PRELIMINARY PROSPECTUS dated May 20, 2004 (subject to amendment and/or completion)

Spyker Cars N.V.

Offering of up to €12,800,000, or ● newly issued ordinary shares in the capital of Spyker Cars N.V. (the "Company") with a nominal value of €0.04 each (the "Firm Shares"), (subject to an over-allotment option of up to a further €2,200,000 or ● newly issued ordinary shares with a nominal value of €0.04 each (the "Over-allotment Shares") and, together with the Firm Shares, the "Offer Shares").

The Offer Price is expected to be between €14 and €17 per Offer Share, subject to change.

Prospective investors may subscribe for the Offer Shares for a period between May 24, 2004, as of 09.00 hrs CET and May 26, 2004, until 15.00 hrs CET. The final Offer Price and the final number of Firm Shares offered in the offering (the "Offering") will be determined after termination of the subscription period and will be announced in a press release and a final prospectus expected to be published before June 1, 2004 (the "Closing Date"). In case the price range of the Offer Price or the maximum number of the Firm Shares is changed prior to termination of the subscription period, such change will be announced in a press release, an advertisement in the Daily Official List of Euronext Amsterdam N.V. and a national newspaper, announcing that the subscription period will be prolonged by one additional business day.

This is an initial public offering of ordinary shares in the capital of the Company, for which currently no public market exists. Application has been made for such shares to be admitted to listing on the Euro.NM market of Euronext Amsterdam N.V. ("Euro.NM Amsterdam"). As part of the Offering, the Company has granted the Global Co-ordinator an over-allotment option (the "Over-allotment Option"), exercisable until 30 days after the Closing Date, to require the Company to issue and offer at the Offer Price a number of Over-allotment Shares, solely for the purpose of allowing the Global Co-ordinator to cover over-allotments, if any. The total number of Over-allotment Shares shall not exceed 17.2 per cent. of the number of Firm Shares.

For an amount of up to €11,470,000, Firm Shares may be allocated to prospective investors who have indicated their interest in the Offer Shares prior to the publication of this Prospectus. Two of such prospective investors are Investeringsmaatschappij Helvetia B.V. ("Helvetia") and Talpa Management B.V. ("Talpa"), each at the date of this Prospectus already a principal shareholder of the Company, who have indicated their intention to participate in the Offering and together subscribe for an aggregate amount of €5,500,000 in the Offer Shares. It has been agreed between Helvetia, Talpa and the Global Co-ordinator that, in the event the allocable demand for the Firm Shares exceeds an amount of €15,000,000 upon termination of the subscription period, up to 100% of their combined subscription may be allocated to other subscribers in the Offering. Such allocation shall be made at the sole discretion of the Global Co-ordinator. The subscription by any prospective investor will be on the same terms and conditions as in the Offering and will solely be based on this Prospectus.

INVESTING IN THE OFFER SHARES INVOLVES A HIGH DEGREE OF RISK. SEE "RISK FACTORS" BEGINNING ON PAGE 9.

The Offer Shares are being offered and sold (i) in the Netherlands to retail and institutional investors and (ii) to institutional investors or qualifying investors in jurisdictions outside the Netherlands and outside the United States in reliance on, *inter alia*, Regulation S under the United States Securities Act of 1933, as amended (the "International Initial Offering").

This Prospectus does not, other than under the International Initial Offering, constitute an offer to sell, or an invitation to purchase or subscribe for securities in the United States or in any State or jurisdiction other than the Netherlands. The Offer Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any State of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act (and applicable State securities laws).

This Prospectus does not constitute an offer of the Offer Shares to the public in the U.K. No prospectus has been or will be registered in the U.K. in respect of the Offer Shares. Consequently, the Offer Shares must not be, and are not being, sold or offered for sale in the U.K., except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purpose of their business or otherwise in circumstances which have not resulted and will not result in an offer to the public in the U.K. within the meaning of the Public Offers of Securities Regulations 1995, as amended. This Prospectus may only be communicated or caused to be communicated to persons in the UK who (i) are authorised to carry on a regulated activity under the U.K. Financial Services and Markets Act 2000 ("FSMA") or (ii) otherwise have professional experience in matters relating to investments and are persons qualifying as investment professionals under Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 as amended (the "Financial Promotion Order"), or (iii) are persons qualifying as high net worth persons within the scope of article 49(2)(a) to (d) of the Financial Promotion Order or (iv) are persons to whom this Prospectus may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "Relevant Persons"). This Prospectus must not be acted on or relied on by persons who are not Relevant Persons. The communication of this Prospectus to any person in the U.K. other than the Relevant Persons is unauthorized and may contravene the FSMA.

It is expected that payment for and delivery of the Firm Shares, or Offer Shares if (part of) the Over-allotment Option has been exercised prior to the Closing Date, will be made on or about June 1, 2004 through the book-entry facilities of the Netherlands central securities depository (*Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*) ("Euroclear Netherlands"), as well as through Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear") and Clearstream Banking S.A., Luxembourg ("Clearstream"), all in accordance with their normal settlement procedures applicable to equity securities. All of the Offer Shares will be in bearer form represented by a single global certificate lodged with Euroclear Netherlands for safe keeping on behalf of those persons entitled to the Offer Shares. The timetable for the Offering may be altered, which will, in such case, be announced in a press release, an advertisement in the Daily Official List of Euronext Amsterdam N.V. and a national newspaper and be done in accordance with the applicable rules of Euronext Amsterdam N.V.

At the date of this Prospectus, the Company is incorporated as a private company with limited liability named Spyker International Motor Holding B.V., with its corporate seat in Baarn, the Netherlands. The Company will be converted into a public company with limited liability named Spyker Cars N.V., with its corporate seat in Zeewolde, the Netherlands, prior to listing on Euro.NM Amsterdam.

ISIN:	NL0000380830
Securities Code:	38083
Common Code:	018885778
Euronext symbol	SPYKR

Global Co-ordinator and Bookrunner

ABN AMRO Rothschild

The date of this Prospectus is May 20, 2004

This preliminary Prospectus and the information contained herein are subject to amendment and/or completion.

IMPORTANT INFORMATION

Spyker is exclusively responsible for the accuracy and completeness of the information contained in this Prospectus, and Spyker confirms that, on the date of this Prospectus, the information provided by it as contained in this Prospectus is true and accurate and not misleading, and that there are no other facts the omission of which would, in the context of the Offering, make any statement in this Prospectus misleading in any material respect. An auditor's report regarding the financial statements of 2003 has been provided by Deloitte Accountants and is included in the Company's annual report 2003. For the financial statements of 2002 and 2001, review reports have been provided by Deloitte Accountants, which are included in the Company's annual reports of the respective years.

With the exception of Spyker and the Global Co-ordinator respectively (and notwithstanding the auditor's report regarding the consolidated financial information for the years 2003, 2002 and 2001 as provided by Deloitte Accountants and included in this Prospectus, and the matters described in "Taxation" as prepared by KPMG Meijburg & Co), no person is authorised to give any information or to make any representation not contained in this Prospectus and, if given or made, any information or representation not contained in this Prospectus must not be relied upon as having been authorised by the Company or the Global Co-ordinator. Neither the delivery of this Prospectus at any time nor any sale or purchase made on the basis hereof, shall under any circumstances imply that the information contained herein is correct at any time subsequent to the date of this Prospectus.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to purchase any securities, or an invitation by or on behalf of the Company or the Global Co-ordinator or any affiliate, to purchase any such securities by any person in circumstances or under any jurisdiction in which such offer or solicitation is unlawful. The Offer Shares may not be offered or sold, directly or indirectly, and this document may not be distributed, in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Persons into whose possession this document comes are required by the Company and the Global Co-ordinator to inform themselves about and to observe any applicable laws of any relevant jurisdiction including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such jurisdictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Spyker and the Global Co-ordinator do not accept or assume any responsibility or liability for any violation of any restriction by any prospective investor whomsoever. For a description of certain further restrictions on offers and sales of the Offer Shares and distribution of this document, see "Subscription and Sale".

This Prospectus does not constitute an offer of the Offer Shares to the public in the U.K. No prospectus has been or will be registered in the U.K. in respect of the Offer Shares. Consequently, the Offer Shares must not be, and are not being, sold or offered for sale in the U.K., except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purpose of their business or otherwise in circumstances which have not resulted and will not result in an offer to the public in the U.K. within the meaning of the Public Offers of Securities Regulations 1995, as amended. This Prospectus may only be communicated or caused to be communicated to persons in the UK (i) are authorised to carry on a regulated activity under the FSMA or (ii) otherwise have professional experience in matters relating to investments and are persons qualifying as investment professionals under Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 as amended (the "Financial Promotion Order"), or (iii) are persons qualifying as high net worth persons within the scope of article 49(2)(a) to (d) of the Financial Promotion Order or (iv) are persons to whom this Prospectus may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "Relevant Persons"). This Prospectus must not be acted on or relied on by persons who are not Relevant Persons. The communication of this Prospectus to any person in the U.K. other than the Relevant Persons is unauthorised and may contravene the FSMA.

This Prospectus will be published in the English language only and is being furnished by the Company solely for the purpose of enabling a prospective investor to consider the purchase of the Offer Shares offered hereby. The information contained herein has been provided by the Company and other sources believed to be reliable and identified herein. In making an investment decision, prospective investors must rely on their own examination of the Company and the terms of the Offering, including the risks involved and if necessary seek independent advice so that a balanced judgement can be made of the Offering and an investment in the Offer Shares and all that is discussed and described in this Prospectus.

In making their investment decision, prospective investors should solely rely on the contents of this Prospectus and on no other information or documentation, whatsoever, whether made available to the public or not. The right to reject, any subscription for or offer to purchase the Offer Shares, in whole or in part, for any reason or to sell less than the aggregate number of Offer Shares offered hereby is reserved. In case the maximum number of the Firm Shares is changed prior to termination of the subscription period, such change will be announced in a press release, an advertisement in the Daily Official List of Euronext Amsterdam N.V. and a national newspaper, announcing that the subscription period will be prolonged by one additional business day. Each prospective investor, by accepting delivery of this Prospectus, agrees to the foregoing.

The contents of this Prospectus are not to be construed or interpreted as legal, financial, business or tax advice. **Each prospective investor should consult his or her own legal, financial, business and tax advisers as to legal, financial, business or tax advice regarding an investment in the Offer Shares, before making any investment decision and in order to determine whether or not such prospective investor is legally permitted to purchase the Offer Shares under applicable laws and regulations.**

At the date of this Prospectus, the Company is incorporated as a private company with limited liability named Spyker International Motor Holding B.V., with its corporate seat in Baarn, the Netherlands. Immediately prior to listing, the Company will be converted into a public company with limited liability named Spyker Cars N.V. by execution of a notarial deed of amendment of its articles of association.

The Company has a limited operating and financial history upon which prospective investors may evaluate its business and prospects. Purchasers of the Offer Shares should be aware that they may be required to bear the financial risk of their investment for an indefinite period of time.

Any persons into whose possession this Prospectus may come, are referred to the chapter on "Risk Factors" in this Prospectus, which chapter identifies certain important risks and should be read carefully by prospective investors.

ABN AMRO Rothschild (the "Global Co-ordinator") is the unincorporated equity capital markets joint venture between ABN AMRO Bank N.V. and NM Rothschild & Sons Limited.

The Global Co-ordinator and, where applicable, ABN AMRO Bank N.V. are acting exclusively for the Company and for no one else in relation to the offering, issue and listing of the Offer Shares and will not be responsible to anyone other than the Company for giving advice in relation to the Offer Shares. The Global Co-ordinator or ABN AMRO Bank N.V. or any of their affiliates may have a holding in, or may from time to time provide advice or other investment services in relation to, or engage in transactions involving securities in, the Company.

In connection with the Offering, the Global Co-ordinator may as of the Listing Date until 30 days after the Closing Date effect transactions with a view to stabilise or maintain the market price of the Offer Shares at levels other than those which might otherwise prevail in the open market. However, there is no obligation for the Global Co-ordinator or any of its agents to do so. Such stabilisation, if commenced, may be discontinued at any time and will in any event be discontinued 30 days after the Closing Date. The Company has granted the Global Co-ordinator an Over-allotment Option, exercisable as of the Listing Date until 30 days after the Closing Date, to require the Company to issue and offer at the Offer Price a number of Over-allotment Shares for the sole purpose of allowing the Global Co-ordinator to cover for over-allotments, if any. The total number of Over-allotment Shares shall not exceed 17.2 per cent. of the number of Firm Shares. The terms and conditions of the Over-allotment Option are set out in more detail in "Subscription and Sale".

Certain financial and statistical information in this Prospectus has been subject to rounding adjustments and to currency conversion adjustments. Accordingly, the sum of certain data may not conform to the expressed total.

The right to withdraw the Offering, at any time until the Closing Date, is reserved, in which case all subscriptions will be disregarded and any subscription payments made, will be returned without interest or other compensation. See "Subscription and Sale".

Cautionary statement regarding forward-looking statements
Certain statements in this Prospectus are 'forward-looking statements', including those that refer to plans and expectations of the Company's management board (the "Management Board") for future operations, prospects and financial condition of the Company and those that refer to the consummation of the Offering and the benefits thereof. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements.

Forward-looking statements are statements of future expectations that are based on the Management Board's current expectations and assumptions and involve known and unknown risks and uncertainties, some of which are beyond Spyker's control, and that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Spyker to market risks and statements expressing the Management Board's expectations, beliefs, estimates, forecasts, projections and assumptions.

One can identify these forward-looking statements by the use of words such as 'strategy', 'expects', 'foresees', 'plans', 'anticipates', 'believes', 'will', 'continues', 'estimates', 'intends', 'projects', 'goals', 'targets', 'could', 'may', 'objectives', 'outlook', 'seek', and other words or phrases, including negative variations or forms, of similar meaning. Factors that could affect the future operations and results of Spyker and could cause those operations and results to differ materially from the information set forth in the forward-looking statements included in this Prospectus include, but are not limited to:

- market acceptance of Spyker's products;
- standing and acceptance of the "Spyker" brand;
- development of new models or technologies;
- the terms of any future strategic alliances or licenses;
- the need for additional capital;
- the inability to obtain, or meet conditions imposed for, the required governmental and regulatory approvals and consents;

- the inability to adequately protect, promote, preserve or obtain intellectual property rights, or to avoid infringement of third parties' proprietary rights;

- the risk that the proceeds of the Offering may not provide all or any of the benefits projected;

- fluctuations in exchange rates between the Euro and other currencies in which prices, operating costs and operating income are denominated;

- the failure to achieve the expected production level or expand production capacity;

- the cancellation of orders for Spyker cars;

- expectations as to timing of strategy, investments, liquidity, competitive position, relationship with personnel, product liability (insurance), strategy, compliance with environmental laws, growth and/or capital expenditures; and

- other factors discussed elsewhere in this Prospectus.

All forward-looking statements are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Prospective investors should therefore not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as at the date of the particular statement, but in any event no later than the date of this Prospectus. In addition, the inclusion of such forward-looking statements should under no circumstances be regarded as a representation or warranty by Spyker or the Global Co-ordinator that the Company will achieve the results set out in such statements or that the underlying assumptions will in fact be the case. Other than as required by applicable law and regulations or the applicable rules of Euronext Amsterdam N.V., including the applicable rules relating to listing on Euro.NM Amsterdam on which application for listing of the Shares has been made, Spyker has no intention or obligation to update or revise publicly any forward-looking statement after the date of this Prospectus.

Financial information and accounting principles
The financial statements of Spyker as of and for the years ended December 31, 2002 and 2001 have been prepared by the Management Board and have been reviewed by Deloitte Accountants. The financial statements of Spyker as of and for the year ended December 31, 2003 have been prepared by the Management Board and have been audited by Deloitte Accountants. An abbreviated version of such financial statements has been included on pages F-1 to F-15 in this Prospectus. For an 'emphasis of matter' on continuity, please see pages F-2 and F-8 in this Prospectus.

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DEFINITIONS AND GLOSSARY

ABN AMRO	ABN AMRO Bank N.V. and its affiliates, including ABN AMRO Rothschild.
AFM	The Netherlands Authority for the Financial Markets (*Autoriteit voor de Financiële Markten*).
Articles of Association	The articles of association of Spyker Cars N.V.
CET	Central European Time
Clearstream	Clearstream Banking S.A., Luxembourg.
Closing Date	Date upon which payment for and delivery of the Firm Shares, or Offer Shares if (part of) the Over-allotment Option has been exercised prior to this date, will be made, expected to be June 1, 2004.
Daily Official List	Daily Official List (*Officiële Prijscourant*) of Euronext Amsterdam N.V.
Disclosure Act	The Dutch Act on Disclosure of Major Holdings in Listed Companies 1996 (*Wet melding zeggenschap in ter beurze genoteerde vennootschappen 1996*), as amended.
Driveline	A car's engine and gearbox.
Dutch GAAP	Generally accepted accounting principles in the Netherlands.
Dutch Securities Act	The Dutch Act on the Supervision of the Securities Trade 1995 (*Wet toezicht effectenverkeer 1995*), as amended.
€ or Euro	Euro, the legal currency of the European Monetary Union, of which the Netherlands is a member.
ESOP	Spyker's employee share option plan.
Euro.NM Amsterdam	The Euro.NM market of Euronext Amsterdam N.V. for which application for listing of the Shares has been made on May 17, 2004.
Euroclear	Euroclear Bank S.A./N.V., as operator of the Euroclear System.
Euroclear Netherlands	*Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*
Euronext Amsterdam	Euronext Amsterdam N.V., located in Amsterdam, the Netherlands.
Existing Shares	All issued and outstanding ordinary shares in the share capital of Spyker, with a nominal value of €0.46 each. By amendment of the Company's articles of association, the Existing Shares are split up into 46/4 as many Shares with a nominal value of €0.04 each.
F1	Formula 1.
FIA	Fédération Internationale de l'Automobile.
Firm Shares	Up to ● newly issued ordinary shares in the capital of Spyker with a nominal value of €0.04 each, as part of the Offer Shares.

Founders	The founders of the Company, being Victor R. Muller, through his wholly owned company Investeringsmaatschappij Helvetia B.V., and Maarten J. de Bruijn, through his wholly owned company Vice Versa Holding B.V.
FSMA	The U.K. Financial Services and Markets Act 2000.
FTE	Full-time equivalent.
Global Co-ordinator	ABN AMRO Rothschild in its role of sole global co-ordinator and sole bookrunner of the Offering.
HBU	Hollandsche Bank Unie N.V., an affiliate of ABN AMRO Bank N.V.
Helvetia	Investeringsmaatschappij Helvetia B.V., being one of the Pre-IPO Shareholders, wholly owned by Mr. Victor R. Muller.
International Initial Offering	The offering of the Offer Shares to institutional investors or qualifying investors in jurisdictions outside the Netherlands and outside the United States in reliance on, *inter alia*, Regulation S under the Securities Act.
Listing Date	May 27, 2004, being the date on which the Shares are expected to be admitted for listing on Euro.NM Amsterdam and trading in the Shares commences.
Management Board	The management board of Spyker Cars N.V.
Milestone	Milestone Beheer B.V., being one of the Pre-IPO Shareholders, wholly owned by Mr. Hans (J.) B.Th. Hugenholtz.
Offer Price	The offer price of the Offer Shares in the Offering of €● per Offer Share. At the date of this Prospectus, the Offer Price is expected to be between €14 and €17 per Offer Share, subject to change.
Offer Price Equivalent	The recalculated conversion price per Existing Share with a nominal value of €0.46, which is equal to the Offer Price after splitting up and conversion of the Existing Shares into Shares with a nominal value of €0.04 each, therefore representing 46/4 x the Offer Price.
Offer Shares	Total number of the Firm Shares and the Over-allotment Shares, if any.
Offering	The initial public offering of the Offer Shares to retail and institutional investors in the Netherlands and the International Initial Offering.
On Board Diagnostics fleet cars	Cars which are imported into the United States under a temporary import license which is valid for a period of six months. During these months the car is allowed on U.S. roads and the technological and motor management functionality specifications of the car are upgraded.
Over-allotment Option	The right granted by the Company to the Global Co-ordinator, exercisable as of the Listing Date until 30 days after the Closing Date, to require the Company to issue and offer at the

	Offer Price up to a maximum of ● Over-allotment Shares, for the sole purpose of allowing the Global Co-ordinator to cover over-allotments, if any.
Over-allotment Shares	Up to ● ordinary shares issued by the Company with a nominal value of €0.04 each, to be offered by the Company pursuant to the Over-allotment Option, as part of the Offer Shares. The total number of Over-allotment Shares shall not exceed 17.2 per cent. of the number of Firm Shares.
Pre-IPO Shareholders	The shareholders of Spyker at the date of this Prospectus, comprising of: (i) Investeringsmaatschappij Helvetia B.V. (32.5%), wholly owned by Mr. Victor R. Muller; (ii) Vice Versa Holding B.V. (32.5%), wholly owned by Mr. Maarten J. de Bruijn; (iii) Talpa Management B.V. (28.5%), indirectly owned by Mr. John H.H. de Mol; and (iv) Milestone Beheer B.V. (6.5%) wholly owned by Mr. Hans (J.) B.Th. Hugenholtz. For an overview of each Pre-IPO Shareholder's holding at the Listing Date and Closing Date, see "Summary – The Offering" and "Principal Shareholders".
Pre-IPO Shareholders Loans	Loans furnished by one or more of the Pre-IPO Shareholders respectively as further described in "Capitalisation – Pre-IPO Shareholders Loans".
Priority Share	The priority share held by the foundation Stichting Prioriteit Spyker Cars. For the rights attached to the Priority Share see "Description of the Shares and Corporate Structure – Priority Share".
Priority Shareholder or Stichting Prioriteit	Holder of the Priority Share.
Prospectus	This prospectus relating to the Offering.
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended.
Restricted Person	Any person to whom transfer restrictions relating to the Shares are applicable, as described in "Subscription and Sale – Selling restrictions".
Securities Act	The U.S. Securities Act of 1933, as amended.
Shareholder	A holder of Shares.
Shares	All issued and outstanding ordinary shares in the share capital of Spyker with a nominal value of €0.04 each.
Spyker or Company	Spyker Cars N.V. and all or any of its group companies (as defined in Section 24b of Book 2 of the Dutch Civil Code), as the context requires. Prior to its conversion into an N.V. which will take place after termination of the subscription period immediately prior to listing of the Shares on Euro.NM Amsterdam, and therefore at the date of this Prospectus, the Company's name is Spyker International Motor Holding B.V.
Subscription Agreement	The subscription agreement to be entered into on or about May 26, 2004, between the Company, ABN AMRO Bank N.V. and the Global Co-ordinator.

Supervisory Board	The supervisory board of Spyker Cars N.V.
Talpa	Talpa Management B.V., being one of the Pre-IPO Shareholders, indirectly owned by Mr. John H.H. de Mol.
U.S. or United States	United States of America.
U.K. or United Kingdom	United Kingdom of Great Britain and Northern Ireland.
Vice Versa	Vice Versa Holding B.V., being one of the Pre-IPO Shareholders, wholly owned by Mr. Maarten J. de Bruijn.

SUMMARY

The following summary does not purport to be complete and is taken from, is qualified in its entirety by, and should be read in conjunction with, the more detailed information and the consolidated financial information (including the notes thereto) contained elsewhere in this Prospectus. In particular, prospective investors should consider carefully the matters set out under "Risk Factors".

The Company
Spyker Cars N.V. is a public limited liability company incorporated under the laws of the Netherlands with its statutory seat in Zeewolde, the Netherlands. Under the Spyker brand the Company designs, engineers, manufactures, markets and distributes high-end sports cars and markets personal luxury items supporting the overall brand image. The Company's distribution network includes high quality multi-brand dealerships in its selected markets.

Mission statement
The Management Board's mission, incorporating its ambition and aim for success, is to become a leading and durably successful sports car manufacturer with a strong brand in the international high-end sports car market.

Strategy
The Management Board believes that it can create growth by properly managing the current business and developing Spyker as an important brand in the high-end sports car industry. The Management Board further believes that proper management of a sports car brand entails among other things assuring a distinct product of outstanding quality, strictly controlled distribution, continuous innovation and consistent investment in marketing and communication.

Accordingly, the strategy of the Company is focussed on the following objectives:

- to create a distinctive, custom-made, high-end product incorporating certain aviation and racing styling elements derived from the original *Spyker* cars in the 1920's in the form of a high-tech package with state-of-the-art underpinnings;

- to position the Spyker brand as a premium brand for exclusive and handbuilt sports cars and related products in the high-end sports car market with a distribution network to match; and

- to prove reliability and quality, and to create credibility and brand recognition, for instance by engaging in active racing in the international endurance race arena.

Recent developments
By agreement of January 23, 2004, as amended on March 4, 2004, the Company's credit facility of €2.5 million provided by HBU was extended and increased to the amount of €5.3 million, again extended in April 2004 and extended and increased in May 2004 to an amount of €6.3 million until June 15, 2004, in view of the Offering. On May 18, 2004, an amount of €5.85 million was outstanding. The net proceeds from the Offering will be partly used to fully repay the outstanding amount under this credit facility, including accrued interest. See "Use of Proceeds". The HBU credit facility will expire on June 15, 2004.

On April 20, 2004, the Company entered into a pre-financing agreement with Amstel Lease Maatschappij N.V. for an amount of €500,000, which agreement will terminate on November 1, 2004. In connection with this agreement a right of first pledge was granted by the Company to Amstel Lease Maatschappij N.V. on three Spyker cars. Furthermore, as an additional security right, Mr. Muller and Mr. Hugenholtz have agreed to purchase these cars per November 1, 2004 if the amount of €500,000 has not been fully repaid by the Company on that date.

Except for (i) operating losses incurred in 2004 to the date of this Prospectus in the Company's ordinary course of business as a start-up company, which are in line with the Management Board's expectations in that respect, and (ii) the recent developments described above, at the date of this Prospectus there has been no material change in the financial position or prospects of the Company, or of the Company and its subsidiaries taken as a whole, since December 31, 2003, the date of the Company's audited financial statements.

The Company has formalised certain existing commercial relations with its main suppliers of products and services. On April 13, 2004, the Company entered into a supply agreement with Audi Hungaria Motor Kft. regarding the supply of the Driveline. On March 26, 2004, the Company entered into a supply agreement with Coventry Prototype Panels Ltd., U.K., regarding the supply of bodies-in-white and chassis. In addition, on March 10, 2004, the Company entered into an agreement with Cosworth Technology Ltd., U.K., for the development of the motor management system.

In 2004, as of the date of this Prospectus, Spyker received payments for 49 cars amounting to a total of €746 thousand. Three of these cars will be sold and delivered directly to customers and 46 of these cars will be sold and delivered to dealers. One of these 49 cars will be sold and delivered to Invicta Collection B.V. See "Related Party Transactions".

Immediately prior to the Listing Date, all Pre-IPO Shareholders Loans, together representing an aggregate amount of €13.24 million including the accrued interest, will be converted against the Offer Price Equivalent into ● Existing Shares, or ● Shares after amendment of the Company's articles of association and splitting up of shares as described below. See "Use of Proceeds" and "Capitalisation".

Also immediately prior to the Listing Date, and upon conversion of the Pre-IPO Shareholders Loans as described above, the Company will convert from a private company with limited liability named Spyker International Motor Holding B.V. into a public company with limited liability named Spyker Cars N.V. by execution of a notarial deed of amendment of its articles of association. The amendment of the articles of association will include splitting up the Existing Shares into 46/4 times as many Shares.

On May 27, 2004, upon the conversion of Spyker International Motor Holding B.V. into Spyker Cars N.V., the Supervisory Board will be appointed, consisting of Mr. Hessel (J.) H.M. Lindenbergh, Mr. Frans J.M. Liebregts and Mr. Hans (J.) B.Th. Hugenholtz.

The Offering

Up to ● Firm Shares and up to ● Over-allotment Shares are being issued and offered by the Company in connection with the Offering. The Offering comprises (i) an initial public offering of Offer Shares to retail and institutional investors in the Netherlands and (ii) an international initial offering to institutional investors or qualifying investors in jurisdictions outside the Netherlands and outside the United States in reliance on, *inter alia*, Regulation S under the Securities Act.

The Offer Price is expected to be between €14 and €17 per Offer Share, subject to change. The percentage of Existing Shares held by each Pre-IPO Shareholder after conversion of the Pre-IPO Shareholders Loans (against the Offer Price Equivalent), and the percentage of Shares held by each Pre-IPO Shareholder at the Listing Date and post-Offering is therefore represented by a range, depending on the final determination of the Offer Price. The final Offer Price and the final number of the Firm Shares offered in the Offering will be determined after termination of the subscription period and will be announced in a press release and a final prospectus expected to be published before the Closing Date.

For an amount of up to €11.47 million, Firm Shares may be allocated to prospective investors who have indicated their interest in the Offer Shares prior to the publication of this Prospectus. Two of such prospective investors are Helvetia and Talpa, each at the date of this Prospectus already a principal shareholder of the Company, who have indicated their intention to participate in the Offering and together subscribe for an aggregate amount of €5.5 million in the Offer Shares. It has been agreed between Helvetia, Talpa and the Global Co-ordinator that, in the event the allocable demand for the Firm Shares exceeds an amount of €15.0 million upon termination of the subscription period, up to 100% of their combined subscription may be allocated to other subscribers in the Offering. Such allocation shall be made at the sole discretion of the Global Co-ordinator. The subscription by any prospective investor will be on the same terms and conditions as in the Offering and will solely be based on this Prospectus.

The total free float will be between 20.0 - 39.3 per cent., depending on the exercise of the Over-allotment Option and the number of Shares allocated to Helvetia and Talpa pursuant to their subscription for the Offer Shares. For an overview of the percentage of shareholdings of the Pre-IPO Shareholders prior to and as a result of the Offering, see "Principal Shareholders".

The Offer Shares

The Offer Shares represent the total number of (i) the Firm Shares, comprising up to ● newly issued ordinary shares in the share capital of the Company with a nominal value of €0.04 each, and (ii) the Over-allotment Shares, if any, comprising of up to a further ● newly issued ordinary shares in the share capital of the Company with a nominal value of €0.04 each. The Offer Shares will rank *pari passu* among themselves and with the existing Shares.

Over-allotment Option

As part of the Offering, the Company has granted the Global Co-ordinator an Over-allotment Option, exercisable as of the Listing Date until 30 days after the Closing Date, to require the Company to issue and offer at the Offer Price up to a maximum of ● Over-allotment Shares for the sole purpose of allowing the Global Co-ordinator to cover over-allotments, if any. The total number of Over-allotment Shares shall not exceed 17.2 per cent. of the number of Firm Shares. See also "Subscription and Sale".

Offer Price

The Offer Price of the Offer Shares in the Offering is expected to be between €14 and €17 per Offer Share, subject to change. The final Offer Price will be determined after termination of the subscription period and will be announced in a press release and a final prospectus expected to be published before the Closing Date.

Use of proceeds

The net proceeds to Spyker from this Offering are expected to amount to approximately €11.5 million (assuming no exercise of the Over-allotment Option) and will be used by the Company to fully repay the HBU credit facility, which has been provided for an amount of €6.3 million and, as at May 18, 2004, amounts to €5.85 million, including the accrued interest. The remainder of the proceeds will be used for general corporate and business purposes and to fund investments in production capacity. See "Use of Proceeds", "Capitalisation" and "Related Party Transactions".

Lock-up

Each of the Founders, the members of the Management Board and the one member of the Supervisory Board who own Shares on the Listing Date immediately prior to the Offering, have agreed with the Company and the Global Co-ordinator, for a period of 360 days from the Listing Date, and Talpa has agreed with the Company and the Global Co-ordinator, for a period of 180 days from the Listing Date, that they will not: (i) directly or indirectly, offer, sell, contract to sell or otherwise transfer or dispose of any Shares or any securities of the Company that are substantially similar to the Shares, including but not limited to any securities that are convertible into or exchangeable for, or that represent the right to receive Shares; (ii) grant any limited rights/rights in rem (*zakelijke rechten*) on any of the securities described under (i) above unless the beneficiary of these rights provides the Company with a written statement to the effect that such beneficiary shall also comply with this lock-up undertaking; (iii) exercise any cash-settlement options with respect to the Shares; or (iv) enter into any transaction that transfers, in whole or in part, directly or indirectly, legal or economic the ownership of the securities as described under (i) above, or which in any way whatsoever fix, limit or transfer any risk arising from the possibility of price movement, up or down, in respect of such securities. As to the Shares to be issued by the Company, certain exceptions have been agreed as described under "Subscription and Sale".

This lock-up undertaking applies to 100 per cent. of each of these persons' interest in the Company immediately prior to the Listing Date and after conversion of the Pre-IPO Shareholders Loans (against the Offer Price Equivalent) and, as to Talpa and Helvetia, also to their interest in the Company acquired in the Offering.

Listing and market for the Shares
Application has been made for the Shares to be admitted to listing on Euro.NM Amsterdam. Prior to the Offering, there has been no public market for the Shares.

The Company will comply with the conditions for listing on Euro.NM Amsterdam, including applicable requirements relating to lock-up arrangements and financial reporting.

Dividends and dividend policy
The Company has not paid dividends on the Shares in the past and does not expect to pay dividends in the foreseeable future, see "Dividends and Dividend Policy".

Voting rights
Holders of Shares are entitled to attend and vote at shareholders' meetings on the basis of one vote per Share, as described under "Description of the Shares and Corporate Structure – Voting rights". See also "Description of the Shares and Corporate Structure – Priority Share".

Risk factors
Prior to making an investment decision, prospective investors should consider carefully the matters discussed under "Risk Factors".

Payment, settlement and delivery
It is expected that payment for and delivery of the Firm Shares, or the Offer Shares if (part of) the Over-allotment Option has been exercised prior to the Closing Date, offered in the Offering will be made in book-entry form through the facilities of Euroclear Netherlands, Euroclear and Clearstream, all in accordance with their normal settlement procedures applicable to equity securities, on the Closing Date and with respect to any Over-allotment Shares to be sold in exercising the Over-allotment Option, if any, as of the Listing Date until 30 days after the Closing Date. All of the Offer Shares will be in bearer form represented by a single global certificate lodged with Euroclear Netherlands for safe keeping on behalf of those persons entitled to the Offer Shares. The relevant trading information for the Offer Shares is set forth below.

Security codes

ISIN:	NL0000380830
Securities Code:	38083
Common Code:	018885778
Euronext symbol:	SPYKR

Selling restrictions
Outside the Netherlands, the Offer Shares are subject to certain restrictions on offers, sales, resales and transfer, see "Subscription and Sale – Selling restrictions".

Timetable

The following dates are all envisaged dates, barring any unforeseen circumstances.

May 24, 2004	Expected start subscription period.
May 26, 2004	Expected close subscription period.
May 27, 2004	Expected Listing Date: start of trading and admission to listing of the Shares on Euro.NM Amsterdam.
June 1, 2004	Expected Closing Date: payment for and delivery of the Firm Shares, or Offer Shares if (part of) the Over-allotment Option has been exercised prior to the Closing Date, offered in the Offering.

Summary consolidated financial information

The financial statements of Spyker as of and for the years ended December 31, 2002 and 2001, have been prepared by the management board of the Company and have been reviewed by Deloitte Accountants. The financial statements of Spyker as of and for the year ended December 31, 2003, have been prepared by the management board of the Company and have been audited by Deloitte Accountants. The summary consolidated financial information set out below has been derived from the Company's audited consolidated financial statements as of and for the year ended December 31, 2003 and the Company's reviewed financial statements as of and for the years ended December 31, 2002 and 2001. These financial statements have been prepared in accordance with Dutch GAAP and have been audited or reviewed by Deloitte Accountants, in accordance with auditing or reviewing standards generally accepted in the Netherlands. The following information should be read in conjunction with these financial statements (and the notes thereto), and with "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained elsewhere in this Prospectus.

Consolidated Balance Sheet data

(after appropriation of result)

	audited 31.12.2003 €('000)		reviewed 31.12.2002 €('000)		reviewed 31.12.2001 €('000)	
Assets						
Fixed assets						
Intangible fixed assets		10,083		6,437		2,760
Tangible fixed assets		3,315		2,596		676
Financial fixed assets		1,440		940		292
Current assets						
Inventories	714		417		42	
Work in process	531	1,245	416	833	0	42
Receivables:						
Accounts receivable	639		160		397	
Shareholder	12		26		0	
Taxes and social security contributions	624		423		0	
Other receivables	201	1,476	85	694	31	428
		17,559		11,500		4,198

Shareholders' equity, provisions and liabilities						
Group equity		-4,339		-1,294		-532
Warranty provision		10		0		0
Long-term liabilities						
Credit institutions	2,137		1,499		19	
Loans granted by shareholders	11,833	13,970	7,040	8,539	3,572	3,591
Short-term liabilities						
Credit institutions	4,210		2,495		7	
Shareholder	0		756		0	
Current portion of lease commitments	489		0		0	
Accounts payable	1,444		700		626	
Taxes and social security contributions	106		51		171	
Accrued development costs	654		0		0	
Revenues invoiced in advance	0		142		318	
Other liabilities	1,015	7,918	111	4,255	17	1,139
		17,559		11,500		4,198

Consolidated Profit and Loss Account data

	audited 2003 €('000)		reviewed 2002 €('000)		reviewed 2001 €('000)	
Net sales	910		215		773	
Movement in work in process	738		416		0	
Other revenues	1,247		557		60	
Total revenues		2,895		1,188		833
Raw materials and consumables	1,397		428		773	
Subcontracted work	302		74		0	
Other external costs	1,024		378		0	
Wages and salaries	1,020		258		96	
Social security charges	144		25		4	
Amortisation and depreciation	903		462		146	
Marketing and sales expenses	819		439		0	
General expenses	1,502		362		183	
Total operating expenses		7,111		2,426		1,202
Operating result		-4,216		-1,238		-369
Financial income and expenses:						
Interest income	7		2		3	
Interest charges	-934		-477		-158	
		-927		-475		-155
Result on ordinary operations before taxation		-5,143		-1,713		-524
Taxation		335		591		181
Net result		-4,808		-1,122		-343

Consolidated Statement of Cash Flow data

	audited 2003 €('000)		reviewed 2002 €('000)		reviewed 2001 €('000)	
Cash flow from operating activities						
Operating result		-4,216		-1,238		-369
Adjusted for:						
Amortisation and depreciation	903		462		146	
Addition to provisions	10	913	0	462	0	146
Movements in working capital:						
Receivables	-782		-266		-398	
Inventories	-412		-791		-42	
Short-term liabilities	1,459	265	628	-429	771	331
Cash flow from interest and taxes:						
Interest income / charges	-927		-475		-155	
Tax on profit paid / received	0	-927	0	-475	0	-155
Cash flow from operating activities		-3,965		-1,680		-47
Cash flow from investment activities						
Investments in fixed assets	-6,178		-6,116		-2,730	
Disposal of fixed assets	324		0		0	
Cash flow from investment activities		-5,854		-6,116		-2,730
Cash flow from financing activities						
Increase in loans	6,058		5,065		2,771	
Accrued interest	628		0		0	
Repayment of long-term liabilities	-1,255		-117		0	
Increase in share capital and share premium reserve	2,184		360		0	
Cash flow from financing activities		7,615		5,308		2,771
Increase in short-term financing		-2,204		-2,488		-6
Balance of cash and short-term credit institutions as at December 31		-4,699		-2,495		-7
Balance of cash and short-term credit institutions as at January 1		-2,495		-7		-1
Movement in short-term financing		-2,204		-2,488		-6

RISK FACTORS

An investment in the Offer Shares involves a high degree of risk. In addition to the other information in this Prospectus, the following factors should be considered carefully by investors before investing in Offer Shares. The risk factors set forth below are not intended to be exhaustive and there may be other considerations that should be taken into account in relation to an investment in the Offer Shares. If any of the risks set forth below were to occur, the Company's business, financial condition, results of operations and/or cash position could be harmed and the market value of the Shares could be adversely affected in a material way.

RISKS RELATING TO SPYKER AND ITS BUSINESS

The Company has a limited operating and financial history.
Victor Muller and Maarten de Bruijn started the business of the Company in 2000. The Company, therefore, has a limited operating and financial history based upon which prospective investors may evaluate its business and prospects. The financial statements of 2002 and 2001 have been reviewed, which entails a process significantly narrower in scope and depth than an audit by the Company's auditor. Only the financial statements of 2003 have been audited. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data, therefore providing less assurance than an audit. The auditor's report and the review reports of the years ended December 31, 2003, 2002 and 2001, included an 'emphasis of matter' paragraph regarding the appropriateness of the continued application of the going concern principle in the preparation of the financial statements.

Spyker is in the early stages of its development. The Company's business and prospects are subject to the risks, expense and difficulties frequently encountered by companies in early stages of development. If the Company is unable to allocate effectively its resources and grow its business, it may be incapable of executing its strategy, which could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

The Company's business has not been profitable in any year of operation prior to the Offering and may not be profitable in the future.
Since the Company started its business in 2000, it has not been profitable in any year of its operations and there is no assurance that the Company will be profitable in the future, which could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

Management and funding of growth.
The Company intends to grow and further develop its business. The Company cannot assure that it will be able to effectively manage future growth, for instance by means of the expansion of its infrastructure to support future growth. The Company also cannot assure that its business and financial results will not be negatively affected by any growth, enhancements or expansion plans, if not properly managed. Further, the Company cannot assure that in the future the Company will succeed in raising the required financial means and other resources necessary to manage such growth. The Company's inability to properly manage future growth or to raise such additional financial means could have a material adverse effect on Spyker's business, financial condition and/or results of operations. See also "The Company – Strategy".

Spyker's capacity to produce cars is limited and will remain so in the foreseeable future.
Being a start-up company, Spyker's capacity to produce cars is limited and will remain so in the foreseeable future. Demand for Spyker's products has exceeded, and may exceed in the future, Spyker's production capacity, resulting in temporary constraints on Spyker's ability to produce the quantities necessary to fulfil orders in a timely manner. A prolonged delay in Spyker's ability to fulfil orders on a timely basis at a time when Spyker's competitors are not experiencing the same difficulty, could adversely affect Spyker's market share in its markets. Spyker's future growth and

results of operations will depend on Spyker successfully increasing its production capacity. Spyker's inability to fulfil customer's demand could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

The Company has not yet obtained all necessary licences and permits for the sale, delivery and permanent registration of its products in several markets including the U.S.

As of the date of this Prospectus, Spyker has not yet obtained all necessary licences, permits and other requirements for the sale, delivery and permanent registration of its products in several markets including the U.S. Although Spyker has no reason to believe that these licences and permits will not be obtained, there is no certainty that these licences or permits will be obtained. In case these licences and permits are not obtained or obtained on a timely basis, the lack thereof could have a material adverse effect on Spyker's business, financial condition and/or results of operations. See "The Company – Regulated industry".

In order to obtain the required licenses and permits to sell cars that are allowed on U.S. roads, the Company has entered into a certification program. Under this certification program the cars can only be registered as "On Board Diagnostics" fleet cars which initially are admitted on a temporary basis and cannot be sold onwards to another party by their current owner. The On Board Diagnostics fleet cars are imported in the U.S. under a temporary import licence which is valid for a renewable period of six months. During this period the car is allowed on U.S. roads and the technological and motor management functionality specifications of the car are reviewed. There can be no assurance that the Company will meet or satisfy the requirements of the certification program. Failure to do so will prevent the Company from importing cars into the U.S and may have a material adverse effect on the Company's business, financial condition and/or results of operations.

Spyker relies on external manufacturing facilities for production and assembly, and on independent third party suppliers for the provision of certain raw materials, parts and components, craftsmanship, skills and technology.

Although the Company is intensively involved in all aspects of the design and manufacture of its products, it does not control all of the manufacturing facilities used. Therefore, the Company is dependent upon independent third parties for the production of key parts and components and the assembly of certain products. Spyker purchases raw materials, parts and components from several independent third party suppliers and relies upon some suppliers for a substantial number of components for its products. A majority of Spyker's requirements for raw materials and supplies is filled by single-source suppliers, such as Coventry Prototype Panels Ltd., Audi Hungaria Motor Kft. and Cosworth Technology Ltd. See "The Company – Material agreements". Spyker's ability to continue to obtain these supplies in an efficient and cost-effective manner is subject to a number of factors, some of which are not within Spyker's control. The impact of an interruption in supply will vary by part or component. Some parts are generic to the industry while others are of a proprietary design requiring unique tooling, which would require time and resources to recreate. The inability of a supplier to deliver or to timely deliver could have an adverse effect on production and consequently could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

The high-end sports car market is sensitive to adverse economic conditions, consumer sentiment and unexpected events.

The markets in which Spyker operates or competes, have been subject to considerable volatility in demand corresponding to cycles in the overall business and economic environment in general and in the automotive and high-end consumer goods sectors in particular. Since the Company distributes and intends to further distribute its products internationally, a significant decline in the general economy or in consumer sentiment in Europe, North America and certain markets in the Middle East and Asia also could have a material adverse effect on the Company. There can be no assurance as to the future performance of the high-end sports car industry or the timing or severity of changes in economic conditions affecting the high-end sports car industry.

Unexpected events, such as the 2001 September 11th attacks in the United States, may adversely affect Spyker's business volume and earnings. Accordingly, such downturns and/or uncertainties in the future could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

Spyker depends on one product line.
Whereas many other companies have more than one product line, Spyker currently manufactures and distributes products in just one product line, high-end sports cars, although with various different models within this product line. Decreased consumer interest in this one product line may negatively impact production or sales of this product line and could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

Demand for high-end sports cars is limited and competition among manufacturers is intense.
Spyker currently operates in markets that are characterised by an increase in the number of products offered and the appearance of new players. Consequently, Spyker's products are facing substantial competition from other high-end sports car manufacturers, most of which are considerably larger and have more financial and operational resources than Spyker. Such competition may have a significant impact on the prices Spyker can demand for its products and on the Company's sales volume. In this competitive environment, Spyker's brand positioning is linked to the design and quality of its products, its brand image and reputation. The Company is active in the same market segment as well-known, international high-end sports car manufacturers such as Ferrari and Aston Martin, as well as a number of other international and regional sports car manufacturers. The demand for high-end sports cars is limited and the competition among manufacturers is intense. There can be no assurance that Spyker is or will be able to position itself successfully in this market segment. Failure to do so could have a material adverse effect on Spyker's business, financial condition and/or results of operations. See also "The Company – Competition and competitive strengths".

Prices for high-end sports cars can be volatile.
Prices for high-end sports cars in certain markets have, at times, experienced sharp changes over short periods of time. This volatility is caused by many factors, including short-term fluctuations in demand, shortages of certain supplies, volatility in underlying economic conditions, changes in import regulations, changes in consumer sentiment and increased competition. There can be no assurance that such price volatility will not continue, or that price volatility will not begin in markets which to date have not experienced such volatility. Price volatility in certain or all markets could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

Spyker's operations are exposed to currency fluctuations.
As an internationally operating company, the Company is subject to currency and translation risk. A majority of Spyker's sales are to countries other than Euro-zone countries. As Spyker's sales prices are currently quoted in Euros, exchange rate fluctuations have a direct effect on Spyker's competitiveness, which may over time affect Spyker's results. Currency movements may affect Spyker's pricing of products sold and materials purchased in foreign currencies, including the currencies of its competitors, which may be affected differently by such movements.

The Company's financial statements are reported in Euros. Certain cost prices and the results of the Company are or will be subject to fluctuations in exchange rates between the Euro and other currencies. Also, it is expected that sales prices will be quoted in U.S. Dollars in U.S. Dollar markets in the near future. Currently, the most significant exchange rate risks to which the Company is exposed is a weakening of the U.S. Dollar, to which a significant portion of its revenues are related, and strengthening of the English Pound, in which a significant portion of its component purchases are denominated, compared to the Euro.

Currently, Spyker does not use (financial) instruments to hedge currency risks. There can be no assurance that exchange rate fluctuations will not have a material adverse effect on Spyker's business, cash flow, financial condition, results of operations and/or relative price competitiveness.

The Company relies upon certain key personnel and upon its ability to find and retain skilled personnel.
The Company's success depends to a significant degree upon the efforts and abilities of certain members of the Management Board, including Victor Muller, the Company's Chief Executive Officer, and Maarten de Bruijn, the Company's Chief Creative Officer. See also "Management and Employees". The loss of services of Victor Muller and/or Maarten de Bruijn and any negative market or industry perception arising from such loss, could significantly impede the Company's financial plans, product development, distribution network, marketing and other objectives, which could have a material adverse effect on the Company's business, financial condition and/or results of operations. An investigation has been conducted by the public prosecutor as to, among other persons, Mr. Muller and Helvetia. See "Management and Employees — Management Board/Victor R. Muller".

In addition, the Company relies on its ability to hire, train and retain skilled personnel to participate in the design, engineering, manufacturing, marketing, and distribution of its products. No assurance can be given that the Company will be able to continue to attract and retain a sufficient number of such skilled personnel. Any inability to hire, train and retain such personnel could adversely affect the Company's growth and could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

Spyker's profitability is dependent upon the successful introduction of new innovative products.
Spyker's long-term growth and profitability depends upon its ability to introduce and market new products successfully. Product life cycles continue to shorten which puts increased focus on the success of Spyker's product development. It is crucial to meet and exceed customer demand for new innovative products in order to be able to strengthen Spyker's position in the high-end sports car market and to be able to expand into additional geographical markets and/or product segments. An inability by Spyker to introduce new innovative products in a timely fashion could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

Lower-than-anticipated market acceptance of new or existing products.
Sports cars that are perceived to be inferior to competitors' sports cars, whether in price, quality, styling, reliability, safety, functionality, image or otherwise, are likely to receive lower market acceptance which can result in a lasting decrease in margins, sales volumes and market shares for those models. This in turn could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

The Company must anticipate trends and respond to changing consumer preferences.
The Company's success depends in part upon its ability to originate and define product and fashion trends as well as anticipate and respond to changing consumer preferences and market trends in a timely manner. Although the Company attempts to stay abreast of emerging lifestyle and consumer preferences affecting its products, any sustained failure by the Company to identify and respond to such trends could result in significant excess inventories for some products and missed opportunities with others. Consequently, the Company is dependent upon the continuing favourable market response to the creative efforts of the design and product development team of the Company, headed by Mr. De Bruijn, Chief Creative Officer. Unfavourable market response to the creative efforts could have a material adverse effect on Spyker's business, financial condition and/or results of operations. See also "The Company – Market trends".

Increased safety, environmental, emissions or other regulation resulting in higher costs.
The automotive industry is subject to extensive and significant governmental and legal regulation worldwide. Laws in various jurisdictions regulate numerous aspects of the Company's business, including but not limited to employment, relations with dealers, the protection of consumers, automobile design, licensing, import, engineering and performance, occupant safety and the environmental impact of vehicles, including emission levels, fuel economy and noise. In addition, regulations affect the levels of pollutants or waste products generated by the facilities where the Company's production takes place. All of these regulations affecting the Company are subject to change, often making them more restrictive.

In the United States and Europe, for example, governmental regulation has arisen primarily out of concern for the environment, for greater vehicle safety, and for improved fuel economy. These regulations are subject to change, often making them more restrictive. The costs of complying with these requirements can be substantial. New legislation, such as the Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act in the United States, will also subject Spyker to additional expense, which could be significant. Also the Company cannot assure that its compliance with the regulations will not be challenged. There is risk of environmental or safety liability inherent to the Company's business and there can be no assurance that material environmental, emission level, safety or other requirements will not arise in the future. Various legal actions, governmental investigations and proceedings and claims may be instituted or asserted in the future against Spyker, including those arising out of, *inter alia*, alleged defects in Spyker's products and governmental regulations covering safety, emission level, and fuel economy. Such potential liabilities, future governmental requirements or legal actions, governmental investigations and proceedings or claims could have a material adverse effect on Spyker's business, financial condition and/or results of operations. See also "The Company – Regulated industry".

The discovery of defects in vehicles or non-compliance with safety standards may result in recall campaigns, increased warranty costs and litigation.
Government safety standards in certain jurisdictions such as the United States, require that defects related to motor vehicle safety be remedied through safety recall campaigns. A manufacturer may also be obligated to recall vehicles if they do not comply with a safety standard. Should Spyker or the relevant government safety regulators determine that either a safety defect or a non-compliance exists with respect to certain of Spyker's vehicles, the costs of such recall campaigns could be substantial and could influence purchasing decisions of potential purchasers of Spyker's vehicles, thereby negatively affecting Spyker's future sales and profitability.

Spyker presently provides purchasers of Spyker cars with a separate warranty coverage for defects in factory-supplied materials and workmanship on all vehicles. This warranty coverage extends for 24 months, unlimited mileage, and for 90 days replacement of parts of the vehicle. For the U.S. market the warranty on tires is excluded. For the compliance of Spyker's warranty obligations Spyker relies on its limited warranties and availability of resources of its suppliers to meet warranty claims.

Various legal actions, governmental investigations and proceedings and claims may be instituted or asserted in the future against Spyker, arising out of alleged defects in Spyker's products or non-compliance with governmental safety standards. In addition to these risks, doing business in the United States may further aggravate these risks due, *inter alia*, to higher exposure and higher costs or damages in the United States in relation to claims made under warranties or (alleged) liabilities under governmental regulations or otherwise.

The discovery of defects in vehicles or of non-compliance with safety standards may result in recall campaigns, increased warranty costs or litigation which could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

The Company has not taken out insurance coverage for product liability and negligence claims in the United States and Canada.
The Company may become subject to product liability and/or negligence claims in the United States or Canada and has not taken out insurance coverage for such possible claims. As a result the Company may be subject to liability, costs or expenses in relation to such claims. In addition, the Company has not taken out insurance to cover any potential costs of litigation including but not limited to legal fees and other costs in connection with any product liability and/or negligence claims in the United States or Canada. Any costs of any product liability and/or negligence claims and the costs of litigation in connection therewith can be substantial and could have a material adverse effect on Spyker's business, financial condition and/or results of operations. Moreover, such claims and/or costs of litigation could potentially lead to the bankruptcy or financial impairment of the Company.

The Company's business highly depends on its ability to protect, preserve, promote and obtain trademarks and other intellectual property rights.
The Company's business is highly dependent on its ability to protect, preserve, promote and obtain trademarks and other intellectual property rights. In some jurisdictions Spyker owns or otherwise has rights to a number of trademarks relating to the products it manufactures, which rights have been obtained over a period of years. These trademarks have been of value to the growth of Spyker's business and may continue to be of value in the future. Spyker cars are not registered as designs and are therefore as such not design protected. Registration of designs is only possible within a twelve month period after the primary disclosure of the design. After expiration of this term no application for design-protection can be made. In April 2004, Spyker applied for registration of the design of the Spyker C8 Spyder T, which was unveiled in September 2003. Within the European Union, Spyker cars may qualify as an unregistered Community Design (with a protection period of three years as of the date of unveiling) insofar as these cars were made available to the public after March 6, 2002. Furthermore, such Spyker cars may be considered copyright protected work for which no registration is required in the European Union. Spyker considers to apply for protection of future designs upon their unveiling.

The Company cannot exclude the possibility that its intellectual property rights may be substantially challenged by others or that the Company may be unable to register its trademarks or other intellectual property rights or otherwise adequately protect them in some jurisdictions. An inability to protect, preserve, promote or obtain these trademarks or other intellectual property rights could have a material adverse effect on the Company's business, financial condition and/or results of operations.

Furthermore, the high-end sports cars market is subject to numerous instances of product counterfeiting and other intellectual property infringements. The presence of counterfeit Spyker branded products on the market can negatively impact both Spyker's sales volumes and its brand image and could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

Brand recognition and image are crucial to the Company's success.
The Company's success in the high-end sports car market is influenced by the success of its brand, which, in turn, depends on factors such as product design, the distinct character of the products, the materials used, the image of the Company's distribution network, communication activities such as advertising, public relations and marketing, and the Company's general corporate profile. Any adverse effect on the Company's brand and image, such as negative publicity, could have a material adverse effect on Spyker's business, financial condition and/or results of operations. See also "The Company – Marketing and branding".

The Company's success is dependent on its ability to create and maintain the desired distribution network through affordable and durable dealership agreements.
The majority of the Company's revenues are expected to be made through a distribution network consisting of multi-brand dealerships. Accordingly, the success of the Company's operations is largely dependent on the Company's ability to secure

affordable, durable dealership agreements and to secure renewals of such agreements. Furthermore, the Company's current and prospective dealers are typically associated with the sale of high-end sports cars and/or high-end automobiles. Such dealers are generally highly sought after, and the Company faces intense competition from other companies for these dealers. Spyker currently has not yet concluded agreements with all of its (prospective) dealers and may not be able to do so in the foreseeable future, against acceptable terms, or at all. Although the Company believes that its current dealer agreements, almost all of which have been entered into for an initial period of 5 years, can be renewed on acceptable terms, no assurance can be given that the Company will be able to successfully negotiate renewals on current dealer agreements or to obtain acceptable terms for new dealership agreements, and the failure to do so could have a material adverse effect on Spyker's business, financial condition and/or results of operations. See also "The Company – Material contracts".

Work stoppages or failing technical equipment at Spyker or supplier facilities.
A work stoppage could occur as a result of disputes under collective bargaining agreements with labour unions or in connection with negotiations of new collective bargaining agreements at Spyker or its suppliers, which, if protracted, could substantially affect Spyker's business. Work stoppages at supplier facilities for labour or other reasons could have similar consequences if alternate sources of components are not readily available. Equally, failing technical equipment at Spyker or its suppliers such as not functioning robots or specialised machinery could substantially affect Spyker's business. As such, work stoppages and/or failing technical equipment could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

Proper and adequate input, use and update of software is critical.
The technical specifications of Spyker product models and versions are administered by way of a specific engineering software application. Data with respect to the production of Spyker cars and continuous product development are also inserted in the relevant software applications. Spyker relies on the output of these software applications for the engineering, production and development of its products. Spyker's failure to continually adjust and properly update the information and data in the relevant software applications or any human error in or technical failure or improper use of any software application may lead to a defective product, which in turn could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

The Company is subject to various legal regimes.
As the Company is engaged in the distribution of its products in an increasing number of countries, the Company's business may be affected by facts and events beyond its control, such as changes in local laws and policies (relating among others to trade, foreign investment, taxation and environmental regulations) and the instability of foreign economies and governments. The Company has taken applicable laws and regulations into account in seeking to structure its business. Changes in such laws or regulations could, however, have a material adverse effect on Spyker's business, financial condition and/or results of operations. See also "The Company – Regulated industry".

Internal control and management information systems.
The Company is growing and further developing its business and changing its internal control structure from an entrepreneurial control system to a more formal system including segregation of duties. Software applications have been acquired in order to improve internal control and timely financial reporting.

At the end of 2003, a project administration system was implemented in order to improve the Company's planning, administration and calculation. Although formally in use since, further optimalisation and fine tuning is required in order to effectively and efficiently manage any future growth. The Management Board is developing a management information system which should enable the Management Board to react timely and adequately on financial and operational performance indicators. The failure to successfully finalise the implementation of the management information system could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

The Company is subject to potential tax audits.
The Company operates or will operate in various countries and is therefore subject to the risk of tax audits and assessments in these countries. The Company seeks to manage its tax affairs in compliance with all applicable laws. However, it is possible that authorities may disagree with positions taken by the Company, and consequently the Company may be exposed to tax assessments in excess of those provided in the financial statements for tax assets or liabilities, which could have a material adverse effect on Spyker's business, financial condition and/or results of operations.

The Company has a large amount of intangible assets in the form of development costs.
Spyker has a large amount of intangible assets in the form of development costs, all of which are capitalised. Under current legislation, these costs must be amortised within a period of five years. The Company's accounting policy is to amortise the capitalised development costs by a fixed amount for each car. If the Company's envisaged production schedule is not met within that period, (substantial) impairment of those capitalised costs might be considered necessary. Such impairment could have a material adverse effect on Spyker's business, financial condition and results of operations.

The Company has capitalised a part of its carry forward tax losses.
If the Company is not able to generate sufficient profits in the future which can be offset against its tax losses, a write-off may be necessary which could have a material adverse effect on Spyker's financial condition and net results.

Future requirement to adopt International Financial Reporting Standards for accounting purposes.
Dutch listed companies are required to adopt International Financial Reporting Standards (IFRS) in their financial statements for accounting years commencing January 1, 2005. Currently, the Company has not performed a thorough investigation on the differences between Dutch GAAP and IFRS. Such differences will be dependent on many factors, including future events and the interpretation of any accounting policies or guidelines. Although the Company currently believes that adoption of IFRS will not have a significant impact, introduction of IFRS could have a material adverse effect on the Company's financial statements, which as a consequence may influence future decisions of the Company's stakeholders.

Absence of dividends.
Spyker has not paid dividends since the start of its operations in 2000, and does not expect to pay dividends on the Shares in the foreseeable future. The payment of dividends in the future will depend, among other things, upon the Company's earnings, capital requirements, including a legally required reserve equal to the amount of capitalised development costs, and its operating and financial condition. Furthermore, the Company's general reserve must be sufficient for any dividend payment. There can be no assurance that the Company will generate sufficient earnings to allow it to pay dividends, and if it does the general meeting of shareholders of the Company may elect to reinvest instead of paying dividends. See also "Dividend and Dividend Policy" and "Description of the Shares and Corporate structure – Dividends and other distributions".

RISKS RELATING TO THE OFFERING

Future sale of Shares by Pre-IPO Shareholders or members of the Management Board and the Supervisory Board may decrease the price of the Shares.
If the Company's Pre-IPO Shareholders or members of the Management Board and the Supervisory Board sell substantial amounts of Shares, including Shares issued upon the exercise of outstanding options, in the public market following the Offering, the price of the Shares could fall. The shareholdings of two of the Pre-IPO Shareholders,

Helvetia and Talpa, could increase as a result of the Offering in the event the Firm Shares they intend to subscribe for are allocated to them. Talpa has indicated its intention to sell its interest in the Company after the lock-up period has expired. See "Principal Shareholders". Restrictions under applicable laws and the lock-up arrangements described in "Subscription and Sale" limit the Shares available for sale by such persons in the public market during the lock-up period. The holders of ● Shares have agreed not to sell any of these Shares for certain specified periods after the Listing Date. See also "Subscription and Sale".

Dilution resulting from the exercise of outstanding options and rights could adversely affect the price of the Shares.
The dilution resulting from the exercise of outstanding options and rights under the ESOP could adversely affect the price of the Shares. See also "Management and Employees – Employee share option plan".

The Shares have never been publicly traded and the Company cannot predict the extent to which a trading market will develop.
There has not been a public market for the Shares. The Company cannot predict the extent to which a trading market will develop or how liquid that market may become. The Offer Price may not be indicative of prices that will prevail in the trading market.

The price of the Shares may be volatile.
The price of the Shares may be volatile. Share prices for the securities of small companies have historically been volatile, and the market has from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of any of such companies.

The Euro.NM market of Euronext Amsterdam may be less liquid than the official market segment of Euronext Amsterdam or other major stock exchanges.
The trading market for the Shares will be Euro.NM Amsterdam, which market may be less liquid than the official market segment of Euronext Amsterdam or other major stock exchanges. As all Euro.NM trading funds, after six months of trading, Euronext may evaluate whether it will continue trading as is or restrict trading to trading by daily auction. As a result, shareholders may have difficulty in buying and selling shares, especially in large numbers. Future sales of substantial amounts of the Shares on the public market by one or more of the Pre-IPO Shareholders (after expiration of any applicable lock-up period) or by any other principal shareholders or block of shareholders, or even the perception that such sales could occur, could have a material adverse effect on the price of the Shares.

USE OF PROCEEDS

Use of proceeds

The net proceeds to Spyker from this Offering are expected to amount to approximately €11.5 million (assuming no exercise of the Over-allotment Option) and will be used by the Company to fully repay[1] the HBU credit facility, which has been provided for an amount of €6.3 million and, as at May 18, 2004 amounts to €5.85 million including the accrued interest. The remainder of the proceeds will be used for general corporate and business purposes and to fund investments in production capacity. See also "Capitalisation" and "Description of the Shares and Corporate Structure – Issued ordinary share capital".

1 All Pre-IPO Shareholders Loans, in the aggregate amount of €13.24 million including the accrued interest, will have been converted into Existing Shares, to be split up into 46/4 as many Shares after amendment of the Company's articles of association. See "Capitalisation" and "Related party Transactions".

THE COMPANY

History

Corporate history

On January 1, 2000, the Founders started Spyker's car manufacturing activities. In August 2000, for the purpose of their business, Mr. Muller through Helvetia and Mr. De Bruijn through Vice Versa, each on an equal basis acquired all shares in Jac. Spijker Stamrecht B.V., a company incorporated in 1995. In February 2001 the Company's name was changed into Spyker Automobielen B.V. On March 6, 2003 the name of the Company was changed into Spyker International Motor Holding B.V. In view of the Offering, Spyker International Motor Holding B.V. will be converted into a public limited liability company with the name Spyker Cars N.V. with its corporate seat in Zeewolde, the Netherlands, by execution of a notarial deed of amendment of its articles of association. The Company is registered at the Commercial Register under number 08065771.

In October 2002, Milestone Beheer B.V., wholly owned by Mr. Hugenholtz, participated in the Company resulting in a current stake of 6.5 per cent. In March 2003, Talpa acquired a 28.5 per cent. stake in the Company.

At the date of this Prospectus, the Existing Shares are held by Helvetia (32.5%), Vice Versa (32.5%), Talpa (28.5%) and Milestone (6.5%). For an overview of each Pre-IPO Shareholder's holding at the Listing Date and pro forma post-Offering, see "Principal Shareholders".

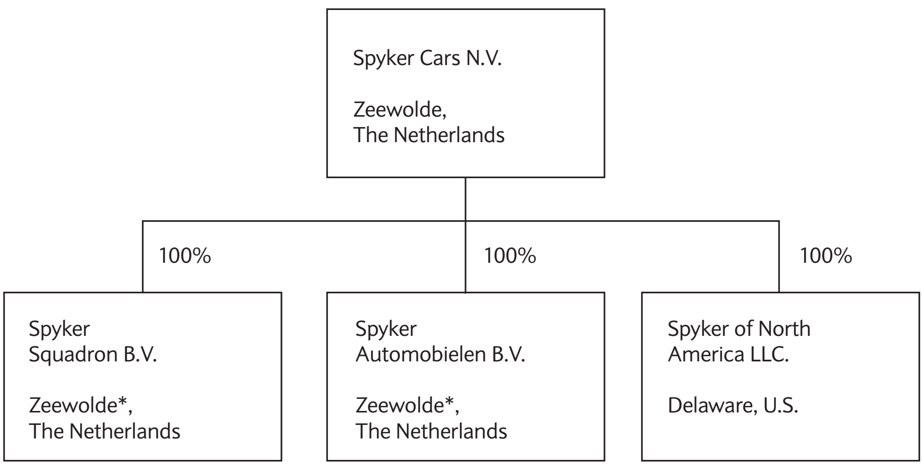
On March 5, 2003 a new company, also named Spyker Automobielen B.V. was incorporated by the Company as a private company with limited liability under the laws of the Netherlands with its statutory seat in Baarn, the Netherlands. Spyker Automobielen B.V. is registered at the Commercial Register under number 32095898.

On March 7, 2003 the Company incorporated Spyker Squadron B.V., a private company with limited liability under the laws of the Netherlands with its statutory seat in Baarn, the Netherlands. Spyker Squadron B.V. is registered at the Commercial Register under number 32095953.

Spyker Automobielen B.V. and Spyker Squadron B.V. are wholly owned subsidiaries of the Company and both are managed by Mr. Muller. None of these subsidiaries or the Company prior to its conversion into an N.V. has instituted a supervisory board.

On November 21, 2003, Spyker Automobielen B.V. incorporated Spyker of North America LLC, a limited liability company under the laws of the state Delaware (U.S.). As of February 26, 2004, this company is a wholly owned subsidiary of the Company.

Organisation chart



(* statutory seat in Baarn)

Spyker history
In 1898, Jacobus and Hendrik-Jan Spijker, coach builders in Amsterdam, pioneered their first Benz-engined motorcar and won immediate acclaim for the craftsmanship of the bodywork of the motorcar. The construction of the Golden State Coach in 1898, which was commissioned to commemorate the forthcoming coronation of the Dutch Queen Wilhelmina, and is still in use today, marked the pinnacle of their coach building activities and progression to car manufacturing. Subsequently, the brothers registered their business under the name *Spyker*, written with a "Y" for easier recognition in foreign markets.

The building of the 1903 60 HP grand prix racer was an important milestone, featuring the world's first six cylinder engine as well as permanent four-wheel drive. Other *Spyker* models followed with their characteristic circular radiators and they enjoyed particular success in Britain and the Dutch East Indies. A second place in the 1907 Peking-Paris race put *Spyker* on the international racing map at the time. After a temporary emphasis on aviation in the period 1914-1918, during which the company constructed 100 fighter aircraft and 200 aero-engines, car production resumed in 1919 with luxury models that were highly individualistic in terms of character and quality, and were supplied to royalty around the globe.

By this time the slogan "Nulla tenaci invia est via" (*For the tenacious no road is impassable*) was introduced on the radiator badges of *Spyker* automobiles. The Maybach-engined C4 models enjoyed recognition as "the Rolls Royce of the continent", but also proved their sporty character by setting the Brooklands Double-Twelve speed record in 1922, clocking an average speed of 119 km per hour in the hands of renowned racer S.F. Edge. The last of the original *Spyker* cars were built in 1925.

Certain aviation and racing styling elements from the original *Spyker* brand in the 1920's, have been incorporated in the present Spyker high-end sports cars. The automobiles are handcrafted in the same tradition as the original *Spyker* cars by industry craftsmen using top quality materials.

After Mr. Muller and Mr. De Bruijn started Spyker's business in 2000, the first Spyker C8 Spyder with chassis number 001, which was based on the first prototype design developed and built by Mr. De Bruijn in the 1990's, was developed and built in less than seven months. The car won the 2000 award for Engineering Excellence of the Institute of Vehicle Engineers in the Specialist Low Volume Manufacturers category. In November 2000 the coupé version of the Spyker C8 Spyder, the Spyker C8 Laviolette, was designed and a prototype was produced. The Spyker C8 Laviolette was first presented at the RAI in Amsterdam, the Netherlands, in February 2001. In September 2001 the Spyker C8 Double12 R was revealed at the Internationale Automobil Ausstellung (IAA) in Frankfurt, Germany, completing the current range of models that are produced by Spyker.

From the start of production of its cars Spyker has been participating in many events, such as Concourses d'Elegance, and races, such as most notably the 24-hours race of Le Mans where it finished 10th in its class in June 2003.

Business and strategy
Mission statement
The Management Board's mission, incorporating its ambition and aim for success, is to become a leading and durably successful sports car manufacturer with a strong brand in the international high-end sports car market.

Strategy
The Management Board believes that it can create growth by properly managing the current business and developing Spyker as an important brand in the high-end sports car industry. The Management Board further believes that proper management of a

sports car brand entails among other things assuring a distinct product of outstanding quality, strictly controlled distribution, continuous innovation and consistent investment in marketing and communication.

Accordingly, the strategy of the Company is focussed on the following objectives:

- to create a distinctive, custom-made, high-end product incorporating certain aviation and racing styling elements derived from the original *Spyker* cars in the 1920's in the form of a high-tech package with state-of-the-art underpinnings;

- to position the Spyker brand as a premium brand for exclusive and handbuilt sports cars and related products in the high-end sports car market with a distribution network to match; and

- to prove reliability and quality, and to create credibility and brand recognition, for instance by engaging in active racing in the international endurance race arena.

Products and services

Spyker manufactures one product line: high-end sports cars. Within this product line, Spyker has introduced three models: the Spyker C8 Spyder, the Spyker C8 Laviolette and the Spyker C8 Double12. The latter model appears in a racing design, the Spyker C8 Double12 R, and a standard road design, the Spyker C8 Double12 S. The Spyker C8 Spyder also appears in its wide body version, the Spyker C8 Spyder T.

Each Spyker car is built with a stiff space frame manufactured from aluminium sheet and extrusions, clad in hand crafted aluminium body panels. One of the distinctive styling features are the electrically operating tilting doors with a very strong and lightweight single-point aluminium hinge. The front and rear body sections are also fully opening and reveal the adjustable stainless steel independent front and rear suspension as well as Audi's 4.2 liter all-aluminium V8 engine. The lack of a header rail creates an unobstructed view providing an 'open air' feeling. Each Spyker car is made to measure and customers may have their car built as per their wishes with respect to a number of features. Design details such as the handmade aluminium side mirrors as well as the Magnesium 19" Spyker Aeroblade™ wheels with central locking are further distinctive features of a Spyker car.

Spyker has arrangements with several suppliers for parts and technology. These suppliers include Audi Hungaria Motor Kft. for the supply of the Driveline, Coventry Prototype Panels Ltd. for the supply of bodies-in-white and chassis, Cosworth Technologies Ltd. for the development of the motor management system and Philips France S.A. for the supply of automotive lighting.

Safety is all important: Spyker has successfully passed crash tests performed by Mira Ltd. (United Kingdom).

After sales service and maintenance of all Spyker cars is carried out by appointed Spyker dealers.

Spyker C8 Spyder

The Spyker C8 Spyder is an advanced mid-engined two seat sports car characterised by light weight construction and the purity of its design, based on the first Spyker prototype developed from scratch by Mr. De Bruijn. High performance of the Spyker C8 Spyder and its special design features attracted wide scale attention in the relevant media and caused it to win the 2000 Award for Engineering Excellence granted by the Institute of Vehicle Engineers upon its introduction at the British International Motor Show in Birmingham on October 18, 2000. The Spyker C8 Spyder T, a wide body version of the Spyker C8 Spyder, was introduced in September 2003 at the Internationale Automobil Ausstellung (IAA) in Frankfurt.

Spyker C8 Laviolette
Four months after the introduction of the Spyker C8 Spyder, Spyker introduced a coupé version, the Spyker C8 Laviolette, at the Amsterdam Motor Show RAI in February 2001. This coupé version with glass canopy features the Spyker air inlets characteristic of the Spyker C8 Spyder. An air inlet is also found in the roof panel of the Spyker C8 Laviolette and feeds air into the engine bay. The name Laviolette intends to pay tribute to the Belgian engineer Joseph Valentin Laviolette, who was responsible for the development of the original *Spyker* models in the early 1900's. The Spyker C8 Laviolette mirrors to a great extent the technical design and layout of the Spyker C8 Spyder.

Spyker C8 Double12
The Spyker C8 Double12 R, unveiled at the Internationale Automobil Ausstellung (IAA) in Frankfurt on September 11, 2001, is a handbuilt aluminium sports car developed for endurance racing in the LM GT and GT-N (FIA) class. The street going version, the Spyker C8 Double12 S, was unveiled on March 21, 2002 on the occasion of the opening of the new Spyker factory in Zeewolde, the Netherlands.

The Spyker C8 Double12 is a long wheel base car aimed at endurance racing, which has participated in the 2002 and 2003 editions of the 24 hours of Le Mans. The Spyker C8 Double12 R is to a large extent identical to the standard street car, the Spyker C8 Double12 S. Both models feature special riveted wheel arch extensions onto the handmade aluminum bodies.

Market segment, competition and competitive strengths
According to publicly available information, Ferrari dominates the high-end sports cars market with 4,238[2] cars sold in 2003, followed by Aston Martin with 1,514 cars sold in 2003[3] and Lamborghini with 1,305 cars sold in 2003.[4] Other manufacturers in this market segment are Pagani, Bristol, Saleen, and a few other niche players, together producing in total an estimated 200 cars in 2003. The segment has grown rapidly in the recent years by the successful introduction of new models, such as the Porsche Carrera GT, the Bentley Continental GT and the Lamborghini Gallardo.

The present average Spyker customer has a desire for exclusive alternatives to the establishment consisting of, among others, Ferrari and Aston Martin. The Management Board believes that Spyker's main competitive strength is the combination of a classy appearance with high performance and engine reliability. A customer may in principle order tailor-made features of a Spyker car. Customers may also follow the construction of their car by means of a dedicated web cam. Each Spyker car is 'personified' by its individual chassis number visible everywhere on the car, including on the steering wheel, and by engraving Spyker badges and logo on each body panel. Spyker places emphasis on the aviation and racing history of the original *Spyker* brand from the 1920's, which it considers key for its brand image.

Marketing and branding
Spyker cars are marketed via face-to-face presentations at high profile (lifestyle) events emphasising the aviation and racing history of the original *Spyker* brand from the 1920's. Such promotional presentations may include:

- Participation in selected car shows, such as the British International Motor Show in Birmingham, Amsterdam Motor Show (RAI), Internationale Automobil Ausstellung (IAA) in Frankfurt and international motor shows in Geneva, New York, Los Angeles, Detroit, Beijing and Mexico City;

- Renowned car events such as the Concours d'Elegance of Pebble Beach, Schwetzingen and Villa d'Este;

2 Annual report 2003 Fiat S.p.A.
3 Annual report 2003 Ford Motor Company Inc.
4 Annual report 2003 Volkswagen Group AG

- F1 Grand Prix of Monaco. Spyker entered into an exclusive arrangement in the sports car segment with the Automobile Club de Monaco to drive on the F1 track during the race days in between practices and races;

- Participation in endurance racing (e.g. Sebring and Le Mans) with hospitality for (potential) customers and sponsors that proved to be very effective in 2002 and 2003. Participations are to be continued on selected events in the future.

The Company currently distributes cars directly from the factory and through a limited number of high-end dealers in designated markets. The dealers are usually multi-brand distributors with a customer base similar to or overlapping the Spyker target client group, e.g. Rolls Royce, Bentley, Ferrari, Lamborghini and Aston Martin dealers. Delivery at the factory, even for U.S. clients, is appreciated by customers and adds to the total "Spyker experience" the customer is looking for.

Spyker focuses on the following countries and geographic areas: North America (formalised distribution relationship with eight dealers), Benelux (direct factory sales and possibly through dealers in the future), and the Middle East (formalised distribution relationship with one dealer). The Company intends to appoint one or more dealers in the U.K., North America, Monaco, Germany, Switzerland, Russia and the Far East.

Product development
Product development is an ongoing objective of Spyker. The general trend in the industry is that a model continues to remain in production for a minimum of seven years. As a consequence it is expected that the Spyker C8 Spyder will continually be upgraded and will not be replaced by a new product before September 2008, to be followed by a successor to the Spyker C8 Laviolette in September 2009. The Spyker C8 Double12 is expected to remain in production until September 2009. Product development will focus in the meantime primarily on extending the engine range.

Spyker has started to sell accessories. In 2002, Spyker entered into a license agreement with Sony Entertainment for the use of a Spyker C8 Laviolette in their Gran Tourismo 2 game for the Play Station II platform. In 2003, Spyker launched several new accessories lines on sale through its virtual shop on the internet, including miniatures of both the 2002 and 2003 Le Mans racing cars and the Spyker C8 Spyder, Spyker C8 Laviolette and the Spyker C8 Double12. At the Salon d'Automobile in Geneva in March 2004, Spyker released a prototype of a Spyker watch made by Chronoswiss Uhren GmbH, Germany. Additionally, Spyker expects to offer a wide range of apparel in 2004. In general, the accessories market segment remains a largely untapped opportunity for the Company and Spyker intends to develop this business through extending further licenses.

Production
A Spyker car consists of Spyker proprietary key components and a large number of generic parts. The key components are:

(i) the body-in-white and chassis manufactured by Coventry Prototype Panels Ltd., U.K., per Spyker's design. (The chassis is normally painted in silver coating in the U.K. and the body in the colour of the customer's wishes. Subsequently, a painted chassis and body-in-white is shipped to the Netherlands for final assembly); and
(ii) the Driveline provided by Audi Hungaria Motor Kft.

All components of Spyker cars are specifically made for Spyker but can be obtained from various sources. Such components include suspension parts, interior, wiring looms, brake components and alike. These parts are sourced at highly competent and price efficient suppliers, usually in the U.K., Germany and the Netherlands.

The components are built into the Spyker cars by assembly teams consisting of four mechanics, headed by a chief mechanic who runs two teams. The production process is carefully documented in order to warrant quality and consistency by describing each component built into a Spyker car on a so-called 'build sheet' related to a specific chassis number.

The production process used to be 'static', i.e. based on the fixed location of an assembly car whereby all parts were brought to the car and mounted. As of April 2004, the production process is changed in the sense that the cars will be produced 'dynamically', which means that the car will move to the parts, instead of the parts to the car. Spyker now has seven production stations where pre-assembled component units are mounted to the car. This entails that assembly teams will not produce an entire car, but will man a production station and execute the same production process continuously. The teams will swap stations in order to increase their versatility and know-how in the job.

In 2003, Spyker has taken sixteen cars in production, of which twelve were finished before the year end. For an overview of Spyker's recent production level, see "Management's Discussion and Analysis of Financial Condition and Results of Operations".

Spyker's investment policy is primarily focussed on continuing the increase in production of existing Spyker models and modifying them to various international standards and further technological improvements. Further extension of the Company's production capacity and the development of new models are important investments in the future.

Material contracts

Spyker has arrangements with several suppliers for parts and technology. These suppliers include Audi Hungaria Motor Kft. for the supply of the Driveline, Coventry Prototype Panels Ltd. for the supply of bodies-in-white and chassis and Cosworth Technology Ltd. for the development of the motor management system. Most of the relationships with other non-material suppliers have not been formalised in written form.

Spyker has entered into a number of dealer agreements, none of which individually is considered to be material. However, all of these dealer agreements form part of the distribution network on which Spyker relies. Nine of the dealer agreements Spyker has entered into are in written form. Spyker expects to formalise additional dealer agreements in written form in the future.

Real estate

Spyker currently has leased a total of approximately 2,200 square meters of office and production facility located in Zeewolde, the Netherlands. Spyker's premises and production facility are leased under a lease contract which expires on December 31, 2007, subject to a five year extension. In 2004, the premises and production facility is leased for an amount of €147 thousand per year. This contract may be terminated upon twelve months' notice. Spyker expects that these facilities provide sufficient space for normal conduct of its business operations for the near future. Spyker does not own any real estate.

Legal

Regulated industry

The automotive industry is subject to extensive and significant governmental and legal regulation worldwide. Laws in various jurisdictions regulate numerous aspects of the Company's business, including but not limited to employment, relations with dealers, the protection of consumers, automobile design, licensing, import, engineering and performance, occupant safety and the environmental impact of vehicles, including emission levels, fuel economy and noise. In addition, regulations affect the levels of pollutants or waste products generated by the facilities where the Company's production takes place. All of these regulations affecting the Company are subject to change, often making them more restrictive. See "Risk Factors".

Spyker recognises the impact that its production facility in Zeewolde and its cars can have on the local and global environment and that an effective management policy is essential to ensure Spyker's contribution to environmental protection. In the Netherlands, Spyker is subject to, among others, various legislative provisions relating to its products and facilities. Also, as an employer in the Netherlands, Spyker is subject to various labour laws that set employment practice standards for workers, including occupational health and safety standards and the Collective Labour Agreement for the small metal (*klein metaal*) industry sector.

Within the European Union, Spyker's business is also subject to and restricted by European Union regulations, in particular on certification, environmental and labour law issues.

Certification

In certain jurisdictions, licenses and permits must be obtained in order to sell and deliver cars which are allowed on public roads in such jurisdictions.

In order to sell cars that are allowed on U.S. roads, the Company must obtain licenses and permits. In order to obtain such licenses and permits the Company has entered into a certification program. Under this certification program On Board Diagnostics fleet cars are imported in the U.S. under a temporary import licence which is valid for a renewable period of six months. During this period the car is allowed on U.S. roads and the technological and motor management functionality specifications of the car are reviewed. The Management Board expects that the U.S. certification process will be finalised, and the required licenses and permits can be obtained, in 2004. However, there can be no assurance that the Company will meet or satisfy the requirements of the certification program. Failure to do so will prevent the Company from importing cars into the United States. See "Risk Factors".

In countries of the European Union, Spyker cars are currently being sold and delivered under a so-called "single vehicle approval" certification, which is obtained by Spyker in the U.K. Such single vehicle approval permits the sale of Spyker cars in all countries of the European Union. For efficiency purposes, Spyker intends to apply for a so-called "low volume certification" for all countries of the European Union, which allows every car to be registered in any of these countries without individual testing. Since the U.S. certification requirements are generally more stringent than in any other country, Spyker has opted to meet and satisfy the requirements of the U.S. certification program first. After obtaining the U.S. certification, Spyker expects the certification process elsewhere, such as in the European Union or Japan, to be fulfilled in a more (cost-) efficient way.

Legal proceedings

Neither Spyker nor any of its subsidiaries is involved in any litigation or arbitration proceedings which may have or have had a material effect on the position of the Company or any of its subsidiaries, and, so far as the Company is aware, no such litigation or arbitration proceedings or claims are pending or threatened.

The Company's annual accounts relating to the years 2000, 2001 and 2002, have not been timely filed in accordance with the applicable provisions of the Dutch Civil Code. The Company has been confirmed by Euronext Amsterdam that the untimely filing of the annual accounts will not impede the proposed listing of the Shares on Euro.NM Amsterdam. It is noted that non-compliance with the applicable provisions may result in sanctions up to one year of imprisonment for the Company's managing directors or a fine for the Company of €11,250 per offense.

An investigation has been conducted by the public prosecutor as to, among other persons, Mr. Muller and Helvetia. See "Management and Employees — Management Board/Victor R. Muller" and "Principal Shareholders — Helvetia".

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This discussion and analysis of the current financial condition and results of operations should be read in conjunction with the historical financial statements of Spyker, audited by Deloitte Accountants as of and for the year ended December 31, 2003, and reviewed by Deloitte Accountants as of and for the years ended December 31, 2002 and 2001 and related notes, of which an abbreviated version is included in this Prospectus on pages F-2 to F-15.

This discussion contains forward-looking statements concerning Spyker's operations, economic performance and financial condition. These forward looking statements include statements concerning future revenues, expenses and capital expenditures and possible changes in the industry and competitive environment. Because these forward-looking statements involve risks and uncertainties, Spyker's actual results may differ materially from the results expressed or implied in these statements. See also "Important Information – Cautionary statement regarding forward-looking statements" and "Risk Factors".

All figures mentioned in Management's Discussion and Analysis of Financial Condition and Results of Operations are in thousands of Euros, except where otherwise indicated. Certain figures mentioned in the text paragraphs of this chapter have been rounded and may not conform to the exact total which is mentioned in the included tables.

The Company
Spyker Cars N.V. is a limited liability company incorporated under the laws of the Netherlands with its statutory seat in Zeewolde, the Netherlands. Immediately prior to the Listing Date, and upon conversion of the Pre-IPO Shareholders Loans as described in "Capitalisation", the Company will convert from a private company with limited liability named Spyker International Motor Holding B.V. into a public company with limited liability named Spyker Cars N.V. by execution of a notarial deed of amendment of its articles of association.

It should therefore be noted that at the date of this Prospectus, the Company is still a private company with limited liability named Spyker International Motor Holding B.V., with its statutory seat in Baarn, the Netherlands.

The principal markets for Spyker currently are Western Europe and North America. The Company intends to expand its business to the Middle and Far East.

The Company's participating interests comprise the following companies:

– Spyker Automobielen B.V. (100%)

– Spyker Squadron B.V. (100%)

– Spyker of North America LLC, U.S. (100%)

In 2003, Spyker employed an average of 34 FTE.

General accounting principles
Valuation of assets and liabilities and determination of financial results are based on the historical cost convention. Assets and liabilities are stated at face value, unless mentioned otherwise. Income and expenses are accounted for on an accrual basis. Profits are recognised insofar as realised at the balance sheet date. Losses and risks originating before the end of the year are accounted for if they have become known before the preparation of the financial statements.

Overview

Spyker has incurred significant costs since the start of its activities in 2000, combined with limited revenues due to the early (start up) stage of the Company. These factors have resulted in accumulated losses of €6.9 million and in a group equity deficit of €4.34 million at December 31, 2003. The Company has not been profitable in any year of operation prior to the Offering and may not be profitable in the future. See "Risk Factors".

Summary key financial figures 2003 – 2002 – 2001

The presented key figures set forth below should be read in conjunction with the financial information of the Company and the notes thereto included in this Prospectus on pages F-2 to F-15.

	audited 2003 €('000)	reviewed 2002 €('000)	reviewed 2001 €('000)
Consolidated profit and loss accounts data			
Total revenues	2,895	1,188	833
Cost of materials and other external costs	2,723	880	773
Selling, general and administrative expenses	4,388	1,546	429
Operating result	-4,216	-1,238	-369
Result before taxes	-5,143	-1,713	-524
Net result	-4,808	-1,122	-343
Pro-forma net result per Share in €	-7.16	-2.43	-0.76
Consolidated balance sheets data			
Fixed assets	14,838	9,973	3,728
Group equity	-4,339	-1,294	-532
Balance sheet total	17,559	11,500	4,198
Average number of employees (in FTE)	34	10	2

Results of operations

Operating results in the last three years were losses of €4.2 million, €1.2 million and €369 thousand for 2003, 2002 and 2001 respectively. Selling, general and administrative expenses are comprised of personnel costs, amortisation and depreciation, marketing and sales expenses and general expenses.

The following table sets forth, for the periods indicated, certain items in the Company's consolidated profit and loss accounts.

	audited 2003 €('000)	reviewed 2002 €('000)	reviewed 2001 €('000)
Consolidated profit and loss accounts data			
Total revenues	2,895	1,188	833
Cost of materials and other external costs	2,723	880	773
Selling, general and administrative expenses	4,388	1,546	429
Operating result	-4,216	-1,238	-369

Revenues

Spyker's sales prices are currently quoted in Euros. It is expected that sales prices in U.S. Dollar markets will be quoted in U.S. Dollars in the near future, thereby increasing the Company's currency and translation risk.

Revenues consist of car sales to both dealers and retail clients. In the year 2003, a total of four cars were sold. One car was sold to a retail client in the U.S., two were sold to dealers in Dubai and Mexico and another car was sold to Invicta Collection

B.V., a company wholly owned by Helvetia. See "Related Party Transactions". The change in work in process is due to an increased number of cars in production at year end 2003, compared to year end 2002. Sponsor income is mainly related to the Company's race activities at Le Mans. Other revenues were generated by sales of merchandise and events at the factory.

These revenues per region are specified as follows:

	audited 2003 €('000)	**reviewed 2002 €('000)**	**reviewed 2001 €('000)**
U.S.:			
Spyker C8 Spyder	235	0	0
	235	0	0
Europe:			
Spyker C8 Spyder	0	215	215
Spyker C8 Laviolette	0	0	240
Spyker C8 Double12 R	273	0	318
	273	215	773
Other regions:			
Spyker C8 Spyder	402	0	0
	402	0	0
Total car sales	910	215	773
Change in work in process	738	416	0
Sponsor income of events at Le Mans[1]	1,061	337	0
Sales of merchandise and events at Spyker	186	220	60
Total revenues	2,895	1,188	833

1 Note that Spyker will not participate in Le Mans 2004

The Company's total car sales in 2003 increased with €695 thousand. The growth of work in process was €322 thousand, while there was decrease of €34 thousand in the sales of merchandise and revenues from events held by third parties at the Spyker factory. The largest single component of the Company's revenues was sponsor income for Le Mans which increased with €724 thousand in 2003. Sponsor income is likely to decrease substantially in 2004 since Spyker will not participate in Le Mans 2004.

Production history and purpose

In 2001, two cars have been produced, one Spyker C8 Double12 R and one Spyker C8 Laviolette. These cars were sold in 2001, together with another Spyker C8 Spyder produced in 2000, to Zwaanwijck Management B.V., currently named Invicta Collection B.V., a company wholly owned by Helvetia, one of the Pre-IPO Shareholders, for an amount of €773 thousand. See "Related Party Transactions – Sale and purchase agreements". The three cars have been repurchased for €773 thousand by the Company in 2002 to be used as test and prototype models, also known as development cars. Development cars may in the future again be sold to customers.

In 2002, Spyker produced three cars. One Spyker C8 Spyder was sold to a customer, one Spyker C8 Double12 S was used as a development car, and one Spyker C8 Double12 R was used for races at Le Mans in 2002 and sold in 2003 to Invicta Collection B.V., a company wholly owned by Helvetia, see "Related Party Transactions".

In 2003, Spyker has taken sixteen cars into production, of which twelve were finished before the year end. Six finished Spyker C8 Spyders were committed as development cars to enhance the certification program for the U.S. Three Spyker C8 Spyders were sold to customers. One finished Spyker C8 Double12 R (used in 2003 for Le Mans racing) and one Spyker C8 Spyder are used as demonstrator models. At the end of the year 2003 Spyker had one Spyker C8 Spyder ready for delivery. Three Spyker C8 Spyders and one Spyker C8 Double12 S were finished for more than 75 per cent. Also in 2003, one Spyker C8 Double12 R, produced in 2002, was sold to Invicta Collection B.V. as described above.

An overview of the production history is included in the following table:

Production *Car model*	**2003**	**2002**	**2001**	**2000**	**Total**	**Work in Process December 31, 2003**
Spyder	11	1	0	1	13	3
Laviolette	0	0	1	0	1	0
Double12 R	1	1	1	0	3	0
Double12 S	0	1	0	0	1	1
Total	12	3	2	1	18	4

An overview of the purpose of each car related to its year of production is included in the following table:

Purpose of car	**2003**	**2002**	**2001**	**2000**	**Total**
External sales	3[1]	2[1]	0	0	5
Company purpose					
Demonstrator models	2	0	0	0	2
Development cars (certification U.S.)	6	1	2	1	10
Stock	1	0	0	0	1
Total	12	3	2	1	18

1 In 2003 a total of four cars has been sold by Spyker to customers, including one car produced in 2002 and sold in 2003 to Invicta Collection B.V., a company wholly owned by Helvetia. See "Related Party Transactions".

Costs of materials, subcontracted work, merchandise and other external costs
The costs of materials are costs of suppliers for providing components to Spyker, i.e. raw materials and consumables. Subcontracted work includes additional work on a car such as painting. Other external costs consist of costs of merchandise and events and other external costs. The costs of merchandise of €67 thousand in 2003 compared to €1 thousand in 2002 include costs of events organised at Spykers' factory by third parties. The other external costs also include costs that are directly related to Spykers' races at Le Mans. The costs of Spyker's racing activities at Le Mans increased with €579 thousand in 2003 and are fully covered by the increase of €724 thousand in sponsor income related to Le Mans in 2003. Spyker will not participate in Le Mans 2004.

	2003 €('000)	**2002** €('000)	**2001** €('000)
Costs of materials	1,397	428	773
Subcontracted work	302	74	0
Other external costs	1,024	378	0
Total cost of material and external costs	2,723	880	773

Selling, general and administrative expenses
Selling, general and administrative expenses increased with €2.8 million in 2003. The following table sets out these expenses.

	2003 €('000)	**2002** €('000)	**2001** €('000)
Wages and salaries	1,020	258	96
Social security charges	144	25	4
Amortisation and depreciation	903	462	146
Marketing and sales expenses	819	439	0
General expenses	1,502	362	183
Total selling, general and administrative expenses	4,388	1,546	429

The following sections describe the respective components of the selling, general and administrative expenses set out in the table above.

Wages, salaries and social security charges
Wages and salaries costs increased with €762 thousand to €1.02 million in 2003, due to the growth of the Company. The average number of employees increased to 34 FTE during 2003, compared to 10 FTE in 2002. The costs of social security charges show a similar increase.

	FTE 2003	**FTE 2002**	**FTE 2001**
Management	1	1	1
Engineering	10	3	1
PR/Communication	4	2	0
Production	16	4	0
Other (overhead)	3	0	0
Total	34	10	2

The costs made under management contracts are included in the general expenses for an amount of €222 thousand in 2003 and €63 thousand in 2002. See "Management and Employees – Management contracts with members of the Management Board and others".

Amortisation and depreciation
Amortisation and depreciation increased with €441 thousand in 2003. This increase was mainly attributable to investments in fixed assets during the second half of 2002 and during 2003. An increase of €77 thousand in amortisation costs was due to increased car sales.

Marketing and sales expenses
Marketing and sales expenses consist of advertising and other promotional costs as well as costs of external car exhibitions. The increase of these expenses with €380 thousand in 2003 is attributable to the Company's increased exhibition costs, advertising and promotional spending.

General expenses
General expenses relate to accommodation, travel, communication, information systems, accounting, legal fees and sundry expenses. General expenses increased from €362 thousand in 2002 to €1.5 million in 2003 as a result of expansion of the Company. The main components of the increase of €1.1 million were an amount of €56 thousand for temporary personnel and €159 thousand for personnel with a management contract, €297 thousand for increased office and housing costs and €237 thousand for higher legal and advisory costs. The remainder of €391 thousand was caused by freight, transport and consumables.

Research and development expenses
Research and development expenses have not been included in the table of selling, general and administrative expenses. The Company did not incur any research expenses. The costs related to development are fully capitalised and will be amortised within a period of five years by a fixed amount for each car. For the current three Spyker models, a total amount of €10.1 million related to development expenses was capitalised at the year end 2003, compared to an amount of €6.4 million at the year end 2002.

Pursuant to Section 365(2), Book 2 of the Dutch Civil Code, a legally required reserve must be formed for capitalised development costs, which amounts to €10.1 million as per December 31, 2003. The balance of the other reserves as at year-end 2003 does not permit the formation of such a reserve. No dividends will be paid out from the other reserves, until this legally required reserve has been formed.

To further upgrade Spyker's current models, the Management Board expects additional development costs of approximately €1.6 million, which will be capitalised. Currently, both the cumulative development expenses and expected additional investments are in accordance with the Company's investment program.

Financial income and expenses
In 2003, net financial expenses increased to €927 thousand, reflecting the Company's increased investments which have been funded by (interest bearing) Pre-IPO Shareholders Loans, the increased credit facility with HBU and financial leases with Amstel Lease Maatschappij N.V. See "Capitalisation" and "Related Party Transactions".

Net results
Net results in the last three years were losses of €4.8 million, €1.1 million and €343 thousand for 2003, 2002 and 2001 respectively.

The following table sets forth, for the periods indicated, certain items in the Company's consolidated profit and loss accounts.

	2003 €('000)	2002 €('000)	2001 €('000)
Consolidated profit and loss account data			
Total revenues	2,895	1,188	833
Cost of materials and other external costs	2,723	880	773
Selling, general and administrative expenses	4,388	1,546	429
Operating result	-4,216	-1,238	-369
Financial income and expenses net	-927	-475	-155
Result before income taxes	-5,143	-1,713	-524
Income taxes	335	591	181
Consolidated net result	-4,808	-1,122	-343

Cash flow	2003 €('000)	2002 €('000)	2001 €('000)
Cash flow from operating activities	-3,965	-1,680	-47
Cash flow from investment activities	-5,854	-6,116	-2,730
Cash flow from financing activities	7,615	5,308	2,771
Increase in short term financing	-2,204	-2,488	-6

The cash flow from operating activities in 2003 was €-4.0 million (2002: €-1.7 million). This was due to an operating result of €-4.2 million in 2003 (2002: €-1.2 million), adjusted for amortisation, depreciation and provisions to the amount of €913 thousand (2002: €462 thousand) and movements in working capital consisting of receivables, inventory and short-term liabilities being €265 thousand (2002: €-429 thousand), as well as interest for the amount of €-927 thousand (2002: €-475 thousand).

The cash flow from investment activities of €-5.9 million in 2003 (2002: €-6.1 million), was in line with the investment program in order to develop the three current car models. In 2003, an amount of €4.7 million was invested in intangible fixed assets, comprising of development costs (2002: €4.1 million). In the same year an amount of €1.2 million was invested in tangible fixed assets, including development cars (2002: €2 million). In 2003, Spyker has divested €57 thousand in fixed assets, which were invested in 2002 for the same amount.

From the total cash flow from financing activities of €7.6 million (2002: €5.3 million) an amount of €2.18 million is the result of increased share capital and share-premium reserve (2002: €360 thousand). An amount of €638 thousand was due to new lease obligations (2002: €1.5 million). Furthermore, shareholders were responsible for the major part of the Company's financing activities with new loans to an amount of €4.8 million (2002: €3.5 million).

Net working capital
As per December 31

	2003 €('000)	2002 €('000)	2001 €('000)
Inventories	1,245	833	42
Receivables	1,476	694	428
Short-term liabilities (credit institutions excluded)	-3,219	-1,760	-1,132
Total	-498	-233	-662

At the year end 2003, the Company's net working capital was negative.

The short-term liabilities also include contracted obligations of €654 thousand for development in 2004, for which no performance was delivered by the relevant suppliers in 2003. Credit institutions were excluded from the net working capital position. The current liabilities to credit institutions were €4.7 million, €2.7 million and €7 thousand for 2003, 2002 and 2001 respectively. See "Capitalisation".

In 2003, a total of ten finished cars of several production years were used in product development to enhance the U.S. certification program, and two other cars were used as demonstrator models. The goal of the certification program is to upgrade the technological and physical specifications of Spyker cars to the highest and most demanding U.S. California level. Spyker is running this program in order to obtain the necessary licences, permits and other requirements for the sale, delivery and permanent registration of Spyker cars in the U.S. and to fulfill certification requirements elsewhere, including Europe, in a more efficient manner. See also "The Company – Certification" and "Risk Factors". Although this situation is only temporary, the mentioned cars are not classified under inventories, but under tangible fixed assets, resulting in a lower net working capital. The Management Board expects that the U.S. certification program will be completed in 2004 and that Spyker dealers will purchase their own demonstrator models in the near future.

Off-balance sheet commitments
Financial commitments
The company has leased accommodation in Zeewolde for an amount of €147 thousand a year in 2004. The lease contract will expire in 2007. Spyker has leased storage space for an amount of €9.5 thousand a year. The latter contract may be terminated at six months' notice. The annual operational lease commitments with respect to company cars are €14 thousand. The term of these liabilities is one year.

Taxation
Dutch tax losses carry-forward
As of December 31, 2003, the Company recorded deferred taxes as a financial fixed asset for an amount of €1.4 million with respect to net operating loss carry-forwards in the Netherlands of €8.3 million. A provision of €1.4 million has been taken into account to reflect the timing uncertainty with regard to realisation of the carry forward tax asset, which depends on future (fiscal) profits. The amount of the operating losses may be carried forward indefinitely and will be available to offset taxable income in future years. As a result, income tax charges as reported in future years will not result in any negative cash flow, until all carried forward tax losses have been offset.

Recent developments
By agreement of January 23, 2004, as amended on March 4, 2004, the Company's credit facility of €2.5 million provided by HBU was extended and increased to the amount of €5.3 million, again extended in April 2004 and extended and increased to €6.3 million in May 2004 until June 15, 2004, in view of the Offering. On May 18, 2004, an amount of €5.85 million was outstanding. The net proceeds from the

Offering will be partly used to fully repay the outstanding amount under this credit facility, including accrued interest. See "Use of Proceeds". The HBU credit facility will expire on June 15, 2004.

On April 20, 2004, the Company entered into a pre-financing agreement with Amstel Lease Maatschappij N.V. for an amount of €500,000, which agreement will terminate on November 1, 2004. In connection with this agreement a right of first pledge was granted by the Company to Amstel Lease Maatschappij N.V. on three Spyker cars. Furthermore, as an additional security right, Mr. Muller and Mr. Hugenholtz have agreed to purchase these cars per November 1, 2004 if the amount of €500,000 has not been fully repaid by the Company on that date.

In 2004, as of the date of this Prospectus, Spyker received payments for 49 cars amounting to a total of €746 thousand. Three of these cars will be sold and delivered directly to customers and 46 of these cars will be sold and delivered to dealers. One of these 49 cars will be sold and delivered to Invicta Collection B.V. See "Related Party Transactions".

Except for (i) operating losses incurred in 2004 to the date of this Prospectus in the Company's ordinary course of business as a start-up company, which are in line with the Management Board's expectations in that respect, and (ii) the recent developments described above, there has been no material change in the financial position or prospects of the Company, or of the Company and its subsidiaries taken as a whole, since December 31, 2003, the date of the Company's audited financial statements.

Forward looking statement

The Management Board foresees good opportunities for an increase in the Company's revenue for 2004 as compared with 2003 from ordinary business operations. Presently, Spyker expects to produce 45 to 50 cars in 2004, all of which have been pre-sold, which means that for these cars pre-payments have been received for an amount ranging between 5 to 10 per cent. of the sales price. However, there can be no assurance that such increase will occur due to a number of factors including, among others, general economic and business conditions, industry trends, availability and the terms of funding available, competition, currency fluctuations, failure to achieve the expected production level or expand production capacity, cancellation of orders, the loss of key personnel, availability of suitably qualified personnel on commercially reasonable terms and other factors, some of which referred to elsewhere in this Prospectus. See "Risk Factors".

MANAGEMENT AND EMPLOYEES

Management

The Company has a two-tier board structure consisting of a Management Board (*statutaire directie*), which is entrusted with the management of the Company, and a Supervisory Board (*Raad van Commissarissen*), which is entrusted with the supervision and guidance of the Management Board in its management of the Company.

Management Board

At the date of this Prospectus, the Management Board consists of the following statutory directors, who were all appointed by the general meeting of shareholders of the Company on March 25, 2004:

- Victor R. Muller, Chief Executive Officer
- Oedith N. Jaharia, Chief Financial Officer
- Maarten J. de Bruijn, Chief Creative Officer

The business address of each of the members of the Managing Board is at the Company's offices situated at Edisonweg 2, 3899 AZ, Zeewolde, the Netherlands.

The curriculum vitae of each of the members of the Management Board is set out below:

Victor R. Muller (1959), Chief Executive Officer

Victor Muller is one of the two founders of the Company (together with Maarten de Bruijn). As Chief Executive Officer of the Company he is responsible for implementing the overall strategy of Spyker. After completing his study of Law at the University of Leiden in 1984, Victor Muller started his career in 1984 as a lawyer at Caron & Stevens/Baker & McKenzie, Amsterdam. In 1989, he became a member of the management team of the offshore company Heerema in Leiden and was involved in several acquisitions. He became partial owner of Wijsmuller Salvage and Towage, IJmuiden, as a member of a consortium through a management buy-out. From 1992, he has managed and restructured several companies including Emergo Fashions Group B.V. that went public under the name McGregor Fashion Group N.V. in April 1999. Victor Muller is a collector of classic cars himself and has a broad experience as a client knowledgeable of the international high-end sports cars market. Mr. Muller has, directly or indirectly, entered into several agreements with the Company, see "Related Party Transactions". Through his wholly owned company Helvetia, Mr. Muller owns 32.5% of the Existing Shares at the date of this Prospectus.

Presently, Mr. Muller is a member of the supervisory board of Ouwehands Dierenpark B.V. and a member of the board of the foundation Stichting Prioriteit McGregor Fashion Group. He was also chairman of the supervisory board of McGregor Fashion Group N.V., but has terminated this position as of April 22, 2004 in order to comply with the relevant principles of corporate governance. See "Description of the Shares and Corporate Structure – Dutch Corporate Governance Code".

Further to reports ('*aangiften*') by the AFM, the Dutch governmental agency FIOD-ECD has, under the responsibility of the Amsterdam public prosecutor ('*openbaar ministerie*'), conducted a criminal law investigation ('*strafrechtelijk opsporingsonderzoek*') with respect to various share transactions in McGregor Fashion Group N.V. that were carried out through a limited partnership, Investeringsmaatschappij Waardevol C.V., in the period June 1999 to January 2000, following the initial public offering of McGregor Fashion Group N.V. in May 1999. Mr. Muller was chairman of the supervisory board of McGregor Fashion Group N.V. during this period and a major shareholder of that company. Helvetia, a company wholly owned by Mr. Muller, was a limited partner in Investeringsmaatschappij Waardevol C.V. The general partner of Investeringsmaatschappij Waardevol C.V. was Investeringsmaatschappij Waardevol B.V., of which Helvetia was a shareholder.

The public prosecutor is suspecting Mr. Muller and Helvetia of (i) being responsible for Investeringsmaatschappij Waardevol B.V. not having notified forthwith the AFM of its aggregate share ownership in McGregor Fashion Group N.V., following the purchase or sale of shares by Investeringsmaatschappij Waardevol B.V. and subsequent passing of the threshold of 5%, in violation of article 2 of the Disclosure Act; (ii) not having notified forthwith the AFM of transactions in shares of McGregor Fashion Group N.V., in violation of article 46b of the Dutch Securities Act; (iii) being responsible for share transactions in McGregor Fashion Group N.V. that were carried out through Investeringsmaatschappij Waardevol C.V. while in the possession of inside information in violation of article 46 of the Dutch Securities Act; and (iv) being responsible for Investeringsmaatschappij Waardevol C.V. not having been registered in the relevant trade register in violation of article 28 of the Commercial Registers Act 1996. On the basis of article 51 of the Criminal Code (‘*Wetboek van Strafrecht*’), criminal proceedings against a company may be initiated against such company, against the person who ordered the prohibited conduct and against the person who had actual control of the prohibited conduct. For natural persons, the maximum criminal sanction for a breach of article 2 of the Disclosure Act, article 46 of the Securities Act or article 46b of the Securities Act is a prison sentence of up to two years and for a breach of article 28 of the Commercial Registers Act of 1996 a prison sentence of up to six months, or for each of the four articles a criminal fine of EUR 11,250 which may – under certain circumstances – be increased to EUR 45,000. For legal persons, the maximum criminal sanction for a breach of each of these four articles is a fine of EUR 45,000 which may – under certain circumstances – be increased to EUR 450,000. Rules of concurrence (‘*samenloop*’) may limit the ultimate sanctions. For the breaches of articles 46 and 46b of the Securities Act and article 2 of the Disclosure Act, the AFM may, instead of criminal sanctions, impose administrative fines which – as to articles 46 and 46b of the Securities Act – depend on the equity capital of the legal person concerned and may vary from EUR 87,125 to EUR 435,625 and – as to article 2 of the Disclosure Act – amount to EUR 21,781.

The public prosecutor has not yet informed Mr. Muller whether he will prosecute Mr. Muller and Helvetia. Therefore, at the date of this Prospectus it is uncertain whether the matter will be pursued by either the Amsterdam public prosecutor or the AFM, and if so, on what grounds.

Oedith N. Jaharia (1966), Chief Financial Officer
As Chief Financial Officer, Oedith Jaharia’s main responsibilities are in the areas of finance, organisation, information technology and purchase management. Mr. Jaharia has 14 years of senior management experience in several industries such as printing, steel and machinery. He has been chief financial officer of Meyn Food Processing and Nedstaal B.V. After obtaining a bachelors degree in Business Accounting (SPD) and a Master’s degree in Management and Organisation (TIAS, business school of Tilburg University), Mr. Jaharia is currently part time pursuing a Doctor of Philosophy (PhD) degree in Technology Management at Eindhoven Centre for Innovation Studies (TUE). Mr. Jaharia joined the Company in September 2003.

Maarten J. de Bruijn (1965), Chief Creative Officer
Maarten de Bruijn is co-founder of Spyker and the Company’s Chief Creative Officer. He is responsible for the design and the technical development of the Spyker models. Mr. De Bruijn studied Economics at the University of Amsterdam. After two years of study he changed his course and graduated in 1996 with a Master’s degree in City Planning at the same University. During his studies, he professionalised in various disciplines of designing and car-engineering by taking classes at the Technical University as an auditor. With these skills, he made preparations for setting up a car company and started developing the first road going prototype. From 1990 until 1996, he designed and built the necessary tooling and initiated the design of the chassis and body, incorporating the (Audi) Driveline. Through his wholly owned company Vice Versa, Mr. De Bruijn owns 32.5% of the Existing Shares at the date of this Prospectus.

Supervisory Board
The Supervisory Board will be established on May 27, 2004, upon amendment of the articles of association of Spyker International Motor Holding B.V. in order to convert the Company into a public company with limited liability named Spyker Cars N.V. The Supervisory Board comprises of at least three members. The members of the Supervisory Board are appointed by the general meeting of shareholders. The business address of each of the members of the Supervisory Board is at the Company's offices situated at Edisonweg 2, 3899 AZ, Zeewolde, the Netherlands. The following persons will be appointed as members of the Supervisory Board:

- Hessel (J.) H.M. Lindenbergh
- Frans J.M. Liebregts
- Hans (J.) B.Th. Hugenholtz

The curriculum vitae of each of the members of the Supervisory Board is set out below:

Hessel (J.) H.M. Lindenbergh (1943), Chairman
Hessel Lindenbergh is a former member of the managing board of ING Group N.V. Currently, Mr. Lindenbergh is a supervisory board member of Deutsche Börse A.G., DHV Holding N.V., Gamma Holding N.V., NIB Capital N.V., Koninklijke Numico N.V., N.V. Bank voor de Bouwnijverheid, Ortec International B.V., Petroplus International N.V. and certain entities within the Reggeborgh Groep. Mr. Lindenbergh is also a member of the board of Stichting Preferente Aandelen Koninklijke Grolsch N.V. and Stichting Centraal Fonds Volkshuisvesting and he is senior counsel of Boer & Croon Strategy and Management Group. He completed his study at the Technical University Delft and holds a Bachelor of Administration degree from Erasmus University Rotterdam. Hessel Lindenbergh will be appointed chairman of the Supervisory Board.

Frans J. M. Liebregts (1946)
Frans Liebregts is vice president technology of Cogent-Power Ltd., a company specialised in electrical steel and laminations with its head office in New Port, South Wales, U.K. Previously, Mr. Liebregts worked at Polynorm N.V., an engineering and production company of car body panels and structures, where he held the position of vice president. Mr. Liebregts also worked at Steelweld B.V., a designer and manufacturer of automated assembly systems for the production of car bodies and car body components. He has been working in the car industry for more than thirty years and has a broad experience in all areas of car production. Frans Liebregts holds a Masters degree in mechanical engineering with a specialisation in production technology from the Technical University of Eindhoven.

Hans (J.) B.Th. Hugenholtz (1950)
Hans Hugenholtz is chief executive officer and owner of the following companies: (i) Hugenholtz Holding B.V. and its subsidiary Berlinetta Beheer B.V., which organises and sponsors auto-sport events, (ii) Milestone Beheer B.V., one of the Company's Pre-IPO Shareholders, which concentrates on venture capital investments, (iii) Nerons Holding B.V., a holding company with three affiliated companies that import and distribute helmets, motor clothing and accessories and scooters, (iv) Hugenholtz Project Holding B.V., a holding company with two affiliated companies which develop commercial real estate, and (v) HPG Belgium N.V. which develops and renovates real estate in Belgium. Hans Hugenholtz is an advisor to AstraCom B.V., FROG Systems B.V. and IC/h Holding Hilversum B.V. He completed his study Business Economics at the Erasmus University of Rotterdam in 1979. Mr. Hugenholtz has, directly or indirectly, entered into several agreements with the Company, see "Related Party Transactions". Through his wholly owned company Milestone, Mr. Hugenholtz owns 6.5% of the Existing Shares at the date of this Prospectus.

Management contracts with members of the Management Board and others
Mr. Muller, Mr. de Bruijn and Mr. Jaharia are each in person statutory director of Spyker, but are all working with the Company pursuant to a management contract between the Company and each of their respective management companies Helvetia Management B.V., Vice Versa Holding B.V. and Challenger Management Backup B.V. Their management contracts are similar in all material respects, except at the date of this Prospectus for remuneration.

The management contracts of Mr. Muller and Mr. De Bruijn provide for a base remuneration of €100,000 per year, which will be increased to €150,000 per year after the Listing Date. The management contract of Mr. Jaharia provides for a base remuneration of €150,000 per year. In addition, on the Listing Date each of their respective management companies will be granted conditional options to acquire Shares under the ESOP. These options may only be exercised if the conditions pursuant to which certain performance criteria must be met, have been fulfilled. See "Management and Employees – Employee share option plan".

The management contract of Mr. Muller has been effective as of March 6, 2003 and has been amended on March 10, 2004. The management contract of Mr. De Bruijn has been effective as of March 1, 2004 and is dated March 10, 2004. The management contract of Mr. Jaharia has been effective as of September 1, 2003 and has been amended on March 16, 2004. Each of the management contracts has been entered into for an indefinite period of time. The management contracts with Mr. Muller and Mr. De Bruijn can be terminated with a prior notice period of two months. The management contract with Mr. Jaharia can be terminated with a prior notice period of one month. Apart from the obligations under their management contracts, Mr. Muller and Mr. De Bruijn have each committed themselves to remain in function with the Company for the next three years.

The management companies of Mr. Muller, Mr. De Bruijn and Mr. Jaharia have each indemnified the Company for any taxes and social security claims to be paid by the Company in the event their working relationship with the Company is determined by the relevant authorities to be an employment agreement instead of a management contract.

On July 15, 2003, the Company has entered into an interim management contract with Valinter Beheer B.V., the management company of Mr. E.J. (Jan) Schuurman. Mr. Schuurman is the Company's Chief Operating Officer. Mr. Schuurman is currently a member of Spyker's management team, not of the Management Board. The contract with Mr. Schuurman will expire on June 30, 2004 and provides for an annual interim management fee of €180,000. Mr. Schuurman will not participate in the ESOP.

Remuneration of the Management Board and the Supervisory Board

The following table contains an overview of the total remuneration per member of the Management Board and their respective shareholdings as per the date of this Prospectus.

Name	Fiscal year	Remuneration €	Other compensation, incl. bonus €	Total remuneration €	Total shareholding in Spyker excl. options (%)	Shares underlying options granted (#)	Percentage of total options granted (%)	Exercise price (€)	Expiration date
V.R. Muller[1]	2001	21,784	–	21,784	50,0%	–	–	–	–
	2002	63,243	–	63, 243	41,7%	–	–	–	–
	2003	78,417	–	78, 417	32,5%	–	–	–	–
O.N. Jaharia[1]	as of Sept. 1, 2003	45,420	–	45,420	–	●	100%	Offer Price	May ●, 2009
M.J. de Bruijn[1]	2001	24,168	8,508	32,673	50,0%	–	–	–	–
	2002	37,081	8,508	45,586	41,7%	–	–	–	–
	2003	62,966	8,508	71,471	32,5%	–	–	–	–
Total						●	100%		

(1) The Management Board members are all working with the Company pursuant to a management contract between the Company and each of their respective management companies Helvetia Management B.V., Vice Versa Holding B.V. and Challenger Management Backup B.V. Their management contracts are similar in all material respects, except at the date of this Prospectus for remuneration. The remuneration of the management companies of Mr. Muller and Mr. De Bruijn will be increased to €150,000 per year after the Listing Date.

No severance payments whatsoever have been agreed with the members of the Management Board.

On May ●, 2004, Spyker's general meeting of shareholders will approve to grant Mr. Jaharia's management company Challenger Management Backup B.V., as of the Listing Date, unconditional option rights to acquire a number of Shares, representing 2.5 per cent. of the outstanding Shares after the Offering (including the Over-allotment Shares, if any) as remuneration for its activities performed leading up to the Offering and listing of the Shares. The exercise price for these options will be the Offer Price. These options can be exercised for a period of five years.

The following table contains an overview of the total remuneration per member of the future Supervisory Board and their respective shareholdings at the date of this Prospectus.

Name	Fiscal year	Salary €	Other compensation, incl. Bonus €	Total remuneration €	Total shareholding in Spyker excl. options (%)	Shares underlying options granted (#)	Percentage of total options granted (%)
J.H.M. Lindenbergh	2004	20,000	none	20,000	none	none	none
F.J.M. Liebregts	2004	15,000	none	15,000	none	none	none
J.B.Th. Hugenholtz	2004	15,000	none	15,000	6.5%	none	none
Total		50,000		50,000	6.5%		0%

Employees

Number of employees

At March 31, 2004, the Company employed 44 persons (43 FTE) all of whom are based at the Company's office address situated at Edisonweg 2, 3899 AZ, Zeewolde, the Netherlands.

Employee share option plan

On March 25, 2004, the Company's general meeting of shareholders adopted an employee share option plan. Under the ESOP, on the Listing Date, a number of option rights to acquire newly issued Shares will be granted to the members of the Management Board and a number of (key) employees. The percentages of total options granted on the Listing Date are described in the table below. For the next five years, each year the maximum aggregate amount of new ordinary shares that may be issued upon exercise of all vested option rights under the ESOP is 2% of the Shares outstanding post-Offering, or a maximum of ● Shares. The option rights granted can be exercised after certain performance criteria are met. These performance criteria are determined (and published) at the beginning of each book year by the Supervisory Board. The Supervisory Board will determine the ESOP performance criteria for the year 2004 in its first meeting after the Listing Date.

The ESOP performance criteria will include, *inter alia*, certain targets for the Company's results, margins and production level. These criteria will apply equally to all option holders, but the Supervisory Board may impose additional criteria specifically for members of the Management Board. As a result of the requirement to meet annual performance criteria the options will only become exercisable (vest) in tranches.

Overview employee share option plan

Name	**Shares underlying options granted (#)**	**Percentage of total options granted (%)**	**Exercise price (€)**	**Expiration date**
V.R. Muller	●	15%	Offer Price	June 2009
M.J. de Bruijn	●	15%	Offer Price	June 2009
O.N. Jaharia	●	15%	Offer Price	June 2009
J.W. Schoenmakers	●	5%	Offer Price	June 2009
one key employee	●	15%	Offer Price	June 2009
two middle management employees[1]	●	10%	Offer Price	June 2009
six employees[2]	●	15%	Offer Price	June 2009
Unassigned	●	10%	Fair market value	Five years and one month after grant
Total	●	100%		

1 5% per middle management employee.
2 2.5% per employee.

Mr. J.W. Schoenmakers

At the time Talpa became a shareholder of the Company, the Company and Mr. J.W. Schoenmakers, head of research & development of the Company, reached an agreement pursuant to which Mr. Schoenmakers agreed to acquire on the occasion of an offering and listing of the Shares, for an amount of €31,818, a number of 256 Existing Shares with a nominal value of €0.46 each, for a price per share equal to the amount paid by Talpa (€124 per ordinary share with a nominal value of €0.46 each, or €10.81 per ordinary share with a nominal value of €0.04 each). Upon amendment of the Company's articles of association, these 256 Existing Shares will be split up into 2,944 Shares, which will be issued and delivered to Mr. Schoenmakers on the Closing Date. The Company's general meeting of shareholders will approve this issue by resolution of May ●, 2004.

Pension schemes

According to the collective labour agreement for the small metal (*klein metaal*) industry sector, pension schemes are required for those employees who are employed by Spyker Automobielen B.V. The pension liabilities for these employees have not been paid yet, but an adequate amount to that effect has been included in accrued expenses in the annual accounts. For certain other personnel employed by Spyker or Spyker Squadron B.V., that fall outside the collective labour agreement for the small metal industry sector, Spyker intends to set up a pension scheme.

DIVIDENDS AND DIVIDEND POLICY

The Company has not paid dividends in the past and does not expect to pay dividends on the Shares in the foreseeable future. To the extent that any dividends are paid in the future, the Offer Shares and other Shares outstanding post-Offering will carry the same rights as the Existing Shares outstanding on the date of this Prospectus.

As at December 31, 2003, the general reserve showed a deficit of €6.9 million. Before any dividend may be distributed in the future, a legally required reserve must be formed to an amount equal to the amount stated in the balance sheet for capitalised development costs, and the deficit in general reserves must be at least nil. In that case dividend payments may be paid in accordance with the provisions of the Articles of Association. See '' Description of the Shares and Corporate Structure – Dividends and other distributions''.

CAPITALISATION

The table below sets forth the consolidated capitalisation and indebtedness of the Company, in accordance with Dutch GAAP, at December 31, 2003. The table should be read in conjunction with the section headed "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the audited consolidated financial information of the Company and the notes thereto appearing elsewhere in this Prospectus.

	At December 31, 2003 €('000)	
	Actual	**As adjusted pro forma post-Offering(1)**
Liabilities:		
Bank loans	4,210	0
Financial lease obligations	2,626	2,626
Shareholder Loans	11,833	0
Group equity:		
Issued and paid-in capital	28	89 – 102
Additional paid-in capital	2,534	27,193 – 27,180
Accumulated deficit	-6,901	-6,901
Total group equity	-4,339	20,381
Total capitalisation	14,330	23,007

(1) The numbers in this column, which are for illustrative purposes only, have been prepared as if the Company had sold 752,941 to 914,285 Firm Shares in the Offering, assuming no exercise of the Over-allotment Option, no exercise of share options (including those granted under the ESOP), and including the 2,944 Shares issued to Mr. Schoenmakers (see "Management and Employees"), and as if the Company used the proceeds from the Offering as described under "Use of Proceeds" on December 31, 2003, and as if all Pre-IPO Shareholders Loans including the accrued interest were converted into equity. See also "Description of the Shares and Corporate Structure – Issued ordinary share capital".

Credit institutions

By agreement of January 23, 2004, as amended on March 4, 2004, the Company's credit facility of €2.5 million provided by HBU was extended and increased to the amount of €5.3 million and extended and increased to an amount of €6.3 million in May 2004 until June 15, 2004. On May 18, 2004, an amount of €5.85 million was outstanding. The net proceeds to Spyker from the Offering will be partly used to fully repay the outstanding amount of this credit facility, including accrued interest. See "Use of Proceeds". The HBU credit facility will expire on June 15, 2004.

Since the Company started its business in 2000, Spyker has entered into several financial lease agreements with Amstel Lease Maatschappij N.V. with respect to its company inventory, equipment used at car exhibitions, a Landrover and eleven Spyker cars. In addition, Spyker has entered into a financing facility with Amstel Lease Maatschappij N.V. for an amount of €500,000. A right of pledge was granted by the Company to Amstel Lease Maatschappij N.V. on three other Spyker cars. See "Summary – Recent developments" and "Related Party Transactions – Lease agreements".

Pre-IPO Shareholders Loans

The Pre-IPO Shareholders have provided several loans to the Company for an aggregate amount of €13.24 million including the accrued interest up to May 26, 2004. Each of the Pre-IPO Shareholders Loans bears an annual interest rate of 7.0 per cent. All of the Pre-IPO Shareholders Loans, including the accrued interest, will be fully converted into equity. The aggregate amount of the Pre-IPO Shareholders Loans that will be converted into equity, being €13.24 million including the accrued interest up to May 26, 2004, divided by the Offer Price Equivalent, results in an aggregate number of ● Existing Shares, or ● Shares after amendment of the Company's articles of association and splitting up of shares. See "Description of the Shares and Corporate Structure – Share capital". Please note that in the separate description of the Pre-IPO Shareholder Loans the amounts may not add up to €13.24 million due to rounding.

The Existing Shares resulting from the conversion of the Pre-IPO Shareholders Loans, together with the Existing Shares already held by the Pre-IPO Shareholders as described in "Principal Shareholders", as well as any Shares that are sold and delivered to Talpa and Helvetia in the Offering are subject to certain lock-up requirements. See "Subscription and Sale".

Talpa

On March 6, 2003 Talpa entered into a shareholder's loan with Spyker for an amount of €2.816 million. On March 4, 2004 this loan facility was subordinated to the credit facility of HBU. Although, at the time of the Offering, the loan does not have to be repaid, the entire amount of €3.0 million including the accrued interest up to May 26, 2004, will be converted into Existing Shares, against the Offer Price Equivalent, resulting in ● Shares after amendment of the Company's articles of association and splitting up of shares.

Helvetia

On March 6, 2003, Helvetia entered into a shareholder's loan with Spyker for an amount of €6.4 million. The loan has been subordinated to the HBU credit facility and the Pre-IPO Shareholders Loan provided by Talpa. Although, at the time of the Offering, the loan does not have to be repaid, the entire amount of €7.0 million including the accrued interest up to May 26, 2004, will be converted into Existing Shares, against the Offer Price Equivalent, resulting in ● Shares after amendment of the Company's articles of association and splitting up of shares.

Furthermore, on March 11, 2004, Helvetia entered into a loan agreement with Spyker for an amount of €1.25 million, all of which is due at the Closing Date. The entire amount of €1.20 million outstanding at the date of this Prospectus, including the accrued interest up to May 26, 2004, will be converted into Existing Shares against the Offer Price Equivalent, resulting in ● Shares after amendment of the Company's articles of association and splitting up of shares.

Milestone

On March 6, 2003, Milestone entered into a shareholder's loan with Spyker for an amount of €640 thousand. The loan has been subordinated to the HBU credit facility and the Pre-IPO Shareholders Loan provided by Talpa. Although, at the time of the Offering, the loan does not have to be repaid, the entire amount of €713 thousand including the accrued interest up to May 26, 2004, will be converted into Existing Shares, against the Offer Price Equivalent, resulting in ● Shares after amendment of the Company's articles of association and splitting up of shares.

Furthermore, on March 11, 2004, Milestone entered into a loan agreement with Spyker for an amount of €1.25 million, all of which is due at the Closing Date. The entire amount of €1.29 million outstanding at the date of this Prospectus, including the accrued interest up to May 26, 2004, will be converted into Existing Shares, against the Offer Price Equivalent, resulting in ● Shares after amendment of the Company's articles of association and splitting up of shares.

Overview Pre-IPO Shareholders Loans
(interest up to May 26, 2004)

	Talpa	**Helvetia**	**Milestone**
Principal amount loan plus interest (all at annual rate of 7.0 %)	€2,816,000 €184,338	(i) €6,400,000 €641,057 (ii) €1,165,891 €32,035	(i) €640,000 €73,295 (ii) €1.25 million €36,388
Date loan agreement	March 6, 2003	(i) March 6, 2003 (ii) March 11, 2004	(i) March 6, 2003 (ii) March 11, 2004
Repayment date	Dec. 31, 2009	(i) Dec. 31, 2009 (ii) due at Closing Date	(i) Dec. 31, 2009 (ii) due at Closing Date
Prior to Listing Date number of Existing Shares upon conversion of the loan into equity	15,347 – 18,636	42,144 – 51,174	10,229 – 12,421
Prior to Listing Date number of Shares after split-up of Existing Shares	176,491 – 214,314	484,656 – 588,501	117,634 – 142,842

The Offer Price is expected to be between €14 and €17 per Offer Share, subject to change. The number of ordinary shares held by each Pre-IPO Shareholder after conversion of the Pre-IPO Shareholders Loans (against the Offer Price Equivalent), and the number of ordinary shares held by each Pre-IPO Shareholder as of the Listing Date is therefore represented by a range, depending on the final determination of the Offer Price. The final Offer Price and the final number of the Firm Shares offered in the Offering will be determined after termination of the subscription period and will be announced in a press release and a final prospectus expected to be published before the Closing Date.

PRINCIPAL SHAREHOLDERS

The table below sets out, based on the Company's records, a list of all holders of the Existing Shares on the date of this Prospectus. At the date of this Prospectus, each of the Pre-IPO Shareholders has an interest of more than 5 per cent. in the share capital of the Company and together they represent the Company's entire issued share capital at the date of this Prospectus. Pro-forma percentages have been included relating to the Pre-IPO Shareholders' interests at the Listing Date and post-Offering. No representation can be given as to the holdings of these or other shareholders at any date after the date of this Prospectus.

Percentage of shareholdings Pre-IPO Shareholders prior to and as a result of the Offering

Timing	Helvetia	Vice Versa	Talpa	Milestone	Total
At the date of this Prospectus	32.5%	32.5%	28.5%	6.5%	100%
Prior to listing after conversion of Pre-IPO Shareholders Loans	49.4 – 48.0%	14.0 – 15.5%	25.2 – 25.5%	11.4 – 11.0%	100%
At the Listing Date after issue of maximum amount of Firm Shares	38.8 – 38.4%	9.0 – 10.3%	24.5 – 24.7%	7.3 – 7.3%	79.7 – 80.8%
Pro forma post-Offering(1), assuming full exercise of Over-allotment Option and maximum allocation to Helvetia and Talpa	36.7 – 36.3%	8.5 – 9.8%	23.1 – 23.4%	6.9 – 6.9%	75.1 – 76.4%

(1) This includes the 2,944 Shares issued to Mr. Schoenmakers, see "Management and Employees – Mr. J. W. Schoenmakers" and assumes no share options (including those granted under the ESOP) have been exercised.

The Offer Price is expected to be between €14 and €17 per Offer Share, subject to change. The percentage of Existing Shares held by each Pre-IPO Shareholder after conversion of the Pre-IPO Shareholders Loans (against the Offer Price Equivalent), and the percentage of Shares held by each Pre-IPO Shareholder at the Listing Date and post-Offering is therefore represented by a range, depending on the final determination of the Offer Price. The final Offer Price and the final number of the Firm Shares offered in the Offering will be determined after termination of the subscription period and will be announced in a press release and a final prospectus expected to be published before the Closing Date.

Pre-IPO Shareholders

Helvetia

On August 31, 2000, Mr. Muller through his wholly owned company Helvetia, acquired 50 % of the share capital of the Company for €9,076, or €45.38 (the nominal value) per share which corresponds to €0.04 per share with a nominal value of €0.04 each. At the date of this Prospectus, Mr. Muller, through Helvetia, owns 32.5 % of the Existing Shares. At present, Mr. Muller has no intention to sell his Shares, including any Shares acquired by Helvetia in the Offering, after the lock-up period of 360 days as of the Listing Date has expired. Helvetia is one of the Founders. For a description of the background of Helvetia, see "Management and Employees – Management Board/Victor R. Muller".

Vice versa

On August 31, 2000, Mr. De Bruijn through his wholly owned company Vice Versa, also acquired 50% of the share capital of the Company for €9,076, or €45.38 (the nominal value) per share which corresponds to €0.04 per share with a nominal value of €0.04 each. At the date of this Prospectus, Mr. De Bruijn, through Vice Versa, owns 32.5% of the Existing Shares. Vice Versa is one of the Founders. Mr. De Bruijn intends to keep more than 50% of his Shares after the lock-up period of 360 days as of the Listing Date has expired, but may after the lock-up period use some of his present equity to finance private investments.

Milestone
On October 31, 2002, Milestone acquired 6.5% of the share capital of Spyker for €360,000, or €9,000 per share with a nominal value of €45.38 each which corresponds to an amount of €7.93 per share with a nominal value of €0.04 each. Milestone, wholly owned by Mr. J.B.Th. Hugenholtz, in principle decides for investments on a long term basis; the investment strategy is periodically reviewed. Milestone may decide to increase its shareholding in the Company to just above 5% for tax reasons in case its stake will be diluted to less than 5% as a result of the Offering. Mr. Hugenholtz, as member of the Supervisory Board, is subject to a lock-up period of 360 days after the Listing Date.

Talpa
On March 6, 2003, Talpa, as a financial investor in Spyker, acquired 28.5% of the share capital of Spyker for €2,184,000, or after the share splits of March 6, 2003, for €124 per share with a nominal value of €0.46, which corresponds to an amount of €10.81 per share with a nominal value of €0.04. Talpa reviews its investment policy and portfolio on a continuous basis. Its investment in Spyker is not considered to be a core holding and therefore Talpa intends to sell its Shares as soon as it is allowed to do so. Immediately after the Offering, Talpa's shareholding will amount to 23.1–23.4% post-Offering assuming full exercise of the Over-allotment Option and allocation to Talpa of the maximum number of Shares it subscribed for in the Offering. The Shares held by Talpa, including any Shares acquired by Talpa in the Offering, will be subject to a lock-up period of 180 days as of the Listing Date. Once this lock-up period ceases to apply to Talpa, it intends to sell its shares in Spyker in an orderly manner.

Notification obligations
Holders of the Shares may be subject to notification obligations under the Dutch Act on Disclosure of Holdings in Listed Companies 1996 (*Wet Melding Zeggenschap in ter beurze genoteerde vennootschappen 1996*), as amended (the "Disclosure Act"), and the Dutch Act on the Supervision of the Securities Trade 1995 (*Wet toezicht effectenverkeer 1995*), as amended, (the "Dutch Securities Act"). The following description summarises those obligations. Shareholders are advised to consult with their own legal advisers to determine whether the notification obligations apply to them.

Pursuant to the Disclosure Act, any person who, directly or indirectly, acquires or disposes of an interest in Spyker's share capital or voting rights must immediately give written notice to Spyker and, by means of a standard form, to the AFM, if, as a result of such acquisition or disposal, the percentage of Spyker's capital interest or voting rights held by such person falls within a different percentage range as compared with the percentage range applicable to the capital interest or voting rights held by such person prior to the acquisition or disposal. The percentage ranges referred to in the Disclosure Act are 0-5%, 5-10%, 10-25%, 25-50%, 50-66$^2/_3$% and 66$^2/_3$% or more.

On July 3, 2003, a draft bill to amend the Disclosure Act was submitted to the Second Chamber of the Dutch Parliament. According to the Explanatory Notes to the proposed bill, it is anticipated that the following percentage ranges will be introduced: 0% to less than 5%, 5% to less than 10%, 10% to less than 15%, 15% to less than 20%, 20% to less than 25%, and 25% or more. Under the proposed bill, above 25%, all direct or indirect transactions in the Company's share capital or voting rights must be reported.

Upon notification, the AFM shall arrange for publication of the notification in a newspaper distributed throughout the member state or states of the European Economic Area in which Spyker is officially listed on the relevant stock exchange.

For the purpose of calculating the percentage of capital interest or share capital, the following interests must be taken into account: (i) Shares which are directly held (or acquired or disposed of) by any person, (ii) Shares which are held (or acquired or disposed of) by such person's subsidiaries or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement and (iii) Shares which such person, or any subsidiary or third party referred to above, may acquire pursuant to any option or other right held by such person (or acquired or disposed of). Special rules apply to the attribution of Shares which are part of the property of a partnership or other community of property. A holder of a pledge or right of usufruct in respect of Shares can also be subject to a notification obligation if such person has, or can acquire, the right to vote on the Shares. If a pledgor or usufructuary as holder of the Shares retains such voting rights, this may trigger notification obligations for such holder.

In addition, pursuant to the Dutch Securities Act, and a decree based thereon, a shareholder who directly or indirectly holds a capital interest of more than 25% in Spyker must, by means of a standard form, within ten days after the month in which the transaction occurs, notify the AFM of such transaction in the Shares issued by Spyker. If that shareholder is a legal entity and not an individual, the obligations under the Dutch Securities Act also apply to its managing directors and members of its supervisory board. In addition, these obligations apply to the following persons related to such 25% shareholder (if the 25% shareholder is not a legal entity): (i) spouses, (ii) relations by blood or affinity to the first degree and other persons who share a household with these persons, and (iii) by blood or affinity to the first degree who do not share a household with these persons but hold a capital interest of at least 5% or will obtain this percentage through the transaction. The AFM keeps a public register of all notifications made pursuant to the Disclosure Act and the Dutch Securities Act and publishes any notification received by it.

Each person whose holding of capital interest or voting rights amounts to five per cent. or more at the time of admission of the Shares to listing at the Euro.NM Amsterdam, must give notification within a four-week period after the Listing Date.

Non-compliance with the reporting obligations under the Disclosure Act or the Dutch Securities Act could lead to criminal fines, administrative fines, imprisonment or other sanctions. In addition, non-compliance with the reporting obligations under the Disclosure Act may lead to civil sanctions, including suspension of the voting rights relating to the Shares held by the offender for a period of not more than three years and a prohibition on the acquisition by the offender of the Shares (or depositary receipts for shares) or the voting on the Shares for a period of not more than five years.

RELATED PARTY TRANSACTIONS

The following transactions have taken place since the start of Spyker's business in 2000 and involve parties who are directly or indirectly related to the Company.

Pre-IPO Shareholders Loans

The Pre-IPO Shareholders have provided several loans to the Company for an aggregate amount of €13.24 million including the accrued interest up to May 26, 2004. All Pre-IPO Shareholders Loans will be converted for their entire amount, including the accrued interest up to May 26, 2004, against the Offer Price Equivalent into ● Existing Shares, or ● Shares after amendment of the Company's articles of association and splitting up of the shares. See "Capitalisation – Pre-IPO Shareholders Loans" and "Principal Shareholders".

Overview Pre-IPO Shareholders Loans
Interest up to May 26, 2004

	Talpa	**Helvetia**	**Milestone**
Principal amount loan plus interest (all at annual rate of 7.0 %)	€2,816,000 €184,338	(i) €6,400,000 €641,057 (ii) €1,165,891 €32,035	(i) €640,000 €73,295 (ii) €1.25 million €36,388
Date loan agreement	March 6, 2003	(i) March 6, 2003 (ii) March 11, 2004	(i) March 6, 2003 (ii) March 11, 2004
Repayment date	Dec. 31, 2009	(i) Dec. 31, 2009 (ii) due at Closing Date	(i) Dec. 31, 2009 (ii) due at Closing Date
Prior to Listing Date number of Existing Shares upon conversion of the loan into equity	15,347 – 18,636	42,144 – 51,174	10,229 – 12,421
Prior to Listing Date number of Shares after split-up of Existing Shares	176,491 – 214,314	484,656 – 588,501	117,634 – 142,842

The Offer Price is expected to be between €14 and €17 per Offer Share, subject to change. The number of ordinary shares held by each Pre-IPO Shareholder after conversion of the Pre-IPO Shareholders Loans (against the Offer Price Equivalent), and the number of ordinary shares held by each Pre-IPO Shareholder as of the Listing Date is therefore represented by a range, depending on the final determination of the Offer Price. The final Offer Price and the final number of the Firm Shares offered in the Offering will be determined after termination of the subscription period and will be announced in a press release and a final prospectus expected to be published before the Closing Date.

Security rights Pre-IPO Shareholders

On September 3, 2000, Helvetia granted a license with respect to all Spyker trademarks to Jac. Spijker Stamrecht B.V. On March 6, 2003, all registered and unregistered European and non-European Spyker trademarks owned by Helvetia were transferred by Helvetia to the Company. Helvetia has applied for registration of all non-European Spyker trademarks in the U.S., Canada and Mexico. The applications are currently made in the name of the Company. This registration process has not been finalised. Registration of the Swedish Spyker's trademarks will be made in the name of the Company.

In respect of the transfer of Spyker's trademarks, the Company, Spyker Automobielen B.V. and Spyker Squadron B.V. entered into a framework agreement on March 6, 2003 in which, *inter alia*, the Company granted a license with respect to Spyker's IP-rights to its subsidiaries. On March 6, 2003, the Company granted a right of pledge with respect to its IP-rights to three of the Pre-IPO Shareholders, Helvetia, Milestone and Talpa. The IP pledge agreement will terminate upon conversion of the Pre-IPO Shareholders Loans into equity.

Participation agreement and shareholders' agreement
On March 6, 2003, the Company and the Pre-IPO Shareholders entered into a participation agreement and a shareholders' agreement. Both agreements will terminate at the Closing Date.

Contracts of suretyship *(borgstellingen)*
The following contracts with members of the Management Board and the Supervisory Board are currently in place. On July 22, 2003, Mr. Hugenholtz, personally, Spyker Automobielen B.V. and Amstel Lease Maatschappij N.V. entered into a contract of suretyship to the amount of €500,000.

On July 22, 2003, Mr. Muller, personally, Spyker Automobielen B.V. and Amstel Lease Maatschappij N.V. entered into a contract of suretyship to the amount of €500,000.

Mr. Muller, personally, Spyker Automobielen B.V. and Amstel Lease Maatschappij N.V. entered into a contract of suretyship on August 1, 2002 to the amount of €160,380. This contract was replaced on January 10, 2003 by a contract of suretyship to the amount of €1,700,500.

Pursuant to the amendment of March 4, 2004 to the HBU credit facility dated January 23, 2004, which in May 2004 has been extended until June 15, 2004 and will be fully repaid from the net proceeds from the Offering, the following contracts of suretyship were entered into:

(i) On February 11, 2004, Mr. Hugenholtz, personally, provided HBU with a suretyship to the amount of €260,000;

(ii) On February 11, 2004, Milestone, a company wholly owned by Mr. Hugenholtz, provided HBU with a suretyship to the amount of €250,000; and

(iii) On February 16, 2004, Mr. Muller, personally, provided HBU with a suretyship to the amount of €4.79 million.

Sale and purchase agreements
In 2001 three Spyker cars were sold by the Company for an amount of €773 thousand to Zwaanwijck Management B.V., currently named Invicta Collection B.V., a company solely managed by Mr. Muller and wholly owned by Helvetia, one of the Pre-IPO Shareholders. The three cars were repurchased for €773 thousand by the Company in 2002 to be used as development cars.

In 2002 the Company sold one car to Zwaanwijck Management B.V. (then already named Invicta Collection B.V.) for an amount of €350,000, which was repurchased in 2002 by the Company for the same amount.

In 2003 Spyker Automobielen B.V. sold two Spyker cars to Invicta Collection B.V. One of these cars was repurchased by Spyker Automobielen B.V. for the initially paid purchase price for that car of €200,000, for the delivery against payment of €234,933 later that year to a customer. The other car that Spyker Automobielen B.V. sold to Invicta Collection B.V. was at that time given in financial lease to Amstel Lease Maatschappij N.V. The lease agreement relating to this car was assigned by Spyker Automobielen B.V. to Invicta Collection B.V. on September 18, 2003. Also in 2003, Spyker sold and delivered one car to a dealer in Dubai. The purchase price has been paid for by the dealer in Dubai. For financing purposes Invicta Collection B.V. entered into a financing agreement with Amstel Lease Maatschappij N.V. for an amount equal to the purchase price. The financing facility provided by Amstel Lease Maatschappij N.V. has subsequently been made available by Invicta Collection B.V. to the dealer in Dubai.

In 2004, the Company has sold and delivered one car to Invicta Collection B.V. for which the entire purchase price of €200,000 has been paid. In 2004, another car was sold to Invicta Collection B.V. for an amount of €230,435 of which 50% has been paid. This car is expected to be delivered in the second half of 2004.

Since the start of its business in 2000, Spyker has sold eight cars to parties directly or indirectly related to the Company. Five of these cars have been repurchased by the Company, against the same purchase price initially paid by the related parties involved. It should be noted that these transactions were entered into merely to facilitate the financing of the Company.

Lease agreements

Since 2001 Spyker entered into several financial lease agreements with Amstel Lease Maatschappij N.V. with respect to its company inventory, equipment used at automobile events, a Landrover and eleven Spyker cars. The financial lease contracts relating to five of these eleven Spyker cars, were for financial reasons entered into by companies wholly owned or solely managed by either Mr. Muller or Mr. Hugenholtz. These companies are Zwaanwijck Management B.V., later renamed Invicta Collection B.V., and Berlinetta Beheer B.V., a company solely managed by Mr. Hugenholtz.

Each of the lease agreements entered into by Zwaanwijck Management B.V., later renamed Invicta Collection B.V. and Berlinetta Beheer B.V. respectively, were assigned to Spyker Automobielen B.V. on December 28, 2002, and January 10, 2003.

Each of the Company, Spyker Automobielen B.V. and Spyker Squadron B.V. are severally liable for the obligations under all financial lease agreements with Amstel Lease Maatschappij N.V.

On April 20, 2004, the Company entered into a pre-financing agreement with Amstel Lease Maatschappij N.V. for an amount of €500,000, which agreement will terminate on November 1, 2004. In connection with this agreement a right of first pledge was granted by the Company to Amstel Lease Maatschappij N.V. on three Spyker cars. Furthermore, as an additional security right, Mr. Muller and Mr. Hugenholtz have agreed to purchase these cars per November 1, 2004, if the amount of €500,000 has not been fully repaid by the Company on that date.

DESCRIPTION OF THE SHARES AND CORPORATE STRUCTURE

Set out below is a summary of some relevant information concerning the Shares and a brief summary of certain significant provisions of Dutch corporate law and the Articles of Association as these will read after conversion of the B.V. into an N.V. by execution of the deed of amendment of the articles of association, which is expected on May ●, 2004. This summary does not purport to be complete and is qualified in its entirety by reference to, and should be read in conjunction with, the Articles of Association or with Dutch law, as the case may be. The full text of the Articles of Association is incorporated in this Prospectus by reference and is available, in Dutch and in English, at Spyker's offices and the addresses referred to in "Additional Information – Available documents".

General

Spyker has a two-tier system of corporate governance, consisting of the Management Board and the Supervisory Board. The day-to-day management and policy-making of Spyker is vested in the Management Board. The Supervisory Board supervises the management of the Management Board and the general course of affairs in the Company and the business connected with it. Furthermore, the Supervisory Board supports the Management Board with advice. In performing their duties the Supervisory Board members shall act in accordance with Spyker's interests and the business connected with it.

Corporate history

On January 1, 2000, the Founders started Spyker's car manufacturing activities. In August 2000, for the purpose of their business, Mr. Muller through Helvetia and Mr. De Bruijn through Vice Versa, each on an equal basis acquired all shares in Jac. Spijker Stamrecht B.V., a company incorporated in 1995. In February 2001 they changed the Company's name into Spyker Automobielen B.V. On March 6, 2003 the name of the Company was then again changed into Spyker International Motor Holding B.V. In view of the Offering and listing of the Shares, Spyker International Motor Holding B.V. will be converted into a public limited liability company with the name Spyker Cars N.V. by execution of a notarial deed of amendment of its articles of association. The Company is registered at the Commercial Register under number 08065771.

In October 2002, Milestone Beheer B.V., wholly owned by Mr. Hugenholtz, participated in the Company resulting in a current stake of 6.5 per cent. In March 2003, Talpa acquired a 28.5 per cent. stake in the Company.

At the date of this Prospectus, the Existing Shares are held by Helvetia (32.5%), Vice Versa (32.5%), Talpa (28.5%) and Milestone (6.5%). For an overview of each Pre-IPO Shareholder's holding at the Listing Date and post-Offering, see "Principal Shareholders".

On March 5, 2003 a new company, also named Spyker Automobielen B.V. was incorporated by the Company as a private company with limited liability under the laws of the Netherlands with its statutory seat in Baarn, the Netherlands. Spyker Automobielen B.V. is registered at the Commercial Register under number 32095898.

On March 7, 2003 the Company incorporated Spyker Squadron B.V., a private company with limited liability under the laws of the Netherlands with its statutory seat in Baarn, the Netherlands. Spyker Squadron B.V. is registered at the Commercial Register under number 32095953.

Spyker Automobielen B.V. and Spyker Squadron B.V. are wholly owned subsidiaries of the Company and both are managed by Mr. Muller. None of these subsidiaries or the Company prior to its conversion into an N.V. has instituted a supervisory board.

On November 21, 2003, Spyker Automobielen B.V. incorporated Spyker of North America LLC, a limited liability company under the laws of the state Delaware (U.S.). As of February 26, 2004, this company is a wholly owned subsidiary of the Company.

Corporate purpose

Pursuant to Article 3 of its Articles of Association, the corporate object of Spyker is the development, production and sale of cars, and to participate, manage and finance other companies and legal entities; and to grant security for debts of others and everything connected with or conducive thereto.

Share capital

Under the Articles of Association, Spyker's authorised share capital amounts to a sum of €400,000, divided into 9,999,999 Shares and 1 Priority Share with a nominal value of €0.04 each. As at the date of this Prospectus, 61,600 fully paid ordinary shares in the capital of the Company, with a nominal value of €0.46 each, are issued and outstanding.

Immediately prior to the Listing Date and upon the conversion of all Pre-IPO Shareholders Loans into equity as described in "Capitalisation", the Company will convert from a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) named Spyker International Motor Holding B.V. into a public company with limited liability (*naamloze vennootschap*) named Spyker Cars N.V. by execution of a notarial deed of amendment of its articles of association. The amendment of the articles of association will include splitting up the Existing Shares with a nominal value of €0.46 each, into 46/4 times as many Shares with a nominal value of €0.04 each.

Issued ordinary share capital	**Number of shares**	**Nominal value (in €)**
Issued at the date of this Prospectus	61.600	0.46
Issued after conversion of all Pre-IPO Shareholders Loans immediately prior to the Listing Date against the Offer Price Equivalent	129,320 – 143,831	0.46
Issued after conversion of B.V. into N.V. and splitting up of shares immediately prior to the Listing Date and upon conversion of all Pre-IPO Shareholders Loans	1,487,180 – 1,654,057	0.04
Issued post-Offering (pro forma assuming issue of maximum number of Firm Shares and excluding any exercise of the Over-allotment Option)[1]	2,243,065 – 2,571,286	0.04
Issued post-Offering (pro forma and assuming full exercise of the Over-allotment Option)	2,372,476 – 2,728,428	0.04

(1) This includes the 2,944 Shares issued to Mr. Schoenmakers, see "Management and Employees – Mr. J.W. Schoenmakers" and assumes no share options (including those granted under the ESOP) have been exercised.

The Offer Price is expected to be between €14 and €17 per Offer Share, subject to change. The total number of Existing Shares after conversion of the Pre-IPO Shareholders Loans (against the Offer Price Equivalent), and the total number of Shares at the Listing Date and pro forma post-Offering is therefore represented by a range, depending on the final determination of the Offer Price. The final Offer Price and the final number of the Firm Shares offered in the Offering will be determined after termination of the subscription period and will be announced in a press release and a final prospectus expected to be published before the Closing Date.

Issue of new Shares and pre-emptive rights

New Shares may be issued pursuant to a resolution of the Management Board. The authority to issue new Shares will be delegated to the Management Board in the Articles of Association and is valid for a period of three years. A resolution to issue new Shares, whether by the general meeting of shareholders or by the Management

Board upon delegation, can only be taken upon proposal of the Management Board with prior approval of the Supervisory Board. The resolution by the general meeting of shareholders to delegate the issue-authority to a different body than the Management Board can only be taken upon proposal of the Management Board with approval of the Supervisory Board.

Each holder of Shares shall have pre-emptive rights to subscribe for any issue of Shares *pro rata* to the aggregate amount of his existing holding of the Shares. Each holder of Shares shall, however, have no pre-emptive right on Shares issued for a non-cash contribution. In addition, each shareholder shall have no pre-emptive right with respect to Shares issued to employees of Spyker or to a group company of Spyker or to a person who exercises a previously acquired right to subscribe for Shares.

Pre-emptive rights may be restricted or excluded by a resolution of the Management Board. The resolution shall be subject to the approval of the Supervisory Board. The authority vested with the Management Board shall terminate on the date of termination of the authority of the Management Board to issue Shares.

The Management Board will exclude the statutory pre-emptive rights of the holders of Existing Shares in connection with the Offering on May ●, 2004.

The above shall likewise apply to the granting of rights to subscribe for Shares, but shall not be applicable to the issue of Shares to persons exercising a previously granted right to subscribe for Shares.

Acquisition by Spyker of its Shares

Spyker may acquire fully paid Shares at any time for no consideration, or, subject to certain provisions of Dutch law and the Articles of Association, if (i) Spyker's shareholders' equity less the payment required to make the acquisition, does not fall below the sum of called-up and paid-up Share capital and any statutory reserves, and (ii) Spyker and its subsidiaries would thereafter not hold shares or hold a pledge with an aggregate nominal value exceeding 10% of its issued share capital.

An acquisition of Shares may be effected by a resolution of the Management Board, subject to approval of the Supervisory Board. Other than for no consideration, shares including the Priority Share may only be acquired subject to a resolution of the Management Board, authorised thereto by the general meeting of shareholders. Such authorisation may apply for a maximum period of 18 months and must specify the number of Shares that may be acquired, the manner in which Shares may be acquired and the price limits within which Shares may be acquired. On March 25, 2004, the general meeting of shareholders has authorised the Management Board to acquire the maximum number of Shares by law, for a period of 18 months against a purchase price between the nominal value per Share, as a minimum, and the average price of the Shares as quoted in the Daily Official List in the five days preceding the day of acquisition of the Shares, as a maximum. No such authority is required for the acquisition by Spyker of fully paid Shares for the purpose of transferring these Shares to Spyker's employees or employees of a group company.

Any Shares held by Spyker may not be voted on or counted for quorum purposes.

Reduction of the issued capital

The general meeting of shareholders may, subject to Dutch law and the Articles of Association, resolve to reduce the issued share capital.

A resolution of the general meeting of shareholders to reduce the issued share capital shall designate the Shares to which the resolution applies and shall make provisions for the implementation of such resolution. A partial repayment or exemption from the obligation to pay up Shares, must be made *pro rata*, unless all the shareholders concerned agree otherwise, and shall be effected in accordance with the relevant provisions of the Dutch Civil Code.

A resolution of the general meeting of shareholders to reduce the issued share capital as referred to above requires a majority of at least two-thirds of the votes cast if less than one-half of the issued share capital is represented at the meeting.

Priority Share

The Priority Share is held by the foundation Stichting Prioriteit Spyker Cars ("Stichting Prioriteit" or "Priority Shareholder"). The board of the Stichting Prioriteit consists of (i) the members of the Management Board appointed by the general meeting of shareholders of Spyker either on the nomination of the Priority Shareholder or with the recommendation or consent of the Priority Shareholder, (ii) the members of the Supervisory Board appointed by the general meeting of shareholders of Spyker either on the nomination of the Priority Shareholder or with the recommendation or consent of the Priority Shareholder, and (iii) a representative of each shareholder, holding five per cent. or more of the issued capital of Spyker for a consecutive period of at least three months.

The Priority Shareholder has the following rights and privileges: (i) the right to make a proposal to nominate members of the Management Board and the Supervisory Board; (ii) the right to make a proposal to suspend or dismiss members of the Management Board and the Supervisory Board; (iii) the right to propose to amend the Articles of Association and to dissolve Spyker; (iv) the right to convene an extraordinary meeting of shareholders; (v) prior approval of whole or partial transfer of control over Company activities and the entering into or amendment of agreements between the Company on the one hand, and shareholders, members of the Management Board or members of the Supervisory Board, as individuals, on the other hand, or between the Company and legal entities over which the aforementioned persons have direct or indirect control; (vi) the right to receive, before any other shareholders, a dividend of 6% of the nominal amount of the Priority Share of €0.04.

The board of Stichting Prioriteit consists of three categories of members: (i) board members who are also members of the Management Board, (ii) board members who are also members of the Supervisory Board and (iii) board members who are shareholders holding five per cent. or more of the Company's issued share capital for a consecutive period of at least three months. Each category of board members has an equal vote in the Stichting Prioriteit' s board meeting (33 1/3 per cent).

A shareholder-board member (its director or direct or indirect majority shareholder) who is also a Management Board-board member or a shareholder-board member (its director or direct or indirect majority shareholder) who is also a Supervisory Board-board member, is limited in his capacity to cast a vote, together with the votes cast by the Management Board-board members respectively the Supervisory Board-board members as applicable, to fifty per cent. of the total votes cast in the Stichting Prioriteit's board meeting.

Upon the issuance of the Priority Share, the Company and Stichting Prioriteit will enter into an agreement which entitles the Company to repurchase the Priority Share against the nominal value at any time starting three years after the Listing Date.

Management Board

The management of Spyker is entrusted to the Management Board under the supervision of its Supervisory Board. Spyker's Articles of Association require that the Management Board shall obtain prior approval from its Supervisory Board for certain resolutions. See also "Management and Employees – Management Board".

The authority to represent Spyker is vested in the members of the Management Board, whereas the Chief Executive Officer shall have the authority to represent the Company alone and two other members shall have the authority to represent the Company jointly. Spyker's Articles of Association provide that the Supervisory Board shall decide the number of members of the Management Board. Members of the Management Board are appointed by the general meeting of shareholders. The Priority Shareholder may nominate a person for such an appointment. The appointment of members of the

Management Board, other than on nomination of the Priority Shareholder, requires a two-thirds majority of the votes cast, with such two-thirds majority representing more than one-half of the Company's issued nominal share capital. Nominations for the Management Board have to be explicitly mentioned in the agenda of the general meeting of shareholders of the Company.

Members of the Management Board may be suspended or dismissed by the general meeting of shareholders by a majority of the votes cast upon the proposal of the Priority Shareholder. In the absence of a proposal by the Priority Shareholder, the suspension or dismissal of a Management Board member requires a two-thirds majority of the votes cast, with such two thirds majority representing more than one-half of the issued nominal Share capital.

The compensation and other conditions of employment of the Management Board are determined by the Supervisory Board. See "Management and Employees – Remuneration of the Management Board and the Supervisory Board".

Supervisory Board

The management of Spyker is entrusted to its Management Board under the supervision of its Supervisory Board. The Supervisory Board advises the Management Board and is responsible for supervising the policies pursued by the Management Board and the general course of affairs of the Company and the enterprise connected therewith. In fulfilling their duties, the members of the Supervisory Board must serve the interest of Spyker and the enterprise connected therewith. See also "Management and Employees – Supervisory Board".

Members of the Supervisory Board are appointed by the general meeting of shareholders. The Priority Shareholder may nominate a person for such an appointment. The appoinment of members of the Supervisory Board, other than on nomination of the Priority Shareholder, requires a two-thirds majority of the votes cast, with such two-thirds majority representing more than one-half of the Company's nominal Share capital. The Supervisory Board will appoint a chairman of the Supervisory Board from among its members. The Supervisory Board will meet upon the request of its chairman or a request by two or more of its members or upon the request of the Management Board. Nominations for the Supervisory Board have to be explicitly mentioned in the agenda of the general meeting of shareholders of the Company. The members of the Supervisory Board must retire periodically but may be re-appointed. Members of the Supervisory Board may be suspended or removed by the Company's general meeting of shareholders with a simple majority vote upon proposal by the Priority Shareholder. In the absence of a proposal by the Priority Shareholder, suspension or removal of a Supervisory Board member requires a two-thirds majority of the votes cast, representing more than one-half of Spyker's issued nominal Share capital.

The compensation of the members of the Supervisory Board is determined by the Company's general meeting of shareholders. See "Management and Employees – Remuneration of the management Board and the Supervisory Board".

Shareholders' meetings

The annual general meeting of shareholders shall be held within six months after the end of each financial year to, *inter alia*, discuss the written annual report of the Management Board with respect to the general state of affairs of Spyker, adopt the financial statements and annual accounts, grant discharge to members of the Management Board and members of the Supervisory Board and to appoint members for any vacancies in the Management Board or Supervisory Board. The Management Board, the Supervisory Board, and the Priority Shareholder may determine the items on the agenda of the general meeting of shareholders.

General meetings of shareholders may be convened by the Supervisory Board or the Management Board, subject to the time limit stipulated in the Articles of Association. Shareholders representing alone or in aggregate at least ten per cent. of the

Company's issued share capital may, pursuant to the Dutch Civil Code, request that a general meeting of shareholders is convened. Extraordinary general meetings of shareholders are held whenever the Management Board, the Supervisory Board or the Priority Shareholder deems such necessary.

Voting rights
At the general meeting of shareholders, each Share and the Priority Share confers the right to cast one vote, subject to the relevant provisions of the Articles of Association. Each shareholder is entitled to attend the general meeting of shareholders either in person or through a written proxy, and to address such meeting and exercise voting rights, in accordance with the Articles of Association.

Spyker will publish notice of each meeting of shareholders in a national daily newspaper distributed throughout the Netherlands and in the Daily Official List.

The shareholder shall have the right to vote on Shares which are subject to a right of usufruct ("*vruchtgebruik*") or a right of pledge. The usufructuary or the pledgee shall, however, have the right to vote on Shares if so determined upon the establishment of the usufruct or pledge.

Unless otherwise required by the Articles of Association or Dutch law, all resolutions of the general meeting of shareholders shall be adopted by an absolute majority of the votes cast. The Supervisory Board members and the Management Board members have, as such, the right to render advice in the general meeting of shareholders.

Annual accounts
Annually, and within five months after the end of Spyker's financial year, unless the general meeting of shareholders has extended this period by a maximum of six months on account of special circumstances, the Management Board is required to prepare the statutory financial statements, which must be accompanied by an annual report and an auditor's report. All Management Board members and Supervisory Board members must sign the financial statements.

The financial statements, the annual report, the advice of the Supervisory Board and the auditor's report must be made available to the shareholders for review as from the day of the notice convening the annual general meeting of shareholders. The financial statements shall be adopted by the general meeting of shareholders.

The financial statements of Spyker International Motor Holding B.V. of 2003 will be adopted by the general meeting of shareholders on May ●, 2004, and will be filed with the Commercial Register in accordance with the applicable provisions of the Dutch Civil Code and the Company's articles of association.

The Company's annual accounts relating to the years 2000, 2001 and 2002, have not been timely filed in accordance with the applicable provisions of the Dutch Civil Code. The Company has been confirmed by Euronext Amsterdam that the untimely filing of the annual accounts will not impede the proposed listing of the Shares on Euro.NM Amsterdam. It is noted that non-compliance with the applicable provisions may result in sanctions of up to one year of imprisonment for the Company's managing directors or a fine for the Company of €11,250 per offense.

Dividends and other distributions
Each year, the Management Board shall, subject to the approval of the Supervisory Board, determine which part of the profit – the positive balance of the profit and loss accounts – shall be reserved. Before the distribution of any dividend on the Shares is made to the Shareholders, a dividend of 6% of the nominal amount of the Priority Share of €0.04 is distributed to the Priority Shareholder. The part of the profit remaining thereafter shall be available to the Company's general meeting of shareholders for distribution as dividend on the Shares. However, a legally required reserve must be formed for capitalised development costs. The balance of the other

reserves as at year-end 2003 does not permit the formation of such a reserve. No dividends will be paid out from the other reserves, until this legally required reserve has been formed.

Distributions to Shareholders may only be made in so far as the Company's shareholders' equity exceeds the sum of the paid up and called up share capital plus the reserves required to be maintained by law and by the Articles of Association. Also, any distribution of profit shall be made only after the adoption of the financial statements by the general meeting of shareholders from which it is demonstrated that such distribution is permitted.

The Management Board may decide to distribute one or more interim dividends, subject to the approval of the Supervisory Board and with due observance of the Articles of Association and of Dutch law.

The general meeting of shareholders may, acting on a proposal of the Management Board which has been approved by the Supervisory Board, decide that a dividend distribution shall be made wholly or partly not in cash but in the form of Shares.

The general meeting of shareholders may, acting on a proposal by the Management Board which has been approved by the Supervisory Board, decide that a distribution to shareholders shall be made payable by the distributable part of the equity.

Distributions are payable as of the date determined by the Management Board. Distributions that have not been claimed within five years as from the date that they have become available shall lapse.

See also "Dividends and dividend policy" and Risk Factors – Absence of dividends".

Amendment to the Articles of Association and dissolution
The Company's general meeting of shareholders may resolve to amend the Articles of Association or to dissolve Spyker, upon a proposal thereto of the Priority Shareholder. Amendments to the Articles of Association or the dissolution of the Company, other than pursuant to a proposal of the Priority Shareholder, requires a resolution by the general meeting of shareholders taken with a two-thirds majority representing more than one-half of Spyker's issued nominal share capital.

Liquidation rights
In the event of a dissolution of Spyker, Spyker's business shall be liquidated with due observance to the provisions of Dutch law. During liquidation, the provisions of the Articles of Association shall remain in force as far as possible. The balance of Spyker's equity remaining after payments of debts (and the costs of liquidation) shall be distributed to the shareholders in proportion to the aggregate amount of Shares held by each of them. The distribution to the Priority Shareholder is limited to the nominal value of the Priority Share.

Dutch Corporate Governance Code
On December 9, 2003 the Dutch Corporate Governance Committee, also known as the Tabaksblat Committee, presented the Dutch Corporate Governance Code (the "Code"). It is based upon national and international best practices and on the comments received by the Tabaksblat Committee on the draft code, which was published in July 2003. The Code contains 21 principles and 113 best practice provisions covering the management board, the supervisory board, the shareholders and general meeting of shareholders, financial reporting, auditors, disclosure, compliance and enforcement.

The Code requires Dutch companies, which are listed on a government-recognised stock exchange whether in the Netherlands or in any other country, to disclose in their annual reports, commencing with those annual reports for financial years beginning on or after January 1, 2004, whether or not they comply with the provisions of the Code and, if they do not comply, explain the reasons why they do not comply.

The Company acknowledges the importance of good corporate governance and has closely followed the developments regarding the Code. The Management Board has reviewed the Code and generally agrees with the basic standpoints underlying it, and has taken the steps it considers appropriate to implement the Code's provisions. The Company at this moment complies with the Code's principles including the provision that a management board member may not be the chairman of the supervisory board of a listed company. Presently, Spyker's Chief Executive Officer, Mr. Muller, is a member of the supervisory board of Ouwehands Dierenpark B.V. He was also chairman of the supervisory board of McGregor Fashion Group N.V., but has terminated this position as of April 22, 2004, in order to comply with the relevant principles of corporate governance. See also in this chapter: "Management Board", "Supervisory Board" and "Priority Share".

TAXATION

Taxation in the Netherlands
This section provides a general description of the main Netherlands tax issues and consequences of acquiring, holding, redeeming and/or disposing of the Shares. This summary provides general information only and is restricted to the matters of Netherlands taxation stated herein. It is intended neither as tax advice nor as a comprehensive description of all Netherlands tax issues and consequences associated with or resulting from any of the above-mentioned transactions. Prospective investors are urged to consult their own tax advisors concerning the detailed and overall tax consequences of acquiring, holding, redeeming and/or disposing of the Shares.

The summary provided below is based on the information provided in this Prospectus and on the Netherlands tax laws, regulations, resolutions and other public rules with legal effect, and the interpretation thereof under published case law, all as in effect on the date of this Prospectus and with the exception of subsequent amendments with retroactive effect.

Individuals resident in the Netherlands
The value of the Shares held by individuals resident or deemed to be resident in the Netherlands and individuals who have elected to be treated as Dutch residents for the purposes of the Dutch Personal Income Tax Act of 2001,

- who do not, or are not obliged to, include the Shares in their business assets; and
- who do not realize any "income from other activities" in respect of the Shares; and
- who do not hold a substantial interest in Spyker within the meaning of the Dutch Personal Income Tax Act of 2001,

is included in the capital income base (assets less liabilities, to the extent that these must not be recorded under box 1 or 2), over which income from savings and investments is calculated (box 3). The capital income bases at January 1 and December 31 are averaged, and a tax-free threshold applies for each taxpayer. The income from savings and investments is assumed to be 4% of the capital income base calculated, irrespective of the income actually realized. This deemed income is subject to personal income tax at a rate of 30%, which means that the effective tax burden is 1.2% of the average capital income base. The dividends and other payments received on the Shares or gains or losses realized upon the transfer of Shares are not considered for personal income tax purposes.

Entrepreneurs (ondernemers)
Individuals resident in the Netherlands who, or are obliged to, include the Shares in their business assets must recognize results realized on the Shares – both dividends and capital gains – as business profits. These profits are taxed in the "income from work and home ownership" category (box 1), at progressive rates of 52% at a maximum.

Result from other activities
If an individual who is a Shareholder performs activities in respect of the Shares that are beyond the scope of usual investment management, his income from the Shares and capital gains on the Shares are subject to personal income tax in box 1, at progressive rates of 52% at a maximum.

Substantial interest
If an individual holds the Shares as part of a substantial interest within the meaning of the Dutch Personal Income Tax Act of 2001, the results realized on the Shares are subject to personal income tax under box 2, at a rate of 25%. A Shareholder holds a substantial interest in Spyker if he, alone or together with his partner, directly or indirectly holds shares representing 5% or more or of Spyker's issued capital. A

substantial interest also exists if the Shareholder's partner or a relation by blood or affinity in the direct ascending or descending line of the Shareholder or his partner holds a substantial interest in Spyker.

Individuals who hold rights to acquire Shares, either directly or indirectly, representing 5% or more or of Spyker's issued capital or holds profit-sharing certificates relating to 5% or more of Spyker's annual profit or 5% or more of any liquidation proceeds are also considered to hold a substantial interest. In such cases, the Shares in Spyker are also considered to form part of such a substantial interest.

Companies resident in the Netherlands
The results realized on the Shares held by companies resident in the Netherlands form part of their profits. Profits are generally subject to corporate income tax at a rate of 34.5%, but a rate of 29% applies to the portion of the taxable amount that does not exceed €22,689. If the Shares of such Shareholders qualify as a participation within the meaning of Section 13 of the Dutch Corporate Income Tax Act of 1969, income from the Shares and capital gains on the sale of the Shares are exempt from corporate income tax. A shareholding qualifies as a participation if the company holds shares representing 5% or more of Spyker's nominal paid-up capital. A shareholding of less than 5% also qualifies as a participation, unless it is held as a portfolio investment.

A Dutch qualifying pension fund is, insofar as it does not perform commercial activities, not subject to corporate income tax and a qualifying Dutch resident investment fund ("*fiscale beleggingsinstelling*") is subject to corporate income tax at a special rate of 0%.

Individuals not resident in the Netherlands
An individual who is not resident or who is not deemed to be resident in the Netherlands and who has not elected to be treated as a Dutch resident for the purpose of the Dutch Personal Income Tax Act of 2001, is not liable to pay Dutch personal income tax on income from or capital gains upon disposal of the Shares other than the dividend withholding tax referred to below, unless such a Shareholder:

– carries on, or is entitled to the results of, a business carried on in the Netherlands, either in whole or in part, through a permanent establishment or a permanent representative to the assets of which the Shares must be attributed;

– performs activities in the Netherlands in respect of the Shares that are beyond the scope of usual investment management;

– holds a substantial interest in Spyker;

– performed employment activities, the income from which is subject to tax in the Netherlands and to which the income from and capital gains on the Shares can be attributed.

The information set out above in respect of individuals resident in the Netherlands applies correspondingly to such individuals.

The Netherlands tax consequences described above may be affected by an applicable agreement for the avoidance of double taxation with the individual's country of residence.

Companies not resident in the Netherlands
Companies not resident in the Netherlands are liable to pay Dutch corporate income tax on dividends and capital gains on the Shares if they are considered to carry on a business in the Netherlands to which the Shares must be attributed. The information set out above in respect of companies resident in the Netherlands applies correspondingly to such companies.

If a company not resident in the Netherlands holds a substantial interest in Spyker that does not form part of the assets of a business, the results realized on the Shares are subject to Dutch corporate income tax. Whether or not a company not resident in the Netherlands holds a substantial interest is for the greater part assessed on the basis of comparable criteria as set out above that apply to individuals resident in the Netherlands holding a substantial interest.

A company that is not resident in the Netherlands cannot be liable to pay Dutch corporate income tax on the income from a substantial interest if the Netherlands has entered into an agreement for the avoidance of double taxation with that company's country of residence under which the right to levy tax on income from a substantial interest is allocated to that company's country of residence.

Dividend withholding tax

As a rule, Spyker must withhold dividend withholding tax from dividends distributed to the Shareholders, at a rate of 25%.

Likewise, if Spyker repurchases its own Shares, other than as part of temporary portfolio investment, dividend withholding tax is due, to the extent that the repurchase price exceeds the average capital paid-up on the Shares and recognized for tax purposes. The same applies to liquidation proceeds distributed upon Spyker's liquidation.

Repayments of the par value paid up on the Shares are subject to dividend withholding tax if and to the extent that Spyker has realized net profits (zuivere winst) or if the repayments are in anticipation of net profits to be realized in the (near) future, unless the general meeting of Shareholders resolved, prior to the repayment, to reduce the par value of the paid-up Shares by the same amount by means of an amendment to the Articles of Association.

Repayments of paid-in surplus paid up on the Shares are subject to dividend withholding tax if and to the extent that Spyker has realized net profits (zuivere winst) or if the repayments are in anticipation of net profits to be realized in the (near) future, unless the general meeting of Shareholders resolved, prior to the repayment, to convert the paid-in surplus that was paid up into nominal paid-up share capital and reduce the par value of the paid-up Shares by the same amount by means of an amendment to the Articles of Incorporation.

The withholding tax rate of 25% may be reduced for Shareholders not resident in the Netherlands if a treaty for the avoidance of double taxation or the Tax Regulation for the Kingdom of the Netherlands applies that provides for such a reduction.

If the Shares are held by a company resident in another EU Member State, no dividend withholding tax needs to be withheld, subject to certain conditions, including the size of the shareholding.

If the Shares are held by a company resident in the Netherlands or a company that has a permanent establishment or permanent representative in the Netherlands to the assets of which the shares can be attributed, no dividend withholding tax needs to be withheld if the Shares qualify as a participation within the meaning of Section 13 of the Dutch Corporate Income Tax Act of 1969.

As a rule, the dividend withholding tax withheld by Spyker may be credited against Dutch personal or corporate income tax to the extent that the recipient of the dividend is considered to be the ultimate beneficial owner of such dividend. This is not the case when dividend stripping is involved.

Dividend stripping
Pursuant to the Dutch statutory anti-dividend stripping provisions, no exemption from, or reduction or refund of dividend withholding tax is granted if the recipient of the dividend is not considered the ultimate beneficial owner of such dividend. It is, likewise, not allowed to credit the dividend withholding tax against Dutch personal or corporate income tax payable.

Under the relevant statutory provisions, a recipient is not considered the ultimate beneficial owner if such a recipient provided consideration in relation to the dividend received as part of a composite set of transactions, and if it is likely that:

(a) the dividend or part thereof directly or indirectly accrued to (i) an individual or a legal entity in respect of whom or in respect of which dividend withholding tax must be withheld, whereas it does not need to be withheld in respect of the party providing the consideration, or (ii) an individual or a legal entity entitled to a reduction or refund of dividend withholding tax to a lesser extent than the party providing the consideration; and

(b) such individual or legal entity directly or indirectly maintains or acquires a position in the shares that is comparable to the position in similar shares held prior to the commencement of the composite set of transactions.

A composite set of transactions may also exist if transactions are entered into on a regulated stock exchange or market.

A transaction aimed at the mere acquisition of one or more dividend coupons or the establishment of short-term enjoyment rights to shares is also treated as a composite set of transactions.

It is not required for the dividend strip provisions to apply that the recipient of the dividends is aware that a dividend stripping transaction took place.

Surtax
When the Dutch Personal Income Tax Act of 2001 was introduced, it was accompanied by a temporary arrangement under which companies making excessive dividend payments were liable to pay corporate income tax, at a rate of 20% (known as the "surtax"). Dividend payments are considered to be excessive if and to the extent that, in any given calendar year, they exceed the highest of a number of limits specified in the the Dutch Personal Income Tax Act of 2001. The arrangement covers dividend payments made until year-end 2005. Subject to certain conditions, no dividend withholding tax needs to be withheld from dividend payments that are subject to surtax.

Inheritance tax and gift tax
As a rule, Shares acquired by means of inheritance or by means of a gift are subject to inheritance tax or gift tax, respectively, unless the testator or donor, at the time of his death or at the time the gift was made, was not resident or was not deemed to be resident in the Netherlands and if he did not, or was not obliged to, include the Shares in the assets of his business carried on in the Netherlands through a permanent establishment.

If a testator who resided in the Netherlands at the time of his death donated the Shares within a period of 180 days preceding his death, the Shares will be deemed to have been acquired as a result of his death under the law of succession.

Value-added tax
No value-added tax is payable in connection with Spyker's issuance of the Shares or a Shareholder's transfer of the Shares.

Other Dutch taxes, fees and duties
Spyker is liable to pay capital contribution tax in connection with its issuance of the Shares, at a rate of 0.55%. Apart from this capital contribution tax, no other registration fees, share transfer duty, stamp duty, or similar taxes or duties are payable in the Netherlands in connection with the issuance, placement, or transfer of the Shares.

SUBSCRIPTION AND SALE

Subscription

Pursuant to a subscription agreement that will have been entered into on or about May 26, 2004, between the Company, the Global Co-ordinator and ABN AMRO Bank N.V. and upon the terms and subject to the conditions therein contained (the "Subscription Agreement"), the Global Co-ordinator will agree to procure subscribers to purchase and pay for, failing which to subscribe, purchase and pay for, an aggregate of ● Firm Shares at the Offer Price less the agreed commissions and fees. The Company will pay certain costs and expenses incurred in connection with the Offering.

The Company will agree to indemnify the Global Co-ordinator against certain liabilities arising in connection with the Offering. The Global Co-ordinator is entitled to terminate the Subscription Agreement in certain circumstances.

The Subscription Agreement provides that the obligations of the Global Co-ordinator are subject to certain conditions precedent. The conditions precedent include the listing of the Shares on Euro.NM Amsterdam.

For an amount of up to €11.47 million, Firm Shares may be allocated to prospective investors who have indicated their interest in the Offer Shares prior to the publication of this Prospectus. Two of such prospective investors are Helvetia and Talpa, each at the date of this Prospectus already a principal shareholder of the Company, who have indicated their intention to participate in the Offering and together subscribe for an aggregate amount of €5.5 million in the Offer Shares. It has been agreed between Helvetia, Talpa and the Global Co-ordinator that, in the event the allocable demand for the Firm Shares exceeds an amount of €15.0 million, upon termination of the subscription period, up to 100 per cent. of their combined subscription may be allocated to other subscribers in the Offering. Such allocation shall be made at the sole discretion of the Global Co-ordinator. The subscription by any prospective investor will be on the same terms and conditions as in the Offering and will solely be based on this Prospectus.

The right to reject any subscription for or offer to purchase the Offer Shares, in whole or in part, for any reason or to sell less than the aggregate number of Offer Shares offered hereby, is reserved. Each prospective investor, by accepting delivery of this Prospectus, agrees to the foregoing.

The right to withdraw the Offering at any time until the Closing Date is reserved, in which case all subscriptions will be disregarded and any subscription payments made, will be returned without interest or other compensation.

Lock-up

Each of the Founders, the members of the Management Board and the one member of the Supervisory Board who own Existing Shares, have agreed with the Company and the Global Co-ordinator, for a period of 360 days from the Listing Date, and Talpa has agreed with the Company and the Global Co-ordinator, for a period of 180 days from the Listing Date, that they will not: (i) directly or indirectly, offer, sell, contract to sell or otherwise transfer or dispose of any Shares or any securities of the Company that are substantially similar to the Shares, including but not limited to any securities that are convertible into or exchangeable for, or that represent the right to receive Shares; (ii) grant any limited rights/rights in rem (*zakelijke rechten*) on any of the securities described under (i) above unless the beneficiary of these rights provides the Company with a written statement to the effect that such beneficiary shall also comply with this lock-up undertaking; (iii) exercise any cash-settlement options with respect to the Shares; or (iv) enter into any transaction that transfers, in whole or in part, directly or indirectly, legal or economic the ownership of the securities as described under (i) above, or which in any way whatsoever fix, limit or transfer any risk arising from the possibility of price movement, up or down, in respect of such securities.

This lock-up undertaking applies to 100 per cent. of each of these persons' interest in the Company immediately prior to the Listing Date and after conversion of the Pre-IPO Shareholders Loans (against the Offer Price Equivalent) and, as to Talpa and Helvetia, also to their interest in the Company acquired in the Offering. The Company has entered into the same lock-up undertaking with the Global Co-ordinator for a period of 180 days from the Listing Date. Exceptions have been agreed with respect to (i) Shares issued as stock dividend, (ii) Shares or options for Shares issued or to be issued pursuant to the ESOP or any such future plan, and (iii) Shares issued upon the exercise of any options or other securities convertible into Shares as described in this Prospectus.

The lock-up arrangements as described above comply with the applicable requirements of Euro.NM Amsterdam.

Stabilisation and Over-allotment Option
As part of the Offering, the Company has granted the Global Co-ordinator an Over-allotment Option, exercisable as of the Listing Date until 30 days after the Closing Date, to require the Company to issue and offer a number of Over-allotment Shares at the Offer Price to such persons as the Global Co-ordinator may appoint, solely for the purpose of allowing the Global Co-ordinator to cover over-allotments, if any. The total number of Over-allotment Shares shall not exceed 17.2 per cent. of the total number of Firm Shares. The Offer Price and the agreed commission and fees in respect of any of the Over-allotment Shares shall be the same as in respect of the Firm Shares.

In connection with the Offering, the Global Co-ordinator may purchase and sell Shares in the open market. These transactions may include covering transactions and stabilising transactions. Covering transactions involve purchases of the Shares in the open market after the distribution has been completed in order to cover short positions. Stabilising transactions consist of certain bids or purchases of Shares made for the purpose of preventing or retarding a decline in the market price of the Shares while the offering is in progress. Any of these activities may have the effect of preventing or delaying a decline in the market price of the Shares. They may also cause the price of the Shares to be higher than the price that would exist in the open market in the absence of these transactions.

The Global Co-ordinator shall conduct any such transactions as an admitted institution (*toegelaten instelling*) to Euronext and such transactions shall be conducted in accordance with all applicable laws and regulations including the Euronext regulations and article 32 of the Securities Market Supervision Rules 2002 (*Nadere regeling gedragstoezicht effectenverkeer 2002*).

If the Global Co-ordinator commences any of these transactions, it may discontinue them at any time, but in any event no later than 30 days after the Closing Date. In conducting any covering or stabilising transactions, the Global Co-ordinator shall act as principal and not as agent of the Company and any loss or profit sustained as a consequence of any such transactions shall be for the sole account of the Global Co-ordinator in accordance with the terms of the Subscription Agreement.

Selling restrictions
The Offer Shares are subject to certain restrictions on offers, sales, resales and transfer. The Offer Shares have not been and will not be registered under the Securities Act or under the securities laws or with any securities regulatory authority of any jurisdiction other than the Netherlands.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to purchase any securities, or an invitation by or on behalf of the Company or the Global Co-ordinator or any affiliate, to purchase any such securities by any person in circumstances or under any jurisdiction in which such offer or solicitation is unlawful. The Offer Shares may not be offered or sold, directly or indirectly, and this document may not be distributed, in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction.

The distribution of this Prospectus and any separate documentation regarding the matters discussed and described in this Prospectus to persons located or resident in, or who are citizens of, or who have a registered address in countries other than the Netherlands ("Restricted Person"), may in certain jurisdictions be restricted by law or regulatory requirements of the relevant jurisdiction. Any Restricted Person into whose possession this Prospectus and any such separate documentation may come is required to inform itself of, and observe all, applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Spyker and ABN AMRO do not accept or assume any responsibility or liability for any violation of the restrictions by a Restricted Person. The comments in this respect set out in "Subscription and Sale" are intended as a general guideline only. Any Restricted Person who is in any doubt as to his position should consult an appropriate professional adviser without delay and prior to purchasing or subscribing for the Offer Shares.

United States
The Offer Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any State of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act (and applicable State securities laws). The Offer Shares are being offered and sold only outside the United States in offshore transactions (as defined in Regulation S) in reliance on Regulation S under the Securities Act. This Prospectus does not constitute an offer to sell, or an invitation to purchase or subscribe for securities in the United States or in any State or jurisdiction other than the Netherlands.

United Kingdom
This Prospectus does not constitute an offer of the Offer Shares to the public in the U.K. No prospectus has been or will be registered in the U.K. in respect of the Offer Shares. Consequently, the Offer Shares must not be, and are not being, sold or offered for sale in the U.K., except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purpose of their business or otherwise in circumstances which have not resulted and will not result in an offer to the public in the U.K. within the meaning of the Public Offers of Securities Regulations 1995, as amended.

This Prospectus may only be communicated or caused to be communicated to persons who (i) are outside the U.K. or (ii) are authorised to carry on a regulated activity ("Authorised Persons") under the FSMA or (iii) otherwise have professional experience in matters relating to investments and are persons qualifying as investment professionals under Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 as amended (the "Financial Promotion Order"), or (iv) are persons qualifying as high net worth persons within the scope of article 49(2)(a) to (d) ("High net worth companies, unincorporated associations etc.") of the Financial Promotion Order or (v) are persons to whom this Prospectus may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "Relevant Persons"). Neither this Prospectus nor the Offer Shares are or will be available to other categories of persons in the U.K. This Prospectus must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Prospectus relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. The communication of this Prospectus to any person in the U.K. other than the Relevant Persons is unauthorized and may contravene the FSMA.

PAYMENT, SETTLEMENT AND DELIVERY

It is expected that payment for and delivery of the Firm Shares, or Offer Shares if (part of) the Over-allotment Option has been exercised prior to the Closing Date, offered in the Offering will be made in book-entry form through the facilities of Euroclear Netherlands, Euroclear and Clearstream, all in accordance with their normal settlement procedures applicable to equity securities, on the Closing Date, expected to be on or about June 1, 2004, or, with respect to any Over-allotment Shares to be issued in exercising the Over-allotment Option, if any, until 30 days after the Closing Date. All of the Offer Shares will be in bearer form and will be represented by a single global certificate lodged with Euroclear Netherlands for safe keeping on behalf of those persons entitled to the Offer Shares.

EXPERTS

The unaudited financial statements of Spyker as of and for the years ended December 31, 2002 and 2001, of which an abbreviated version has been included on pages F-1 to F-15, have been reviewed by Deloitte Accountants. The financial statements of Spyker as of and for the year ended December 31, 2003, of which an abbreviated version has been included on pages F-1 to F-15, have been audited by Deloitte Accountants.

The matters described in "Taxation" have been prepared by KPMG Meijburg & Co, the Netherlands.

ADDITIONAL INFORMATION

Application has been made to list the Shares on Euro.NM Amsterdam. It is expected that trading in the Shares will commence on May 27, 2004, barring unforeseen circumstances. Prior to the Offering, there has been no public market for the Shares.

The issue of the Offer Shares offered by the Company will be resolved by the Management Board upon delegation of the general meeting of shareholders of the Company on May ●, 2004.

The Company has estimated that the aggregate expenses incurred or to be paid by the Company in connection with the Offering and the listing of the Shares are approximately €1.35 million.

Neither Spyker nor any of its subsidiaries is involved in any litigation or arbitration proceedings which may have or have had a material effect on the position of the Company or each of its subsidiaries, and, so far as the Company is aware, no such litigation or arbitration proceedings or claims are pending or threatened. The financial statements for the year ended December 31, 2003, of which an abbreviated version has been included in this Prospectus, have been audited by Deloitte Accountants as stated in their report included herein. See also "The Company – Legal proceedings".

Market data used in this Prospectus are based on information from the annual reports 2003 of Ford Motor Company Inc. (relating to Aston Martin), Volkswagen Group AG (relating to Lamborghini) and Fiat S.p.A. (relating to Ferrari). Although the Company believes these sources to be reliable, it has not independently verified this information.

In the Netherlands, ABN AMRO Bank N.V. has been appointed as dividend paying agent for the Shares.

Under current Dutch foreign exchange regulations, there are no material limitations on the amount of cash payments that may be remitted by the Company to residents of foreign countries. See "Subscription and Sale – Selling restrictions".

The Offer Shares are expected to clear through the facilities of Euroclear Netherlands, Euroclear and Clearstream, see "Payment, Settlement and Delivery" and "Subscription and Sale". The relevant trading information for the Offer Shares is set forth below.

ISIN:	NL0000380830
Securities Code:	38083
Common Code:	018885778
Euronext symbol:	SPYKR

The Company will adopt a code on insider trading in accordance with the Dutch Securities Act. A finalised draft of this insider trading code has been approved by the Company's general meeting of shareholders and will be reviewed by the Supervisory Board at its first meeting after the Listing Date.

The Company has taken notice of the recommendations of the Commission Tabaksblat which prepared guidelines on corporate governance practices for Dutch listed companies. The Company has adopted or intends to adopt a number of these recommendations. See also "Description of the Shares and Corporate Structure – Dutch Corporate Governance Code".

Relationship Spyker and ABN AMRO
The Global Co-ordinator is advising Spyker in connection with the Offering and ABN AMRO Bank N.V. is acting as the Company's sponsor in connection with the listing of the Shares on Euro.NM Amsterdam, for which application has been made. In addition,

ABN AMRO Bank N.V. has been appointed as dividend paying agent for the Shares. Hollandsche Bank Unie N.V. ("HBU"), an affiliate of ABN AMRO Bank N.V., has provided a credit facility to Spyker of €6.3 million. The outstanding amount of this credit facility, as at May 18, 2004, amounting to €5.85 million, will be fully repaid with the proceeds of the Offering, see "Use of Proceeds". Furthermore, Amstel Lease Maatschappij N.V., an affiliate of ABN AMRO Bank N.V., has entered into several financial lease agreements with the Company, see "Related Party Transactions". The above mentioned roles of ABN AMRO and its affiliates could potentially lead to a conflict of interest. ABN AMRO and the other entities within the ABN AMRO group maintain practices and procedures, including those commonly known as "Chinese walls", to ensure that any potential conflict of interest is managed properly.

Incorporation of documents by reference

The following documents are incorporated into this Prospectus by reference and are available free of charge at the addresses described under " Available documents" below:

- The reviewed financial statements of Spyker as of and for the years ended December 31, 2002 and 2001;
- The audited financial statements of Spyker as of and for the year ended December 31, 2003;
- the articles of association of Spyker Cars N.V.

The information that is incorporated by reference is an important part of this Prospectus and is deemed to constitute a part of this Prospectus as if such information were expressly included herein. Accordingly, all information appearing in this Prospectus is qualified in its entirety by such information.

As you read any document that is incorporated by reference herein, you may find inconsistencies in information from one document to another or with this Prospectus. If you find inconsistencies you should rely on the statements made in the most recent document or made with respect to the most recent period referred to in any document. Any statement contained in this Prospectus or in any document incorporated or deemed to be incorporated by reference in this Prospectus shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained in this Prospectus or in any other document that also is or is deemed to be incorporated by reference modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed to constitute a part of this Prospectus, except as so modified or superseded.

Available documents

Copies of this Prospectus, in the English language, and of the Articles of Association, in the Dutch and English language, are available free of charge, with full observation of the restrictions set out in this Prospectus, at:

- the website of Euronext Amsterdam N.V.: www.euronext.com (Dutch residents only);
- the offices of Spyker, Edisonweg 2, 3899 AZ, Zeewolde, the Netherlands, Telephone: +31 (0)36 535 8787, Fax: +31 (0)36 535 87 84, email: info@spykercars.com; and
- ABN AMRO Bank N.V., Equity Capital Markets HQ 7006, Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands, email: prospectus@nl.abnamro.com, Fax: +31 (0)20 628 0004.

The Company's financial statements for the years ended December 31, 2003, 2002 and 2001 will be available free of charge at the offices of the Company and ABN AMRO Bank N.V.

FINANCIAL INFORMATION

INDEX TO FINANCIAL INFORMATION

AUDITORS' REPORT
To the management board of Spyker International Motor Holding B.V.

In our opinion, the consolidated financial information for the year ended December 31, 2003 and the comparative data for the years ended December 31, 2002 and 2001, as included in this Prospectus on pages F-2 through F-15, is consistent, in all material respects, with the financial statements for those years from which it has been derived. We issued an unqualified auditors' report on the financial statements for the year ended December 31, 2003 on May 10, 2004, and we issued an unqualified review report on the financial statements for the years ended December 31, 2002 and 2001 on June 30, 2003 and September 18, 2002 respectively. The financial statements of 2002 and 2001 have been reviewed. Only the financial statements of 2003 have been audited. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and therefore provides less assurance than an audit. The auditors' report and the review reports of the years ended December 31, 2003, 2002 and 2001 included an "emphasis of matter" paragraph regarding the appropriateness of the continued application of the going concern principle in the preparation of the financial statements.

For a better understanding of the Company's financial position and results and of the scope of our audit and review, the aforementioned consolidated financial information should be read in conjunction with the financial statements from which it has been derived and our auditors' report respectively our review reports thereon.

Amsterdam, May 20, 2004

Deloitte Accountants

CONSOLIDATED BALANCE SHEETS AS AT DECEMBER 31, 2003, 2002, 2001
(after appropriation of result)

	audited 31.12.2003 €('000)		reviewed 31.12.2002 €('000)		reviewed 31.12.2001 €('000)	
Assets						
Fixed assets						
Intangible fixed assets		10,083		6,437		2,760
Tangible fixed assets		3,315		2,596		676
Financial fixed assets		1,440		940		292
Current assets						
Inventories	714		417		42	
Work in process	531	1,245	416	833	0	42
Receivables:						
Accounts receivable	639		160		397	
Shareholder	12		26		0	
Taxes and social security contributions	624		423		0	
Other receivables	201	1,476	85	694	31	428
		17,559		11,500		4,198
Shareholders' equity, provisions and liabilities						
Group equity		-4,339		-1,294		-532
Warranty provision		10		0		0
Long-term liabilities						
Credit institutions	2,137		1,499		19	
Loans granted by shareholders	11,833	13,970	7,040	8,539	3,572	3,591
Short-term liabilities						
Credit institutions	4,210		2,495		7	
Shareholder	0		756		0	
Current portion of lease commitments	489		0		0	
Accounts payable	1,444		700		626	
Taxes and social security contributions	106		51		171	
Accrued development costs	654		0		0	
Revenues invoiced in advance	0		142		318	
Other liabilities	1,015	7,918	111	4,255	17	1,139
		17,559		11,500		4,198

CONSOLIDATED PROFIT AND LOSS ACCOUNTS FOR THE YEARS ENDED DECEMBER 31, 2003, 2002, 2001

	audited 2003 €('000)		reviewed 2002 €('000)		reviewed 2001 €('000)	
Net sales	910		215		773	
Movement in work in process	738		416		0	
Other revenues	1,247		557		60	
Total revenues		2,895		1,188		833
Raw materials and consumables	1,397		428		773	
Subcontracted work	302		74		0	
Other external costs	1,024		378		0	
Wages and salaries	1,020		258		96	
Social security charges	144		25		4	
Amortisation and depreciation	903		462		146	
Marketing and sales expenses	819		439		0	
General expenses	1,502		362		183	
Total operating expenses		7,111		2,426		1,202
Operating result		-4,216		-1,238		-369
Financial income and expenses:						
Interest income	7		2		3	
Interest charges	-934		-477		-158	
		-927		-475		-155
Result on ordinary operations before taxation		-5,143		-1,713		-524
Taxation		335		591		181
Net result		-4,808		-1,122		-343

CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE YEARS ENDED DECEMBER 31, 2003, 2002, 2001

	audited 2003 €('000)		reviewed 2002 €('000)		reviewed 2001 €('000)	
Cash flow from operating activities						
Operating result		-4,216		-1,238		-369
Adjusted for:						
Amortisation and depreciation	903		462		146	
Addition to provisions	10	913	0	462	0	146
Movements in working capital:						
Receivables	-782		-266		-398	
Inventories	-412		-791		-42	
Short-term liabilities	1,459	265	628	-429	771	331
Cash flow from interest and taxes:						
Interest income / charges	-927		-475		-155	
Tax on profit paid / received	0	-927	0	-475	0	-155
Cash flow from operating activities		-3,965		-1,680		-47
Cash flow from investment activities						
Investments in fixed assets	-6,178		-6,116		-2,730	
Disposal of fixed assets	324		0		0	
Cash flow from investment activities		-5,854		-6,116		-2,730
Cash flow from financing activities						
Increase in loans	6,058		5,065		2,771	
Accrued interest	628		0		0	
Repayment of long-term liabilities	-1,255		-117		0	
Increase in share capital and share premium reserve	2,184		360		0	
Cash flow from financing activities		7,615		5,308		2,771
Increase in short-term financing		-2,204		-2,488		-6
Balance of cash and short-term credit institutions as at December 31		-4,699		-2,495		-7
Balance of cash and short-term credit institutions as at January 1		-2,495		-7		-1
Movement in short-term financing		-2,204		-2,488		-6

COMPANY BALANCE SHEETS AS AT DECEMBER 31, 2003, 2002, 2001
(after appropriation of result)

	audited 31.12.2003 €('000)		reviewed 31.12.2002 €('000)		reviewed 31.12.2001 €('000)	
Assets						
Fixed assets						
Intangible fixed assets		10,083		6,437		2,760
Tangible fixed assets		3,255		2,596		676
Financial fixed assets:						
Participating interests	0		0		0	
Deferred tax asset	1,440	1,440	940	940	292	292
Current assets						
Inventories	0		417		42	
Work in process	0	0	416	833	0	42
Receivables:						
Accounts receivable	0		160		397	
Shareholder	0		26		0	
Taxes and social security contributions	0		423		0	
Other receivables	0	0	85	694	31	428
		14,778		11,500		4,198
Shareholders' equity, provisions and liabilities						
Shareholders' equity						
Issued share capital	28		20		18	
Share premium reserve	2,534		358		0	
Other reserves (deficit)	-6,901	-4,339	-1,672	-1,294	-550	-532
Provision for participating interests		875		0		0
Long-term liabilities						
Credit institutions	2,137		1,499		19	
Loans granted by shareholders	10,519	12,656	7,040	8,539	3,572	3,591
Short-term liabilities						
Credit institutions	3,945		2,495		7	
Shareholder	0		756		0	
Current portion of lease commitments	489		0		0	
Accounts payable	0		700		626	
Group companies	377		0		0	
Taxes and social security contributions	12		51		171	
Accrued development costs	654		0		0	
Revenues invoiced in advance	0		142		318	
Other liabilities	109	5,586	111	4,255	17	1,139
		14,778		11,500		4,198

COMPANY PROFIT AND LOSS ACCOUNTS FOR THE YEARS ENDED DECEMBER 31, 2003, 2002, 2001

	audited 2003 €('000)	reviewed 2002 €('000)	reviewed 2001 €('000)
Income from participating interests after taxation	-2,159	0	0
Other income and expenses after taxation	-2,649	-1,122	-343
Net result	-4,808	-1,122	-343

NOTES TO THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT 2003

General
On May 24, 1995, the Company was incorporated under the name of Jac. Spijker Stamrecht B.V.. In August 2000, Mr. Muller through his wholly owned company Helvetia and Mr. De Bruijn through his wholly owned company Vice Versa, acquired all shares in the Company on an equal basis. In February 2001 they changed the Company's name into Spyker Automobielen B.V. On March 6, 2003 the name of the Company was changed into Spyker International Motor Holding B.V. In view of the Offering and listing of the Shares, the Company will be converted into a public limited liability company with the name Spyker Cars N.V. by execution of a notarial deed of amendment of its articles of association. The Company is registered at the Commercial Register under number 08065771.

Continuity
The Company is currently in the process of preparing to apply for listing of the Shares on Euro.NM Amsterdam in view of the intended Offering. The Company is expecting to be able to raise sufficient funds through the Offering to carry on its activities and refinance its debt position.

In case the Company would not succeed in raising the expected funds through the Offering, its ability to continue as a going concern is dependent on raising funds in an alternative way and/or to extend its current financing arrangements. However, as the Company's management board is confident to be able to raise funds from sources other than by means of an Offering, or financing otherwise sufficient to fulfill its cash requirements, it is not impossible that the business operations will be maintained in the longer term. Accordingly, the accounting principles applied are based on the assumption that the Company will be able to continue as a going concern.

Activities
The activities of the Company and its subsidiaries comprise the design, production, purchase and sale of motorcars in the broadest sense of the word.

Consolidation principles
The consolidated financial statements include the financial information of the Company along with those of the group companies over which it is able to exercise effective control. These participating interests are fully included in the consolidation.

Since the Company's profit and loss account for 2003 is included in full in the consolidated financial statements, it is presented in an abridged form, as permitted by the provisions of Section 402, Part 9, Book 2, of the Dutch Civil Code.

The group companies included in full in the consolidated financial statements are:

– Spyker Automobielen B.V. (100%), incorporated in Baarn, the Netherlands

– Spyker Squadron B.V. (100%), incorporated in Baarn, the Netherlands

– Spyker of North America LLC, U.S. (100%), incorporated in Delaware, USA

Notes to the consolidated cash flow statement
The cash flow statements have been prepared according to the indirect method. The funds stated in the cash flow statement are comprised of liquid funds and the debts to credit institutions. Cash flows in foreign currencies are translated at average exchange rates for the year. Interest income, interest charges and profit tax paid are included in cash flow from operations.

General accounting principles

Valuation of assets and liabilities and determination of financial results are based on the historical cost convention. Assets and liabilities are stated at face value, unless mentioned otherwise. Income and expenses are accounted for on an accrual basis. Profits are recognised insofar as realised at the balance sheet date. Losses and risks originating before the end of the year are accounted for if they have become known before the preparation of the financial statements.

Principles for valuation of assets and liabilities

Intangible fixed assets

The development costs stated under this heading relate to the design, innovation, improvement and preparation of new or substantially improved motorcars. The capitalised development costs are amortised in five years by a fixed amount for each car.

Tangible fixed assets

Tangible fixed assets are stated at cost, less accumulated depreciation under the straight-line method based on the estimated useful life of the respective assets, taking account of the residual value, if any.

Financial fixed assets

Carry-forward losses in corporate income tax are stated at the current corporate income tax rate, and if deemed necessary a downward valuation adjustment is applied.

Inventories

Inventories are stated at acquisition cost less any provisions for obsolescence deemed necessary. Work in process is stated at directly incurred costs, increased by a surcharge for indirect costs, taking account of a provision for expected losses.

Receivables

Receivables are stated at face value, less any bad debt provisions deemed necessary. Such provision is determined based on an individual assessment of receivables.

Principles for determination of the result

Net sales

Net sales comprise the revenues from goods and services supplied during the year, net of discounts, VAT and other sales taxes.

Notes to specific items of the consolidated balance sheet

Intangible fixed assets

Capitalised development costs:

	2003 €('000)	2002 €('000)
Balance as at January 1	6,437	2,760
Adjustment prior years	-643	0
Investments	4,707	4,050
Reclassification to tangible fixed assets	-318	-350
Amortization	-100	-23
Balance as at December 31	10,083	6,437

'Adjustment prior years' reflects a correction of the amounts capitalised in the years 2000, 2001 and 2002 totalling €643 thousand, which have been expensed as per January 1, 2003 as these are considered to no longer meet the criteria for capitalisation. To further upgrade Spyker's current models, the Management Board expects additional development costs of approximately €1.6 million, which will be capitalised. With respect to these additional development costs, currently no liabilities have been incurred.

Tangible fixed assets

	2003 €('000)	2002 €('000)
Balance as at January 1	2,596	676
Investments	1,471	2,009
Reclassification	318	350
Disposals	-267	0
Depreciation	-803	-439
Balance as at December 31	3,315	2,596
Accumulated depreciation as at 31 December	1,474	671

Tangible fixed assets include prototypes, testmodels, racing cars, fixtures, fittings and equipment, licences, trade fair stands and promotion material. Depreciation charges are calculated in accordance with the straightline method based on historical cost, deducting any residual value.

The following depreciation rates apply:

– Fixtures, fittings and equipment	$33^1/_3$%
– Prototypes and test models (residual value 25%)	20%
– Le Mans racing cars	20%
– Trademark registration	10%
– Trade fair and promotion material	$33^1/_3$%

Financial fixed assets
The amounts representing available carry-forward tax losses are specified as follows :

	2003 €('000)	2002 €('000)
Balance as at January 1	940	292
Adjustment prior years	222	0
Outstanding loans	-57	57
Add: Corporate income tax calculated for the year	1,775	591
Less: Provision	-1,440	0
Balance as at December 31	1,440	940

This deferred tax asset will not be realised within one year.

Work in process
Work in process may be specified as follows:

	2003 €('000)	2002 €('000)
Cost of work in process	1,153	416
Instalments invoiced	-622	0
Balance as at December 31	531	416

Group equity
The shareholders' equity is specified in the notes to the company balance sheet.

Long-term liabilities

Credit institutions
This account comprises financial leases by Amstel Lease Maatschappij N.V.

The lease commitments relate to the financial lease of mainly test models with a varying duration up to September 30, 2005. The interest payments vary from 5.5 per cent. to 7.9 per cent. per year.

Loans granted by Pre-IPO Shareholders
All Pre-IPO Shareholders Loans bear 7.0 per cent. interest. The interest becomes immediately payable if the group's cash flow exceeds €500 thousand in any year. If not, interest payment is deferred. Three of the Pre-IPO Shareholders Loans, together representing an aggregate amount of €9.856 million, must be fully repaid by December 31, 2009. The Company's intellectual property rights have been pledged as collateral for these loans. On the occasion of the Offering and listing of the Shares, all Pre-IPO Shareholders Loans, to be increased with the accrued interest, will be converted into shareholders' equity. In the event the Offering and listing of the Shares has not taken place prior to June 30, 2005, a principal amount of €2.5 million to be increased with accrued interest, will be fully repayable on this latter date.

Short-term liabilities
Amounts included in this item are due and payable within one year.

Credit institutions
The company has a current account facility, which is currently extended in view of the anticipated Offering and listing of the Shares, and for which the following collateral has been provided:

- Residual debt surety provided by Mr. Hugenholtz and Mr. Muller personally, and Milestone;
- Subordination of some of the Pre-IPO Shareholders Loans;
- Pledged stocks, fixtures and fittings and receivables.

In addition, the company should aim for a solvency base of at least 30 per cent. of the balance sheet total, to be calculated in accordance with the bank's calculation principles.

Off balance sheet commitments

Financial commitments
The company has leased accommodation in Zeewolde for an amount of €143 thousand in 2003. The lease contract will expire on December 31, 2007, subject to a five year extension. A storage space has been leased to the amount of €9 thousand a year. The latter contract may be terminated at six months' notice. The annual operational lease commitments are €14 thousand. The term of these liabilities is one year.

Tax group liability
Spyker International Motor Holding B.V. has applied for group tax treatment for VAT and corporate income tax. The group companies included are:

– Spyker Automobielen B.V.

– Spyker Squadron B.V.

Under the Collection of State Taxes Act, the company and the companies in the tax group are jointly and severally liable for the tax payable by the group. In the financial statements of Spyker International Motor Holding B.V. any tax liability has been determined on the consolidated result for reporting purposes. The tax liability is attributed to the subsidiaries proportionately to their result for financial reporting purposes.

Notes to specific items of the consolidated profit and loss account

Total revenues
The total revenues are split by geographic area as follows:

	2003 **€('000)**	**2002** **€('000)**
United States	235	25
Europe	1,520	747
Other countries	402	0
	2,157	772

Personnel costs

The specification is as follows:

	2003 €('000)	**2002 €('000)**
Wages and salaries	1,020	258
Social security charges	111	25
Pension costs	33	0
	1,164	283

Taxes

The company has recorded an estimated value of carry-forward losses in Dutch corporate income tax. This item has been included as a deferred tax asset under financial fixed assets in the balance sheet.

Research and development

Apart from the amortisation of intangible fixed assets, no research and development expenses are included in the profit and loss account.

Other notes

Staff

The group employed at average 34 FTE in 2003 (2002: 10).

NOTES TO THE COMPANY'S BALANCE SHEET AND PROFIT AND LOSS ACCOUNT 2003

General

The Company's financial statements and the consolidated financial statements have been prepared under the same accounting principles. For the accounting principles applied for valuation of assets and liabilities and determination of results, reference is made to the notes to the consolidated balance sheet and consolidated profit and loss account on pages F-8 and F-9.

Participating interests

The item participating interests includes the following companies:

Participating interests	Share in issued Capital	Acquisition value of participating interest €('000)	Results from participating interest €('000)	Loans receivable €('000)	Provision €('000)	Book value as per 31.12.2003 €('000)
– Spyker Automobielen B.V.	100%	18	-1,919	1,248	653	0
– Spyker Squadron B.V.	100%	18	-240	0	222	0
– Spyker of North America LLC	100%	0	0	0	0	0
		36	-2,159	1,248	875	0

Due to negative results in 2003, the participating interests have a negative net asset value. For this reason, the participating interests are valued at nil and a provision for the remaining deficit has been recorded.

Shareholders' equity

Issued share capital

The authorised share capital of the company amounts to €138 thousand, divided into 300,000 shares with a nominal value of €0.46 each. Of these shares 61,600 have been issued, representing an issued share capital to the amount of €28 thousand.

Share premium reserve

During the year 2003, 17,600 new shares were issued at €124 per share. These shares were paid up in cash. A share premium reserve amounting to €2,176 thousand has been formed for the difference between the issuing value and the nominal value.

The following is a statement of movements in equity during 2003:

	Issued capital €('000)	Share Premium Reserve €('000)	Other reserves (Deficit) €('000)	Total €('000)
Balance as at January 1, 2003	20	358	-1,672	-1,294
Adjustment prior years	0	0	-421	-421
Add: Share issue	8	2,176	0	2,184
Net result	0	0	-4,808	-4,808
Balance as at December 31, 2003	28	2,534	-6,901	-4,339

Pursuant to Section 365(2), Book 2 of the Dutch Civil Code, a legally required reserve must be formed for capitalised development costs to the amount of €10.083 million (2002: €6.437 million). The balance of the other reserves as at year-end 2003 does not permit the formation of such a reserve. No dividends can be paid out from the other reserves, until this legally required reserve has been formed.

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