

HONDA MOTOR CO LTD  
Form 6-K  
April 28, 2015  
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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 APRIL 2015

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 April 28, 2015, Honda Motor Co., Ltd. (the Company ) announced its consolidated financial results for the fiscal fourth quarter and the fiscal year ended March 31, 2015.

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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: April 28, 2015

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**April 28, 2015**

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

**CONSOLIDATED FINANCIAL RESULTS**

**FOR THE FISCAL FOURTH QUARTER AND**

**THE FISCAL YEAR ENDED MARCH 31, 2015**

Tokyo, April 28, 2015 Honda Motor Co., Ltd. today announced its consolidated financial results for the fiscal fourth quarter and the fiscal year ended March 31, 2015.

**Fourth Quarter Results**

Honda's consolidated net income attributable to Honda Motor Co., Ltd. for the fiscal fourth quarter ended March 31, 2015 totaled JPY 97.8 billion (USD 814 million), a decrease of 42.6% from the same period last year. Basic net income attributable to Honda Motor Co., Ltd. per common share for the quarter amounted to JPY 54.29 (USD 0.45), a decrease of JPY 40.32 (USD 0.34) from JPY 94.61 for the corresponding period last year. One Honda American Depository Share represents one common share.

Consolidated net sales and other operating revenue (herein referred to as revenue) for the quarter amounted to JPY 3,353.7 billion (USD 27,908 million), an increase of 8.3% from the same period last year, due primarily to increased revenue in motorcycle business operations, as well as favorable foreign currency translation effects, despite decreased revenue in automobile business operations.

Consolidated operating income for the quarter amounted to JPY 111.9 billion (USD 932 million), a decrease of 32.3% from the same period last year, due primarily to increased SG&A expenses including product warranty expenses as well as a decrease in sales volume and model mix, despite favorable foreign currency effects.

Consolidated income before income taxes and equity in income of affiliates for the quarter totaled JPY 116.8 billion (USD 972 million), a decrease of 33.1% from the same period last year.

Equity in income of affiliates amounted to JPY 36.6 billion (USD 305 million) for the quarter, a decrease of 1.9% from the corresponding period last year.

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

For the three months ended March 31, 2014 and 2015

|               | Honda Group Unit Sales           |                                  |              |        | Unit (Thousands)                 |                                  | Consolidated Unit Sales |        |     |
|---------------|----------------------------------|----------------------------------|--------------|--------|----------------------------------|----------------------------------|-------------------------|--------|-----|
|               | Three months ended Mar. 31, 2014 | Three months ended Mar. 31, 2015 | Change       | %      | Three months ended Mar. 31, 2014 | Three months ended Mar. 31, 2015 | Change                  | %      |     |
|               | <b>Motorcycle business</b>       | 4,500                            | <b>4,615</b> | 115    | 2.6                              | 2,730                            | <b>2,779</b>            | 49     | 1.8 |
| Japan         | 57                               | <b>52</b>                        | - 5          | - 8.8  | 57                               | <b>52</b>                        | - 5                     | - 8.8  |     |
| North America | 83                               | <b>85</b>                        | 2            | 2.4    | 83                               | <b>85</b>                        | 2                       | 2.4    |     |
| Europe        | 49                               | <b>53</b>                        | 4            | 8.2    | 49                               | <b>53</b>                        | 4                       | 8.2    |     |
| Asia          | 3,843                            | <b>4,041</b>                     | 198          | 5.2    | 2,073                            | <b>2,205</b>                     | 132                     | 6.4    |     |
| Other Regions | 468                              | <b>384</b>                       | - 84         | - 17.9 | 468                              | <b>384</b>                       | - 84                    | - 17.9 |     |

Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for under the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated net sales 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 fourth quarter by business segment, in motorcycle business operations, revenue from sales to external customers increased 14.7%, to JPY 514.5 billion (USD 4,282 million) from the same period last year due mainly to increased consolidated unit sales, as well as favorable foreign currency translation effects. Operating income totaled JPY 45.6 billion (USD 380 million), an increase of 6.2% from the same period last year, due primarily to an increase in sales volume and model mix, as well as favorable foreign currency effects, despite increased SG&A expenses.

**Automobile Business**

For the three months ended March 31, 2014 and 2015

|               | Honda Group Unit Sales           |                                  |              |        | Unit (Thousands)                 |                                  | Consolidated Unit Sales |        |       |
|---------------|----------------------------------|----------------------------------|--------------|--------|----------------------------------|----------------------------------|-------------------------|--------|-------|
|               | Three months ended Mar. 31, 2014 | Three months ended Mar. 31, 2015 | Change       | %      | Three months ended Mar. 31, 2014 | Three months ended Mar. 31, 2015 | Change                  | %      |       |
|               | <b>Automobile business</b>       | 1,195                            | <b>1,204</b> | 9      | 0.8                              | 933                              | <b>915</b>              | - 18   | - 1.9 |
| Japan         | 282                              | <b>221</b>                       | - 61         | - 21.6 | 280                              | <b>219</b>                       | - 61                    | - 21.8 |       |
| North America | 386                              | <b>397</b>                       | 11           | 2.8    | 386                              | <b>397</b>                       | 11                      | 2.8    |       |
| Europe        | 51                               | <b>48</b>                        | - 3          | - 5.9  | 51                               | <b>48</b>                        | - 3                     | - 5.9  |       |
| Asia          | 405                              | <b>464</b>                       | 59           | 14.6   | 145                              | <b>177</b>                       | 32                      | 22.1   |       |
| Other Regions | 71                               | <b>74</b>                        | 3            | 4.2    | 71                               | <b>74</b>                        | 3                       | 4.2    |       |

Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for under the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated net sales 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 U.S. generally accepted accounting principles and are not included in consolidated net sales to the external customers in our Automobile business. As a result, they are not included in

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Consolidated Unit Sales, but are included in Honda Group Unit Sales of our Automobile business.

In automobile business operations, revenue from sales to external customers increased 6.2%, to JPY 2,524.7 billion (USD 21,010 million) from the same period last year due mainly to favorable foreign currency translation effects, despite decreased consolidated unit sales. Operating income totaled JPY 20.8 billion (USD 173 million), a decrease of 71.5% from the same period last year, due primarily to increased SG&A expenses including product warranty expenses, as well as a decrease in sales volume and model mix, despite favorable foreign currency effects.

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

Revenue from customers in the financial services business operations increased 17.9%, to JPY 221.3 billion (USD 1,842 million) from the same period last year due mainly to an increase in revenue from operating leases and favorable foreign currency translation effects. Operating income increased 2.5% to JPY 50.0 billion (USD 416 million) from the same period last year due mainly to favorable foreign currency effects, despite an increase in costs related to lease residual values.

**Power Product and Other Businesses**

For the three months ended March 31, 2014 and 2015

|                               | Unit (Thousands)  |   |        |       |
|-------------------------------|---|---|--------|-------|
|                               | Honda Group<br>Three<br>months<br>ended<br>Mar. 31,<br>2014 | Unit Sales/Consolidated<br>Three<br>months<br>ended<br>Mar. 31,<br>2015 | Change | %     |
| <b>Power product business</b> | 1,990   | <b>2,057</b>  | 67     | 3.4   |
| Japan                         | 95  | <b>102</b>  | 7      | 7.4   |
| North America                 | 959   | <b>1,005</b>  | 46     | 4.8   |
| Europe                        | 441   | <b>465</b>  | 24     | 5.4   |
| Asia                          | 372   | <b>353</b>  | - 19   | - 5.1 |
| Other Regions                 | 123   | <b>132</b>  | 9      | 7.3   |

Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for under the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated net sales to external customers, which consists of unit sales of completed 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 March 31, 2014 and for the three months ended March 31, 2015, since no affiliate accounted for under the equity method was involved in the sale of Honda power products.

Revenue from sales to external customers in power product and other businesses totaled to JPY 93.0 billion (USD 774 million), an increase of 12.5% from the same period last year, due mainly to increased consolidated power product unit sales as well as favorable foreign currency translation effects. Honda reported an operating loss of JPY 4.5 billion (USD 38 million), a decline of 5.0 billion (USD 42 million) from the same period last year, due mainly to increased expenses in other businesses, as well as unfavorable foreign currency effects.



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**Geographical Information**

With respect to Honda's sales for the fiscal fourth quarter by geographic segment, in Japan, revenue from domestic and export sales amounted to JPY 1,020.1 billion (USD 8,489 million), a decrease of 8.0% from the same period last year due mainly to decreased revenue in automobile business operations. Operating income totaled JPY 13.7 billion (USD 114 million), a decrease of 68.3% from the same period last year, due mainly to a decrease in sales volume and model mix, as well as increased SG&A expenses, despite favorable foreign currency effects.

In North America, revenue increased by 18.0%, to JPY 1,658.0 billion (USD 13,797 million) from the same period last year due mainly to increased revenue in automobile business operations, as well as favorable foreign currency translation effects. Operating income totaled JPY 11.6 billion (USD 97 million), a decrease of 72.1% from the same period last year due mainly to increased SG&A expenses including product warranty expenses, despite an increase in sales volume and model mix.

In Europe, revenue decreased by 19.3%, to JPY 196.9 billion (USD 1,639 million) from the same period last year due mainly to decreased revenue in automobile business operations, as well as unfavorable foreign currency translation effects. Honda reported an operating loss of JPY 5.7 billion (USD 48 million), a decline of JPY 20.6 billion (USD 172 million) from the same period last year due mainly to increased SG&A expenses, a decrease in sales volume and model mix, as well as unfavorable foreign currency effects.

In Asia, revenue increased by 24.7%, to JPY 933.1 billion (USD 7,765 million) from the same period last year mainly due to increased revenue in automobile and motorcycle business operations, as well as favorable foreign currency translation effects. Operating income increased by 30.9%, to JPY 70.7 billion (USD 589 million) from the same period last year due mainly to continuing cost reduction efforts, an increase in sales volume and model mix, as well as favorable foreign currency effects, despite increased SG&A expenses.

In Other regions, which includes South America, the Middle/Near East, Africa and Oceania, revenue decreased by 3.2%, to JPY 252.0 billion (USD 2,097 million) from the same period last year, mainly due to decreased revenue in motorcycle business operations, despite favorable foreign currency translation effects. Operating income totaled JPY 8.6 billion (USD 72 million), a decrease of 33.2% from the same period last year, mainly due to increased SG&A expenses, as well as unfavorable foreign currency effects.

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Explanatory note:

United States dollar amounts have been translated from yen solely for the convenience of the reader at the rate of JPY 120.17=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 March 31, 2015.

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**Fiscal Year Results**

Honda's consolidated net income attributable to Honda Motor Co., Ltd. for the fiscal year ended March 31, 2015 totaled JPY 522.7 billion, a decrease of 8.9% from the previous fiscal year. Basic net income attributable to Honda Motor Co., Ltd. per common share for the year amounted to JPY 290.06, a decrease of JPY 28.48 from JPY 318.54 for the previous fiscal year.

Consolidated net sales and other operating revenue for the year amounted to JPY 12,646.7 billion, an increase of 6.8% from the previous fiscal year, due primarily to increased revenue in motorcycle business operations, as well as favorable foreign currency translation effects.

Consolidated operating income for the year amounted to JPY 651.6 billion, a decrease of 13.1% from the previous fiscal year, due primarily to increased SG&A expenses including product warranty expenses, and increased R&D expenses, despite continuing cost reduction efforts and favorable foreign currency effects.

Consolidated income before income taxes and equity in income of affiliates for the year totaled JPY 689.6 billion, a decrease of 5.4% from the previous fiscal year.

Equity in income of affiliates amounted to JPY 126.5 billion for the year, a decrease of 4.5% from the previous fiscal year.

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

For the years ended March 31, 2014 and 2015

|                            | Honda Group Unit Sales |                  |        |        | Unit (Thousands) |                  | Consolidated Unit Sales |        |  |
|----------------------------|------------------------|------------------|--------|--------|------------------|------------------|-------------------------|--------|--|
|                            | Year ended             | Year ended       | Change | %      | Year ended       | Year ended       | Change                  | %      |  |
|                            | Mar.<br>31, 2014       | Mar.<br>31, 2015 |        |        | Mar.<br>31, 2014 | Mar.<br>31, 2015 |                         |        |  |
| <b>Motorcycle business</b> | 17,021                 | <b>17,765</b>    | 744    | 4.4    | 10,343           | <b>10,742</b>    | 399                     | 3.9    |  |
| Japan                      | 226                    | <b>199</b>       | - 27   | - 11.9 | 226              | <b>199</b>       | - 27                    | - 11.9 |  |
| North America              | 276                    | <b>285</b>       | 9      | 3.3    | 276              | <b>285</b>       | 9                       | 3.3    |  |
| Europe                     | 166                    | <b>192</b>       | 26     | 15.7   | 166              | <b>192</b>       | 26                      | 15.7   |  |
| Asia                       | 14,536                 | <b>15,504</b>    | 968    | 6.7    | 7,858            | <b>8,481</b>     | 623                     | 7.9    |  |
| Other Regions              | 1,817                  | <b>1,585</b>     | - 232  | - 12.8 | 1,817            | <b>1,585</b>     | - 232                   | - 12.8 |  |

Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for under the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated net sales 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 year by business segment, in motorcycle business operations, revenue from sales to external customers increased 9.6%, to JPY 1,824.1 billion from the previous fiscal year, due mainly to increased consolidated unit sales, as well as favorable foreign currency translation effects. Operating income totaled JPY 181.3 billion, an increase of 9.5% from the previous fiscal year, due primarily to an increase in sales volume and model mix, as well as favorable foreign currency effects, despite increased SG&A expenses.

**Automobile Business**

For the years ended March 31, 2014 and 2015

|                            | Honda Group Unit Sales |                  |        |       | Unit (Thousands) |                  | Consolidated Unit Sales |       |  |
|----------------------------|------------------------|------------------|--------|-------|------------------|------------------|-------------------------|-------|--|
|                            | Year ended             | Year ended       | Change | %     | Year ended       | Year ended       | Change                  | %     |  |
|                            | Mar.<br>31, 2014       | Mar.<br>31, 2015 |        |       | Mar.<br>31, 2014 | Mar.<br>31, 2015 |                         |       |  |
| <b>Automobile business</b> | 4,323                  | <b>4,364</b>     | 41     | 0.9   | 3,560            | <b>3,567</b>     | 7                       | 0.2   |  |
| Japan                      | 818                    | <b>761</b>       | - 57   | - 7.0 | 812              | <b>752</b>       | - 60                    | - 7.4 |  |
| North America              | 1,757                  | <b>1,746</b>     | - 11   | - 0.6 | 1,757            | <b>1,746</b>     | - 11                    | - 0.6 |  |
| Europe                     | 169                    | <b>167</b>       | - 2    | - 1.2 | 169              | <b>167</b>       | - 2                     | - 1.2 |  |
| Asia                       | 1,286                  | <b>1,425</b>     | 139    | 10.8  | 529              | <b>637</b>       | 108                     | 20.4  |  |
| Other Regions              | 293                    | <b>265</b>       | - 28   | - 9.6 | 293              | <b>265</b>       | - 28                    | - 9.6 |  |

Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for under the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated net sales 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 U.S. generally accepted accounting principles and are not included in consolidated net sales to the external customers in our Automobile business. As a result, they are not included in Consolidated Unit Sales, but are included in Honda Group Unit Sales of our Automobile business.

In automobile business operations, revenue from sales to external customers increased 5.6%, to JPY 9,693.2 billion from the previous fiscal year due mainly to favorable foreign currency translation effects. Operating income totaled JPY 276.2 billion, a decrease of 31.6% from the previous fiscal year, due primarily to increased SG&A expenses including product warranty expenses and increased R&D expenses, despite continuing cost reduction efforts and favorable foreign currency effects.



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

Revenue from customers in the financial services business operations increased 16.7%, to JPY 814.4 billion from the previous fiscal year due mainly to an increase in revenue from operating leases and favorable foreign currency translation effects. Operating income increased 10.1% to JPY 201.1 billion from the previous fiscal year due mainly to increased revenue, as well as favorable foreign currency effects.

**Power Product and Other Businesses**

For the years ended March 31, 2014 and 2015

|                               | Unit (Thousands)                                |                                |        |       |
|-------------------------------|---|--------------------------------|--------|-------|
|                               | Honda Group Unit Sales/ Consolidated Unit Sales |                                | Change | %     |
|                               | Year ended<br>Mar.<br>31, 2014                  | Year ended<br>Mar.<br>31, 2015 |        |       |
| <b>Power product business</b> | 6,036   | <b>6,001</b>                   | - 35   | - 0.6 |
| Japan                         | 314   | <b>338</b>                     | 24     | 7.6   |
| North America                 | 2,718   | <b>2,698</b>                   | - 20   | - 0.7 |
| Europe                        | 1,032   | <b>1,093</b>                   | 61     | 5.9   |
| Asia                          | 1,500   | <b>1,403</b>                   | - 97   | - 6.5 |
| Other Regions                 | 472   | <b>469</b>                     | - 3    | - 0.6 |

Note: Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates accounted for under the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated net sales to external customers, which consists of unit sales of completed 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 year ended March 31, 2014 and for the year ended March 31, 2015, since no affiliate accounted for under the equity method was involved in the sale of Honda power products.

Revenue from sales to external customers in power product and other businesses totaled to JPY 314.8 billion, an increase of 3.5% from the previous fiscal year, due mainly to favorable foreign currency translation effects, despite decreased consolidated power product unit sales. Honda reported an operating loss of JPY 7.0 billion, a decline of JPY 5.2 billion from the previous fiscal year, due mainly to increased expenses in other businesses as well as unfavorable foreign currency effects.

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**Geographical Information**

With respect to Honda's sales for the fiscal year by geographic segment, in Japan, revenue from domestic and export sales amounted to JPY 3,937.4 billion, a decrease of 6.1% from the previous fiscal year due mainly to decreased revenue in automobile business operations. Operating income totaled JPY 177.8 billion, a decrease of 16.9% from the previous fiscal year due mainly to increased SG&A and R&D expenses, as well as a decrease in sales volume and model mix, despite favorable foreign currency effects.

In North America, revenue increased by 9.3%, to JPY 6,527.3 billion from the previous fiscal year due mainly to favorable foreign currency translation effects, despite decreased revenue in automobile business operations. Operating income totaled JPY 200.2 billion, a decrease of 31.2% from the previous fiscal year due mainly to increased SG&A expenses including product warranty expenses as well as a decrease in sales volume and model mix, despite continuing cost reduction efforts.

In Europe, revenue decreased by 4.4%, to JPY 740.9 billion from the previous fiscal year mainly due to decreased revenue in automobile business operations, despite increased revenue in motorcycle business operations as well as favorable foreign currency translation effects. Honda reported an operating loss of JPY 18.8 billion, a decline of JPY 1.6 billion from the previous fiscal year mainly due to unfavorable foreign currency effects, despite an increase in sales volume and model mix.

In Asia, revenue increased by 16.4%, to JPY 3,290.7 billion from the previous fiscal year mainly due to increased revenue in automobile and motorcycle business operations, as well as favorable foreign currency translation effects. Operating income increased by 27.5%, to JPY 277.9 billion from the previous fiscal year due mainly to an increase in sales volume and model mix, continuing cost reduction efforts, as well as favorable foreign currency effects, despite increased SG&A expenses.

In Other regions, which includes South America, the Near/Middle East, Africa and Oceania, revenue decreased by 8.0%, to JPY 943.6 billion from the previous fiscal year, mainly due to decreased revenue in automobile and motorcycle business operations, as well as unfavorable foreign currency translation effects. Operating income totaled JPY 35.4 billion, a decrease of 21.1% from the previous fiscal year mainly due to increased SG&A expenses as well as unfavorable foreign currency effects.

**Table of Contents****Forecasts for the Fiscal Year Ending March 31, 2016**

Honda decided to voluntarily adopt IFRS for the Company's consolidated financial statements for the year ending March 31, 2015 to be included in the annual securities report (to be submitted to the Financial Services Agency of Japan) and Form 20-F (to be submitted to the U.S. Securities and Exchange Commission) for that fiscal year. Accordingly, the Company's forecasts for the year ending March 31, 2016 are based on IFRS.

In regard to the forecasts of the financial results for the fiscal year ending March 31, 2016, Honda projects consolidated results to be as shown below:

**Fiscal year ending March 31, 2016**

|  | <b>Yen (billions)</b> |                 | <b>(Reference)</b> |
|--|-----------------------|-----------------|--------------------|
|  | <b>FY2015</b>         | <b>FY2016</b>   | <b>FY2016</b>      |
|  | <b>Results</b>        | <b>Forecast</b> | <b>Forecast</b>    |
|  | <b>(U.S. GAAP)</b>    | <b>(IFRS)</b>   | <b>(U.S. GAAP)</b> |
| Sales revenue  | 12,646.7              | 14,500.0        | 13,850.0           |
| Operating profit   | 651.6                 | 685.0           | 660.0              |
| Profit before income taxes                               | 689.6                 | 805.0           | 650.0              |
| Profit for the year attributable to owners of the parent | 522.7                 | 525.0           | 525.0              |
|  | <b>Yen</b>            |                 |                    |
| Earnings per share attributable to owners of the parent  | 290.06                | 291.3           | 291.3              |

Note: 1 The forecasts are based on the assumption that the average exchange rates for the Japanese yen to the U.S. dollar and the Euro will be JPY 115 and JPY 125, respectively, for the full year ending March 31, 2016.

2 Net sales and other operating revenue in U.S. GAAP is stated as Sales revenue

3 Net income attributable to Honda Motor Co., Ltd. in U.S. GAAP is stated as Profit for the year attributable to owners of the parent



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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, 2016 from the previous year are as follows.

|  | <b>Yen (billions)</b> |
|--|-----------------------|
| Revenue, model mix, etc.   | 167.3                 |
| Cost reduction, the effect of raw material cost fluctuations, etc. | 60.0                  |
| SG&A expenses  | - 90.0                |
| R&D expenses   | - 44.0                |
| Currency effect  | - 85.0                |
| Fair value of derivative instruments                               | - 17.0                |
| Others   | - 30.9                |
| GAAP difference  | 155.0                 |
| <b>Profit before income taxes compared with fiscal year 2015</b>   | <b>115.4</b>          |

The GAAP difference in the forecasts of profit before income taxes for the fiscal year ending March 31, 2016, due to adoption of IFRS, are as follows.

|   | <b>Yen (billions)</b> |
|---|-----------------------|
| Capitalized development cost                  | 50.0                  |
| Post-employment benefits                      | - 23.0                |
| Translation of Equity in income of affiliates | 135.0                 |
| Others  | - 7.0                 |
| <b>GAAP difference</b>                        | <b>155.0</b>          |

This announcement contains forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are based on management's assumptions and beliefs taking into account information currently available to it. Therefore, please be advised that Honda's actual results could differ materially from those described in these forward-looking statements as a result of numerous factors, including general economic conditions in Honda's principal markets and foreign exchange rates between the Japanese yen and the U.S. dollar, the Euro and other major currencies, as well as other factors detailed from time to time.

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**Consolidated Statements of Balance Sheets for the Fiscal Year Ended March 31, 2015**

Total assets increased by JPY 2,453.3 billion, to JPY 18,075.3 billion from March 31, 2014, mainly due to increases in Property on operating lease, Cash and cash equivalents and Property, plant and equipment, as well as foreign currency translation effects. Total liabilities increased by JPY 1,602.5 billion, to JPY 11,111.1 billion from March 31, 2014, mainly due to an increase in Short-term debt and Long-term debt excluding current portion, as well as foreign currency translation effects. Total equity increased by JPY 850.8 billion, to JPY 6,964.2 billion from March 31, 2014 due mainly to increased Retained earnings attributable to net income, as well as foreign currency translation effects.

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**Consolidated Statements of Cash Flow for the Fiscal Year Ended March 31, 2015**

Consolidated cash and cash equivalents on March 31, 2015 increased by JPY 297.6 billion from March 31, 2014, to JPY 1,466.5 billion. The reasons for the increases or decreases for each cash flow activity, when compared with the previous fiscal year, are as follows:

*Cash flow from operating activities*

Net cash provided by operating activities amounted to JPY 1,419.2 billion for the fiscal year ended March 31, 2015. Cash inflows from operating activities increased by JPY 190.0 billion compared with the previous fiscal year due mainly to an increase in cash received from customers as a result of increased unit sales, despite increased payments for parts and raw materials.

*Cash flow from investing activities*

Net cash used in investing activities amounted to JPY 1,252.1 billion. Cash outflows from investing activities decreased by JPY 456.5 billion compared with the previous fiscal year, due mainly to a decrease in acquisitions of finance subsidiaries-receivables as well as an increase in collections of finance subsidiaries-receivables, despite an increase in purchases of operating lease assets.

*Cash flow from financing activities*

Net cash provided by financing activities amounted to JPY 30.3 billion. Cash inflows from financing activities decreased by JPY 340.1 billion compared with the previous fiscal year, due mainly to a decrease in proceeds from debt, as well as an increase in cash outflow due to an increase in dividends paid.

**Table of Contents**Supplemental information for cash flows

|  | FY2014<br>Year-end | FY2015<br>Year-end |
|--|--------------------|--------------------|
| Shareholders' equity ratio (%)                         | 37.9               | <b>37.2</b>        |
| Shareholders' equity ratio on a market price basis (%) | 41.9               | <b>38.9</b>        |
| Repayment period (years)                               | 4.8                | <b>4.8</b>         |
| Interest coverage ratio                                | 16.0               | <b>16.6</b>        |

Shareholders' equity ratio: Honda Motor Co., Ltd. shareholders' equity / total assets

Shareholders' equity ratio on a market price basis: issued common stock stated at market price / total assets

Repayment period: interest bearing debt / cash flows from operating activities

Interest coverage ratio: (cash flows from operating activities + interest paid) / interest paid

Explanatory notes:

1. All figures are calculated based on the information included in the consolidated financial statements.
2. Cash flows from operating activities are obtained from the consolidated statement of cash flows.
3. Interest bearing debt represents Honda's outstanding debts with interest payments, which are included on the consolidated balance sheets.
4. Shareholders' equity ratio is calculated based on total Honda Motor Co., Ltd. shareholders' equity.

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**Profit Redistribution Policy and Dividend per Share of Common Stock for the fiscal years 2015 and 2016**

The Company strives to carry out its operations worldwide from a global perspective and to increase its corporate value. With respect to the redistribution of profits to our shareholders, which we consider to be one of the most important management issues, the Company's basic policy for dividends is to make distributions after taking into account its long-term consolidated earnings performance.

The Company will also acquire its own shares at the optimal timing with the goal of improving efficiency of the Company's capital structure and implementing a flexible capital policy. The present goal is to maintain a shareholders return ratio (i.e. the ratio of the total of the dividend payment and the repurchase of the Company's own shares to consolidated net income attributable to Honda Motor Co., Ltd.) of approximately 30%. Retained earnings will be allocated toward financing R&D activities that are essential for the future growth of the Company and capital expenditures and investment programs that will expand its operations for the purpose of improving business results and strengthening the Company's financial condition.

The Company plans to distribute year-end cash dividends of JPY 22 per share for the year ended March 31, 2015. As a result, total cash dividends for the year ended March 31, 2015, together with the first quarter cash dividends of JPY 22, the second quarter cash dividends of JPY 22 and the third quarter cash dividends of JPY 22, are planned to be JPY 88 per share, an increase of JPY 6 per share from the annual dividends paid for the year ended March 31, 2014.

Also, please note that the year-end cash dividends for the year ended March 31, 2015 is a matter to be resolved at the ordinary general meeting of shareholders.

The Company expects to distribute quarterly cash dividends of JPY 22 per share for each quarter for the year ending March 31, 2016. As a result, total cash dividends for the year ending March 31, 2016 are expected to be JPY 88 per share.

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### **Management Policy**

Honda's business activities are based on fundamental corporate philosophies known as "Respect for the Individual" and "The Three Joys." "Respect for the Individual" defines Honda's relationship with its associates, business partners and society. It is based on sharing a commitment to initiative, equality and mutual trust among people. It is Honda's belief that everyone who comes into contact with Honda's activities will gain a sense of satisfaction through the experience of buying, selling or creating Honda's products and services. This philosophy is expressed as "The Three Joys." With these corporate philosophies as the foundation, Honda's business is guided by the following Company Principle:

Maintaining a global viewpoint, we are dedicated to supplying products of the highest quality at a reasonable price for worldwide customer satisfaction. Honda actively works to share a sense of satisfaction with all of its customers as well as its shareholders, and to continue improving its corporate value.

### **Medium- and Long-term Management Strategy and Management Target: Preparing for the Future**

Honda aims to achieve global growth by further encouraging and strengthening innovation and creativity and creating quality products that please the customers and exceed their expectations.

Honda will focus all its energies on the tasks set out below as it pursues the vision toward 2020 of providing good products to customers with speed, affordability and low CO<sub>2</sub> emissions.

#### **1. Product Quality**

Honda will strive to improve its product quality by verification within each department of development, purchasing, production, sales and service, along with integrated verification through coordination among those departments.

#### **2. Research and Development**

Honda will continue to be innovative in advanced technology and products, aiming to create and introduce new value-added products to quickly respond to specific needs in various markets around the world, in addition to its efforts to develop the most effective safety and environmental technologies. Honda will also continue its efforts to conduct research on experimental technologies for the future.

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### 3. Production Efficiency

Honda will strengthen its production systems at its global production bases and supply high-quality products flexibly and efficiently, with the aim of meeting the needs of its customers in each region. Honda will work at improving its global supply chain by devising more effective business continuity plans in order to respond to various risks including but not limited to natural disasters.

### 4. Sales Efficiency

Honda will remain proactive in its efforts to expand product lines and the innovative use of IT to show its continued commitment to different customers throughout the world by upgrading its sales and service structure.

### 5. Safety Technologies

Honda is working to develop safety technologies that enhance accident prediction and prevention, technologies to help reduce the risk of injuries to passengers and pedestrians from car accidents and technologies that enhance compatibility between large and small vehicles, as well as expand its lineup of products incorporating such technologies. Honda will reinforce and continue to advance its contribution to traffic safety in motorized societies in Japan and abroad. Honda also intends to remain active in a variety of traffic safety programs, including advanced driving and motorcycling training programs provided by local dealerships.

### 6. The Environment

Honda will step up its efforts to create better, cleaner and more fuel-efficient engine technologies and to further improve recyclables throughout its product lines as well as further promote the development of fuel cells. Honda has now set a target to reduce CO<sub>2</sub> emissions from its global products by 30% by 2020 compared to year 2000 levels. Honda will strengthen its efforts to realize reductions in CO<sub>2</sub> emissions through its entire corporate activities including production and its supply chain. Furthermore, Honda will strengthen its efforts in advancing technologies in the area of total energy management, to reduce CO<sub>2</sub> emissions from mobility and people's everyday lives.

### 7. Continuing to Enhance Honda's Social Reputation and Communication with the Community

In addition to continuing to provide products incorporating Honda's advanced safety and environmental technologies, Honda will continue striving to enhance its social reputation by, among other things, strengthening its corporate governance, compliance and risk management as well as participating in community activities and making philanthropic contributions.

Through these company-wide activities, Honda will strive to be a company that its shareholders, investors, customers and society want it to exist.

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**Basic Rationale for Selection of Accounting Standards**

The Company decided to voluntarily adopt IFRS for the Company's consolidated financial statements for the year ending March 31, 2015 to be included in the annual securities report (to be submitted to the Financial Services Agency of Japan) and Form 20-F (to be submitted to the U.S. Securities and Exchange Commission), aiming at improving comparability of financial information across international capital markets as well as standardization of financial information and enhancing efficiency of financial reporting of the Company and its consolidated subsidiaries.



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

For the three months and the year ended March 31, 2014 and 2015

**Financial Highlights**

|  | Yen (millions)     |                    |                        |                   |
|--|--------------------|--------------------|------------------------|-------------------|
|  | Three months ended | Three months ended | Year ended             | Year ended        |
|  | Mar. 31, 2014      | Mar. 31, 2015      | Mar. 31, 2014          | Mar. 31, 2015     |
| Net sales and other operating revenue                                  | 3,097,246          | <b>3,353,728</b>   | 11,842,451             | <b>12,646,747</b> |
| Operating income   | 165,293            | <b>111,940</b>     | 750,281                | <b>651,678</b>    |
| Income before income taxes and equity in income of affiliates          | 174,706            | <b>116,816</b>     | 728,940                | <b>689,609</b>    |
| Net income attributable to Honda Motor Co., Ltd.                       | 170,508            | <b>97,838</b>      | 574,107                | <b>522,764</b>    |
|  |                    |                    | Yen                    |                   |
| Basic net income attributable to Honda Motor Co., Ltd per common share | 94.61              | <b>54.29</b>       | 318.54                 | <b>290.06</b>     |
|  |                    |                    | U.S. Dollar (millions) |                   |
|  |                    | Three months ended | Year ended             |                   |
|  |                    | Mar. 31, 2015      | Mar. 31, 2015          |                   |
| Net sales and other operating revenue                                  |                    | <b>27,908</b>      | <b>105,240</b>         |                   |
| Operating income   |                    | <b>932</b>         | <b>5,423</b>           |                   |
| Income before income taxes and equity in income of affiliates          |                    | <b>972</b>         | <b>5,739</b>           |                   |
| Net income attributable to Honda Motor Co., Ltd.                       |                    | <b>814</b>         | <b>4,350</b>           |                   |
|  |                    |                    | U.S. Dollar            |                   |
| Basic net income attributable to Honda Motor Co., Ltd per common share |                    | <b>0.45</b>        | <b>2.41</b>            |                   |

**Table of Contents****[1] Consolidated Balance Sheets**

|  | Yen (millions)    |                   |
|--|-------------------|-------------------|
|  | Mar. 31, 2014     | Mar. 31, 2015     |
| <b>Assets</b>                                  |                   |                   |
| <b>Current assets:</b>                         |                   |                   |
| Cash and cash equivalents                      | 1,168,914         | 1,466,525         |
| Trade accounts and notes receivable            | 1,158,671         | 1,211,219         |
| Finance subsidiaries-receivables, net          | 1,464,215         | 1,645,570         |
| Inventories                                    | 1,302,895         | 1,486,177         |
| Deferred income taxes                          | 202,123           | 195,254           |
| Other current assets                           | 474,448           | 607,161           |
| <b>Total current assets</b>                    | <b>5,771,266</b>  | <b>6,611,906</b>  |
| <b>Finance subsidiaries-receivables, net</b>   | <b>3,317,553</b>  | <b>3,558,931</b>  |
| <b>Investments and advances:</b>               |                   |                   |
| Investments in and advances to affiliates      | 564,266           | 660,301           |
| Other, including marketable equity securities  | 253,661           | 285,633           |
| <b>Total investments and advances</b>          | <b>817,927</b>    | <b>945,934</b>    |
| <b>Property on operating leases:</b>           |                   |                   |
| Vehicles                                       | 2,718,131         | 3,628,128         |
| Less accumulated depreciation                  | 481,410           | 628,643           |
| <b>Net property on operating leases</b>        | <b>2,236,721</b>  | <b>2,999,485</b>  |
| <b>Property, plant and equipment, at cost:</b> |                   |                   |
| Land   | 521,806           | 541,088           |
| Buildings                                      | 1,895,140         | 2,113,307         |
| Machinery and equipment                        | 4,384,255         | 5,035,280         |
| Construction in progress                       | 339,093           | 366,547           |
|  | 7,140,294         | 8,056,222         |
| Less accumulated depreciation and amortization | 4,321,862         | 4,843,364         |
| <b>Net property, plant and equipment</b>       | <b>2,818,432</b>  | <b>3,212,858</b>  |
| <b>Other assets</b>                            | <b>660,132</b>    | <b>746,249</b>    |
| <b>Total assets</b>                            | <b>15,622,031</b> | <b>18,075,363</b> |

**Table of Contents****[1] Consolidated Balance Sheets continued**

|   | Yen (millions)    |                   |
|---|-------------------|-------------------|
|   | Mar. 31, 2014     | Mar. 31, 2015     |
| <b>Liabilities and Equity</b>   |                   |                   |
| <b>Current liabilities:</b>   |                   |                   |
| Short-term debt   | 1,319,344         | 1,592,881         |
| Current portion of long-term debt   | 1,303,464         | 1,264,149         |
| Trade payables:   |                   |                   |
| Notes   | 28,501            | 42,535            |
| Accounts  | 1,071,179         | 1,171,085         |
| Accrued expenses  | 626,503           | 728,927           |
| Income taxes payable  | 43,085            | 52,306            |
| Other current liabilities   | 319,253           | 436,601           |
| <b>Total current liabilities</b>  | <b>4,711,329</b>  | <b>5,288,484</b>  |
| <b>Long-term debt, excluding current portion</b>  | <b>3,234,066</b>  | <b>3,933,860</b>  |
| <b>Other liabilities</b>  | <b>1,563,238</b>  | <b>1,888,816</b>  |
| <b>Total liabilities</b>  | <b>9,508,633</b>  | <b>11,111,160</b> |
| <b>Equity:</b>  |                   |                   |
| <b>Honda Motor Co., Ltd. shareholders equity:</b>   |                   |                   |
| Common stock, authorized 7,086,000,000 shares; issued 1,811,428,430 shares on Mar. 31, 2014 and Mar. 31, 2015 | 86,067            | 86,067            |
| Capital surplus   | 171,117           | 171,118           |
| Legal reserves  | 49,276            | 55,125            |
| Retained earnings   | 6,431,682         | 6,789,996         |
| Accumulated other comprehensive income (loss), net  | (793,014)         | (349,691)         |
| Treasury stock, at cost 9,137,234 shares on Mar. 31, 2014 and 9,141,504 shares on Mar. 31, 2015               | (26,149)          | (26,165)          |
| <b>Total Honda Motor Co., Ltd. shareholders equity</b>  | <b>5,918,979</b>  | <b>6,726,450</b>  |
| <b>Noncontrolling interests</b>   | <b>194,419</b>    | <b>237,753</b>    |
| <b>Total equity</b>   | <b>6,113,398</b>  | <b>6,964,203</b>  |
| <b>Commitments and contingent liabilities</b>   |                   |                   |
| <b>Total liabilities and equity</b>   | <b>15,622,031</b> | <b>18,075,363</b> |

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

For the three months ended March 31, 2014 and 2015

|  | Yen (millions)                               |  |
|--|--|--|
|  | Three<br>months<br>ended<br>Mar. 31,<br>2014 | Three months<br>ended<br>Mar. 31, 2015 |
| <b>Net sales and other operating revenue</b>                                   | 3,097,246                                    | 3,353,728                              |
| <b>Operating costs and expenses:</b>   |  |  |
| Cost of sales  | 2,277,016                                    | 2,497,304                              |
| Selling, general and administrative  | 471,084                                      | 555,078                                |
| Research and development   | 183,853                                      | 189,406                                |
|  | 2,931,953                                    | 3,241,788                              |
| <b>Operating income</b>  | 165,293                                      | 111,940                                |
| <b>Other income (expenses):</b>  |  |  |
| Interest income  | 6,486  | 7,311                                  |
| Interest expense   | (3,042)                                      | (3,003)                                |
| Other, net   | 5,969  | 568                                    |
|  | 9,413  | 4,876                                  |
| <b>Income before income taxes and equity in income of affiliates</b>           | 174,706                                      | 116,816                                |
| <b>Income tax expense:</b>   |  |  |
| Current  | 38,709                                       | 61,385                                 |
| Deferred   | (6,427)                                      | (17,365)                               |
|  | 32,282                                       | 44,020                                 |
| <b>Income before equity in income of affiliates</b>                            | 142,424                                      | 72,796                                 |
| <b>Equity in income of affiliates</b>  | 37,387                                       | 36,669                                 |
| <b>Net income</b>  | 179,811                                      | 109,465                                |
| <b>Less: Net income attributable to noncontrolling interests</b>               | 9,303  | 11,627                                 |
| <b>Net income attributable to Honda Motor Co., Ltd.</b>                        | 170,508                                      | 97,838                                 |
|  |  | Yen                                    |
| <b>Basic net income attributable to Honda Motor Co., Ltd. per common share</b> | 94.61  | 54.29                                  |

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

For the three months ended March 31, 2014 and 2015

|   | Yen (millions)                            |  |
|---|---|--|
|   | Three months<br>ended<br>Mar. 31,<br>2014 | Three months<br>ended<br>Mar. 31, 2015 |
| Net income  | 179,811                                   | <b>109,465</b>                         |
| Other comprehensive income (loss), net of tax:                      |   |  |
| Adjustments from foreign currency translation                       | (22,465)                                  | <b>(3,545)</b>                         |
| Unrealized gains (losses) on available-for-sale securities, net     | (7,395)                                   | <b>5,183</b>                           |
| Unrealized gains (losses) on derivative instruments, net            | 478                                       |  |
| Pension and other postretirement benefits adjustments               | 38,420                                    | <b>(115,822)</b>                       |
| Other comprehensive income (loss), net of tax                       | 9,038                                     | <b>(114,184)</b>                       |
| Comprehensive income (loss)   | 188,849                                   | <b>(4,719)</b>                         |
| Less: Comprehensive income attributable to noncontrolling interests | 12,813                                    | <b>12,055</b>                          |
| Comprehensive income (loss) attributable to Honda Motor Co., Ltd.   | 176,036                                   | <b>(16,774)</b>                        |

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

For the years ended March 31, 2014 and 2015

|  | Yen (millions)              |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>Mar. 31, 2014 | Year ended<br>Mar. 31, 2015 |
| <b>Net sales and other operating revenue</b>                                   | 11,842,451                  | <b>12,646,747</b>           |
| <b>Operating costs and expenses:</b>   |                             |                             |
| Cost of sales  | 8,761,083                   | <b>9,451,965</b>            |
| Selling, general and administrative  | 1,696,957                   | <b>1,880,494</b>            |
| Research and development   | 634,130                     | <b>662,610</b>              |
|  | 11,092,170                  | <b>11,995,069</b>           |
| <b>Operating income</b>  | 750,281                     | <b>651,678</b>              |
| <b>Other income (expenses):</b>  |                             |                             |
| Interest income  | 24,026                      | <b>25,622</b>               |
| Interest expense   | (12,703)                    | <b>(16,598)</b>             |
| Other, net   | (32,664)                    | <b>28,907</b>               |
|  | (21,341)                    | <b>37,931</b>               |
| <b>Income before income taxes and equity in income of affiliates</b>           | 728,940                     | <b>689,609</b>              |
| <b>Income tax expense:</b>   |                             |                             |
| Current  | 207,236                     | <b>175,609</b>              |
| Deferred   | 45,426                      | <b>74,638</b>               |
|  | 252,662                     | <b>250,247</b>              |
| <b>Income before equity in income of affiliates</b>                            | 476,278                     | <b>439,362</b>              |
| <b>Equity in income of affiliates</b>  | 132,471                     | <b>126,570</b>              |
| <b>Net income</b>  | 608,749                     | <b>565,932</b>              |
| <b>Less: Net income attributable to noncontrolling interests</b>               | 34,642                      | <b>43,168</b>               |
| <b>Net income attributable to Honda Motor Co., Ltd.</b>                        | 574,107                     | <b>522,764</b>              |
|  |                             | <b>Yen</b>                  |
| <b>Basic net income attributable to Honda Motor Co., Ltd. per common share</b> | 318.54                      | <b>290.06</b>               |

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

For the years ended March 31, 2014 and 2015

|   | Yen (millions)              |                             |
|---|-----------------------------|-----------------------------|
|   | Year ended<br>Mar. 31, 2014 | Year ended<br>Mar. 31, 2015 |
| Net income  | 608,749                     | <b>565,932</b>              |
| Other comprehensive income (loss), net of tax:                      |                             |                             |
| Adjustments from foreign currency translation                       | 333,659                     | <b>561,014</b>              |
| Unrealized gains (losses) on available-for-sale securities, net     | 15,252                      | <b>18,917</b>               |
| Unrealized gains (losses) on derivative instruments, net            | 237                         |                             |
| Pension and other postretirement benefits adjustments               | 107,718                     | <b>(114,764)</b>            |
| Other comprehensive income (loss), net of tax                       | 456,866                     | <b>465,167</b>              |
| Comprehensive income (loss)   | 1,065,615                   | <b>1,031,099</b>            |
| Less: Comprehensive income attributable to noncontrolling interests | 47,730                      | <b>65,012</b>               |
| Comprehensive income (loss) attributable to Honda Motor Co., Ltd.   | 1,017,885                   | <b>966,087</b>              |

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

|   | Common<br>stock | Capital<br>surplus | Legal<br>reserves | Retained<br>earnings | Yen (millions)<br>Accumulated<br>other<br>comprehensive<br>income<br>(loss),<br>net | Treasury<br>stock | Honda Motor<br>Co., Ltd.<br>shareholders<br>equity | Noncontrolling<br>interests | Total<br>equity |
|---|-----------------|--------------------|-------------------|----------------------|---|-------------------|--|-----------------------------|-----------------|
| Balances as of March 31,<br>2013                                      | 86,067          | 171,117            | 47,583            | 6,001,649            | (1,236,792)   | (26,124)          | 5,043,500  | 161,923                     | 5,205,423       |
| Transfer to legal reserves  |                 |                    | 1,693             | (1,693)              |   |                   |  |                             |                 |
| Dividends paid to Honda<br>Motor Co., Ltd.<br>Shareholders            |                 |                    |                   | (142,381)            |   |                   | (142,381)  |                             | (142,381)       |
| Dividends paid to<br>noncontrolling interests                         |                 |                    |                   |                      |   |                   |  | (9,677)                     | (9,677)         |
| Capital transactions and<br>others                                    |                 |                    |                   |                      |   |                   |  | (5,557)                     | (5,557)         |
| Comprehensive income<br>(loss):                                       |                 |                    |                   |                      |   |                   |  |                             |                 |
| Net income  |                 |                    |                   | 574,107              |   |                   | 574,107  | 34,642                      | 608,749         |
| Other comprehensive<br>income (loss), net of tax                      |                 |                    |                   |                      |   |                   |  |                             |                 |
| Adjustments from foreign<br>currency translation                      |                 |                    |                   |                      | 320,424   |                   | 320,424  | 13,235                      | 333,659         |
| Unrealized gains (losses)<br>on available-for-sale<br>securities, net |                 |                    |                   |                      | 15,219  |                   | 15,219   | 33                          | 15,252          |
| Unrealized gains (losses)<br>on derivative instruments,<br>net        |                 |                    |                   |                      | 237   |                   | 237  |                             | 237             |
| Pension and other<br>postretirement benefits<br>adjustments           |                 |                    |                   |                      | 107,898   |                   | 107,898  | (180)                       | 107,718         |
| Total comprehensive<br>income (loss)                                  |                 |                    |                   |                      |   |                   | 1,017,885  | 47,730                      | 1,065,615       |
| Purchase of treasury stock  |                 |                    |                   |                      |   | (26)              | (26)   |                             | (26)            |
| Reissuance of treasury<br>stock                                       |                 |                    |                   |                      |   | 1                 | 1  |                             | 1               |
| Balance at March 31,<br>2014  | 86,067          | 171,117            | 49,276            | 6,431,682            | (793,014)   | (26,149)          | 5,918,979  | 194,419                     | 6,113,398       |
| Transfer to legal reserves  |                 |                    | 5,849             | (5,849)              |   |                   |  |                             |                 |
| Dividends paid to Honda<br>Motor Co., Ltd.<br>shareholders            |                 |                    |                   | (158,601)            |   |                   | (158,601)  |                             | (158,601)       |
| Dividends paid to<br>noncontrolling interests                         |                 |                    |                   |                      |   |                   |  | (18,756)                    | (18,756)        |
| Capital transactions and<br>others                                    |                 | 1                  |                   |                      |   |                   | 1  | (2,922)                     | (2,921)         |



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|   |               |                |               |                  |                  |                 |                  |                |                  |
|---|---------------|----------------|---------------|------------------|------------------|-----------------|------------------|----------------|------------------|
| Comprehensive income (loss):                                    |               |                |               |                  |                  |                 |                  |                |                  |
| Net income  |               |                |               | <b>522,764</b>   |                  |                 | <b>522,764</b>   | <b>43,168</b>  | <b>565,932</b>   |
| Other comprehensive income (loss), net of tax                   |               |                |               |                  |                  |                 |                  |                |                  |
| Adjustments from foreign currency translation                   |               |                |               | <b>539,223</b>   |                  |                 | <b>539,223</b>   | <b>21,791</b>  | <b>561,014</b>   |
| Unrealized gains (losses) on available-for-sale securities, net |               |                |               | <b>18,866</b>    |                  |                 | <b>18,866</b>    | <b>51</b>      | <b>18,917</b>    |
| Unrealized gains (losses) on derivative instruments, net        |               |                |               |                  |                  |                 |                  |                |                  |
| Pension and other postretirement benefits adjustments           |               |                |               | <b>(114,766)</b> |                  |                 | <b>(114,766)</b> | <b>2</b>       | <b>(114,764)</b> |
| Total comprehensive income (loss)                               |               |                |               |                  |                  |                 | <b>966,087</b>   | <b>65,012</b>  | <b>1,031,099</b> |
| Purchase of treasury stock                                      |               |                |               |                  |                  | <b>(17)</b>     | <b>(17)</b>      |                | <b>(17)</b>      |
| Reissuance of treasury stock                                    |               |                |               |                  |                  | <b>1</b>        | <b>1</b>         |                | <b>1</b>         |
| Balance at March 31, 2015                                       | <b>86,067</b> | <b>171,118</b> | <b>55,125</b> | <b>6,789,996</b> | <b>(349,691)</b> | <b>(26,165)</b> | <b>6,726,450</b> | <b>237,753</b> | <b>6,964,203</b> |

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

|  | Yen (millions)              |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>Mar. 31, 2014 | Year ended<br>Mar. 31, 2015 |
| <b>Cash flows from operating activities:</b>                                       |                             |                             |
| Net income   | 608,749                     | 565,932                     |
| Adjustments to reconcile net income to net cash provided by operating activities:  |                             |                             |
| Depreciation excluding property on operating leases                                | 442,318                     | 490,375                     |
| Depreciation of property on operating leases                                       | 352,402                     | 435,484                     |
| Deferred income taxes  | 45,426                      | 74,638                      |
| Equity in income of affiliates   | (132,471)                   | (126,570)                   |
| Dividends from affiliates  | 98,955                      | 103,935                     |
| Provision for credit and lease residual losses on finance subsidiaries-receivables | 18,904                      | 18,710                      |
| Impairment loss on property on operating leases                                    | 3,301                       | 4,077                       |
| Loss (gain) on derivative instruments, net   | (39,376)                    | (4,997)                     |
| Decrease (increase) in assets:   |                             |                             |
| Trade accounts and notes receivable  | (92,638)                    | 17,666                      |
| Inventories  | (2,901)                     | (68,046)                    |
| Other current assets   | (7,363)                     | (101,576)                   |
| Other assets   | (59,816)                    | (61,634)                    |
| Increase (decrease) in liabilities:  |                             |                             |
| Trade accounts and notes payable   | 70,988                      | 45,023                      |
| Accrued expenses   | 49,718                      | 60,716                      |
| Income taxes payable   | (8,688)                     | 4,462                       |
| Other current liabilities  | 31,404                      | 58,793                      |
| Other liabilities  | (53,815)                    | 10,074                      |
| Other, net   | (95,906)                    | (107,845)                   |
| <b>Net cash provided by operating activities</b>                                   | <b>1,229,191</b>            | <b>1,419,217</b>            |
| <b>Cash flows from investing activities:</b>                                       |                             |                             |
| Increase in investments and advances   | (45,617)                    | (39,274)                    |
| Decrease in investments and advances   | 58,243                      | 37,706                      |
| Payments for purchases of available-for-sale securities                            | (44,459)                    | (34,856)                    |
| Proceeds from sales of available-for-sale securities                               | 14,501                      | 38,429                      |
| Payments for purchases of held-to-maturity securities                              | (20,771)                    | (37,208)                    |
| Proceeds from redemptions of held-to-maturity securities                           | 3,358                       | 43,920                      |
| Proceeds from sales of subsidiaries, net of cash and cash equivalents disposal     | 9,129                       |                             |
| Proceeds from sales of investments in affiliates                                   | 5,363                       |                             |
| Capital expenditures   | (774,006)                   | (722,742)                   |
| Proceeds from sales of property, plant and equipment                               | 34,069                      | 53,209                      |
| Proceeds from insurance recoveries for damaged property, plant and equipment       | 6,800                       |                             |
| Acquisitions of finance subsidiaries-receivables                                   | (2,792,774)                 | (2,406,056)                 |
| Collections of finance subsidiaries-receivables                                    | 2,354,029                   | 2,588,527                   |
| Purchases of operating lease assets  | (1,127,840)                 | (1,470,850)                 |
| Proceeds from sales of operating lease assets                                      | 611,317                     | 696,713                     |
| Other, net   | (86)                        | 328                         |
| <b>Net cash used in investing activities</b>                                       | <b>(1,708,744)</b>          | <b>(1,252,154)</b>          |

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

|   | Yen (millions)              |                             |
|---|-----------------------------|-----------------------------|
|   | Year ended<br>Mar. 31, 2014 | Year ended<br>Mar. 31, 2015 |
| <b>Cash flows from financing activities:</b>                        |                             |                             |
| Proceeds from short-term debt                                       | 8,559,288                   | <b>8,707,569</b>            |
| Repayments of short-term debt                                       | (8,563,616)                 | <b>(8,579,722)</b>          |
| Proceeds from long-term debt  | 1,588,826                   | <b>1,505,105</b>            |
| Repayments of long-term debt  | (1,039,595)                 | <b>(1,370,621)</b>          |
| Dividends paid  | (142,381)                   | <b>(158,601)</b>            |
| Dividends paid to noncontrolling interests                          | (9,677)                     | <b>(18,441)</b>             |
| Sales (purchases) of treasury stock, net                            | (25)                        | <b>(16)</b>                 |
| Other, net  | (22,265)                    | <b>(54,875)</b>             |
| <b>Net cash provided by financing activities</b>                    | <b>370,555</b>              | <b>30,398</b>               |
| <b>Effect of exchange rate changes on cash and cash equivalents</b> | <b>71,784</b>               | <b>100,150</b>              |
| <b>Net change in cash and cash equivalents</b>                      | <b>(37,214)</b>             | <b>297,611</b>              |
| <b>Cash and cash equivalents at beginning of year</b>               | <b>1,206,128</b>            | <b>1,168,914</b>            |
| <b>Cash and cash equivalents at end of the period</b>               | <b>1,168,914</b>            | <b>1,466,525</b>            |

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**[5] Assumptions for Going Concern**

None

**[6] Significant Accounting Policies:**

1. Consolidated subsidiaries

Number of consolidated subsidiaries: 363

Corporate names of principal consolidated subsidiaries:

American Honda Motor Co., Inc., Honda of America Mfg., Inc., Honda Canada Inc.,

Honda R&D Co., Ltd., American Honda Finance Corporation.

2. Affiliated companies

Number of affiliated companies: 86

Corporate names of major affiliated companies accounted for under the equity method:

Dongfeng Honda Automobile Co., Ltd., Guangqi Honda Automobile Co., Ltd., P.T. Astra Honda Motor

3. Changes of consolidated subsidiaries and affiliated companies

Consolidated subsidiaries:

Newly formed consolidated subsidiaries: 10; Honda Vietnam Power Products Co., Ltd., etc.

Reduced through reorganization: 12; Honda Soltec Co., Ltd., etc.

Affiliated companies:

Newly formed affiliated companies: 5; Nippon Charge Service, LLC, etc.

Reduced through reorganization: 2

4. The Company prepares its consolidated financial statements in conformity with accounting principles generally accepted in the United States of America, since the Company has listed its American Depositary Shares on the New York Stock Exchange and files reports with the U.S. Securities and Exchange Commission.

5. The average exchange rates for the three months ended March 31, 2015 were JPY 119.09 = USD 1 and JPY 134.18 = EUR 1. The average exchange rates for the same period last year were JPY 102.78 = USD 1 and JPY 140.79 = EUR 1. The average exchange rates for the fiscal year ended March 31, 2015 were JPY 109.93 = USD 1 and JPY 138.77 = EUR 1 as compared with JPY 100.24 = USD 1 and JPY 134.37 = EUR 1 for the previous fiscal year.

6. United States dollar amounts have been translated from yen solely for the convenience of the reader at the rate of JPY 120.17 = 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 March 31, 2015.
  
7. Honda's common stock-to-ADS exchange ratio is one share of common stock to one ADS.

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**Table of Contents****[7] 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's about 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 Honda's consolidated financial statements.

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

| <b>Segment</b>                     | <b>Principal products and services</b>                         | <b>Functions</b>   |
|------------------------------------|--|--|
| Motorcycle Business                | Motorcycles, all-terrain vehicles<br>(ATVs) and relevant parts | Research & Development, Manufacturing,<br>Sales and related services             |
| Automobile Business                | Automobiles and relevant parts                                 | Research & Development, Manufacturing,<br>Sales and related services             |
| Financial Services Business        | Financial, insurance services                                  | Retail loan and lease related to Honda<br>products, and Others                   |
| Power Product and Other Businesses | Power products and relevant parts, and others                  | Research & Development, Manufacturing,<br>Sales and related services, and Others |

1. Segment information based on products and services

(A) For the three months ended March 31, 2014

|  | <b>Yen (millions)</b>          |                                |  |   |                          |                              |                     |
|--|--------------------------------|--------------------------------|--|---|--------------------------|------------------------------|---------------------|
|  | <b>Motorcycle<br/>Business</b> | <b>Automobile<br/>Business</b> | <b>Financial<br/>Services<br/>Business</b> | <b>Power Product<br/>&amp; Other<br/>Businesses</b> | <b>Segment<br/>Total</b> | <b>Reconciling<br/>Items</b> | <b>Consolidated</b> |
| Net sales and other operating revenue: |                                |                                |  |   |                          |                              |                     |
| External customers                     | 448,523                        | 2,378,267                      | 187,757                                    | 82,699  | 3,097,246                |                              | 3,097,246           |
| Intersegment                           |                                | 4,766                          | 2,654                                      | 2,963   | 10,383                   | (10,383)                     |                     |
| Total                                  | 448,523                        | 2,383,033                      | 190,411                                    | 85,662  | 3,107,629                | (10,383)                     | 3,097,246           |
| Cost of sales, SG&A and R&D expenses   | 405,562                        | 2,310,104                      | 141,592                                    | 85,078  | 2,942,336                | (10,383)                     | 2,931,953           |
| Segment income (loss)                  | 42,961                         | 72,929                         | 48,819                                     | 584   | 165,293                  |                              | 165,293             |

For the three months ended March 31, 2015

|  | <b>Yen (millions)</b>          |                                |  |   |                          |                              |                     |
|--|--------------------------------|--------------------------------|--|---|--------------------------|------------------------------|---------------------|
|  | <b>Motorcycle<br/>Business</b> | <b>Automobile<br/>Business</b> | <b>Financial<br/>Services<br/>Business</b> | <b>Power Product<br/>&amp; Other<br/>Businesses</b> | <b>Segment<br/>Total</b> | <b>Reconciling<br/>Items</b> | <b>Consolidated</b> |
| Net sales and other operating revenue: |                                |                                |  |   |                          |                              |                     |
| External customers                     | 514,536                        | 2,524,770                      | 221,382                                    | 93,040  | 3,353,728                |                              | 3,353,728           |
| Intersegment                           |                                | 9,417                          | 3,896                                      | 2,357   | 15,670                   | (15,670)                     |                     |

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|                                      |                |                  |                |                |                  |                 |                  |
|--------------------------------------|----------------|------------------|----------------|----------------|------------------|-----------------|------------------|
| Total                                | <b>514,536</b> | <b>2,534,187</b> | <b>225,278</b> | <b>95,397</b>  | <b>3,369,398</b> | <b>(15,670)</b> | <b>3,353,728</b> |
| Cost of sales, SG&A and R&D expenses | <b>468,915</b> | <b>2,513,382</b> | <b>175,253</b> | <b>99,908</b>  | <b>3,257,458</b> | <b>(15,670)</b> | <b>3,241,788</b> |
| Segment income (loss)                | <b>45,621</b>  | <b>20,805</b>    | <b>50,025</b>  | <b>(4,511)</b> | <b>111,940</b>   |                 | <b>111,940</b>   |

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**Table of Contents****(B) As of and for the year ended March 31, 2014**

|  | Motorcycle<br>Business | Automobile<br>Business | Financial<br>Services<br>Business | Yen (millions)<br>Power Product<br>& Other<br>Businesses | Segment<br>Total | Reconciling<br>Items | Consolidated |
|--|------------------------|------------------------|-----------------------------------|--|------------------|----------------------|--------------|
| Net sales and other operating revenue: |                        |                        |                                   |  |                  |                      |              |
| External customers                     | 1,663,631              | 9,176,360              | 698,185                           | 304,275  | 11,842,451       |                      | 11,842,451   |
| Intersegment                           |                        | 18,569                 | 10,403                            | 13,900   | 42,872           | (42,872)             |              |
| Total                                  | 1,663,631              | 9,194,929              | 708,588                           | 318,175  | 11,885,323       | (42,872)             | 11,842,451   |
| Cost of sales, SG&A and R&D expenses   |                        |                        |                                   |  |                  |                      |              |
|  | 1,498,026              | 8,791,228              | 525,832                           | 319,956  | 11,135,042       | (42,872)             | 11,092,170   |
| Segment income (loss)                  | 165,605                | 403,701                | 182,756                           | (1,781)  | 750,281          |                      | 750,281      |
| Segment assets                         |                        |                        |                                   |  |                  |                      |              |
|  | 1,264,903              | 6,398,580              | 7,980,989                         | 346,177  | 15,990,649       | (368,618)            | 15,622,031   |
| Depreciation and amortization          | 46,038                 | 383,325                | 354,704                           | 10,653   | 794,720          |                      | 794,720      |
| Capital expenditures                   | 57,702                 | 705,696                | 1,131,761                         | 14,708   | 1,909,867        |                      | 1,909,867    |

**As of and for the year ended March 31, 2015**

|  | Motorcycle<br>Business | Automobile<br>Business | Financial<br>Services<br>Business | Yen (millions)<br>Power Product<br>& Other<br>Businesses | Segment<br>Total | Reconciling<br>Items | Consolidated |
|--|------------------------|------------------------|-----------------------------------|--|------------------|----------------------|--------------|
| Net sales and other operating revenue: |                        |                        |                                   |  |                  |                      |              |
| External customers                     | 1,824,126              | 9,693,294              | 814,484                           | 314,843  | 12,646,747       |                      | 12,646,747   |
| Intersegment                           |                        | 30,303                 | 12,109                            | 12,831   | 55,243           | (55,243)             |              |
| Total                                  | 1,824,126              | 9,723,597              | 826,593                           | 327,674  | 12,701,990       | (55,243)             | 12,646,747   |
| Cost of sales, SG&A and R&D expenses   |                        |                        |                                   |  |                  |                      |              |
|  | 1,642,807              | 9,447,364              | 625,411                           | 334,730  | 12,050,312       | (55,243)             | 11,995,069   |
| Segment income (loss)                  | 181,319                | 276,233                | 201,182                           | (7,056)  | 651,678          |                      | 651,678      |
| Segment assets                         |                        |                        |                                   |  |                  |                      |              |
|  | 1,478,849              | 7,208,350              | 9,340,984                         | 303,621  | 18,331,804       | (256,441)            | 18,075,363   |
| Depreciation and amortization          | 50,719                 | 426,362                | 437,676                           | 11,102   | 925,859          |                      | 925,859      |
| Capital expenditures                   | 67,429                 | 631,226                | 1,474,453                         | 12,244   | 2,185,352        |                      | 2,185,352    |
| Explanatory notes:                     |                        |                        |                                   |  |                  |                      |              |

1. Intersegment sales and revenues are generally made at values that approximate arm's-length prices.
2. Unallocated corporate assets, included in reconciling items, amounted to JPY 294,819 million as of March 31, 2014 and JPY 339,888 million as of March 31, 2015 respectively, which consist primarily of cash and cash equivalents, available-for-sale securities and held-to-maturity securities held by the Company. Reconciling items also include elimination of intersegment transactions.
3. Depreciation and amortization of Financial Services Business include JPY 352,402 million for the year ended March 31, 2014 and JPY 435,484 million for the year ended March 31, 2015, respectively, of depreciation of property on operating leases.



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4. Capital expenditure of Financial Services Business includes JPY 1,127,840 million for the year ended March 31, 2014 and JPY 1,470,850 million for the year ended March 31, 2015 respectively, of purchase of operating lease assets.

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In addition to the disclosure required by U.S. GAAP, Honda provides the following supplemental information in order to provide financial statements users with useful information:

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

(A) For the three months ended March 31, 2014

|  | Yen (millions) |                  |         |         |                  |           | Reconciling<br>Items | Consolidated |
|--|----------------|------------------|---------|---------|------------------|-----------|----------------------|--------------|
|  | Japan          | North<br>America | Europe  | Asia    | Other<br>Regions | Total     |                      |              |
| Net sales and other operating revenue: |                |                  |         |         |                  |           |                      |              |
| External customers                     | 690,805        | 1,319,179        | 209,395 | 620,273 | 257,594          | 3,097,246 |                      | 3,097,246    |
| Transfers between geographic areas     | 418,317        | 86,167           | 34,656  | 128,021 | 2,753            | 669,914   | (669,914)            |              |
| Total                                  | 1,109,122      | 1,405,346        | 244,051 | 748,294 | 260,347          | 3,767,160 | (669,914)            | 3,097,246    |
| Cost of sales, SG&A and R&D expenses   | 1,065,862      | 1,363,456        | 229,111 | 694,230 | 247,423          | 3,600,082 | (668,129)            | 2,931,953    |
| Operating income (loss)                | 43,260         | 41,890           | 14,940  | 54,064  | 12,924           | 167,078   | (1,785)              | 165,293      |

For the three months ended March 31, 2015

|  | Yen (millions) |                  |         |         |                  |           | Reconciling<br>Items | Consolidated |
|--|----------------|------------------|---------|---------|------------------|-----------|----------------------|--------------|
|  | Japan          | North<br>America | Europe  | Asia    | Other<br>Regions | Total     |                      |              |
| Net sales and other operating revenue: |                |                  |         |         |                  |           |                      |              |
| External customers                     | 583,729        | 1,582,013        | 183,948 | 752,848 | 251,190          | 3,353,728 |                      | 3,353,728    |
| Transfers between geographic areas     | 436,423        | 75,989           | 13,016  | 180,314 | 860              | 706,602   | (706,602)            |              |
| Total                                  | 1,020,152      | 1,658,002        | 196,964 | 933,162 | 252,050          | 4,060,330 | (706,602)            | 3,353,728    |
| Cost of sales, SG&A and R&D expenses   | 1,006,431      | 1,646,310        | 202,713 | 862,376 | 243,417          | 3,961,247 | (719,459)            | 3,241,788    |
| Operating income (loss)                | 13,721         | 11,692           | (5,749) | 70,786  | 8,633            | 99,083    | 12,857               | 111,940      |

**Table of Contents****(B) As of and for the year ended March 31, 2014**

|  | Yen (millions) |                  |          |           |                  |            | Reconciling<br>Items | Consolidated |
|--|----------------|------------------|----------|-----------|------------------|------------|----------------------|--------------|
|  | Japan          | North<br>America | Europe   | Asia      | Other<br>Regions | Total      |                      |              |
| Net sales and other operating revenue: |                |                  |          |           |                  |            |                      |              |
| External customers                     | 2,216,735      | 5,595,981        | 676,502  | 2,340,100 | 1,013,133        | 11,842,451 |                      | 11,842,451   |
| Transfers between geographic areas     | 1,975,544      | 374,018          | 98,766   | 486,823   | 12,368           | 2,947,519  | (2,947,519)          |              |
| Total                                  | 4,192,279      | 5,969,999        | 775,268  | 2,826,923 | 1,025,501        | 14,789,970 | (2,947,519)          | 11,842,451   |
| Cost of sales, SG&A and R&D expenses   | 3,978,185      | 5,679,094        | 792,393  | 2,609,023 | 980,600          | 14,039,295 | (2,947,125)          | 11,092,170   |
| Operating income (loss)                | 214,094        | 290,905          | (17,125) | 217,900   | 44,901           | 750,675    | (394)                | 750,281      |
| Assets                                 | 3,442,746      | 8,825,278        | 709,469  | 1,996,929 | 767,225          | 15,741,647 | (119,616)            | 15,622,031   |
| Long-lived assets                      | 1,280,071      | 3,025,095        | 133,061  | 588,413   | 171,429          | 5,198,069  |                      | 5,198,069    |

**As of and for the year ended March 31, 2015**

|  | Yen (millions) |                  |          |           |                  |            | Reconciling<br>Items | Consolidated |
|--|----------------|------------------|----------|-----------|------------------|------------|----------------------|--------------|
|  | Japan          | North<br>America | Europe   | Asia      | Other<br>Regions | Total      |                      |              |
| Net sales and other operating revenue: |                |                  |          |           |                  |            |                      |              |
| External customers                     | 2,147,221      | 6,191,768        | 673,199  | 2,694,141 | 940,418          | 12,646,747 |                      | 12,646,747   |
| Transfers between geographic areas     | 1,790,265      | 335,618          | 67,729   | 596,611   | 3,246            | 2,793,469  | (2,793,469)          |              |
| Total                                  | 3,937,486      | 6,527,386        | 740,928  | 3,290,752 | 943,664          | 15,440,216 | (2,793,469)          | 12,646,747   |
| Cost of sales, SG&A and R&D expenses   | 3,759,626      | 6,327,127        | 759,751  | 3,012,848 | 908,243          | 14,767,595 | (2,772,526)          | 11,995,069   |
| Operating income (loss)                | 177,860        | 200,259          | (18,823) | 277,904   | 35,421           | 672,621    | (20,943)             | 651,678      |
| Assets                                 | 3,712,632      | 10,546,949       | 685,374  | 2,507,636 | 771,310          | 18,223,901 | (148,538)            | 18,075,363   |
| Long-lived assets                      | 1,326,835      | 4,000,885        | 133,391  | 726,199   | 196,601          | 6,383,911  |                      | 6,383,911    |
| Explanatory notes:                     |                |                  |          |           |                  |            |                      |              |

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

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

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2. Sales and revenues between geographic areas are generally made at values that approximate arm's-length prices.
  
3. Unallocated corporate assets, included in reconciling items, amounted to JPY 294,819 million as of March 31, 2014 and JPY 339,888 million as of March 31, 2015 respectively, which consist primarily of cash and cash equivalents, available-for-sale securities and held-to-maturity securities held by the Company. Reconciling items also include elimination of transactions between geographic areas.

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**Table of Contents****[8] Notes to information about per common share**

Honda Motor Co., Ltd. shareholders' equity per common share and basic net income attributable to Honda Motor Co., Ltd. per common share are as follows:

|   | (Yen)         |                 |
|---|---------------|-----------------|
|   | Mar. 31, 2014 | Mar. 31, 2015   |
| Honda Motor Co., Ltd. shareholders' equity per common share             | 3,284.14      | <b>3,732.17</b> |
| Basic net income attributable to Honda Motor Co., Ltd. per common share | 318.54        | <b>290.06</b>   |

Honda Motor Co., Ltd. shareholders' equity per common share has been computed by dividing Honda Motor Co., Ltd. shareholders' equity by the number of shares outstanding at the end of each period. The number of common shares, at the end of the year ended March 31, 2014 and 2015 were 1,802,291,196 and 1,802,286,926, respectively.

Basic net income attributable to Honda Motor Co., Ltd. per common share has been computed by dividing net income attributable to Honda Motor Co., Ltd. by the weighted average number of shares outstanding during each period. The weighted average number of shares outstanding for the year ended March 31, 2014 and 2015 were 1,802,294,383 and 1,802,289,321, respectively. There were no potentially dilutive shares issued during the years ended March 31, 2014 or 2015.

**[9] Other****1. Impact of the plan amendment and curtailment in consolidated subsidiaries on the Company's consolidated financial position and results of operations**

In September 2013, certain consolidated subsidiaries in North America amended their defined benefit pension plans, effective January 1, 2014.

This plan amendment resulted in a reduction of the projected benefit obligation and recognition of the prior service benefit at the date of the plan amendment which is amortized over the average remaining service period from the date of the plan amendment. The consolidated subsidiaries also remeasured their projected benefit obligation and the fair value of related plan assets at the date of the plan amendment. The effects of the plan amendment and the remeasurement are recorded in other comprehensive income (loss), net of tax during the three months ended September 30, 2013.

Following this plan amendment, certain employees elected to move to the defined contribution pension plan in October 2013, resulting in a curtailment in the defined benefit pension plans. As a result, Honda recognized JPY 21,368 million of the prior service benefit included in accumulated other comprehensive income (loss) as a curtailment gain, of which JPY 15,407 million is included in cost of sales and JPY 5,961 million is included in selling, general and administrative expense in the accompanying consolidated statements of income for the three months ended December 31, 2013. The consolidated subsidiaries also remeasured their projected benefit obligation and the fair value of plan assets in the defined benefit pension plans at the date of the curtailment. The effect of the remeasurement is recorded in other comprehensive income (loss), net of tax during the three months ended December 31, 2013.

**2. Impairment loss on investments in affiliates**

For the nine months ended December 31, 2014, Honda recognized impairment loss of JPY 15,901 million on certain investments in affiliates which have quoted market values because of other-than-temporary decline in fair value below their carrying values. The fair values of the investments were based on quoted market price. The impairment loss is included in equity in income of affiliates in the accompanying consolidated statement of income. For the three months ended December 31, 2014, Honda did not recognize any significant impairment losses.

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### **3. Loss related to defects of airbag inflators**

Honda is expanding warranty programs with regard to the product recalls and SIC (Safety Improvement Campaign) related to defects of airbag inflators.

Honda recognizes an accrued warranty liability for specific warranty costs we deem probable and which can be reasonably estimated related to the product recalls and SIC.

In the North America, various lawsuits related to the above mentioned product recalls and SIC have been filed against Honda. Honda recognizes an accrued liability for loss contingencies when it is probable that an obligation has incurred and the amount of loss can be reasonably estimated. Regarding the above, Honda does not recognize an accrued liability for loss contingencies because the conditions have not been met as of the date of this report. Also, it is not possible to reasonably estimate the amount of a possible future loss at this time.

### **4. Income taxes**

On March 31, 2015, the National Diet of Japan approved amendments to existing income tax laws. Upon the change in the laws, the statutory income tax rate in Japan will be changed to approximately 33% for fiscal years beginning on or after April 1, 2015 and to approximately 32% for fiscal years beginning on or after April 1, 2016. Thus, the Company and its Japanese subsidiaries re-measured deferred tax assets and liabilities as of the enactment date based on the new tax rates to be applied in the fiscal years in which temporary differences are expected to be recovered or settled. As a result, net of deferred tax assets decreased JPY 9,170 million, and income tax expense increased JPY 9,170 million, as of the enactment date of the laws.

### **[10] Significant Subsequent Events**

None

**Table of Contents****[1] Unconsolidated Balance Sheets**

|   | Yen (millions)   |                  |
|---|------------------|------------------|
|   | Mar. 31, 2014    | Mar. 31, 2015    |
| <b>Assets</b>   |                  |                  |
| Current assets  |                  |                  |
| Cash and bank deposits                                | 118,083          | <b>54,297</b>    |
| Accounts receivable                                   | 443,469          | <b>479,309</b>   |
| Securities  | 68,558           | <b>160,000</b>   |
| Finished goods  | 82,503           | <b>138,923</b>   |
| Work in process                                       | 41,930           | <b>40,270</b>    |
| Raw materials and supplies                            | 33,155           | <b>31,207</b>    |
| Prepaid expenses                                      | 10,964           | <b>11,996</b>    |
| Deferred income taxes                                 | 89,329           | <b>84,026</b>    |
| Others  | 127,093          | <b>154,861</b>   |
| Allowance for doubtful accounts                       | (1,638)          | <b>(859)</b>     |
| <b>Total current assets</b>                           | <b>1,013,451</b> | <b>1,154,033</b> |
| Fixed assets  |                  |                  |
| Tangible fixed assets                                 |                  |                  |
| Buildings   | 275,936          | <b>276,009</b>   |
| Structures  | 37,903           | <b>38,859</b>    |
| Machinery and equipment                               | 131,758          | <b>138,711</b>   |
| Vehicles  | 5,803            | <b>5,598</b>     |
| Tools, furniture and fixtures                         | 24,755           | <b>24,776</b>    |
| Land  | 344,998          | <b>347,082</b>   |
| Lease assets  | 2,339            | <b>2,432</b>     |
| Construction in progress                              | 15,820           | <b>15,929</b>    |
| <b>Total tangible fixed assets</b>                    | <b>839,315</b>   | <b>849,399</b>   |
| Intangible assets                                     |                  |                  |
| Software  | 56,527           | <b>72,053</b>    |
| Lease assets  | 15               | <b>11</b>        |
| Others  | 2,541            | <b>2,501</b>     |
| <b>Total intangible assets</b>                        | <b>59,084</b>    | <b>74,566</b>    |
| Investments and other assets                          |                  |                  |
| Investment securities                                 | 108,060          | <b>125,565</b>   |
| Investment securities subsidiaries and affiliates     | 418,757          | <b>389,081</b>   |
| Investments in capital of subsidiaries and affiliates | 93,065           | <b>93,476</b>    |
| Long-term loans receivable                            | 3,252            | <b>2,441</b>     |
| Deferred income taxes                                 | 66,747           | <b>59,062</b>    |
| Others  | 28,851           | <b>21,340</b>    |
| Allowance for doubtful accounts                       | (9,133)          | <b>(1,513)</b>   |
| <b>Total investments and other assets</b>             | <b>709,601</b>   | <b>689,454</b>   |
| <b>Total fixed assets</b>                             | <b>1,608,002</b> | <b>1,613,421</b> |
| <b>Total assets</b>                                   | <b>2,621,454</b> | <b>2,767,455</b> |





**Table of Contents****[1] Unconsolidated Balance Sheets continued**

|   | Yen (millions) |                |
|---|----------------|----------------|
|   | Mar. 31, 2014  | Mar. 31, 2015  |
| <b>Liabilities</b>  |                |                |
| <b>Current liabilities</b>                                |                |                |
| Notes payable trade                                       | 463            | 357            |
| Electronically recorded obligations-operating             | 1,997          | 14,012         |
| Accounts payable  | 306,496        | 234,550        |
| Short-term loans payable                                  | 19,741         | 30,718         |
| Lease debt  | 822            | 950            |
| Other payables  | 71,239         | 105,241        |
| Accrued expenses  | 79,328         | 75,002         |
| Income taxes payable                                      | 3,887          | 3,086          |
| Advances received   | 4,292          | 6,290          |
| Deposits received   | 3,509          | 3,451          |
| Deferred revenue  | 128            | 61             |
| Current portion of accrued product warranty               | 32,341         | 65,467         |
| Accrued employees bonuses                                 | 29,232         | 29,416         |
| Accrued directors bonuses                                 | 221            | 278            |
| Accrued operating officers bonuses                        | 492            | 421            |
| Others  | 2,512          | 2,333          |
| <b>Total current liabilities</b>                          | <b>556,707</b> | <b>571,639</b> |
| <b>Non-current liabilities</b>                            |                |                |
| Long-term loans payable                                   | 102            | 80             |
| Lease debt  | 1,680          | 1,694          |
| Accrued product warranty                                  | 32,813         | 30,499         |
| Accrued employees retirement benefits                     | 124,542        | 169,206        |
| Others  | 10,400         | 9,813          |
| <b>Total non-current liabilities</b>                      | <b>169,538</b> | <b>211,294</b> |
| <b>Total liabilities</b>                                  | <b>726,245</b> | <b>782,933</b> |
| <b>Total net assets</b>                                   |                |                |
| <b>Stockholders equity</b>                                |                |                |
| Common stock  | 86,067         | 86,067         |
| Capital surplus   |                |                |
| Capital reserve   | 170,313        | 170,313        |
| Other capital surplus                                     | 0              | 0              |
| <b>Total capital surplus</b>                              | <b>170,314</b> | <b>170,314</b> |
| <b>Retained earnings</b>                                  |                |                |
| Legal reserves  | 21,516         | 21,516         |
| <b>Other retained earnings</b>                            |                |                |
| General reserve   | 1,256,300      | 1,322,300      |
| Reserve for special depreciation                          | 985            | 1,077          |
| Reserve for reduction of acquisition cost of fixed assets | 16,025         | 16,715         |
| Earnings to be carried forward                            | 325,301        | 331,232        |

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|   |           |                  |
|---|-----------|------------------|
| Total retained earnings                         | 1,620,128 | <b>1,692,842</b> |
| Treasury stock                                  | (26,247)  | <b>(26,263)</b>  |
| Total stockholders' equity                      | 1,850,263 | <b>1,922,960</b> |
| Difference of appreciation and conversion       |           |                  |
| Net unrealized gains on securities              | 44,945    | <b>61,560</b>    |
| Total difference of appreciation and conversion | 44,945    | <b>61,560</b>    |
| Total net assets                                | 1,895,208 | <b>1,984,521</b> |
| Total liabilities and net assets                | 2,621,454 | <b>2,767,455</b> |

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**Table of Contents****[2] Unconsolidated Statements of Income**

|  | Yen (millions)              |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>Mar. 31, 2014 | Year ended<br>Mar. 31, 2015 |
| Net sales  | 3,488,369                   | <b>3,331,187</b>            |
| Cost of sales  | 2,385,631                   | <b>2,154,246</b>            |
| Gross profit   | 1,102,738                   | <b>1,176,940</b>            |
| Selling, general and administrative expenses                             | 977,133                     | <b>1,080,597</b>            |
| Operating income   | 125,604                     | <b>96,343</b>               |
| Non-operating income   |                             |                             |
| Interest and dividend income   | 233,952                     | <b>217,933</b>              |
| Foreign exchange profit  |                             | <b>20,579</b>               |
| Others   | 30,703                      | <b>30,727</b>               |
| Total non-operating income   | 264,655                     | <b>269,240</b>              |
| Non-operating expenses   |                             |                             |
| Interest expense   | 108                         | <b>76</b>                   |
| Depreciation   | 10,012                      | <b>10,319</b>               |
| Expenses for rental assets   | 5,109                       | <b>4,664</b>                |
| Foreign exchange loss  | 24,814                      |                             |
| Others   | 4,294                       | <b>2,890</b>                |
| Total non-operating expenses   | 44,339                      | <b>17,951</b>               |
| Ordinary income  | 345,920                     | <b>347,632</b>              |
| Extraordinary income   |                             |                             |
| Gain on sales of non-current assets                                      | 600                         | <b>474</b>                  |
| Gain on sales of investment securities                                   | 1,570                       | <b>4,138</b>                |
| Gain on sales of investment securities-subsiidiaries and affiliates      | 14,728                      |                             |
| Gain on liquidation of subsidiaries and affiliates                       |                             | <b>2,885</b>                |
| Settlement received  |                             | <b>8,233</b>                |
| Others   | 251                         | <b>1,147</b>                |
| Total extraordinary income   | 17,150                      | <b>16,879</b>               |
| Extraordinary losses   |                             |                             |
| Loss on disposal of fixed assets   | 3,939                       | <b>3,077</b>                |
| Loss on devaluation of investment securities subsidiaries and affiliates | 18,572                      | <b>29,771</b>               |
| Others   | 2,374                       | <b>164</b>                  |
| Total extraordinary losses   | 24,887                      | <b>33,013</b>               |
| Income before income taxes   | 338,183                     | <b>331,498</b>              |
| Income taxes-current   | 39,006                      | <b>40,038</b>               |

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|                       |         |                |
|-----------------------|---------|----------------|
| Income taxes-deferred | 36,249  | <b>26,772</b>  |
| Total income tax      | 75,255  | <b>66,811</b>  |
| Net income            | 262,928 | <b>264,686</b> |

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**Table of Contents****[3] Unconsolidated Statement of Changes in Net Assets**

|  | Yen (millions)  |                       |                       |                       |                     |                 |  |                             |
|--|-----------------|-----------------------|-----------------------|-----------------------|---------------------|-----------------|--|-----------------------------|
|  | Capital surplus |                       |                       |                       | Stockholders equity |                 | Retained earnings  |                             |
|  | Common stock    | Legal capital surplus | Other capital surplus | Total capital surplus | Legal reserves      | General reserve | Other retained earnings Reserve for special depreciation | Reserve for reduction entry |
| Balance at March 31, 2013                            | 86,067          | 170,313               |                       | 170,313               | 21,516              | 1,243,300       | 1,199  | 16,276                      |
| Cumulative effects of changes in accounting policies |                 |                       |                       |                       |                     |                 |  |                             |
| Restated balance                                     | 86,067          | 170,313               |                       | 170,313               | 21,516              | 1,243,300       | 1,199  | 16,276                      |
| Changes of items during the period                   |                 |                       |                       |                       |                     |                 |  |                             |
| Provision of general reserve                         |                 |                       |                       |                       |                     | 13,000          |  |                             |
| Provision of reserve for special depreciation        |                 |                       |                       |                       |                     |                 | 361  |                             |
| Reversal of reserve for special depreciation         |                 |                       |                       |                       |                     |                 | (576)  |                             |
| Provision of reserve for reduction entry             |                 |                       |                       |                       |                     |                 |  | 126                         |
| Reversal of reserve for reduction entry              |                 |                       |                       |                       |                     |                 |  | (377)                       |
| Dividends from surplus                               |                 |                       |                       |                       |                     |                 |  |                             |
| Net income   |                 |                       |                       |                       |                     |                 |  |                             |
| Purchase of treasury stock                           |                 |                       |                       |                       |                     |                 |  |                             |
| Disposal of treasury stock                           |                 |                       | 0                     | 0                     |                     |                 |  |                             |
| Net changes of items other than shareholders equity  |                 |                       |                       |                       |                     |                 |  |                             |
| Total changes of items during the period             |                 |                       | 0                     | 0                     |                     | 13,000          | (214)  | (251)                       |
| Balance at March 31, 2014                            | 86,067          | 170,313               | 0                     | 170,314               | 21,516              | 1,256,300       | 985  | 16,025                      |

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|  | Stockholders equity     |   |                | Valuation and translation adjustments |   |                                    |   |                  |
|--|-------------------------|---|----------------|---------------------------------------|---|------------------------------------|---|------------------|
|  | Retained earnings       |   | Treasury stock | Total stockholders equity             | Valuation difference on available-for-sale security | Deferred gains or losses on hedges | Total valuation and translation adjustments | Total net assets |
|  | Other retained earnings | Total retained earnings brought forward |                |                                       |   |                                    |   |                  |
| Balance at March 31, 2013                            | 217,288                 | 1,499,582                               | (26,222)       | 1,729,740                             | 33,977  | (237)                              | 33,740                                      | 1,763,480        |
| Cumulative effects of changes in accounting policies |                         |   |                |                                       |   |                                    |   |                  |
| Restated balance                                     | 217,288                 | 1,499,582                               | (26,222)       | 1,729,740                             | 33,977  | (237)                              | 33,740                                      | 1,763,480        |
| Changes of items during the period                   |                         |   |                |                                       |   |                                    |   |                  |
| Provision of general reserve                         | (13,000)                |   |                |                                       |   |                                    |   |                  |
| Provision of reserve for special depreciation        | (361)                   |   |                |                                       |   |                                    |   |                  |
| Reversal of reserve for special depreciation         | 576                     |   |                |                                       |   |                                    |   |                  |
| Provision of reserve for reduction entry             | (126)                   |   |                |                                       |   |                                    |   |                  |
| Reversal of reserve for reduction entry              | 377                     |   |                |                                       |   |                                    |   |                  |
| Dividends from surplus                               | (142,381)               | (142,381)                               |                | (142,381)                             |   |                                    |   | (142,381)        |
| Net income   | 262,928                 | 262,928                                 |                | 262,928                               |   |                                    |   | 262,928          |
| Purchase of treasury stock                           |                         |   | (26)           | (26)                                  |   |                                    |   | (26)             |
| Disposal of treasury stock                           |                         |   | 1              | 2                                     |   |                                    |   | 2                |
| Net changes of items other than shareholders equity  |                         |   |                |                                       | 10,967  | 237                                | 11,204                                      | 11,204           |
| Total changes of items during the period             | 108,012                 | 120,546                                 | (24)           | 120,522                               | 10,967  | 237                                | 11,204                                      | 131,727          |
| Balance at March 31, 2014                            | 325,301                 | 1,620,128                               | (26,247)       | 1,850,263                             | 44,945  |                                    | 44,945                                      | 1,895,208        |

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|  | Yen (millions)  |                       |                       |                       |                |                   |  |                             |
|--|-----------------|-----------------------|-----------------------|-----------------------|----------------|-------------------|--|-----------------------------|
|  | Capital surplus |                       |                       | Stockholders equity   |                | Retained earnings |  |                             |
|  | Common stock    | Legal capital surplus | Other capital surplus | Total capital surplus | Legal reserves | General reserve   | Other retained earnings Reserve for special depreciation | Reserve for reduction entry |
| Balance at March 31, 2014                            | 86,067          | 170,313               | 0                     | 170,314               | 21,516         | 1,256,300         | 985  | 16,025                      |
| Cumulative effects of changes in accounting policies |                 |                       |                       |                       |                |                   |  |                             |
| Restated balance                                     | 86,067          | 170,313               | 0                     | 170,314               | 21,516         | 1,256,300         | 985  | 16,025                      |
| Changes of items during the period                   |                 |                       |                       |                       |                |                   |  |                             |
| Provision of general reserve                         |                 |                       |                       |                       |                | 66,000            |  |                             |
| Provision of reserve for special depreciation        |                 |                       |                       |                       |                |                   | 760  |                             |
| Reversal of reserve for special depreciation         |                 |                       |                       |                       |                |                   | (668)  |                             |
| Provision of reserve for reduction entry             |                 |                       |                       |                       |                |                   |  | 921                         |
| Reversal of reserve for reduction entry              |                 |                       |                       |                       |                |                   |  | (231)                       |
| Dividends from surplus                               |                 |                       |                       |                       |                |                   |  |                             |
| Net income   |                 |                       |                       |                       |                |                   |  |                             |
| Purchase of treasury stock                           |                 |                       |                       |                       |                |                   |  |                             |
| Disposal of treasury stock                           |                 |                       | 0                     | 0                     |                |                   |  |                             |
| Net changes of items other than shareholder s equity |                 |                       |                       |                       |                |                   |  |                             |
| Total changes of items during the period             |                 |                       | 0                     | 0                     |                | 66,000            | 92   | 689                         |
| Balance at March 31, 2015                            | 86,067          | 170,313               | 0                     | 170,314               | 21,516         | 1,322,300         | 1,077  | 16,715                      |

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|  | Stockholders equity     |                         |                | Valuation and translation adjustments |                                  |                                    | Total net assets |   |
|--|-------------------------|-------------------------|----------------|---------------------------------------|----------------------------------|------------------------------------|------------------|---|
|  | Retained earnings       |                         | Treasury stock | Total stock-holders equity            | Valuation difference on security | Deferred gains or losses on hedges |                  | Total valuation and translation adjustments |
|  | Other retained earnings | Total retained earnings |                |                                       |                                  |                                    |                  |   |
| Balance at March 31, 2014                            | 325,301                 | 1,620,128               | (26,247)       | 1,850,263                             | 44,945                           |                                    | 1,895,208        |   |
| Cumulative effects of changes in accounting policies | (33,372)                | (33,372)                |                | (33,372)                              |                                  |                                    | (33,372)         |   |
| Restated balance                                     | 291,929                 | 1,586,756               | (26,247)       | 1,816,891                             | 44,945                           | 44,945                             | 1,861,836        |   |
| Changes of items during the period                   |                         |                         |                |                                       |                                  |                                    |                  |   |
| Provision of general reserve                         | (66,000)                |                         |                |                                       |                                  |                                    |                  |   |
| Provision of reserve for special depreciation        | (760)                   |                         |                |                                       |                                  |                                    |                  |   |
| Reversal of reserve for special depreciation         | 668                     |                         |                |                                       |                                  |                                    |                  |   |
| Provision of reserve for reduction entry             | (921)                   |                         |                |                                       |                                  |                                    |                  |   |
| Reversal of reserve for reduction entry              | 231                     |                         |                |                                       |                                  |                                    |                  |   |
| Dividends from surplus                               | (158,601)               | (158,601)               |                | (158,601)                             |                                  |                                    | (158,601)        |   |
| Net income   | 264,686                 | 264,686                 |                | 264,686                               |                                  |                                    | 264,686          |   |
| Purchase of treasury stock                           |                         |                         | (16)           | (16)                                  |                                  |                                    | (16)             |   |
| Disposal of treasury stock                           |                         |                         | 0              | 1                                     |                                  |                                    | 1                |   |
| Net changes of items other than shareholders equity  |                         |                         |                |                                       | 16,615                           | 16,615                             | 16,615           |   |
| Total changes of items during the period             | 39,303                  | 106,085                 | (15)           | 106,069                               | 16,615                           | 16,615                             | 122,684          |   |
| Balance at March 31, 2015                            | 331,232                 | 1,692,842               | (26,263)       | 1,922,960                             | 61,560                           | 61,560                             | 1,984,521        |   |

**[4] Significant Subsequent Events**

None