

## Speech

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Porsche Automobil Holding SE

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Thank you very much, Mr. Pötsch.

Ladies and gentlemen,

I would now like to explain to you the current status of the legal disputes at Porsche SE.

On the legal side, we were very successful on the whole in the past year: I would like to make particular mention of the ruling that the Federal Court of Justice handed down just before Christmas, which addressed the somewhat clunky-sounding “Dismissal of a complaint against the refusal to appeal on points of law”. What was this all about? In 2015, as part of a lawsuit of originally more than 1.3 billion euro, the Higher Regional Court of Stuttgart ruled in our favor and did not permit any appeal on points of law to be lodged to the Federal Court of Justice. Although our legal opponents challenged this refusal to appeal they were unsuccessful. After having several actions with lower claims ruled in our favor in prior years, this was the first time that we were able to successfully defend ourselves against a lawsuit involving over 1 billion euro and, for the first time, after the jurisdiction of the Federal Court of Justice was invoked.

We were even more successful in 2016 on the criminal proceedings side: To begin with, investigations of the public prosecutor's office against members of the supervisory board were terminated. Furthermore, after several months of intensively collecting evidence, the Regional Court of Stuttgart cleared the former members of the executive board of Porsche SE of all allegations of information-based market-manipulation made against them and dismissed the motion for imposing a fine on Porsche SE. In the grounds for the judgment, the chamber made

it clear that the allegations made by the Stuttgart public prosecutor are without merit.

The public prosecutor had initially appealed the ruling, but then withdrew the appeal. The acquittal is thus final and binding. After more than six years of investigations and extensive witness hearings during the trial, all the public prosecutor's suspicions have thus proven to be unfounded.

For Porsche SE, these two court rulings have been decisive. Firstly, because the criminal file could be closed. And secondly, because not only have we been proven right for the seventh time in a row on the civil side, but also because the ruling of the Federal Court of Justice now also means that our interpretation of the law has been confirmed by the highest court.

I therefore repeat again today what we have constantly been emphasizing over the last eight years: In expanding its investment in Volkswagen AG, Porsche SE always provided accurate information during the years from 2005 to 2009. The special criminal court of the Regional Court of Stuttgart and the Federal Court of Justice confirmed this in their rulings in 2016.

Overall, there are currently still seven civil lawsuits pending against Porsche SE due to alleged market manipulation, six with the Regional Court of Hanover and one with the Higher Regional Court of Stuttgart. The plaintiffs at the Regional Court of Hanover have alleged overall damages of around 5.4 billion euro. The proceeding at the Higher Regional Court of Stuttgart has a payment order of around 195 million US dollars.

I will begin with the proceedings in Hanover: Here, four out of six plaintiffs filed an application for establishment of a model case according to the Capital Markets Model Case Act (KapMuG). The Regional Court of Hanover initiated such a model case by means of an order reference which it referred to the Higher Regional Court of Celle. Subject of those actions are alleged damage claims based on alleged market manipulation and inaccurate information in connection with the acquisition of the investment in Volkswagen AG. It bundles 97 so-called establishment objectives that all the actions have in common in order to answer them within this model case and to deliver a binding basis to the initiating court for its decisions.

All six proceedings at the Regional Court of Hanover are now suspended until the Higher Regional Court of Celle has made a final decision on the establishment objectives in the model case. The Higher Regional Court of Celle has already scheduled several oral hearings from September 2017.

A seventh proceeding with a payment order of around 195 million US dollars is pending at the Higher Regional Court of Stuttgart. Here we have also been arguing for almost five years now with our opponents as to which court was seized first. We are therefore still at a very early stage of the proceedings. Our opposing parties want to have the case tried in London; however, we see Stuttgart as the correct court of competent jurisdiction. In 2013, the Regional Court of Stuttgart confirmed our opinion. The opposing parties immediately appealed this decision. This was dismissed by the Higher Regional Court of Stuttgart in January 2015, whereupon our opposing parties lodged an appeal with the Federal Court of Justice. In turn, the Federal Court of Justice overturned the Higher Regional Court of Stuttgart's decision in September 2016 and referred the issue of which court was seized first back to the Higher Regional Court of Stuttgart for reconsideration.

Our position here is also clear: We are convinced that the proceedings belong to Stuttgart. However, I would like to stress once more that these proceedings have so far only been procedural. Matters of substance, that is to say content issues, have not yet been discussed at all, and it will presumably also take some time until we get that far.

As for the diesel issue, Porsche is faced with lawsuits from investors. We have since been served with 156 lawsuits by the Regional Court of Stuttgart and 5 lawsuits by the Regional Court of Braunschweig to pay damages totaling around 900 million euro. The plaintiffs accuse Porsche SE of alleged unlawful omission of capital market information in connection with the diesel issue. At the same time, some of the plaintiffs also simultaneously filed applications for establishment of a model case according to the KapMuG.

We have also filed applications for establishment of a model case according to the KapMuG with our own establishment objectives. There was no and there is no indication that Porsche SE board members have had knowledge of the diesel issue not to mention the consequences of the diesel issue in the USA before 18 September 2015. Our position is clear: An individual sitting on a number of boards is not the same as having the same board. The members of the board of management of Volkswagen AG, which at the same time were or are also members of the board of management of Porsche SE, were and are generally subject to a strict duty of confidentiality regarding presumed insights obtained as part of their mandate at Volkswagen AG. Such supposed insights cannot be attributed to Porsche SE. We therefore regard all lawsuits brought against Porsche SE in connection with the diesel issue to be without merit and in some cases also to be inadmissible.

At the end of February of this year, the Regional Court of Stuttgart initiated a model case by publishing an order of reference on the diesel issue. The Higher Regional Court of Stuttgart will now have to look into this order of reference.

To close, I would like to repeat once more what I already said last year with regard to our legal disputes that have been ongoing since 2010: It doesn't matter to us before which court we ultimately win. And that sentence is more justified today than ever before.

Thank you for listening.