

Future Vehicle

PROLOGUE



Arriving Early 2024

Investor Presentation
September 2023

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.

Use and Definition of Non-GAAP Financial Measure:

This presentation includes the following financial measure defined as a non-GAAP financial measure by the SEC: Income before income taxes excluding valuation adjustments and reclassifications. This measure has limitations as an analytical tool and should not be considered as an alternative to, or more meaningful than, net income as determined in accordance with GAAP or as an indicator of our liquidity. Our presentation of this non-GAAP financial measure should also not be construed as an inference that our results will be unaffected by unusual or non-recurring items. Our computations of this non-GAAP financial measure may not be comparable to other similarly titled measures of other companies.

We define income before income taxes excluding valuation adjustments and reclassifications as income before income taxes excluding realized (gains)/losses on derivatives and foreign currency denominated debt, (gain)/loss on derivative instruments, and (gain)/loss on foreign currency revaluation of debt. Management believes income before income taxes excluding valuation adjustments and reclassifications is useful because it allows management to evaluate our operating performance and compare the results of our operations from period to period and against our peers without regard to fluctuations in performance resulting from currency related charges and interest rate swaps.

A reconciliation of our net income as determined in accordance with GAAP to income before taxes excluding valuation adjustments and reclassifications is provided in Appendix A to these slides.

Accounting Standards:

Honda Motor Co., Ltd.

Financial information is prepared in conformity with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

American Honda Finance Corporation

Financial information is prepared in conformity with U.S. generally accepted accounting principles.

This information is presented as of September 12, 2023 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.

Foreign Currency Translation:

The financial data in these slides is presented on a consolidated basis unless otherwise noted. Upon consolidation, the assets and liabilities are translated at year-end exchange rates, and the revenues and expenses are translated at the average rates of exchange during the respective years. Foreign currency denominated debt is translated at year-end exchange rates, and the foreign currency transaction gains and losses are recognized through earnings.



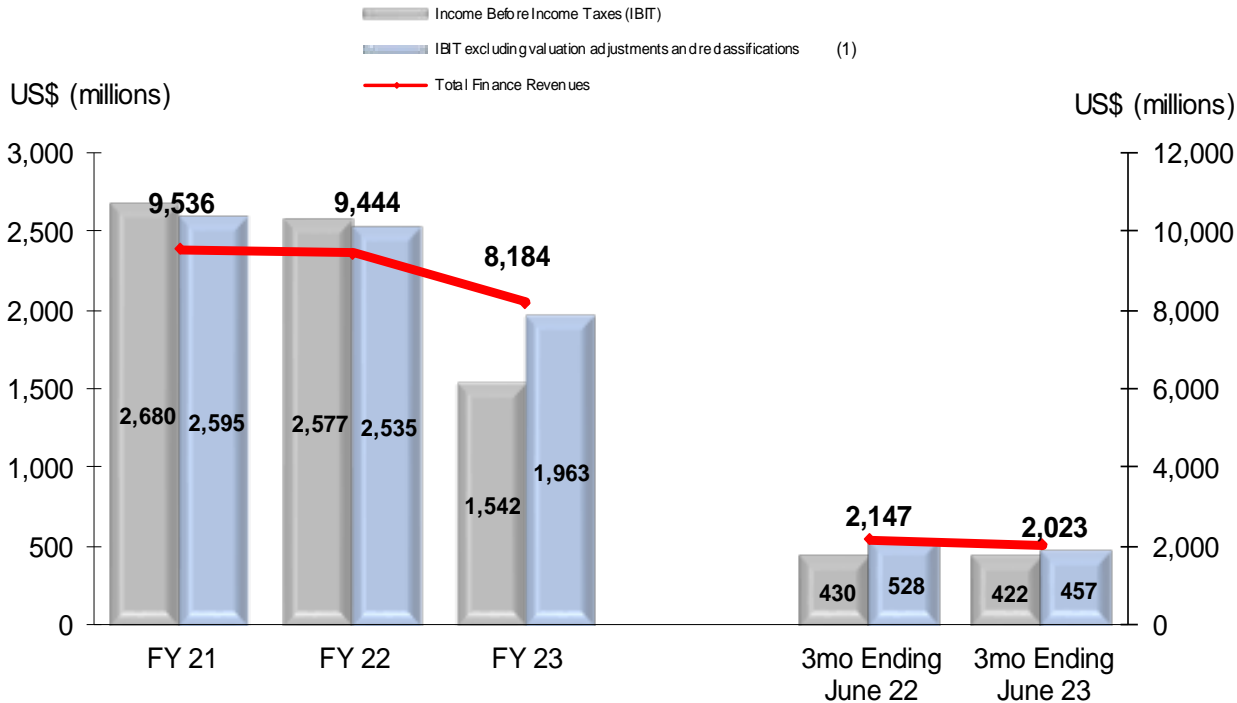
Financial
Services



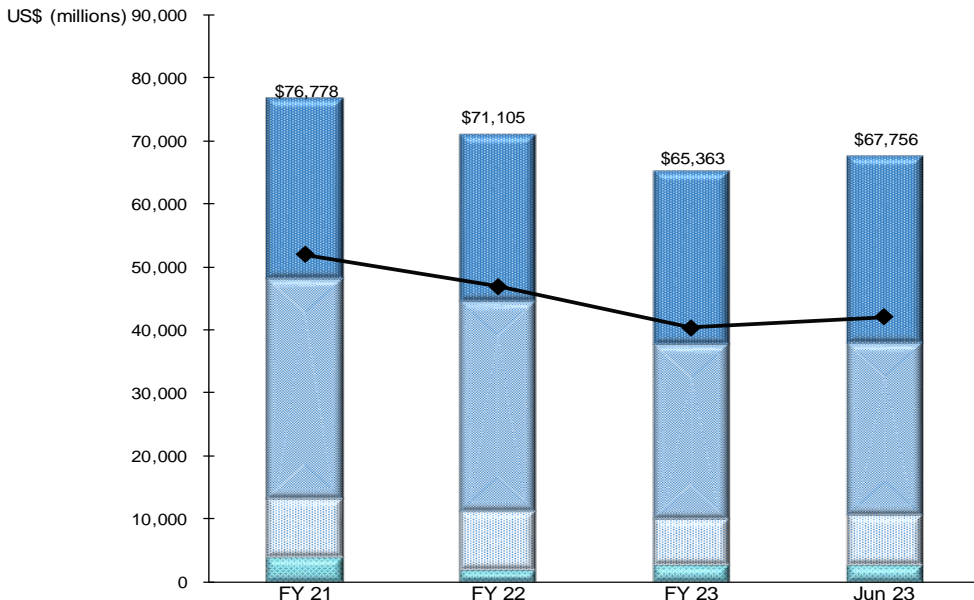
Financial
Services



AHFC Net Income



(1) For a reconciliation of IBIT excluding valuation adjustments and reclassifications see Appendix A



Retail	\$28,573	\$26,387	\$27,538	\$29,581
Lease	\$34,905	\$33,330	\$27,610	\$27,518
Securitized Assets	\$9,223	\$9,327	\$7,384	\$7,749
Dealer	\$4,077	\$2,061	\$2,831	\$2,908
Debt	\$51,927	\$46,939	\$40,334	\$42,042

As of Jun 30, 2023:

Retail Loans:

includes ABS assets, approx. 55% of outstanding receivables

Leases:

includes ABS assets, approx. 41% of outstanding receivables

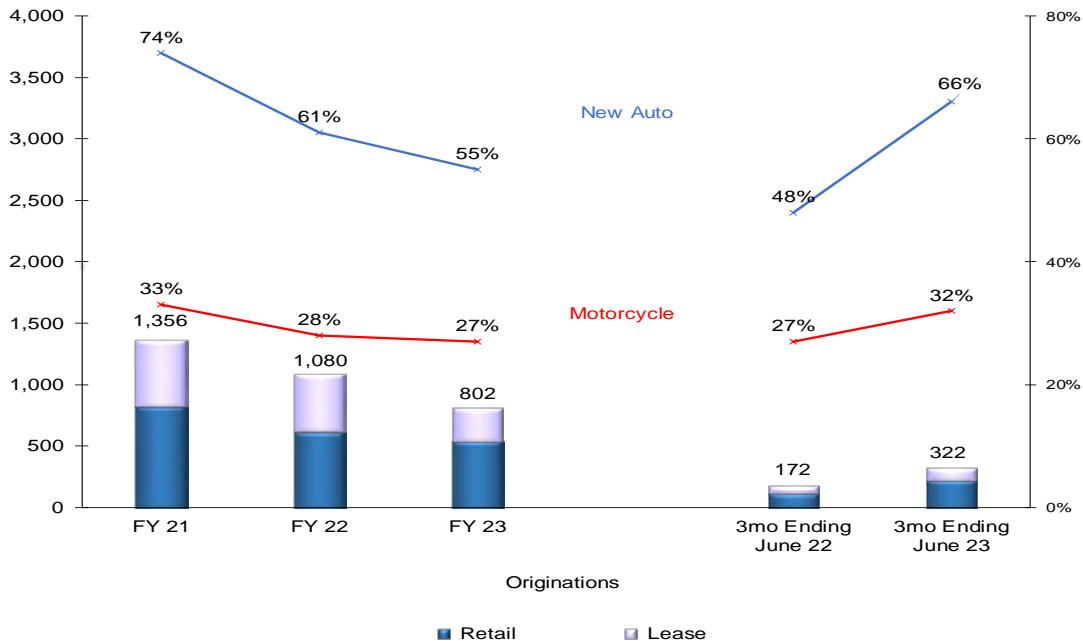
Securitized Assets:

are Retail Loans (AHFC & HCFI) and Leases (HCFI)

Dealer Loans:

Flooring 21% of the Honda/Acura Auto dealers
Flooring 98% of the Honda/Acura Motorcycle dealers

AHFC CFS Originations, Penetration & Outstanding



Outstanding

4,017

3,704

3,313

3,551

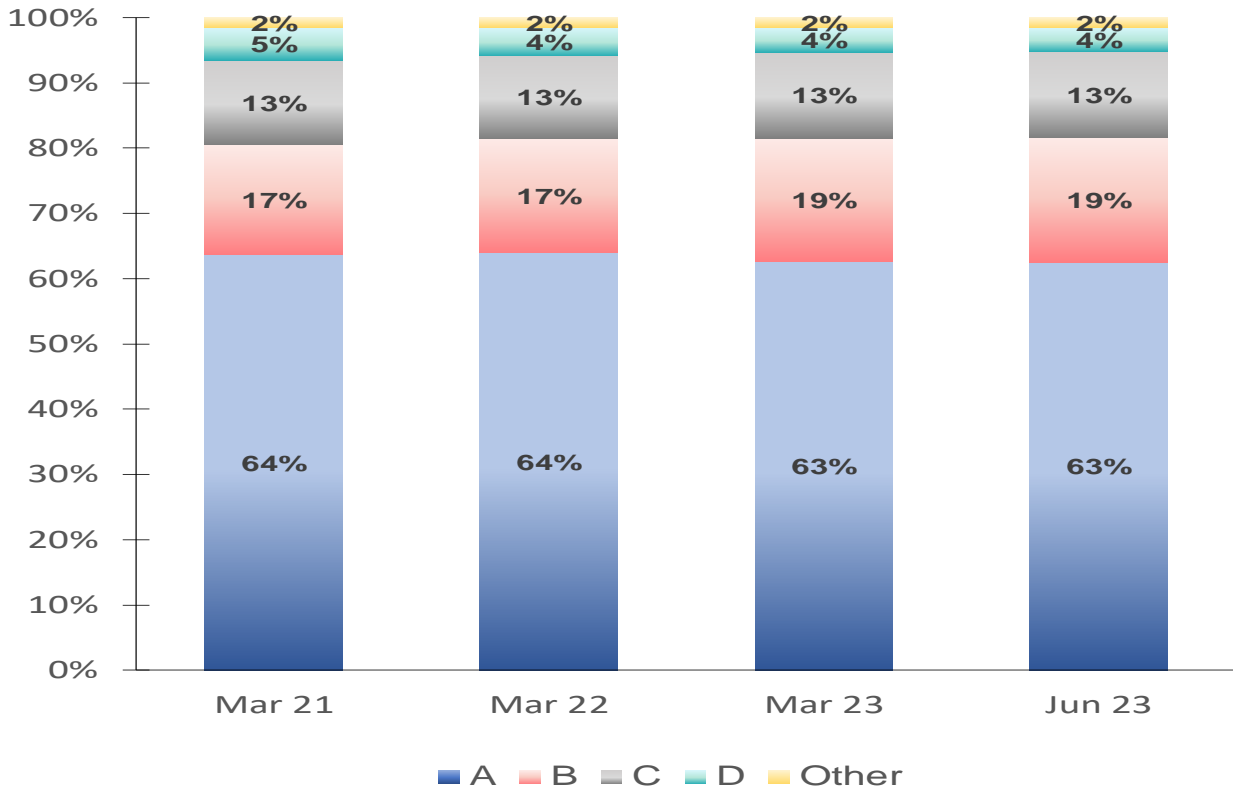
3,325



	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>Jun 22</u>	<u>Jun 23</u>
Delinquency (60 or more days) ^{(1),(2)}	0.14%	0.24%	0.24%	0.31%	0.33%
Allowance for Credit Losses ⁽¹⁾	0.68%	0.55%	0.67%	0.59%	0.76%
Charge-Offs (Net of Recoveries) ⁽¹⁾⁽³⁾	0.29%	0.13%	0.28%	0.16%	0.24%

- (1) Ending and average receivable balances exclude the allowance for credit losses, 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 year.
- (2) For the purposes of determining whether a contract is delinquent, payment is generally considered to have been made, in the case of (i) dealer loans, upon receipt of 100% of the payment when due and (ii) consumer finance receivables, upon receipt of 90% of the sum of the current monthly payment plus any overdue monthly payments. Delinquent amounts presented are the aggregated principal balances of delinquent finance receivables. Payments that were granted deferrals are not considered delinquent during the deferral period.
- (3) Percentages for both the three months ended June 30, 2023 and 2022 have been annualized.

Outstanding Retail Loans by Internal Credit Grade



AHFC Funding Sources

(US Operations Only)

- SEC Unsecured Global MTN Program (USD, EUR, GBP)

\$30 Bil



- SEC ABS Shelf

\$18 Bil



- Commercial Paper

\$7 Bil



- Bilateral Term Loans



AHFC Available Liquidity

(US Operations Only)

- Syndicated Bank Credit Facilities

\$7 Bil



- Committed Bilateral Lines of Credit

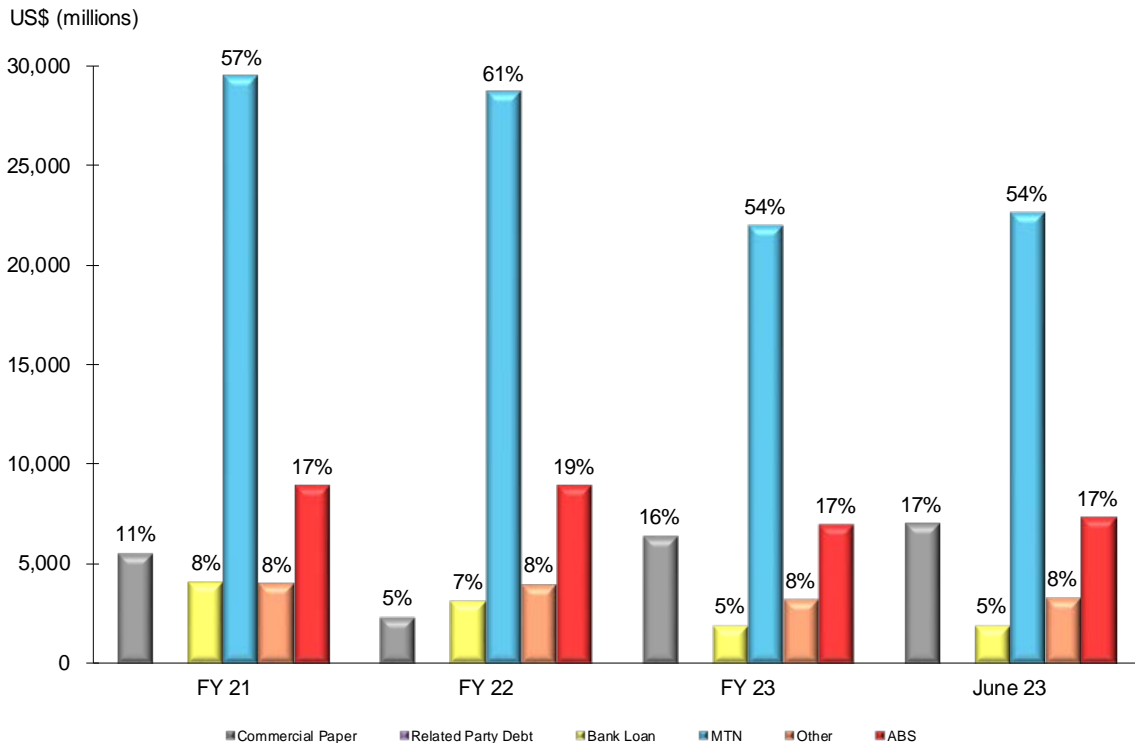
\$1 Bil



- Intercompany Loans
- Cash Reserves



AHFC Funding Flexibility

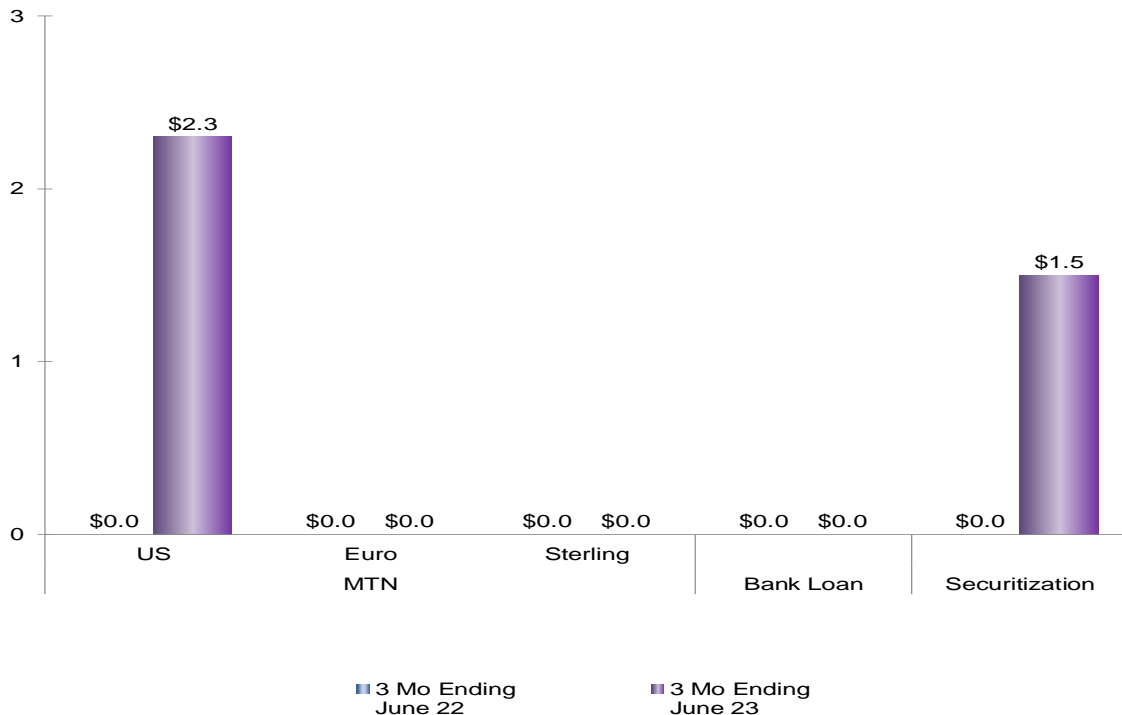


MTN includes outstanding debt SEC, 144A & EMTN Programs

FYTD Debt Issuance

US\$ (billions)

(US Operations Only)



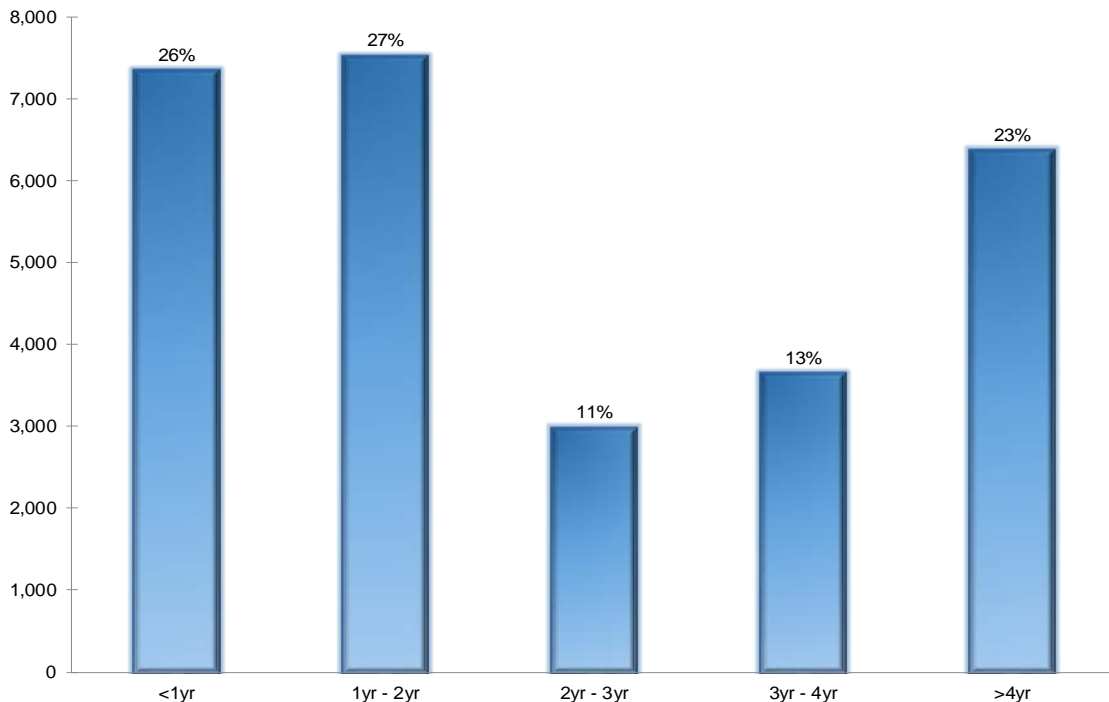
Excludes Commercial Paper and Related Party Debt

Securitization excludes retained notes and retained portion of notes for risk retention

Unsecured Term Debt Maturity Profile

US\$ (millions)

As of June 2023



Excludes Commercial Paper and Related Party Debt

Does not include unamortized discounts and fees

Foreign debt based on exchange rates as of June 30, 2023

American Honda Finance Corporation ("AHFC")

Revolving Credit Facility				
Lender	Commitment Amount (mill) & Maturity Dates			
	Total	Feb-24	Feb-26	Feb-28
MUFG Bank, Ltd.	\$630.0	\$315.0	\$189.0	\$126.0
JP Morgan Chase Bank, N.A.	\$610.0	\$305.0	\$183.0	\$122.0
Bank of America, N.A.	\$600.0	\$300.0	\$180.0	\$120.0
Barclays Bank PLC	\$600.0	\$300.0	\$180.0	\$120.0
BNP Paribas	\$600.0	\$300.0	\$180.0	\$120.0
Citibank , N.A.	\$600.0	\$300.0	\$180.0	\$120.0
Mizuho Bank, Ltd.	\$600.0	\$300.0	\$180.0	\$120.0
Deutsche Bank AG New York Branch	\$410.0	\$205.0	\$123.0	\$82.0
Société Générale	\$410.0	\$205.0	\$123.0	\$82.0
Sumitomo Mitsui Banking Corporation	\$410.0	\$205.0	\$123.0	\$82.0
Wells Fargo Bank, National Association	\$410.0	\$205.0	\$123.0	\$82.0
Australia and New Zealand Banking Group Limite	\$300.0	\$150.0	\$90.0	\$60.0
The Toronto Dominion Bank, New York Branch	\$300.0	\$150.0	\$90.0	\$60.0
U.S. Bank National Association	\$300.0	\$150.0	\$90.0	\$60.0
ING Bank N.V., Dublin Branch	\$120.0	\$60.0	\$36.0	\$24.0
The Bank of New York Mellon	\$100.0	\$50.0	\$30.0	\$20.0
Total	\$7,000.0	\$3,500.0	\$2,100.0	\$1,400.0



The table set forth below reconciles net income, calculated and presented in accordance with U.S. generally accepted accounting principles, to income before income taxes excluding valuation adjustments and reclassifications:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>June 22</u>	<u>June 23</u>
Net income.....	\$ 2,033	\$ 1,902	\$ 1,139	\$ 313	\$ 290
Add:					
Income tax expense.....	647	675	403	117	132
Realized (gains)/losses on derivatives and foreign currency denominated debt.....	(286)	(143)	134	1	56
(Gain)/Loss on derivative instruments	(229)	571	697	525	(71)
(Gain)/Loss on foreign currency revaluation of debt.....	430	(470)	(410)	(428)	50
Income before income taxes excluding valuation adjustments and reclassification.....	<u>\$ 2,595</u>	<u>\$ 2,535</u>	<u>\$ 1,963</u>	<u>\$ 528</u>	<u>\$ 457</u>