



LEASE vs PURCHASE

LEASE VERSUS PURCHASE



HONDA
Financial Services

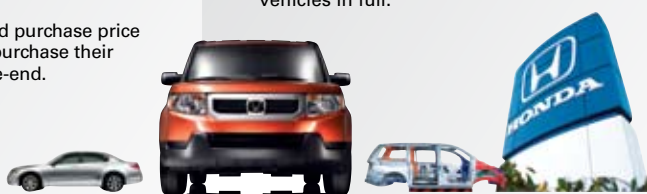
LEASE VS. PURCHASE

Customers should LEASE through Honda Financial Services if...

- They want to drive new Honda vehicles and keep their purchasing options open.
- They want to customize their Honda vehicles with Honda Genuine Accessories.
- They want to drive new Honda vehicles every few years.
- They want low up-front costs and low monthly payments.
- They want a guaranteed purchase price should they decide to purchase their Honda vehicles at lease-end.

Customers should PURCHASE through Honda Financial Services if...

- They hope to convert their vehicles to cash eventually by selling or trading them in.
- They want to customize their Honda vehicles with Honda Genuine Accessories.
- They think they'll drive their vehicles more than five years.
- They eventually want to pay off their vehicles in full.



DOWN PAYMENTS AND MONTHLY PAYMENTS

Lease Advantages

- Customers can enjoy low up-front costs and low monthly payments.
- In most states, customers will only pay sales tax on the monthly payments for the terms of their contracts.
- Customers can include peace-of-mind Honda Care® Vehicle Service Contract (VSC) protection in their monthly payments, or they can pay with interest-free payment plans provided by Service Payment Plan, Inc.

Purchase Advantages

- Customers can keep monthly payments low by putting down substantial down payments.
- Customers will own their Honda vehicles at the end of their terms – they can keep their Honda vehicles, trade them in or sell them – the choice is theirs.
- Customers can purchase peace-of-mind Honda Care VSC protection and include the cost in their monthly payments, or they can pay with interest-free payment plans provided by Service Payment Plan, Inc.



THE HONDA EXPERIENCE

Lease Advantages

- **Options.** At lease-end, customers can extend their current leases, or lease or purchase another Honda – the choice is theirs.
- **Coverage.** Honda vehicles are covered under factory warranty for the first 3 years/36,000 miles.
- **Flexibility.** Lease terms from 24 to 60 months.
- **Protection.** Automatically includes a \$1,500 Excessive Wear and Use Waiver and Guaranteed Asset Protection (GAP) coverage.
- Customers can purchase Honda Care VSC protection and include the cost in their monthly payments, or they can pay with interest-free payment plans.

Purchase Advantages

- **Options.** Customers can keep their Honda vehicles, trade them or sell them anytime – the choice is theirs.
- **Coverage.** Honda vehicles are covered under factory warranty for the first 3 years/36,000 miles.
- **Flexibility.** Finance terms from 24 to 72 months.
- **Protection.** Customers can include affordable Honda Care VSC and Honda Care GAP protection in their monthly payments or pay with interest-free payment plans.



GUARANTEED PURCHASE PRICE

Lease Advantages

- Customers will know in advance the guaranteed purchase price of their Honda vehicles at lease-end.
 - If their Honda vehicles are valued at more than the guaranteed purchase price, customers can still purchase them for the guaranteed purchase price at lease-end.
 - If their Honda vehicles are valued at less than the guaranteed purchase price, customers can simply return their vehicles to their dealers, extend their leases or lease or purchase new Honda vehicles.

Purchase Advantages

- Customers who purchase Honda vehicles will have made smart investments, as Honda vehicles tend to hold their value.
- Customers can use the equity in their vehicles to sell them or trade them in for new Honda vehicles.



HONDA FINANCIAL SERVICES LEASE OPTIONS

Honda Leadership Leasing®

Features and Benefits:

- Low up-front costs.
- No disposition fee.
- No purchase-option fee.
- \$1,500 Excessive Wear and Use Waiver included.
- GAP included.
- Low-mileage option.
- Option to purchase additional mileage for 10¢ per mile at contract signing.
- Lease terms from 24 to 60 months.
- Guaranteed purchase price.
- Freedom to customize with Honda Genuine Accessories.
- Low monthly payments.
- Option to purchase Honda Care VSC protection.

Honda One-Pay Lease

Features and Benefits:

- The One-Pay Lease is perfect for those customers who want to simplify their finances, such as business owners or retirees.
- Includes all the features and benefits of Honda Leadership Leasing.
- No monthly payments.
- Customers save money with a discounted One-Pay Lease rate.
- Lease terms are available from 24 to 36 months.



Honda Graduate Program

Eligible Customers:

- Will graduate with a master's, bachelor's or associate degree from a U.S.-accredited college or nursing school in the next four months or have graduated in the past two years.
- Have already secured employment or have a firm commitment for employment with a start date of no more than 120 days from the date of the lease contract.

Features and Benefits:

- Includes all the features and benefits of Honda Leadership Leasing.
- Offers first-time lessees the opportunity to build credit.
- Allows customers to drive the Honda vehicles they love and might not otherwise have been able to lease.
- Offers finance terms from 24 to 60 months.



HONDA FINANCIAL SERVICES PURCHASE PROGRAMS

Honda Retail Finance Program

Features and Benefits:

- Freedom to customize with Honda Genuine Accessories.
- Sense of security with ownership.
- Financing terms from 24 to 72 months.
- Smart investment, as Honda vehicles tend to hold their value.
- Option to purchase Honda Care Vehicle Service Contract (VSC) protection.
- In case of a total loss or theft, customers can save thousands of dollars by purchasing affordable Honda Care Guaranteed Asset Protection (GAP) coverage.

Honda Graduate Program

Features and Benefits:

- Includes all the features and benefits of the retail finance program.
- Gives qualifying grads a 90-day deferred-payment option with 60 days of no interest.
- Offers first-time buyers the opportunity to build credit.
- Allows customers to drive the Honda vehicles they love and might not otherwise have been able to finance.



HONDA LEADERSHIP PURCHASE PLAN® (LPP)*

Honda Leadership Purchase Plan Advantages

- Names of customers are on the vehicles' titles.
- Payments can go toward ownership.
- Option to own by paying one lump-sum payment at the end of the term.
- Guaranteed purchase price.
- Low up-front costs.
- No disposition fee.
- No purchase-option fee.
- \$1,500 Excessive Wear and Use Waiver included.

- Low-mileage option.
- Financing terms from 24 to 48 months.
- Option to purchase additional mileage for 10¢ per mile at contract signing.
- Possible lower monthly payments.
- Freedom to customize with Honda Genuine Accessories.
- Option to purchase Honda Care VSC protection.
- Option to purchase Honda Care GAP. †

*The Honda LPP is only offered in Arkansas, Illinois, Maryland, New York, Oklahoma, South Carolina, Tennessee, Texas and Virginia.

† GAP is included in New York LPP contracts only.

HONDA FINANCIAL SERVICES PROTECTION PACKAGES

Honda Care Vehicle Service Contract (VSC)

Features and Benefits:

- Comprehensive component coverage.
- 24-hour roadside assistance.
- Concierge emergency service.*
- Rental-car reimbursement.
- Trip-interruption benefit.
- Personalized travel plans.
- Expert repairs.



* Not available in Florida.

Honda Care Guaranteed Asset Protection (GAP)

Features and Benefits:

- If a Honda is stolen or deemed a total loss after an accident, Honda Care GAP can pay the difference between what is owed on the vehicle and what the vehicle insurance covers.

Honda Care Sentinel®

Features and Benefits:

- Sentinel offers peace-of-mind benefits such as concierge emergency services, rental-car reimbursement and prepaid oil changes.

NOTE: Honda Care Sentinel is not available in Washington.

GLOSSARY

Honda Lease, Finance and Protection Packages Glossary

Honda Care Guaranteed Asset Protection (GAP): If a customer's Honda is stolen or deemed a total loss after an accident, Honda Care GAP can pay the difference between what is owed on the vehicle and what the vehicle insurance covers. Honda Care GAP can be included in your customer's monthly vehicle payments.

Honda Graduate Program: A program that provides Honda Leadership Leasing, Honda Leadership Purchase Plan and retail finance program options to qualifying recent or soon-to-be grads.

Eligible customers include those who are going to graduate with a master's, bachelor's or associate degree from a U.S.-accredited college or nursing school in the next four months or who have graduated in the past two years. Customers need to have already secured employment or have a firm commitment from an employer for a start date of no more than 120 days from the date of the finance or lease contract.

Honda Care Sentinel: A protection product designed to offer your customers peace of mind. Sentinel plans include prepaid oil changes, roadside assistance, emergency services, rental-car reimbursement, a trip-interruption benefit and personalized travel plans. Your customers can even purchase a Sentinel plan that provides additional comprehensive component coverage. (Sentinel is not available in Washington.)

Honda Care Vehicle Service Contract (VSC): A transferable protection plan that includes roadside assistance, comprehensive component coverage, rental-car reimbursement, a trip-interruption benefit and personalized travel plans.

Honda Leadership Purchase Plan (LPP)*: A plan that allows customers to put their names on their vehicles' titles. This is a unique financing option in which payments may be applied toward ownership. At the end of their terms, they can sign new Honda LPPs, leases or finance contracts – or they can pay one lump sum and own their vehicles outright.

Honda Leadership Leasing: A traditional leasing program that gives customers options at lease-end, allows them to drive new Honda vehicles more often and provides a guaranteed purchase price at the end of the lease terms.

Honda One-Pay Lease: A leasing plan with a discounted rate that allows customers to make only one leasing payment one time. Everything – including the security deposit – is paid in one single payment. There are no monthly payments.

Honda Retail Finance Program: A traditional finance plan that puts all customers' payments toward ownership. After their terms are up, they can keep their vehicles, trade them in or sell them – the choice is theirs.



*The Honda LPP is only offered in Arkansas, Illinois, Maryland, New York, Oklahoma, South Carolina, Tennessee, Texas and Virginia.