



# **Third Quarter Financial Results for FY2017**

**(Results for the period April 1, 2016 to December 31, 2016)**

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February 10, 2017

# FY2017 Q3 Consolidated financial highlights

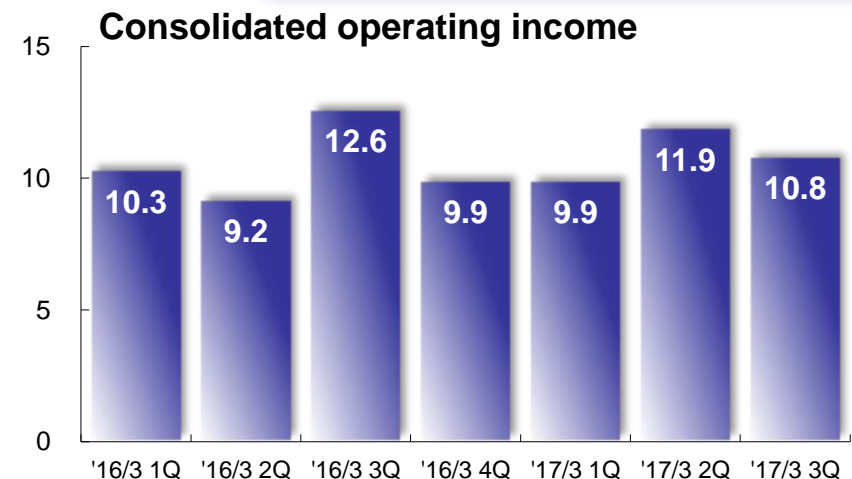
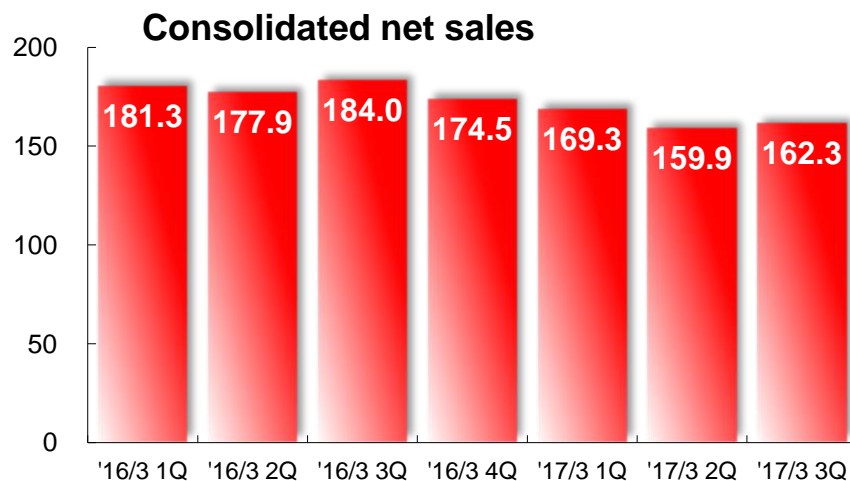
Units: Billion yen, rounded down  
Average rate during period

	FY2016 Q3	FY2017 Q3	Change in yen	Change in %
<b>Net sales</b>	<b>543.4</b>	<b>491.6</b>	<b>(51.7)</b>	<b>(9.5%)</b>
<b>Operating income</b>	<b>32.1</b>	<b>32.7</b>	<b>0.5</b>	<b>1.7%</b>
<b>Operating income ratio</b>	<b>5.9%</b>	<b>6.7%</b>	—	—
<b>Ordinary income</b>	<b>29.3</b>	<b>37.0</b>	<b>7.6</b>	<b>26.2%</b>
<b>Income (loss) before income taxes</b>	<b>8.3</b>	<b>(58.4)</b>	<b>(66.8)</b>	—
<b>Income (loss) for the period attributable to owners of the parent</b>	<b>2.5</b>	<b>(67.1)</b>	<b>(69.6)</b>	—
<b>USD/yen</b>	<b>121.74</b>	<b>106.60</b>		
<b>Euro/yen</b>	<b>134.41</b>	<b>117.98</b>		

Exchange rate effects for sales:

minus 66.3 billion yen

After accounting for exchange rate effects: 2.7%



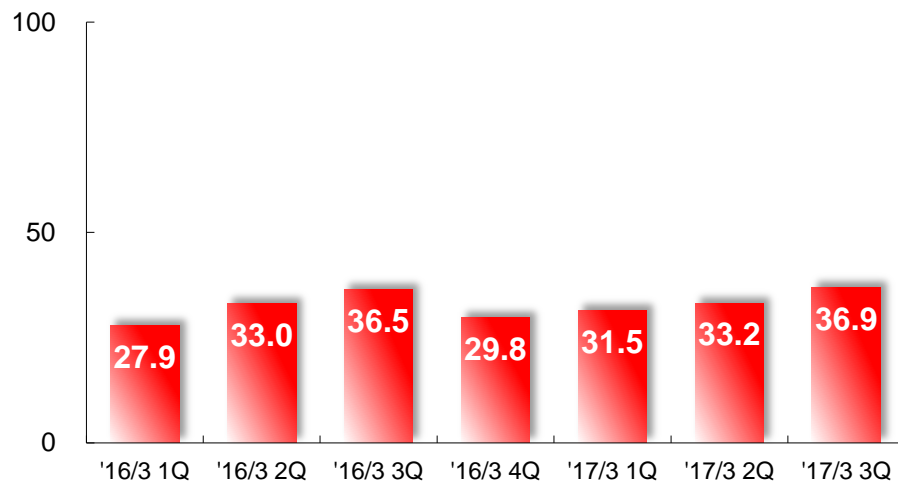
# FY2017 Q3 Results by region: Japan

Units: Billion yen, rounded down

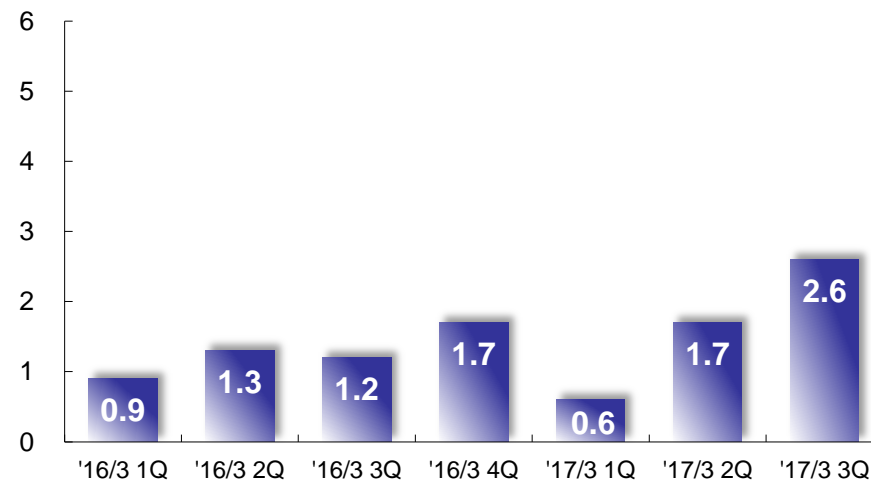
	FY2016 Q3	FY2017 Q3	Change in yen	Change in %
<b>Net sales</b>	<b>97.4</b>	<b>101.7</b>	<b>4.3</b>	<b>4.4%</b>
<b>Operating income</b>	<b>3.4</b>	<b>4.9</b>	<b>1.5</b>	<b>43.5%</b>
<b>Operating income ratio</b>	<b>3.5%</b>	<b>4.9%</b>	—	—

\*Total net sales value including internal transactions

**Net sales trends (consolidated before eliminations)**



**Operating income trends**



# FY2017 Q3 Results by region: Americas

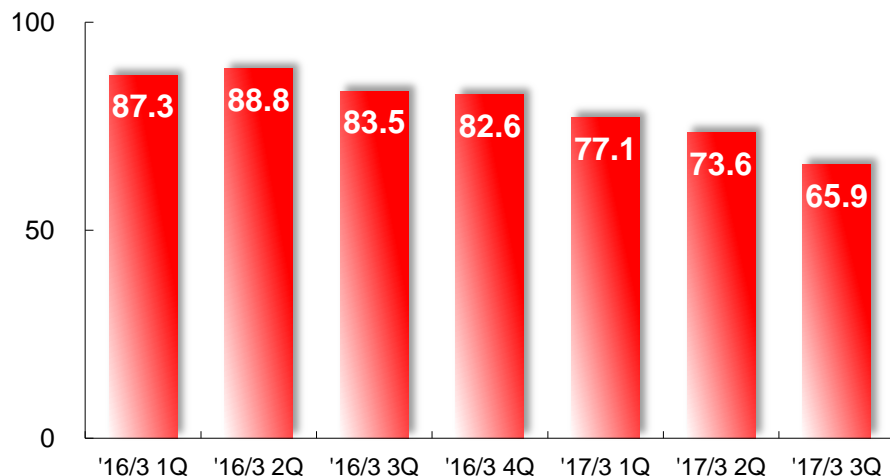
Units: Billion yen, rounded down

	FY2016 Q3	FY2017 Q3	Change in yen	Change in %
Net sales	259.7	216.7	(42.9)	(16.5%)
Operating income	12.9	9.9	(3.0)	(23.2%)
Operating income ratio	5.0%	4.6%	—	—

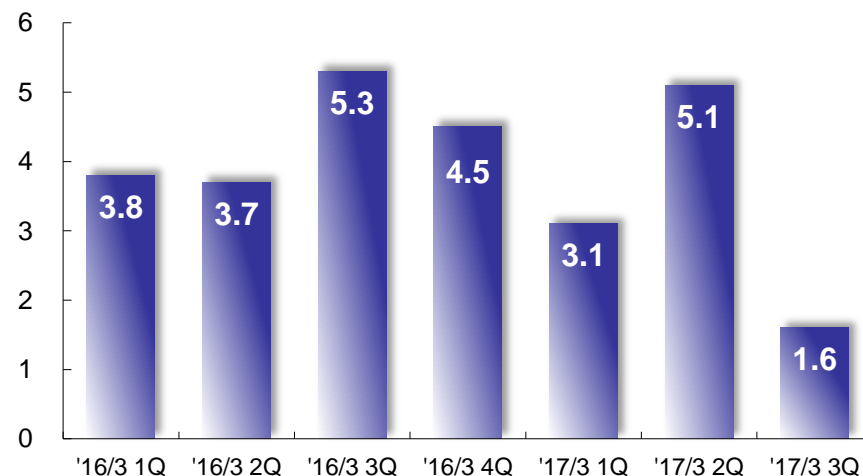
\*Total net sales value including internal transactions

Exchange rate effects for sales : minus 30.9 billion yen  
After accounting for exchange rate effects: (4.6%)

**Net sales trends (consolidated before eliminations)**



**Operating income trends**



# FY2017 Q3 Results by region: Europe

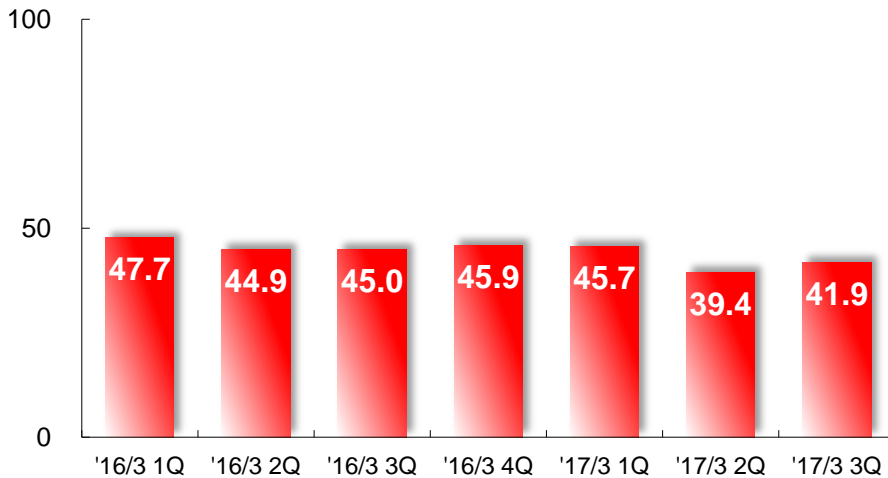
Units: Billion yen, rounded down

	FY2016 Q3	FY2017 Q3	Change in yen	Change in %
<b>Net sales</b>	<b>137.8</b>	<b>127.0</b>	<b>(10.7)</b>	<b>(7.8%)</b>
<b>Operating income</b>	<b>1.5</b>	<b>2.2</b>	<b>0.7</b>	<b>47.3%</b>
<b>Operating income ratio</b>	<b>1.1%</b>	<b>1.8%</b>	—	—

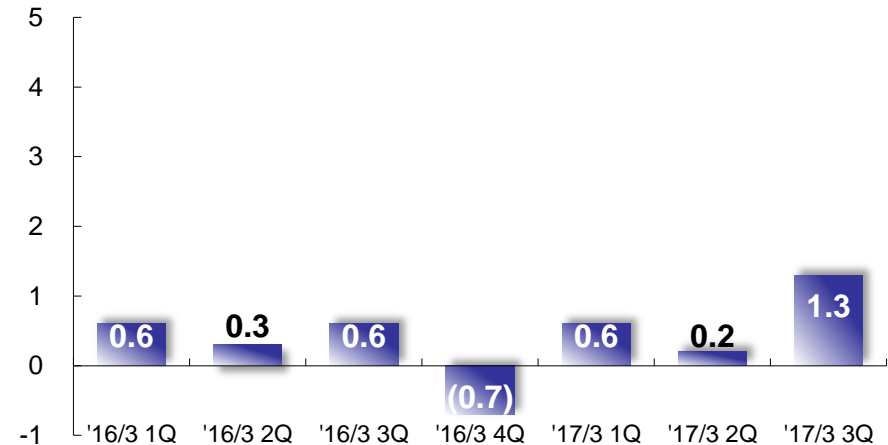
\*Total net sales value including internal transactions

Exchange rate effects for sales : minus 18.8 billion yen  
 After accounting for exchange rate effects: +5.9%

**Net sales trends (consolidated before eliminations)**



**Operating income trends**



# FY2017 Q3 Results by region: Asia

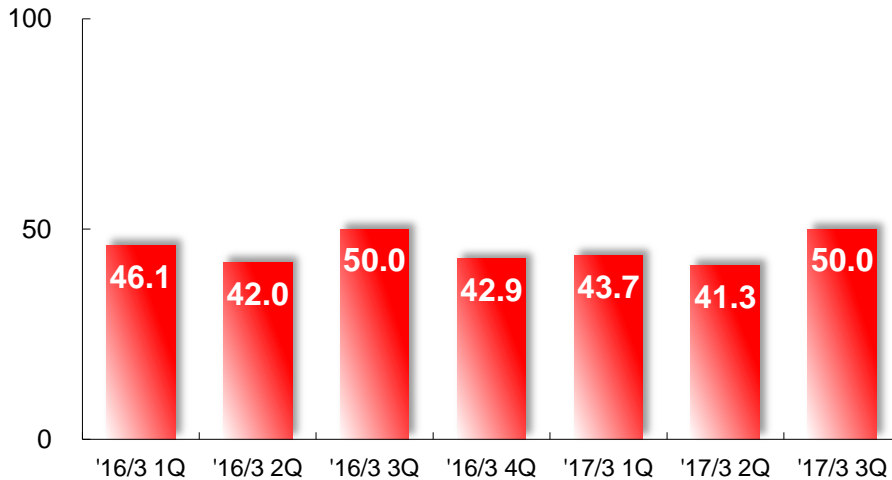
Units: Billion yen, rounded down

	FY2016 Q3	FY2017 Q3	Change in yen	Change in %
Net sales	138.2	135.1	(3.1)	(2.3%)
Operating income	14.9	15.5	0.6	4.4%
Operating income ratio	10.8%	11.5%	—	—

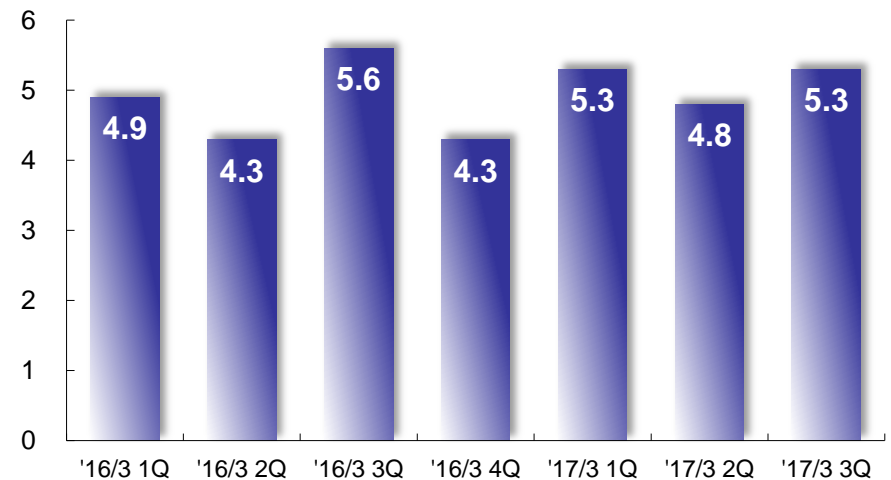
\*Total net sales value including internal transactions

Exchange rate effects for sales : minus 25.3 billion yen  
After accounting for exchange rate effects: +16.1%

Net sales trends (consolidated before eliminations)



Operating income trends

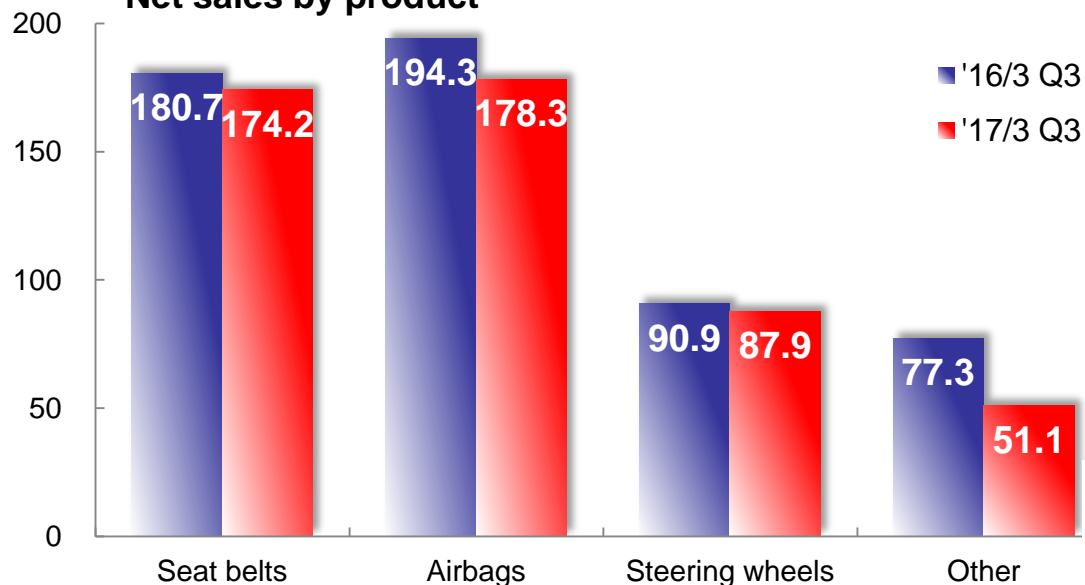


# FY2017 Q3 Consolidated net sales by product

Units: Billion yen, rounded down  
Consolidated after eliminations

	FY2016 Q3	Composition ratio	FY2017 Q3	Composition ratio	Change in yen	Change in %
Seat belts	180.7	33.3%	174.2	35.4%	(6.5)	(3.6%)
Airbags	194.3	35.8%	178.3	36.3%	(16.0)	(8.2%)
Steering wheels	90.9	16.7%	87.9	17.9%	(2.9)	(3.3%)
Other	77.3	14.2%	51.1	10.4%	(26.2)	(33.9%)
<b>Total</b>	<b>543.4</b>	<b>100%</b>	<b>491.6</b>	<b>100%</b>	<b>(51.7)</b>	<b>(9.5%)</b>

Net sales by product

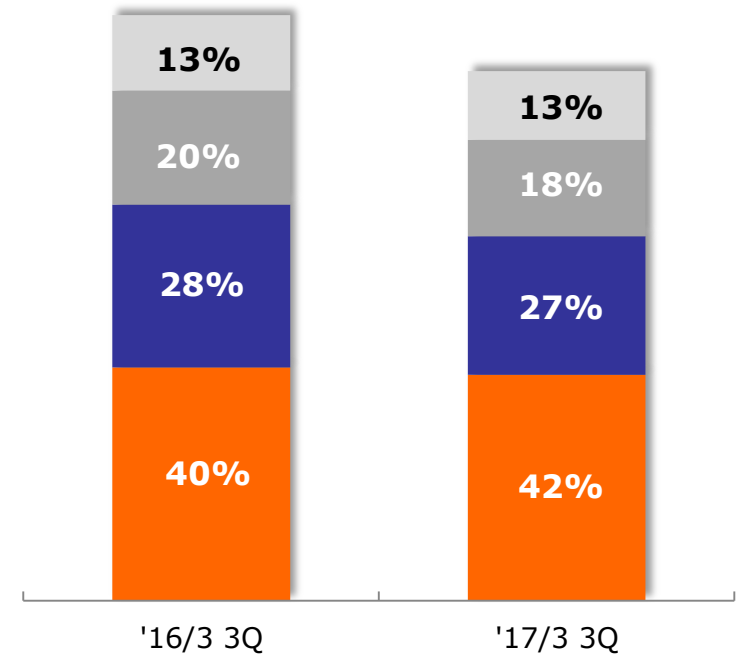


## ■ Top5 customers

順位	'16/3 3Q	'17/3 3Q
1	HONDA	HONDA
2	Renault-Nissan	Renault-Nissan
3	Ford	Ford
4	GM	GM
5	FCA	TOYOTA
Top 5	53.8%	54.8%

## ■ Composition of net sales by major customers

■ Japanese 
 ■ American 
 ■ European 
 ■ Asia/Other





# Capex, Depreciation and R&D (results and plan)

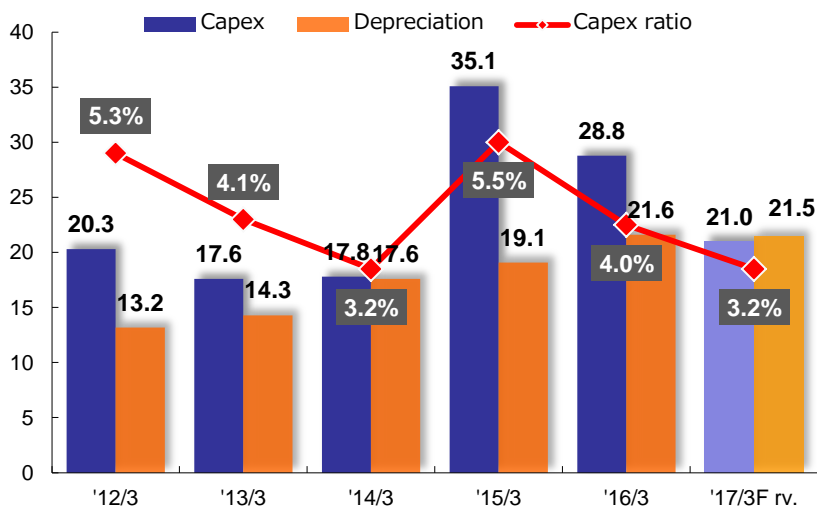
Units: Billion yen, rounded down

	FY2016 Q3	FY2017 Q3	FY2017 plan	FY2017 plan (Revised Feb. 10)	Progress
Capex	21.2	14.3	22.0	21.0	68.4%
Depreciation	16.1	15.4	21.5	—	71.9%

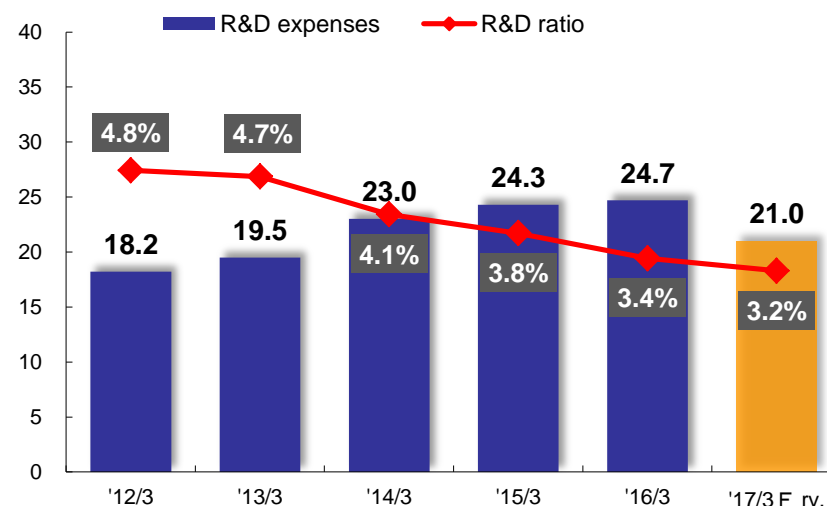
	FY2016 Q3	FY2017 Q3	FY2017 plan	FY2017 plan (Revised Feb. 10)	Progress
R&D	19.1	14.0	23.0	21.0	67.1%
R&D ratio	3.5%	2.9%	3.7%	3.2%	—

Capex is calculated on the basis of acquired fixed and intangible assets as recorded in consolidated statements of cash flow from investing activities.

### Capex & Depreciation trend (FY2017 plan)



### R&D expenses trend (FY2017 plan)



Unit: Billion yen, rounded down

	FY2014	FY2015	FY2016	FY2017 Q3	Changes
<b>Cash and deposit</b>	108.2	76.3	58.5	86.4	27.9
<b>Interest-bearing debt</b>	90.9	86.3	84.0	84.3	0.3
<b>Net</b>	17.2	(9.9)	(25.5)	2.1	27.6
<b>Capital adequacy ratio (%)</b>	39.3	31.0	27.5	9.8	(17.7)
<b>Investment grade (JCR)</b>	A	BBB+	BB- *	B-	—
<b>CCC days</b>	75	73	65	85	20

Cash and deposits: includes securities and fixed deposit of more than 3 months

CCC: Cash conversion cycle

\* Revised on May 6, 2016

# FY2017 Q3 Consolidated balance sheet (summary)

Unit: Billion yen, rounded down

	FY2014	FY2015	FY2016	FY2017 Q3	Changes
<b>Current asset</b>	<b>309.8</b>	<b>313.5</b>	<b>300.7</b>	<b>326.9</b>	<b>26.2</b>
(Cash and deposits)	108.2	76.3	58.5	86.4	27.9
(Inventories)	59.2	70.9	81.4	86.0	4.6
<b>Fixed assets</b>	<b>136.8</b>	<b>161.9</b>	<b>142.2</b>	<b>132.1</b>	<b>(10.1)</b>
(Investment securities)	19.9	21.8	12.3	5.2	(7.1)
<b>Total assets</b>	<b>446.7</b>	<b>475.4</b>	<b>443.0</b>	<b>459.1</b>	<b>16.1</b>
<b>Current liabilities</b>	<b>171.9</b>	<b>232.4</b>	<b>235.0</b>	<b>354.6</b>	<b>119.5</b>
(Interest-bearing debt)	25.4	31.0	35.8	60.3	24.5
(Warranty reserve)	46.2	75.2	42.7	15.5	(27.2)
<b>Fixed liabilities</b>	<b>97.8</b>	<b>94.1</b>	<b>83.3</b>	<b>56.5</b>	<b>(26.7)</b>
(Interest-bearing debt)	65.4	55.2	48.2	23.9	(24.2)
<b>Total liabilities</b>	<b>269.8</b>	<b>326.6</b>	<b>318.4</b>	<b>411.2</b>	<b>92.8</b>
<b>Total Net assets</b>	<b>176.8</b>	<b>148.7</b>	<b>124.5</b>	<b>47.8</b>	<b>(76.7)</b>
<b>Total liabilities and net assets</b>	<b>446.7</b>	<b>475.4</b>	<b>443.0</b>	<b>459.1</b>	<b>16.1</b>

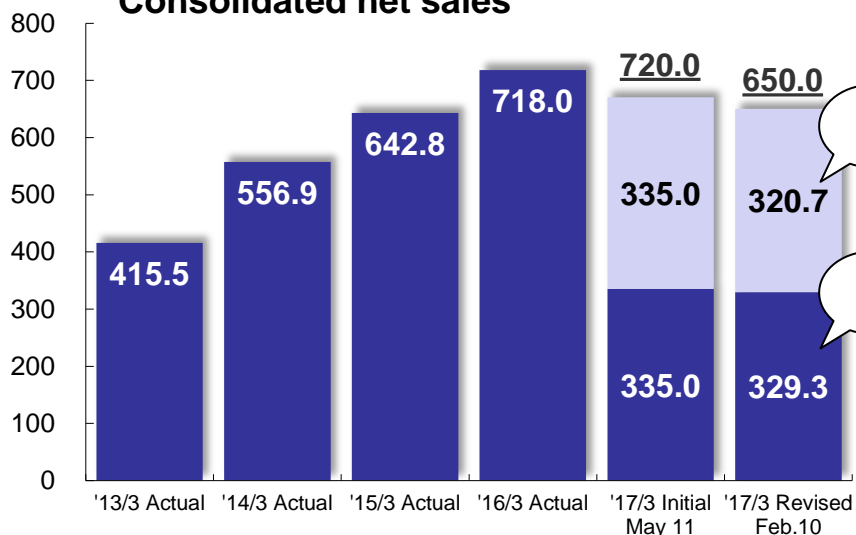
Cash and deposits: includes securities and fixed deposit of more than 3 months

# Summary of revised full-year forecasts

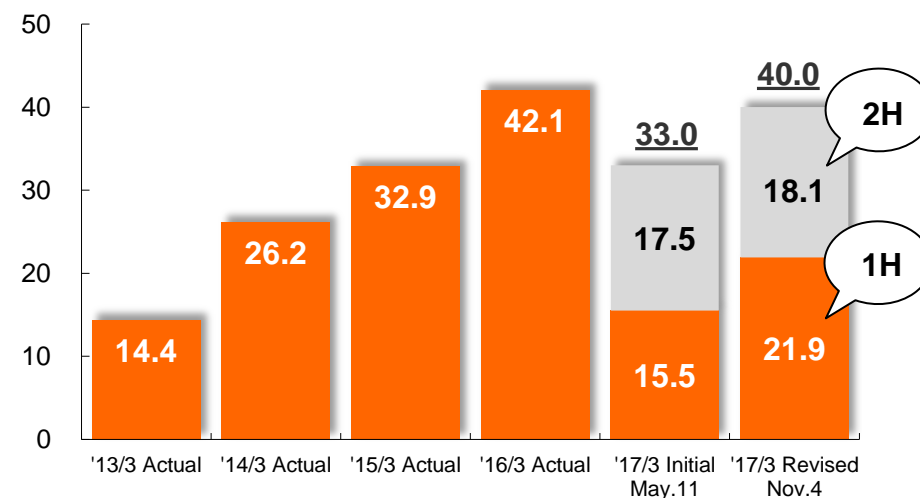
Units: Billion yen, rounded down

	FY2016 Full year	FY2017 Full year (Initial May 11)	FY2017 Full year (Revised Nov.4) (A)	FY2017 Full year (Revised Feb.10) (B)	Change (B-A)	Change in %
Net sales	718.0	670.0	620.0	650.0	30.0	4.8%
Operating income	42.1	33.0	35.0	40.0	5.0	14.3%
Ordinary income	35.2	32.5	29.0	44.0	15.0	51.7%
Income (loss) before income taxes	(4.7)	18.3	27.0	(55.0)	(82.0)	—
Income (loss) for the period attributable to owners of the parent	(13.0)	13.0	20.0	(64.0)	(84.0)	—
USD/yen	120.14	105.00	100.00	110.0		
Euro/yen	132.59	125.00	110.00	120.0		

### Consolidated net sales



### Consolidated operating income



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