

The New York Times[®]
Reprints

PRINTER-FRIENDLY FORMAT
SPONSORED BY



This copy is for your personal, noncommercial use only. You can order presentation-ready copies for distribution to your colleagues, clients or customers [here](#) or use the "Reprints" tool that appears next to any article. Visit www.nytreprints.com for samples and additional information. [Order a reprint of this article now.](#)

July 5, 2010

Spyker Makes Final Cash Payment for Saab

By REUTERS

AMSTERDAM — Spyker Cars used internal financing rather than new debt to pay [General Motors](#) the final \$24 million it owed for [Saab](#), ending concern over how Spyker would back pay the money.

Spyker, which is based in the Netherlands and has never made a profit, took over Saab from G.M. this year and is now working to revive the brand.

Spyker spent \$400 million for Saab, including \$326 million in preferred shares that Saab will issue to General Motors, plus \$74 million in cash. The cash portion included \$25 million borrowed from an investment vehicle controlled by Spyker's chief executive and \$25 million raised by issuing shares, most of which were purchased by GEM Global Yield Fund.

The final \$24 million was due on July 15. Spyker said the money became available when it purchased Saab Great Britain on May 31 from General Motors U.K.

"Saab Great Britain is a wholly owned subsidiary of Spyker Cars and has given an intercompany loan to Spyker," said Mike Stainton, a spokesman for Spyker.

Saab Great Britain is the British sales, marketing and distribution unit of Saab Automobile.

Concern arose about Spyker's ability to fund the final payment after it said in February that it still needed to secure financing for the \$24 million.

Spyker had said that it intended to fund the payment primarily through senior debt and that it

had pledged assets to G.M. as security for the final payment.

“The early payment of the second and last instalment underlines our desire to finalize the transaction with G.M. as soon as it was possible, enabling management to fully focus on the future of the group,” the Spyker chief executive, Victor Muller, said in a statement.

Mr. Muller revived Spyker in 2000. The company produces just a few dozen handmade sports cars per year. Spyker hopes to win back customers for Saab by focusing on three or four niche models, which may cost up to \$1 billion to develop.

Saab produced just 20,791 cars last year as sales slumped from 94,751 in 2008, but it aims to raise production to precrisis levels of about 100,000 to 125,000 with the help of a new sales and distribution strategy.

Reuters