

Profit at Japan's Honda doubles on healthy global auto and motorcycle sales

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People walk near the logo of Honda Motor Company at a showroom in Tokyo, May 13, 2022. Honda reported Wednesday, Aug. 9, 2023, that its April-June profit more than doubled on healthy sales of its motorcycles and cars, as the Japanese company also received a perk from favorable exchange rates. Credit: AP Photo/Eugene Hoshiko, File

Honda reported Wednesday that its April-June profit more than doubled on healthy sales of its motorcycles and cars, as the Japanese company also received a perk from favorable exchange rates.

Honda Motor Co. said its fiscal first quarter profit totaled 363 billion yen (\$2.5 billion), up from 149 billion yen.

Quarterly sales jumped 21% to 4.6 trillion yen (\$32 billion). Honda's financial service division also reported growing sales.

Honda, which makes the Fit subcompact, Honda e electric car and Gold Wing motorcycle, said its profitability improved, especially in North America, where production recovered.

Automakers around the world were slammed by supply shortages because of production delays related to social restrictions caused by the COVID-19 pandemic. But such restrictions have eased, allowing production to pick up again.

Auto sales were about the same in Japan in the latest quarter as in the previous year, while dropping significantly in China because of intense competition from makers of battery [electric vehicles](#), Honda said.

Honda is banking on growth in EVs in the U.S. market, where it recently announced it is joining six other companies in the creation of a high-powered charging network across North America.

Worries about [climate change](#) have helped set off a dramatic shift in the [auto industry](#) toward battery electric vehicles, allowing for relative newcomers like Tesla and BYD to prosper, while catching some Japanese makers off guard with their hybrids and regular gasoline-powered models.

Honda said a computer chip shortage crimped its [motorcycle](#) sales in India, while sales rebounded in Indonesia as production recovered.

Honda said it sold 901,000 vehicles in the latest quarter, up from 815,000 a year earlier. It also sold more motorcycles worldwide at nearly 4.5 million, up from 4.2 million.

Honda added 23 billion yen (\$160 million) to its quarterly operating profit because of the impact of currency exchange rates. A weaker yen, trading lately at about 143 yen to the U.S. dollar, is a boon for Japanese exporters by boosting the amount of its overseas earnings when converted into yen.

Honda stuck to its full year projection of an 800 billion yen (\$5.6 billion) [profit](#), up from 651 billion yen a year earlier.

Honda shares slipped 0.9% on the Tokyo Stock Exchange.

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