

Embargo: Monday 10 October 2011 – 8:00 am CET

D'ITEREN AND VOLKSWAGEN FINANCIAL SERVICES HAVE REACHED AN AGREEMENT TO CREATE A JOINT VENTURE TO STRENGTHEN THEIR OFFER OF FINANCIAL SERVICES IN BELGIUM

D'leteren and Volkswagen Financial Services (a subsidiary of the Volkswagen group) have reached an agreement to create a joint venture, Volkswagen D'leteren Finance (VDFin), intended to provide a full range of financial services related to the sale of the Volkswagen group vehicles on the Belgian market. This partnership strengthens the strong link that has existed between D'leteren and Volkswagen for over sixty years.

IMPROVED AND INTEGRATED COMMERCIAL OFFER

VDFin, which should be operational on 1 January 2012, aims at developing a comprehensive, coherent and competitive range of car financing services to individual customers, professionals and dealers.

Offering advantageous financing is an efficient promotional and loyalty tool in the **individual customer** segment. In Belgium, nearly 70% of new vehicles sold to individual customers are financed. Enlarging the range of financial services and having these actively promoted by a dedicated entity will therefore better exploit this potential and strengthen the position of the makes distributed by D'leteren Auto on the retail market.

Today, D'leteren Auto also offers its **business** customers leasing services, notably through D'leteren Lease. These services will be provided by the new entity and their development will be facilitated by an easier access to capital.

VDFin will also handle **dealer** financing, currently provided by Volkswagen Bank Belgium.

CREATION OF THE JOINT VENTURE

Subject to approval by competition authorities, VDFin will be created by the contribution of D'leteren Lease, the D'leteren subsidiary active in operational leasing, and of the Volkswagen Bank Belgium operations. VDFin will be 50% owned (minus one share) by D'leteren and 50% owned (plus one share) by Volkswagen Financial Services.

The VDFin Board of Directors will be equally made up of representatives from D'leteren and Volkswagen Financial Services. All D'leteren Lease and Volkswagen Bank Belgium personnel will be integrated into the new subsidiary.

All the financing of the new joint venture will be provided by Volkswagen Financial Services under the terms applied to subsidiaries of the Volkswagen group.



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IMPROVEMENT OF D'ETEREN'S FINANCIAL PROFILE

The transaction will allow D'leteren Auto to reduce its capital employed and the risks related to refinancing and to the residual value of the vehicle fleet.

The transaction should generate a non-recurring positive impact on D'leteren's consolidated equity, group's share, of around 40 million EUR.

In addition, the deconsolidation of D'leteren Lease and equity method accounting of its share in VDFin in D'leteren's financial statements will have the following consequences on the financial statements (2010 *pro forma* figures):

- reduction in the consolidated financial net debt of D'leteren of 276 million EUR, mainly as a result of the deconsolidation of DIL;
- reduction in D'leteren's current consolidated result before tax, group's share, of 11 million EUR, partially offset by an increase of 1 million EUR (or 5 million EUR excluding the amortization of the intangible assets) in D'leteren's share of result of entities accounted for using the equity method, excluding financing costs improvement.

COMMENTS

Thierry van Kan, CEO of D'leteren Auto: *"We are very pleased with the combination of D'leteren Auto's business know-how and knowledge of the Belgian market and Volkswagen Financial Services' financial strength and expertise in car-related financial products. In addition to the distribution of the Volkswagen group vehicles and spare parts, D'leteren Auto will also represent their financial products through this new joint venture, strengthening its position on the Belgian market. Finally, this partnership is further evidence of the excellent relationship between D'leteren and Volkswagen since more than 60 years".*

Christian Dahlheim, Head of Sales Europe, Volkswagen Financial Services: *"Belgium has a significant growth potential in terms of financing for individual customers. We are confident that this new partnership will take full advantage of this, while maintaining the current drive in the business segment. We are delighted that this agreement has been reached with D'leteren, our longstanding partner in Belgium."*

End of press release

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D'IETEREN

D'leteren is a group of services to the motorist founded in 1805, serving over 13 million customers in 33 countries in two areas:

- *D'leteren Auto* distributes Volkswagen, Audi, Škoda, Seat, Porsche, Bentley, Lamborghini, Bugatti and Yamaha vehicles across Belgium. It is the country's number one car dealer, with a market share of over 20% and more than one million vehicles of the distributed makes on the road. Sales in 2010: 2.7 billion euro.

- *Belron* (92.7% owned) is the worldwide leader in vehicle glass repair and replacement. 1,900 branches and 9,500 mobile vans, trading under more than 15 different brands including Carglass, Autoglass and Safelite Auto Glass, serve customers in 33 countries. Sales in 2010: 2.8 billion euro.

FINANCIAL CALENDAR

16 November 2011 – Interim Management Statement

28 February 2012 – 2011 Full-year results

16 April 2012 – Annual Report 2011 available

10 May 2012 – Interim Management Statement

31 May 2012 – General Shareholders' Meeting

4 June 2012 – Ex date

7 June 2012 – Payment date

28 August 2012 – 2012 Half-year results

8 November 2012 – Interim Management Statement

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APPENDIX 1: PROFILE OF ENTITIES INVOLVED

D'leteren Lease, established in 1976 and wholly-owned by D'leteren, provides leasing services to professional customers in Belgium. Around 7,000 new contracts are signed every year. At the end of 2010, its fleet amounted to around 21,000 vehicles worth a total of 305 million EUR. D'leteren Lease sales and result before tax consolidated in D'leteren's financial statements in 2010 amounted to, respectively, 237 million EUR (of which 91 million EUR from used vehicles sales) and 7.5 million EUR.

Volkswagen Financial Services is a wholly-owned subsidiary of the Volkswagen group. The market leader for automotive financial services in Europe coordinates the Volkswagen group's worldwide financial services activities. Volkswagen Financial Services has around 7,000 employees worldwide and reported total assets of more than 65 billion EUR, a result before tax of 870 million EUR and a portfolio of more than 6 million contracts at the end of 2010.

APPENDIX 2: PRO FORMA IMPACT OF TRANSACTION ON 2010 ACCOUNTS

Impact as if transaction had occurred on January 1, 2010, excluding any gain on sale and the improvement in financing costs.

EUR million unaudited figures	Automobile Distribution		
	2010 Pro forma	2010 Actuals	Var.
Sales	2,572.0	2,741.0	-169.0
Operating result (current items)	67.0	92.6	-25.6
Result before tax (current items)	54.1	64.6	-10.5
Share of result of entities accounted for using the equity method (current items)	5.2	0.5	4.7
Share of result of entities accounted for using the equity method (after amortization of the intangible assets: 4.2 million EUR)	1.0	0.5	0.5
Result attributable to equity holders of the parent	53.2	64.7	-11.5
Net financial debt	279	555	-276