



July 1, 2016

TAKATA CORPORATION
TSE 7312

Notice regarding reduction of executive compensation

July 1, 2016 —Takata Corporation apologizes for the widespread concern and inconvenience caused to the driving public as a result of defects in its airbag products. The Company has recorded special losses due to substantial provisions for product warranties, resulting in a net loss for the fiscal year ended March 31, 2016 and consequently a decision not to declare a dividend. In consideration of the above, the Company has resolved to implement the following reductions in executive compensation.

Reductions in executive compensation for the period from July 2016 to June 2017

Position	Reduction in compensation
Chairman and CEO	30%
Other directors	20%

Bonuses were not paid to directors during the fiscal year ended March 31, 2016.

(Reference)

Reductions in executive compensation for the period from July 2015 to June 2016

Position	Reduction in compensation
Chairman and CEO	25%
Other directors	20%

Bonuses were not paid to directors during the fiscal year ended March 31, 2015.

Compensation for executive officers has been reduced by 10% since December 2015, and a summer bonus will not be paid this year.

Ends