



TAKATA COMMENTS ON AIRBAG INFLATOR REPORT AND ENGINEERING INTEGRITY AUDIT

Auburn Hills, MI and Tokyo – September 23, 2016 – Takata Corporation today provided the following comment on a report the Company filed with U.S. National Highway Traffic Safety Administration (NHTSA) that was posted on the NHTSA website today. The report, which fulfills a commitment under the November 3, 2015 Consent Order, provides a detailed history of airbag inflator development and testing leading up to Takata's defect reports in May 2015, the root cause analyses conducted by independent experts, and safety culture improvements.

In addition, Takata has also posted on its website the executive summary of the first phase of the independent "Engineering Integrity Audit" of airbag inflator testing in Honda vehicles. The audit is being conducted on behalf of Honda and Takata by an independent team led by former Insurance Institute for Highway Safety president Brian O'Neill, with the support of Grant Thornton LLP. The executive summary of the audit is available [here](#).

The Company stated: "Takata's chief concern is the safety of the driving public, and we extend our sincerest apologies to those who have been affected by the inflator failures. As outlined in the report delivered to NHTSA, Takata has focused extensive resources on researching and testing of airbag inflators, including working with independent, world class, technical experts to identify the causes of the inflator failures as they arose and taking action based on the best available understanding.

"Takata has previously acknowledged and deeply regrets issues related to the integrity of Takata's inflator validation testing and reporting of test results to its customers. Expert analysis, extensive testing, and independent review show that the issues with validation testing of the original phase-stabilized ammonium nitrate ("PSAN") inflators are not the root cause of the field ruptures that have occurred with the Takata inflators subject to recalls. In addition, in the first phase of the Honda audit the independent team did not find any test results with peak pressure results in either design or product validation test programs that could have caused explosive ruptures.

"These lapses in testing and reporting are unacceptable and inconsistent with Takata's policies and standards as a top-quality supplier to the automotive industry. Takata has taken strong actions to ensure that such lapses do not recur, including creating a data vault to guarantee preservation of testing results and strengthening internal procedures for data handling and reporting of issues. TK Holdings Inc., the subsidiary that includes Takata's North American airbag inflator business, has established a Chief Safety Assurance and Accountability Officer as well as a full-time VP, Ethics and Compliance to ensure that the Company honors its commitment to a rigorous culture of integrity, safety, ethics and compliance. TK Holdings has also put in place new management, agreed to a groundbreaking consent order with NHTSA and is working closely with its NHTSA-appointed Independent Monitor to ensure full compliance with all safety requirements."

Today NHTSA also posted to its website a summary submitted by Takata on the status of the Company's root cause analysis. The findings continue to support Takata's previous research, which determined that certain inflator ruptures are caused by a combination of long-term exposure to high heat, absolute humidity and temperature cycling. In addition, there may be instances of manufacturing variability involved in certain rupture events.

Takata urges U.S. vehicle owners to check NHTSA'S www.safercar.gov website regularly and contact their dealers immediately if their vehicle is subject to a recall.

About Takata

Takata Corporation is a leading global innovator and supplier of automotive safety systems; including airbag systems, seat belts, steering wheels, electronics, sensors, and child restraint systems, and supplies all major automotive manufacturers in the world. Headquartered in Tokyo, Japan, it operates 58 facilities in 21 countries with more than 48,775 global employees worldwide.

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