

# Honda to spend 10 trillion yen on EVs through fiscal 2030

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Honda seeks to increase the ratio of electric and fuel-cell vehicles to 100 percent of its overall new car sales in 2040. -- NSTP/Nicholas King

TOKYO: Honda Motor Co. said Thursday it will double its investment in electric vehicle technology from its previous plan to around 10 trillion yen (US\$65 billion) for the 10-year period through fiscal 2030, Kyodo news agency reported.

The investment is aimed at enhancing the Japanese automaker's competitiveness with powerful overseas rivals such as Tesla Inc. and China's BYD Co. Honda seeks to increase the ratio of electric and fuel-cell vehicles to 100 percent of its overall new car sales in 2040.

Honda CEO Toshihiro Mibe said the EV industry is still nascent but that "in the long run the EV shift will continue to proceed steadily."

The 10 trillion yen investment will include about six trillion yen in building a next-generation factory system and manufacturing new cars, two trillion yen for software research and development, as well as two trillion yen for battery production, the company said.

Honda aims to reduce by 2030 the cost of batteries procured in North America by 20 percent compared to the current level. It also plans to cut the production cost of electrified vehicles by 35 percent.

The automaker said it will launch seven models of its new EV series "Honda 0" worldwide by 2030, ranging from small cars to large sports utility vehicles.

Japanese carmakers, seen as laggards in the all-electric vehicle market, are determined to play catch-up with overseas rivals.

Honda said in March it would consider a tie-up with archrival Nissan Motor Co. over EVs and software in a surprise announcement.

Nissan plans to invest two trillion yen in electrification and related technologies over five years through fiscal 2026.

Toyota Motor Corp. said in May last year that it will invest five trillion yen in EVs and batteries by 2030, raising the amount from the previously announced four trillion yen.  
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