

Renault posts record sales as Ghosn successor sought

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Renault sold a record 3,884,295 vehicles in 2018

French carmaker Renault unveiled record sales Friday of nearly 3.9 million vehicles last year, even as it prepares to turn the page on the era of chief executive Carlos Ghosn who remains behind bars in Tokyo on

fraud charges.

The company said sales in 2018 were up 3.2 percent from the previous year putting it ahead of its French rival PSA, whose brands include Peugeot, Citroen and Opel.

Sales were driven higher by demand for Renault's low-cost models, including two light utility vehicles manufactured in a joint venture with China's Brilliance, which offset the effect of its pullout from Iran because of renewed US sanctions and a slump in the Turkish market.

Renault's Dacia and Lada brands also continued to book brisk sales, rising seven percent and 19 percent respectively.

And electric vehicle sales jumped 37 percent, led by the Zoe, though they still represented just under 50,000 cars sold last year.

Renault said it was aiming for "slight" growth in sales "with an acceleration in the second half of the year" thanks to the launch of new models, including an updated version of its flagship Clio compact.

Last year marked a sixth straight year of higher sales for the group, which is part of a powerful alliance with Japan's Nissan and Mitsubishi that Ghosn headed before his arrest in Tokyo in November on charges of financial misconduct.

Within days of being taken into custody he was fired as chairman of Nissan and Mitsubishi, but Renault kept him on as chief executive while waiting to see how the case would unfold.

But his days as Renault boss appear numbered.

In a statement Thursday, the carmaker said its governing bodies were

now "actively working to find the best solution for the future governance of the group".

Cascade of allegations

The French government, which owns 15 percent of the former state-owned automaker and nearly 22 percent of its voting rights, has called for a board meeting to pick Ghosn's successor.

Renault's statement came hours after a Tokyo court quashed the 64-year-old's appeal for bail on Thursday, keeping him jailed on three charges of financial misconduct.

The former auto industry titan who saved Nissan from bankruptcy is accused of under-reporting millions of dollars in revenue as head of the Japanese firm.

But Ghosn is also facing a wave of other allegations over suspect payments, including a claim by Nissan on Friday that he received nearly eight million euros in "improper payments" from a Netherlands-based joint venture.

"Nissan views the payments Ghosn received from NMBV to be the result of misconduct and will consider measures to recover from Ghosn the full sum," the firm said.

Renault's lead independent director Philippe Lagayette told French daily Le Figaro in an interview published Friday that "since the chief executive's absence seems likely to go on, we are now obliged to take sustainable measures".

Renault had already named longtime executive Thierry Bolloré, one of several names that have been circulating as a possible successor, as

deputy CEO after Ghosn's arrest.

If Ghosn is pushed out as expected, French media reports have said Michelin CEO Jean-Dominique Senard, whose term is set to expire in May, could be named chairman of the board.

"Jean-Dominique Senard is certainly a very qualified leader. But we will do things in the proper order and when we are ready," Lagayette said.

"We are not in conflict with Carlos Ghosn," he added, though the board has been unable to speak with him directly concerning the charges against him since his arrest.

Renault has not announced when the board meeting to discuss Ghosn's replacement will take place.

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