and joint ventures accounted for using the equity method were involved in the sale of Honda power products.

Sales revenue from sales to external customers in power product and other businesses decreased 18.5%, to JPY 68.7 billion (USD 680 million) from the same period last year, due mainly to unfavorable foreign currency translation effects. Honda reported an operating loss of JPY 1.0 billion (USD 10 million), an improvement of JPY 2.8 billion (USD 28 million) from the same period last year, due mainly to decreased SG&A expenses and the impact of pension accounting treatment. Operating loss for aircraft and aircraft engines, included in Power product and other businesses, totaled JPY 10.6 billion (USD 105 million), an improvement of JPY 1.7 billion (USD 18 million) from the same period last year.

Explanatory note:

United States dollar amounts have been translated from yen solely for the convenience of the reader at the rate of JPY 101.12=USD 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 September 30, 2016.



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**First Half Year Results**

Honda's consolidated profit for the period attributable to owners of the parent for the fiscal first half year ended September 30, 2016 totaled JPY 351.7 billion, an increase of 12.1% from the same period last year. Earnings per share attributable to owners of the parent for the fiscal first half year amounted to JPY 195.19, an increase of JPY 21.08 from JPY 174.11 for the same period last year.

Consolidated sales revenue for the fiscal first half year amounted to JPY 6,734.6 billion, a decrease of 8.1% from the same period last year, due primarily to unfavorable foreign currency translation effects, despite increased revenue in automobile business, financial services business, and motorcycle business operations.

Consolidated operating profit for the fiscal first half year amounted to JPY 494.9 billion, an increase of 22.5% from the same period last year, due primarily to continuing cost reduction efforts, increased sales revenue and model mix, decreased SG&A expenses, including quality related expenses, and the impact of pension accounting treatment, despite the effects of the 2016 Kumamoto Earthquake and unfavorable foreign currency effects.

Share of profit of investments accounted for using the equity method for the fiscal first half year amounted to JPY 67.0 billion, a decrease of 7.5% from the corresponding period last year.

Consolidated profit before income taxes for the fiscal first half year totaled JPY 559.0 billion, an increase of 13.3% from the same period last year.

**Table of Contents****Business Segment****Motorcycle Business**

For the six months ended September 30, 2015 and 2016

	Unit (Thousands)							
	Honda Group Unit Sales				Consolidated Unit Sales			
	Six months ended	Six months ended	Change	%	Six months ended	Six months ended	Change	%
Sep. 30, 2015	Sep. 30, 2016			Sep. 30, 2015	Sep. 30, 2016			
<b>Motorcycle business</b>	8,475	<b>8,890</b>	415	4.9	5,285	<b>5,873</b>	588	11.1
Japan	97	<b>62</b>	- 35	- 36.1	97	<b>62</b>	- 35	- 36.1
North America	150	<b>149</b>	- 1	- 0.7	150	<b>149</b>	- 1	- 0.7
Europe	114	<b>120</b>	6	5.3	114	<b>120</b>	6	5.3
Asia	7,422	<b>8,010</b>	588	7.9	4,232	<b>4,993</b>	761	18.0
Other Regions	692	<b>549</b>	- 143	- 20.7	692	<b>549</b>	- 143	- 20.7

Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries.

With respect to Honda's sales for the fiscal first half year by business segment, in motorcycle business operations, sales revenue from sales to external customers decreased 9.1%, to JPY 841.7 billion from the same period last year, due mainly to unfavorable foreign currency translation effects, despite increased consolidated unit sales. Operating profit totaled JPY 90.7 billion, a decrease of 13.3% from the same period last year, due primarily to a decrease in profit attributable to decreased sales volume and model mix, including the effects of the 2016 Kumamoto Earthquake and unfavorable foreign currency effects, despite continuing cost reduction effects and the impact of pension accounting treatment.

**Automobile Business**

For the six months ended September 30, 2015 and 2016

	Unit (Thousands)							
	Honda Group Unit Sales				Consolidated Unit Sales			
	Six months ended	Six months ended	Change	%	Six months ended	Six months ended	Change	%
Sep. 30, 2015	Sep. 30, 2016			Sep. 30, 2015	Sep. 30, 2016			
<b>Automobile business</b>	2,286	<b>2,431</b>	145	6.3	1,777	<b>1,798</b>	21	1.2
Japan	315	<b>302</b>	- 13	- 4.1	290	<b>275</b>	- 15	- 5.2
North America	970	<b>989</b>	19	2.0	970	<b>989</b>	19	2.0
Europe	74	<b>90</b>	16	21.6	74	<b>90</b>	16	21.6
Asia	800	<b>935</b>	135	16.9	316	<b>329</b>	13	4.1
Other Regions	127	<b>115</b>	- 12	- 9.4	127	<b>115</b>	- 12	- 9.4

Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries. Certain sales of automobiles that are financed with residual value type auto loans by our Japanese finance subsidiaries and sold through our consolidated subsidiaries are accounted for as operating leases in conformity with IFRS and are not included in consolidated sales revenue to the external customers in our Automobile business. Accordingly, they are not included in Consolidated Unit Sales, but are included in Honda Group Unit Sales of our Automobile business.

In automobile business operations, sales revenue from sales to external customers decreased 8.6%, to JPY 4,840.6 billion from the same period last year due mainly to unfavorable foreign currency translation effects, despite increased consolidated unit sales. Operating profit totaled JPY 316.3 billion, an increase of 59.4% from the same period last year, due primarily to continuing cost reduction efforts, an increase in sales volume and model mix, decreased SG&A expenses, including quality related expenses, and the impact of pension accounting treatment, despite

unfavorable foreign currency effects.

**Table of Contents****Financial Services Business**

Sales revenue from customers in the financial services business operations decreased 3.0%, to JPY 907.8 billion from the same period last year due mainly to unfavorable foreign currency translation effects, despite an increase in revenue from operating leases and sales of returned lease vehicles. Operating profit decreased 15.3% to JPY 88.3 billion from the same period last year due mainly to unfavorable foreign currency effects.

**Power Product and Other Businesses**

For the six months ended September 30, 2015 and 2016

	Unit (Thousands)			
	Honda Group Unit Sales/Consolidated Unit Sales		Change	%
	Six months ended	Six months ended		
	Sep. 30, 2015	Sep. 30, 2016		
<b>Power product business</b>	2,833	<b>2,728</b>	- 105	- 3.7
Japan	200	<b>146</b>	- 54	- 27.0
North America	1,336	<b>1,291</b>	- 45	- 3.4
Europe	405	<b>390</b>	- 15	- 3.7
Asia	686	<b>736</b>	50	7.3
Other Regions	206	<b>165</b>	- 41	- 19.9

Note: Honda Group Unit Sales is the total unit sales of completed power products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed power products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed power products of Honda and its consolidated subsidiaries. In power product business, there is no discrepancy between Honda Group Unit Sales and Consolidated Unit Sales for the six months ended September 30, 2015 and 2016, since no affiliates and joint ventures accounted for using the equity method were involved in the sale of Honda power products.

Sales revenue from sales to external customers in power product and other businesses decreased by 13.4% to JPY 144.3 billion from the same period last year, due mainly to unfavorable foreign currency translation effects. Honda reported an operating loss of JPY 0.5 billion, an improvement of JPY 2.8 billion from the same period last year, due mainly to decreased SG&A expenses and the impact of pension accounting treatment. Operating loss for aircraft and aircraft engines, included in Power product and other businesses, totaled JPY 19.4 billion, an improvement of JPY 5.0 billion from the same period last year.

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**Consolidated Statements of Financial Position for the Fiscal First Half Ended September 30, 2016**

Total assets decreased by JPY 1,240.8 billion, to JPY 16,988.4 billion from March 31, 2016, mainly due to foreign currency translation effects, despite an increase in Equipment on operating leases. Total liabilities decreased by JPY 1,013.2 billion, to JPY 10,184.2 billion from March 31, 2016, mainly due to a decrease in Retirement benefit liabilities and foreign currency translation effects, despite an increase in Financing liabilities. Total equity decreased by JPY 227.5 billion, to JPY 6,804.2 billion from March 31, 2016 due mainly to foreign currency translation effects, despite increased Retained earnings attributable to increased Profit for the period.

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**Consolidated Statements of Cash Flows for the Fiscal First Half Ended September 30, 2016**

Consolidated cash and cash equivalents on September 30, 2016 decreased by JPY 77.7 billion from March 31, 2016, to JPY 1,679.7 billion. The reasons for the increases or decreases for each cash flow activity, when compared with the same period of the previous fiscal year, are as follows:

*Cash flows from operating activities*

Net cash provided by operating activities amounted to JPY 392.1 billion for the fiscal first half year ended September 30, 2016. Cash inflows from operating activities decreased by JPY 313.3 billion compared with the same period of the previous fiscal year due mainly to a decrease in cash received from customers, including unfavorable foreign currency translation effects, despite decreased payments for parts and raw materials.

*Cash flows from investing activities*

Net cash used in investing activities amounted to JPY 340.6 billion. Cash outflows from investing activities decreased by JPY 87.8 billion compared with the same period of the previous fiscal year, due mainly to a decrease in Payments for additions to property, plant and equipment.

*Cash flows from financing activities*

Net cash provided by financing activities amounted to JPY 20.9 billion. Cash inflows from financing activities increased by JPY 64.3 billion compared with the same period of the previous fiscal year, due mainly to a decrease in repayments of financing liabilities.

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**Forecasts for the Fiscal Year Ending March 31, 2017**

In regard to the forecasts of the financial results for the fiscal year ending March 31, 2017, Honda projects consolidated results to be as shown below:

**Fiscal year ending March 31, 2017**

	Yen (billions)	Changes from FY 2016
Sales revenue	13,400.0	- 8.2%
Operating profit	650.0	+ 29.1%
Profit before income taxes	770.0	+ 21.2%
Profit for the year attributable to owners of the parent	415.0	+ 20.5%

	Yen
Earnings per share attributable to owners of the parent	
Basic and diluted	230.26

Note: The forecasts are based on the assumption that the average exchange rates for the Japanese yen to the U.S. dollar will be JPY 103 for the full year ending March 31, 2017.

The reasons for the increases or decreases in the forecasts of the operating profit, and profit before income taxes for the fiscal year ending March 31, 2017 from the previous year are as follows.

	Yen (billions)
Revenue, model mix, etc.	+ 28.6
Cost reduction, the effect of raw material cost fluctuations, etc.	+ 161.0
SG&A expenses	+ 303.0
R&D expenses	- 60.0
Currency effect	- 370.0
The impact of pension accounting treatment	+ 84.0
Operating profit compared with fiscal year ended March 31, 2016	+ 146.6
Share of profit of investments accounted for using the equity method	+ 13.9
Finance income and finance costs	- 26.0
Profit before income taxes compared with fiscal year ended March 31, 2016	+ 134.5

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**Dividend per Share of Common Stock**

The Board of Directors of Honda Motor Co., Ltd., at its meeting held on October 31, 2016, resolved to make the quarterly dividend JPY 22 per share of common stock, the record date of which is September 30, 2016. The total expected annual dividend per share of common stock for the fiscal year ending March 31, 2017, is JPY 88 per share.

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 the actual results of the Company could differ materially from those described in these forward-looking statements as a result of numerous factors, including general economic conditions in the principal markets of the Company, its consolidated subsidiaries and its affiliates accounted for by the equity-method, and fluctuation of foreign exchange rates, as well as other factors detailed from time to time.



**Table of Contents****Consolidated Financial Summary**

For the three months and six months ended September 30, 2015 and 2016

## Financial Highlights

	Yen (millions)			
	Three months ended Sep. 30, 2015	Three months ended Sep. 30, 2016	Six months ended Sep. 30, 2015	Six months ended Sep. 30, 2016
Sales revenue	3,621,277	<b>3,262,968</b>	7,326,039	<b>6,734,698</b>
Operating profit	164,842	<b>228,081</b>	404,128	<b>494,924</b>
Profit before income taxes	210,939	<b>270,566</b>	493,266	<b>559,058</b>
Profit for the period attributable to owners of the parent	127,751	<b>177,096</b>	313,788	<b>351,795</b>
	Yen			
Earnings per share attributable to owners of the parent				
Basic and diluted	70.88	<b>98.26</b>	174.11	<b>195.19</b>
	U.S. Dollar (millions)			
		Three months ended Sep. 30, 2016		Six months ended Sep. 30, 2016
Sales revenue		<b>32,268</b>		<b>66,601</b>
Operating profit		<b>2,256</b>		<b>4,894</b>
Profit before income taxes		<b>2,676</b>		<b>5,529</b>
Profit for the period attributable to owners of the parent		<b>1,751</b>		<b>3,479</b>
	U.S. Dollar			
Earnings per share attributable to owners of the parent				
Basic and diluted		<b>0.97</b>		<b>1.93</b>

**Table of Contents****[1] Condensed Consolidated Statements of Financial Position**

	Yen (millions)	
	Mar. 31, 2016	Sep. 30, 2016
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	1,757,456	<b>1,679,709</b>
Trade receivables	826,714	<b>691,742</b>
Receivables from financial services	1,926,014	<b>1,683,563</b>
Other financial assets	103,035	<b>83,595</b>
Inventories	1,313,292	<b>1,241,950</b>
Other current assets	315,115	<b>287,479</b>
<b>Total current assets</b>	<b>6,241,626</b>	<b>5,668,038</b>
Non-current assets:		
Investments accounted for using the equity method	593,002	<b>585,680</b>
Receivables from financial services	3,082,054	<b>2,796,866</b>
Other financial assets	335,203	<b>328,229</b>
Equipment on operating leases	3,678,111	<b>3,619,530</b>
Property, plant and equipment	3,139,564	<b>2,906,854</b>
Intangible assets	824,939	<b>800,446</b>
Deferred tax assets	180,828	<b>143,411</b>
Other non-current assets	153,967	<b>139,392</b>
<b>Total non-current assets</b>	<b>11,987,668</b>	<b>11,320,408</b>
<b>Total assets</b>	<b>18,229,294</b>	<b>16,988,446</b>
<b>Liabilities and Equity</b>		
Current liabilities:		
Trade payables	1,128,041	<b>984,853</b>
Financing liabilities	2,789,620	<b>2,575,905</b>
Accrued expenses	384,614	<b>331,887</b>
Other financial liabilities	89,809	<b>74,250</b>
Income taxes payable	45,872	<b>44,013</b>
Provisions	513,232	<b>433,163</b>
Other current liabilities	519,163	<b>487,205</b>
<b>Total current liabilities</b>	<b>5,470,351</b>	<b>4,931,276</b>
Non-current liabilities:		
Financing liabilities	3,736,628	<b>3,491,870</b>
Other financial liabilities	47,755	<b>44,718</b>
Retirement benefit liabilities	660,279	<b>522,364</b>
Provisions	264,978	<b>209,407</b>
Deferred tax liabilities	789,830	<b>772,233</b>
Other non-current liabilities	227,685	<b>212,349</b>
<b>Total non-current liabilities</b>	<b>5,727,155</b>	<b>5,252,941</b>
<b>Total liabilities</b>	<b>11,197,506</b>	<b>10,184,217</b>
Equity:		

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Common stock	86,067	<b>86,067</b>
Capital surplus	171,118	<b>171,118</b>
Treasury stock	(26,178)	<b>(26,182)</b>
Retained earnings	6,194,311	<b>6,483,674</b>
Other components of equity	336,115	<b>(150,141)</b>
Equity attributable to owners of the parent	6,761,433	<b>6,564,536</b>
Non-controlling interests	270,355	<b>239,693</b>
Total equity	7,031,788	<b>6,804,229</b>
Total liabilities and equity	18,229,294	<b>16,988,446</b>

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**Table of Contents****[2] Condensed Consolidated Statements of Income and Condensed Consolidated Statements of Comprehensive Income****Condensed Consolidated Statements of Income**

For the three months ended September 30, 2015 and 2016

	Yen (millions)	
	Three months ended Sep. 30, 2015	Three months ended Sep. 30, 2016
Sales revenue	3,621,277	3,262,968
Operating costs and expenses:		
Cost of sales	(2,828,705)	(2,522,871)
Selling, general and administrative	(479,067)	(384,621)
Research and development	(148,663)	(127,395)
Total operating costs and expenses	(3,456,435)	(3,034,887)
Operating profit	164,842	228,081
Share of profit of investments accounted for using the equity method	34,199	39,861
Finance income and finance costs:		
Interest income	6,302	7,368
Interest expense	(4,307)	(3,099)
Other, net	9,903	(1,645)
Total finance income and finance costs	11,898	2,624
Profit before income taxes	210,939	270,566
Income tax expense	(68,598)	(78,828)
Profit for the period	142,341	191,738
Profit for the period attributable to:		
Owners of the parent	127,751	177,096
Non-controlling interests	14,590	14,642
	Yen	
Earnings per share attributable to owners of the parent		
Basic and diluted	70.88	98.26

**Table of Contents****Condensed Consolidated Statements of Comprehensive Income**

For the three months ended September 30, 2015 and 2016

	Yen (millions)	
	Three months ended Sep. 30, 2015	Three months ended Sep. 30, 2016
Profit for the period	142,341	<b>191,738</b>
Other comprehensive income, net of tax:		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans		<b>11,561</b>
Net changes in revaluation of financial assets measured at fair value through other comprehensive income	(15,206)	<b>11,828</b>
Share of other comprehensive income of investments accounted for using the equity method	(2,557)	<b>1,285</b>
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	(278,654)	<b>(76,918)</b>
Share of other comprehensive income of investments accounted for using the equity method	(16,120)	<b>(21,421)</b>
Total other comprehensive income, net of tax	(312,537)	<b>(73,665)</b>
Comprehensive income for the period	(170,196)	<b>118,073</b>
Comprehensive income for the period attributable to:		
Owners of the parent	(165,942)	<b>107,204</b>
Non-controlling interests	(4,254)	<b>10,869</b>

**Table of Contents****Condensed Consolidated Statements of Income**

For the six months ended September 30, 2015 and 2016

	Yen (millions)	
	Six months ended Sep. 30, 2015	Six months ended Sep. 30, 2016
Sales revenue	7,326,039	<b>6,734,698</b>
Operating costs and expenses:		
Cost of sales	(5,714,351)	<b>(5,200,531)</b>
Selling, general and administrative	(913,555)	<b>(746,284)</b>
Research and development	(294,005)	<b>(292,959)</b>
Total operating costs and expenses	(6,921,911)	<b>(6,239,774)</b>
Operating profit	404,128	<b>494,924</b>
Share of profit of investments accounted for using the equity method	72,514	<b>67,083</b>
Finance income and finance costs:		
Interest income	14,094	<b>14,808</b>
Interest expense	(9,132)	<b>(6,191)</b>
Other, net	11,662	<b>(11,566)</b>
Total finance income and finance costs	16,624	<b>(2,949)</b>
Profit before income taxes	493,266	<b>559,058</b>
Income tax expense	(147,049)	<b>(177,454)</b>
Profit for the period	346,217	<b>381,604</b>
Profit for the period attributable to:		
Owners of the parent	313,788	<b>351,795</b>
Non-controlling interests	32,429	<b>29,809</b>
	Yen	
Earnings per share attributable to owners of the parent		
Basic and diluted	174.11	<b>195.19</b>

**Table of Contents****Condensed Consolidated Statements of Comprehensive Income**

For the six months ended September 30, 2015 and 2016

	Yen (millions)	
	Six months ended Sep. 30, 2015	Six months ended Sep. 30, 2016
Profit for the period	346,217	<b>381,604</b>
Other comprehensive income, net of tax:		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans		<b>11,561</b>
Net changes in revaluation of financial assets measured at fair value through other comprehensive income	(12,628)	<b>907</b>
Share of other comprehensive income of investments accounted for using the equity method	(2,193)	<b>(799)</b>
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	(199,042)	<b>(453,298)</b>
Share of other comprehensive income of investments accounted for using the equity method	(8,404)	<b>(57,685)</b>
Total other comprehensive income, net of tax	(222,267)	<b>(499,314)</b>
Comprehensive income for the period	123,950	<b>(117,710)</b>
Comprehensive income for the period attributable to:		
Owners of the parent	110,091	<b>(117,593)</b>
Non-controlling interests	13,859	<b>(117)</b>

**Table of Contents****[3] Condensed Consolidated Statements of Changes in Equity**

As of and for the six months ended September 30, 2015

	Yen (millions)					Total	Non-controlling interests	Total equity
	Equity attributable to owners of the parent							
	Common stock	Capital surplus	Treasury stock	Retained earnings	Other components of equity			
Balance as of April 1, 2015	86,067	171,118	(26,165)	6,083,573	794,034	7,108,627	274,194	7,382,821
Comprehensive income for the period								
Profit for the period				313,788		313,788	32,429	346,217
Other comprehensive income, net of tax					(203,697)	(203,697)	(18,570)	(222,267)
Total comprehensive income for the period				313,788	(203,697)	110,091	13,859	123,950
Reclassification to retained earnings				(252)	252			
Transactions with owners and other								
Dividends paid				(79,300)		(79,300)	(30,739)	(110,039)
Purchases of treasury stock			(7)			(7)		(7)
Equity transactions and others							(2,600)	(2,600)
Total transactions with owners and other			(7)	(79,300)		(79,307)	(33,339)	(112,646)
Balance as of September 30, 2015	86,067	171,118	(26,172)	6,317,809	590,589	7,139,411	254,714	7,394,125

As of and for the six months ended September 30, 2016

	Yen (millions)					Total	Non-controlling interests	Total equity
	Equity attributable to owners of the parent							
	Common stock	Capital surplus	Treasury stock	Retained earnings	Other components of equity			
Balance as of April 1, 2016	86,067	171,118	(26,178)	6,194,311	336,115	6,761,433	270,355	7,031,788
Comprehensive income for the period								
Profit for the period				351,795		351,795	29,809	381,604
Other comprehensive income, net of tax					(469,388)	(469,388)	(29,926)	(499,314)
Total comprehensive income for the period				351,795	(469,388)	(117,593)	(117)	(117,710)
Reclassification to retained earnings				16,868	(16,868)			
Transactions with owners and other								
Dividends paid				(79,300)		(79,300)	(30,545)	(109,845)
Purchases of treasury stock			(4)			(4)		(4)



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Equity transactions and others

Total transactions with owners and other			(4)	(79,300)		(79,304)	(30,545)	(109,849)
Balance as of September 30, 2016	86,067	171,118	(26,182)	6,483,674	(150,141)	6,564,536	239,693	6,804,229

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

	Yen (millions)	
	Six months ended Sep. 30, 2015	Six months ended Sep. 30, 2016
Cash flows from operating activities:		
Profit before income taxes	493,266	<b>559,058</b>
Depreciation, amortization and impairment losses excluding equipment on operating leases	326,092	<b>328,087</b>
Share of profit of investments accounted for using the equity method	(72,514)	<b>(67,083)</b>
Finance income and finance costs, net	2,707	<b>(17,878)</b>
Interest income and interest costs from financial services, net	(80,846)	<b>(59,724)</b>
Changes in assets and liabilities		
Trade receivables	36,657	<b>80,136</b>
Inventories	78,041	<b>(54,326)</b>
Trade payables	(35,541)	<b>(39,652)</b>
Accrued expenses	(25,100)	<b>(15,743)</b>
Provisions and retirement benefit liabilities	66,212	<b>(169,889)</b>
Receivables from financial services	200,799	<b>63,491</b>
Equipment on operating leases	(320,178)	<b>(281,527)</b>
Other assets and liabilities	(11,828)	<b>6,375</b>
Other, net	(3,164)	<b>(5,051)</b>
Dividends received	53,091	<b>52,353</b>
Interest received	120,247	<b>106,089</b>
Interest paid	(45,943)	<b>(48,710)</b>
Income taxes paid, net of refunds	(76,484)	<b>(43,861)</b>
Net cash provided by operating activities	705,514	<b>392,145</b>
Cash flows from investing activities:		
Payments for additions to property, plant and equipment	(314,887)	<b>(220,278)</b>
Payments for additions to and internally developed intangible assets	(115,462)	<b>(79,141)</b>
Proceeds from sales of property, plant and equipment and intangible assets	14,406	<b>10,223</b>
Payments for acquisitions of subsidiaries, net of cash and cash equivalents acquired		<b>(2,835)</b>
Payments for acquisitions of other financial assets	(74,024)	<b>(114,612)</b>
Proceeds from sales and redemptions of other financial assets	63,100	<b>66,194</b>
Other, net	(1,656)	<b>(200)</b>
Net cash used in investing activities	(428,523)	<b>(340,649)</b>
Cash flows from financing activities:		
Proceeds from short-term financing liabilities	4,239,202	<b>4,243,184</b>
Repayments of short-term financing liabilities	(4,541,807)	<b>(4,211,031)</b>
Proceeds from long-term financing liabilities	1,056,529	<b>845,193</b>
Repayments of long-term financing liabilities	(662,588)	<b>(723,464)</b>
Dividends paid to owners of the parent	(79,300)	<b>(79,300)</b>
Dividends paid to non-controlling interests	(30,722)	<b>(29,395)</b>
Purchases and sales of treasury stock, net	(7)	<b>(4)</b>
Other, net	(24,677)	<b>(24,251)</b>
Net cash provided by financing activities	(43,370)	<b>20,932</b>
Effect of exchange rate changes on cash and cash equivalents	(61,724)	<b>(150,175)</b>
Net change in cash and cash equivalents	171,897	<b>(77,747)</b>
Cash and cash equivalents at beginning of year	1,471,730	<b>1,757,456</b>

Cash and cash equivalents at end of period

1,643,627

**1,679,709**

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**[5] Assumptions for Going Concern**

None

**Table of Contents****[6] Segment Information**

Honda has four reportable segments: Motorcycle business, Automobile business, Financial services business and 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 for which separate financial information is available that is evaluated regularly by the chief operating decision maker 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 Company's condensed consolidated financial statements.

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) and relevant parts	Research & Development, Manufacturing, and Sales and related services
Automobile Business	Automobiles and relevant parts	Research & Development, Manufacturing, and Sales and related services
Financial Services Business	Financial services	Retail loan and lease related to Honda products, and Others
Power Product and Other Businesses	Power products and relevant parts, and others	Research & Development, Manufacturing Sales and related services, and Others

**1. Segment information based on products and services**

For the three months ended September 30, 2015

	Yen (millions)						Consolidated
	Motorcycle Business	Automobile Business	Financial Services Business	Power Product and Other Businesses	Segment Total	Reconciling Items	
Sales revenue:							
External customers	453,291	2,621,653	462,006	84,327	3,621,277		3,621,277
Intersegment		33,899	3,179	3,971	41,049	(41,049)	
Total	453,291	2,655,552	465,185	88,298	3,662,326	(41,049)	3,621,277
Segment profit (loss)	49,068	67,773	51,867	(3,866)	164,842		164,842

For the three months ended September 30, 2016

	Yen (millions)						Consolidated
	Motorcycle Business	Automobile Business	Financial Services Business	Power Product and Other Businesses	Segment Total	Reconciling Items	
Sales revenue:							
External customers	409,376	2,341,660	443,201	68,731	3,262,968		3,262,968
Intersegment		35,740	3,173	4,843	43,756	(43,756)	
Total	409,376	2,377,400	446,374	73,574	3,306,724	(43,756)	3,262,968

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Segment profit (loss)	<b>59,510</b>	<b>131,830</b>	<b>37,778</b>	<b>(1,037)</b>	<b>228,081</b>	<b>228,081</b>
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**Table of Contents**As of and for the six months ended September 30, 2015

	Motorcycle Business	Automobile Business	Financial Services Business	Yen (millions) Power Product and Other Businesses	Segment Total	Reconciling Items	Consolidated
Sales revenue:							
External customers	925,994	5,297,540	935,678	166,827	7,326,039		7,326,039
Intersegment		64,086	6,368	9,669	80,123	(80,123)	
Total	925,994	5,361,626	942,046	176,496	7,406,162	(80,123)	7,326,039
Segment profit (loss)	104,638	198,527	104,309	(3,346)	404,128		404,128
Segment assets	1,356,427	7,478,846	9,377,731	343,048	18,556,052	(233,783)	18,322,269
Depreciation and amortization	36,356	281,526	301,048	6,575	625,505		625,505
Capital expenditures	32,976	360,776	1,030,924	6,356	1,431,032		1,431,032

As of and for the six months ended September 30, 2016

	Motorcycle Business	Automobile Business	Financial Services Business	Yen (millions) Power Product and Other Businesses	Segment Total	Reconciling Items	Consolidated
Sales revenue:							
External customers	841,780	4,840,645	907,875	144,398	6,734,698		6,734,698
Intersegment		72,866	6,469	10,088	89,423	(89,423)	
Total	841,780	4,913,511	914,344	154,486	6,824,121	(89,423)	6,734,698
Segment profit (loss)	90,708	316,363	88,355	(502)	494,924		494,924
Segment assets	1,259,390	7,047,423	8,440,387	308,276	17,055,476	(67,030)	16,988,446
Depreciation and amortization	37,883	282,085	311,383	6,620	637,971		637,971
Capital expenditures	22,721	246,643	990,383	5,406	1,265,153		1,265,153
Explanatory notes:							

1. Intersegment sales revenues are generally made at values that approximate arm's-length prices.
2. Unallocated corporate assets, included in reconciling items, amounted to JPY 430,679 million as of September 30, 2015 and JPY 341,711 million as of September 30, 2016 respectively, which consist primarily of cash and cash equivalents and financial assets measured at fair value through other comprehensive income.

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In addition to the disclosure required by IFRS, Honda provides the following supplemental information for the financial statements users:

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

For the three months ended September 30, 2015

	Yen (millions)							
	Japan	North America	Europe	Asia	Other Regions	Total	Reconciling Items	Consolidated
Sales revenue:								
External customers	525,761	2,000,518	166,132	719,479	209,387	3,621,277		3,621,277
Inter-geographic areas	456,234	95,634	22,807	161,977	1,196	737,848	(737,848)	
Total	981,995	2,096,152	188,939	881,456	210,583	4,359,125	(737,848)	3,621,277
Operating profit (loss)	26,161	37,466	3,135	86,003	7,213	159,978	4,864	164,842

For the three months ended September 30, 2016

	Yen (millions)							
	Japan	North America	Europe	Asia	Other Regions	Total	Reconciling Items	Consolidated
Sales revenue:								
External customers	513,380	1,738,587	139,244	698,886	172,871	3,262,968		3,262,968
Inter-geographic areas	464,171	100,658	21,852	132,390	795	719,866	(719,866)	
Total	977,551	1,839,245	161,096	831,276	173,666	3,982,834	(719,866)	3,262,968
Operating profit (loss)	85,843	38,112	105	91,282	13,426	228,768	(687)	228,081



**Table of Contents****As of and for the six months ended September 30, 2015**

	Yen (millions)						Reconciling Items	Consolidated
	Japan	North America	Europe	Asia	Other Regions	Total		
Sales revenue:								
External customers	988,830	4,105,050	318,139	1,464,644	449,376	7,326,039		7,326,039
Inter-geographic areas	909,724	182,718	41,611	315,743	1,810	1,451,606	(1,451,606)	
Total	1,898,554	4,287,768	359,750	1,780,387	451,186	8,777,645	(1,451,606)	7,326,039
Operating profit (loss)	53,971	146,489	2,179	181,573	11,717	395,929	8,199	404,128
Assets								
Non-current assets other than financial instruments and deferred tax assets	4,127,849	10,564,347	639,202	2,431,728	584,145	18,347,271	(25,002)	18,322,269
	2,329,318	4,369,043	112,638	723,554	167,293	7,701,846		7,701,846

**As of and for the six months ended September 30, 2016**

	Yen (millions)						Reconciling Items	Consolidated
	Japan	North America	Europe	Asia	Other Regions	Total		
Sales revenue:								
External customers	977,558	3,709,230	312,139	1,390,663	345,108	6,734,698		6,734,698
Inter-geographic areas	905,680	198,818	31,952	271,911	1,409	1,409,770	(1,409,770)	
Total	1,883,238	3,908,048	344,091	1,662,574	346,517	8,144,468	(1,409,770)	6,734,698
Operating profit (loss)	66,066	209,383	1,351	181,603	27,752	486,155	8,769	494,924
Assets								
Non-current assets other than financial instruments and deferred tax assets	4,130,606	9,447,227	572,484	2,334,452	595,104	17,079,873	(91,427)	16,988,446
	2,428,393	4,144,241	102,429	624,160	166,999	7,466,222		7,466,222
Explanatory notes:								

## 1. Major countries or regions in each geographic area:

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

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

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3. Unallocated corporate assets, included in reconciling items, amounted to JPY 430,679 million as of September 30, 2015 and JPY 341,711 million as of September 30, 2016 respectively, which consist primarily of cash and cash equivalents and financial assets measured at fair value through other comprehensive income.

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**[7] Other**

**1. Loss related to airbag inflators**

Honda has been conducting market-based measures in relation to airbag inflators. Honda recognizes a provision for specific warranty costs when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. There is a possibility that Honda will need to recognize additional provisions when new evidence related to the product recalls arise, however, it is not possible for Honda to reasonably estimate the amount and timing of potential future losses as of the date of this report.

In the United States and Canada, various class action lawsuits and civil lawsuits related to the above mentioned market-based measures have been filed against Honda. The plaintiffs have claimed for properly functioning airbag inflators, compensation of economic losses including incurred costs and the decline in the value of vehicles, as well as punitive damages. Most of the class action lawsuits in the United States were transferred to the United States District Court for the Southern District of Florida and consolidated into a multidistrict litigation.

Honda did not recognize a provision for loss contingencies because the conditions for a provision have not been met as of the date of this report. Therefore, it is not possible for Honda to reasonably estimate the amount and timing of potential future losses, if any, as of the date of this report because there is uncertainty.

**2. Transfer pricing tax refund**

In May 2015, the lawsuit related to transfer pricing involving the Company's transactions with certain consolidated subsidiaries in Brazil was concluded, and it was ruled that the Company shall receive a tax refund with corresponding interest in Japan. As a result, income tax expense decreased by JPY 19,145 million for the six months ended September 30, 2015.

**3. Impairment loss on investments accounted for using the equity method**

For the six months ended September 30, 2016, the Company recognized impairment losses of JPY 12,871 million on certain investments accounted for using the equity method because there is objective evidence of impairment from declines in quoted market values. The impairment losses are included in share of profit of investments accounted for using the equity method in the condensed consolidated statement of income.

**4. Impact of the pension plan amendment on the Company's consolidated financial position and results of operations**

In August 2016, the Company and its certain subsidiaries in Japan decided, effective April 1, 2017, to extend mandatory retirement age from 60 to 65 years old and introduce a flexible retirement scheme that enables employees to choose retirement age between 60 years old and 65 years old, along with amendments to their defined benefit pension plans to align with the postponement of the retirement age, to fulfill diversifying needs of individual employees. The plan amendments include the revision of the benefit curve, to make the lump-sum benefit payment at the retirement age (between 60 and 65) under the new plan consistent with that at the mandatory retirement age (60) under the existing plan. In addition, one of the defined benefit pension plans will be replaced by a defined contribution plan.

Upon the decision of this plan amendment, Honda recognized past service cost (credit) through profit or loss. Honda recognized JPY 84,024 million of past service cost (credit), of which JPY 37,197 million is presented in cost of sales, JPY 21,385 million is presented in selling, general and administrative and JPY 25,442 million is presented in research and development in the consolidated statements of income for the six months ended September 30, 2016. The defined benefit obligation and plan asset were remeasured.

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[Translation]

October 31, 2016

To: Shareholders of Honda Motor Co., Ltd.  
 From: Honda Motor Co., Ltd.  
 1-1, Minami-Aoyama 2-chome,  
 Minato-ku, Tokyo, 107-8556  
 Takahiro Hachigo  
 President and Representative Director

**Notice Concerning Revision of Forecast for Consolidated Financial Results for the Fiscal Year Ending March 31, 2017 and  
 Announcement of Forecast for Unconsolidated Financial Results for the same period**

Honda Motor Co., Ltd. (the Company) revises its forecast for consolidated financial results for the fiscal year ending March 31, 2017 which was announced on May 13, 2016, and announces forecast for unconsolidated financial results for the fiscal year ending March 31, 2017.

**Particulars**Revision of Forecast for Consolidated Financial Results for the Fiscal Year Ending March 31, 2017

	Sales revenue	Operating profit	Profit before income taxes	Profit for the year attributable to owners of the parent	Basic earnings per share attributable to owners of the parent
	(Million Yen)	(Million Yen)	(Million Yen)	(Million Yen)	(Yen)
Forecast previously announced on May 13, 2016 (A)	13,750,000	600,000	705,000	390,000	216.39
Forecast revision as of October 31, 2016 (B)	13,400,000	650,000	770,000	415,000	230.26
Change (B-A)	- 350,000	50,000	65,000	25,000	
Percentage change (%) (Reference)	- 2.5	8.3	9.2	6.4	
Results of the fiscal year ended March 31, 2016	14,601,151	503,376	635,450	344,531	191.16

**Table of Contents****Announcement of Forecast for Unconsolidated Financial Results for the Fiscal Year Ending March 31, 2017**

	Net sales	Operating income	Ordinary income	Net income	Net income per common share
	(Million Yen)	(Million Yen)	(Million Yen)	(Million Yen)	(Yen)
Results of the fiscal year ended March 31, 2016 (A)	3,303,606	- 191,421	60,822	51,912	28.80
Forecast as of October 31, 2016 (B)	3,400,000	5,000	260,000	160,000	88.78
Change (B-A)	96,393	196,421	199,177	108,087	
Percentage change (%)	2.9		327.5	208.2	

**Reason for Revision of Forecast for Consolidated Financial Results for the Fiscal Year Ending March 31, 2017**

Due mainly to unfavorable foreign currency translation effects, the Company downwardly revises its forecast for sales revenue of the fiscal year ending March 31, 2017 which was announced on May 13, 2016. Due mainly to continuing cost reduction efforts, the impact of pension accounting treatment, despite unfavorable foreign currency effects, the Company upwardly revises its forecast for operating profit, profit before income taxes, and profit for the year attributable to owners of the parent for the fiscal year ending March 31, 2017 which were announced on May 13, 2016.

**Announcement of Forecast for Unconsolidated Financial Results for the Fiscal Year Ending March 31, 2017**

The Company has not previously announced a forecast for the unconsolidated financial results for the fiscal year ending March 31, 2017 mainly due to the effects of the 2016 Kumamoto Earthquake. The Company hereby announces its forecast for the unconsolidated financial results for the fiscal year ending March 31, 2017, as shown above.

- \* Basic earnings per share attributable to owners of the parent is calculated based on profit for the year attributable to owners of the parent.
- \* These forecasts for consolidated and unconsolidated financial results of the Company are based on management's assumptions and beliefs taking into account information currently available to it. Therefore, please be advised that the actual results of the Company could differ materially from those described in these forward-looking statements as a result of numerous factors, including general economic conditions in the principal markets of the Company, its consolidated subsidiaries and its affiliates accounted for by the equity-method, and fluctuation of foreign exchange rates, as well as other factors detailed from time to time.
- \* For more details, please refer to the Company's investor relations website (URL <http://world.honda.com/investors/>).