

VOLKSWAGEN

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Volkswagen – Driving Forward

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Disclaimer

This presentation contains forward-looking statements and information on the business development of the Volkswagen Group. These statements may be spoken or written and can be recognized by terms such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “will” or words with similar meaning. These statements are based on assumptions relating to the development of the economies of individual countries, and in particular of the automotive industry, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. The estimates given involve a degree of risk, and the actual developments may differ from those forecast.

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If any of these or other risks occur, or if the assumptions underlying any of these statements prove incorrect, the actual results may significantly differ from those expressed or implied by such statements.

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Furthermore, this presentation makes reference to the announced mandatory offer by Volkswagen Aktiengesellschaft to the shareholders of MAN SE. Please note that this presentation is neither an offer to purchase nor a solicitation of an offer to sell shares in MAN SE. The final terms and further provisions regarding the mandatory offer will be disclosed in the offer document after its publication has been approved by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht). The offer document will be available at www.volkswagenag.com/ir.

Making Progress In Achieving Strategy 2018 Goals

Strong financial performance



Acquisition of Porsche Holding Salzburg and successful completion of capital increase at Porsche SE



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PORSCHE SE

PORSCHE
HOLDING



Expansion in emerging markets to capture growth potential



Increase of stake in MAN to further strengthen co-operation

Financial Key Ratios At a Glance

January – March 2011 vs. 2010

Sales revenue

€ m

Operating Profit

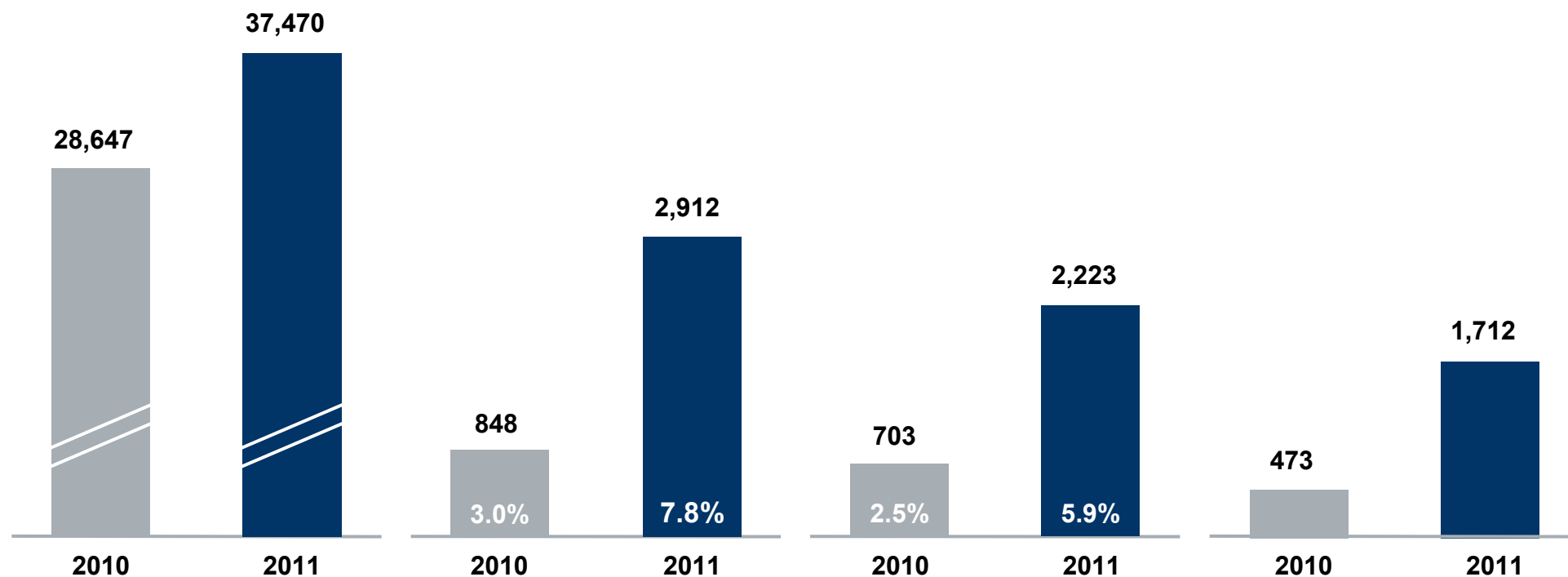
€ m/ in % of sales revenue

Profit before Tax

€ m/ in % of sales revenue

Profit after Tax

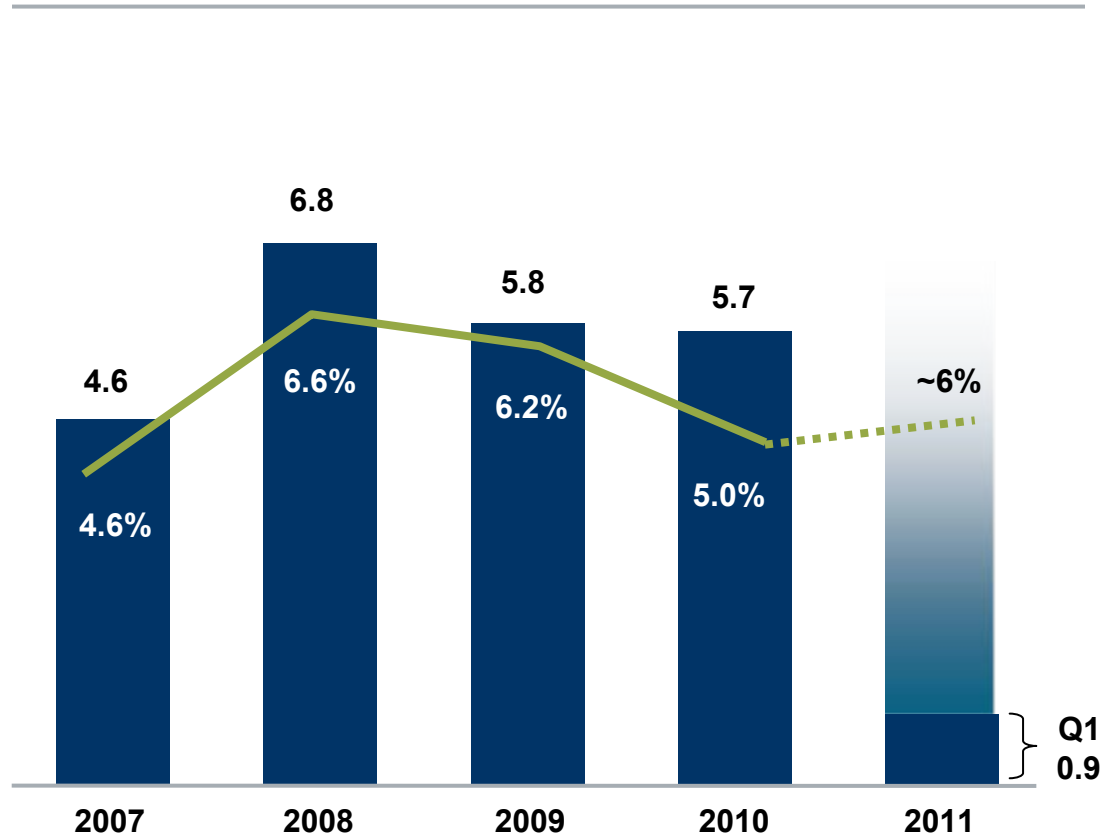
€ m



Volkswagen is Financially Strong – High Cost Discipline and Capital Discipline as Well as Significant Liquidity Reserves

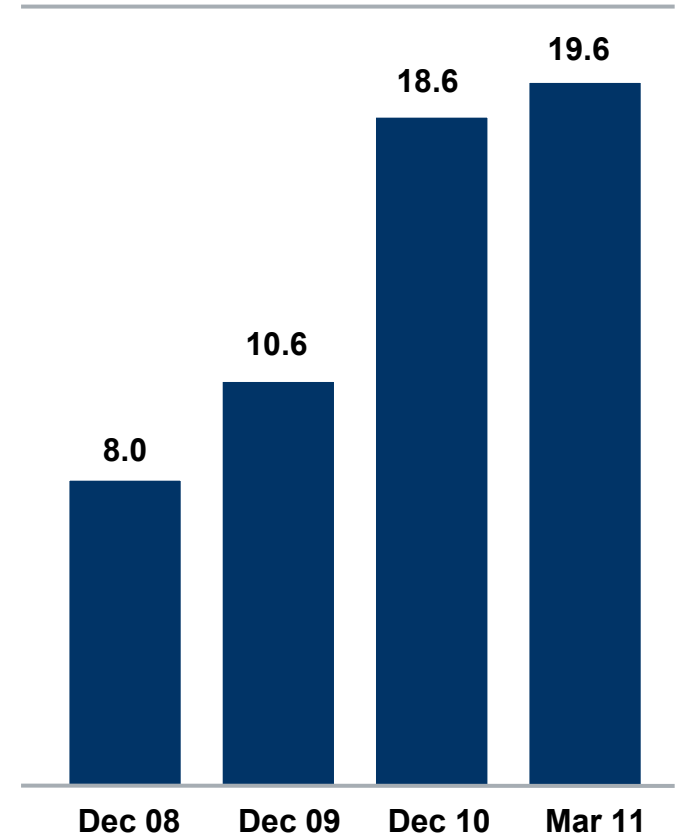
Investments in property, plant and equipment¹

€ billion / in % of sales revenue



Net liquidity¹

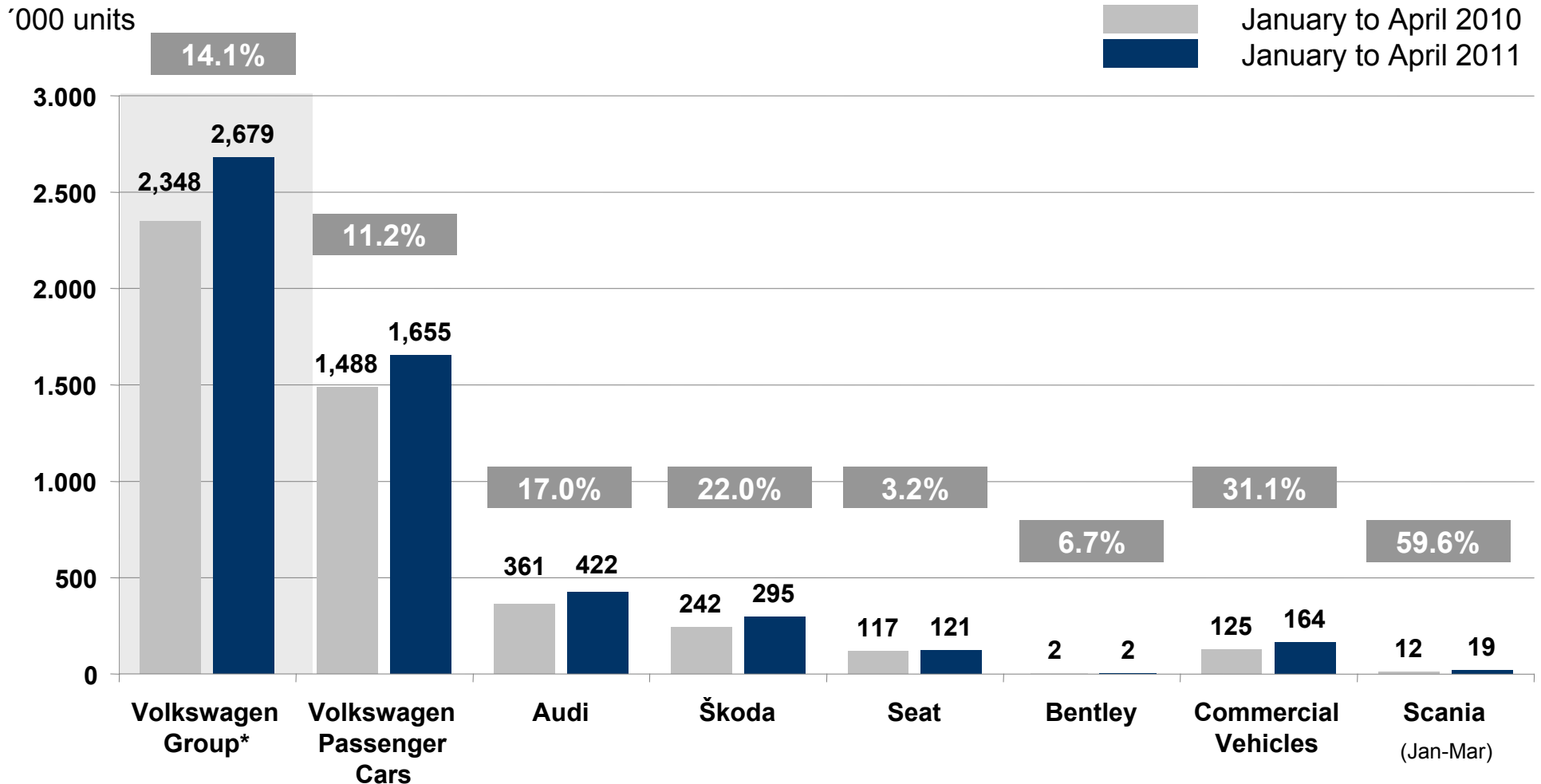
€ billion



¹ Automotive Division

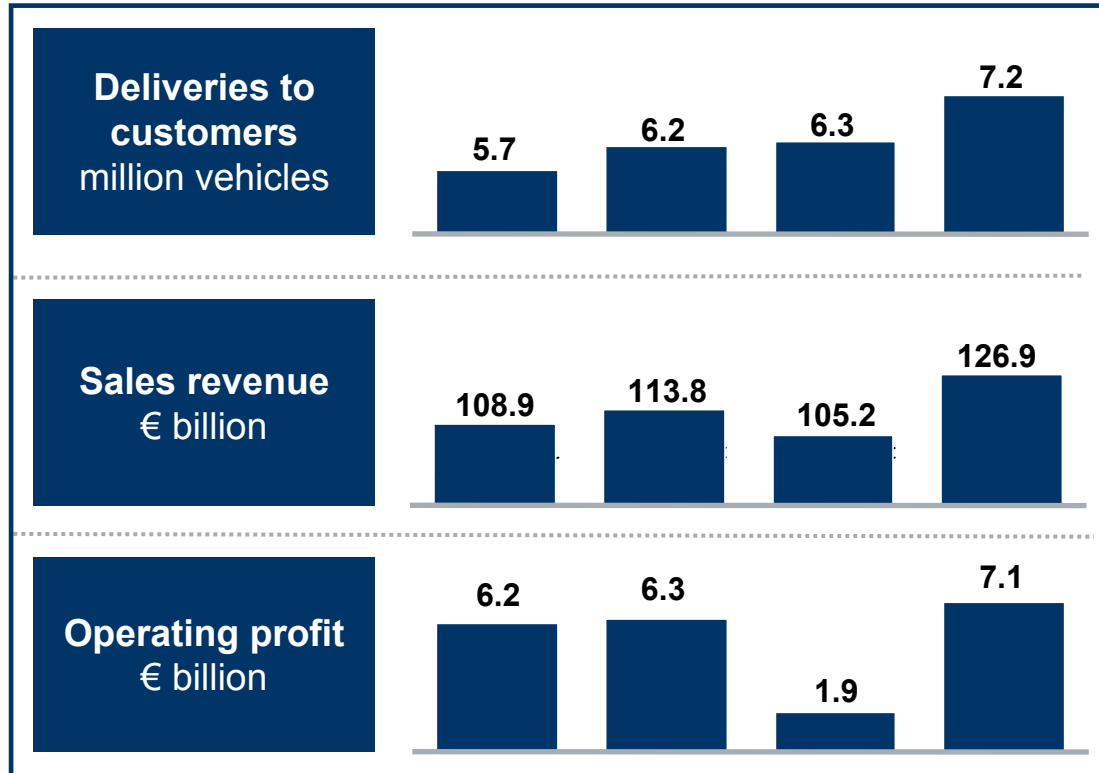
Our Brands Once Again Proved their Attraction to Customers

Deliveries to Customers by Brands¹, January to April 2011 vs. 2010



¹ incl. Scania (Q1)

Outlook 2011



- Deliveries to customers are expected to increase versus 2010 thanks in part to our unique brand portfolio and growing presence in all key regions of the world
- Sales revenue is expected to be higher than the prior year
- Modular toolkit system will have an increasingly positive effect on the Group's cost structure
- Continuing volatility in interest and exchange rate trends and commodities prices will weaken the positive volume effect
- Operating profit in 2011 is expected to be higher than in 2010

2007

2008

2009

2010

2011



¹ incl. Trucks & Busses (until February 2009)

Volkswagen Group Strategy 2018: Sustainable Growth Combined with Sustainable Profitability

6 Potential upside

- Product portfolio extension
- North American expansion and market recovery
- Commercial vehicle strategy and market recovery
- Financial Services: strengthen the automotive value chain

5 Synergy potential

- Leveraging best practices across the Group
- Purchasing, production, and distribution benefits

1 Growth market focus

- Increased market penetration
- Emerging markets expansion
- Balanced global footprint

2 Modular toolkit strategy

- Reduction in investment, development and unit costs
- Scale and efficiency effects
- Increased production flexibility
- Reduced time to market



3 Capital discipline

- > 16% RoI target in automotive business
- 20% RoE¹ goal in Financial Services
- Around 6% automotive capex in PPE/sales

4 Operating profit measures

- Strong cost control
- Process/product optimization
- Regional scale effects

¹ Pretax

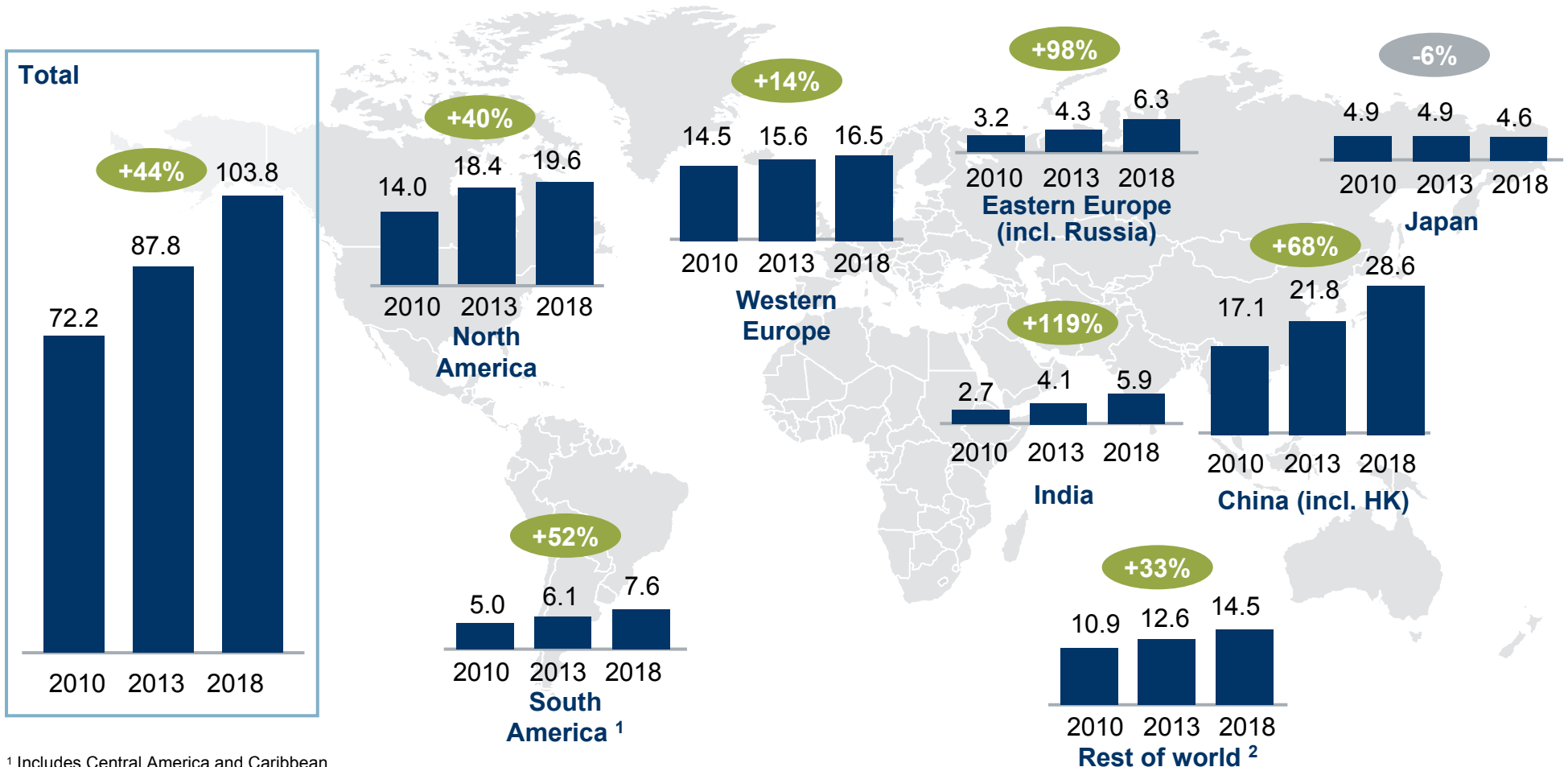
² Including China

Source: Volkswagen Group

Note: All stated Volkswagen Group figures represent financial targets for 2018

Substantial Growth Opportunities in Key Sales Markets

Market growth 2010 - 2018 (million units)



¹ Includes Central America and Caribbean

² Includes Turkey

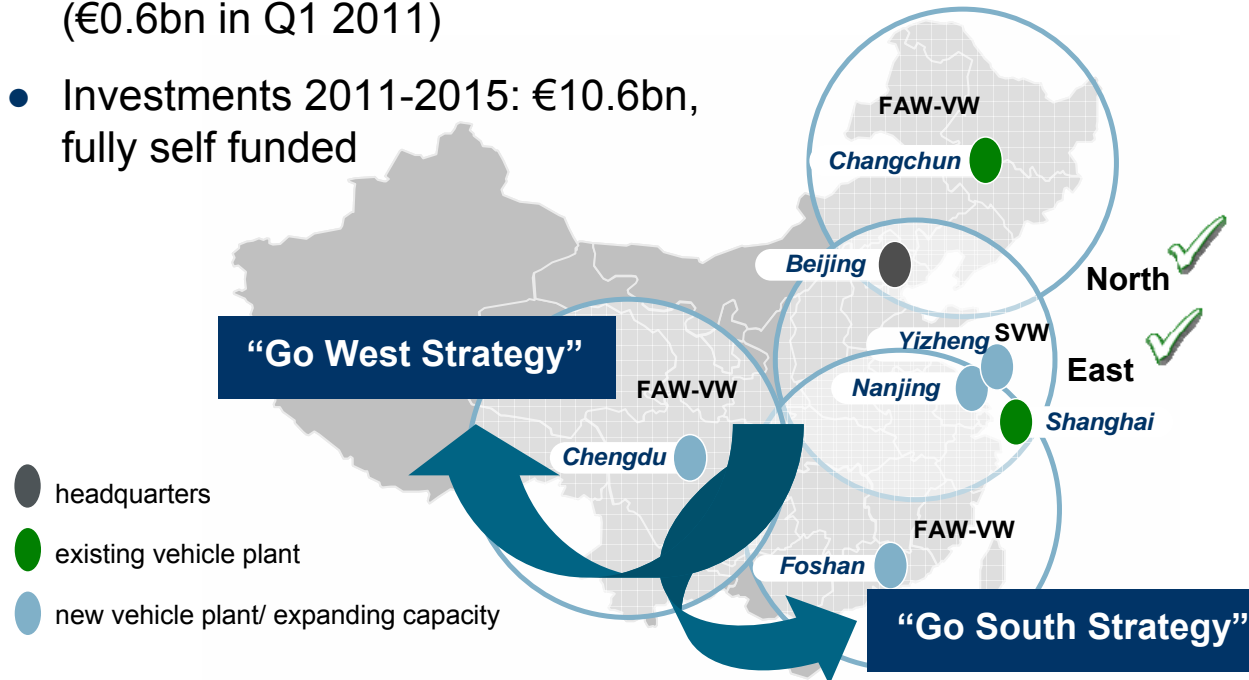
Source: IHS Global Insight (data status: 13/05/11), rounded

Note: Market = Cars and LCVs



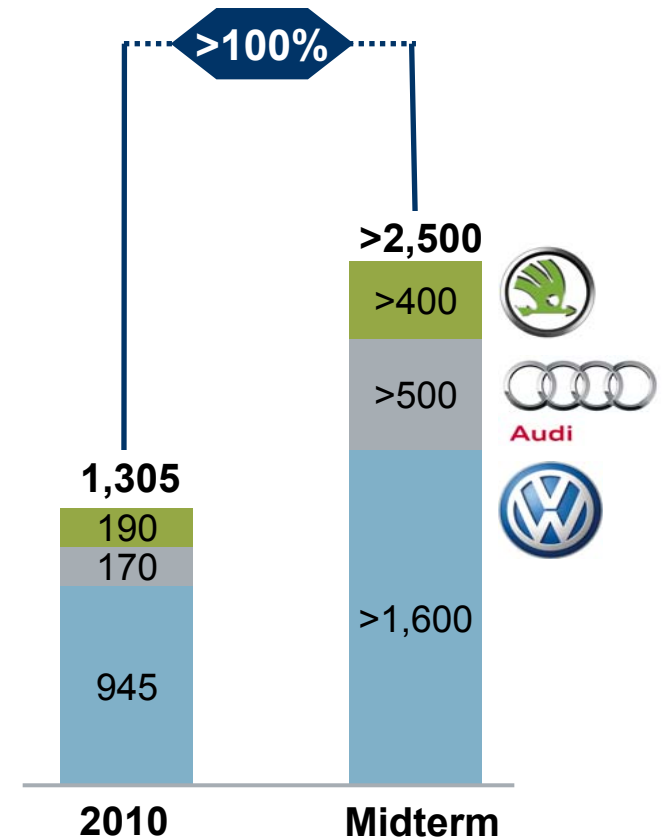
Ensuring Leadership Position in China by Expanding Local Capacity and Dealerships

- Expanding activities to South and Western China
- Operating profit (proportionate): €1.9bn in 2010 (€0.6bn in Q1 2011)
- Investments 2011-2015: €10.6bn, fully self funded



'000 units: 741 Total Deliveries Jan-April 2011	Thereof:		
	578 Volkswagen	88 Audi	75 Skoda

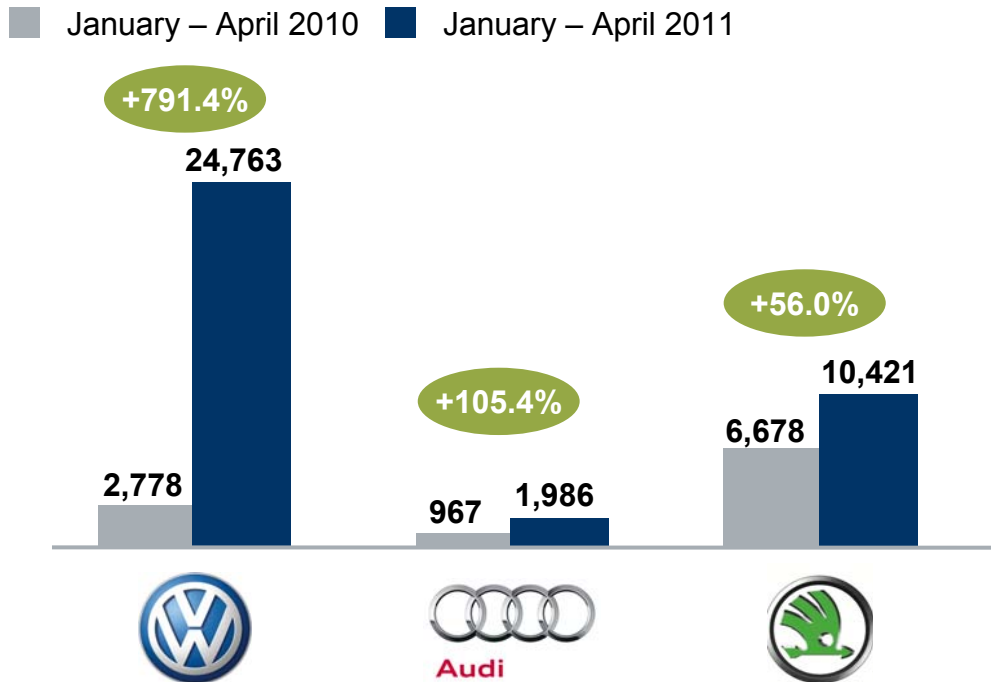
Number of Dealerships in China





Volkswagen Group India – Off to a Successful Start

Deliveries January to April 2010 vs. 2011



- Record deliveries of 37,170 cars from January to April 2011 (+256.6% Ytd)
- Currently 18 models in the market
- Increase of capacity from 110,000 to 130,000 until end of 2011
- 50,000th car produced in February 2011
- Volkswagen Financial Services received license in March 2011
- More than 160 dealerships

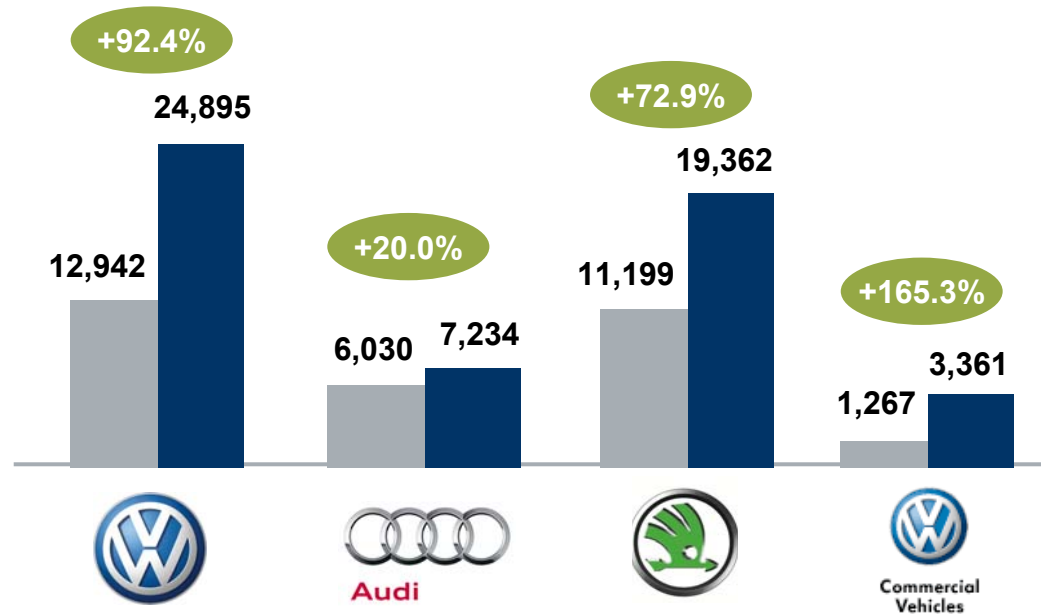




Volkswagen Group Russia – Strong Growth Leading to Additional Capacity Needs

Deliveries January to April 2010 vs. 2011

■ January – April 2010 ■ January – April 2011



- From January to April 2011 VGR delivered 54,852 cars (+74.5% Ytd)
- Polo Sedan launched in Q3 2010 became one of the bestsellers on the market
- In November 2010 Volkswagen Bank RUS began to operate
- MoU with GAZ signed, business plan in preparation





Volkswagen Group America – Back to Profitability

1. Local products to meet regional customer demands
2. Local production in Chattanooga and Puebla
3. Restructured dealership network
4. Improvement of local organization structure
5. Local sourcing of key components

US Strategy



Jetta
Puebla



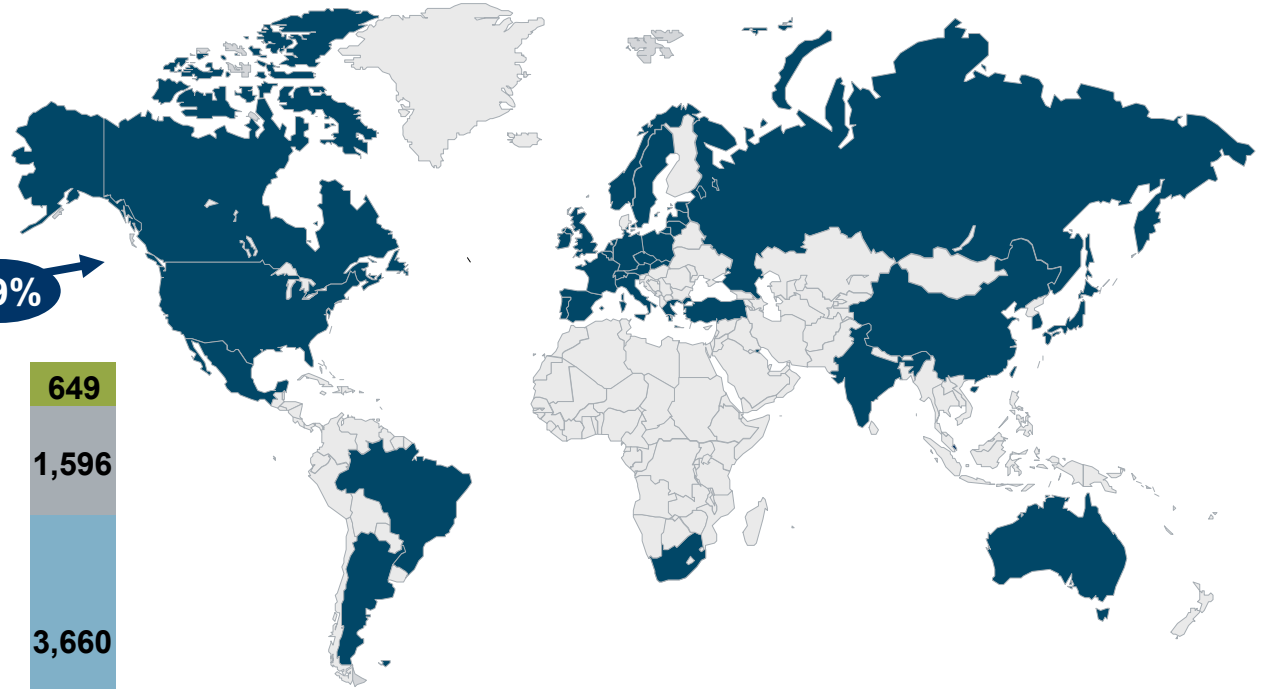
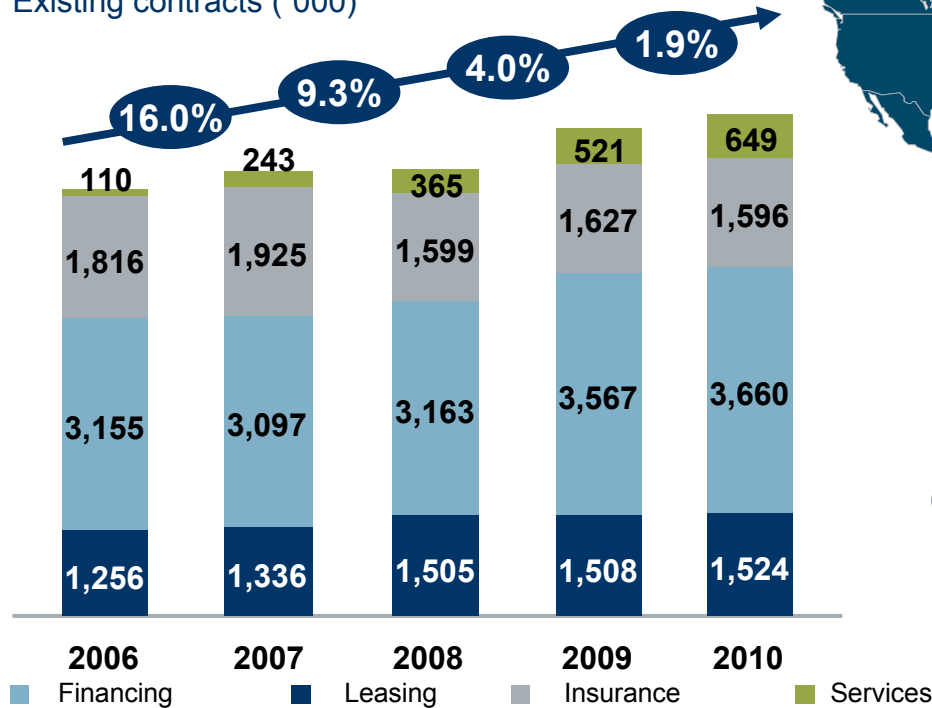
New Beetle
Puebla



US Passat
Chattanooga

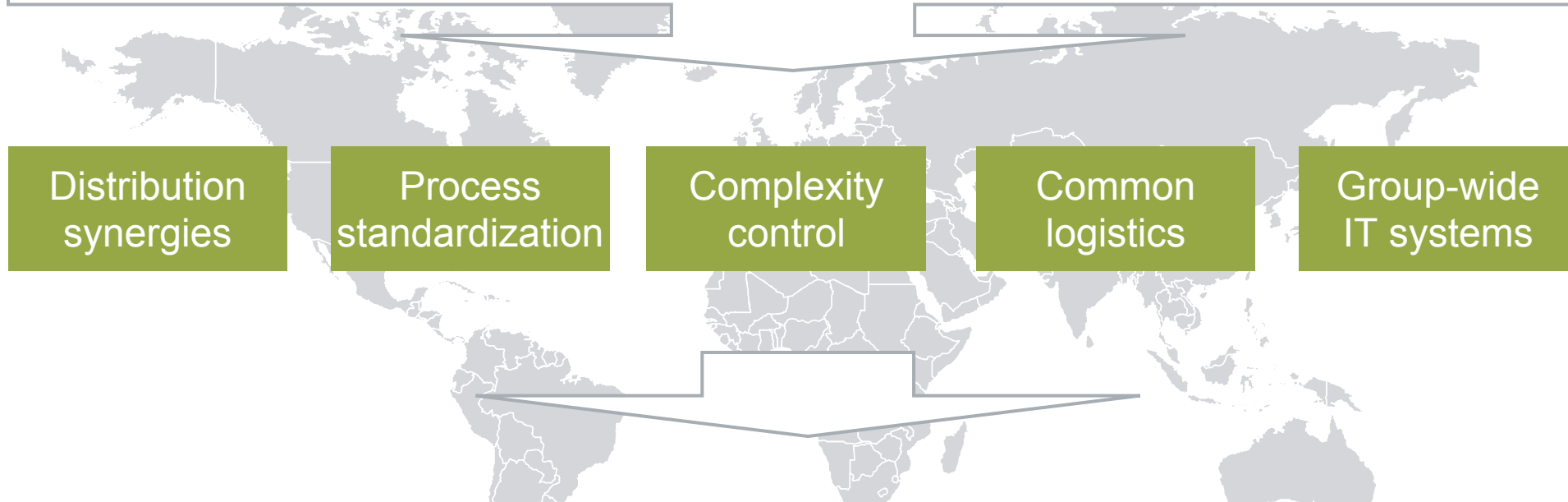
Volkswagen Financial Services – Supporting the Automotive Business in Strategic Markets and Contributing to Profitability

Stable Portfolio Growth
Existing contracts ('000)



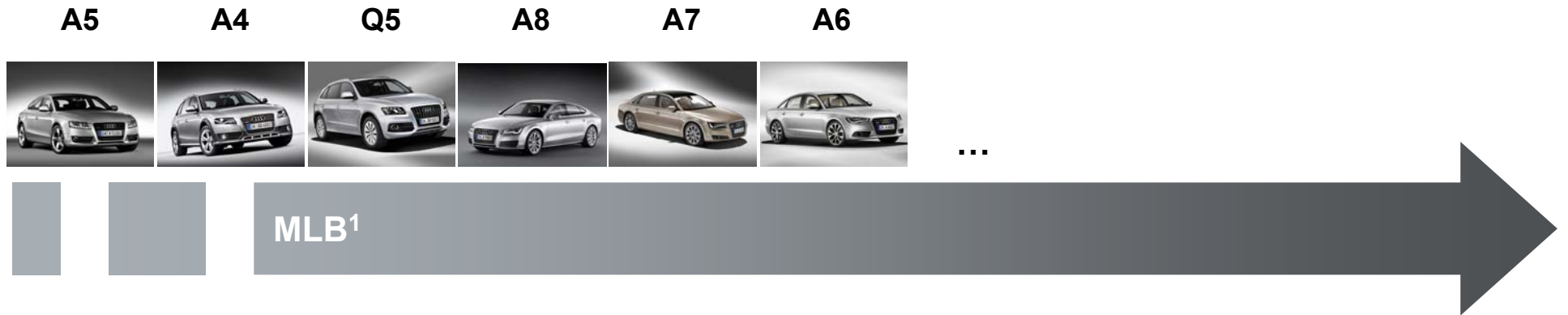
Global presence in 37 countries worldwide

Higher Sales Performance by Using Synergies Across Brands



Increasing Sales Profitability

A Key for Higher Margins – The Modular Toolkit Strategy



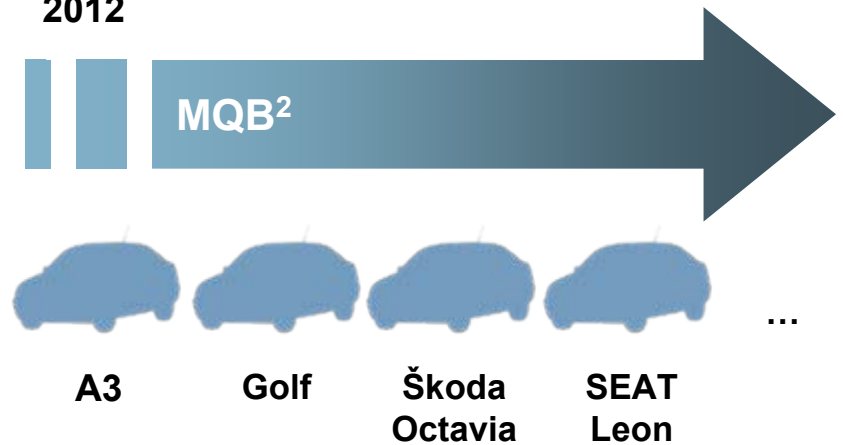
2007

2010

2012

Reduction Targets for MQB

- Unit costs ~ **20%**
- One-off expenditure ~ **20%**
- Engineered hours per vehicle ~ **30%**
- Significant weight and emission reduction



¹ MLB: Modularer Längsbaukasten/ modular longitudinal toolkit

² MQB: Modularer Querbaukasten/ modular transversal toolkit

Increasing Returns through Improved Operating Margins and Strong Capital Discipline¹

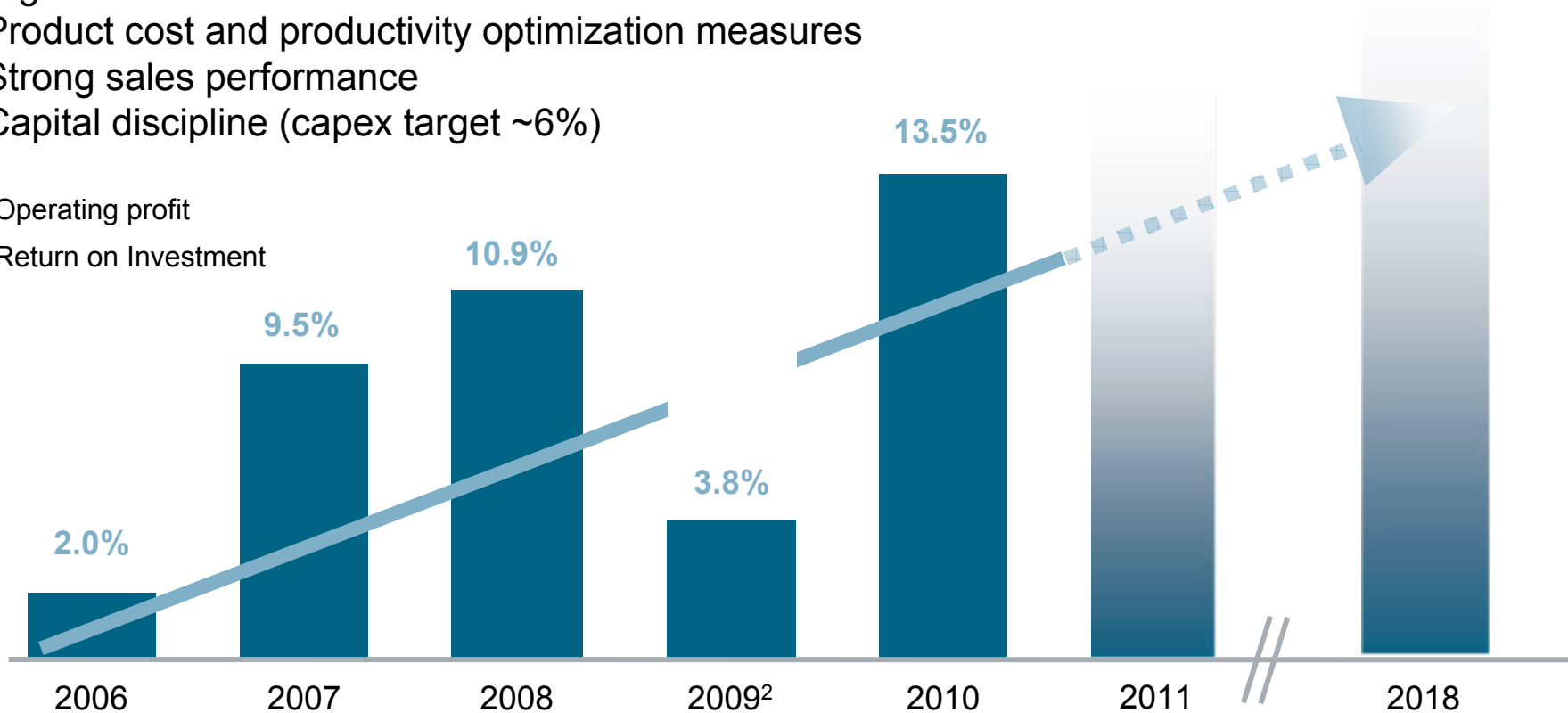
Increasing Return on Investment through:

- High volumes
- Product cost and productivity optimization measures
- Strong sales performance
- Capital discipline (capex target ~6%)

■ Operating profit

— Return on Investment

Return on Investment
2018 Target: > 16%

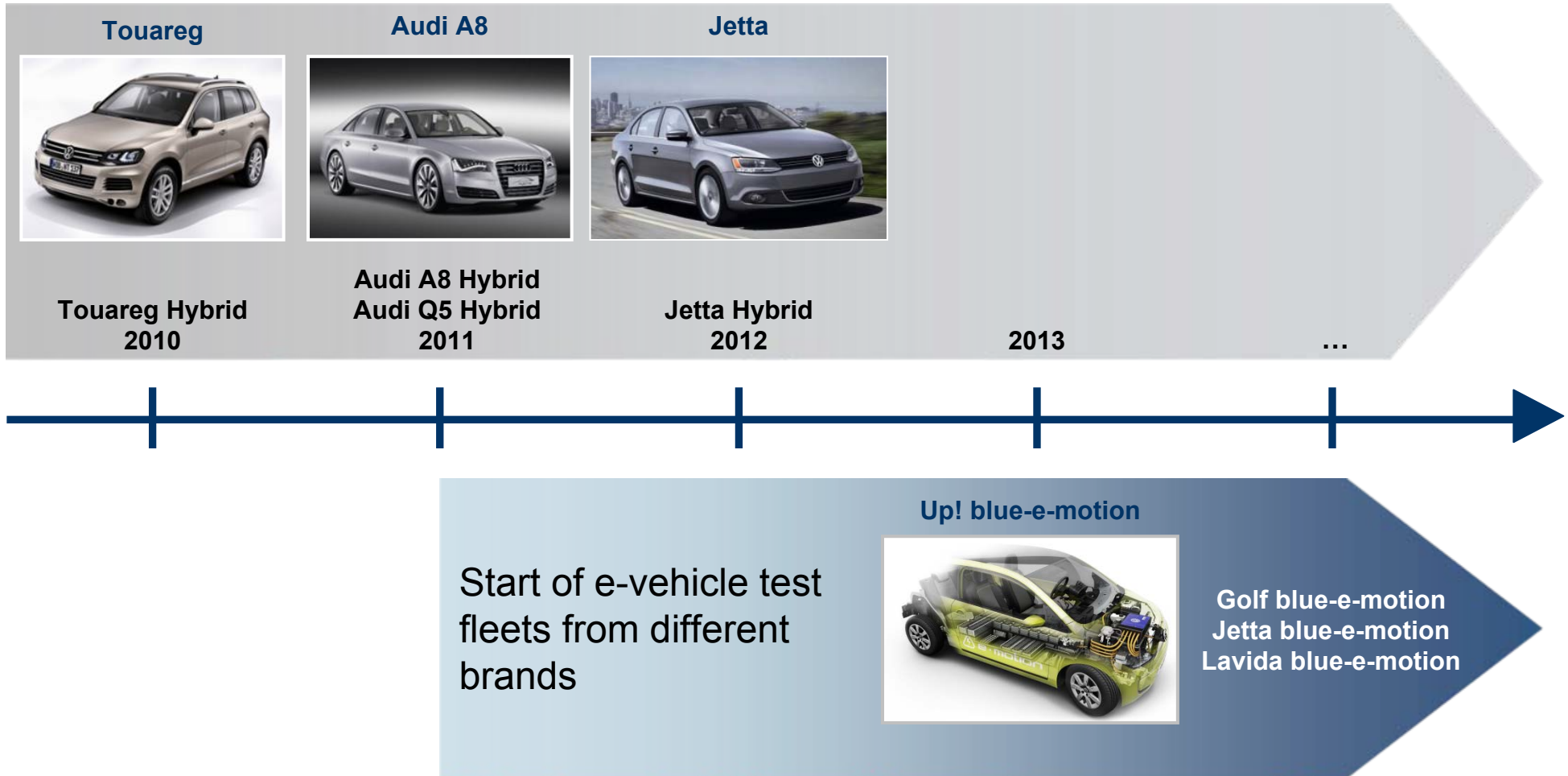


Note: Including proportionate inclusion of the Chinese joint ventures (including the respective sales and component companies) and allocation of consolidation adjustments between the Automotive and Financial Services divisions.

¹Automotive Division

² Adjusted. The return on investment after tax (RoI) is unchanged as against the previous year.

Driving the Future – On the Way to E-Mobility



Integration of Porsche AG Enhances Premium Brand Offering and is Expected to Deliver Substantial Synergies

Cost efficiencies

- Purchasing
- Technology sharing and joint R&D
- Common components/platforms
- Sales and distribution
- Administration
- Financial Services

Growth opportunities

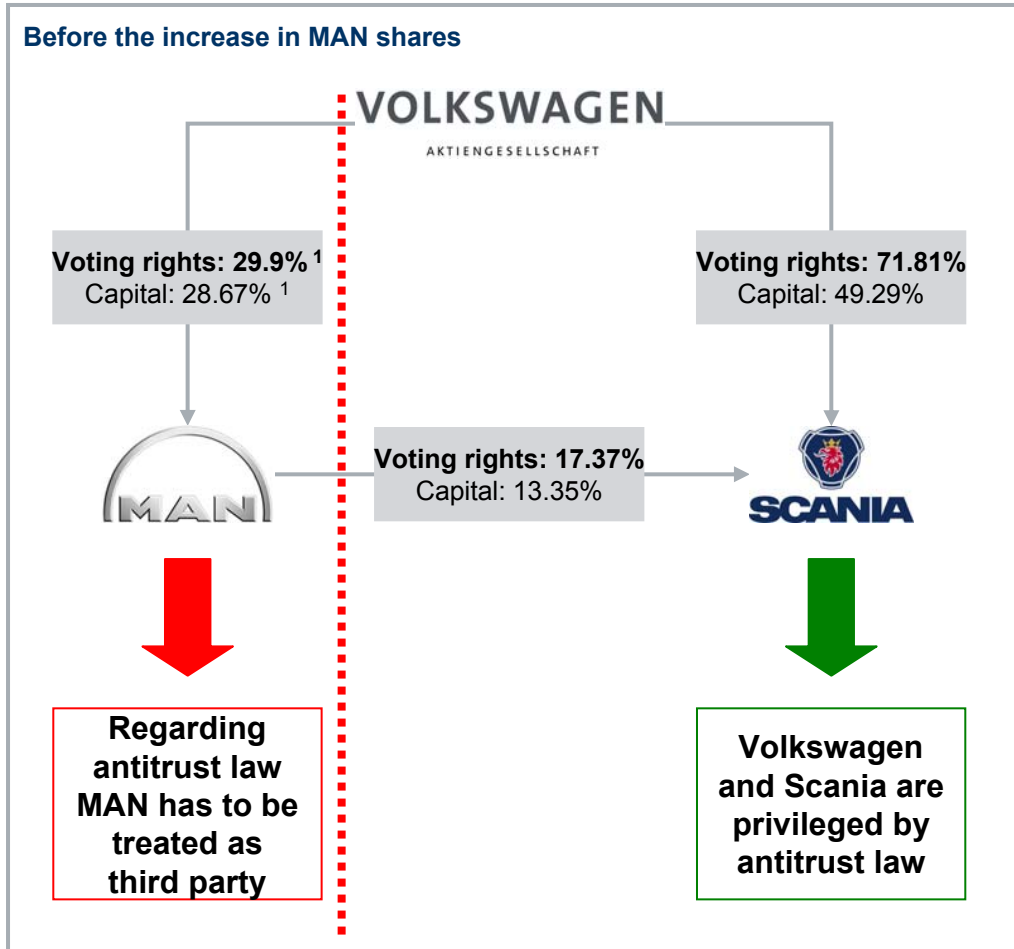
- Targeted volume increase to ~ 150 k units mid-term and 200 k units long-term
- Extension of Porsche model line-up
- Development of high-end modular toolkit for luxury brands
- Use of Porsche's distribution network for Volkswagen Group luxury brands

Significant synergy potential

- Approximately €700 million p.a. long-term operating profit improvement targeted from formation of Integrated Automotive Group
- Over half of cost savings targeted in the medium term
- Smooth integration and ramp-up phase
- Use of Volkswagen's distribution network for Porsche



Background of MAN Transaction



Rationale

- Obtaining merger control clearance and increase of stake removes antitrust hurdles for a closer co-operation and facilitates accelerated realization of significant synergies
- Strengthening of the co-operation and realization of significant synergy potential is beneficial for Volkswagen, MAN and Scania and their shareholders
- Volkswagen's stake increase following merger control clearance is a prerequisite for setting aside antitrust restrictions, while keeping structural flexibility on the way to create an integrated truck company consistent with Volkswagen's Strategy 2018

Volkswagen Paves The Way For a Closer Cooperation Between MAN, Scania and Volkswagen



Volkswagen Group: Global Automotive Leader 2018



Brand implementation



¹ 49.9% stake since 7 December 2009

² 30.47% voting stake as of 9 May 2011

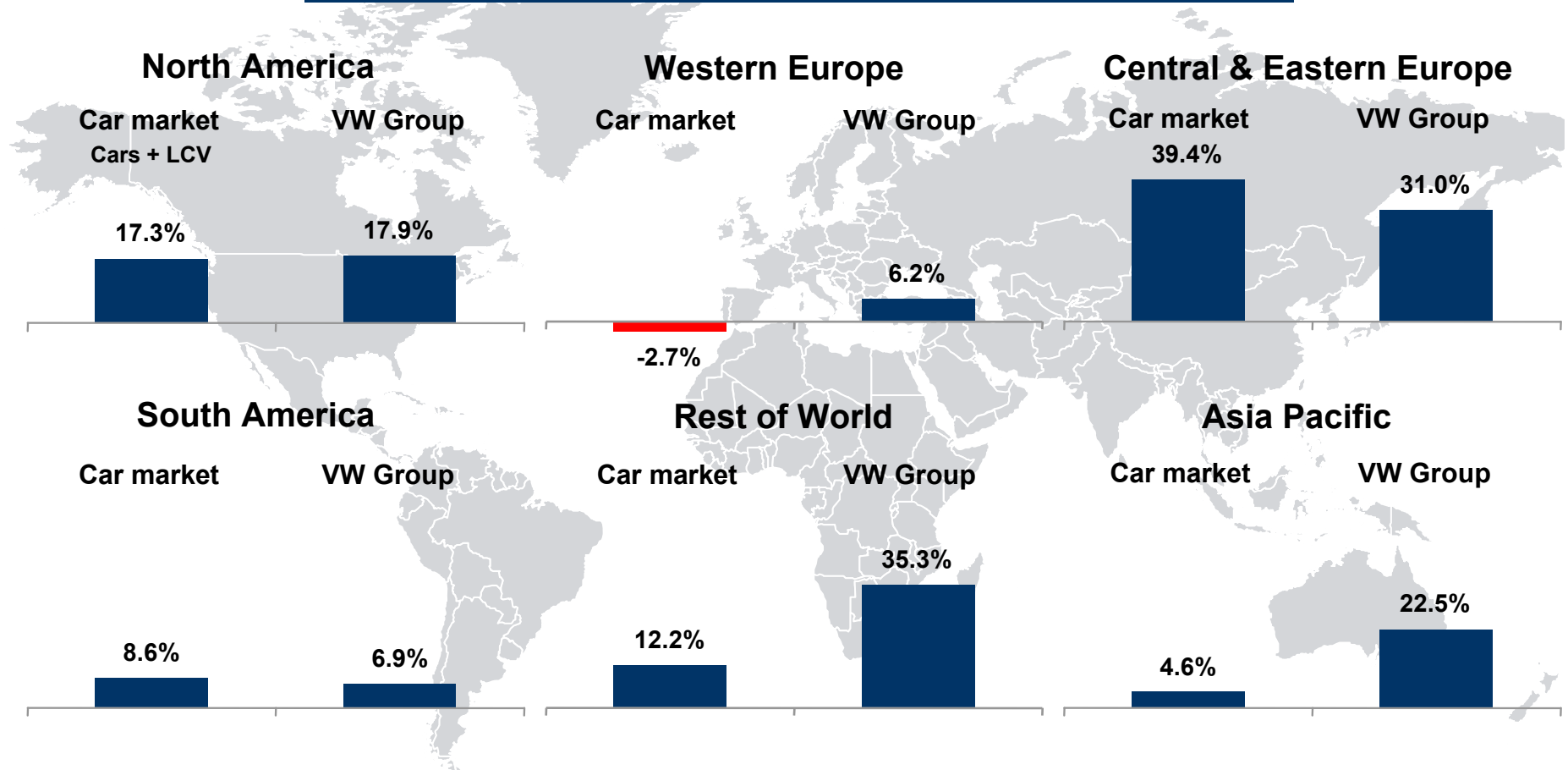


APPENDIX

World Car Market and VW Group Deliveries to Customers¹

January to April 2011 vs. 2010

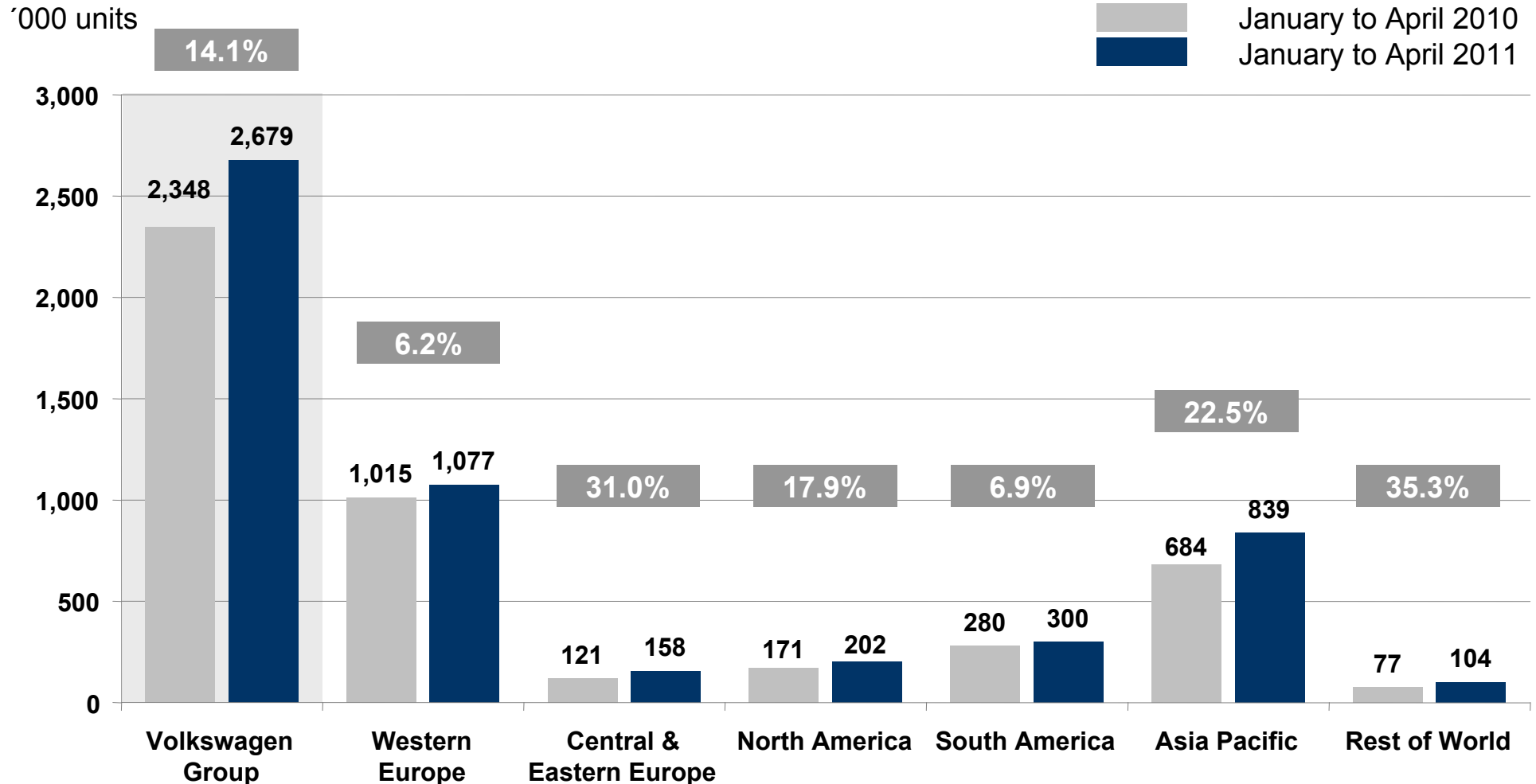
World: Car market: +7.7% VW Group: +14.1%



¹ incl. Scania (Q1)

Volkswagen Group – Deliveries to Customers by Market¹

January to April 2011 vs. 2010



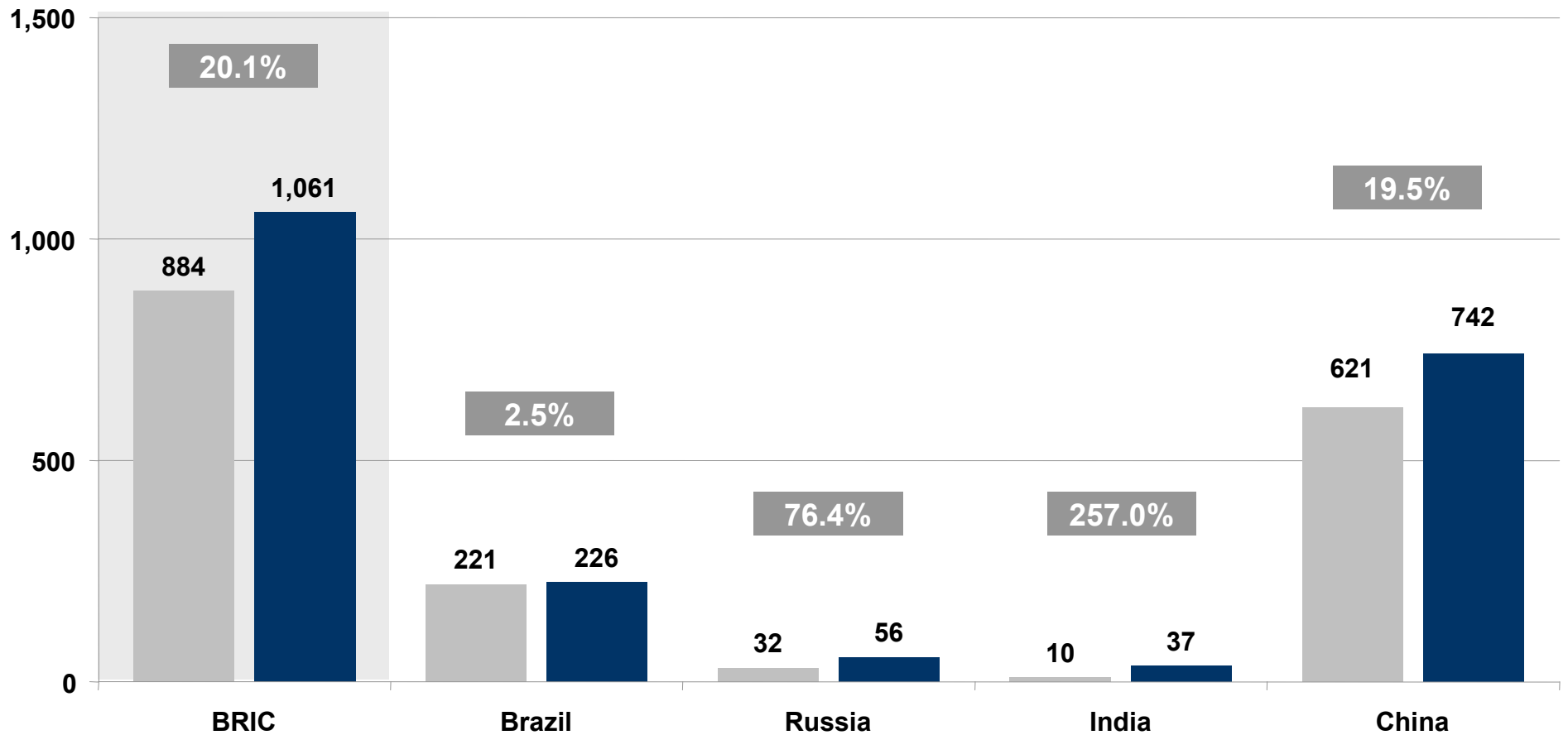
¹ incl. Scania (Q1)

Volkswagen Group – Deliveries to Customers BRIC-Markets¹

January to April 2011 vs. 2010

'000 units

January to April 2010
January to April 2011



¹ incl. Scania (Q1)

Integrated Automotive Group with Porsche – Multi-Stage Transaction To Ensure Stable Rating

Transaction steps

Envisaged timeline

<p>Phase 1 – 2009</p> <p>Signing of implementation and loan agreements; partial transfer of PAG</p>	<ul style="list-style-type: none"> • Signing of comprehensive agreements • Resolution of risk of Porsche SE's option portfolio of shares in Volkswagen • Restructuring of financing of Porsche SE and Porsche AG • Signing and notarisation of detailed implementation agreements • Acquisition of a 49.9% stake in Porsche Zwischenholding GmbH by Volkswagen 	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>
<p>Phase 2 – 2010 / 2011</p> <p>Capital raising and acquisition of PHS</p>	<ul style="list-style-type: none"> • Capital increase at Volkswagen (preferred shares) • Acquisition of Porsche Holding Salzburg • Capital increase at Porsche SE (ordinary and preferred shares) 	<p>✓</p> <p>✓</p> <p>✓</p>
<p>Phase 3 – 2011 onwards</p> <p>Integration</p>	<ul style="list-style-type: none"> • Merger of Volkswagen with Porsche SE • Exercise of put/call option for Porsche AG as a fall-back solution 	<p>2011 or later</p> <p>Possible in period between end of 2012 and early 2015</p>

Summary

Background

- Commercial vehicles is a highly attractive strategic business area for Volkswagen
- Commercial vehicle participations of Volkswagen in MAN (29.9%)¹ and Scania (71.8%)¹ represent a significant part of Volkswagen's market value
- Current co-operation limited by antitrust restrictions; removing those requires changes in the shareholder structure

Rationale

- Obtaining merger control clearance and increase of stake facilitates accelerated realization of significant synergies and removes hurdles for a closer cooperation
- Strengthening of the co-operation and realization of significant synergy potential is beneficial for Volkswagen, MAN and Scania and their shareholders
- Volkswagen's stake increase following merger control clearance is a prerequisite for setting aside antitrust restrictions, while keeping structural flexibility on the way to create an integrated truck company consistent with Volkswagen's Strategy 2018

Transaction structure

- Volkswagen increased its stake in the voting rights of MAN to more than 30%
- Mandatory public tender offer for all outstanding common and preference shares, at an offer price of €95 per common share and of €59.90 per preference share in cash
- Allows Volkswagen to increase stake in MAN beyond current position

¹ of the voting rights

Volkswagen Group – Analysis by Business Line¹

January – March 2011

	Sales		Sales revenues		Operating profit	
	2011	2010	2011	2010	2011	2010
thousand vehicles/€ million						
Volkswagen Passenger Cars	1,077	945	23,042	18,631	1,060	416
Audi	374	316	10,514	8,260	1,115	478
Škoda	181	142	2,691	2,028	187	100
SEAT	93	91	1,382	1,307	-12	-110
Bentley	1	1	197	161	-25	-36
Commercial Vehicles	108	73	2,145	1,581	92	-16
Scania ²	19	12	2,414	1,723	376	214
VW China ³	512	409	-	-	-	-
Other ⁴	-335	-288	-8,589	-8,124	-169 ⁵	-366 ⁵
Volkswagen Financial Services			3,674	3,078	287	167
Volkswagen Group	2,031	1,703	37,470	28,647	2,912	848
thereof Automotive Division	2,031	1,703	33,552	25,454	2,608	682
Financial Services Division			3,918	3,192	304	166

¹ All figures shown are rounded, so minor discrepancies may arise from addition of these amounts.

² Vehicles & Services and Financial Services.

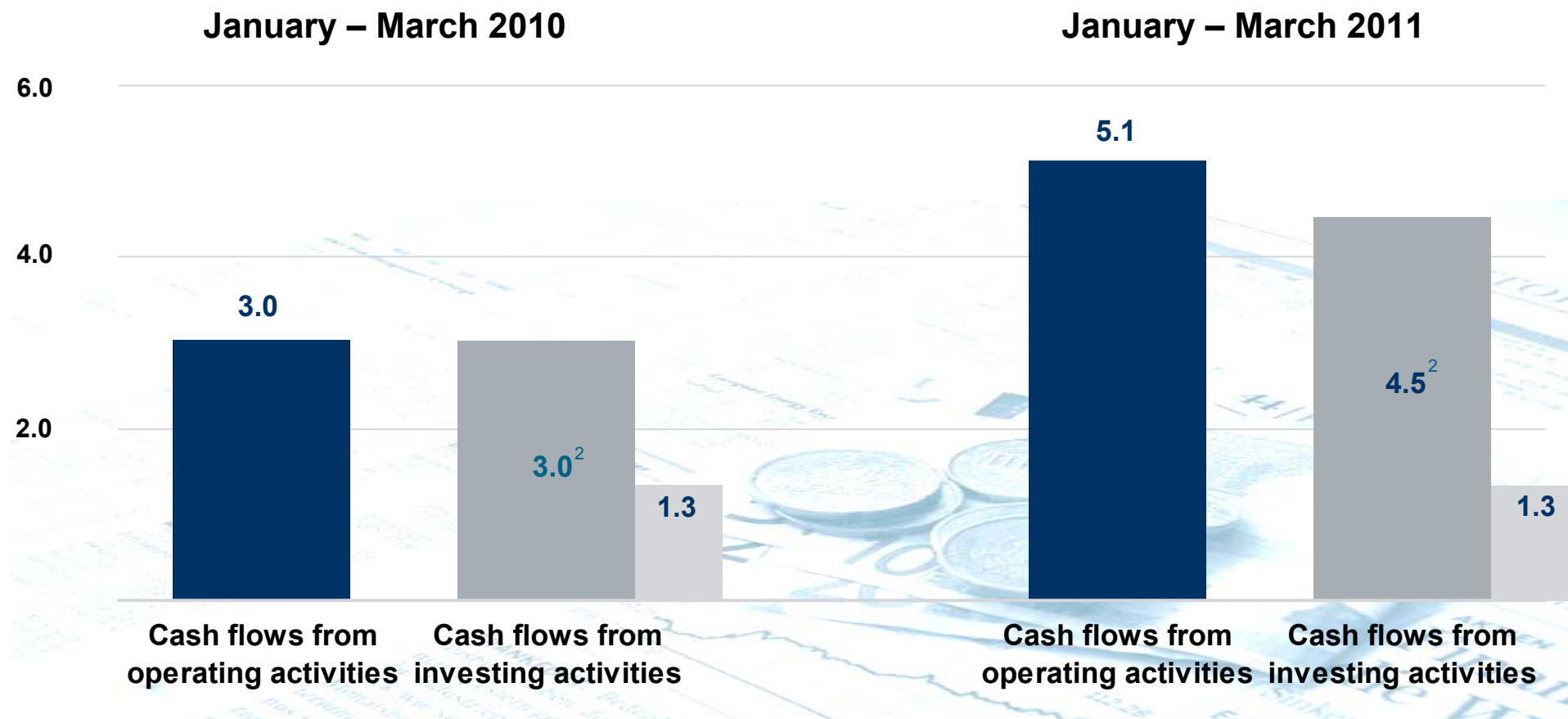
³ The sales revenue and operating profit of the joint venture companies in China are not included in the figures for the Group. The Chinese companies are accounted for using the equity method and recorded an operating profit (proportionate) of €557 million (€303 million). The prior-year figures were adjusted.

⁴ Including Porsche Holding Salzburg from March 1, 2011.

⁵ Mainly intragroup items recognized in profit or loss, in particular from the elimination of intercompany profits, and including depreciation and amortization of identifiable assets as part of the purchase price allocation for Scania and Porsche Holding Salzburg.

Cash Flows from Operating and Investing Activities

€ billion, Automotive Division¹



¹ Including allocation of consolidation adjustments between Automotive and Financial Services divisions.

² Excluding acquisition and disposal of equity investments: Q1 €1,251 billion (€1,250 billion).

Volkswagen Group Headline Figures

January – March 2011

thousand vehicles/€ million		2011	2010	+/- (%)
Deliveries to customers	'000 units	1,988	1,744	+14.0
Production ¹	'000 units	2,065	1,734	+19.1
Sales revenues	€ million	37,470	28,647	+30.8
Operating profit	€ million	2,912	848	x
Automotive division²				
Cash flows from operating activities	€ million	5,120	3,043	+68.3
Cash flows from investing activities ³	€ million	4,465	3,013	+48.2
Net cash flow	€ million	655	31	x
Net liquidity at March 31	€ million	19,648	14,235	+38.0

¹ Volume data including the vehicle production investments Shanghai-Volkswagen Automotive Company Ltd. and FAW-Volkswagen Automotive Company Ltd. These companies are accounted for using the equity method. All figures shown are rounded, so minor discrepancies may arise from addition of these amounts. 2009 deliveries updated on the basis of statistical extrapolations.

² Including allocation of consolidation adjustments between the Automotive and Financial Services divisions.

³ Excluding acquisition and disposal of equity investments: Q1 €1,251 billion (€1,250 billion).

Volkswagen Golf Cabriolet



Audi Q3



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**Škoda Vision D
(concept)**

**SEAT IBx
(concept)**



Bentley Continental



**Lamborghini
Aventador LP 700-4**



Volkswagen Amarok



**Scania
V8**



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