PORSCHE SE

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Porsche Achieves New Records in Profit, Turnover and Sales

Sports Car Manufacturer Expects Drop in Sales in the Business Year 2008/09

Stuttgart, 26 November 2008. Despite the global economic downswing, Porsche Automobil Holding SE, Stuttgart, has set up new records in the business year 2007/08 (31 July), with profits, turnover, sales, and production reaching new all-time highs. The ongoing success of the Company served furthermore to once again create more jobs within the Porsche Group. Porsche is nevertheless not able to escape the significant slump in demand which has hit the entire automotive industry this autumn and therefore expects a decrease in sales in the current business year 2008/09.

The business year 2007/08 was the most successful year ever in Porsche's 60-year history, with Group profit before taxes increasing by 46 per cent to 8.569 billion Euro. This significant jump in profit was again due to special influences in connection with the holdings in Volkswagen AG, Wolfsburg, Germany. Porsche's operative earnings before taxes have developed most satisfactorily. Corrected for special effects from hedging operations as well as the interest result of Porsche SE, it amounted to around one billion euros. Increased development costs incurred i.a. for the fourth Panamera series, for the hybrid drive in the Cayenne, for new, reduced consumption engines and for new vehicle models, proved a burden on the result.

This development was more than set off by positive effects from cash settled share option transactions by which Porsche participates in changes to the stock exchange price of the VW shares. By way of these transactions the further acquisition of VW ordinary shares is being hedged. The contribution to profit from these transactions amounted to 6.834 billion Euro (previous year: 3.593 billion Euro). At the end of the business year, the holding in VW amounted to 22.3 percent of all shares. The profit attributable to Porsche amounted to 1.007 billion Euro, of which 160.4 million

Euro were a cash inflow in the form of a dividend.

Higher special dividend proposed

The Group annual surplus (profit after taxes) was up 51 percent to 6.392 billion Euro in the period under review. The earnings per share, corrected for splitting, were 35.94 Euro (previous year: 23.98 Euro) per ordinary share and 35.95 Euro (previous year: 23.99 Euro) per preferred share. Porsche shareholders shall benefit from this. It will be proposed to the annual shareholders' meeting to be held at Porsche Arena in Stuttgart on 30 January 2009 to pay another dividend of 0.694 Euro per ordinary share and 0.70 Euro per preferred share as well as to increase the special dividend to two Euro (previous year: 1.50 Euro) per ordinary share and per preferred share in consideration of the high one-off earnings. As a result, the total distributed would climb to around 472 (previous year: 384) million Euro, which would correspond to an increase by approx. 23 percent.

Cayenne achieves impressive success in the market

In all, the business year of Porsche Automobil Holding SE under report shows very positive results. Turnover went up by 1.3 percent to 7.466 billion Euro. Sales by the 100 percent subsidiary
Dr. Ing. h.c. F. Porsche AG increased by 1.2 percent to 98,652 vehicle sales. This growth was fuelled first and foremost by the Cayenne series. Increasing by 34 percent to 45,478 units, sales of Porsche's sports utility vehicle reached a new record level. Despite the changeover to the new 911 Carrera in the second half of the business year 2007/08, sales of the 911 model series, amounting to 31,423 units, were only
16 percent below the previous year's very high figure. The Boxster series, finally, which also includes the Cayman, accounted for a total of 21,747 units sold, 16.8 percent less than in the previous business year.

Porsche Group workforce for the first time with more than 12,200 employees

Total production in the business year 2007/08 was 105,162 units, an increase by 3.3 percent. The Leipzig Plant worked to its absolute capacity limit, with 48,497 units of the Cayenne coming off the production line, more than ever before. Compared with the previous year, this represents a growth rate of 34.1 percent. Production of the 911 in Stuttgart-Zuffenhausen was 34,303 units, a decrease by twelve percent. Overall production of the Boxster series, finally, was 22,356 units (down 16.3 percent).

Reflecting this successful development, the number of Porsche Group employees was up 5.5 percent to 12,202. New opportunities have arisen mainly in research and development, in sales, in the Leipzig factory, and in the two subsidiaries Porsche Consulting and the management and IT consultancy company
Mieschke Hofmann und Partner (MHP).

Outlook: Porsche also affected by the general downward trend

Porsche Automobil Holding SE expects a significant drop in sales in the current business year 2008/09. The signs of a severe decrease in demand in the automotive industry are unmistakable the world over, and it is virtually impossible to calculate further developments particularly in the USA, Porsche's largest single market.

Porsche will hardly be able to escape this downward trend, so that currently we do not assume that we will be able to repead the high total sales of the previos business year. This is indeed borne out by revenue and sales figures in the current business year from 1 August to mid-November 2008, which indicate that turnover in the first four months of the business year 2008/09, that is up to 30 November 2008, will be slightly above two billion Euro following 2.36 billion Euro in the same period last year. Sales show a similar development, amounting to 25,200 units after 30,700 units year-on-year. The exact figures for the first four months will be published by Porsche in the Interim Report due in mid-December 2008.

Despite the decrease in sales, Porsche upholds its policy not to grant discounts from the factory. Instead, production is being scaled down to reflect actual demand in the market. The Zuffenhausen Plant will remain closed on seven days up to the end of January 2009, after production ceased for the first time on
21 November 2008. Since the employees' working time accounts are well filled due to the high level of production capacity last year, this balance can be achieved without reducing the number of working hours. Porsche expects the next significant move ahead in the upcoming business year with the launch of the four-door, four-seater Panamera Gran Turismo.

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