– Check against delivery –

Hans Dieter Pötsch
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– Part II –

Good morning, Ladies and Gentlemen,

I, too, would like to wish you a very warm welcome to today’s Annual Media and Investor Conference in Berlin.

As Professor Winterkorn has already said, fiscal 2013 was a successful year for Volkswagen. We sold 9.7 million vehicles worldwide, exceeding the record we set in 2012 and meeting our customers’ expectations in a challenging market environment. This positive development can also be seen in our financials. The Volkswagen Group continued its success story and further strengthened its market position thanks to its high profitability.

Volkswagen lifted its sales revenue and operating profit in fiscal year 2013. Sales revenue in the reporting period rose by 2.2 percent year-on-year to €197.0 billion, despite negative exchange rate effects. At €11.7 billion, operating profit was again at a high level and exceeded the record figure for the 2012 fiscal year. The return on investment for the Automotive Division was 14.5 percent, well above our minimum required rate of return of 9 percent.

Net liquidity in the Automotive Division is another key performance indicator in the Volkswagen Group. At €16.9 billion, this was at a level that ensures the Group’s financial stability and flexibility, thanks to our robust business model. In the past fiscal year, we strengthened our financial position by successfully placing a mandatory convertible note and hybrid notes with a total volume of €3.2 billion.

Given the ongoing challenges from the macroeconomic environment, we will continue to pursue our disciplined approach to cost and investment management and steadily improve existing processes. This provides a basis from which Volkswagen can grow successfully in what remains a highly competitive environment.

In view of the Company's continued success, the Board of Management and the Supervisory Board will be proposing a dividend of €4.00 per ordinary share and €4.06 per preferred share – 50 cents per share more than last year – to the Annual General Meeting. This will lift the distribution ratio to around 21 percent – a further step towards our medium-term target of 30 percent.

We recorded an extremely positive performance at an operational level in fiscal year 2013, and continued to pursue the Group's strategic growth. The integration of Porsche is proceeding rapidly and enjoying considerable success. We also made good progress last year towards our goal of an integrated commercial vehicles group comprising MAN, Scania and Volkswagen Commercial Vehicles, thanks to the control and profit and loss transfer agreement with MAN SE. This agreement significantly strengthens and simplifies the cooperation between Volkswagen and MAN and will increase the competitiveness of both companies.

Allow me to say a bit more about our goal of an integrated commercial vehicles group at this point. On February 21, 2014, Volkswagen Aktiengesellschaft resolved to make a voluntary tender offer of 200 Swedish kronor per share to Scania's noncontrolling interest shareholders for all Scania A and Scania B shares. With its premium products, its strong market position and its technological expertise, Scania is a core element of the integrated commercial vehicles group.

Our offer is designed to create a sustainable and clear ownership structure for Scania. This is a key step towards being able to fully exploit the advantages offered by the integrated commercial vehicles group for everyone involved. Our offer reflects this high strategic value. We are convinced that it is very attractive for Scania's noncontrolling interest shareholders and that it will create long-term value for Volkswagen.

Our success in recent years has put us in a strong market position. The objective now is to exploit and continuously extend this by systematically pursuing our Strategy 2018. In order to safeguard the quality of our earnings for the long term, we will raise our profile in all key markets, leverage our unique brand portfolio, expand our attractive product range, drive forward technical innovations and offer our customers a wide variety of financial services offerings.

Ladies and Gentlemen,

At this point, allow me to provide you with a detailed overview of the past fiscal year.

A look at the income statement reveals that we lifted sales revenue by €4.3 billion year-on-year to €197.0 billion. The slight decline in unit sales volumes – excluding the Chinese joint ventures – and in particular negative exchange rate effects amounting to €4.5 billion depressed sales revenue year-on-year. However, these effects were more than offset by Porsche, which was included in the consolidated financial statements for a full year for the first time, and by the good business performance by the Financial Services Division.

The cost of sales rose by 2.5 percent. This increase was due to higher depreciation charges resulting from increased capital expenditures, higher research and development costs, and negative mix effects, as well as contingency reserves. Gross profit was up by a slight €0.4 billion on the previous year, at €35.6 billion. The gross margin was almost unchanged, at 18.1 percent.

Distribution expenses and administrative expenses both rose year-on-year, to €19.7 billion and €6.9 billion respectively. This 5.9 percent increase was mainly attributable to the initial full-year inclusion of the companies consolidated in 2012. Overall, we generated an operating profit of €11.7 billion, surpassing the record prior-year figure. The operating return on sales was 5.9 percent.

The figures I have mentioned do not include the proportionate operating profit for our Chinese joint ventures. This amounted to €4.3 billion, up €0.6 billion on the prior-year figure. These companies are included using the equity method and are therefore reflected solely in the Group’s financial result.

The financial result fell by €13.2 billion year-on-year to around €0.8 billion. In 2012, noncash measurement effects in connection with the integration of Porsche had a positive effect of €12.3 billion.

In 2013, the opening of the award proceedings in connection with the control and profit and loss transfer agreement with MAN SE impacted the financial result by €0.5 billion. The obligation to the noncontrolling interest shareholders had to be remeasured and the expected present value of the minimum statutory interest rate for the expected duration of the proceedings had to be recognized in the other financial result. In addition, the remeasurement of financial derivatives led to increased expenses. By contrast, income from the equity-accounted joint ventures included in our consolidated financial statements, which primarily comprise our Chinese joint ventures, had a positive effect on the financial result.

As a result, our profit before tax amounted to €12.4 billion. The prior-year figure was impacted by the positive measurement effects from the integration of Porsche that I mentioned earlier.

Income tax expense in the past fiscal year amounted to €3.3 billion; this corresponds to a tax rate of 26.4 percent.

Overall, we generated a profit after tax of €9.1 billion in fiscal 2013.

Allow me to mention at this point that you will find an overview of the key figures for the fourth quarter of 2013 on our Investor Relations website.

Ladies and Gentlemen,

I would now like to provide you with a more detailed breakdown of the operating profit by brand and business field.

Operating profit for the Volkswagen Passenger Cars brand amounted to €2.9 billion, down €749 million year-on-year. This was due to lower unit sales as a result of intense competition and declining markets, as well as to upfront expenditures for new technologies. The positive developments in sales and earnings of our Chinese joint ventures are not included in these figures.

Operating profit for the Audi brand declined slightly to €5.0 billion, due in particular to upfront expenditures for new products and technologies and to costs associated with the systematic expansion of its international production network. Despite the challenging market environment, the Audi brand generated an operating return on sales of 10.1 percent. This again exceeded the self-set target corridor of 8 to 10 percent.

At the ŠKODA brand, fiscal 2013 was dominated by the largest model initiative in the brand's history. The switch at the production facilities led to lower vehicle availability and this, together with the difficult market environment, resulted in lower deliveries in the first six months in particular. However, deliveries rose again in the second half of the year. Negative volume, mix and exchange rate effects depressed operating profit to €522 million.

The SEAT brand continued its product initiative and reduced its operating loss by a further €4 million year-on-year, to €152 million. Increased volumes and optimized material costs were the main positive drivers, but were partially offset by restructuring costs.

The Bentley brand continued its success story in 2013. Deliveries and sales revenue both saw double-digit growth rates. Operating profit rose by €67 million to €168 million, due to higher volumes and positive exchange rate and mix effects.

The Porsche brand's business performance was extremely successful last year. In order to increase the attractiveness of its model range, Porsche invested in modernizing and extending its plants and its product portfolio. Its operating profit amounted to €2.6 billion. When comparing the figures for the previous year, please note that the Porsche brand was only included in operating profit as from August 1, 2012, the date on which it was consolidated.

Operating profit for the Volkswagen Commercial Vehicles brand was €448 million, up €27 million on the prior-year figure. This result was achieved despite a decline in the European commercial vehicles market. The main drivers were increased demand in South and North America and the Asia-Pacific region, as well as successful cost optimization measures.

The Scania brand lifted volumes significantly compared with the previous year. However, negative exchange rate effects and pressure on margins from increased competition meant that operating profit rose by a mere €44 million, to €974 million.

2013 was another difficult year for the MAN brand due to the macroeconomic situation and the ongoing sovereign debt crisis. The European commercial vehicles market experienced a sharp decline in the first half of 2013, whereas the second half of the year was dominated by pronounced pull-forward effects due to the new Euro 6 emission standard. Ongoing macroeconomic uncertainty and stiff competition led to a decline in volumes in Power Engineering. In addition, the recognition of project-specific contingency reserves impacted the result. Operating profit fell to €319 million.

Volkswagen Financial Services continued its success story in 2013, thanks to its innovative products and international expansion. Higher risk provisions and deteriorating exchange rates as well as increased expenses incurred to comply with the regulatory requirements for banks were more than offset by improvements in volumes and margins. Volkswagen Financial Services' operating profit rose by approximately 15 percent year-on-year to €1.6 billion.

Please note that the figures for the brands and business fields include intragroup transactions, and especially intragroup profits. These are eliminated in the “Other” category. In addition, this item contains the results of Porsche Holding Salzburg and the depreciation and amortization of identifiable assets from the purchase price allocation for Scania, Porsche Holding Salzburg, MAN and Porsche.

The Volkswagen Group’s operating profit was up slightly on the strong prior-year figure, at €11.7 billion. Please note that, since January 1, 2013, the Volkswagen Commercial Vehicles brand has been reported together with Scania and MAN under the Commercial Vehicles/Power Engineering Business Area. The prior-year figures were adjusted in line with this.

The analysis of the change in operating profit reveals that the volume, mix and price effect of €0.2 billion in the Passenger Cars Business Area was only positive because of the full-year consolidation of Porsche for the first time. Negative exchange rate effects impacted operating profit by €0.5 billion.

The improvement in product costs, which had a positive impact of €1.5 billion, primarily resulted from optimized procurement services and our systematic alignment of all processes around efficient procedures and methods. The negative effect of fixed costs including depreciation and amortization in the amount of €1.1 billion is mainly due to higher depreciation charges resulting from increased capital expenditures and higher research and development costs, especially for alternative drive concepts.

The launch of the Modular Transverse Toolkit with the Golf 7, Audi A3, ŠKODA Octavia and SEAT Leon is having an increasingly positive effect on our income statement. However, its impact in the past fiscal year was still limited as only slightly less than 10 percent of Group deliveries were based on the Modular Transverse Toolkit.

Operating profit in the Commercial Vehicles/Power Engineering Business Area was down by approximately €0.2 billion compared with the previous year. The commercial vehicles sector was hit by a continued reluctance to invest due to the ongoing challenging environment, coupled with fierce competition. In the Power Engineering segment, project-specific contingency reserves and declines in the license and after sales businesses had a negative effect.

The Financial Services Division made another positive contribution to the improvement in Group operating profit, accounting for approximately €300 million.

Ladies and Gentlemen,

The return on investment is one of the key instruments used to manage the Automotive Division and the decisive parameter for financial assessments of all strategic and operational decisions.

The Automotive Division generated a return on investment of 14.5 percent last year. As expected, this figure was down year-on-year, primarily due to the increase in invested capital, although it was still significantly above our minimum required rate of return of 9 percent. We were therefore able to surpass our current cost of capital of 8.3 percent and generate a positive value contribution of €4.5 billion.

The amount of invested capital is rising due to the Group's growth and investments in our product range and new technologies. We pay extremely close attention to expected returns in our strategic growth and investment planning. In addition, we aim to safeguard the quality of our earnings for the long term and to drive forward qualitative growth. Against the background of the major macroeconomic challenges facing us on our road to achieving the goals of our Strategy 2018, we need to concentrate more than ever before on three main areas of activity: firstly, on strict cost and investment discipline, secondly on ensuring we are focused on our return targets, and thirdly on improving profitability in all regions.

The return on equity before tax in the Financial Services Division rose from 13.1 percent to 14.3 percent. This was due to the clear rise in operating profit as a result of the growing volume of business and the initial inclusion for a full year of Porsche’s financial services business.

This brings me to the consolidated balance sheet. At €324.3 billion, the Volkswagen Group’s total assets were up 4.8 percent at the end of fiscal 2013 compared with the previous year-end. This was mainly due to the increase in property, plant and equipment resulting from our extensive investment program, from the volume-related increase in leasing and rental assets and in financial services receivables, and from the increase in cash funds. Despite the increase in total assets, the Group’s equity ratio improved by 1.3 percentage points to 27.8 percent.

Equity in the Automotive Division also developed positively. As a result, the equity ratio in the Automotive Division rose from 37.9 percent in the previous year to the current figure of 39.8 percent. This was due firstly to the strong earnings performance and, secondly, to the successful placement of the mandatory convertible note in June 2013 and the issuance of the hybrid notes in August 2013.

Equity in the Financial Services Division rose by €0.7 billion to €14.1 billion. The improved earnings situation and the sale of the 50 percent interest in LeasePlan to Volkswagen AG had a positive effect here. The division’s equity ratio was 10.5 percent. Volkswagen AG is effecting a €2.3 billion capital increase at Volkswagen Financial Services in the first quarter of 2014 with a view to strengthening equity in the Financial Services Division and facilitating further growth.

I will now turn to individual items in our cash flow statement. At the end of 2013, net liquidity in the Automotive Division amounted to €16.9 billion. This liquidity position gives us the necessary financial strength and solidity to be able to continue our profitable growth and to continue systematically implementing our Strategy 2018.

Gross cash flow rose by €2.9 billion to €18.7 billion thanks to our robust business model. Strict working capital management led to the release of €1.9 billion. As a result, total cash flows from operating activities amounted to €20.6 billion.

The property, plant and equipment included in our investing activities rose by €0.8 billion in 2013 to €11.0 billion. The ratio of investments in property, plant and equipment (capex) to sales revenue rose only slightly year-on-year, by 0.4 percentage points to 6.3 percent. We are therefore at a competitive level within our target corridor of 6 to 7 percent. We invested primarily in our production facilities and in new models that we launched in 2013 or are planning to launch in 2014. Other focuses were on the ecological orientation of our model range, the growing use of electric drives in our vehicle fleet and our modular toolkits.

The necessary investments in the development of new products and technologies led to an increase of €1.4 billion in capitalized development costs, bringing the total to approximately €4 billion. The acquisition of equity interests led to a cash outflow from investing activities attributable to operating activities of €1.7 billion – these mainly relate to the intragroup acquisition of the 50 percent interest in LeasePlan, which helped strengthen the equity position and hence contributed to the growth of our Financial Services Division.

Net cash flow in the Automotive Division, which represents the difference between cash flows from operating activities and investing activities attributable to operating activities, rose by a substantial €4.6 billion year-on-year to €4.4 billion. This is a clear confirmation of our sound business model.

Two successful transactions on the capital market had a positive effect on net liquidity. A mandatory convertible note placed in June 2013 increased net liquidity by €1.1 billion, net of transaction costs and future interest payments. Furthermore, the hybrid notes placed in August 2013 had a positive effect of €2.0 billion, net of transaction costs.

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 Hanover on May 13, 2014. In addition to the standard resolutions, the agenda contains the proposal to authorize the Board of Management to issue bonds with warrants and/or convertible bonds and to create new contingent capital by issuing new, non-voting preferred bearer shares.

This is standard procedure for large stock corporations wishing to safeguard the flexibility of their financing activities and is designed to enable us to continue exploiting attractive financing opportunities going forward. In principle, shareholders have preemptive rights. However, the five-year authorization provides for shareholders' preemptive rights to be disapplied with the approval of the Supervisory Board. This ability to disapply preemptive rights gives us the flexibility to take advantage of attractive capital market opportunities at short notice.

The existing authorization will expire on April 21, 2015. However, as the 2015 Annual General Meeting is not expected to have been held by that date, we are proposing to renew the authorization now and to back it with new contingent capital.

Ladies and Gentlemen,

Looking back on 2013, I can say that the Volkswagen Group maintained its market position in what was a persistently challenging environment, and that it continued its success story. After tax, the Volkswagen Group generated earnings of €9.1 billion for the shareholders of Volkswagen Aktiengesellschaft in the last fiscal year. This corresponds to basic earnings of €18.63 per ordinary share and €18.69 per preferred share.

Many thanks for your attention.