

VW to complete Porsche takeover in August

BERLIN - Europe's biggest automaker Volkswagen said it will likely finalise the takeover of German luxury sports car group Porsche by August 1, paying €4.46bn (US\$5.58bn) plus one VW share.



The two companies "agreed today on this concept," VW said in a statement issued late Wednesday.

VW currently owns 49.9% of Porsche, maker of the iconic 911 series of sports cars, and will acquire all of the remaining 50.1% under the deal.

The agreement "is good for Volkswagen, for Porsche and for German industry," VW and Porsche head Martin Winterkorn said in the statement.

VW said the deal will produce synergies worth €320m, which will be shared equally between the two groups who had originally been expected to complete their alliance sometime between 2012 and 2014.

Porsche tried to take over VW in 2008 but the attempt failed and the luxury car maker was in turn saved by Volkswagen.

VW said it would hold a press conference at 0800 GMT Thursday at its headquarters in Wolfsburg.

Source: *AFP* via I-Net Bridge