

Volkswagen Brand Group

Volkswagen Passenger Cars brand continues positive development

Every fifth vehicle registered in Germany in 2006 was a Volkswagen. Record sales levels by Škoda contributed to the sales growth of the Volkswagen brand group. ForMotionplus program bears fruit.

BUSINESS DEVELOPMENT

With its Volkswagen Passenger Cars, Škoda, Bentley and Bugatti brands, the Volkswagen brand group sold 3.9 million vehicles in 2006, a 10.8% increase year-on-year. Sales of the Volkswagen Passenger Cars brand increased substantially by 11.5% to 3.4 million vehicles. The share of the total brand group sales attributable to this brand was therefore 85.2% (84.7%). The Fox and Polo models were particularly popular with customers in 2006, leading the German registration statistics in their respective segments. Demand for the Golf remained high and the model continues to head the list of all newly registered passenger cars in Germany. Following its successful launch in May 2006, the Eos quickly established itself at the top of the convertible segment. The fact that every fifth vehicle registered in Germany in 2006 was a Volkswagen also owes much to the success of the Touran.

573 thousand Škoda brand vehicles were sold in 2006. This is a year-on-year improvement of 13.7% and is the twelfth consecutive record level of registrations. In addition to the Fabia, Octavia and Superb models, the newly launched Škoda Roomster also contributed significantly to this positive development.

The Bentley brand registered sales of 8,916 vehicles, which was on a level with last year's figures. The new Bentley Continental GT convertible met with a positive response from the market.

The Volkswagen brand group increased its production by 8.3% to 3.9 million vehicles last year. Of this total, 3.3 million units (+ 8.8%) are attributable to the Volkswagen Passenger Cars brand, whereby our Chinese joint venture companies recorded the strongest increase in production. A total of 556 thousand Škoda model units were produced – a 12.6% increase year-on-year. In 2006, the Bentley brand again set a new production record with a total of 10,036 vehicles produced.

VOLKSWAGEN BRAND GROUP

	2006	2005	%
Deliveries (thousand units)	3,955	3,589	+ 10.2
Vehicle sales	3,941	3,557	+ 10.8
Production	3,887	3,588	+ 8.3
Sales revenue (€ million)	54,871	49,681*	+ 10.4
Operating profit	1,424	516*	+ 176.1
as % of sales revenue	2.6	1.0*	

* Restated.

SALES REVENUE AND EARNINGS

In 2006, the Volkswagen brand group generated sales revenue of €54.9 billion, 10.4% more than in the previous year. This was mainly driven by the increase in unit sales owing to the full availability of the Passat and Jetta models, the market success of the Eos and the record level of Škoda sales. In 2006, operating profit increased by €908 million year-on-year to

€1.4 billion. Thanks to the measures implemented as part of the ForMotionplus performance enhancement program, we have established a good starting position to reach our medium-term targets. The operating profit of the Volkswagen Passenger Cars, Škoda and Bentley brands improved considerably. This was primarily due to the increase in unit sales and optimized cost structures.

PRODUCTION

Units	2006	2005
Volkswagen Passenger Cars		
Passat/Santana	701,074	578,141
Golf	693,376	732,715
Jetta/Bora	533,499	431,280
Polo	401,551	352,120
Gol	278,051	284,069
Fox	201,888	204,435
Touran	178,122	191,207
Polo Classic/Sedan	67,237	59,623
Touareg	60,802	81,003
New Beetle	43,653	35,485
Eos	39,437	207
Suran	32,601	-
New Beetle Cabriolet	30,007	30,531
Sharan	26,852	32,575
Parati	25,994	26,744
Phaeton	5,024	6,001
Lupo	-	5,742
	3,319,168	3,051,878
Škoda		
Octavia	269,774	246,781
Fabia	240,051	224,990
Roomster	25,055	-
Superb	20,403	21,182
Fabia Praktik	1,064	1,174
	556,347	494,127
Bentley		
Continental Flying Spur	4,042	4,271
Continental GT Coupé	3,611	4,733
Continental GT Cabriolet	1,742	-
Arnage	464	556
Azure	177	-
	10,036	9,560
Volkswagen brand group*	3,886,789	3,587,542

* Includes the vehicle-producing Investments Shanghai-Volkswagen Automotive Company Ltd. and FAW-Volkswagen Automotive Company Ltd., which are not fully consolidated, as well as 1,194 (31,972) Ford Galaxy and 44 (5) Bugatti Veyron 16.4 units.