



Press-Release

TAKATA CHAIRMAN'S STATEMENT

From its founding, Takata Corporation has always been dedicated to public safety. Our primary mission is to make products that save lives and prevent injuries.

Takata deeply regrets the injuries and fatalities that have occurred in accidents involving ruptured airbag inflators.

We are proud that Takata airbags have saved thousands of lives and prevented hundreds of thousands of serious injuries by safely deploying in more than two million accidents around the world. But any failure of even one Takata airbag to deploy as designed in an automobile accident is incompatible with our commitment to the highest standards of product quality.

We have expended extraordinary resources to respond to the reports of inflator ruptures. Our engineers have conducted a top-to-bottom review of our manufacturing procedures and exhaustive analyses of potential root causes. We have addressed issues as they have been identified and have made improvements in our products and production methods where warranted.

In all these actions, we have consistently supported our valued customers, the automobile manufacturers, and we have worked closely with government regulators in the United States, in Japan, and elsewhere. Wherever recalls have been announced, we have also committed unprecedented resources to produce the replacement units needed to respond to the recalls on a timely basis.

As Takata's Chairman, however, I know we can and must do more. Therefore, today, I am announcing several important steps the Company will take, beginning immediately, to demonstrate our commitment to public safety. These steps will provide increased assurances to the public, to our customers, and to the responsible government agencies that Takata will not rest until we have resolved all issues relating to the performance of our airbag products.

First, Takata is forming an independent *Quality Assurance Panel* to audit and prepare an independent report regarding our current manufacturing procedures for best practices in the production of safe inflators, including inflator propellant. The Panel will be chaired by former White House Chief of Staff and Secretary of the U.S. Department of Transportation **Samuel K. Skinner**. The panel will have all the resources and access they need to fulfill their mandate in a thorough and independent manner. Upon completion, the report produced by this independent Quality Assurance Panel will be made public.

Second, I have appointed two distinguished former Secretaries of the U.S. Department of Transportation, the **Honorable Rodney Slater** and the **Honorable Norman Y. Mineta**, to serve as special counsels to the Company. They will advise the Company as we address the current challenges we face. Secretary Slater worked under President Bill Clinton and has been a leading proponent of safety advances across all modes of transportation. Secretary Mineta led the U.S. Department of Commerce under President Bill Clinton, and, for most of President George W. Bush's administration, he led the U.S. Department of Transportation with great distinction. I have



asked these respected transportation leaders to help us ensure that Takata's responses are decisive and appropriate as we work to regain the public's trust.

Third, we will take dramatic actions to increase our capacity to produce replacement kits to meet the demands of the evolving recalls. We are committed to working with regulators and with other producers in the industry in a collaborative way so that together we can do everything reasonably possible to meet demand for replacement kits around the world. Achieving this goal will require collaborative actions on multiple fronts and innovative engineering efforts. To this end, I am enlisting the services of Takata's best engineering talent and resources:

Claus Rudolph, Takata's global leader of engineering, will engage with other producers in our industry to expand the flexibility of Takata's replacement program. Mr. Rudolph is examining the possible use of competitor products as replacements wherever safe and feasible.

Hirohiko Katsumata, Takata's Vice President of Inflator Global Operations, will lead our efforts to expand Takata's internal production of replacements. Wherever possible, Takata is increasing production in its Asian and European facilities to supplement production at our Monclova plant.

Fourth, we are redoubling our efforts to learn all we can from past events:

Takata is working with top scientists across the globe to evaluate our products and the recent inflator rupture events. The experts include scientists at the Fraunhofer Institute in Germany who specialize in propellants, inflators, and airbag systems.

With the involvement of the National Highway Traffic Safety Administration ("NHTSA") and our customers, we are also working quickly to test and analyze the inflators retrieved as a result of the ongoing recalls and field actions in the United States. I am directing that additional resources and equipment be added immediately to increase the number of tests we are able to perform each day, and we are bringing in additional engineers and statisticians who are recognized in the fields of propellants, combustion, and data analysis, to work directly with our engineers in Michigan to help us carry out this critical work.

We recognize that NHTSA has urged Takata and our customers to support expansions of the current regional campaigns in the United States. Takata remains committed to cooperating closely with our customers and NHTSA to address the potential for inflator rupturing. We will take all actions needed to advance the goal of safety for the driving public, including working to produce additional replacement units to support any further recalls that may be announced by our customers.

And we are fully cooperating with government requests for information. To-date, we have collected more than 20 terabytes of data in response to the Special Orders of NHTSA, and we are producing more than 360,000 pages of documents in our initial production to NHTSA today. We will continue to supplement our responses with additional materials as quickly as we can. We are also responding to inquiries from Committees of Congress in the United States. I have personally instructed our key executives and managers to assist in this process and to be as helpful and responsive as we can be with all government inquiries. Similar efforts are underway in Asia and in Europe.



This is our path forward. A statement does not solve problems, but it does reflect our understanding of the current issues and our plans to address them. Takata is committed to being transparent and collaborative in all of our relationships with stakeholders and in demonstrating our commitment to public safety.

Finally, I want to emphasize the confidence I have in our great Takata team. We have more than 48,000 employees across the globe, all of whom are dedicated to developing, engineering, and manufacturing the highest quality products to meet and exceed the toughest performance standards. Their work saves lives every day, and it is on their behalf that I am personally committed to do what is necessary for Takata to earn once again the full confidence of the public, the responsible government agencies, and our customers.

Thank you.

Shigehisa Takada
Chairman and CEO

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