



*Investor Presentation*  
*May 2014*

**ACURA TLX**  
(North America)

## **Caution with Respect to Forward-Looking Statements:**

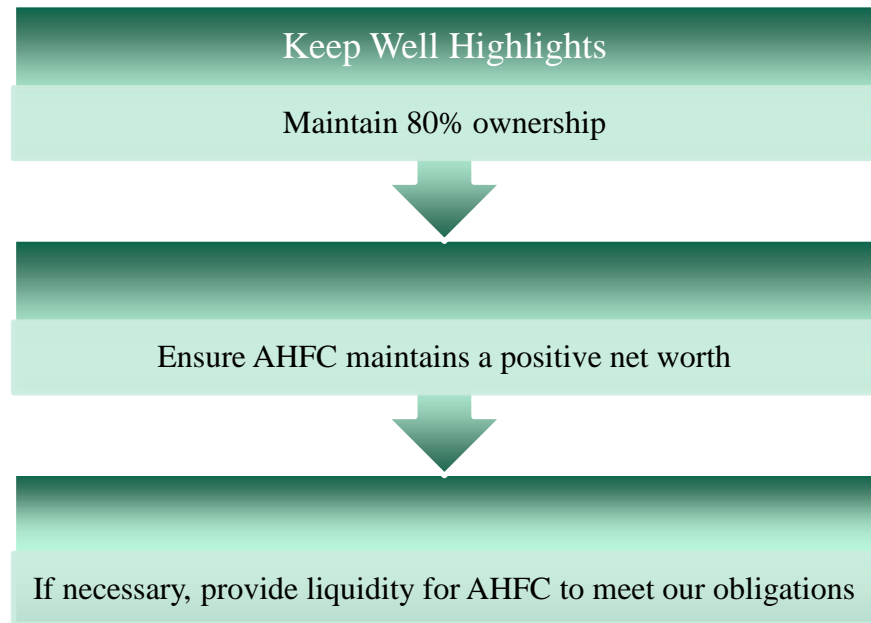
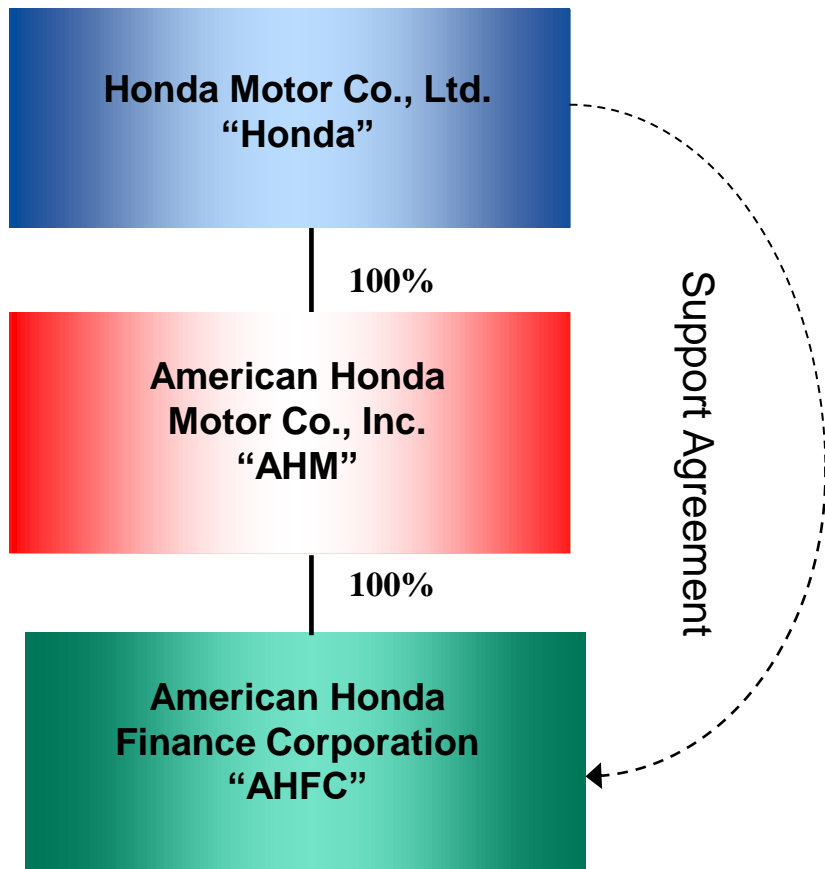
*These slides may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that involve a number of risks and uncertainties. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as “believes,” “expects,” “may,” “will,” “should,” “seeks,” “scheduled,” or “anticipates” or similar expressions or the negative thereof or other variations thereof or comparable terminology, or by discussions of strategy, plans or intentions. Such forward-looking statements are necessarily dependent on assumptions, data, or methods that may be incorrect or imprecise and that may be incapable of being realized. Factors such as declines in the financial condition or performance of Honda or AHFC or the sales of Honda or Acura products, changes in general business and economic conditions, and fluctuations in interest rates and currency exchange rates, among others, could cause actual results and other matters to differ materially from those in such forward-looking statements.*

## **Accounting Standards:**

*Our consolidated financial information is prepared in conformity with U.S. generally accepted accounting principles.*

*This information is presented as of May 28, 2014 and does not purport to be accurate as of any other date. We undertake no obligation to update this information.*

*This presentation does not constitute an offer to sell or a solicitation of an offer to purchase any securities. Any offer or sale of securities will be made only by means of an offering memorandum and related documents.*



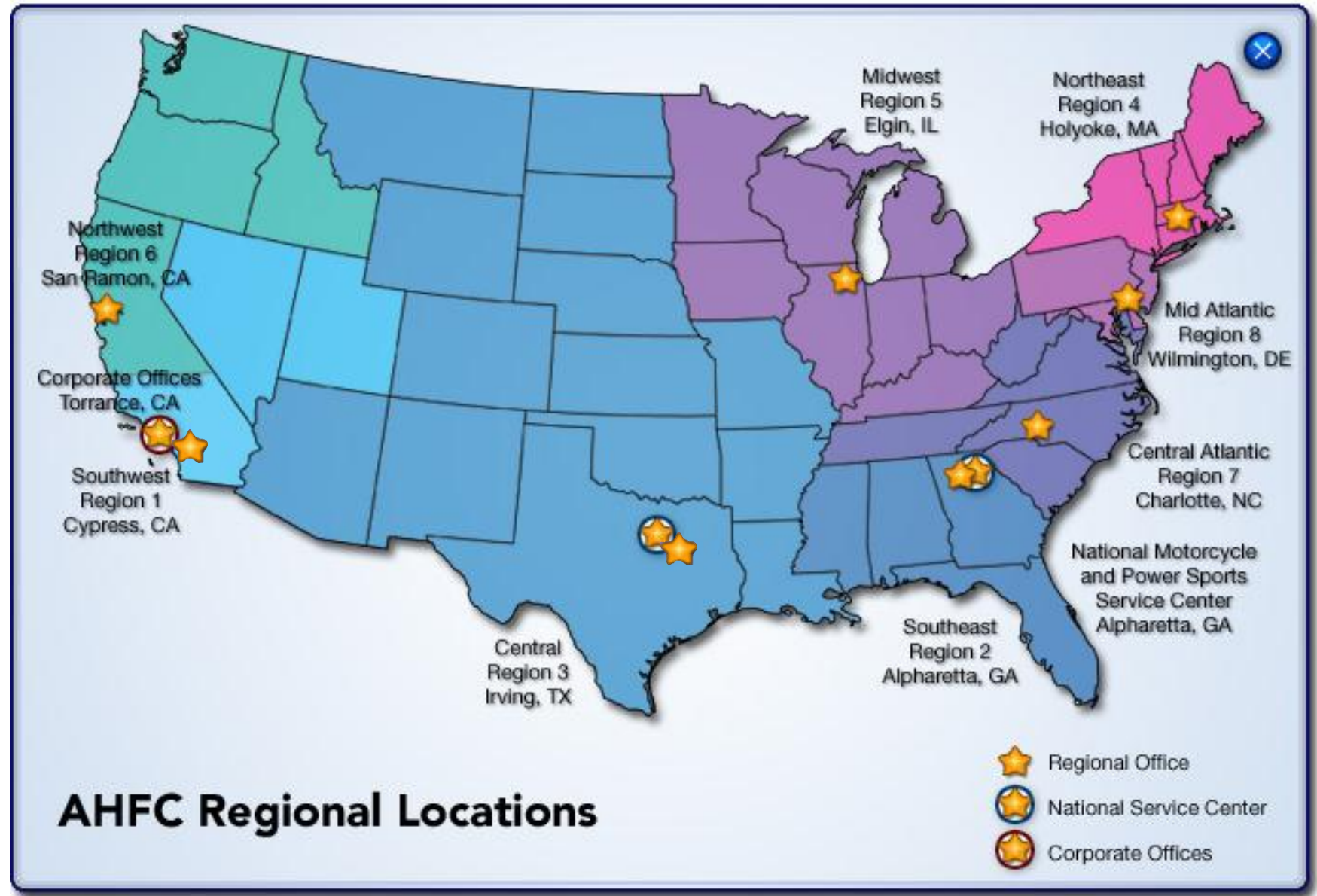


Financial  
Services



Financial  
Services

# AHFC Operations





New auto contract increase over prior year

Underwriting remains consistent

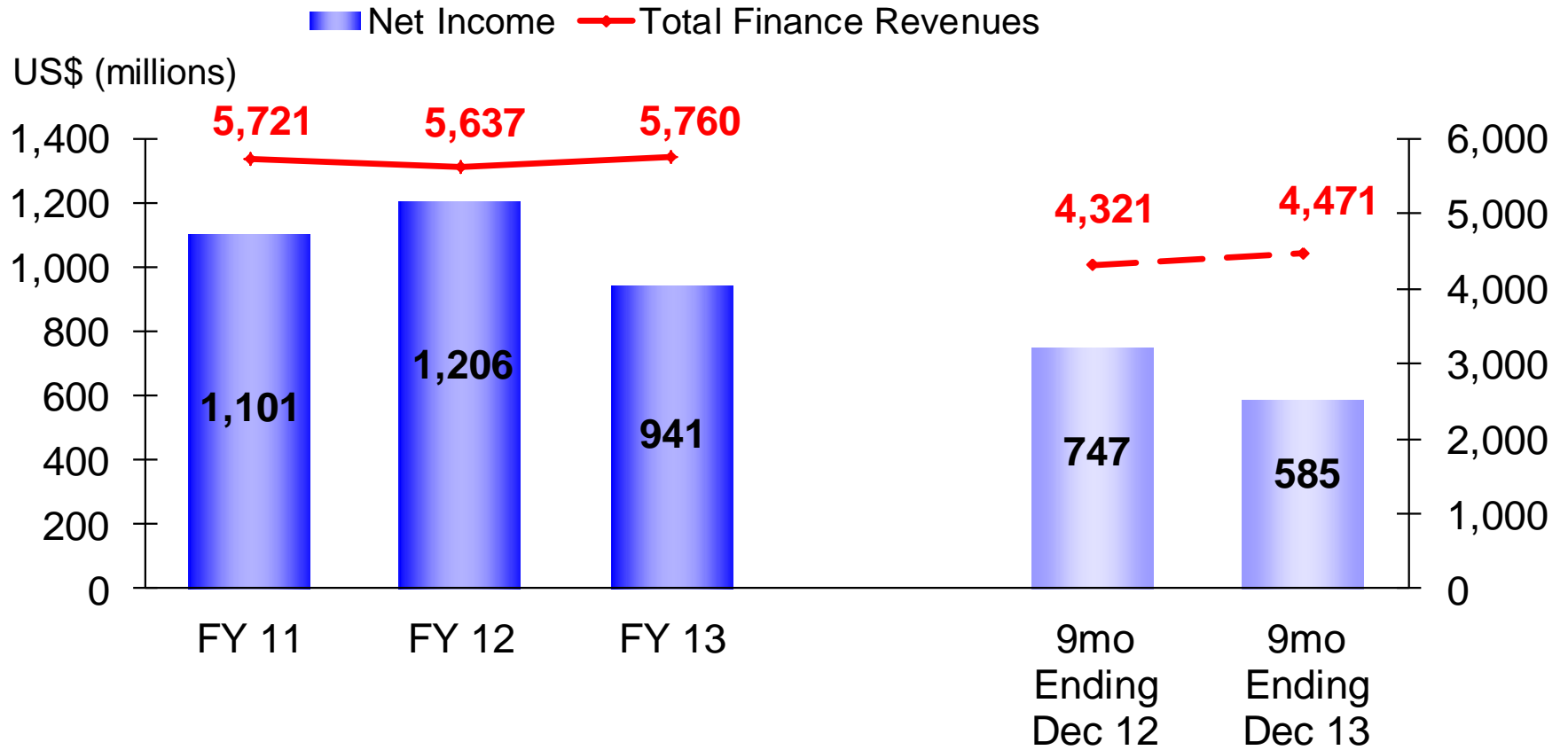
Premier customer service

Low charge-offs continue

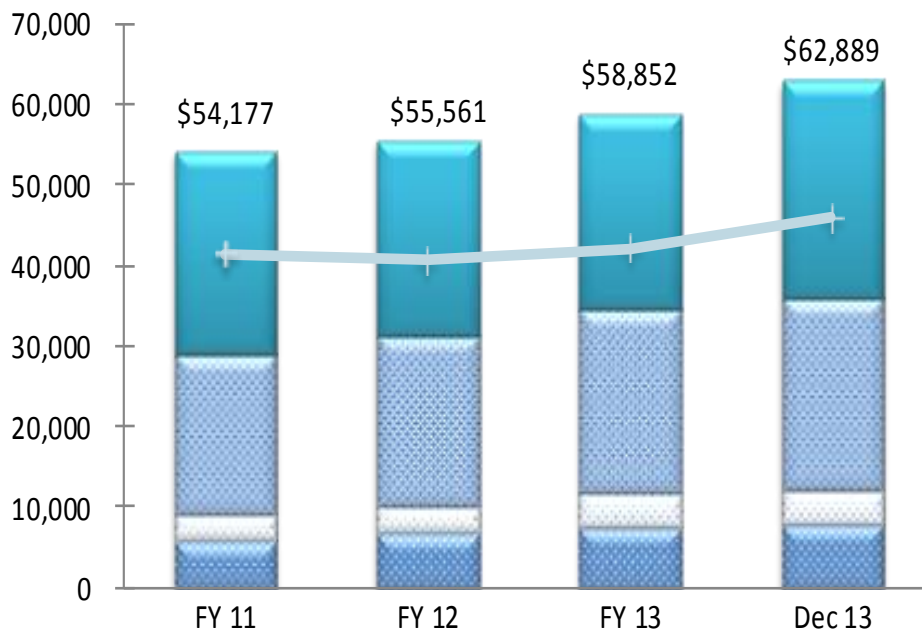
Strong residual values continue

Strong ratings

# AHFC Net Income



US\$ (millions)



As of December 31, 2013:  
Retail Loans are approx. 55% of outstanding receivables (including ABS assets)  
Leases are 38% of outstanding receivables  
Securitized Assets are Retail Loans. We do not currently securitize other asset classes.  
Dealer Loans Flooring 30% of the Honda/Acura Auto dealers  
Flooring 97% of the Honda/Acura Motorcycle dealers

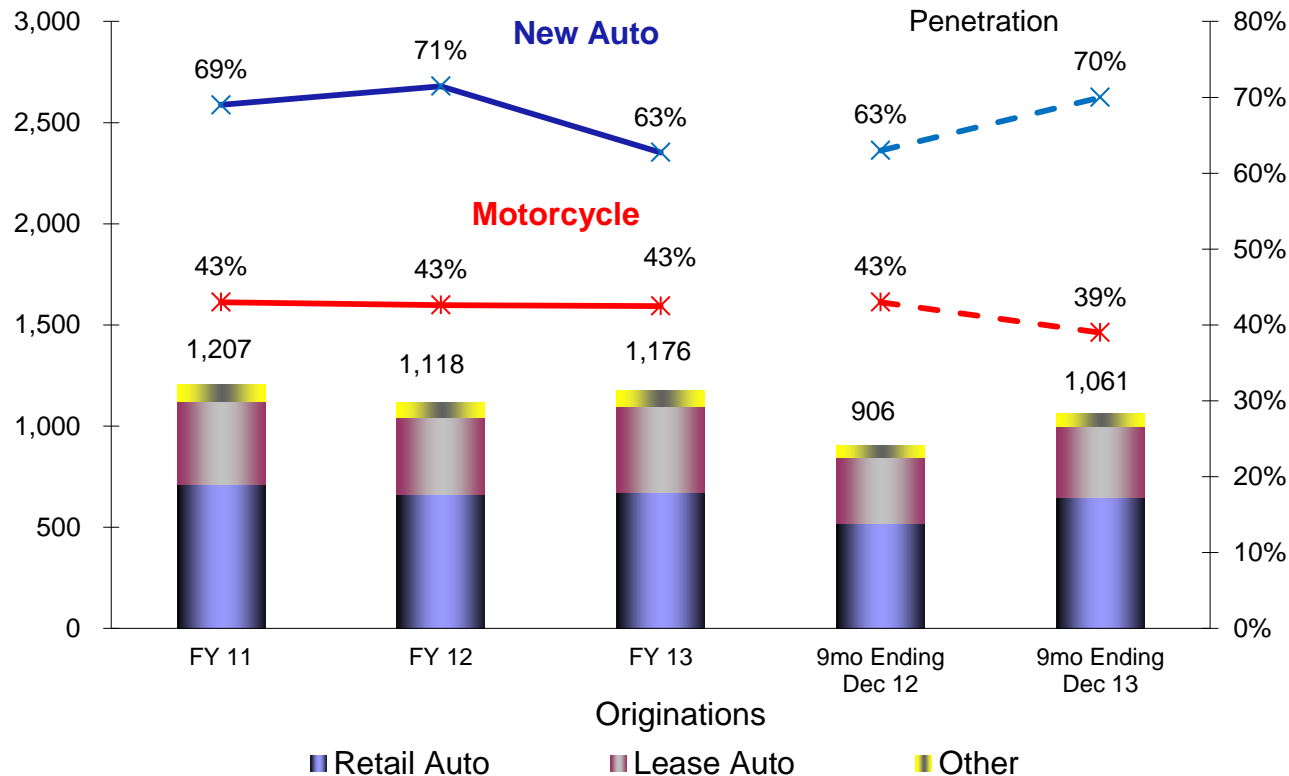
Retail	\$25,223	\$24,359	\$24,356	\$26,828
Lease	\$19,822	\$21,134	\$22,706	\$23,880
Dealer	\$3,189	\$3,249	\$4,208	\$4,176
Securitized Assets	\$5,943	\$6,819	\$7,582	\$8,005
Debt	\$41,504	\$40,567	\$42,149	\$45,919

**Lease includes both direct finance leases and operating leases.**  
**Retail excludes securitized assets**



# AHFC CFS Originations, Penetration & Outstanding

Unit (thousands)



Penetration  
FY11, FY12 and the period ending December 2013 show higher new auto penetration as a result of higher incentive programs sponsored by our parent, American Honda Motor Co., Inc.

Outstanding    3,490            3,440            3,491            3,508            3,641

AHFC's underwriting standards are reflected in our low charge-off and delinquency numbers.

	<u>Fiscal Year Ending</u>			<u>9 mo Ending</u>	
	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>Dec 12</u>	<u>Dec 13</u>
Delinquency (60 or more days) <sup>(1),(3)</sup>	0.11%	0.10%	0.10%	0.20%	0.18%
Allowance for Credit Losses <sup>(1),(3)</sup>	0.51%	0.42%	0.23%	0.24%	0.22%
Charge-Offs (Net of Recoveries) <sup>(2),(3),(4)</sup>	0.51%	0.30%	0.28%	0.28%	0.27%

(1) Percentages based on ending receivable balances for respective periods.

(2) Percentages based on average receivable balances for respective periods.

(3) Ending and average receivable balances exclude the allowance for credit losses, write-down of lease residual values, unearned subvention income related to our incentive financing programs and deferred origination costs. Average receivable balances are calculated based on the average of each month's ending receivables balance for that fiscal period.

(4) Percentages for the nine months ended December 31, 2013 and 2012 have been annualized.

- *Conservative approach to markets*
- *Access to various domestic and international markets*
- *Recognize windows of opportunity*
- *Maintain prudent maturity profile*

# AHFC's Inaugural SEC-registered Debt

Sept. 5 ,2013  
Shelf Registration  
(S-3)

Sept. 25, 2013  
MTN Program  
Active

Oct. 3, 2013  
Inaugural  
Transaction

## Inaugural transaction details

\$ 750 mil 3 year Floater  
\$1.0 bil 3 year Fixed  
\$1.0 bil 5 year Fixed



American Honda Finance raised \$2.75bn by issuing three-year floaters, three-year fixed and five-year fixed that attracted an order book of slightly over \$9bn.

This was the first time the issuer was issuing in the SEC-registered format and investors charged into the different tranches even as the company tightened pricing from IPT levels. The three-year fixed tranche saw most of the demand, followed by the five-year fixed and three-year floater. IFR Markets Reuters

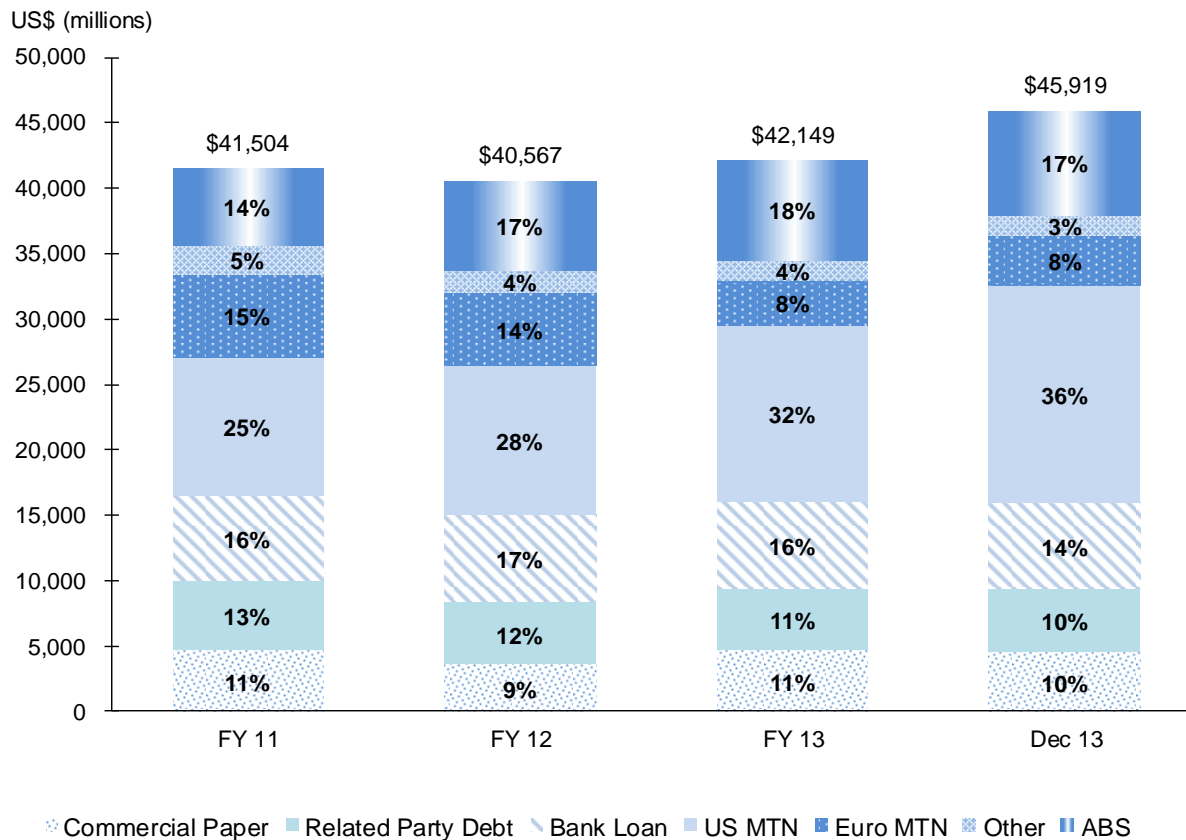


## Investor Comments

- Appreciate transparency a public program offers
- SEC registration is helpful especially being index eligible
- Registered programs offer ability to allocate to many more of our funds
- Will buy bigger/larger orders of a transaction with registered programs

Source: Honda

# AHFC Funding Flexibility

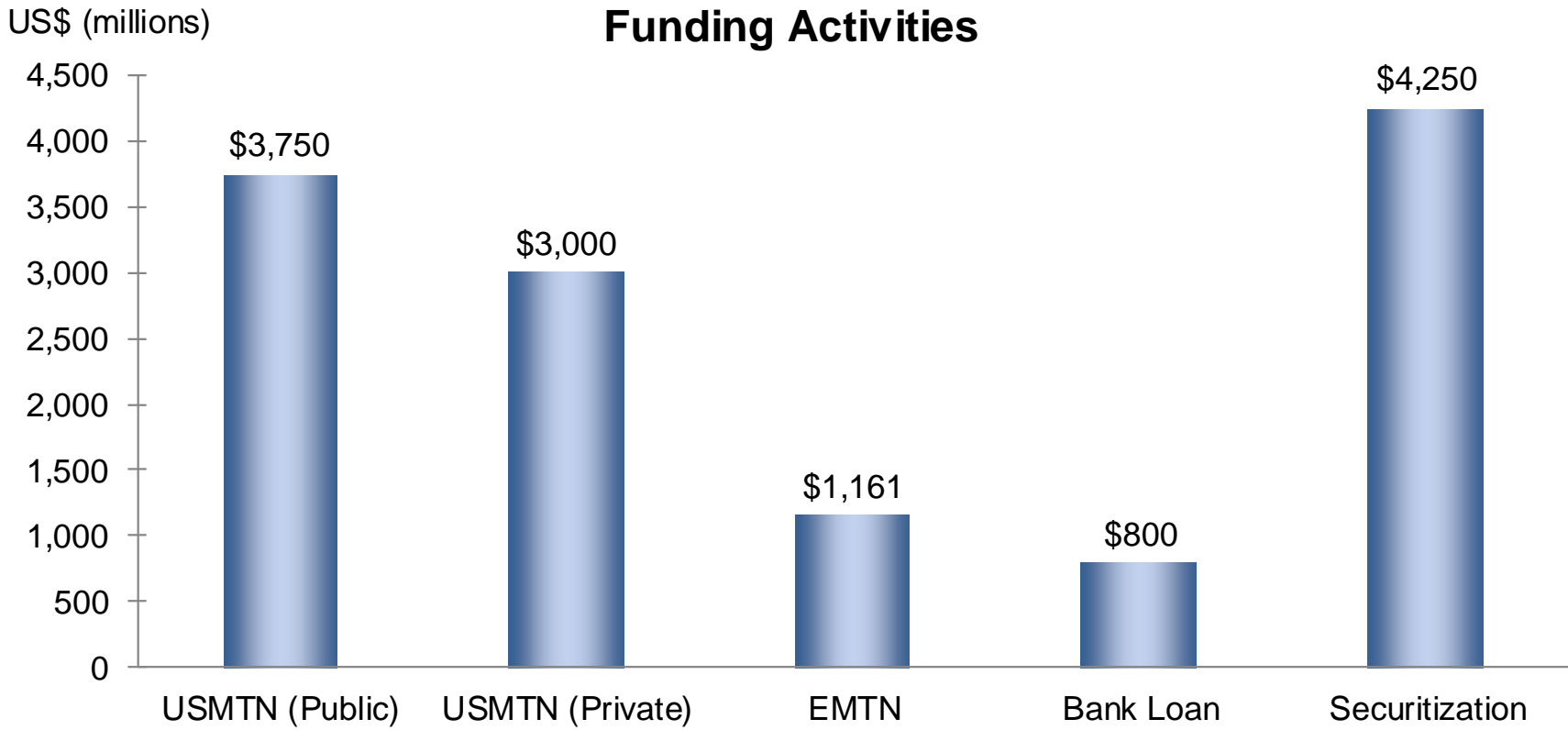


## Diversified AHFC Funding Programs

- Commercial Paper Program  
US \$6 billion, CAD \$1.625 billion (HCFI)  
(supported by US \$6 billion and CAD \$1.3 billion (HCFI) Bank Credit Facilities)
- US \$16 billion Shelf USMTN Public Program
- US \$25 billion USMTN Private 144a Program (Inactive)
- US \$11 billion EMTN Program
- Related Party Debt
- Bank Loans
- Private Placement Issuance (HCFI)
- Public & Private Securitization (AHFC & HCFI)

# FY 14 Debt Issuance

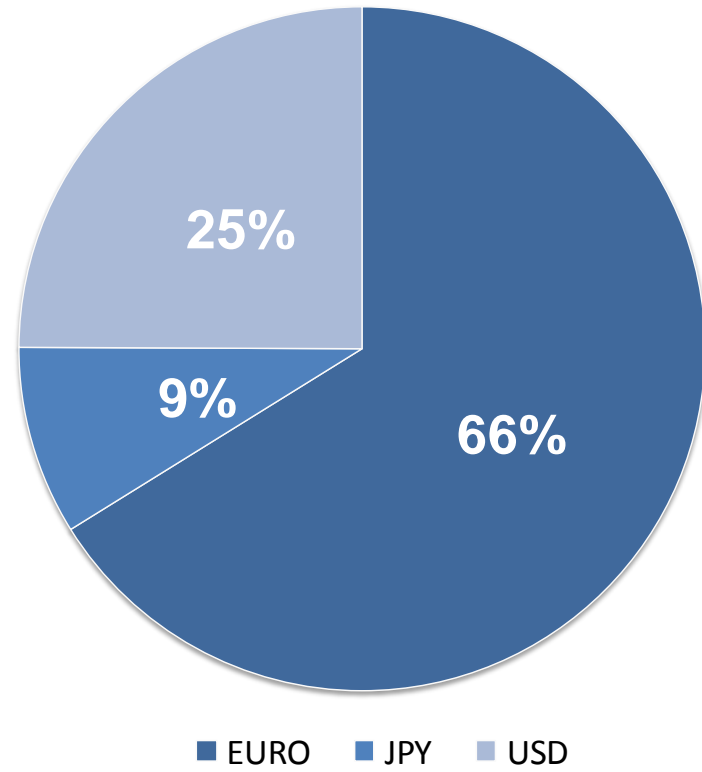
For the 9 months ended  
December 31, 2013  
(US Operations Only)





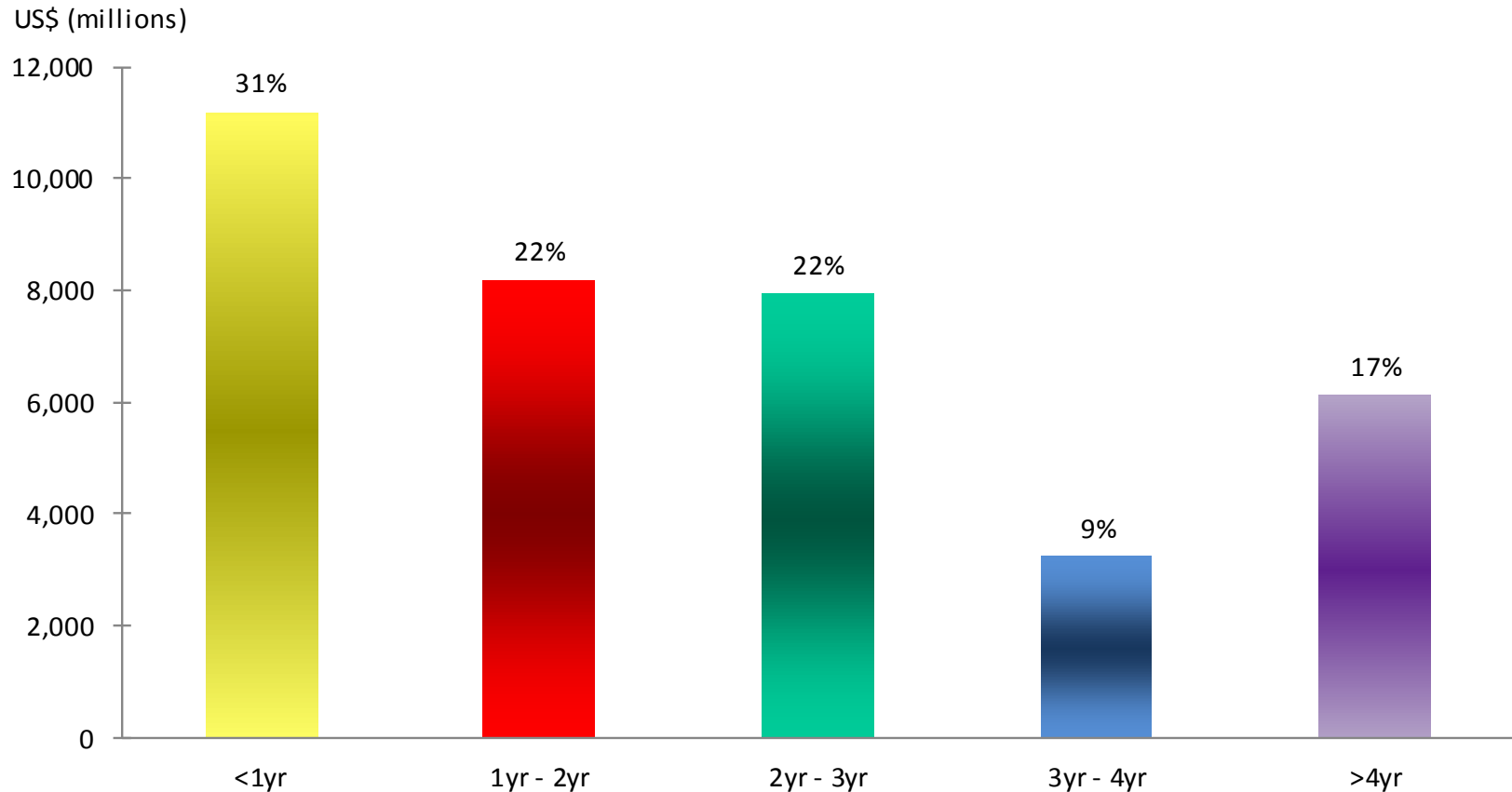
As of December 31, 2013

EMTN by Currency



Excludes unamortized discount and fees

## As of December 2013



Excludes Commercial Paper and Related Party Debt

Does not include unamortized discounts and fees

Foreign debt based on exchange rates as of December 31, 2013

Repayment schedule of secured debt reflects payment performance assumptions on underlying receivables

**HONDA**  
The Power of Dreams