

Interim Report January-June 2006:

- Increase in Volkswagen Group operating profit before special items by 51.3% year-on-year to EUR 2.0 billion in the first six months of 2006, but still well below medium-term earnings target
- Positive one-off factors in the form of gains on the sale of gedas AG and Volkswagen Bordnetze GmbH (EUR 0.3 billion) and negative effects resulting from restructuring expenses (EUR -1.3 billion) reduced Automotive Division operating profit by a net EUR 1.0 billion in the first six months of 2006
- Automotive Division operating profit after special items lower than in previous year due to negative one-off factors; Financial Services operating profit above high prior-year level
- Gain on sale of Europcar required to be reported separately under IFRSs as "profit from discontinued operations" presented below continuing operations in the consolidated income statement. Cash generated by the sale contributes to increase in Automotive Division net liquidity to EUR 6.4 billion
- Group pre-tax profit from continuing operations improves by 17.3% to EUR 751 million
- Group products successful:
 - Deliveries to customers up by 11.9% year-on-year to 2.9 million vehicles; increase in market share especially in Germany and Western Europe
 - All Group brands generate higher sales figures than in the previous year
 - Full availability of new models drives significant increase in deliveries in the USA (+16.5%); Passat Lingyu and Jetta Sagitar primary contributors to increase in deliveries to customers in China
 - Successful market launch of Eos, Polo GTI and Audi A6 Allroad quattro; Audi presents new Audi S6, S8 and TT Coupe models
 - Skoda Roomster received positively by the market; sales figures for new SEAT Leon almost double year-on-year
 - Volkswagen Commercial Vehicles premiers new Crafter at the Birmingham Motorshow

| January-June | | 2006 | 2005*) | +/- | (%) |
|--|-----------------|---------|---------|-----|------|
| Volkswagen Group: | | | | | |
| Deliveries to customers | '000 units | 2,864 | 2,559 | + | 11.9 |
| Vehicle sales | '000 units | 2,866 | 2,543 | + | 12.7 |
| Production | '000 units | 2,890 | 2,634 | + | 9.7 |
| Employees | June 30/Dec. 31 | 329,405 | 344,902 | - | 4.5 |
| Continuing operations: | | | | | |
| Sales revenue | EUR million | 51,892 | 45,446 | + | 14.2 |
| Operating profit before special items | EUR million | 2,029 | 1,341 | + | 51.3 |
| Special items | EUR million | - 995 | - | | x |
| Operating profit after special items | EUR million | 1,034 | 1,341 | - | 22.9 |
| Profit before tax from continuing operations | EUR million | 751 | 640 | + | 17.3 |
| Profit from continuing operations | EUR million | 390 | 379 | + | 3.1 |
| Profit from discontinued operations**) | EUR million | 796 | 24 | | x |
| Profit after tax | EUR million | 1,186 | 403 | | x |
| Automotive Division (including allocation of consolidation adjustments between the Automotive and Financial Services divisions): | | | | | |
| Cash flows from operating activities | EUR million | 6,291 | 3,333 | + | 88.7 |
| Cash flows from investing activities***) | EUR million | 598 | 2,675 | - | 77.7 |
| Net liquidity on June 30 | EUR million | 6,365 | - 1,303 | | x |

*) Financial data restated.

**) Net gain on disposal of the Europcar group and the Europcar's current profit after tax for January to May 2006/H1 2005.

***) Excluding acquisition and disposal of equity investments: EUR 2,113 million (EUR 2,606 million).

The most important automotive markets recorded robust growth in the first six months of 2006, despite the difficult macroeconomic environment. The level of the first half of 2005 was exceeded. However, high energy and commodity prices, coupled with political turmoil in the Middle East, will continue to put pressure on the global economy. Increasing price pressure and continuing unfavorable exchange rates are exacerbating the situation for automobile manufacturers. Nevertheless, we are still predicting a modest increase in global passenger car sales. Demand in the US and Western European markets is likely to remain stable, and we are expecting slight growth in the German passenger car market.

We expect our market position to improve in the current year driven by higher deliveries, especially in Western Europe and the USA. All brands are represented by new volume models, and our product rollout will be continued in the second half of the year. We are expecting delivery figures in the Chinese and South American/South African markets to increase significantly, and are thus assuming overall growth in our deliveries to customers.

The resulting increase in sales revenue, combined with the measures implemented as part of ForMotionplus, will help achieve a year-on-year improvement in 2006 in operating profit before special items. We also expect the Automotive Division to record a positive net cash flow in 2006 and a further improvement in net liquidity compared with December 31, 2005.

Wolfsburg, July 27, 2006

Volkswagen AG - The Board of Management

(The full interim report is available at "www.volkswagen-ir.de")

This report contains forward-looking statements on the business development of the Volkswagen Group. 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 entail a degree of risk, and the actual developments may differ from those forecast.

Consequently, any unexpected fall in demand or economic stagnation in our key sales markets, such as Western Europe (and especially Germany) or in the USA, Brazil or China, will have a corresponding impact on the development of our business. The same applies in the event of a significant shift in current exchange rates relative to the US dollar, sterling, yen, Brazilian real, Chinese renminbi and Czech koruna.