– Check against delivery –

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Speech at the

Annual Media Conference and Investor Conference

on March 12, 2012

– Part II –

Ladies and Gentlemen,

I, too, would like to welcome you to today’s Annual Media and Investor Conference in Wolfsburg.

Chart “Highlights”

As Professor Winterkorn has already said: Volkswagen can again look back on a very successful fiscal year. The number of vehicles we sold worldwide was up again on the record level of 2010 to a new all-time high of over 8 million. We see this as proof that we can meet our customers’ expectations and that we remain on the right track with our products. This growth is also positively reflected in the financial data. We further increased our profitability and impressively demonstrated the robustness of our Group.

Volkswagen increased its sales revenue and operating profit significantly in fiscal year 2011. The Volkswagen Group’s sales revenue was up 25.6 percent year-on-year to €159.3 billion in the reporting period. Our operating profit reached a new record of €11.3 billion. Consequently, the Automotive Division improved its return on investment to 17.7 percent, well above our 9 percent minimum required rate of return. This is an impressive achievement on the part of our Company.

Another important performance measure in the Volkswagen Group is the Automotive Division’s net liquidity. At €17 billion, this remains high even after the equity investments in Porsche Holding Salzburg and MAN SE. In light of the still very volatile global economic environment and the associated uncertainty, we will systematically continue our strategy of disciplined cost and investment management with a view to further increasing the Group’s profitability and thus its competitiveness.

We have established a strong position, and our sound finances mean we are well prepared for the future. This continues to give us the financial flexibility we need for our investments and to implement our Strategy 2018. Expanding our production capacity in growth markets will help to reinforce our position in those markets and improve the quality of our earnings.

In light of our Company’s highly encouraging performance, the Board of Management and the Supervisory Board are proposing to the Annual General Meeting to pay a dividend of €3.00 per ordinary share and €3.06 per preferred share.

We not only managed fiscal year 2011 very well in terms of our operating business. We also forged ahead with the Group’s strategic development. In March 2011, we acquired Porsche Holding Salzburg for €3.3 billion. On November 9, after obtaining the official approvals, we completed the mandatory offer for MAN, and hold 59.58 percent of the voting rights and 57.33 percent of the share capital as of December 31. Our figures therefore contain Porsche Holding Salzburg for 10 months and MAN for just under 2 months.

Chart “Income Statement”

Ladies and Gentlemen,

I would now like to take a detailed look at the past fiscal year. A glance at our income statement shows that we increased our sales revenue by 25.6 percent year-on-year to €159.3 billion. Since our cost of sales rose more slowly by 24.6 percent, gross profit improved by €6.5 billion to €28 billion. As a result, the gross margin increased from 16.9 percent of sales revenue in the previous year to 17.6 percent.

At €14.6 billion, distribution expenses were higher year-on-year due to the expansion of business. However, the ratio of distribution expenses to sales revenue declined. The €1.1 billion increase in administrative expenses to €4.4 billion was driven primarily by volume growth, the initial consolidation of companies and stricter banking regulatory requirements. Our total operating profit amounted to €11.3 billion, a clear improvement of 57.8 percent on 2010. The operating margin improved from 5.6 percent to 7.1 percent. We were able to achieve this improvement in our performance thanks to the tremendous commitment and hard work of all of our Group's employees.

These figures do not include the €2.6 billion proportional share of the operating profit recorded by our Chinese joint ventures, which are included using the equity method and are therefore only reflected in the Group's financial result. Last year's figures impressively demonstrate that the Chinese joint ventures continued their positive growth trend.

The financial result increased by €5.8 billion year-on-year to €7.7 billion. This was due firstly to higher income from the measurement of our equity-accounted investments, which primarily include our Chinese joint ventures and Porsche Zwischenholding GmbH. Secondly, the updated measurement of the put/call rights relating to Porsche Zwischenholding GmbH had a positive effect of €6.6 billion in total. The financial result was negatively impacted by the switch in accounting for the Suzuki shares from the equity method to fair value, and for the MAN shares from the equity method to consolidation. However, these were purely noncash book effects. Our total profit before tax amounted to €18.9 billion, twice as much as in the previous year.

Income tax expense amounted to €3.1 billion in the past fiscal year, representing a tax rate of 16.5 percent. It should be noted that the effects from the remeasurement of the options relating to Porsche Zwischenholding GmbH have no impact on the tax expense.

The Volkswagen Group generated a record profit after tax of €15.8 billion in fiscal 2011. Allow me to note at this point that you will find a presentation of the key indicators for the fourth quarter of 2011 on our Investor Relations website.

Chart "Sales Revenue"

Ladies and Gentlemen,

Following this overview of the Volkswagen Group's income statement, I would now like to look in greater detail at certain line items and the factors affecting them:

Last year, we lifted Group sales revenue by €32.5 billion compared with 2010 to €159.3 billion. At €23 billion, volume growth was the biggest factor driving this performance. The figure also includes the consolidated sales revenue of Porsche Holding Salzburg at a good €5 billion. Price and mix effects contributed a combined total of €4 billion to this improvement. Scania brought a positive effect of €1.6 billion and the initial inclusion of MAN contributed €2.7 billion. With an increase of €2.3 billion due to volume-related factors, Volkswagen Financial Services again made a significant contribution to the Group.

Chart "Operating Profit – by Brand and Business Field"

Before I look in more detail at the changes in operating profit by brand and business field, allow me to say an introductory word about our Group structure. The Volkswagen Group continues to consist of the Automotive Division and the Financial Services Division. The Automotive Division now comprises two business areas: the Passenger Cars and Light Commercial Vehicles Business Area on the one hand, and the Trucks and Busses, Power Engineering Business Area on the other. The business areas are presented in detail in our current annual report.

Operating profit increased by 57.8 percent and thus at a faster pace than sales revenue. Strong demand for vehicles and financial services lifted the Volkswagen Group's operating profit significantly year-on-year to €11.3 billion. It's not only the rate of growth that's impressive, but above all the fact that all brands, without exception, improved their operating result.

Despite the upfront costs for the modular transverse toolkit, the operating profit of the Volkswagen Passenger Cars brand rose by €1.6 billion to €3.8 billion, and the operating profit of the Audi brand by €2 billion to €5.3 billion. This impressively demonstrates the high level of market acceptance for our attractive products and the success of our sustained cost and process optimization.

The ŠKODA brand contributed an operating profit of €743 million to the Group's performance. In addition to the high volume, mix effects and cost reductions also had a positive effect here.

The SEAT brand's operating loss narrowed significantly year-on-year, by €86 million to €225 million. However, our Spanish subsidiary is still facing a dramatic decline in demand in the overall Spanish passenger car market. Additionally, upfront expenditures were incurred for new products.

Conditions in the luxury segment continued to improve in fiscal 2011, enabling Bentley to again report a rise in sales figures and thus return to profit. Its operating result rose by €253 million to reach a profit of €8 million.

The Volkswagen Commercial Vehicles brand, where strong sales pushed up earnings, also recorded a very positive performance. Operating profit here was up €217 million on the prior-year figure to €449 million.

The Scania brand performed well in the reporting period, beating its prior-year figures. Despite the sharp fluctuations in markets for heavy trucks and busses, Scania demonstrated its considerable competitiveness by generating an operating profit of €1.4 billion.

I would like to draw your attention in particular to our new brand, MAN, which we consolidated in the Group as another successful brand on November 9, 2011. In the past fiscal year, MAN benefited from the recovery in both the commercial vehicles business and the mechanical engineering sector. In the period from November to December 2011, MAN contributed an operating profit of €193 million to the Volkswagen Group's earnings.

Lifted by volume growth and the positive trend in risk provisions, Volkswagen Financial Services generated an operating profit of €1.2 billion in the past fiscal year. This corresponds to an increase of almost 30 percent compared with the previous year.

Please note that the figures for the brands and divisions also include intragroup transactions, in particular intercompany profits, whose elimination is contained in the "Other" category. Additionally, this category includes the depreciation and amortization expense from the purchase price allocation for Scania, Porsche Holding Salzburg and MAN.

Chart "Change in Operating Profit"

If we analyze the reasons for the encouraging trend in operating profit, we can see that volume, mix and price effects totaling €5.9 billion were the largest positive factors.

An improvement in product costs due primarily to optimized procurement activities again had a positive effect on operating profit. We reached a contribution of €1.1 billion in the course of 2011. This clearly shows how systematically we are working on our cost structures and improving our margins so that we can meet future challenges in the automotive industry.

The negative effect of €2.6 billion arising from fixed costs and depreciation and amortization expense is primarily attributable to the Group's growth and to development costs related to the expansion of our product portfolio.

Scania helped lift operating profit despite the fluctuations in the truck market. As expected, however, the operating profit at MAN was not enough to offset the higher depreciation and amortization expense from purchase price allocation in the early phase after the acquisition. Together, this reduced the Group's operating profit by €100 million.

In turn, the Volkswagen Financial Services Division contributed around €300 million to the improvement in the Group's operating profit.

Chart "Automotive Division ROI after Tax"

Ladies and Gentlemen,

Return on investment is the Automotive Division's core financial management instrument and therefore the key target variable for the financial assessment of all strategic and operational decisions.

The Automotive Division achieved a return on investment of 17.7 percent last year, again significantly exceeding the prior-year level. This enabled us not only to earn our current cost of capital of 7 percent and thus achieve a positive value contribution of €5.6 billion, but also to significantly exceed our 9 percent minimum required rate of return.

The figures impressively demonstrate that we have systematically increased our operating profitability while maintaining our investment discipline. In all of our investment decisions, we will continue to ensure that our upfront expenditures are focused on safeguarding the future of our Company and generating adequate returns.

Chart "Financial Services Division ROE"

The Financial Services Division lifted its return on equity before tax from 12.9 to 14.0 percent. This was thanks primarily to the year-on-year improvement in profit due to volume-related factors.

Chart “Equity Ratio by Division”

Let’s now look at the consolidated balance sheet. The Volkswagen Group’s total assets amounted to €253.6 billion at the end of fiscal 2011, a year-on-year increase of 27.2 percent. This was primarily the result of the positive business performance, the acquisition of Porsche Holding Salzburg and the consolidation of MAN. Despite the increase in total assets, the Group’s equity ratio improved by 0.6 percentage points to 25.0 percent.

Equity in the Automotive Division was strengthened by the positive earnings growth. As a result, the equity ratio in the Automotive Division rose slightly compared with the previous year to 35.9 percent.

Equity in the Financial Services Division increased by €1.7 billion to €10.9 billion. In addition to the good earnings performance, the inclusion of Porsche Holding Salzburg’s financial services business and of MAN also had a positive effect here. The division’s equity ratio was 10.1 percent.

Chart “Automotive Division Net Liquidity”

I’ll now turn to individual items in our cash flow statement. At €17 billion, net liquidity in our Automotive Division remained at a high level at the end of 2011. This by no means negligible figure puts us on a sound financial footing and demonstrates the Company’s solid financial base.

The earnings growth increased gross cash flow by €3 billion to €15.4 billion. Despite the expansion of business, working capital again recorded a cash inflow of €1.7 billion. As a result, cash flows from operating activities – the sum of gross cash flow and changes in working capital – increased by €3.2 billion year-on-year to €17.1 billion.

Investments in property, plant and equipment contained within investing activities were €2.3 billion higher in 2011, at around €8 billion. Because sales revenue increased significantly, the ratio of investments in property, plant and equipment (capex) to sales revenue rose only slightly year-on-year, by 0.6 percentage points to 5.6 percent. In addition to our production facilities, we invested mainly in expanding our model range and modularizing our vehicle concepts. Our modular toolkit strategy plays a central role here. The modular transverse toolkit will enable the Volkswagen Group to manufacture top-quality volume and niche products at competitive cost structures for the long term, worldwide. It initially entails considerable upfront costs in order to adapt a range of production plants in the Volkswagen Group to the new platform. This affected earnings in fiscal year 2011 and will also be reflected in 2012 and 2013. In addition to these synergy-driven efficiency enhancements, our investments continue to center on the ecological focus of our model range.

Within investing activities attributable to operating activities, the acquisition of equity investments led to a cash outflow of €6.6 billion. This figure includes the acquisition of Porsche Holding Salzburg at €3.3 billion, the increase in the stake in MAN SE at €3.5 billion and the equity investment in SGL Carbon SE at €224 million, less cash and cash equivalents acquired attributable to Porsche Holding Salzburg and MAN.

Due to the higher volume of equity investments, the Automotive Division’s net cash flow therefore declined by €3.7 billion year-on-year to €1.1 billion.

The figures show that, financially, we are on the right track. Volkswagen entered 2012 with a sound net liquidity position. We will continue to invest in our forward-looking product portfolio with prudence and appropriate cost discipline. Our strong position in the global markets will help us to leverage the Group’s strengths and systematically increase our competitive advantages.

I would like to draw your attention to a new publication: this morning, we published the notice convening Volkswagen Aktiengesellschaft’s Annual General Meeting in Hamburg on April 19, 2012. In addition to the standard resolutions that appear in all Annual General Meetings, the agenda includes a proposal to create new authorized capital, which would be effective for five years.

This is standard procedure for large stock corporations keen to safeguard flexibility in their financing activities. The proposed authorization is intended to replace an authorization granted by the Annual General Meeting last year, which we have not yet used. Last year's authorization also allowed preemptive rights to be granted to ordinary and preferred shareholders or those rights to be disapplied. However, the old authorization only allows preemptive rights to be disapplied in cases where new ordinary shares are issued. By proposing to include preferred shares in the potential disapplication of preemptive rights, we are primarily addressing the high level of acceptance that Volkswagen's preferred shares enjoy among investors. As a result, these could also become more important in principle for acquisitions as well. They are by far the more liquid of our two share classes and are included in the DAX.

Chart "Earnings per Ordinary and Preferred Share"

Ladies and Gentlemen,

Allow me to summarize 2011: We can look back on a very successful fiscal year. The Volkswagen Group generated profit after tax attributable to the shareholders of Volkswagen AG of €15.4 billion in fiscal 2011. This corresponds to basic earnings of €33.10 per ordinary share and €33.16 per preferred share.

Many thanks for your attention.