

**AUTOS**

TOP STORIES IN **Business**



Mascots Flock to Facebook

1 of 12



Antitrust Chief Takes Hard Line

2 of 12



China's Big Airlines Spread Their Wings

3 of 12

AUTOS Updated January 5, 2012, 4:20 p.m. ET

# Fiat Increases Ownership in Chrysler to 58.5%

Article

Stock Quotes

Comments (12)

MORE IN AUTO INDUSTRY NEWS >

Email Print Save Like 26 0 Tweet 206

By JEFF BENNETT And GILLES CASTONGUAY

**Fiat SpA (FMI +1.30%) increased its ownership stake in Chrysler Group LLC to 58.5% from 53.5% on a fully diluted basis after fulfilling the last of its U.S. federally mandated requirements calling for the Italian auto maker to help Chrysler produce a car in America that gets 40 miles per gallon, Fiat and Chrysler said in statements to be issued Thursday.**

[Sergio Marchionne](#), who is chief executive of both Chrysler and Fiat, will now set his sights on acquiring the remaining 41.5% stake held by the United Auto Workers' health-care trust fund. The fund, along with the U.S. and Canadian governments, were given pieces of Chrysler during its 2009 bailout and bankruptcy.

Mr. Marchionne, in an interview with The Wall Street Journal last month, said he plans to use Fiat money to acquire the stake sometime in 2013, eliminating the need to raise funding by taking Chrysler public. Earlier this year, Mr. Marchionne purchased the stakes held by the U.S. and Canada after paying back bailout loans provided by both countries.

The U.S. Environmental Protection Agency certified the Dodge Dart's unadjusted combined fuel efficiency rating at 40 miles per gallon in late December after testing a pre-production model.

Fuel economy estimates are calculated from the emissions generated in two separate tests simulating city and highway driving, according the EPA's website.

Chrysler on Wednesday issued an irrevocable commitment to the U.S. Department of Treasury to assemble Dart in the U.S., fulfilling its commitment and triggering the ownership stake increase.

The Dart is now in production at Chrysler's Belvidere, Ill., assembly plant and will make its public debut at the North American International Auto Show in Detroit Jan. 9.

"The acquisition of a further 5% of Chrysler is a fundamental step in completion of the integration between our two groups," Mr. Marchionne said in a written statement.

Fiat was originally given a 20% stake in Chrysler after the auto maker was ushered into bankruptcy by the Obama administration. The U.S. Department of the Treasury gave Fiat the opportunity to raise its stake in Chrysler in three 5% increments for free provided it helped Chrysler produce a more fuel-efficient engine, increase its distribution outside North America and build a 40-mpg car in the U.S.

The first increase came in January 2011 after Chrysler received regulatory approval for an engine based on the Fiat FIRE for manufacture in the U.S. The four-cylinder engine went into production in late 2010 at Chrysler's engine plant in Dundee, Mich.

In April, the stake rose to 30% after Mr. Marchionne proved Chrysler had increased sales

Available to WSJ.com Subscribers

SEC Probes Rapid Trading

Health Law Slow to Win Favor



French Candidates Focus on Security



Trying to Make China More Like Us



Consumer Interest Rates

Loan Types	Rate	Last Week	Chart
36 month new car loan	3.18%		
48 month new car loan	3.30%		
60 month new car loan	3.51%		
36 month used car loan	3.93%		
48 month used car loan	3.76%		

Find rates:

Most Popular Video

- Rugby Mom Takes on Philippine Volcanoes 3:26
- Inside a Russian Billionaire's \$300 Million Yacht 3:55
- Building a Better Brain for Memory 2:14

Consumer Auto News

Luxury Pickups for Style and Function

of its vehicles outside North America by \$1.5 billion and established new agreements with Fiat dealers to sell Chrysler vehicles.

Fiat then repurchased the stakes owned by the U.S. and Canadian governments in June and July, making it majority owner at 53.5%.

Write to Jeff Bennett at [jeff.bennett@dowjones.com](mailto:jeff.bennett@dowjones.com) and Gilles Castonguay at [gilles.castonguay@dowjones.com](mailto:gilles.castonguay@dowjones.com)

**Corrections & Amplifications**

Sergio Marchionne, the chief executive of both Fiat SpA and Chrysler Group LLC, said in an interview with The Wall Street Journal last month that he plans to use Fiat money to acquire a 41.5% stake in Chrysler held by the United Auto Workers' health-care trust fund sometime in 2013. A previous version of this article incorrectly said he made the comments to the Journal earlier this month.

JOIN THE DISCUSSION  
12 Comments, add yours

MORE IN  
Auto Industry News »

Tweet 206 Share 0 Email Print Order Reprints

**Add a Comment**

View All Comments (12)

JOURNAL COMMUNITY

Community rules

To add a comment please

[Log in](#)

[Create an Account](#)

Your real name is required for commenting.

Track replies to my comment

[Login with Facebook](#)

[Running Up a \\$100K Cab Fare](#)

[Nissan to Revive Datsun Brand](#)

[Audi TTS: High Design, Best at a Standstill](#)

[Diagnostic Tools to Unleash Your Inner Mechanic](#)

**Most Popular**

Read Emailed Video Commented

1. [France Shooting Suspect Is Killed](#)
2. [French Suspect Was on U.S. No-Fly Terror List](#)
3. [Student-Loan Debt Tops \\$1 Trillion](#)
4. [Rove: 'The Road We've Traveled' With Obama](#)
5. [French Killer's Path to Jihadist Rampage](#)

**Latest Headlines**

[Health Law Slow to Win Favor](#)

[A Canyon Separates Foes in Grand Battle](#)

[Parents of Trayvon Martin Meet With Justice Officials](#)

[Bernanke Says Low Rates Didn't Fuel Bubble](#)

[Sgt. Bales to Face Murder Charges](#)

[Fed Hosts Global Gathering on Easy Money](#)

[Jobless Claims Decline](#)

[Some Clean-Energy Loans Raise Flags](#)

[Senate Passes Bill Easing IPO Rules](#)

[Terror Agency to Keep Data Longer](#)

[More Headlines](#)

**Editors' Picks**



[Trying to Make China More Like Us](#)



[Bagel Magnate Lender Dies at 81](#)



[Little People Wait for 'Mirror Mirror' and 'Snow White and the Huntsman'](#)



[Cracking Tennis's Inner Circle](#)



[Lululemon's Secret Sauce](#)

[BACK TO TOP](#)

**Customer Center:**

- [My Account](#)
- [My Subscriptions](#)

**Create an Account:**

- [Register for Limited Access](#)
- [Subscribe to WSJ.com](#)
- [Sign up for WSJ Professional](#)
- [Subscribe to WSJ Weekend - Print Edition](#)

**Help & Information Center:**

- [Help](#)
- [Customer Service](#)
- [Contact Us](#)

**About:**

- [Content Partnerships](#)
- [Reprints](#)
- [Advertising](#)
- [Classifieds](#)
- [Advertise Locally](#)
- [Conferences](#)
- [About Dow Jones](#)
- [Privacy Policy - UPDATED 10/18/2011](#)
- [Your Ad Choices](#)
- [Subscriber Agreement & Terms of Use - Updated](#)
- [Copyright Policy](#)
- [Jobs at WSJ.com](#)

**WSJ.com:**

- [Site Map](#)
- [Home](#)
- [World](#)
- [U.S.](#)
- [New York](#)
- [Business](#)
- [Markets](#)
- [Market Data](#)
- [Tech](#)
- [Personal Finance](#)
- [Life & Culture](#)
- [Opinion](#)
- [Autos](#)

**Tools & Formats:**

- [Today's Paper](#)
- [Video Center](#)
- [Graphics](#)
- [Columns](#)
- [Blogs](#)
- [Topics](#)
- [Guides](#)
- [Alerts](#)
- [Newsletters](#)
- [Mobile](#)
- [WSJ Social](#)
- [Tablet Edition](#)
- [Podcasts](#)

**Digital Network**

- [WSJ.com](#)
- [Marketwatch.com](#)
- [Barrons.com](#)
- [SmartMoney.com](#)
- [AllThingsD.com](#)
- [FINS: Finance, IT jobs, Sales jobs](#)
- [BigCharts.com](#)
- [Virtual Stock Exchange](#)
- [WSJ Radio](#)
- [Professor Journal](#)
- [WSJ U.S. Edition](#)
- [WSJ Asia Edition](#)

[Global Support](#)  
[New on WSJ.com](#)  
[Print Subscriber Services](#)

[Careers](#)  
[Real Estate](#)  
[Small Business](#)  
[Student Journal](#)  
[Corrections](#)  
[SafeHouse - Send Us Information](#)

[RSS Feeds](#)  
[Journal Community](#)  
[WSJ on Twitter](#)  
[WSJ on Facebook](#)  
[WSJ on Foursquare](#)  
[My Journal](#)  
[Portfolio](#)  
[WSJ Digital Downloads](#)

[WSJ Europe Edition](#)  
[WSJ India Page](#)  
**Foreign Language Editions:**  
[WSJ Chinese](#)  
[WSJ Japanese](#)  
[WSJ Portuguese](#)  
[WSJ Spanish](#)  
[WSJ Deutschland](#)

Copyright ©2012 Dow Jones & Company, Inc. All Rights Reserved