

Renault sells Nissan stake as part of rebalanced alliance

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Renault said Tuesday that it was selling to Nissan part of the stake it owns in the Japanese automaker as the two companies rebalance their alliance.

The [stake](#), equivalent to around five percent of Nissan's equity capital, is valued at 765 million euros (\$825 million) at the closing price of the shares on the Tokyo stock exchange on Tuesday.

The transfer at that price will result in a capital loss of up to 1.5 billion for Renault as it had valued the stake at a higher price in its books.

The charge will affect the earnings of Renault, which posted a [net profit](#) of two billion euros in the first half of the year, but the automaker said it will not impact operating income and "would improve the net financial position of Renault Group Automotive segment".

Renault previously held a 43.4 percent stake in Nissan but under a "rebalanced" [alliance](#) that the two automakers formally launched last month, the two are to move to holding 15 percent cross-holdings.

Their partnership began in 1999, when Renault rescued Nissan from bankruptcy.

Mitsubishi Motors joined in 2016, with Nissan taking a 34-percent stake in its struggling Japanese rival.

But numerous tensions emerged within the group, including by the French state increasing its stake in Renault in 2015 and the 2018 arrest of its leader Carlos Ghosn in Japan on suspicion of financial misconduct and his subsequent flight from the country.

As part of the rebalanced alliance Nissan took a stake in Renault's new electric car division called Ampere.

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