

- The spoken word is valid -

Speech Manuscript
Prof. Dr. Martin Winterkorn
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- Part I -

Good morning, Ladies and Gentlemen,
and a very warm welcome to this year's Annual Press Conference.

I'm sure your trip to Wolfsburg will be worthwhile. The Volkswagen Group can present you with genuinely historic record results today: Never before has our Company sold so many cars worldwide than it did last year. And never before did we make such a healthy profit.

Measured by unit sales, sales revenue and earnings, I can justifiably welcome you this morning to Germany's most successful automobile manufacturer.

For the Volkswagen Group, 2007 was by far the most successful year in our history. In my opinion, we have impressively demonstrated the unique potential that this Company has to offer. This is also reflected in very concrete form in our key figures:

Chart "Key Figures"

In 2007, the Group increased its sales revenue to €108.9 billion. This represents growth of 3.8 percent.

At almost 6.2 million vehicles, we increased deliveries by a clear 7.9 percent – a new all-time record.

And we also set a strong record for operating profit: In fact, at €6.2 billion, we more than trebled the previous year's figure. Profit before tax rose significantly to €6.5 billion. This means we not only reached our earnings target for 2008 of €5.1 billion one year earlier than planned, but in fact exceeded it significantly.

Our automotive success in 2007 was also mirrored on the stock markets: The Volkswagen Group turned in the best share price performance of all listed automakers in 2007.

Ladies and Gentlemen,

2007 was really a pivotal year for the Volkswagen Group: This was the year we put our Company through boot camp. We made ourselves fit for the future in a number of respects:

- We increased productivity at our plants by 10 percent, and, at the same time, we substantially reduced the manufacturing costs for our vehicles.
- We reinforced our presence in the world's growth markets and unveiled four new plants in Russia, India and China.
- Above all, though, we debuted a total of 34 new models and product enhancements throughout the Group. 34 new vehicles – that's a truly impressive number which set the pace in the automotive world in 2007.

However, none of this happened of its own accord. Behind this success there's a lot of focused effort and real passion for automobiles. My colleagues and I would like to extend our sincere thanks to our employees for this, and for their tremendous commitment.

Chart "Deliveries to Customers by Market – Volkswagen Group"

The encouragingly strong demand shows that our efforts have been rewarded. I'd like to stress the figures again: At almost 6.2 million vehicles, we increased deliveries

by around 8 percent. In other words, we grew almost twice as fast as the global market.

Our performance was particularly strong in the growth markets for automobiles:

- Up 28 percent in China.
- Up 32 percent in Brazil.
- And up 21 percent in Central and Eastern Europe.

These are figures to be really proud of, and that give us a great boost.

In North America and Western Europe, on the other hand, we were faced with stagnating markets. In fact, the German automobile market contracted by more than 9 percent. The Group delivered 1.06 million vehicles here, 4.8 percent fewer than in the previous year.

The reasons for this development are clear: The impact of the increase in value added tax and rising mobility costs, but also uncertainty relating to the debates on the climate and the tax framework all contributed to weak domestic demand.

Nevertheless, we still extended our market share in Germany to 32.7 percent. In other words: Every third new vehicle in 2007 came from the Volkswagen family. And we're also the clear leader in the German fleet business, accounting for five out of the top ten models last year.

Chart "Deliveries to Customers by Brand – Volkswagen Group"

Ladies and Gentlemen,

A particularly encouraging sign is that all eight Group brands increased their deliveries in 2007.

Chart "Deliveries to Customers by Market – Volkswagen Passenger Cars"

With over 3.66 million vehicles, the Volkswagen Passenger Cars brand set a new delivery record. The brand achieved particularly strong growth in Brazil, Central and Eastern Europe, and China.

Chart "Volkswagen Tiguan"

The new Golf Variant and Tiguan models met with an excellent response from our customers. We have now received our 100,000th order for the Tiguan – a mere four months after its market launch. This is a sensational success and illustrates the sort of potential the Volkswagen brand has to capture market segments.

Chart "BlueMotion Initiative"

Volkswagen continued its BlueMotion initiative in 2007 and unveiled no less than six new environmentally friendly models at the IAA in Frankfurt. These included the most fuel-efficient Golf of all time, with a consumption of 4.3 liters per 100 kilometers. Its little brother, the Polo BlueMotion, is the absolute CO₂ champion with 99 g/km. These vehicles demonstrate that the best contribution you can make to protecting the environment is to buy a new car. With BlueMotion, you not only help the environment, you also save money.

Chart "Deliveries to Customers by Market – Audi"

The Audi brand made substantial progress towards its goal of becoming the world's leading premium manufacturer. At 964,200 vehicles, the brand achieved its twelfth delivery record in succession. Audi scored in almost all key markets with rising sales figures. It's the best example of growth and dynamic performance: The Audi brand sold around 740,000 cars in 2002. 2008 unit sales will be over one million vehicles.

Chart "Audi A4"

In 2007, Audi laid the foundations for a new model series with the A5 Coupé. Together with the successor to the A4, this is an impressive example of Audi's efficiency and superior, state-of-the-art technology. That's because both vehicles are based for the first time on the Modular Longitudinal platform. And on top of that, both cars are series winners in the tests run by the motoring press comparing vehicles.

Chart "Deliveries to Customers by Market – Škoda"

Our colleagues at Škoda also celebrated new records. 630,000 vehicles delivered represent the best-ever result in the company's history and a strong increase of 14.6 percent. Clever, high-quality but affordable cars – Škoda's formula is winning over a growing number of customers around the world.

Chart "Škoda Fabia"

With smart, likeable cars like the Škoda Roomster, the planned Yeti compact SUV, or the new Škoda Fabia, the brand appeals as much to smart shoppers in the West as to its strong established client base in Central and Eastern Europe.

Chart "Deliveries to Customers by Market – SEAT"

At the SEAT brand, we had not originally been expecting an operating profit until 2008. I'm delighted to be able to say today that SEAT in fact returned to operating profit last year – twelve months earlier than planned.

Ladies and Gentlemen, anybody who thinks about writing off SEAT is making a big mistake. Our colleagues in Martorell have laid all the foundations for successful

growth. More than 431,000 customers and increased deliveries in 2007 speak a clear and unmistakable language.

Chart "SEAT Altea Freetrack"

One important innovation last year was the Altea Freetrack, the first SEAT with four-wheel drive. SEAT recently showed in Geneva how the future of the brand will look with its show car based on the new Ibiza.

Chart "Deliveries to Customers by Market – Bentley"

Ladies and Gentlemen,

Bentley has been an unparalleled success story in the recent years. Today, Bentley is by far the most successful luxury automotive brand in the world. Bentley sold 992 cars in 1998. Last year, it was more than 10,000 – a new all-time record.

This brand is a real gem for its sophisticated customers. And for the Group – because Bentley has a key strategic function for our Company, and also earns us good money.

Chart "Bentley Continental GT Speed"

The new Continental GT Speed was a product highlight of 2007. I'm convinced that with exceptional vehicles like this, Bentley will further extend its leadership position in the highly profitable market for luxury automobiles.

Chart "Deliveries to Customers by Market – Lamborghini"

Our sports car manufacturer Lamborghini was no less successful. Since Lamborghini became a member of the Audi family ten years ago, its unit sales have increased more than tenfold. Deliveries rose again by a healthy 14.8 percent to 2,400 vehicles in 2007. And it's not only Lamborghini's unit sales that have delighted us, but also its profitability.

Chart "Lamborghini Reventón"

With vehicles like the new Reventón super sports car, the brand has again proven beyond doubt that Lamborghini is and will continue to be a globally unique manufacturer of extreme, uncompromising sports cars.

Chart "Deliveries to Customers by Market – Volkswagen Commercial Vehicles"

Volkswagen Commercial Vehicles also recorded very healthy growth. 488,700 units in 2007 represent a new worldwide delivery record. Volkswagen Commercial Vehicles set new records in 37 export markets last year. Growth in deliveries was particularly pronounced for the trucks and buses manufactured in Brazil and Mexico.

Chart "Caddy Maxi"

The new Caddy Maxi was an important new product in 2007. This spacious van is one of the largest models in the compact shuttle/van segment.

Ladies and Gentlemen,

We didn't only inspire our customers with fascinating cars last year. We also created genuine value added with financing, leasing and insurance packages for our vehicles. Value added for our customers and for the Company.

Our clever mobility packages ensure that the costs of driving remain transparent and calculable. This is more important than ever before, especially for private households. Three out of four Volkswagen customers in Germany now finance or lease their new vehicles with Volkswagen Financial Services.

Volkswagen Financial Services again proved a trendsetter among automobile financial services providers, systematically expanding and internationalizing its offerings. A good example of this is the formation of the first automotive and direct bank in Mexico. Against this backdrop, the Financial Services Division performed extremely well in 2007, again making a significant contribution to the Group's overall earnings. The number of contracts grew by 4.2 percent to 6.6 million.

We will build on this and integrate the marketing activities of the Automotive and Financial Services divisions more tightly. This will not only enable us to tap another extremely profitable business field. These services also help improve long-term customer loyalty.

Ladies and Gentlemen,

One thing is clear: The Volkswagen Group can only be successful in the long term with a strong, successful Volkswagen brand. That's why we set a lot of things in motion at the Volkswagen brand in 2007.

As you know, it is our declared goal to make the Volkswagen brand the most innovative volume manufacturer in the world. Our new global brand claim, "Volkswagen – Das Auto." underlines this objective. It expresses just how much

Volkswagen has driven the development of the automobile and will continue to do so. Volkswagen stands for vehicles that set standards and have helped define whole generations' attitude to living.

In addition, we have given the Volkswagen brand a new image:

- Closeness to the customer, affordable innovations.
- Outstanding value, uncompromising quality and safety.
- And, last but not least, responsibility for the environment and for society – that's what Volkswagen stands for.

This vision, brand image and claim together make up the new, self-confident Volkswagen brand. And they underscore the high standards that we set for our vehicles and our work.

These can also be seen from the Volkswagen brand's corporate objectives:

- By 2018 at the latest, the brand aims to be a top employer, as measured by international rankings.
- We want to be among the best automakers in the world in terms of customer satisfaction, quality and processes.
- In 2018, the Volkswagen Passenger Cars brand is looking to sell 6.6 million vehicles a year worldwide.
- And, with a return on investment of 21 percent, the brand intends to be one of the most profitable companies in our industry.

Our "Strategy 2018" sets the framework for the Volkswagen brand's successful future. We have taken similar steps for all Group brands. At present, we are systematically rolling out this strategy to the workforce. And we have taken all necessary steps to ensure that these ambitious goals are translated into measurable, positive results.

Ladies and Gentlemen,

In 2007, Porsche AG further increased its stake in Volkswagen Aktiengesellschaft. This move demonstrates the long-term nature of the investment by our largest shareholder. And the announcement that it intends to acquire a majority stake underscores that our colleagues at Porsche and its owning families appreciate what a gem the Volkswagen Group is.

We are extremely pleased about this move. And we're looking forward to even closer cooperation soon. The Piëch and Porsche families have written automotive history. They have been closely associated with the Volkswagen Group for a long time. An automobile company is now emerging that will usher in an entirely new era. Two absolute industry champions are joining forces here. Let me put it another way: Combining Porsche and Volkswagen is like melding the talent and attacking skills of Marcelinho and Mario Gomez in one single player.

Volkswagen stands for the technology leadership and purchasing strength of one of the largest automotive groups. And Porsche for the power and maneuverability of one of the most coveted brands in the world. Our competitors are fully aware of the tremendous potential of this partnership. They know they are witnessing the birth of a player whose appeal, profitability and innovative strength will make it the world's best automobile manufacturer.

With this in mind, we hope very much that the current dispute between the Volkswagen Works Council and Porsche will soon be resolved amicably. We need clarity. We must deploy our teams and finally start controlling the game together. This is in the interests of all concerned.

Ladies and Gentlemen,

Just a few days ago, we announced that Volkswagen will increase its share of Scania's voting rights to 68.60 percent. For Scania, this is a historic step towards a clear, long-term shareholder structure. At the Volkswagen Group, we are delighted

that Scania will now become the ninth strong brand under the roof of Europe's largest automobile company.

We are committed to Scania and the Scania team. We are firmly behind Scania's management led by Leif Östling, who has put the company on an excellent footing. We will remain committed to this successful strategy. As with all of our Group brands, Scania will retain its own corporate headquarters, its own corporate culture and its own unique profile. I'm convinced that, together, we will harness our market opportunities even more effectively.

Going forward, the Volkswagen Group will be a commanding force in the business with heavy trucks and buses. Our investments in MAN and Scania are highly profitable. In this respect, we do not currently see any further pressure to act.

Ladies and Gentlemen,

That finishes my roundup of the key data, new products and significant events of last year. My colleague on the Board of Management, Hans Dieter Pötsch, will now explain the most important financial indicators in detail.

Thank you very much.