

# **Fiscal Year Ended March 31, 2025 Financial Results**

**May 13, 2025**



**Thank you for your continued understanding of Honda's business activities.**

**Now, I will explain the financial results for the fiscal year ending March 2025 and the outlook for the fiscal year ending March 2026.**

**Financial Results for FYE March 31, 2025****▶ Operating Profit 1,213.4 bil. yen** (excl. the impact of the change in the estimation model for automobile product warranties: 1,341.0 bil. yen)

Motorcycles: Achieved record-high sales volume, operating profit, and operating margin.

Automobiles: Despite decreased sales, mainly in China and ASEAN, and higher EV incentives in North America, HEV sales expanded.

**▶ Operating cash flows after R&D adjustment 2,806.6 bil. yen****Financial Forecast for FYE March 31, 2026****▶ Operating Profit 500.0 bil. yen • Profit for the year 250.0 bil. yen**

Tariff Impact: Uncertain outlook, but measures to offset additional tariffs on completed vehicles and parts have been reflected.

Motorcycles: Sales plan targets more than 21.3 million unit sales, surpassing sales of FYE March 31, 2025.

Automobiles: Despite challenging sales environment, especially in China, strengthen HEV sales, particularly in North America.

**Shareholder Returns****▶ Change of the Dividend Policy**

To improve capital efficiency and ensure stable dividends even during periods of uncertainty, DOE will be adopted.

Dividend Outlook FYE March 31, 2026: Expected to be 70 yen per share (an increase of 2 yen vs. previous FY)

First, I will explain the summary of the financial results.

The operating profit for the fiscal year ending March 2025 was 1 trillion 213.4 billion yen. In the fourth quarter of the fiscal year ending March 2025, we changed the estimation model for automobile product warranties. Excluding this one-time expense, the operating profit was 1 trillion 341.0 billion yen.

Motorcycle business saw strong sales volumes globally, achieving record highs in sales volume, operating profit, and operating profit margin. Automobile business experienced a decline in sales volume mainly in China and ASEAN regions, and was impacted by increased incentives for EV sales in North America. However, Hybrid Electric Vehicle sales expanded.

Additionally, the operating cash flow after R&D adjustments, which represents the source of future investments, was 2 trillion 800 billion yen, maintaining a high level similar to the previous fiscal year.

Regarding the consolidated financial results for the fiscal year ending March 2026, the impact of tariff policies in various countries on our business has been very significant, and frequent revisions are being made, making it difficult to formulate an outlook.

However, reflecting the full 12-month impact of each item that can be estimated at this time as well as recovery measures, we have set the minimum levels of operating profit at 500 billion yen and net profit at 250 billion yen.

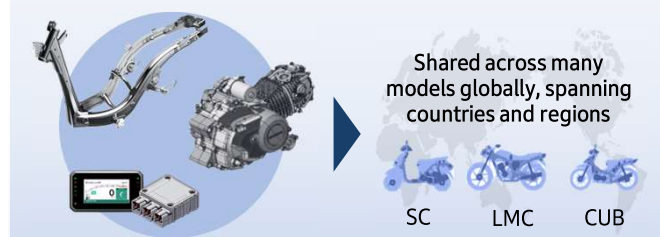
Motorcycle business plans to sell 21.3 million units, exceeding the total from fiscal year ending March 2025. Automobile business will further strengthen Hybrid Electric Vehicle sales, especially in North America, despite the significant impact of tariffs.

Moving forward, we will carefully assess the impact of tariff policies and expand recovery measures while aiming for further growth in operating profit.

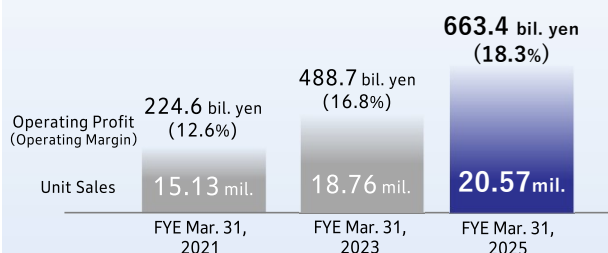
Regarding shareholder returns, the Board of Directors decided to change the dividend policy at today's meeting.

To further improve capital efficiency and ensure stable dividends for shareholders despite the uncertain environment, we have changed from the traditional dividend payout ratio to DOE (Dividend on Equity). For the annual dividend, we forecast an increase of 2 yen to 70 yen per share.

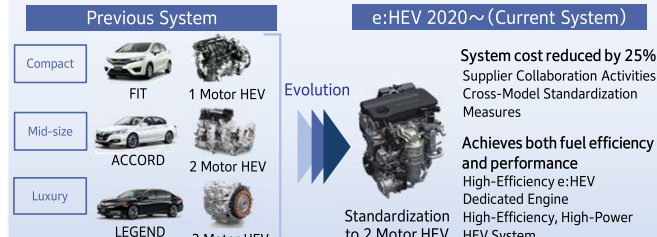
## Motorcycle Business



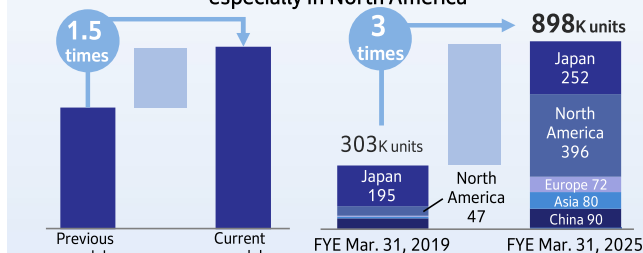
By consolidating dominant unit sales volume, realize a low-cost structure that surpasses other companies



## Automobile Business (HEV)



Profitability improvement due to cost reduction and product enhancement. Sales expanding globally, especially in North America



Next, I will explain the initiatives of the motorcycle and automobile business that support a stable revenue base.

The motorcycle business is number one in the world in terms of market share, with sales of over 20 million units annually.

By sharing platforms and powertrains and consolidating the dominant sales volume, we have built a low-cost structure that surpasses other companies, realizing profit expansion.

In automobile business, we have continued to reduce the cost of Hybrid Electric Vehicle systems. The current model has improved profitability which is 1.5 times higher compared to the previous model. Additionally, due to improved product features, sales volumes have expanded, especially in North America.

In the latter half of the 2020s, we plan to introduce next-generation HEV models, aiming for further advancements in performance and cost efficiency.

Towards Increasing Corporate Value			HONDA
	Past	Present	Future
Issue	Optimization of Capital through Proactive Shareholder Returns	Establishment and Continuation of Earnings Base	Enhancement of Resolution of Electrification Strategy
Current Situation	Acquisition of the Company's Own Shares FYE Mar. 31, 2024: 250.0 bil. yen FYE Mar. 31, 2025: 1,400.0 bil. yen * Resolution-based amount	<div>Changes in Environment</div> EV Market Growth Slowdown / Intensified Competition in China and Asia / Changes in U.S. Tariff Policies Considering the impact of tariffs, the outlook for FYE Mar. 31, 2026 is the bottom	Long-term direction unchanged, but electrification strategy being revised
Direction of Approach	Completion expected by Dec. of this year (as of end of April: 589.5 bil. yen acquired) <b>Optimization of cash on hand in sight</b> * Status of acquisition of the Company's own shares up to 1.1 tri. yen (resolved on Dec. 23, 2024)	In addition to the increase in HEV units, centered in North America, secure stable profits from the solid foundation formed by motorcycle and financial services business	Optimization of resources, including a review of large-scale investments in Canada <b>Maximize HEV competitiveness using next-generation platforms</b> [ A detailed explanation is planned as part of "2025 Honda Business Briefing" on May 20th ]
Stable management through a resilient business portfolio even in an uncertain business environment			

Next, I will explain the initiatives aimed at enhancing corporate value.

Last year, during the announcement of our financial results, we explained our efforts to enhance corporate value in the past, present and future.

Regarding the optimization of capital accumulated in the past, we were able to achieve a certain degree of closure with the decision to repurchase 1.1 trillion yen of our own shares in December last year.

Since then, looking to the present and future, the environment surrounding the automotive industry has changed dramatically, requiring us to respond more flexibly than ever before.

In terms of profitability of the automobile business which is an issue, we will secure stable revenue through the strong business foundations of our motorcycle and financial business, along with increased sales volumes of Hybrid Electric Vehicles with improved profitability, especially in North America.

Looking ahead, the growth of the Electric Vehicle market has slowed more than initially expected, making it difficult to anticipate further progress. Therefore, we have decided to postpone large-scale investments in Canada.

Details of the trajectory change of electrification strategy will be explained in our business update, which will be announced on May 20th.

Despite the continued uncertainty in the business environment, Honda will maintain stable management through a resilient business portfolio by flexibly revising strategies according to market conditions, thereby enhancing corporate value.



## **Fiscal Year Ended March 31, 2025 Financial Results**

**At this time, I will explain the results for the fiscal year ending March 2025, and then I will discuss the outlook for the fiscal year ending March 2026 as well as shareholder returns.**

## FYE March 31, 2025: Honda Unit Sales

**HONDA**

Honda Group Unit Sales	Motorcycles			Automobiles			Power Products		
	FYE Mar. 31, 2024	FYE Mar. 31, 2025	Change	FYE Mar. 31, 2024	FYE Mar. 31, 2025	Change	FYE Mar. 31, 2024	FYE Mar. 31, 2025	Change
Japan	241	224	- 17	595	630	+ 35	302	278	- 24
North America	498	548	+ 50	1,628	1,654	+ 26	1,083	1,020	- 63
Europe	440	475	+ 35	103	93	- 10	794	651	- 143
Asia	16,016	17,478	+ 1,462	1,651	1,182	- 469*	1,294	1,413	+ 119
Other Regions	1,624	1,847	+ 223	132	157	+ 25	339	338	- 1
Total	18,819	20,572	+ 1,753	4,109	3,716	- 393	3,812	3,700	- 112
Change (%)			+ 9.3%			- 9.6%			- 2.9%
* - 399 in China are included.									
Consolidated Unit Sales	12,219	13,685	+ 1,466	2,856	2,840	- 16	3,812	3,700	- 112

6

**First, the group sales volume for the fiscal year ending March 2025:**

**Motorcycle business saw an increase compared to the previous year, mainly due to growth in Asia, reaching 20 million 572 thousand units.**

**Automobile business experienced a decrease, primarily in Asia centered around China, resulting in a total of 3 million 716 thousand units.**

**Power Product business saw a decrease, mainly in Europe, for a total of 3.7 million units.**

## FYE March 31, 2025: Consolidated Financial Results

**HONDA**

Yen (billion)	FYE March 31				(Ref.) Excluding effects of the change in the estimation model for automobile product warranties <sup>*1</sup>		
	2024	2025	Amount	Change	2025	Amount	Change
Sales revenue	20,428.8	21,688.7	+ 1,259.9	+ 6.2%	21,688.7	+ 1,259.9	+ 6.2%
Operating profit	1,381.9	1,213.4	- 168.4	- 12.2%	1,341.0	- 40.8	- 3.0%
Operating margin	6.8%	5.6%		- 1.2 pt	6.2%		- 0.6 pt
Share of profit (loss) of investments accounted for using the equity method	110.8	0.9	- 109.8	- 99.1%	0.9	- 109.8	- 99.1%
Profit before income taxes	1,642.3	1,317.6	- 324.7	- 19.8%	1,445.2	- 197.1	- 12.0%
Profit for the year attributable to owners of the parent	1,107.1	835.8	- 271.3	- 24.5%	931.0	- 176.1	- 15.9%
Earnings per share attributable to owners of the parent (Yen) <sup>*2</sup>	225.88	178.93		- 46.95	199.31		- 26.57
Market average rate (Yen)							
U.S. Dollar	145	153		+ 8 <sup>*3</sup>			

<sup>\*1</sup> For the year ended March 31, 2025, Honda changed the estimation model of provisions for specific warranty programs of automobile products manufactured at major production bases, from estimating the provisions individually for each specific warranty program to estimating the provisions comprehensively at the time of vehicle sales.

<sup>\*2</sup> Each share of common stock was split into 3 shares per share on the record date of September 30, 2023, with an effective date of October 1, 2023. Earnings per share were calculated that the stock split was carried out at the beginning of the fiscal year ended March 31, 2024. Please refer to the footnotes on the last page for weighted average number of shares outstanding.

<sup>\*3</sup> + weak yen / - strong yen

7

Next, the consolidated financial results for the fiscal year ending March 2025.

Starting from the fiscal year ending March 2025, we changed the method of measuring product warranty provisions for sales from major production sites of automobiles to comprehensively measuring them at the time of sale.

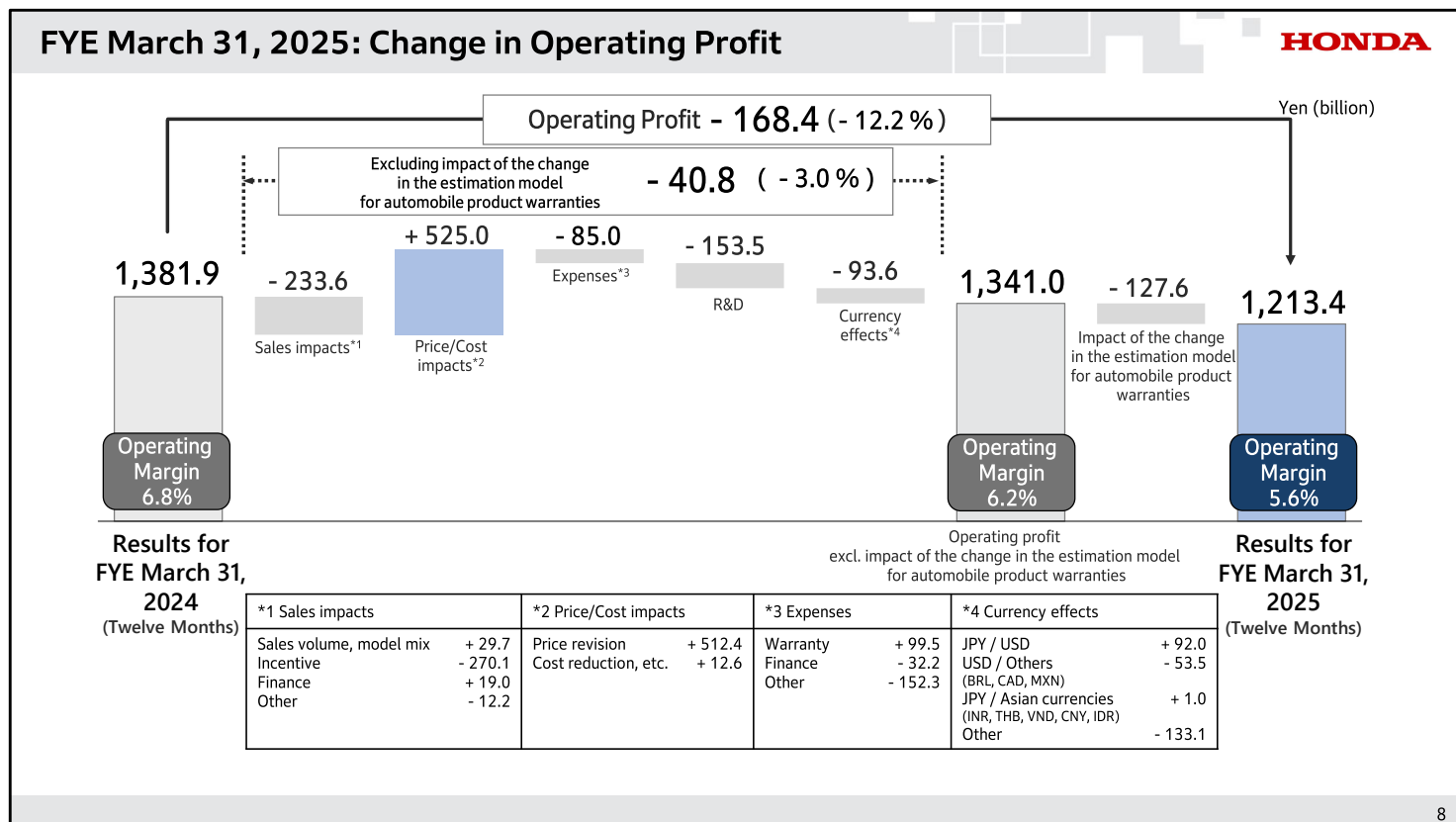
Reflecting the impact of the change in product warranty estimates in automobile business:

Operating profit decreased by 168.4 billion yen compared to the previous year, amounting to 1 trillion 213.4 billion yen.

Equity in earnings of affiliates decreased by 109.8 billion yen, mainly due to the decline in sales volume in China, for a result of 0.9 billion yen.

Net profit attributable to owners of the parent decreased by 271.3 billion yen, totaling 835.8 billion yen.

As Mr. Mibe explained at the beginning of this section, results, excluding the impact of the change in product warranty estimates in automobile business, are shown on the right side.



Next, I will explain the factors contributing to the increase and decrease in operating profit for the fiscal year ending March 2025 compared to the previous year.

Operating profit, before reflecting the impact of the change in product warranty estimates for automobiles, compared to the previous year was 1 trillion 341 billion yen, a decrease of 40.8 billion yen compared to the same period during the previous fiscal year.

The factors contributing to the increase and decrease are as follows:

**Sales impact: Decrease of 233.6 billion yen**

**Price and cost impact: Increase of 525.0 billion yen**

**Expenses: Decrease of 85.0 billion yen**

**Research and development expenses: Decrease of 153.5 billion yen**

**Exchange rate impact: Decrease of 93.6 billion yen**

**FYE March 31, 2025:**  
**Sales Revenue/Operating Profit (Margin) by Business Segment (Twelve Months)**

**HONDA**

upper: FYE March 31, 2025	Motorcycle Business	Automobile Business	Financial Services Business	Power Products and Other Businesses
lower: FYE March 31, 2024				
Unit (thousand)	20,572	3,716	-	3,700
Honda Group Unit Sales (Consolidated Unit Sales)	(13,685)	(2,840)	-	(3,700)
	18,819	4,109	-	3,812
	(12,219)	(2,856)	-	(3,812)
Yen (billion)	3,626.6	14,467.8	3,512.2	414.6
Sales Revenue	3,220.1	13,791.5	3,251.7	422.3
Operating Profit	663.4	243.8	315.6	- 9.4
	556.2	560.6	273.9	- 8.8
Operating Margin	18.3%	1.7%	9.0%	- 2.3%
	17.3%	4.1%	8.4%	- 2.1%

In the financial services business, Honda provides retail lending and leasing to customers and wholesale financing to dealers to support the sale of its products.

Operating profit from aircraft and aircraft engines included in above
Yen (billion)
- 38.8
- 32.9

**Next, the operating profit by business segment is as follows:**

**Motorcycle business: 663.4 billion yen**

**Automobile business: 243.8 billion yen**

**Financial services business: 315.6 billion yen**

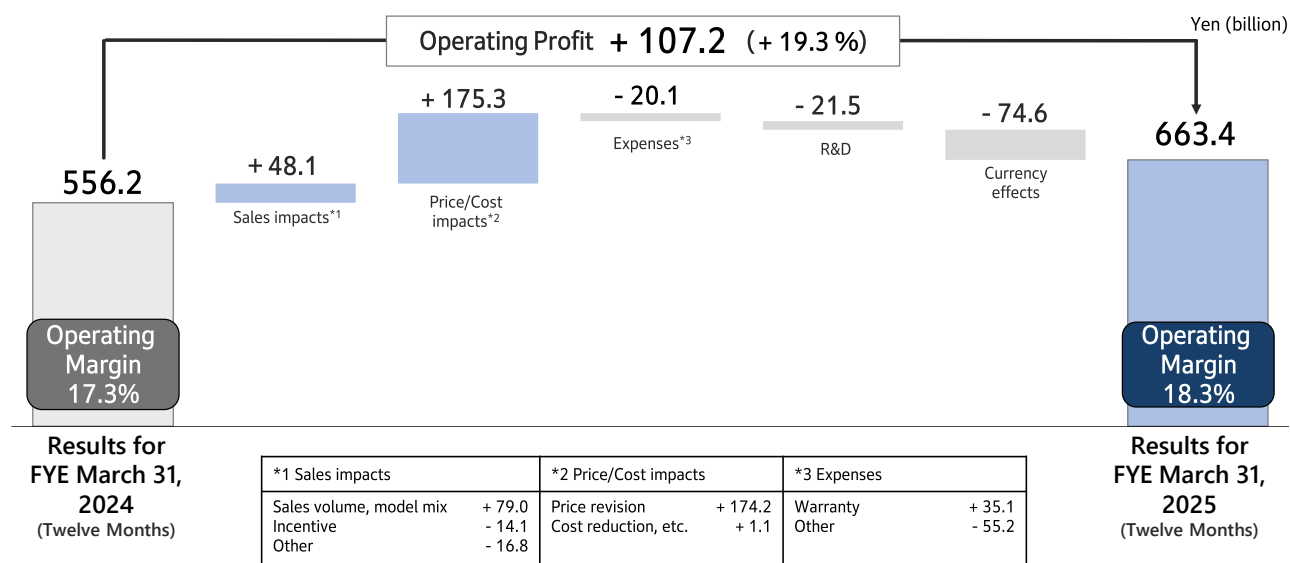
**Power products and other businesses: Loss of 9.4 billion yen**



**FYE March 31, 2025:  
Change in Operating Profit for Motorcycle Business**

**HONDA**

Despite Currency effects and other factors,  
the increase in operating profit was mainly due to Price/Cost impacts and Sales impacts.



10

The factors contributing to the increase and decrease in motorcycle business are as follows:

Compared to the previous year, the operating profit increased by 107.2 billion yen, reaching a record high of 663.4 billion yen.

The factors contributing to this increase and decrease are:

**Sales impact:** Increase of 48.1 billion yen, mainly due to increased sales volume.

**Price and cost impact:** Increase of 175.3 billion yen, due to improved product value and pricing effects in response to inflation from the depreciation of emerging market currencies.

**Expenses:** Decrease of 20.1 billion yen.

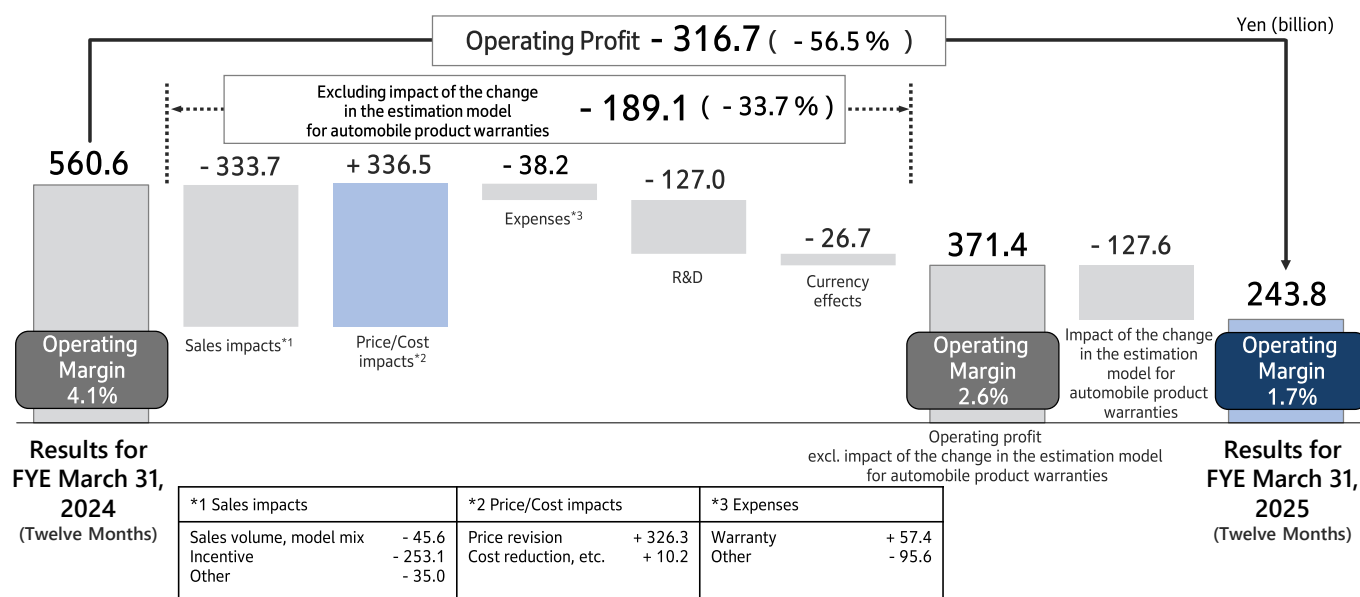
**Research and development expenses:** Decrease of 21.5 billion yen.

**Exchange rate impact:** Decrease of 74.6 billion yen.

**FYE March 31, 2025:**  
**Change in Operating Profit for Automobile Business**

**HONDA**

Although higher profits from Price/Cost impacts offset higher Expenses and R&D, lower sales volume and higher incentives resulted in lower profits.



11

The factors contributing to the increase and decrease in the automobile business are as follows:

Operating profit, before reflecting the impact of the change in estimates, decreased by 189.1 billion yen compared to the previous year, amounting to 371.4 billion yen.

Sales impact: Decrease of 333.7 billion yen, due to a decline in sales volume and increased incentives for EV sales.

Price and cost impact: Increase of 336.5 billion yen, due to pricing effects that match the improved product value.

Expenses: Decrease of 38.2 billion yen.

Research and development expenses: Decrease of 127 billion yen, mainly due to increased resources allocated to EV-related projects.

Exchange rate impact: Decrease of 26.7 billion yen.

## Cash Flows of Non-Financial Services Businesses

**HONDA**

	Yen (billion)	
	FYE March 31, 2024	FYE March 31, 2025
Cash flows from operating activities	+ 2,288.1	+ 1,883.1
Cash flows from investing activities	- 827.1	- 1,217.2
Free cash flow	+ 1,460.9	+ 665.8
Cash flows from financing activities	- 712.5	- 1,390.3
Effects of exchange rate changes	+ 322.6	- 38.4
Net change of cash and cash equivalents	+ 1,071.0	- 762.9
Cash & cash equivalents at end of year	4,624.6	3,861.7
Net cash at end of year	3,761.6	3,215.7
Operating cash flows after R&D adjustment*	+ 3,056.9	+ 2,806.6

\* Cash Flows from operating activities (CFO) excluding R&D expenses  
(CFO of non-financial services businesses + R&D expenditures – amount transferred to development assets)

12

**Next, the cash flow situation.**

**For the fiscal year ending March 2025, the free cash flow of operating companies, excluding the financial services business, was 665.8 billion yen.**

**The net cash balance at the end of the period was 3 trillion 215.7 billion yen.**

**The operating cash flow after R&D adjustments was 2 trillion 806.6 billion yen.**

## **Fiscal Year Ending March 31, 2026 Financial Forecast**

**Next, I will explain the consolidated financial forecast for the fiscal year ending March 2026.**

## Forecast for FYE March 31, 2026: Honda Unit Sales

**HONDA**

Unit (thousand)									
Motorcycles				Automobiles			Power Products		
Honda Group Unit Sales	FYE March 31, 2025 Results	FYE March 31, 2026 Forecast	Change	FYE March 31, 2025 Results	FYE March 31, 2026 Forecast	Change	FYE March 31, 2025 Results	FYE March 31, 2026 Forecast	Change
Japan	224	210	- 14	630	600	- 30	278	250	- 28
North America	548	545	- 3	1,654	1,680	+ 26	1,020	970	- 50
Europe	475	430	- 45	93	90	- 3	651	700	+ 49
Asia	17,478	18,065	+ 587	1,182	1,090	- 92*	1,413	1,410	- 3
Other Regions	1,847	2,050	+ 203	157	160	+ 3	338	340	+ 2
Total	20,572	21,300	+ 728	3,716	3,620	- 96	3,700	3,670	- 30
*- 87 in China are included.									
Consolidated Unit Sales	13,685	14,250	+ 565	2,840	2,830	- 10	3,700	3,670	- 30

**Honda Group Sales volume, compared to the previous fiscal year, is as follows:**

**Motorcycle business:** Reflecting an increase mainly in Asia, 21.3 million units.

**Automobile business:** Reflecting a decrease mainly in Asia, 3.62 million units.

**Power Products business:** Reflecting a decrease mainly in North America, 3.67 million units.



## Consolidated Financial Forecast for FYE March 31, 2026

**HONDA**

Yen (billion)	FYE March 31, 2025 Results	FYE March 31, 2026 Forecast	Amount	Change
Sales revenue	21,688.7	20,300.0	- 1,388.7	- 6.4%
Operating profit	1,213.4	500.0	- 713.4	- 58.8%
Operating margin	5.6%	2.5%		- 3.1 pt
Share of profit (loss) of investments accounted for using the equity method	0.9	0.0	- 0.9	- 100.0%
Profit before income taxes	1,317.6	490.0	- 827.6	- 62.8%
Profit for the year attributable to owners of the parent	835.8	250.0	- 585.8	- 70.1%
Earnings per share attributable to owners of the parent (Yen)	178.93	62.84		- 116.09
Market average rate (Yen)				
U.S. Dollar	153	135		- 18

15

**For the consolidated financial forecast for the fiscal year ending March 2026:**

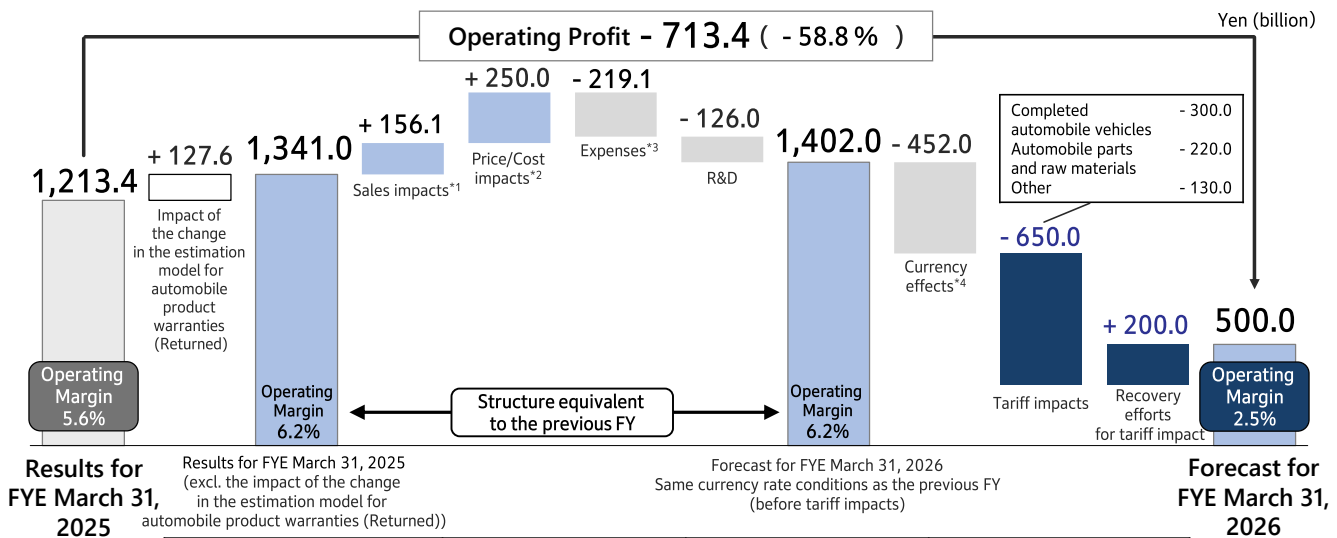
**Operating profit is projected to be 500 billion yen.**

**Profit for the year attributable to owners of the parent is projected to be 250 billion yen.**

**Additionally, the exchange rate assumption for the full fiscal year is set at 135 yen to the US dollar.**

## Forecast for FYE March 31, 2026: Change in Operating Profit

**HONDA**



*1 Sales impacts	*2 Price/Cost impacts	*3 Expenses	*4 Currency effects
Sales volume, model mix + 95.5	Price revision + 247.0	Warranty - 8.6	JPY / USD - 236.5
Incentive -	Cost reduction, etc. + 3.0	Finance - 22.0	USD / Others - 29.0
Finance + 34.0		Other - 188.5	(BRL, CAD, MXN)
Other + 26.6			JPY / Asian currencies - 73.5
			(INR, THB, VND, CNY, IDR)
			Other - 113.0

16

Next, I will explain the factors contributing to the increase or decrease in operating profit compared to the previous fiscal year.

Excluding the impact of exchange rates and tariffs, the operating profit is projected to be 1 trillion 402 billion yen, maintaining the same level as the previous fiscal year.

Regarding the impact of exchange rates, considering the depreciation of emerging market currencies against the U.S. dollar, there is a projected decrease of 452 billion yen. The impact of tariffs is still being examined, but based on the information currently available, it has been reflected in the forecast. Efforts to mitigate the impact of tariffs are projected to be 200 billion yen.

Additionally, explaining the increase or decrease factors under the same conditions as the previous fiscal year:

**Sales impact:** An increase in sales volume of motorcycles and automobiles in North America, resulting in an increase of 156.1 billion yen.

**Pricing and cost impact:** Effects such as pricing that matches the improved product value, resulting in an increase of 250 billion yen.

**Expenses:** An increase of 219.1 billion yen, resulting in a decrease in profit.

**Research and development expenses:** An increase of 126.0 billion yen, resulting in a decrease in profit.

## Forecast for FYE March 31, 2026: Capital Expenditures/Depreciation/R&D



Yen (billion)	FYE March 31, 2025 Results	FYE March 31, 2026 Forecast	Change
Capital expenditures <sup>*1</sup>	537.4	620.0	+ 82.5
Depreciation and amortization <sup>*1</sup>	456.1	388.0	- 68.1
Research and development expenditures <sup>*2</sup>	1,210.6	1,190.0	- 20.6

<sup>\*1</sup> Capital expenditures as well as Depreciation in Results and Forecast shown above exclude investment in operating leases, right-of-use assets, and intangible assets.

<sup>\*2</sup> Research and development expenditures are research and development activities related costs incurred during the reporting period. In accordance with IFRS, a portion of research and development expenditures is recognized as an intangible asset and amortized over its estimated useful life. As such, this amount is not in conformity with "Research and development" on Consolidated Statements of Income.

**Next, the forecast for capital investment, depreciation expenses, and research and development expenditures for the fiscal year ending March 2026 is as shown.**

## &lt;Change of the Dividend Policy&gt;

- DOE (dividend on equity attributable to owners of the parent after adjustment)\*<sup>1</sup> will be introduced as a return indicator from FYE March 31, 2026 onward.
- Aim to pay a dividend with a target of 3.0% to provide a more stable and continuous return.

## &lt;Dividends&gt;

Dividend per Share (Yen)	FYE March 31, 2025 (Previous)	FYE March 31, 2025	FYE March 31, 2026 (Forecast)
Interim Dividend	34	34	(35)* <sup>2</sup>
Year-end Dividend	34	34	(35)
Fiscal Year	68	68	(70)

## &lt;Status of Acquisition of the Company's Own Shares (as of April 30, 2025)&gt;

- 589.5 billion yen / 411.75 million shares have been acquired (rate of progress: 53.6%), for the acquisition of up to 1 trillion 100 billion yen / 1.1 billion shares (resolved on December 23, 2024)
  - Total number of shares to be acquired (maximum) : 1.1 billion shares (common shares)
  - Total amount of shares to be acquired (maximum) : 1 trillion 100 billion yen
  - Period of acquisition : From January 6, 2025 to December 23, 2025

\*1 "Equity attributable to owners of the parent", which serves as the basis for DOE (adjusted dividend on equity attributable to owners of the parent), is based on adjusted figures that exclude 'other components of equity', which are highly volatile due to the effects of currency rates and market conditions.

\*2 ( ) : Forecast

Finally, I will explain shareholder returns.

We position returning value to shareholders as our top management priority. From the fiscal year ending March 2026, we will change our dividend policy to introduce DOE as a return indicator. We will strive to pay with a target of 3.0% despite the uncertain business environment, providing a more stable and continuous return.

For the fiscal year ending March 2025, the year-end dividend is set at 34 yen per share, and the annual dividend is also set at 68 yen per share.

For the fiscal year ending March 2026, the forecast for the annual dividend is an increase of 2 yen compared to the previous fiscal year, resulting in 70 yen per share.

Regarding the share buyback of 1.1 trillion yen decided on December 23, 2024, as of April 30, 2025, the equivalent of 589.5 billion yen worth of shares has been acquired.

Caution with Respect to Forward-Looking Statements:

This presentation contains forward-looking statements about the performance and shareholders return of Honda, which 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 fluctuation of foreign exchange rates, as well as other factors detailed from time to time.

Accounting standards:

Our consolidated financial statements are prepared in conformity with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

Notice on the Factors for Increases and Decreases in Income:

With respect to the discussion in this presentation of the changes, identified factors and used what it believes to be a reasonable method to analyze the respective changes in such factors. Analyzed changes in these factors at the levels of the Company and its material consolidated subsidiaries.

- (1) "Foreign currency effects" consist of "translation adjustments", which come from the translation of the currency of foreign subsidiaries’ financial statements into Japanese yen, and "foreign currency adjustments", which result from foreign-currency-denominated transaction. With respect to "foreign currency adjustments", analyzed foreign currency adjustments primarily related to the following currencies: U.S. dollar, Japanese yen and others at the level of the Company and its material consolidated subsidiaries.
- (2) With respect to "Price and Cost impacts", analyzed effects of changes in sales price, cost reductions, effects of raw material cost fluctuations and others, excluding foreign currency effects.
- (3) With respect to "Sales impacts", analyzed changes in sales volume and in the mix of product models sold that resulted in increases/decreases in profit, changes in sales revenue of Financial services business that resulted in increases/decreases in profit, as well as certain other reasons for increases/decreases in sales revenue and cost of sales, excluding foreign currency effects.
- (4) With respect to "Expenses", analyzed reasons for an increase/decrease in selling, general and administrative expenses from the previous fiscal year excluding foreign currency translation effects.
- (5) With respect to "Research and Development expenses", analyzed reasons for an increase/decrease in research and development expenses from the previous fiscal year excluding foreign currency translation effects.

Unit sales:

Motorcycle Business

Honda Group Unit Sales is the total unit sales of completed products, including motorcycles, ATVs, and Side-by-Sides 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.

Automobile Business

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 and other by our Japanese finance subsidiaries and provided 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.

Power Products Business

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 Products business, there is no discrepancy between Honda Group Unit Sales and Consolidated Unit Sales since no affiliate and joint venture accounted for using the equity method was involved in the sale of Honda power products.

* Earnings per share attributable to owners of the parent is calculated based on weighted average number of shares outstanding as shown below:				
- Twelve Months	* Ended March 31, 2024	4,901,560,000 (approx.) ,	Ended March 31, 2025	4,671,383,000 (approx.)
			Forecast Ending March 31, 2026	3,978,277,000 (approx.)

\* Each share of common stock was split into 3 shares per share on the record date of September 30, 2023, with an effective date of October 1, 2023.  
Weighted average number of shares outstanding is calculated that the stock split was carried out at the beginning of the fiscal year ended March 31, 2024.

This concludes my explanation.

Thank you very much for your attention.



**HONDA**  
The Power of Dreams

**How we move you.**  
CREATE ► TRANSCEND, AUGMENT

# Appendix

## Forecast for FYE March 31, 2026 Summary of Tariff Impact Estimation Assumptions

**HONDA**

Reflect all currently estimated amounts of the impact from announced additional tariffs.  
Continue to scrutinize the impact amounts as we move towards Fiscal First Quarter Ended June 30, 2025.

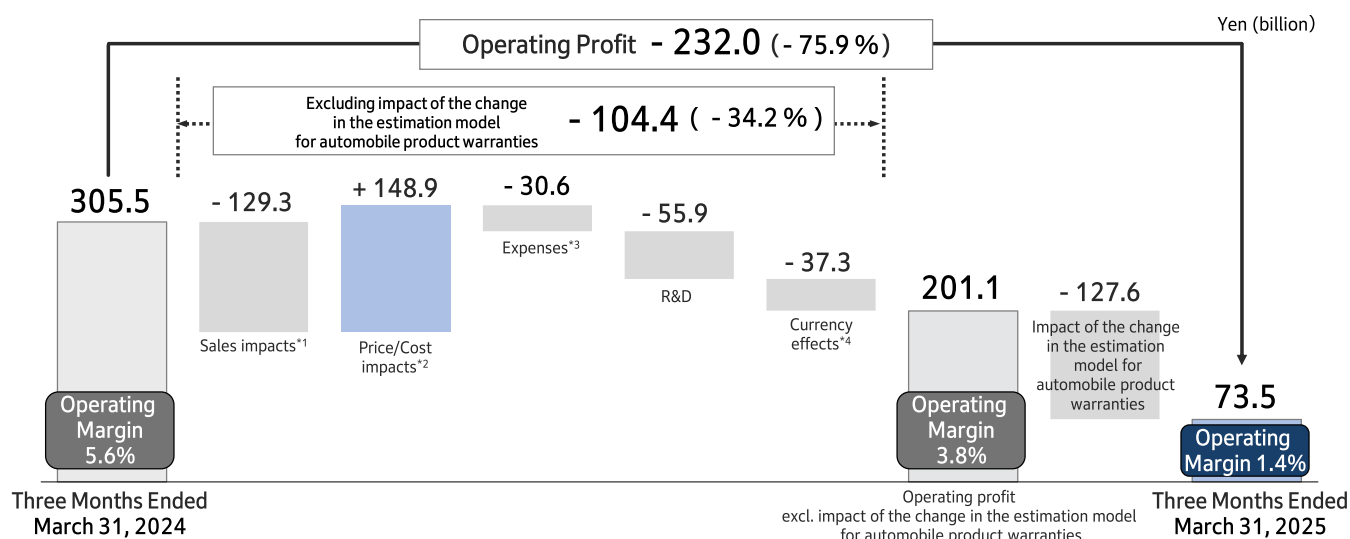
Yen (billion)

	Estimation Assumptions	Calculation Period	Additional Tariff	Units (K)	Impact Amount
Completed automobile vehicles	<ul style="list-style-type: none"> <li>Imports from Canada and Mexico: Apply additional tariffs after deducting the amount equivalent to US-origin parts.</li> <li>Imports from other countries: Apply additional tariffs to all.</li> </ul>	25/4~26/3	25%	530 20	- 300
Automobile parts and raw materials	<p>【Automobile Parts】</p> <ul style="list-style-type: none"> <li>Imports from Canada and Mexico: All parts are estimated to be the subject of the additional tariff, due to the fact that the total volume &amp; value of the USMCA compliant parts, which are not the subject of the additional tariffs, are still being thoroughly evaluated for greater accuracy.</li> <li>Imports from other countries: Apply additional tariffs.</li> <li>Reflect offset measures for additional tariffs on automotive parts: Estimate the refund amount as 3.75% of the total MSRP based on US production and sales plans.</li> </ul> <p>【Raw Materials】</p> <ul style="list-style-type: none"> <li>Apply additional tariffs on steel and aluminum.</li> </ul>	25/4~26/3  25/5~26/3 25/4~26/3  25/4~26/3	25%  25%  25%	-	- 220
Motorcycles, Power Products, Other	<ul style="list-style-type: none"> <li>Imports from countries other than Canada and Mexico: Apply baseline tariffs and reciprocal tariffs*4.</li> <li>Other (including impacts due to economic downturns in exporting countries).</li> </ul>	25/4~25/6  25/7~26/3	10%  10% + by country	-	- 130
Tariff Impact Total					- 650

This estimation contains forward-looking statements about the performance of Honda, which is based on management's assumptions and beliefs taking into account information currently available to it.

## Three Months Ended March 31, 2025: Change in Operating Profit

**HONDA**



*1 Sales impacts		*2 Price/Cost impacts		*3 Expenses		*4 Currency effects	
Sales volume, model mix	- 64.3	Price revision	+ 133.2	Warranty	+ 27.1	JPY / USD	+ 10.5
Incentive	- 26.9	Cost reduction, etc.	+ 15.7	Finance	- 7.8	USD / Others (BRL, CAD, MXN)	- 22.0
Finance	- 1.6			Other	- 49.9	JPY / Asian currencies (INR, THB, VND, CNY, IDR)	- 1.5
Other	- 36.5					Other	- 24.3

# Three Months Ended March 31, 2025: Sales Revenue/Operating Profit (Margin) by Business Segment

**HONDA**

upper: FYE March 31, 2025	Motorcycle Business	Automobile Business	Financial Services Business	Power Products and Other Businesses
lower: FYE March 31, 2024				
Unit (thousand)	5,064	899	-	1,184
Honda Group Unit Sales	(3,287)	(707)	-	(1,184)
(Consolidated Unit Sales)	4,858	995	-	1,264
	(3,116)	(757)	-	(1,264)
Yen (billion)	919.6	3,569.2	849.0	113.2
Sales Revenue	862.1	3,670.9	863.6	115.7
Operating Profit	161.7	- 158.7	70.6	0.0
	144.7	100.1	69.1	- 8.3
Operating Margin	17.6%	- 4.4%	8.3%	- 0.1%
	16.8%	2.7%	8.0%	- 7.2%

In the financial services business, Honda provides retail lending and leasing to customers and wholesale financing to dealers to support the sale of its products.

Operating profit from aircraft and aircraft engines included in above
Yen (billion)
- 10.5
- 8.3



## Change in Sales Revenue (sales revenue from external customers)

**HONDA**

### Three Months

Compared with Three Months Ended March 31, 2024: - 69.2 billion yen / - 1.3 %  
(Excluding currency translation effects: - 118.6 billion yen / - 2.2 %)

Sales Revenue	Yen (billion)	FYE March 31, 2024	FYE March 31, 2025	Change	Change excluding currency translation effects (%)	
Motorcycle Business		862.1	919.6	+ 57.4	+ 77.3	+ 9.0%
Automobile Business		3,595.1	3,484.7	- 110.4	- 164.1	- 4.6%
Financial Services Business		862.6	848.0	- 14.5	- 29.4	- 3.4%
Power Products and Other Businesses		109.3	107.6	- 1.7	- 2.4	- 2.2%
Total		5,429.3	5,360.0	- 69.2	- 118.6	- 2.2%

Market average rate (Yen)

U.S. Dollar	148	153
-------------	-----	-----

### Twelve Months

Compared with FYE March 31, 2024: + 1,259.9 billion yen / + 6.2 %  
(Excluding currency translation effects: + 617.2 billion yen / + 3.0 %)

Sales Revenue	Yen (billion)	FYE March 31, 2024	FYE March 31, 2025	Change	Change excluding currency translation effects (%)	
Motorcycle Business		3,220.1	3,626.6	+ 406.4	+ 440.7	+ 13.7%
Automobile Business		13,567.5	14,169.2	+ 601.6	+ 82.0	+ 0.6%
Financial Services Business		3,248.8	3,507.7	+ 258.9	+ 109.8	+ 3.4%
Power Products and Other Businesses		392.2	385.1	- 7.1	- 15.2	- 3.9%
Total		20,428.8	21,688.7	+ 1,259.9	+ 617.2	+ 3.0%

Market average rate (Yen)

U.S. Dollar	145	153
-------------	-----	-----

**Fiscal Fourth Quarter Ended March 31, 2025:  
Sales Revenue/Operating Profit by Geographical Segment**

**HONDA**

Yen (billion)

Three Months	Japan		North America		Europe		Asia		Other Regions	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Sales Revenue	1,289.1	1,432.4	3,171.7	3,106.4	307.7	280.9	1,307.0	1,268.0	304.1	319.7
Operating Profit	- 165.5	- 45.4	288.1	- 38.2	33.6	- 8.5	108.3	74.0	41.7	45.4
Change	+ 120.0 billion yen		- 326.3 billion yen		- 42.2 billion yen		- 31.7%		+ 9.1%	

Twelve Months	Japan		North America		Europe		Asia		Other Regions	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Sales Revenue	5,392.7	5,584.5	12,073.7	13,108.2	966.3	946.2	5,009.9	4,896.3	1,081.9	1,226.2
Operating Profit	151.0	191.1	694.9	435.2	60.3	5.3	397.8	408.2	153.9	177.8
Change	+ 26.5%		- 37.4%		- 91.2%		+ 2.6%		+ 15.5%	

# Fiscal Fourth Quarter Ended March 31, 2025: Capital Expenditures/Depreciation/R&D

**HONDA**

Yen (billion)	Three Months Ended March 31			Fiscal Year Ended March 31		
	2024 Results	2025 Results	Change	2024 Results	2025 Results	Change
Capital expenditures	167.6	216.5	+ 48.9	387.9	537.4	+ 149.4
Depreciation and amortization	121.1	115.3	- 5.7	486.0	456.1	- 29.8
Research and development expenditures	325.1	404.7	+ 79.6	976.3	1,210.6	+ 234.2

**FYE March 31, 2025: Consolidated Statements of Financial Position  
Divided into Non-financial Services Businesses and Finance Subsidiaries**

**HONDA**

Yen (billion)

Assets	FYE March 31, 2024	FYE March 31, 2025	Liabilities and Equity	FYE March 31, 2024	FYE March 31, 2025
Cash and cash equivalents	4,624.6	3,861.7	Trade payables	1,541.0	1,591.0
Trade receivables	1,247.0	1,180.1	Financing liabilities	862.9	645.8
Inventories	2,433.6	2,464.7	Other liabilities	3,634.8	3,751.2
Investments accounted for using the equity method	1,206.9	1,242.6	<b>Non-financial Services Businesses</b>	<b>6,039.0</b>	<b>5,988.3</b>
Property, plant and equipment	3,219.5	3,196.0	Financing liabilities	9,308.4	11,085.5
Other assets	3,524.0	4,046.9	Other liabilities	1,658.8	1,649.8
<b>Non-financial Services Businesses</b>	<b>16,256.1</b>	<b>15,992.2</b>	<b>Finance Subsidiaries</b>	<b>10,967.3</b>	<b>12,735.4</b>
Cash and cash equivalents	329.8	667.0	Reconciling items	- 238.1	- 575.7
Receivables from financial services	8,176.5	8,930.6	<b>Total liabilities</b>	<b>16,768.2</b>	<b>18,148.0</b>
Equipment on operating leases	5,202.7	5,748.1	Non-financial Services Businesses equity	10,217.1	10,003.9
Other assets	409.0	367.4	Finance Subsidiaries equity	3,151.0	2,977.8
<b>Finance Subsidiaries</b>	<b>14,118.3</b>	<b>15,713.3</b>	Reconciling items	- 362.2	- 353.9
Reconciling items	- 600.3	- 929.7	<b>Total equity</b>	<b>13,005.8</b>	<b>12,627.8</b>
<b>Total assets</b>	<b>29,774.1</b>	<b>30,775.8</b>	<b>Total liabilities and equity</b>	<b>29,774.1</b>	<b>30,775.8</b>

# Sales Revenue/Operating Profit by Business Segment

**HONDA**

Yen(billion)

Segment Information		QTD										YTD (FYE March 31)			
		FYE March 31, 2024				FYE March 31, 2025				Change	Change (%)	2024 Results	2025 Results	Change	Change (%)
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q						
Sales Revenue															
	Motorcycle Business	756.9	815.6	785.4	862.1	937.6	873.0	896.2	919.6	+ 57.4	+ 6.7%	3,220.1	3,626.6	+ 406.4	+ 12.6%
	Automobile Business	3,031.3	3,315.7	3,773.4	3,670.9	3,504.5	3,625.9	3,768.0	3,569.2	- 101.7	- 2.8%	13,791.5	14,467.8	+ 676.3	+ 4.9%
	Financial Services Business	773.6	804.2	810.2	863.6	939.3	875.1	848.6	849.0	- 14.6	- 1.7%	3,251.7	3,512.2	+ 260.4	+ 8.0%
	PP & Other Businesses	109.1	105.1	92.2	115.7	104.8	98.3	98.0	113.2	- 2.5	- 2.2%	422.3	414.6	- 7.7	- 1.8%
	Reconciling items	- 46.1	- 56.2	- 71.2	- 83.3	- 81.6	- 79.8	- 79.9	- 91.1	- 7.8	-	- 256.9	- 332.5	- 75.5	-
	Total	4,624.9	4,984.3	5,390.1	5,429.3	5,404.8	5,392.7	5,531.1	5,360.0	- 69.2	- 1.3%	20,428.8	21,688.7	+ 1,259.9	+ 6.2%
Operating Profit															
	Motorcycle Business	143.5	109.8	158.1	144.7	177.6	148.2	175.8	161.7	+ 17.0	+ 11.8%	556.2	663.4	+ 107.2	+ 19.3%
	Automobile Business	176.9	124.3	159.1	100.1	222.8	35.1	144.5	- 158.7	- 258.8	-	560.6	243.8	- 316.7	- 56.5%
	Financial Services Business	69.5	67.4	67.8	69.1	84.9	77.7	82.2	70.6	+ 1.5	+ 2.2%	273.9	315.6	+ 41.6	+ 15.2%
	PP & Other Businesses	4.4	0.3	- 5.2	- 8.3	- 0.7	- 3.2	- 5.3	- 0.0	+ 8.3	-	- 8.8	- 9.4	- 0.5	-
	Total	394.4	302.1	379.8	305.5	484.7	257.9	397.3	73.5	- 232.0	- 75.9%	1,381.9	1,213.4	- 168.4	- 12.2%
	Operating profit from aircraft and aircraft engines	- 5.6	- 8.8	- 10.0	- 8.3	- 9.7	- 9.3	- 9.3	- 10.5	- 2.1	-	- 32.9	- 38.8	- 5.9	-

# Honda Group Unit Sales/Consolidated Unit Sales



Unit (thousand)

Honda Group Unit Sales	FYE March 31									FYE March 31			Forecast		
	2024				2025				Change	2024 Results	2025 Results	Change	2024 Results	2025 Forecast	Change
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q							
Motorcycles	4,473	4,793	4,695	4,858	5,062	5,320	5,126	5,064	+ 206	18,819	20,572	+ 1,753	20,572	21,300	+ 728
Japan	58	64	59	60	50	50	58	66	+ 6	241	224	- 17	224	210	- 14
North America	120	135	119	124	132	137	144	135	+ 11	498	548	+ 50	548	545	- 3
Europe	119	110	95	116	138	127	96	114	- 2	440	475	+ 35	475	430	- 45
Asia	3,781	4,093	4,010	4,132	4,275	4,586	4,355	4,262	+ 130	16,016	17,478	+ 1,462	17,478	18,065	+ 587
Other Regions	395	391	412	426	467	420	473	487	+ 61	1,624	1,847	+ 223	1,847	2,050	+ 203
Automobiles	901	1,033	1,180	995	869	910	1,038	899	- 96	4,109	3,716	- 393	3,716	3,620	- 96
Japan	115	144	169	167	141	161	159	169	+ 2	595	630	+ 35	630	600	- 30
North America	393	385	433	417	406	430	435	383	- 34	1,628	1,654	+ 26	1,654	1,680	+ 26
Europe	20	23	25	35	23	25	17	28	- 7	103	93	- 10	93	90	- 3
Asia	343	446	518	344	264	257	383	278	- 66	1,651	1,182	- 469	1,182	1,090	- 92
Other Regions	30	35	35	32	35	37	44	41	+ 9	132	157	+ 25	157	160	+ 3
Power Products	983	843	722	1,264	822	831	863	1,184	- 80	3,812	3,700	- 112	3,700	3,670	- 30
Japan	60	72	72	98	46	78	65	89	- 9	302	278	- 24	278	250	- 28
North America	357	237	90	399	270	212	219	319	- 80	1,083	1,020	- 63	1,020	970	- 50
Europe	218	138	125	313	134	118	115	284	- 29	794	651	- 143	651	700	+ 49
Asia	288	314	340	352	301	351	364	397	+ 45	1,294	1,413	+ 119	1,413	1,410	- 3
Other Regions	60	82	95	102	71	72	100	95	- 7	339	338	- 1	338	340	+ 2
Consolidated Unit Sales															
Motorcycles	2,870	3,136	3,097	3,116	3,450	3,510	3,438	3,287	+ 171	12,219	13,685	+ 1,466	13,685	14,250	+ 565
Japan	58	64	59	60	50	50	58	66	+ 6	241	224	- 17	224	210	- 14
North America	120	135	119	124	132	137	144	135	+ 11	498	548	+ 50	548	545	- 3
Europe	119	110	95	116	138	127	96	114	- 2	440	475	+ 35	475	430	- 45
Asia	2,178	2,436	2,412	2,390	2,663	2,776	2,667	2,485	+ 95	9,416	10,591	+ 1,175	10,591	11,015	+ 424
Other Regions	395	391	412	426	467	420	473	487	+ 61	1,624	1,847	+ 223	1,847	2,050	+ 203
Automobiles	633	699	767	757	672	724	737	707	- 50	2,856	2,840	- 16	2,840	2,830	- 10
Japan	102	129	149	145	120	139	138	142	- 3	525	539	+ 14	539	505	- 34
North America	393	385	433	417	406	430	435	383	- 34	1,628	1,654	+ 26	1,654	1,680	+ 26
Europe	20	23	25	35	23	25	17	28	- 7	103	93	- 10	93	90	- 3
Asia	88	127	125	128	88	93	103	113	- 15	468	397	- 71	397	395	- 2
Other Regions	30	35	35	32	35	37	44	41	+ 9	132	157	+ 25	157	160	+ 3
Power Products	983	843	722	1,264	822	831	863	1,184	- 80	3,812	3,700	- 112	3,700	3,670	- 30
Japan	60	72	72	98	46	78	65	89	- 9	302	278	- 24	278	250	- 28
North America	357	237	90	399	270	212	219	319	- 80	1,083	1,020	- 63	1,020	970	- 50
Europe	218	138	125	313	134	118	115	284	- 29	794	651	- 143	651	700	+ 49
Asia	288	314	340	352	301	351	364	397	+ 45	1,294	1,413	+ 119	1,413	1,410	- 3
Other Regions	60	82	95	102	71	72	100	95	- 7	339	338	- 1	338	340	+ 2

# Automobile Retail Sales per Power Trains



Unit (thousand)

Electrified Automobile Retail Sales	FYE March 31									FYE March 31		
	2024				2025				Change	2024		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		Results	Results	Change
Global												
HEV	216	205	227	217	204	217	231	246	+ 29	865	898	+ 33
PHEV	3	8	8	5	4	5	5	3	- 2	23	17	- 6
EV	4	3	7	6	6	22	30	19	+ 13	21	77	+ 56
FCEV	-	-	-	-	-	0	0	0	+ 0	-	0	+ 0
Excluding China												
HEV	154	171	191	196	178	195	205	230	+ 34	712	808	+ 96
PHEV	0	1	1	1	1	1	0	1	+ 0	2	3	+ 1
EV	0	1	1	3	4	18	27	17	+ 14	5	67	+ 62
FCEV	-	-	-	-	-	0	0	0	+ 0	-	0	+ 0