

February 2, 2018

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 Impacts of the Enactment of the U.S. Tax Cuts and Jobs Act

Honda Motor Co., Ltd. (“the Company”) announces that the impacts of the enactment of the Tax Cuts and Jobs Act in the U.S. in its consolidated financial results for the nine months ended December 31, 2017 are as follows.

Particulars

The Tax Cuts and Jobs Act was enacted in the U.S. on December 22, 2017. Due to the Act, the federal corporate income tax rate in the U.S. applicable to the Company’s U.S. businesses was reduced from 35 percent to a blended corporate rate of 31.55 percent for the current fiscal year ending March 31, 2018 and to 21 percent from the fiscal year commencing on April 1, 2018.

Based on the reduction of the federal corporate income tax rate, the Company reevaluated deferred tax assets and liabilities in its U.S. consolidated subsidiaries. As a result, the Company has recognized impacts of the enactment of the Tax Cuts and Jobs Act, including a decrease in income tax expenses of JPY 346,129 million, in the third quarter of the fiscal year ending March 31, 2018.

For the impacts of this decrease in income tax expenses on the forecast for the consolidated financial results for the current fiscal year, please refer to the separate announcement released by the Company today entitled “Notice Concerning Revision of Forecast for Consolidated Financial Results for the Fiscal Year Ending March 31, 2018.”