# Speech

held by Prof. Dr. Martin Winterkorn
Chairman of the executive board of Porsche Automobil Holding SE

Annual General Meeting
on 30 April 2013 in Leipzig

Check against delivery

Dear shareholders,
Ladies and gentlemen,

Welcome to the annual general meeting of your company, Porsche Automobil Holding SE, here at the Leipziger Messe exhibition center. The executive board and supervisory board are pleased to welcome you all today and to report on the fiscal year 2012.

Before I begin, we can state that Porsche SE has developed into a financially strong holding company and is in an excellent position.
All stakeholders have emerged stronger from the creation of the integrated automotive group in August 2012: not only Porsche SE but also our core investment, Volkswagen AG and, of course, Porsche AG.

As of 1 August 2012, our company contributed its remaining share in Porsche's operating business to Volkswagen AG. As a result, we achieved our great common goal: we created the integrated automotive group of Porsche and Volkswagen.

In return, Porsche SE received one ordinary share and around 4.5 billion euro from Volkswagen. This enabled the remaining liabilities to banks to be repaid in full. Net liquidity came to around 2.6 billion euro as of 31 December 2012. This means that our company is now on an extremely solid financial footing.

I would like to take this opportunity to thank all the employees of Porsche SE for their good work in the past fiscal year. Their commitment and skills were and remain key to keeping Porsche SE on a good and promising course.

But it is not only the creation of the integrated automotive group that has sent out positive signals. We have also made significant progress on the legal side of things:

In September 2012, the Regional Court of Braunschweig dismissed two claims for damages totaling around 4.7 million euro. The plaintiffs have not appealed this, and the judgments are therefore final and legally binding.

On 17 April, three of the remaining six claims were heard before the Regional Court of Braunschweig. In one of the hearings, a court decision on the jurisdiction with regard to anti-trust aspects has been scheduled for 19 June 2013. The two other hearings have been postponed until 30 October 2013 due to a legal representative falling ill. We are optimistic regarding the outcome of the proceedings. And we are taking a focused approach to the other legal dispute in order to guard Porsche SE against the alleged claims.

Last but not least, we are encouraged by the development of the legal situation in the USA: at the end of 2012, the New York State Supreme Court Appellate Division also denied its responsibility for the claims filed by 26 hedge funds. This vindicated our legal standpoint that the United States are not the correct place of jurisdiction. This case concerned damages of more than 1.4 billion US dollars. The plaintiffs have not appealed the decision after we agreed to waive a statute-of-limitations defense for a certain period in the event of a claim being filed in Germany.

With regard to a further claim originally filed against Porsche SE by 46 hedge funds, a US Federal Court declared itself not responsible and dismissed this claim at the end of 2010. The claim is now awaiting decision before the court of appeal. A few weeks ago, twelve of the then 32 plaintiffs withdrew their appeal against the dismissal of their claims. However, this does not affect the appeal proceedings relating to the remaining 20 plaintiffs.

But let me reiterate one thing unequivocally: we continue to consider all pending claims against Porsche SE to be without merit – and those in the USA and the UK to be legally insufficient. And we will continue to use all legal means at our disposal to defend ourselves against the damage claims filed.

Ladies and gentlemen,

Let me now turn to the development of Porsche SE.
In the fiscal year 2012, our company benefited from the excellent development of the Volkswagen group through its 32.2 percent share in the total capital of Volkswagen AG.

While the entire automobile industry has been hard-hit by the debt crisis in Europe, 2012 was a very successful year for Volkswagen.

For the first time in its history, the group delivered more than nine million vehicles worldwide. The operating result of 11.5 billion euro again surpassed the record prior-year figure.

An important factor in these impressive key indicators is the extensive global presence of the Volkswagen group and its twelve strong brands.

The international automobile markets mainly saw stable development in 2012. Almost 67 million passenger vehicles were sold worldwide in the reporting year.

With the exception of Western Europe, all markets have contributed to growth. The main growth drivers were North America and the Asia-Pacific region, which recorded double-digit growth rates. And the automotive industry also made significant gains in Brazil and Russia.

The Volkswagen group systematically leveraged these market opportunities. In North America, the group brands experienced a veritable boom, as illustrated by the growth rate of more than 26 percent in the number of vehicles delivered.

In the Asia-Pacific region, China was again the growth engine. Here the group sold 2.8 million vehicles – 24.5 percent more than in the prior year. This is further impressive testimony to Volkswagen’s strong position in a challenging competitive environment in China.

And in its home market of Germany, the group also won additional market shares.

So you can see that the Volkswagen group has grown considerably in almost all regions. Only in Western Europe was the group unable to avoid the effects of the general downward trend – though it fared considerably better than its competitors.

Virtually all passenger car brands saw a marked increase in 2012. The Volkswagen passenger car brand continues to be the strong driving force for the group. The prior-year record of around 5.7 million vehicle deliveries and growth of 12.7 percent was again surpassed.

Audi is in the fast lane of the premium segment. With 1.5 million vehicles delivered and growth of 11.7 percent, 2012 was another very strong year for Audi.

SKODA is also maintaining a fast pace and increased its deliveries to 939,000 vehicles.

Due to the weak market in Southern Europe, SEAT had to contend with a fall in deliveries to 321,000 vehicles. However, in important markets such as Germany or the UK, the brand has grown considerably.

The Volkswagen group's luxury brands achieved the highest percentage increases: Lamborghini saw a rise of 30 percent and delivered more than 2,000 vehicles. Bentley delivered more than 8,500 units to customers: that is a 21.5 percent increase.

The Porsche brand has belonged wholly to the Volkswagen group since 1 August 2012. In the year as a whole, Porsche exceeded its ambitious growth targets: at over 141,000 vehicles, deliveries reached a new record level. This is 18.7 percent more than in the prior year. In addition, Porsche is one of the most profitable automakers in the world.

These outstanding developments also greatly benefited Porsche SE, which directly held a share of 50.1 percent in Porsche's operating business until 31 July 2012. Since then, it has participated – in proportion to its share in the capital of Volkswagen AG – indirectly in the result of Porsche's operating business and also benefited from the realization of the full synergy potential of the integrated automotive group.

Let us turn now to the Volkswagen group's commercial vehicles business: the Volkswagen commercial vehicles brand increased its deliveries by around four percent to more than 550,000 vehicles.

By contrast, Scania and MAN clearly felt the effects of the reluctance in business with heavy commercial vehicles in 2012:

Scania delivered 67,000 in the past fiscal year. This corresponds to a decrease of 16 percent. However, the company remains very profitable and recorded a return on sales of 10 percent despite the sector downturn. MAN also struggled against the slump in the truck market, delivering 134,000 units worldwide.

Above all, these figures and results show that the Volkswagen group can tackle the challenges of the doubtless difficult automotive year 2013 from a strong position.

- With a clear, persuasive strategy for the future.
- With three profitable business areas: passenger cars, commercial vehicles and power engineering, as well as financial services.
- With its considerable financial substance and solidity.
- With twelve brands and 280 different models that cover virtually every desire and need – from motorcycles to heavy trucks.
- With its strong global presence comprising 100 plants and 20,000 dealerships in all the key regions of the world.
- With the technological expertise and innovative strength of more than 40,000 developers.
- And with convincing solutions for the major ecological challenges that confront our industry: from lightweight construction to economical combustion engines, from natural-gas engines to plug-in hybrids, through to fully electric cars.

In short: now more than ever, the Volkswagen group has the economic and ecological capabilities needed to set the standards in the automotive industry. And Porsche SE, as the largest shareholder, will also benefit greatly from this.

Ladies and gentlemen,

Let me take this opportunity to draw your attention to our exhibition in Hall 3. Here you will find the latest fascinating developments in alternative drives. The Audi, Volkswagen and Porsche brands are each exhibiting two vehicles that demonstrate how the Volkswagen group is pressing ahead with sustainable technologies and putting these on the road.

Alongside these - in keeping with tried and tested tradition -, we also have the current range of Porsche brand vehicles for you. We cordially invite you to visit Hall 3 and to experience the fascination of these vehicles at first hand.

Ladies and gentlemen,
Let us now turn to the results of operations and financial position of Porsche SE.

Your company reported profit after tax of 7.8 billion euro for the fiscal year 2012. A non-recurring effect of 4.75 billion euro from the contribution of the holding business operations of Porsche SE to Volkswagen AG played a significant role here. On the one hand, this effect includes the income of 3.4 billion euro resulting from the contribution itself. On the other, the contribution of business operations resulted in an increase in the profit from investments accounted for at equity of 1.3 billion euro.

Profit from investments accounted for at equity totaled 4.3 billion euro. Taking into account the effects from the contribution, 4.2 billion euros of this amount is attributable to the Volkswagen group and 0.1 billion euro to the Porsche Holding Stuttgart GmbH group. The Porsche Holding Stuttgart GmbH group's earnings contribution pertains only to the period from the start of the fiscal year to the date on which accounting for the investment at equity ceased.

The put and call options regarding our share in Porsche's operating business were also transferred to Volkswagen AG on 1 August 2012. As a result, they expired and since then have had no further effects on the results of operations of the Porsche SE group. The final valuation as of 31 July 2012 resulted in total income of 205 million euro.

So you see: the Porsche SE group's profit in the past fiscal year was largely influenced by non-cash special effects on profit and loss.

In the fiscal year 2012, our company also significantly improved its financial result, from minus 185 million euro to minus 30 million euro. This is was essentially due to the repayment in full of the liabilities to banks in August 2012.

As a result of the contribution and the repayment in full of the liabilities to banks in 2012, Porsche SE has now discharged most of its debts. Overall, net liquidity improved considerably as of the reporting date to 2.6 billion euro. Just to remind you: as of 31 December 2011, net liquidity was still minus 1.5 billion euro.

That covers the results of operations and financial position.
At this point, I would like to take this opportunity to thank all the employees of Porsche SE for all their hard work in the past fiscal year. Their dedication and their

ability were and are decisive in bringing Porsche Se back on course for a good and successful future.

Ladies and gentlemen,

Volkswagen is and will remain Porsche SE's core investment. With the majority of the liquidity available to us, we intend to complement this core investment in ways that are highly profitable and sustainable.

Our clear strategic focus is on investments along the automotive value chain. This opens up a broad spectrum of future investments for our company: From basic technologies for the development and production process through to vehicle- and mobility-related services.

In this context, we are first and foremost backing the major global trends in the automotive industry: above all, sustainability, conservation of resources and the increasingly networked automotive world. Specific examples include new drive concepts and materials as well as technologies for vehicle safety and connectivity. Porsche SE intends to and will profitably leverage these trends by means of selected investments.

I am convinced that our unique automotive expertise will enable us to make optimal investment decisions. The focus is on strategic investments in midsize companies in Germany and abroad with experienced management.

We are currently analyzing and examining suitable investments. We on the executive board are confident that we will be able to successfully transform the opportunities identified in this way into profitable investments. Our principle here is:

it is more important that particular investments meet our expectations and, above all, create sustainable value for our company and for you as its shareholders, than that we are quick to invest.

The ground work for successfully implementing our investment strategy has been laid: Since August 2012, we have been continuously expanding our network of experts in industry, banking and consultancy, and created all the necessary structures. This includes not only the investment management function on the executive board for which Mr. von Hagen is responsible, but also the newly created corporate strategy function headed by Mr. Müller.

This enhanced organizational and management structure, and the leveraging of the outstanding expertise within our network are key factors for the success of further strategic investments. We also want to further enhance our internal competencies and bring select, highly qualified new employees on board.

Ladies and gentlemen,

our investment in Volkswagen and our long-term investment strategy geared to sustainability will play a decisive role in the development of Porsche SE in 2013 and 2014. On the basis of the current group structure, we expect a low single-digit billion-euro profit after tax for the next two years.

At this point, I have more good news for you all, our shareholders: you too should and must benefit from the good development of your company. As you will have seen in the invitation to this annual general meeting, the dividend proposed for distribution for 2012 is therefore higher than in the prior year. Provided that this annual general meeting gives its approval, a dividend of 2.010 euro per share is to be distributed to holders of preference shares.

Dear shareholders,
Ladies and gentlemen,

Let me sum up briefly: In the past few years, we have succeeded in discharging Porsche SE's debt. And we have done that without touching the core investment, the 50.7 percent of the ordinary shares in Volkswagen AG.

Following the creation of the integrated automotive group, our company has clear and highly promising prospects for the future.

Even though conditions overall are becoming increasingly tough on the worldwide automotive markets, Porsche SE benefits from the solid and broad base of the Volkswagen group. In this way, our anchor investment is well equipped for the difficult challenges ahead.

The caution with which Volkswagen has planned during the past months was well considered and correct. The figures for the first quarter of 2013, presented yesterday are testimony to this:

- The Volkswagen group has got off to a good start to the year: with 2.3 million vehicles delivered – an increase of 4.8 percent – development again surpassed the global market.

- At around 46.6 billion euro, revenue was slightly down on the prior year. This was primarily due to the declining markets in Europe.
- The operating result was – as expected – below the high level of the prior year.

In spite of all the cyclical uncertainties, the Volkswagen group has nonetheless once again confirmed its economic targets for 2013.

Ladies and gentlemen,

Despite the necessary caution and restrained estimates, we are confident for the current fiscal year that Volkswagen and Porsche SE will continue their course steadfastly and with success.

And we see vast potential for increasing the value added of our company in the coming years. For this reason, we are looking to the future with optimism and ask for your support for the course taken.

Thank you for you attention and for your trust.