



Takata Corp. hired restructuring bankers to seek a cash infusion and negotiate with auto makers on mushrooming costs from rupture-prone air bags linked to 11 deaths and more than 100 injuries globally.

Takata **US:TKTDY JP:7312** tapped Lazard Ltd. **LAZ, -2.97%** to help craft a restructuring plan for dealing with swelling liabilities from the safety crisis expected to total billions of dollars, said people familiar with the matter. The Japanese supplier hopes to find a financial investor or automotive company for additional cash and reach a deal with car makers on sharing costs for recalls **nearing 70 million air bags in the U.S. alone.**

But the company, posting losses and with some \$523 million in cash, can't cover the ultimate costs stemming from the defective air bags, the people said. The air bags use an ammonium-nitrate propellant that can degrade amid prolonged exposure to moisture, leading to explosions that spray shrapnel in vehicle cabins. **Read more about Takata's financial results.**




For Takata, a restructuring deal is expected to include new company measures for ensuring quality and undetermined corporate governance changes, the people said. Takata also plans to continue working to pinpoint a root cause for air-bag ruptures to better prevent them, the people said. U.S. regulators earlier this month said the age of air-bag inflators, along with longtime exposure to moisture and fluctuating high temperatures form the root causes.

In addition to recall costs, Takata faces widespread wrongful death, personal injury and economic-loss litigation, and a potential hefty financial penalty depending on the outcome of a U.S. Justice Department criminal probe. Takata in November admitted to failing to alert U.S. regulators to defective air bags in a timely manner as legally required and received a \$70 million fine that could jump to \$200 million for additional lapses. Takata has said it is cooperating with government officials.

**An expanded version of this report appears at [WSJ.com](https://www.wsj.com).**

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