



*Volkswagen and Porsche:
Innovating on the Road of Success*

Hans Dieter Poetsch

CFO of Volkswagen AG

CFO of Porsche Automobil Holding SE

The 918 Spyder Study – Porsche Intelligent Performance

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The 918 Spyder Study – Porsche Intelligent Performance



- High-speed V8 engine: more than 500 bhp
- Electric motors on the front and rear axle with 218 bhp
- Acceleration from 0 to 100 km/h in just under 3.2 seconds
- Top speed: 320 km/h (198 mph) plus
- CO2-Emissions: 70 g/km
- Fuel consumption: 3l/100km equal to 94 mpg imp
- Lightweight body structure: 1,490 kg / 3,285 lb
- Market launch planned for 2013

▶ Performance of a super sports car combined with emissions of an ultra-compact city car: an example for innovative sustainability

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Volkswagen Group Strategy – Global Automotive Leader by 2018



Strategy 2018

Economic and environmental
leadership in the global automotive industry

Economic leadership	Environmental leadership
Expansion of brand and product portfolio	Diversified portfolio of drivetrain technologies
Increasing global footprint and emerging markets presence	Continuous improvements in internal combustion engines
Realisation of cost savings, toolkit modularisation and localisation of production	Leadership in alternative powertrain technologies
Creation of sustainable value	High quality standards

Brand implementation

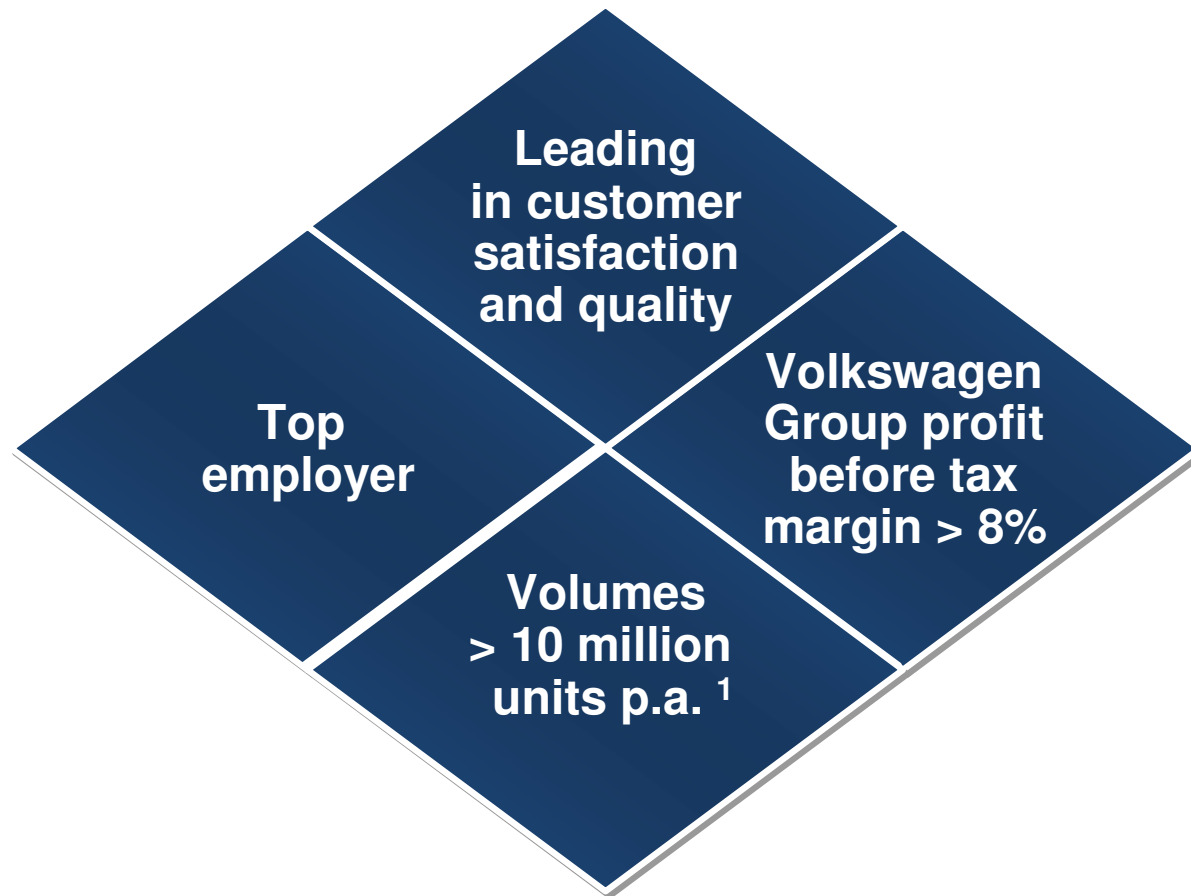


1 49.9% stake since 7 December 2009

Source: Volkswagen Group

Volkswagen Group Strategy 2018 – Substantial Growth and Sustainable Profitability

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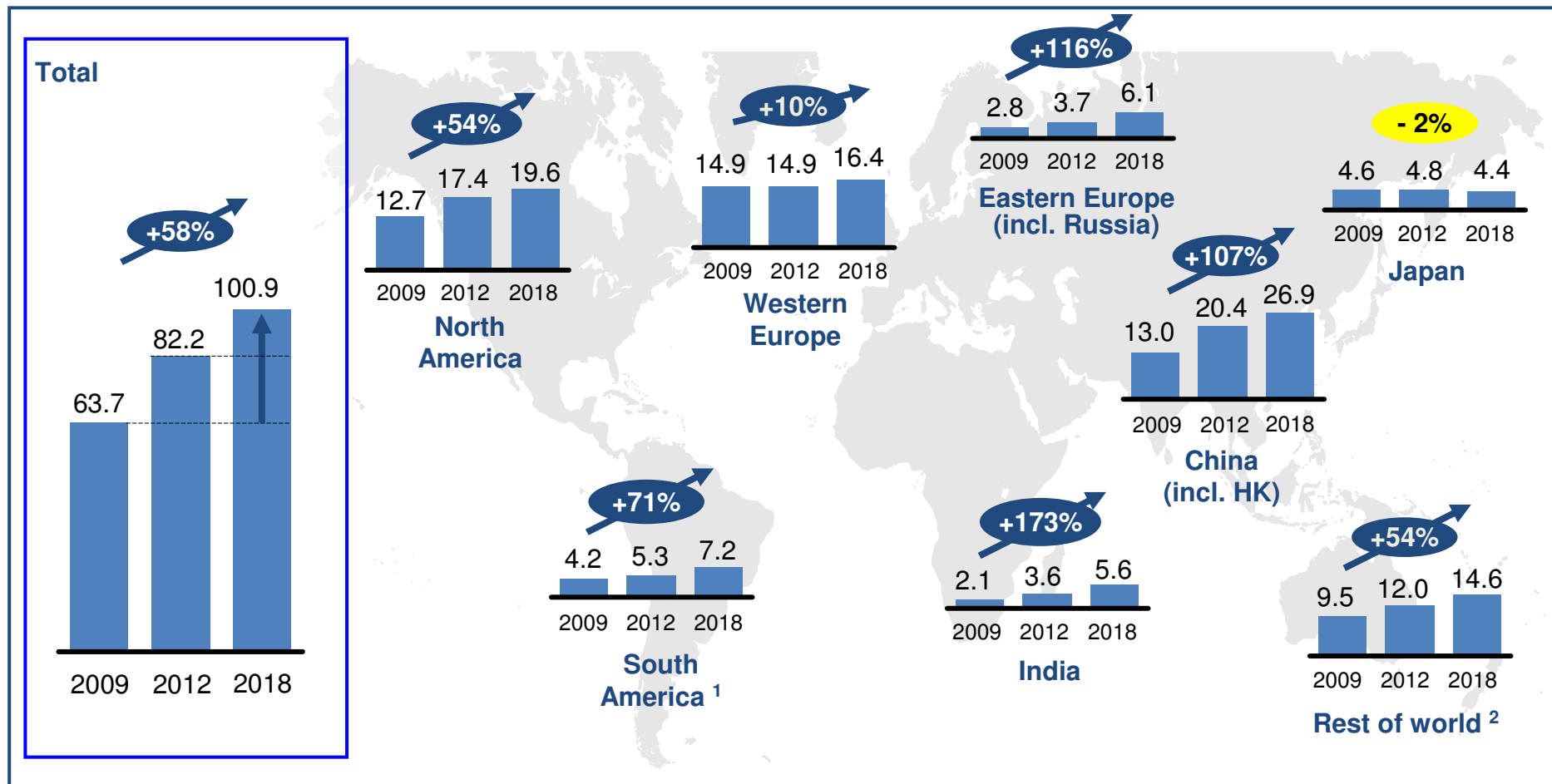


NOTE: All stated Volkswagen Group figures represent financial targets for 2018

¹ Includes China

Source: Volkswagen Group

Substantial Growth Opportunities – Global Market Growth 2009 - 2018 (million units)



NOTE: Market = Cars and LCVs

¹ Includes Central America and Caribbean

² Includes Turkey, Cyprus and Malta

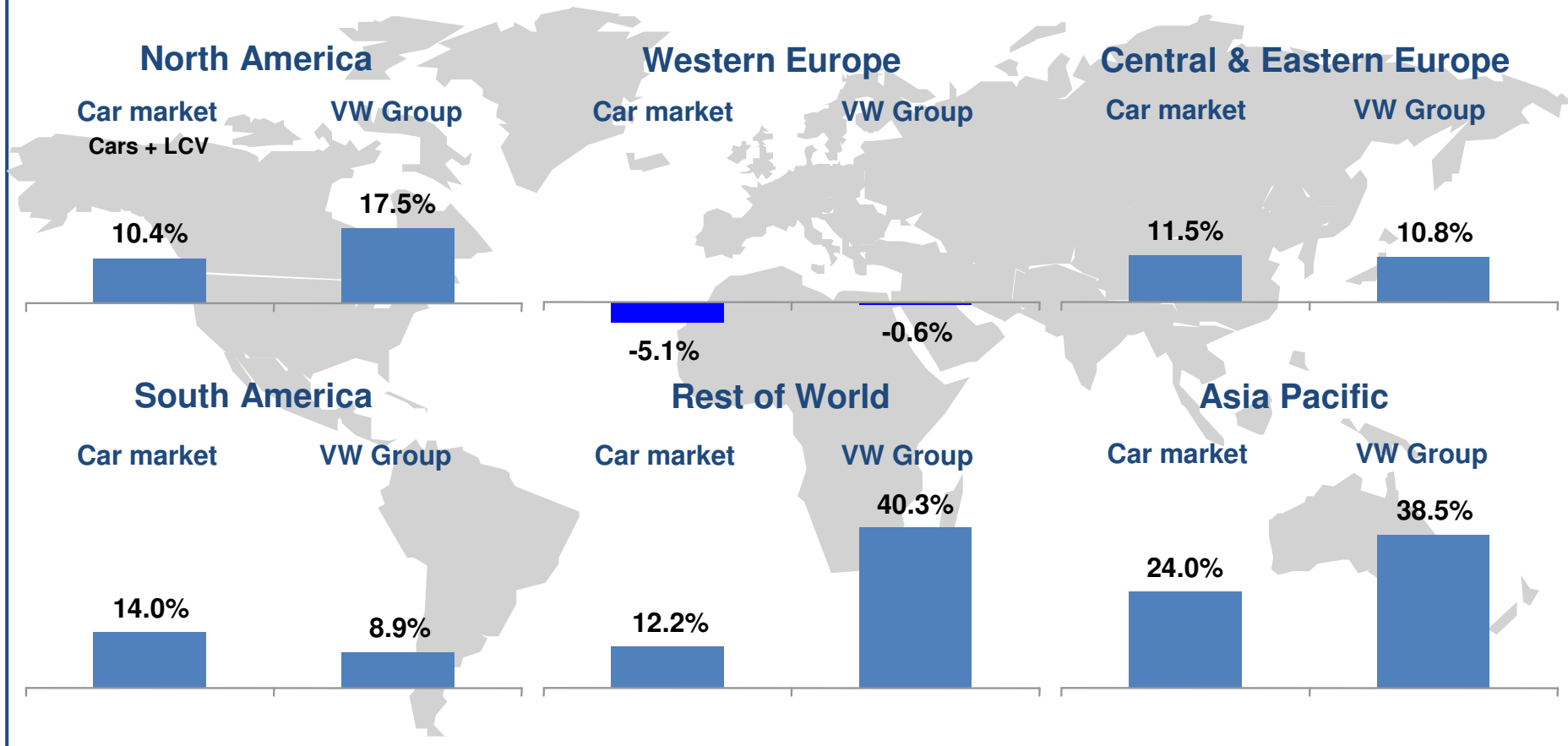
Source: IHS Global Insight, rounded status: 12/10

World Car Markets and Volkswagen Group – Deliveries to Customers¹



2010 vs. 2009 (Full Year)

World Car market: +11.4% VW Group: +13.5%

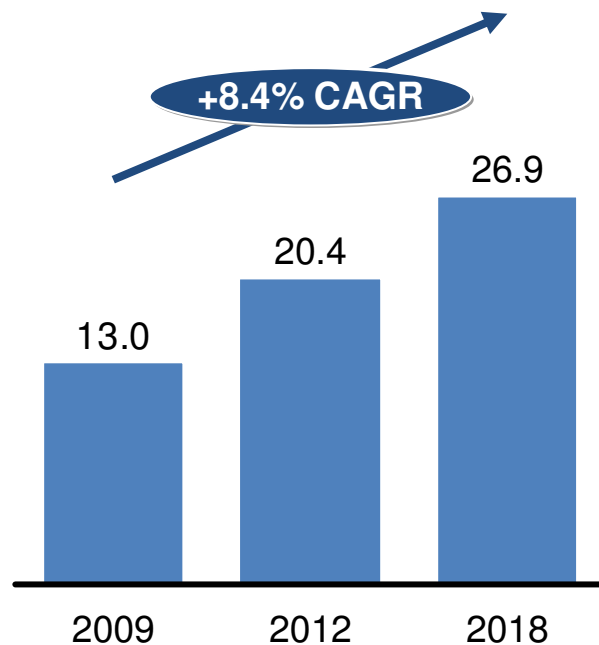


¹ Includes Trucks & Busses (until February 2009); without Scania

China – Volkswagen with Leading Market Position, Highly Profitable and Cash Generative¹



Market development in China million units



**China became Volkswagen Group's
No. 1 country market in 2009²**

Volkswagen Group position in China

- No. 1 automotive company
- Investment plan 2011 - 2015: €10.6 billion funded through local liquidity and cash flows
- Typical local content: ~ 80 - 98%
- Consolidated at equity result 2009: €774 million (2008: €395 million)
- Significant dividends received in 2010



NOTE: Market = Cars and LCVs

1 Includes Hong Kong

2 Based on volume

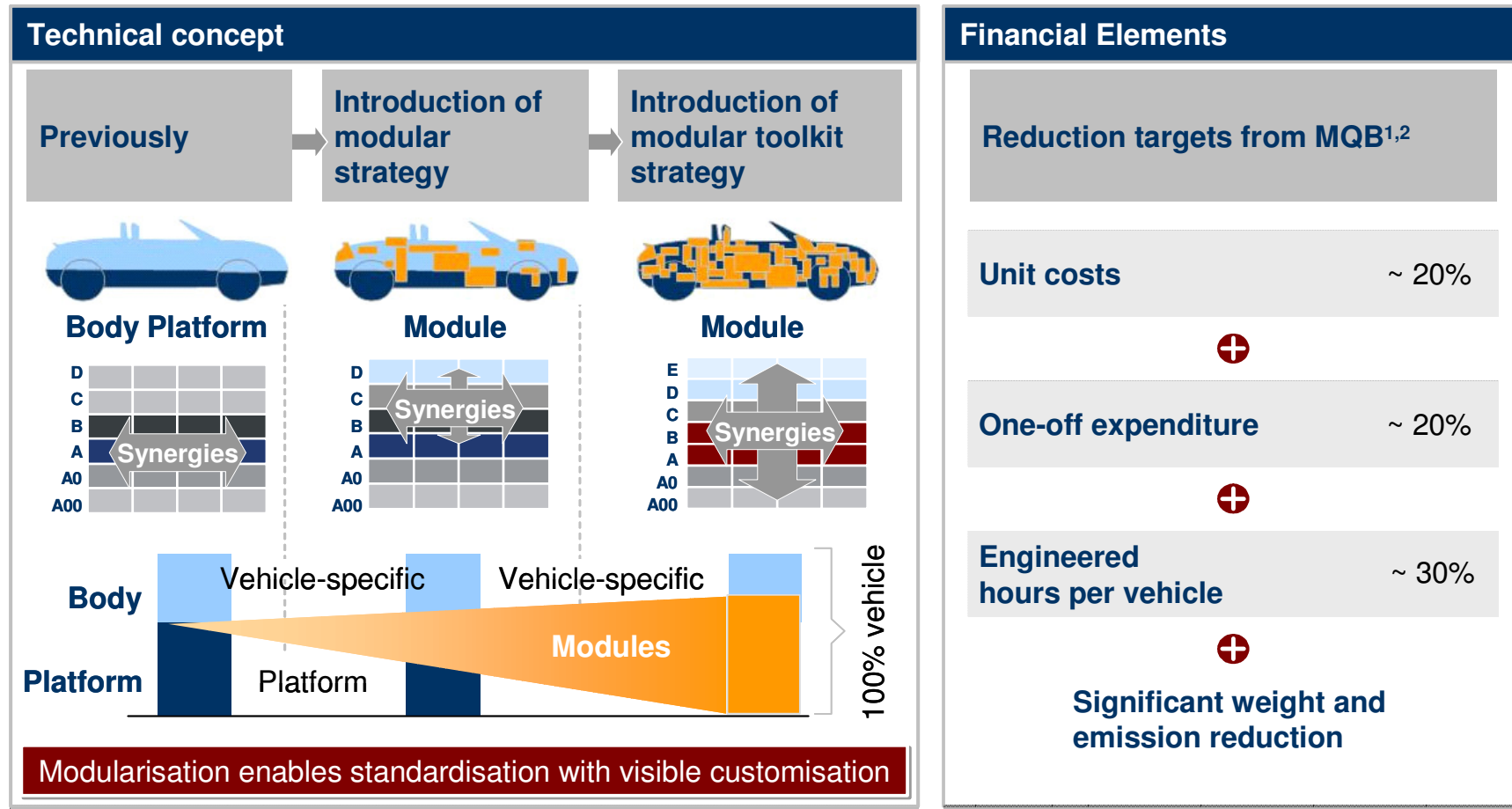
Source: IHS Global Insight, data status, 12/10, Volkswagen Group

Volkswagen Group and Porsche have got the right Products to play a significant Role in the Middle East

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Significant Competitive Advantages from Modular Toolkit Strategy

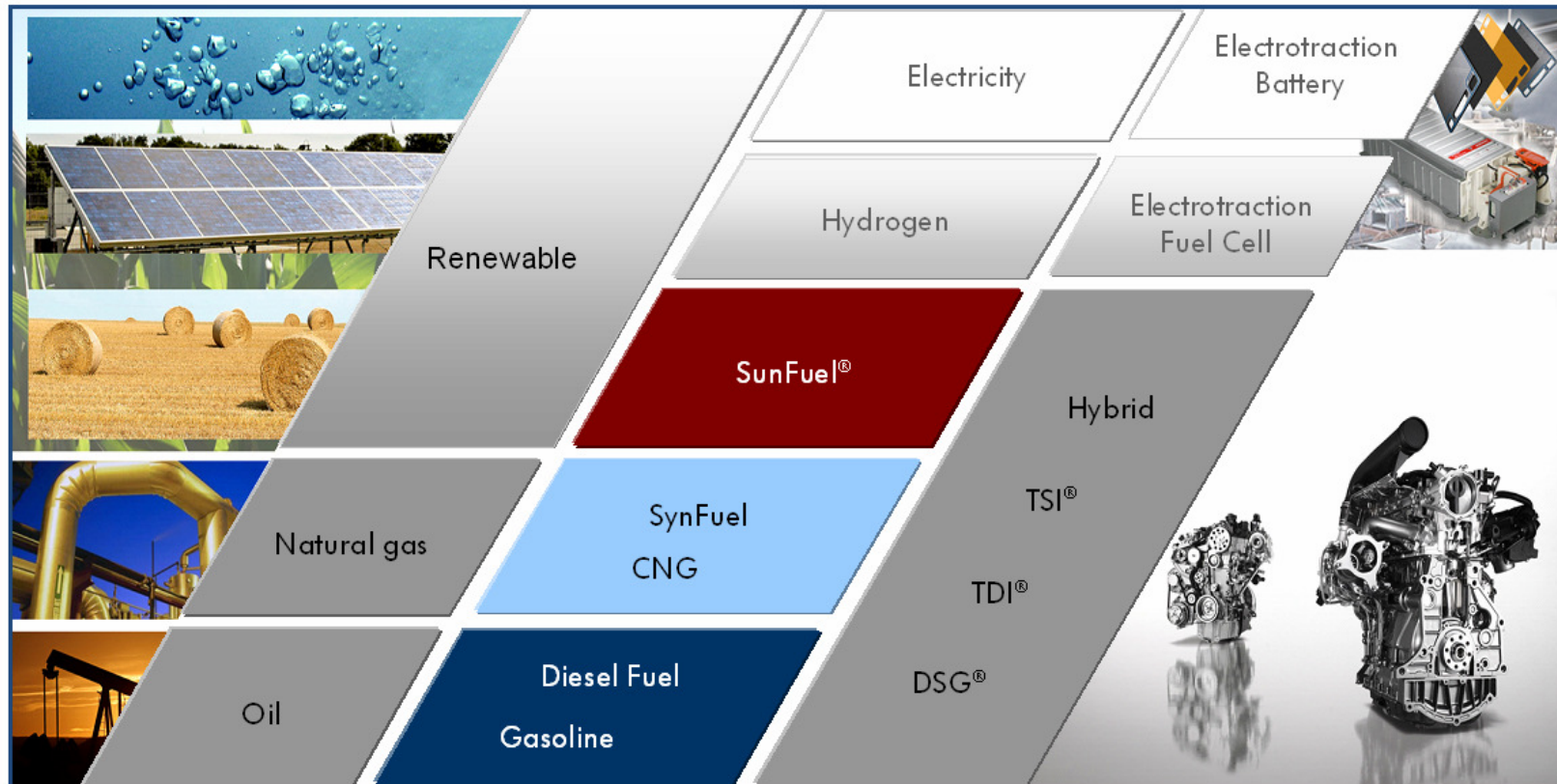


1 MQB: "Modularer Querbaukasten" = "Modular Transverse Toolkit"

2 Reduction targets illustrate benefits from MQB implementation

Volkswagen addresses the full Spectrum of Fuel and Powertrain Technologies

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Volkswagen Group and Porsche on Track for E-Mobility



Hybrid

► 2014

Touareg



Cayenne



Audi A8



Golf



...

E-car

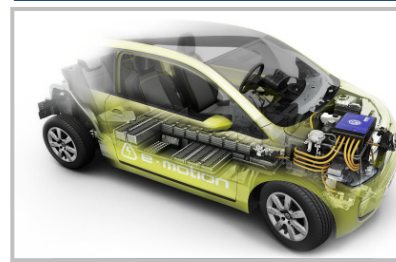
► 2014

From 2011:
e-testfleet in
Europe, NAR,
China

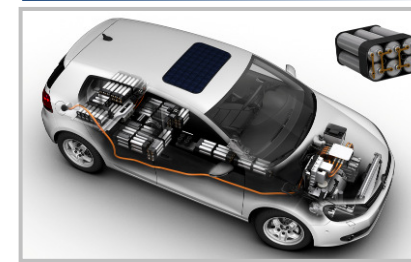
Audi e-tron (Small series)



E-Up!



e-Golf



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Truck Exposure Primed to Benefit from Economic Upswing

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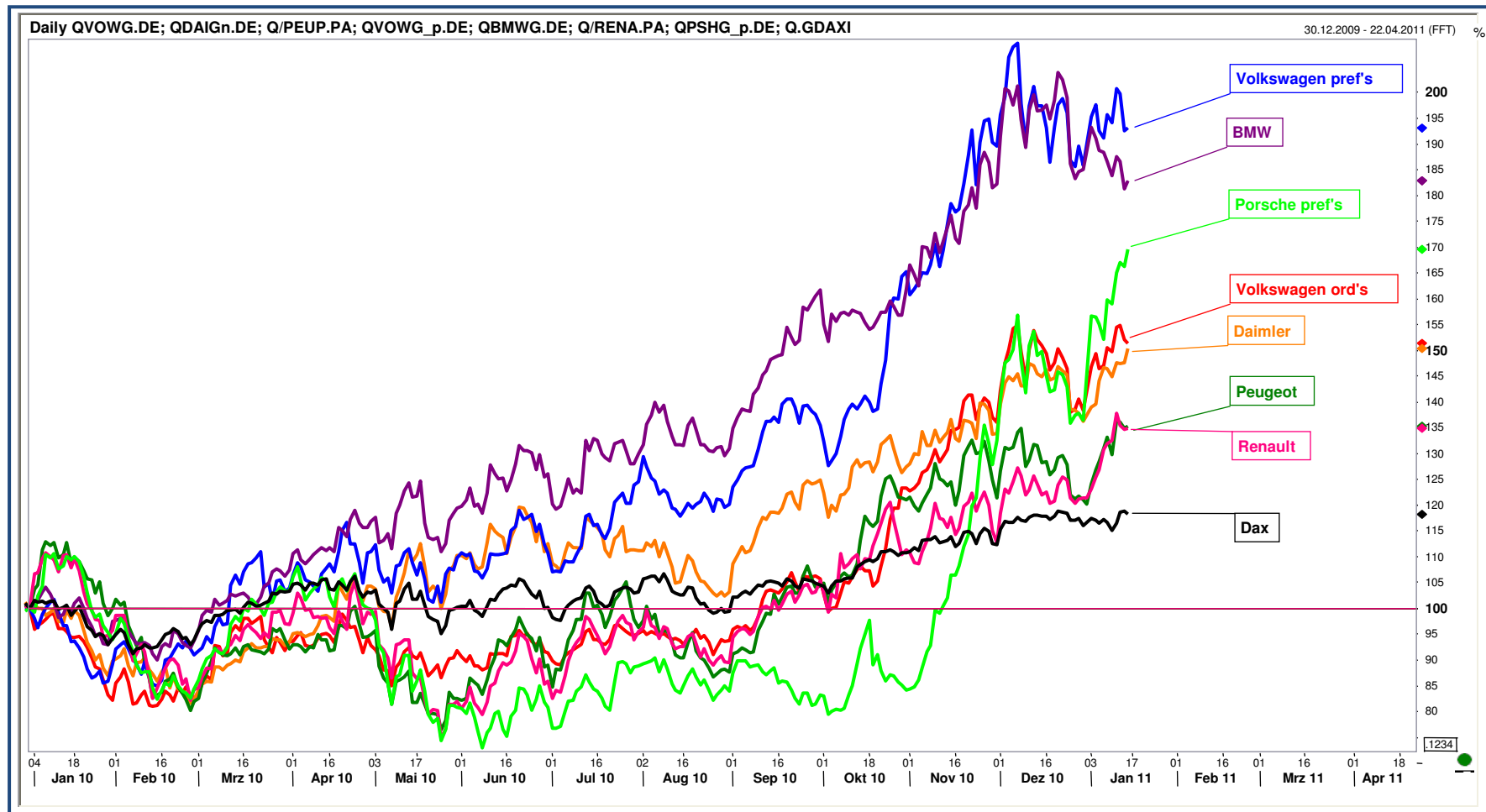


Volkswagen, MAN and Scania have agreed that a closer cooperation between the companies is in the joint interest of all partners

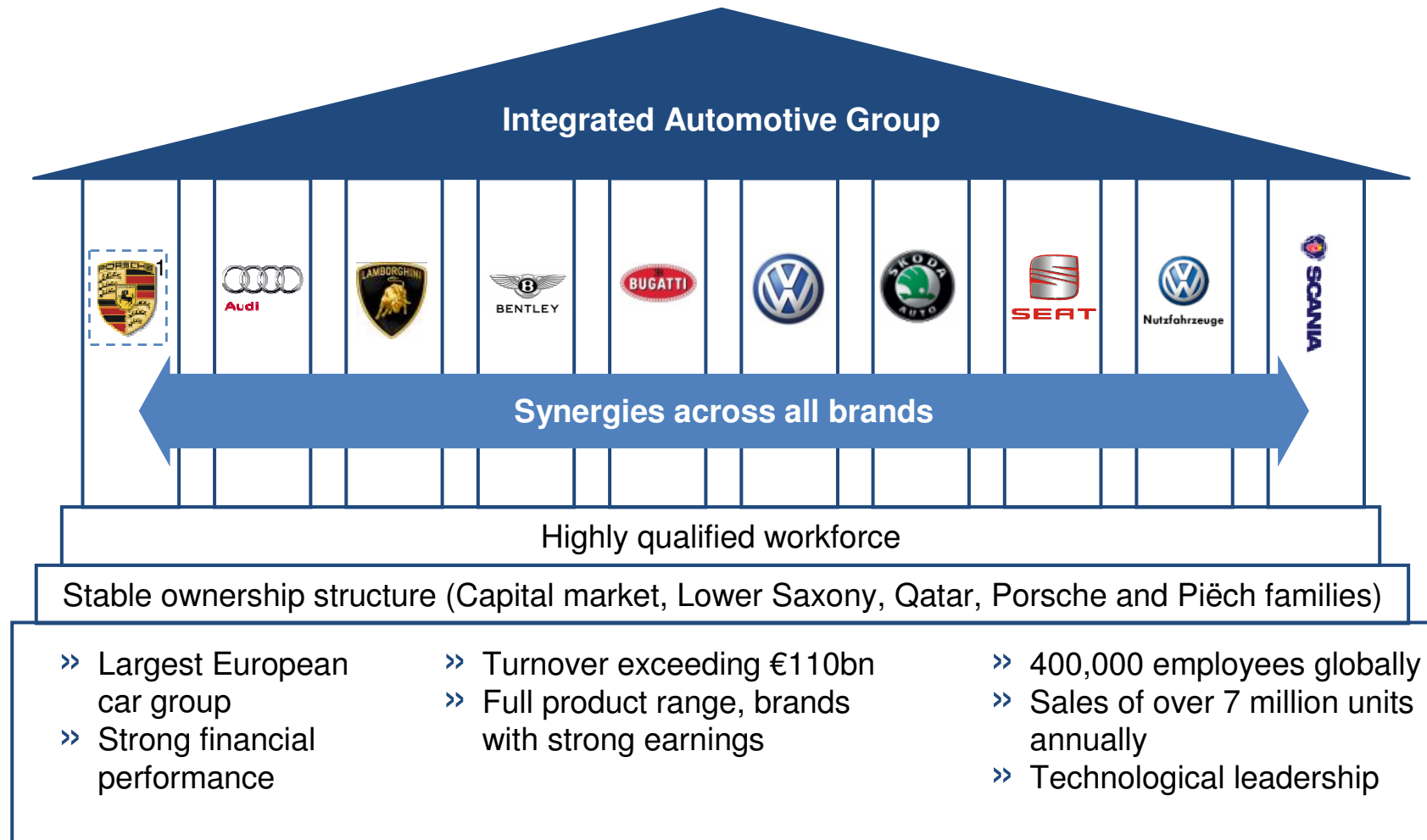
¹ 29.9% voting stake; 28.7% economic stake

Source: Volkswagen Group

European Automotive OEM's Share Price Performance (rebased, starting 1 January 2010)



Volkswagen and Porsche are on track towards establishing an Integrated Automotive Group



¹ Volkswagen: 49.9% stake since 7 December 2009

Significant Synergies achievable for VW and Porsche from Integrated Automotive Group (Upside Potential)



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 p.a. (midterm)
- 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
- More than half of cost savings expected in the medium term
- Smooth integration and ramp-up phase



Creation of the Integrated Automotive Group – Porsche SE Capital Raising next Key Milestone



<p>Phase 1 2009 Framework agreement; partial transfer of Porsche AG</p>	<ul style="list-style-type: none"> » Signing of framework agreement » Sale of major part of Porsche SE's option portfolio in Volkswagen AG shares to Qatar » Restructuring of financing of Porsche SE and Porsche AG » Execution of detailed implementation agreements » Acquisition of a 49.9% stake in Porsche AG by Volkswagen AG 	<p>✓ ✓ ✓ ✓ ✓</p>
<p>Phase 2 2010/2011 Capital raising</p>	<ul style="list-style-type: none"> » Capital increase at Volkswagen AG (preference shares) » Capital increase at Porsche SE (ordinary and preference shares) 	<p>✓ H1 2011</p>
<p>Phase 3 2011 onwards integration</p>	<ul style="list-style-type: none"> » Merger of Porsche SE with Volkswagen AG, if not possible: exercise of put/call options¹ for Porsche AG (possibility for later merger post exercise of put/call options) 	<p>2011 or later</p>

¹ Exercise possible in periods between end of 2012 and early 2015

Winning through Teamwork!



Dakar 2011



Thank you!