

Porsche's former boss to stand trial

FRANKFURT, GERMANY: A German court ruled that Porsche's former chief executive and financial officers must stand trial for alleged share price manipulation in a failed attempt to take over Volkswagen in 2008.



Porsche's former Chief Executive Wendelin Wiedeking will have to face charges of share price manipulation after the failed deal to buy Volkswagen. Image: [Autobild](#)

The regional court of appeal in Stuttgart said that Porsche's former Chief Executive Wendelin Wiedeking and former Financial Officer Holger Haerter will have to answer the charges in court.

Overturning an earlier ruling that the case need not come to trial, the appeal court said that there were "a number of indications" speaking both for and against Wiedeking and Haerter and given the high sensitivity of the case, the trial should go ahead, it said.

Following long months of investigation, prosecutors had decided in December 2012 to press charges against the luxury sports car manufacturer's bosses.

The prosecutors argue that Porsche issued at least five public statements between March and October 2008 publicly denying the plans, even though preparations for the takeover were already underway.

It was only several months later that Porsche revealed its takeover plans, sending the share price rocketing.

Porsche's bid to acquire the much-bigger VW eventually unravelled, leaving the luxury sports car manufacturer with more than €10bn in debt.

The two companies then made a fresh attempt to tie the knot in 2009, with VW initially acquiring 49.9% in Porsche in the first stage of the complex takeover agreement, the completion of which ran into a number of legal and tax hurdles.

The lawyers for Wiedeking and Haerter issued a statement, insisting that their clients were confident that charges will prove to be totally unfounded.

Source: AFP via I-Net Bridge

For more, visit: <https://www.bizcommunity.com>