VOLKSWAGEN

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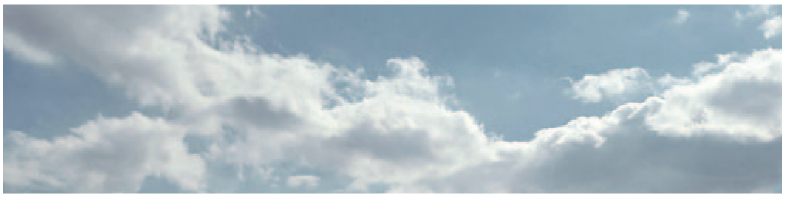
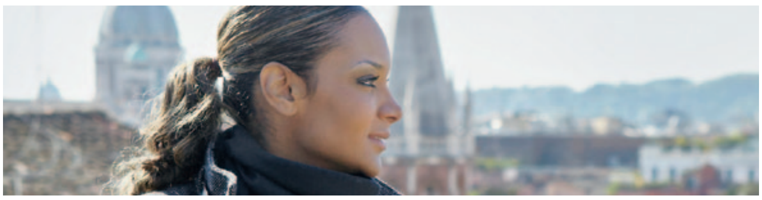


Interim Report

JANUARY – MARCH 2012



Key Figures

VOLKSWAGEN GROUP

Volume Data[1]	Q1 2012	2011	%
Deliveries to customers ('000 units)	2,209	1,988	+ 11.1
of which: in Germany	289	269	+ 7.7
abroad	1,919	1,720	+ 11.6
Vehicle sales ('000 units)	2,260	2,031	+ 11.3
of which: in Germany	315	308	+ 2.5
abroad	1,944	1,723	+ 12.8
Production ('000 units)	2,317	2,065	+ 12.2
of which: in Germany	652	606	+ 7.5
abroad	1,666	1,459	+ 14.2
Employees ('000 on March 31, 2012/Dec. 31, 2011)	513.0	502.0	+ 2.2
of which: in Germany	226.2	224.9	+ 0.6
abroad	286.8	277.1	+ 3.5

Financial Data (IFRSs), € million	Q1 2012	2011	%
Sales revenue	47,326	37,470	+ 26.3
Operating profit	3,209	2,912	+ 10.2
as a percentage of sales revenue	6.8	7.8	
Profit before tax	4,300	2,223	+ 93.4
as a percentage of sales revenue	9.1	5.9	
Profit after tax	3,186	1,712	+ 86.1
Profit attributable to shareholders of Volkswagen AG	3,166	1,595	+ 98.5
Cash flows from operating activities	1,454	2,508	– 42.0
Cash flows from investing activities attributable to operating activities	2,732	4,188	– 34.8
Automotive Division[2]			
EBITDA[3]	5,181	4,279	+ 21.1
Cash flows from operating activities	2,941	5,120	– 42.6
Cash flows from investing activities attributable to operating activities[4]	2,523	4,465	– 43.5
of which: investments in property, plant and equipment	1,695	940	+ 80.3
as a percentage of sales revenue	4.0	2.8	
capitalized development costs[5]	465	392	+ 18.5
as a percentage of sales revenue	1.1	1.2	
Net cash flow	418	655	– 36.2
Net liquidity at March 31	15,762	19,648	– 19.8

1 Volume data including the unconsolidated Chinese joint ventures. These companies are accounted for using the equity method. All figures shown are rounded, so minor discrepancies may arise from addition of these amounts. 2011 deliveries updated on the basis of statistical extrapolations.
2 Including allocation of consolidation adjustments between the Automotive and Financial Services divisions.
3 Operating profit plus net depreciation/amortization and impairment losses/reversals of impairment losses on property, plant and equipment, capitalized development costs, leasing and rental assets, goodwill and financial assets as reported in the cash flow statement.
4 Excluding acquisition and disposal of equity investments: Q1 €2,112 million (€1,251 million).
5 See table on page 36.

Key Facts

- **Volkswagen Group makes successful start to fiscal year 2012**
- **Operating profit up €0.3 billion year-on-year to €3.2 billion**
- **Profit before tax improves to €4.3 billion (€2.2 billion); positive effects from equity-accounted investments**
- **Group sales revenue up 26.3% to €47.3 billion**
- **Cash flows from operating activities in the Automotive Division at €2.9 billion (€5.1 billion) due to growth factors; ratio of investments in property, plant and equipment (capex) to sales revenue amounts to 4.0% (2.8%)**
- **Automotive Division net liquidity at €15.8 billion; this includes the liquidity outflow of €1.4 billion for the increase in the stake in MAN SE to 70.89% of the voting rigths**
- **Strong demand for Group models worldwide:**
  - **Deliveries to customers up 11.1% year-on-year to 2.2 million vehicles**
  - **Group outperforms the market in all regions; global share of passenger car market rises to 12.2% (11.9%)**
  - **Volkswagen Passenger Cars adds two more models – the eco up! and the four-door version – to the up! family; Jetta Hybrid and Polo Blue GT make their debut**
  - **Audi presents the third generation of a bestseller: the new A3; RS4 makes its debut**
  - **ŠKODA showcases the four-door version of the Citigo for the first time at a motor show**
  - **SEAT ushers in the next phase of its model rollout with the new Ibiza, the close-to-production Toledo concept study and the four-door Mii**
  - **Bentley unveils the EXP 9 F SUV study; Lamborghini and Bugatti present compelling Aventador J and Veyron 16.4 Grand Sport Vitesse**
  - **Volkswagen Commercial Vehicles attracts attention with the Amarok Canyon concept car**
  - **First Scania Euro 6 trucks registered**
  - **NEOPLAN Skyliner from MAN wins the red dot design award**

Key Events

NEW VOLKSWAGEN GROUP MODELS

The Volkswagen Group opened the 2012 automotive year at the Detroit and Geneva motor shows, where it presented a large number of impressive new models.

North American International Auto Show in Detroit

Volkswagen Passenger Cars kicked off the new automotive year in Detroit with the world premiere of the Jetta Hybrid and the E-Bugster concept car. After the Touareg, the Jetta Hybrid is the second Volkswagen to have a drivetrain module with both a petrol engine and an electric motor under its bonnet. The module combines a four-cylinder 1.4 TSI engine (110 kW/150 PS), 7-speed DSG and an electric motor (20 kW). At the push of a button, it can even be driven at speeds of up to 70 km/h for a distance of up to two kilometers purely in electric mode. The E-Bugster features unique dynamics from every angle. Powered by a lithium ion battery and 85 kW electric motor that weighs only 80 kg, it has a range of at least 180 km. This is extended by a regenerative braking system.

Bentley unveiled two new Continental V8 models in Detroit – the Continental GT and the Continental GTC. The new 4.0 l V8 motor sets remarkable performance and emissions standards in the luxury sports car segment and offers a completely new driving experience.

International Motor Show in Geneva

The Volkswagen Group premiered ten fascinating models at the International Motor Show in Geneva.

Volkswagen Passenger Cars unveiled the new Golf GTI Cabriolet to great acclaim at the motor show. The series version of the most powerful Golf Cabriolet of all time features a 155 kW (210 PS) engine and can accelerate from 0 to 100 km/h in 7.3 seconds. It has an average fuel consumption of only 7.6 l per 100 km and CO_2 emissions of 177 g/km. Visually, the convertible boasts classic GTI design cues. The new Polo Blue GT also celebrated its world premiere, fittingly described as sporty, efficient, smooth and dynamic. At the heart of the fuel-efficient model is ACT cylinder deactivation – the first time this technology has been used in a Volkswagen. Active cylinder management noticeably reduces fuel consumption by temporarily deactivating the second and third cylinders under light and medium load conditions. The Polo Blue GT's 1.4 l TSI engine uses an average of 4.7 l of fuel per 100 km and produces 105 g/km of CO_2 per kilometer. Volkswagen Passenger Cars also showcased its progress on the forward-looking Cross Coupé concept car, which is even more fuel efficient than the version unveiled at the end of 2011. Powered by a TDI engine and two electric motors, the Cross Coupé has an average fuel consumption of 1.8 l/100 km, which corresponds to CO_2 emissions of only 46 g/km. Alongside further up! concept cars, Volkswagen presented the four-door version of the series model (available from May 2012) and the eco up!, which consumes an average of 2.9 kg of natural gas per 100 km and emits only 79 g CO_2/km – the lowest in its class.

Audi celebrated the world premiere of the third-generation Audi A3 in Geneva, which is up to 80 kg lighter than its predecessor. The driver assistance system of the new Audi A3 sets new standards in the premium compact class. For instance, Audi's adaptive cruise control maintains a preset distance between the car and the vehicle in front up to a speed of 150 km/h by autonomously accelerating and decelerating. The system also warns the driver of an imminent rear-end collision and applies partial braking to reduce the impact speed. The new Audi RS4 Avant combines outstanding performance with everyday practicality. Its 450 PS V8 engine can accelerate from 0 to 100 km/h in 4.7 seconds. Audi also introduced the final member of the current A6 family – the third generation of the new Audi A6 allroad quattro. With a body that is over 20% aluminum, it is a good example of the Audi ultra lightweight construction principle. Audi also presented the new Audi TT RS plus, a compact sports car featuring a high-performance engine.

ŠKODA premiered the four-door Citigo in Geneva, offering all of the features ŠKODA is famous for in the smallest possible space. The Citigo is the first model with the new ŠKODA logo.

The SEAT brand also used the Geneva motor show to unveil three important new models to the public. The new SEAT Ibiza is the first of the next generation of the brand's flagship model. Stylistically, it is inspired by SEAT's new design language already seen in the IBE, IBX and IBL concept vehicles. SEAT also presented the four-door version of the Mii for the first time. Another highlight was the SEAT Toledo Concept. This close-to-production concept car marries the proportions of a classic saloon with first-class, sporty design that is reminiscent of a coupé.

Bentley presented the EXP 9 F concept car at its stand in Geneva. This luxurious high-performance SUV could pave the way for a third Bentley series alongside the Continental models and the Mulsanne.

Lamborghini unveiled probably the most extraordinary open-top super sports car in its history, the Aventador J, to the public in Geneva. Its split, extremely flat windscreen makes it the lowest vehicle Lamborghini has ever made.

Bugatti offered a first glimpse of the most powerful roadster of all time – the Veyron 16.4 Grand Sport Vitesse. A 1,200 PS engine takes the Grand Sport Vitesse from 0 to 100 km/h in 2.6 seconds. This vehicle proves once again that the Bugatti brand is continually redefining the limits of what is technically possible.

Volkswagen Commercial Vehicles showcased an extreme version of the Amarok, the Amarok Canyon. This concept car is significantly taller and wider than the series model and is powered by a high-torque 2.0 TDI biturbo engine with 132 kW/180 PS for maximum offroad performance. The 4MOTION four-wheel drive can be engaged for offroad use.

FUNDAMENTAL ECOLOGICAL REORGANIZATION OF THE VOLKSWAGEN GROUP

Volkswagen launched a fundamental ecological reorganization of the Group at the International Motor Show in Geneva. Volkswagen is raising the bar for environmental protection and has set itself ambitious new sustainability targets. The Volkswagen Group also aims to become the leading automobile manufacturer from an ecological perspective. By 2016, the Group will have invested €62.4 billion worldwide, plus a further €14.0 billion in China. Over two-thirds of this investment program will flow directly and indirectly into increasingly efficient vehicles, drives and technologies, as well as environmentally friendly production at its plants. The European new vehicle fleet is expected to cut CO_2 emissions by 30% from 2006 to 2015 and produce less than 120 g CO_2/km for the first time in 2015. Each new model generation will be around 10 – 15% more efficient than the last one. By 2018, Volkswagen aims to reduce its energy and water consumption, waste and emissions in production by 25%. Greenhouse gas emissions in energy supply for production are to be cut by 40% by 2020. Around €600 million from the investment package will go towards expanding solar, wind and hydroelectric energy.

This is the context in which test fleets of the Golf blue-e-motion, which is powered solely by electricity, are being launched in Belgium, France, Austria and the USA to examine the technical and administrative aspects of e-mobility in detail.

PRIZES AND AWARDS FOR THE VOLKSWAGEN GROUP

Volkswagen Group models, technologies and brands collected a number of top prizes and awards in the first three months of 2012.

In January, an expert jury and the readers of "ADAC Motorwelt" awarded the Volkswagen Group the 2012 "Golden Angel" in three out of five categories. The experts recognized the development of the multicollision brake in the "Innovation and Environment" category. This is considered a significant innovation in the field of integrated safety. The "Car of the Future" went to the Passat TSI EcoFuel, which won over the jury as the most advanced car with regard to everyday practicality, economy, environmental responsibility and safety. The third win for the Volkswagen Group was secured by Audi: the readers of "ADAC Motorwelt" voted the Audi Q3 as their favorite from over 40 new vehicles in the "Car" category.

In the same month, the Volkswagen Group was the most successful company at the "What Car? Awards 2011", winning seven out of the 13 categories including the overall Car of the Year title, which went to the up!. The awards were held for the 35th time this year. The up! was also named the best city car and received the "Safety Award" for its five stars in the Euro NCAP crash test. The Golf repeated its 2011 success in the small family car segment. Audi won the coupé category for the sixth time in a row with the Audi TT, while the Audi TT Roadster took the open top category. The "Best Supermini" went to the Audi A1 for the second year running. SEAT took top honors in the "Best MPV" category with the Alhambra.

After awarding the up! five stars for its comprehensive safety concept, the Euro NCAP consumer protection organization also recognized its city emergency braking function with the "Advanced Award 2011" in January 2012.

The Volkswagen Group was once again the most successful automobile manufacturer in the "Best Cars of 2012" reader poll conducted by the "auto motor und sport" magazine at the end of January, receiving a total of six first placings. Each of the ten categories were divided into an overall and an import car ranking. The up! was the clear winner in the "Mini Cars" category and the Audi A1 finished ahead of the Polo in the small cars segment. The Audi A4 and Audi A5 topped the overall ranking in the mid-range class and the ŠKODA Superb was voted the best import car in the same category. Top honors in the "MPV" category went to the Multivan, Sharan and Touran, while the SEAT Alhambra took first place in the corresponding import rankings.

The up! was awarded gold in the prestigious "iF product design award 2012" in February for its innovative design. The expert jury was particularly impressed by its minimalist lines, which give the up! its sporty, compact look.

The readers of "Auto Bild" recognized several Volkswagen Group brands for their quality, design and value for money in the "Best brands across all classes" award, which was presented for the first time in March 2012. The Volkswagen Passenger Cars brand was ranked first in terms of quality in four categories – minicars, compact cars, compact vans and large vans – and the winner of the design award in the compact vans and large vans categories. Its attractive value proposition was recognized with first place in the luxury class. Audi shone in the quality stakes with wins in the small car, mid-range, upper mid-range, luxury class and compact SUV categories. 80,000 readers voted the brand into first place for its design in the mid-range, compact cars and compact SUV segments. ŠKODA picked up four wins for its value for money in small cars, compact cars, compact vans and mid-range cars.

Volkswagen Group brands won 12 categories at the "Fleet Awards 2012", which were also held in March. The most prizes went to Audi, which was voted into first place five times by around 6,000 readers of motoring magazine "Autoflotte". The overall award in the small car category went to the Audi A1, the Audi A4 was selected as the best mid-range car and the Audi A6 won the upper mid-range category. Top honors in the luxury class went to the Audi A8. Audi completed its haul with the award for the best customer care in the German fleet market. The Volkswagen Passenger Cars brand claimed victory in the minicar segment with the up!, while Volkswagen Commercial Vehicles secured a double win with the Amarok in the pickups category and the Caddy in compact delivery vehicles. The clear success of the ŠKODA Octavia in the import rankings of the compact class category underlined the outstanding quality of the brand. The SEAT Alhambra was named the best import vehicle in the vans category. Finally, Volkswagen Leasing received the "Best Leasing Provider" award for the seventh time in a row.

The Volkswagen Group was awarded first place in five categories by British magazine "Fleet News" in the "Fleet News Awards 2012". The jury, which included editors and fleet customers, ranked the vehicles in terms of quality, maintenance costs – including residual values – and CO_2 emissions. The Passat was named the "Best Upper Medium Car" and the "New Company Car of the Year". ŠKODA celebrated a double win, receiving "Best Estate Car" for the Superb estate and "Most Improved Fleet Manufacturer Car of the Year". The Volkswagen Group's successful showing was crowned by a win in the "Best People Carrier" category, which went to the SEAT Alhambra.

Over 120,000 "Auto Bild Allrad" readers voted six Volkswagen Group models in various categories as the "Four-Wheel Drive Car of the Year 2012" awards. The Passat Alltrack won the crossover category, while the Touareg Hybrid took first place in the hybrid section. Audi also secured two first places. The Audi A4 quattro was crowned the best four-wheel drive passenger car under €40,000 and the Audi A6 quattro the best four-wheel drive passenger car over €40,000. The ŠKODA Superb topped the import rankings in the under-€40,000 passenger car category. Volkswagen Commercial Vehicles also picked up an award for the Multivan 4MOTION in the four-wheel drive vans and buses category.

The NEOPLAN Skyliner from MAN was awarded the prestigious "red dot award: product design 2012" in March 2012. The international jury of experts was particularly impressed by the exclusive "sharp cut" design and the bright interior concept of the double-decker. The model marries clean lines and sharp, angular glass and metal edges with uncompromising aerodynamics to set new standards in the premium coach segment.

VOLKSWAGEN ACTIVE IN GLOBAL COMPACT FOR TEN YEARS

The Volkswagen Group celebrated ten years of membership in the United Nations Global Compact initiative in January this year. The sustainability network aims to shape the globalization process in a socially and environmentally responsible manner by implementing human rights, labor and environmental standards around the world. The Volkswagen Group has been a particularly active member of the program since joining in 2002. We make extensive use of this alliance as a forum for learning and discussion and are involved in the Global Compact Advisory Council at a global level, as well as the Deutsches Global Compact Netzwerk in Germany. Volkswagen was the first automobile manufacturer to establish binding standards for working conditions at all Group locations worldwide. In Germany, the Group cooperates closely with the German Nature and Biodiversity Conservation Union (NABU) through projects and dialog.

INTERNATIONAL FRAMEWORK AGREEMENT SIGNED

The Executive Board and Works Council of MAN SE and the International Metalworkers' Federation (IMF) signed a Joint Declaration on Human Rights and Working Conditions in the MAN Group. The agreement outlines MAN's commitment to basic human and employee rights and aims to create an authoritative minimum standard that all employees around the world can refer to, as well as ethical principles to guide the actions of companies and employees.

OFFICIAL START TO VEHICLE PRODUCTION IN MALAYSIA

The Volkswagen Group continued to expand its activities in the ASEAN region. Together with its partner DRB-HICOM, the Volkswagen Group Malaysia officially started production of the Passat on a semi knocked-down basis in Pekan, Malaysia, in mid-March 2012. The company also laid the foundation stone for the next step – a new production facility where the Jetta and Polo will be produced for the Malaysian market on a CKD basis. Volkswagen and DRB-HICOM plan to progressively expand local production in Malaysia.

40 MILLION VEHICLES PRODUCED IN WOLFSBURG

The forty-millionth vehicle to be produced in Wolfsburg left the factory on March 23, 2012. The Wolfsburg plant currently produces the Golf, Golf Plus, Touran and Tiguan models and has a daily manufacturing capacity of over 3,800 units.

ANNUAL GENERAL MEETING

The 52nd Annual General Meeting and the 11th Special Meeting of Preferred Shareholders of Volkswagen AG were held at the Congress Center Hamburg on April 19, 2012. With 91.9% of the voting capital present, the ordinary shareholders of Volkswagen AG formally approved the actions of the Board of Management and the Supervisory Board, the creation of authorized capital and the corresponding amendment to the Articles of Association, and the authorization to acquire and use treasury shares. They also elected PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft as the auditors of the financial statements for fiscal year 2012 and as the auditors to review the condensed consolidated financial statements and interim management report for the first six months of 2012. The scheduled terms of office of Prof. Dr. Ferdinand K. Piëch and Dr. Michael Frenzel as members of Volkswagen AG's Supervisory Board members expired at the end of the Annual General Meeting. The Annual General Meeting elected Ms. Ursula M. Piëch to the Supervisory Board for a full term of office as a shareholder representative. Prof. Dr. Ferdinand K. Piëch was reelected to the Supervisory Board, likewise for a full term of office. The Annual General Meeting also resolved to distribute a dividend of €3.00 per ordinary share and €3.06 per preferred share for fiscal year 2011.

36.5% of the preferred share capital was represented at the Special Meeting of Preferred Shareholders. A proposal had been made to this meeting to approve the authorizing resolution by the Annual General Meeting on the same day on the creation of authorized capital and the corresponding amendment to the Articles of Association. This was approved by a majority of 87.3%.

The results of the votes of the shareholders' meetings can be accessed on the Internet at www.volkswagenag.com/ir.

SUPERVISORY BOARD MATTERS

Following the shareholders' meetings, the Supervisory Board of Volkswagen AG elected Prof. Dr. Ferdinand K. Piëch as Chairman of the Supervisory Board for a full term of office and Berthold Huber as Deputy Chairman at its constituent meeting on April 19, 2012.

Following the election of employee representatives on the Supervisory Board by over 800 Volkswagen Group delegates on March 22, 2012, Mr. Uwe Fritsch, Chairman of the Works Council at the Braunschweig plant, was elected as a member of the Supervisory Board of Volkswagen AG for the first time to succeed Mr. Peter Jacobs. The other employee representatives on the Supervisory Board remain as members of this governing body.

Volkswagen Shares

2012 started significantly better on the capital markets than had been expected at the end of 2011. The threat of the crisis in Greece spreading to further members of the eurozone had caused uncertainty among market participants at the start of the reporting period. However, the European Central Bank's additional liquidity injection calmed the global financial markets which, together with positive economic indicators, led to share prices increasing. Doubts emerging about the recovery package for Greece only slowed the recovery on the equity markets temporarily at the beginning of March 2012. Good corporate news and the agreement reached on a haircut for Greek debt caused share prices to increase again, and the DAX almost made good on the previous summer's slump in prices.

On March 31, 2012, the DAX closed at 6,947 points, up 17.8% compared with the end of 2011. At the end of the reporting period, the DJ Euro STOXX Automobile stood at 320 points, 28.1% higher than at the end of 2011.

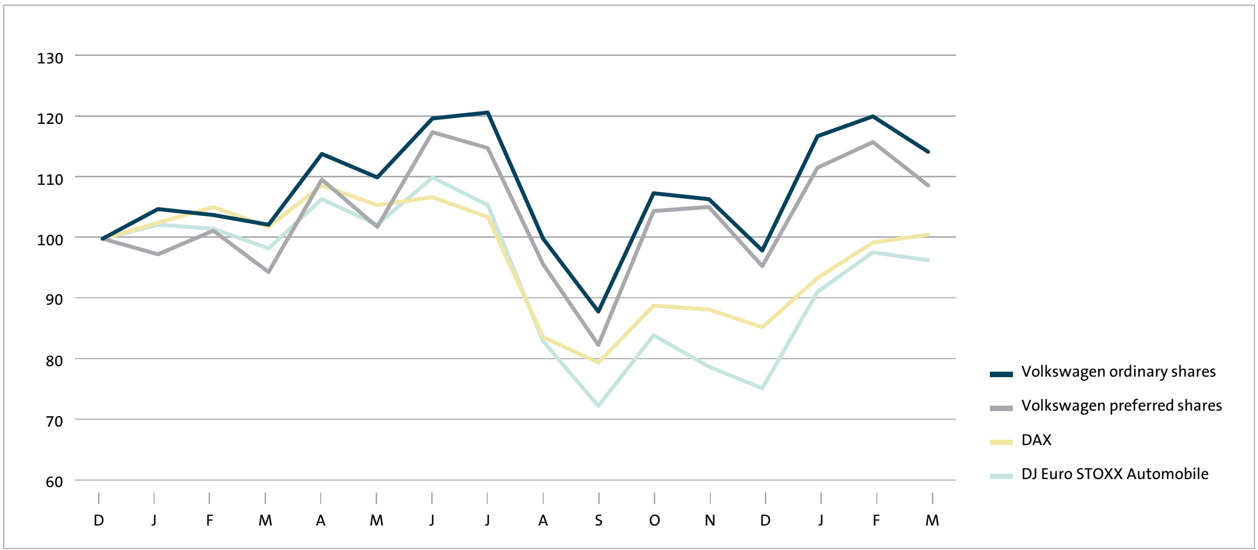
In the first quarter of 2012, Volkswagen AG's preferred share and ordinary share prices were able to participate in the upturn on the equity markets and initially recorded significant increases. The share prices then moved sideways amid substantial volatility from the beginning of February to the middle of March. After the announcement of the results for fiscal year 2011, which were largely in line with the market expectations, both share classes lost ground for a short while, before trending upwards slightly for several days. However, reports of demand weakening in the Chinese passenger car market as well as the smoldering nuclear dispute with Iran and the associated rises in oil prices unsettled investors, causing automotive share prices to retreat towards the end of March 2012. Volkswagen AG's ordinary share price registered a slightly more positive performance than the preferred shares in the first quarter.

Volkswagen's preferred shares recorded their highest daily closing price for the reporting period (€144.75) on February 21, 2012. The shares traded at their low of €119.80 on the first trading day of 2012. At the end of March 2012, the ordinary shares closed at €131.85, 13.9% higher than the 2011 closing price. Volkswagen AG's ordinary shares reached their highest daily closing price of €130.95 on March 15, 2012. They also recorded their low of €106.20 at the same time as the preferred shares on January 2, 2012. At the end of March 2012, the ordinary shares closed at €120.90, up 16.6% compared with the end of 2011.

Information and explanations on earnings per share can be found in the notes to the consolidated interim financial statements. Additional Volkswagen share data, plus corporate news, reports and presentations can be downloaded from our website at www.volkswagenag.com/ir.

SHARE PRICE DEVELOPMENT FROM DECEMBER 2010 TO MARCH 2012

Index based on month-end prices: December 31, 2010 = 100



Business Development

GENERAL ECONOMIC DEVELOPMENT

The global economy continued to grow in the first quarter of 2012, albeit at a slower pace than in 2011 as a whole. While most emerging markets continued to see strong growth, the industrialized economies remained muted.

Economic activity in Western Europe slowed even more during the reporting period. Many countries, particularly in Southern Europe, increasingly showed signs of recession. Economic uncertainty remained high against the backdrop of the ongoing sovereign debt crises and rising energy prices.

The German economy performed better than expected from January to March 2012. Domestic demand proved to be an important economic driver as export growth slowed. The labor market continued to develop positively.

The economic upturn in Central and Eastern Europe has also slowed in recent months.

In South Africa, the effects of weaker global economic growth were partially offset by strong domestic demand.

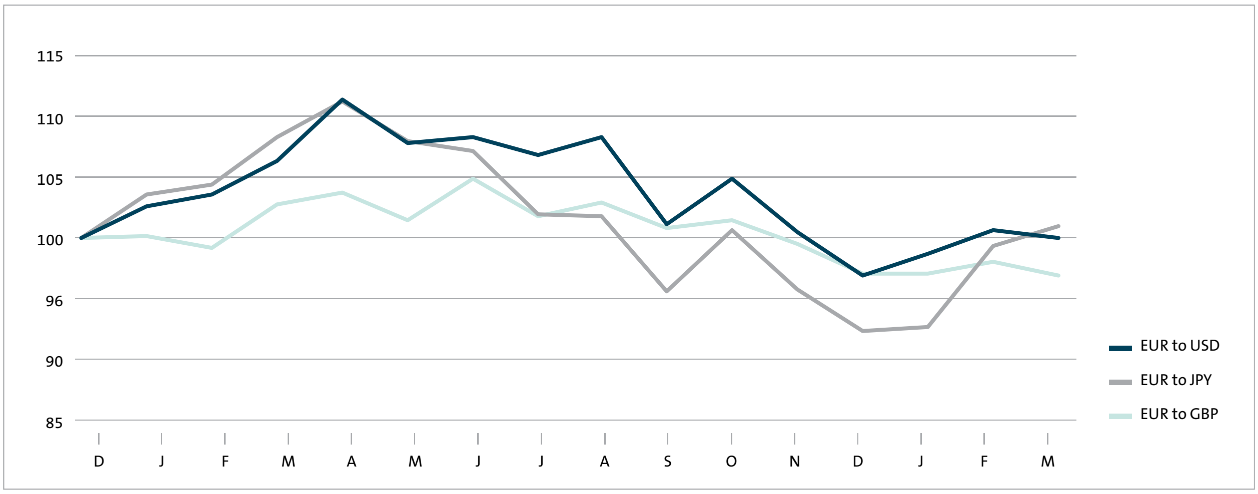
The US economy continued to expand at a moderate pace in the reporting period, supported by the ongoing highly expansionary monetary policy and the improved situation on the labor market. The robust growth in Mexico continued.

Economic expansion in Brazil and Argentina lagged well behind the prior-year period in the first three months of 2012. While inflation fell in Brazil over the past few months, substantial inflationary pressure continued in Argentina.

GDP growth slowed slightly in China and India despite ongoing strong economic growth in the reporting period. The Japanese economy continued to recover over the past months. However, growth there was curbed by the slower global economy and the strong yen.

EXCHANGE RATE MOVEMENTS FROM DECEMBER 2010 TO MARCH 2012

Index based on month-end prices: December 31, 2010 = 100



DEVELOPMENT OF THE MARKETS FOR PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES

Worldwide new passenger car and light commercial vehicle registrations rose year-on-year in the first quarter of 2012. Growth was recorded in all regions except Western Europe, with double-digit increases registered in the Central and Eastern Europe, North America and Asia-Pacific regions.

As expected, demand in Western Europe was down on the prior-year quarter, when some consumers were still able to take advantage of government economic stimulus programs. Sales figures declined sharply in France and Southern Europe in particular as a result of the weak economy, among other factors.

In Germany, the number of new registrations was up slightly on the previous year. This was driven solely by sales to business customers.

Demand in Central and Eastern Europe continued to increase in the first three months of 2012. Russia recorded by far the highest absolute increase; however, growth there slowed slightly as against the previous year.

The positive trend in the South African market continued in the period from January to March 2012, albeit at a somewhat slower pace.

North America again recorded healthy automobile sales following on from the positive performance in 2011. The US market continued to rebound appreciably, mainly as a result of higher consumer confidence and increased replacement demand. The Canadian and Mexican markets also grew overall in the first three months of 2012.

In South America, new passenger car and light commercial vehicle registrations rose slightly in the reporting period on the strong prior-year quarter. The Brazilian market fell just short of last year's record volume due to a drop in consumer confidence, among other things. By contrast, demand in Argentina was significantly above the already very high prior-year period, despite the economic slowdown. High inflation prompted consumers to invest in tangible assets such as cars to protect themselves against a loss of purchasing power.

Global demand for passenger cars in the period from January to March 2012 was primarily driven by the Asia-Pacific region. China's positive market trend continued to slow in the reporting period, mainly as a result of weaker global growth and rising fuel prices. The Japanese automotive market saw extremely strong growth following the dramatic slump in the wake of the natural disasters in the prior-year period. The industry also benefited there from government incentive programs for fuel-efficient vehicles. The Indian market recorded significant growth in the first quarter of 2012. Sales by domestic manufacturers were positively influenced by the launch of a large number of new models.

DEVELOPMENT OF THE MARKETS FOR TRUCKS AND BUSES

From January to March 2012, global demand for mid-sized and heavy trucks with a gross weight of more than six tonnes declined year-on-year.

New registrations were noticeably below the prior-year level in Western Europe, mainly as a result of the uncertainty caused by the European sovereign debt crisis.

Russia recorded a sharp increase in unit sales compared with the prior-year period, continuing its recovery following heavy declines during the financial crisis.

The USA and the other NAFTA countries recorded very positive market growth in the reporting period on the back of the positive trend in the economic sectors concerned.

The number of new registrations in the South American market did not match the prior-year level in the first quarter of 2012. The continent's largest market, Brazil, was also down considerably year-on-year due to the introduction of new emissions standards.

China, by far the world's largest market, fell well short of the previous year's figures as a result of the slowdown in the heavy trucks segment.

India came close to repeating its high prior-year level.

Global demand for buses developed positively from January to March 2012 compared with the prior-year period.

DEMAND FOR FINANCIAL SERVICES

The markets for automotive financial services continued to record strong demand in the first three months of 2012. The European markets experienced higher demand for automotive-related financial services from business customers in particular. The leasing sector in Germany continued to expand in both the commercial vehicle and passenger car segments. The markets in North and South America were also up year-on-year in the reporting period and the Asia-Pacific region recorded significant growth.

VOLKSWAGEN GROUP DELIVERIES

The Volkswagen Group delivered 2,208,622 vehicles to customers worldwide in the period from January to March 2012, 220,424 or 11.1% more than in the prior-year period. The chart on page 12 shows that the delivery figures were higher in all three months of the reporting period than in the same months of the previous year. Separate details of deliveries of passenger cars and light commercial vehicles and of trucks and buses are provided in the following.

VOLKSWAGEN GROUP DELIVERIES
FROM JANUARY 1 TO MARCH 31

	2012	2011	%
Passenger cars and light commercial vehicles	2,157,382	1,969,133	+ 9.6
Trucks and buses	51,240	19,065	x
Total	**2,208,622**	**1,988,198**	**+ 11.1**

PASSENGER CAR AND LIGHT COMMERCIAL VEHICLE DELIVERIES WORLDWIDE

In the first quarter of 2012, Volkswagen Group deliveries were at an all-time high, with 2,157,382 passenger cars and light commercial vehicles sold, an increase of 9.6% on the prior-year figure. As the global automotive market only grew by 6.8%, we expanded our market position and gained additional market share in the same period. Virtually all Group brands contributed to this success. Volkswagen Passenger Cars (+10.5%), Audi (+10.8%), ŠKODA (+11.8%) and Volkswagen Commercial Vehicles (+7.9%) recorded the best first quarter in their history. The Group recorded the highest growth rates in Central and Eastern Europe, North America and Asia-Pacific.

The table on the next page gives an overview of passenger car and light commercial vehicle deliveries to customers by market and of the respective passenger car market shares in the reporting period.

Sales trends in the individual markets are as follows.

Deliveries in Europe/Remaining markets

In the period from January to March 2012, the Volkswagen Group delivered 1.2% fewer vehicles to customers in Western Europe than in the previous year but outperformed the market as a whole, which declined by 8.3% in the same period. Vehicles sold in Western Europe accounted for 36.6% (40.6%) of the Group's global deliveries of passenger cars and light commercial vehicles. Our sales figures were down on the previous year in virtually all major markets in this region, apart from Germany and the United Kingdom. Demand for ŠKODA, Volkswagen Commercial Vehicles, Bentley and Lamborghini models developed positively, with all these brands exceeding the prior-year figures. In the first three months of 2012, the Tiguan, Passat estate, Audi A6, ŠKODA Octavia estate, ŠKODA Yeti, SEAT Alhambra and Multivan/ Transporter models recorded the strongest demand in Western Europe. The new up!, Beetle saloon, Golf Cabriolet and Audi Q3 models were also very popular with customers. The Volkswagen Group in Western Europe increased its share of the passenger car market to 23.5% (21.6%).

Demand for Volkswagen Group models in Germany continued to rise in the first quarter of 2012. The number of vehicles sold was up 5.7% on the prior-year figure. The Tiguan, Polo, Golf estate, Audi A1, Audi A6, ŠKODA Fabia estate, ŠKODA Yeti, ŠKODA Octavia estate, ŠKODA Superb estate, SEAT Ibiza, SEAT Alhambra and Multivan/ Transporter models recorded the highest growth rates. The Volkswagen Group's share of the passenger car market in Germany climbed to 36.5% (35.8%) in the first three months of 2012.

From January to March 2012, the Volkswagen Group delivered 35.1% more vehicles to customers in Central and Eastern Europe than in the corresponding period of the previous year. This is primarily attributable to the ongoing high demand for Group models in the Russian market, where we sold 77.3% more vehicles year-on-year. Demand for Group vehicles was also higher in the other relevant markets of Central and Eastern Europe. Almost all Volkswagen Passenger Cars models, the Audi A3, Audi A6, all ŠKODA models, the SEAT Altea, SEAT Alhambra, the Multivan/Transporter and the Caddy models were particularly popular.

The high demand for Volkswagen Group models also continued in the local South African passenger car market in the first three months of 2012. Deliveries to customers were up 12.8% year-on-year, while the share of the passenger car market held by the Group in South Africa increased to 22.6% (22.2%).

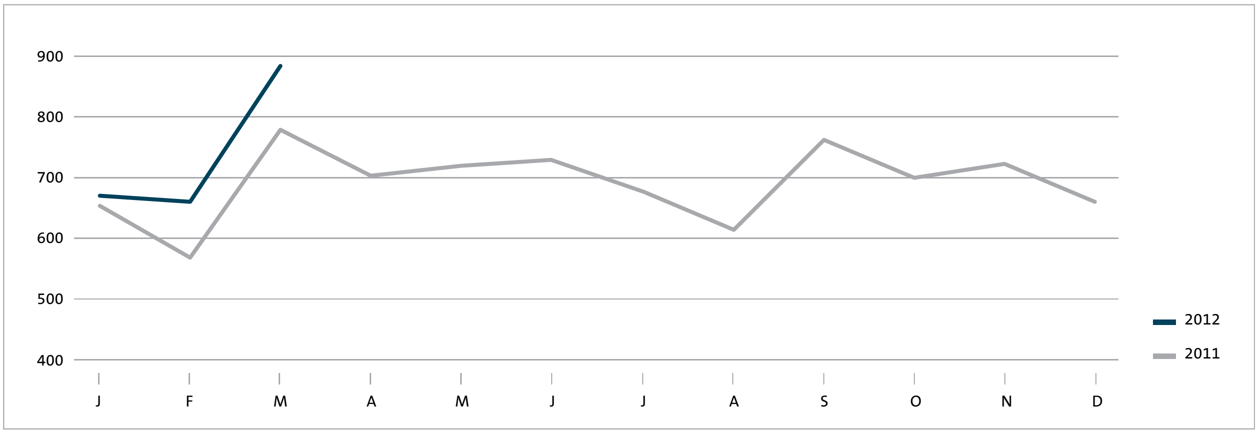
PASSENGER CAR AND LIGHT COMMERCIAL VEHICLE DELIVERIES TO CUSTOMERS BY MARKET FROM JANUARY 1 TO MARCH 31[1]

	DELIVERIES (UNITS)		CHANGE	SHARE OF PASSENGER CAR MARKET (%)	
	2012	2011	(%)	2012	2011
Europe/Remaining markets	**1,022,808**	**982,607**	**+ 4.1**		
Western Europe	**789,512**	**799,149**	**– 1.2**	**23.5**	**21.6**
of which: Germany	282,413	267,295	+ 5.7	36.5	35.8
United Kingdom	120,469	114,984	+ 4.8	19.5	18.2
France	74,831	81,472	– 8.2	14.1	11.2
Italy	57,331	69,313	– 17.3	13.7	13.1
Spain	52,003	57,132	– 9.0	24.3	24.3
Central and Eastern Europe	**147,440**	**109,107**	**+ 35.1**	**15.8**	**13.2**
of which: Russia	65,994	37,214	+ 77.3	10.8	7.2
Czech Republic	20,172	19,921	+ 1.3	43.3	45.3
Poland	19,520	16,251	+ 20.1	23.3	19.9
Remaining markets	**85,856**	**74,351**	**+ 15.5**		
of which: South Africa	28,057	24,863	+ 12.8	22.6	22.2
Turkey	21,492	25,181	– 14.6	18.0	14.7
North America[2]	**179,082**	**143,859**	**+ 24.5**	**4.4**	**3.9**
of which: USA	124,427	92,829	+ 34.0	3.6	3.0
Mexico	38,114	36,480	+ 4.5	16.3	17.3
Canada	16,541	14,550	+ 13.7	4.6	4.4
South America	**229,397**	**220,883**	**+ 3.9**	**19.3**	**19.0**
of which: Brazil	164,543	166,649	– 1.3	22.4	23.3
Argentina	51,294	42,960	+ 19.4	25.5	22.3
Asia-Pacific	**726,095**	**621,784**	**+ 16.8**	**11.0**	**10.6**
of which: China	633,861	548,461	+ 15.6	19.7	17.9
India	34,132	28,075	+ 21.6	4.5	4.3
Japan	23,169	16,776	+ 38.1	1.6	1.8
Worldwide	**2,157,382**	**1,969,133**	**+ 9.6**	**12.2**	**11.9**
Volkswagen Passenger Cars	1,355,392	1,226,151	+ 10.5		
Audi	346,137	312,532	+ 10.8		
ŠKODA	242,732	217,124	+ 11.8		
SEAT	80,119	90,652	– 11.6		
Bentley	1,759	1,200	+ 46.6		
Lamborghini	505	293	+ 72.4		
Volkswagen Commercial Vehicles	130,731	121,175	+ 7.9		
Bugatti	7	6	+ 16.7		

1 Deliveries and market shares for 2011 have been updated to reflect subsequent statistical trends.
2 Overall markets in the USA, Mexico and Canada include passenger cars and light trucks.

VOLKSWAGEN GROUP DELIVERIES BY MONTH

Vehicles in thousands



Deliveries in North America

Volkswagen Group sales in the US market for passenger cars and light commercial vehicles were up 34.0% year-on-year in the first quarter of 2012, outperforming the positive trend in the overall market. Particularly strong demand was recorded for the new Passat along with the Golf, Tiguan, Eos, Audi A6 and Audi Q5 models.

In the reporting period, we delivered 13.7% more vehicles to customers in Canada than in the previous year. The Golf, Tiguan, Audi A4 and Audi Q5 models recorded the highest growth rates. The new Passat also saw strong demand in Canada.

In the Mexican passenger car market, the Volkswagen Group sold 4.5% more vehicles year-on-year. Models that were very popular among customers included the Gol, the Voyage and the SEAT Ibiza.

Deliveries in South America

In the first three months of this year, the Volkswagen Group delivered 3.9% more vehicles to customers in the South American passenger car market than in the same period of the previous year.

The decline in Brazil that started at the end of 2011 due to increased customer uncertainty continued. Sales were down 1.3% year-on-year in this market in the reporting period. Demand for the SpaceFox, Voyage and new Jetta models was strong. The total delivery figures also include the Amarok, Saveiro and T2 light commercial vehicles. We sold 0.4% more of these models in Brazil than in the previous year. The Group's passenger car market share in Brazil was 22.4% (23.3%).

In Argentina, the Volkswagen Group increased deliveries to customers in the period from January to March 2012 by 19.4% year-on-year, clearly outperforming the passenger car market as a whole. High demand for the Fox, SpaceFox and Gol models was the main driver. The Volkswagen Group's share of the passenger car market in Argentina increased to 25.5% (22.3%).

Deliveries in the Asia-Pacific region

Passenger car markets in the Asia-Pacific region grew by 12.6% during the reporting period, up on the final quarter of 2011. The Volkswagen Group increased sales in this region by 16.8% compared with the prior-year figure, outperforming the market as a whole. This can be attributed above all to continuing strong demand for Group models in the Chinese passenger car market. We sold 15.6% more vehicles there as against the previous year. Virtually all models experienced stronger demand than in the same period of 2011. With a market share of 19.7% (17.9%), we expanded our leadership of the highly competitive Chinese passenger car market.

The Volkswagen Group also benefited from the Japanese market's recovery and its deliveries to customers increased by 38.1% year-on-year in the period from January to March 2012. There was increased demand here for the Polo, Passat estate, Sharan, Audi A1, Audi A3 Sportback and Audi A6 models.

The Volkswagen Group also sold more vehicles in the remaining passenger car markets of the Asia-Pacific region than in the previous year. In India, demand for Group models was up 21.6% year-on-year. The Polo models, the new Jetta and the ŠKODA Rapid were particularly popular.

DELIVERIES OF TRUCKS AND BUSES

From January to March 2012, the Volkswagen Group delivered 51,240 trucks and buses to customers worldwide, with trucks accounting for 46,166 units. Sales figures for the MAN brand are not included for the prior-year period, because MAN was only consolidated on November 9, 2011. The Scania brand delivered 16,238 units to customers, a decline of 14.8% on the previous year.

In Western Europe, we sold 17,203 vehicles in the first quarter of 2012, of which 16,386 were trucks. The economic upturn slowed significantly in the reporting period, due to the uncertainties on the financial markets and the ongoing European sovereign debt crisis. By contrast, we sold a total of 5,787 vehicles in the markets of Central and Eastern Europe. Trucks accounted for 5,680 units. In the remaining European markets, we delivered 4,228 vehicles to customers, 3,628 of which were trucks.

We sold 483 units in the North American markets (including 128 trucks) in the reporting period. In this market, the Group benefited above all from the positive trend in the relevant economic sectors and the improved situation on the labor market.

In South America, demand for Volkswagen Group trucks and buses amounted to 21,023 vehicles, 18,138 of which were trucks. We delivered 16,011 trucks and 2,470 buses in the Brazilian market. As expected, the introduction of the Euro 5 emission standard weakened demand for trucks in the first quarter of 2012.

Sales to customers in the markets of the Asia-Pacific region comprised 2,516 units, 2,206 of which were trucks. We delivered 734 trucks and 15 buses in China.

GROUP FINANCIAL SERVICES

Products and services from Volkswagen Financial Services continued to enjoy strong demand in the reporting period. From January to March 2012, 848 thousand new financing, leasing, service and insurance contracts were signed worldwide, a 17.9% increase on the previous year. The total number of contracts as of March 31, 2011 was 8.6 million, up 10.7% on the prior-year period.

In Europe, 583 thousand new contracts were signed between January and March 2012 (+10.1%). The total number of contracts there rose to 6.3 million, up 7.9% year-on-year. The number of financing and leasing contracts was 3.7 million (+5.6%).

As of March 31, 2012, the number of contracts in North America grew by 10.7% to 1.3 million, 1.2 million of which were attributable to the customer finance/leasing area. The number of new contracts signed amounted to 144 thousand (+32.7%).

In South America, the total number of contracts during the reporting period grew by 13.5% compared with the previous year to 625 thousand; almost all of these were attributable to the customer finance/leasing area.

At the end of March 2012, the total number of contracts in the Asia-Pacific region was 360 thousand, of which 291 thousand related to customer finance/leasing.

TRUCK AND BUS DELIVERIES TO CUSTOMERS BY MARKET FROM JANUARY 1 TO MARCH 31*

	DELIVERIES (UNITS)		CHANGE
	2012	2011	(%)
Europe/Remaining markets	**27,218**	**13,306**	**x**
Western Europe	17,203	7,278	x
Central and Eastern Europe	5,787	2,596	x
Remaining markets	4,228	3,432	+ 23.2
North America	**483**	**89**	**x**
South America	**21,023**	**4,339**	**x**
of which: Brazil	18,481	3,351	x
Asia-Pacific	**2,516**	**1,331**	**+ 89.0**
of which: China	749	329	x
Worldwide	**51,240**	**19,065**	**x**
Scania	16,238	19,065	– 14.8
MAN	35,002	–	x

* The MAN brand's deliveries are included as from November 9, 2011.

WORLDWIDE DEVELOPMENT OF INVENTORIES

Global inventories held by Group companies and the dealer organization at the end of the first quarter of 2012 were up compared with the levels recorded at the end of 2011 and as of March 31, 2011.

UNIT SALES, PRODUCTION AND EMPLOYEES

In the first three months of 2012, the Volkswagen Group delivered 2,259,542 vehicles to the dealer organization worldwide, surpassing the prior-year figure by 11.3%. The sharp increase in demand for Group models in the USA, Russia and in the Chinese passenger car market caused sales outside Germany to increase by 12.8%. Domestic sales increased by 2.5% compared with the prior-year figure. Vehicles sold in Germany accounted for 14.0% (15.1%) of the Group's overall sales.

The Volkswagen Group produced 2,317,497 vehicles in the reporting period, 12.2% more than in the same period of 2011. 651,642 vehicles were produced in Germany, 7.5% more than in the previous year; domestic sales accounted for 28.1% of the total (29.4%).

The Volkswagen Group had 494,907 active employees on March 31, 2012. In addition, 4,959 employees were in the passive phase of their early retirement and 13,157 young people were in apprenticeships. At the end of the reporting period, a total of 513,023 people were employed at the Volkswagen Group worldwide, an increase of 2.2% compared with year-end 2011. This rise is mainly due to the establishment of new production facilities and expanded production volumes in Germany and abroad. 226,195 people were employed in Germany (+0.6%), accounting for 44.1% of the total headcount.

OPPORTUNITY AND RISK REPORT

There were no significant changes to the Volkswagen Group's opportunity and risk position compared with the information contained in the Risk Report and Report on Expected Developments chapters of the 2011 Annual Report.

Results of Operations, Financial Position and Net Assets

Following the completion of the mandatory offer on November 9, 2011, we increased our stake in MAN SE at the end of 2011 and increased it further to 68.94% of the share capital as of the end of the first quarter of 2012.

RESULTS OF OPERATIONS OF THE GROUP

At €47.3 billion, the Volkswagen Group's sales revenue for the first quarter exceeded the prior-year figure by 26.3%, primarily due to volume-related factors and the consolidation of Porsche Holding Salzburg and MAN SE as of March 1, 2011 and November 9, 2011 respectively. The proportion of the Group's sales revenue generated outside Germany was 77.4% (77.6%).

The Volkswagen Group's gross profit improved by 25.2% in the first three months of 2012 to €8.9 billion. The positive effects of higher volumes and improved product costs were partly offset by high write-downs relating to the purchase price allocation for MAN in the period shortly following its acquisition. The cost of sales grew slightly faster than sales revenue, giving a gross margin of 18.9% (19.1%).

The Volkswagen Group generated an operating profit of €3.2 billion in the first quarter of 2012, which represents an increase of 10.2%. At 6.8%, the operating return on sales was down year-on-year, primarily due to negative effects from the write-downs relating to the purchase price allocation for MAN and Porsche Holding Salzburg (7.8%).

At €4.3 billion, the Volkswagen Group's profit before tax in the reporting period was €2.1 billion higher than in the previous year. Profit after tax improved by €1.5 billion to €3.2 billion. Effects from the remeasurement of options relating to Porsche Zwischenholding GmbH in the amount of €0.6 billion did not have any impact on the tax expense.

RESULTS OF OPERATIONS IN THE AUTOMOTIVE DIVISION

The Automotive Division generated sales revenue of €42.6 billion, 27.1% higher than in the same period last year. In addition to increased volumes, model and country mix improvements in particular also had a positive impact. In the comparison with the previous year's figures, it should be noted that Porsche Holding Salzburg and MAN SE were first consolidated from March 1, 2011 and November 9, 2011 respectively. As our Chinese joint ventures are accounted for using the equity method, the Group's positive business growth in the Chinese passenger car market is mainly reflected in the Group's sales revenue only by deliveries of vehicles and vehicle parts. The Financial Services Division generated gross profit of €7.8 billion (€6.2 billion).

The Automotive Division's distribution expenses increased by 31.7%. The ratio of distribution expenses to sales revenue was slightly higher than in the first quarter of 2011. Administrative expenses rose by 47.3% to €1.1 billion. The ratio of administrative expenses to sales revenue was also up slightly on the previous year. In addition to increased volumes, the automobile trading business of Porsche Holding Salzburg, MAN Commercial Vehicles and Power Engineering had a significant effect on the prior-year comparison. Other operating income fell to €1 million (€85 million), mainly as a result of negative exchange rate effects.

In the first three months of 2012, the Automotive Division generated an operating profit of €2.9 billion, exceeding the prior-year figure by €0.3 billion. Higher volumes had a particularly positive effect on earnings. The extremely strong business performance of our Chinese joint ventures is not reflected in the Group's operating profit, as these are accounted for using the equity method. Negative effects from write-downs required for purchase price allocation in the Trucks and Buses, Power Engineering Business Area increased significantly year-on-year; these are included in the operating profit.

At €1.1 billion (€–0.7 billion), the financial result significantly exceeded the previous year's figure. It was lifted by the measurement of derivative financial instruments used for currency hedging at the reporting date and improved income from equity-accounted investments included in the consolidated financial statements, especially the Chinese joint ventures and Porsche Zwischenholding GmbH. The updating of the underlying assumptions used in the valuation models for measuring the put/call rights relating to Porsche Zwischenholding GmbH also had a positive effect on the financial result. Income from interests held in Suzuki and MAN included in the prior-year period are not included in the first quarter of 2012 due to the switch from the equity method to fair value in the measurement of Suzuki shares, and from the equity method to consolidation for MAN SE.

Results of operations in the Passenger Cars and Light Commercial Vehicles Business Area and the Trucks and Buses, Power Engineering Business Area from January 1 to March 31

€ million	2012	2011
Passenger Cars and Light Commercial Vehicles Business Area		
Sales revenue	36,497	31,208
Gross profit	6,949	5,697
Operating profit	2,818	2,315
Trucks and Buses, Power Engineering Business Area		
Sales revenue	6,133	2,345
Gross profit	883	510
Operating profit	48	292

RESULTS OF OPERATIONS IN THE FINANCIAL SERVICES DIVISION

Sales revenue in the Financial Services Division amounted to €4.7 billion (€3.9 billion) in the first quarter of 2012. The increase is primarily attributable to the inclusion of Porsche Holding Salzburg's financial services business as from March 1, 2011.

Gross profit rose by 18.3% to €1.1 billion.

Higher distribution and administrative costs as a result of increased volumes saw operating profit improve by a slower 12.8% to €0.3 billion.

FINANCIAL POSITION OF THE GROUP

The Volkswagen Group's gross cash flow in the first three months of 2012 amounted to €5.8 billion, €1.5 billion more than in the previous year. Funds tied up in working capital increased by €2.5 billion to €4.4 billion. As a result, cash flows from operating activities declined to €1.5 billion (€2.5 billion).

In the first quarter of 2012, investing activities attributable to the Volkswagen Group's operating activities declined by 34.8% to €2.7 billion despite a year-on-year increase in investments in property, plant and equipment. This was due to cash outflows for the acquisition of Porsche Holding Salzburg included in the prior-year figure. The increase in the equity interest in MAN SE of approximately €1.4 billion is reported in financing activities as a capital transaction with noncontrolling interests.

Cash and cash equivalents in the Volkswagen Group as reported in the cash flow statement amounted to €19.1 billion (€20.4 billion) as of March 31, 2012.

The Group's net liquidity was €– 68.4 billion, €3.6 billion lower than on December 31, 2011.

FINANCIAL POSITION IN THE AUTOMOTIVE DIVISION

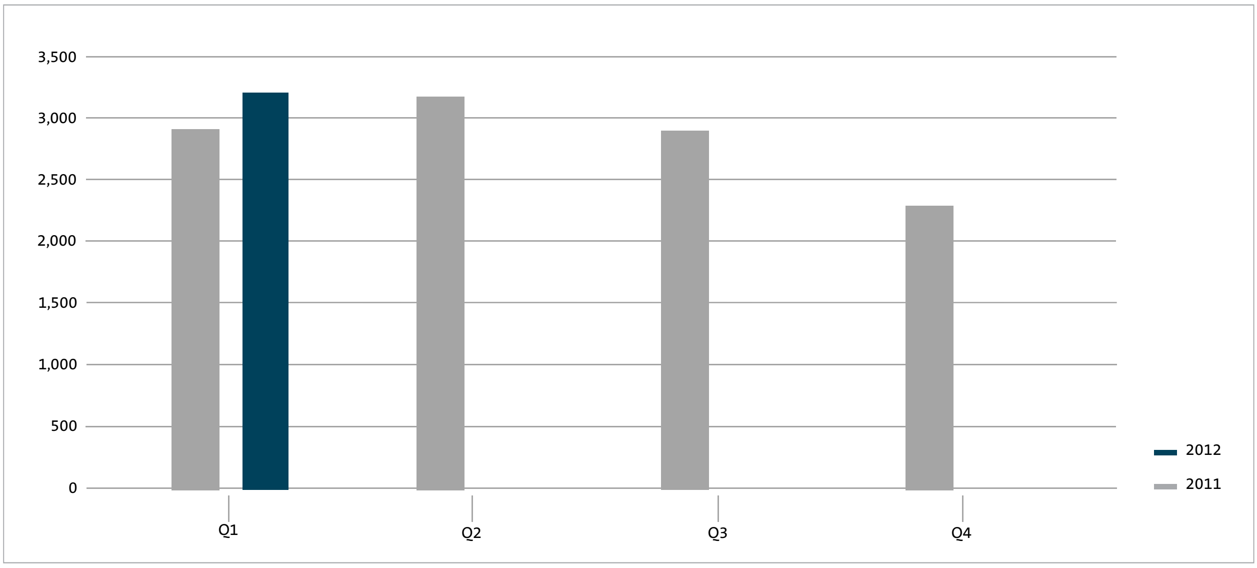
Gross cash flow in the Automotive Division totaled €4.8 billion in the first three months of 2012, an increase of €1.3 billion year-on-year. Growth factors, among other things, led to funds tied up in working capital of €1.9 billion; cash inflows of €1.5 billion were recorded in the prior-year period. As a result, cash flows from operating activities decreased to €2.9 billion (€5.1 billion).

Cash outflows totaling €2.5 billion (€4.5 billion) arose from investing activities attributable to operating activities. At €1.7 billion, investments in property, plant and equipment in the Automotive Division in the first quarter of 2012 exceeded the prior-year figure by €0.8 billion. The ratio of investments in property, plant and equipment (capex) to sales revenue was 4.0% (2.8%) in the reporting period, significantly higher than in the previous year. We invested primarily in our production facilities, the switch to the Modular Transverse Toolkit, in models to be launched in 2012 and 2013, and in the ecological focus of our model range. By contrast, investing activities in the first quarter of 2011 were dominated by the acquisition of Porsche Holding Salzburg and the investment in SGL Carbon SE.

The Automotive Division's net cash flow in the reporting period declined by €0.2 billion compared with the previous year to €0.4 billion due to higher investment in property, plant and equipment and an increase in funds tied up in working capital.

OPERATING PROFIT BY QUARTERS

Volkswagen Group in € million



Since the consolidation of MAN, further increases in Volkswagen AG's stake have been reported in financing activities as capital transactions with noncontrolling interests. Further interests in MAN SE totaling approximately €1.4 billion were acquired in the first quarter of 2012.

Net liquidity in the Automotive Division amounted to €15.8 billion as of March 31, 2012, €1.2 billion lower than at year-end 2011.

Financial position in the Passenger Cars and Light Commercial Vehicles Business Area and the Trucks and Buses, Power Engineering Business Area from January 1 to March 31

€ million	2012	2011
Passenger Cars and Light Commercial Vehicles Business Area		
Gross cash flow	4,285	3,307
Change in working capital	−1,277	1,590
Cash flows from operating activities	3,008	4,897
Cash flows from investing activities attributable to operating activities	−2,153	−4,452
Net cash flow	855	446
Trucks and Buses, Power Engineering Business Area		
Gross cash flow	548	276
Change in working capital	−615	−53
Cash flows from operating activities	−67	223
Cash flows from investing activities attributable to operating activities	−370	−13
Net cash flow	−437	209

FINANCIAL POSITION IN THE FINANCIAL SERVICES DIVISION

Gross cash flow in the Financial Services Division was €1.0 billion at the end of the first quarter of 2012, 25.8% up on the prior-year figure due to earnings-related factors. Funds tied up in working capital increased by €2.5 billion (€3.4 billion) due to volume-related factors. Investing activities attributable to operating activities amounted to €209 million.

The Financial Services Division's negative net liquidity, which is common in the industry, widened to €–84.2 billion (€–81.8 billion) as against year-end 2011. This is mainly attributable to business expansion.

CONSOLIDATED BALANCE SHEET STRUCTURE

At €264.9 billion, the Volkswagen Group's total assets as of March 31, 2012 were 4.5% higher as against year-end 2011. This was mainly driven by organic growth in the Automotive Division, among other factors. The Volkswagen Group's equity ratio declined slightly to 24.7% (25.0%).

AUTOMOTIVE DIVISION BALANCE SHEET STRUCTURE

Purchase price allocation for the assets acquired and liabilities assumed of the MAN Commercial Vehicles and Power Engineering subgroups is provisional as of the date of these interim financial statements.

At the end of the first quarter of 2012, the Automotive Division's noncurrent assets were 0.7% higher than at the end of 2011. The carrying amount of property, plant and equipment rose by 1.2%. Current assets were 10.7% higher than at December 31, 2011. Within the current assets item, the increase in business led to a rise in inventories and receivables. At €16.9 billion, cash and cash equivalents exceeded the prior-year figure (€14.5 billion).

The Automotive Division's equity attributable to shareholders of Volkswagen AG amounted to €49.2 billion as of March 31, 2012; this represents an increase of 4.8% as against year-end 2011. In particular, the good earnings growth had a positive effect here. Actuarial losses were offset by positive effects of roughly the same amount from the measurement of derivatives. Noncontrolling interests, which chiefly relate to noncontrolling interests in Scania and MAN, decreased due to the increase in the stake in MAN SE. Equity amounted to €53.8 billion (€52.5 billion) at the end of the reporting period. Noncurrent liabilities were up 11.9% as against December 31, 2011. Current liabilities were down slightly (–0.3%). The figures for the Automotive Division also contain the elimination of intragroup transactions between the Automotive and Financial Services divisions. As the current financial liabilities for the primary Automotive Division were lower than the loans granted to the Financial Services Division, a negative amount was disclosed for the reporting period.

At €153.0 billion, the Automotive Division's total assets were 4.8% higher than at December 31, 2011.

Balance sheet structure in the Passenger Cars and Light Commercial Vehicles Business Area and the Trucks and Buses, Power Engineering Business Area

€ million	March 31, 2012	Dec. 31, 2011
Passenger Cars and Light Commercial Vehicles Business Area		
Noncurrent assets	60,539	60,505
Current assets	51,579	45,597
Total assets	**112,119**	**106,102**
Equity	33,680	32,411
Noncurrent liabilities	45,295	41,030
Current liabilities	33,143	32,661
Trucks and Buses, Power Engineering Business Area		
Noncurrent assets	26,331	25,774
Current assets	14,577	14,157
Total assets	**40,908**	**39,931**
Equity	20,092	20,078
Noncurrent liabilities	9,610	8,044
Current liabilities	11,206	11,810

FINANCIAL SERVICES DIVISION BALANCE SHEET STRUCTURE

At €111.9 billion, the Financial Services Division's total assets at the end of March 2012 were 4.0% higher than at the end of 2011.

Noncurrent assets increased by 4.0%, mainly due to higher financial services receivables. Higher receivables as a result of volume-related factors led to a 4.0% increase in current assets compared with December 31, 2011. The Financial Services Division accounted for approximately 42.2% of the Volkswagen Group's assets as of March 31, 2012.

At the end of the reporting period, the Financial Services Division's equity amounted to €11.8 billion, exceeding the figure at the end of 2011 by 8.6%. This increase was due in particular to the earnings position and a capital increase by Volkswagen AG. The division's equity ratio was 10.5% (10.1%). Noncurrent liabilities were 8.1% higher than at year-end 2011 due to an increase in financial liabilities to refinance volume growth. Current liabilities were up 0.2% compared with December 31, 2011.

Deposits from direct banking business amounted to €22.1 billion (€22.2 billion), of which €21.3 billion was attributable to Volkswagen Bank direct.

Outlook

Global economic growth continued in the reporting period, but lost further momentum compared with full-year 2011. We expect the global economy to stabilize at this level over the course of the year. The performance of the individual regions will differ. While the rapid momentum seen in the emerging markets of Asia and Latin America will ease only slightly, the major industrialized nations will continue to see merely moderate growth. A recession is expected in some eurozone countries. Increasing inflationary trends may cloud the prospects for growth in the emerging markets.

Global demand for passenger cars and light commercial vehicles rose rather more strongly between January and March 2012 than in full-year 2011. The strongest absolute growth was recorded by the Japanese, US, Chinese, Indian and Russian markets. We expect the global markets for passenger cars and light commercial vehicles to grow further in 2012, although the pace is likely to slacken slightly compared with the first quarter. We are forecasting an overall decline in the market volume in Western Europe, with the German market staying at the same level as in the previous year. Growth in Central and Eastern Europe will slow tangibly. The growth rates in our strategically important markets of China and India are expected to remain above average, while demand in North and South America also looks set to rise further.

The pace of growth in the markets for trucks and buses is expected to slow in 2012; the global market will remain roughly on a level with 2011.

We also expect the markets for automotive financial services to continue gaining in significance in 2012.

The Volkswagen Group's main competitive advantages are its multibrand strategy, a range of vehicles that covers almost all segments from subcompact cars to heavy trucks and its growing presence in all major regions of the world, together with its wide range of financial services. Thanks to our expertise in technology and design, we have a diverse, attractive and environmentally friendly portfolio of products that meets all customer desires and needs. In 2012, the Volkswagen Group's brands will again launch a large number of fascinating new models and so help further expand our strong position in the global markets. As a result, we expect to increase deliveries to customers year-on-year. 2012 will be dominated by the start of production for new, high-volume models as part of the renewal of our product range and the need to convert our plant and equipment for use with the Modular Transverse Toolkit. The modular toolkit system, which is being continuously updated, will have an increasingly positive effect on the Group's cost structure in the future.

The Volkswagen Group's 2012 sales revenue will exceed the prior-year figure. This will also be a result of the consolidation of MAN SE as of November 9, 2011; the earnings contribution will be limited because of the write-downs that will be required for purchase price allocation.

Our goal for operating profit is to match the 2011 level. Positive effects from our attractive model range and strong market position will be offset in part by increasingly stiff competition in a challenging market environment, especially in certain European countries. Disciplined cost and investment management and the continuous optimization of our processes remain core components of our Strategy 2018.

This report contains forward-looking statements on the business development of the Volkswagen Group. These statements are based on assumptions relating to the development of the economic and legal environment in individual countries and economic regions, and in particular for the automotive industry, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. The estimates given entail a degree of risk, and the actual developments may differ from those forecast. Consequently, any unexpected fall in demand or economic stagnation in our key sales markets, such as Western Europe (and especially Germany) or in the USA, Brazil, China, or Russia will have a corresponding impact on the development of our business. The same applies in the event of a significant shift in current exchange rates relative in particular to sterling, the US dollar, Chinese renminbi, the Swiss franc, Japanese yen, Swedish krona, Russian ruble and Australian dollar. In addition, expected business development may vary if the assessments of value-enhancing factors and risks presented in the 2011 Annual Report develop in a way other than we are currently expecting, or additional risks or other factors emerge that adversely affect the development of our business.

Brands and Business Fields

SALES REVENUE AND OPERATING PROFIT BY BRAND AND BUSINESS FIELD

The Volkswagen Group's sales revenue for the period from January to March 2012 was up 26.3% year-on-year to €47.3 billion, mainly due to volume-related factors and the consolidation of Porsche Holding Salzburg and MAN SE as of March 1, 2011 and November 9, 2011 respectively. At €3.2 billion, operating profit exceeded the prior-year figure by 10.2%.

At 1.2 million vehicles, the Volkswagen Passenger Cars brand sold 9.3% more units in the first three months of 2012 than in the prior-year period. There was increased demand for the Tiguan, Passat, Touareg and Sharan models. The new up!, Beetle and CC models were also highly popular. The higher volumes lifted sales revenue by 13.4% to €26.1 billion. Operating profit improved slightly by 5.3% to €1.1 billion, although upfront expenditures on the Modular Transverse Toolkit were a drag on earnings.

The Audi brand sold 340 thousand vehicles in the first quarter of this year. Chinese joint venture FAW-Volkswagen sold a further 77 thousand Audi vehicles. Worldwide, the Audi A6, Audi A7 Sportback and Audi A8 models recorded the highest growth rates. Growth in demand for the new Audi A1 Sportback and Audi Q3 models was also extremely positive. At €12.4 billion, sales revenue was 17.8% higher than in the corresponding period in 2011. Operating profit rose by 26.6% to €1.4 billion. This positive performance was primarily attributable to increased volumes (vehicles and vehicle parts), mix improvements and the continuous optimization of productivity and processes. The figures for the Lamborghini brand are already included in the key figures for the Audi brand.

Unit sales by the ŠKODA brand were up 13.9% year-on-year to 206 thousand vehicles in the period from January to March 2012. Demand for the Fabia, Yeti and Octavia models as well as for the Rapid in India was encouraging. At €2.9 billion, sales revenue was 8.3% higher than in the previous year. Volume-related factors and improved product costs saw operating profit grow by 11.8% to €209 million.

Unit sales of the SEAT brand increased by 6.7% year-on-year to 99 thousand vehicles worldwide, while demand for vehicles in the still declining Spanish passenger car market was again lower in the reporting period than in the previous year. The SEAT Alhambra was increasingly popular and the SEAT Mii was well received by the market. At €1.6 billion, sales revenue was 14.2% higher than in the same period in 2011. The operating loss widened by €17 million to €29 million due to increased fixed costs and sales support.

VOLKSWAGEN GROUP

Division	AUTOMOTIVE DIVISION									FINANCIAL SERVICES
Brand/ Business Field	Volkswagen Passenger Cars	Audi	ŠKODA	SEAT	Bentley	Volkswagen Commercial Vehicles	Scania	MAN	Other	Dealer and customer financing Leasing Direct bank Insurance Fleet business

The Bentley brand sold around two thousand vehicles in the reporting period (+88.0%). At €357 million, sales revenue was 81.3% higher than in 2011. Operating profit rose by €40 million to €15 million, primarily as a result of higher volumes.

In the first three months of 2012, Volkswagen Commercial Vehicles sold 119 thousand vehicles, 9.8% more than in the prior-year period. Demand increased for the Crafter and Amarok models. Sales revenue improved by 15.9% year–on–year to €2.5 billion. Positive volume and mix effects saw operating profit increase by €32 million year-on-year to €124 million.

The Scania brand sold 16 thousand vehicles in the first three months of the year. The 14.8% decline is primarily attributable to reduced demand in Europe/Remaining markets. By contrast, demand for service offerings and genuine parts recorded growth. As a result, sales revenue declined by €50 million to €2.4 billion. At €262 million, operating profit was €115 million lower than in the first quarter of 2011.

The MAN brand sold 35 thousand vehicles in the reporting period. Sales revenue amounted to €3.9 billion; operating profit was €223 million.

Volkswagen Financial Services generated an operating profit of €311 million in the first quarter of 2012, exceeding the prior-year figure by €25 million due to volume and currency-related factors.

KEY FIGURES BY BRAND AND BUSINESS FIELD FROM JANUARY 1 TO MARCH 31[1]

	VEHICLE SALES		SALES REVENUE		SALES TO THIRD PARTIES		OPERATING RESULT	
thousand vehicles/€ million	2012	2011	2012	2011	2012	2011	2012	2011
Volkswagen Passenger Cars	1,177	1,077	26,137	23,042	19,982	18,077	1,116	1,060
Audi	340	374	12,389	10,514	8,534	7,167	1,412	1,115
ŠKODA	206	181	2,916	2,691	1,617	1,739	209	187
SEAT	99	93	1,579	1,382	723	927	−29	−12
Bentley	2	1	357	197	341	189	15	−25
Volkswagen Commercial Vehicles	119	108	2,486	2,145	1,340	1,361	124	92
Scania[2]	16	19	2,363	2,414	2,363	2,414	262	376
MAN[2]	35	–	3,896	–	3,881	–	223	–
VW China[3]	588	512	–	–	–	–	–	–
Other[4]	−323	−335	−9,118	−8,589	4,601	2,165	−434[5]	−169[5]
Volkswagen Financial Services			4,320	3,674	3,944	3,430	311	287
Volkswagen Group	**2,260**	**2,031**	**47,326**	**37,470**	**47,326**	**37,470**	**3,209**	**2,912**
Automotive Division	2,260	2,031	42,630	33,552	43,027	33,797	2,866	2,608
of which: Passenger Cars and Light Commercial Vehicles Business Area	2,208	2,012	36,497	31,208	36,960	31,501	2,818	2,315
Trucks and Buses, Power Engineering Business Area	51	19	6,133	2,345	6,067	2,295	48	292
Financial Services Division	–	–	4,695	3,918	4,298	3,673	343	304

1 All figures shown are rounded, so minor discrepancies may arise from addition of these amounts.
2 Including financial services; MAN as from November 9, 2011.
3 The sales revenue and operating profit of the joint venture companies in China are not included in the figures for the Group. The Chinese companies are accounted for using the equity method and recorded an operating profit (proportionate) of €848 million (€557 million).
4 Including Porsche Holding Salzburg from March 1, 2011.
5 Mainly intragroup items recognized in profit or loss, in particular from the elimination of intercompany profits; the figure includes depreciation and amortization of identifiable assets as part of the purchase price allocation for Scania, Porsche Holding Salzburg and MAN.

UNIT SALES AND SALES REVENUE BY MARKET

In the Europe/Remaining markets region, the Volkswagen Group sold a total of 1.1 million vehicles in the first quarter of 2012, 6.1% more than in the prior-year period. Sales revenue increased by 19.7% to €30.0 billion due to volume- and mix-related factors.

The Group's unit sales in the North America region rose by 29.8% year-on-year to 195 thousand vehicles, with demand for Group models growing faster than the market as a whole. As a result, sales revenue was up by €1.3 billion to €5.3 billion.

In South America, the Volkswagen Group increased its sales by 1.1% to a total of 231 thousand vehicles. Higher volumes and in particular positive exchange rate effects saw sales revenue improve by €1.0 billion to €4.5 billion.

Including the Chinese joint ventures, we sold a total of 740 thousand vehicles in the Asia-Pacific region in the first three months of 2012, which represents an increase of 19.1% compared with the prior-year period. At €7.6 billion, sales revenue reflected the strong market growth and substantially exceeded the previous year, increasing 53.5%. This figure does not include the sales revenue of our Chinese joint ventures, as these are accounted for using the equity method.

KEY FIGURES BY MARKET FROM JANUARY 1 TO MARCH 31[1]

	VEHICLE SALES		SALES REVENUE	
thousand vehicles/€ million	2012	2011	2012	2011
Europe/Remaining markets	1,093	1,030	30,016	25,068
North America	195	150	5,265	3,976
South America	231	228	4,454	3,480
Asia-Pacific[2]	740	622	7,590	4,946
Volkswagen Group[2]	**2,260**	**2,031**	**47,326**	**37,470**

1 All figures shown are rounded, so minor discrepancies may arise from addition of these amounts.
2 The sales revenue of the joint venture companies in China is not included in the figures for the Group and the Asia-Pacific market.

VOLKSWAGEN FINANCIAL SERVICES

With its innovative products along the automotive value chain, Volkswagen Financial Services once again contributed to the Volkswagen Group's strong sales and earnings performance in the first quarter of 2012.

In Germany, we continued to drive forward mobility with the "Audi Privatkunden-Programm" for the Audi brand. This offering allows financing/leasing, insurance, vehicle roadworthiness tests and the Audi extended warranty to be individually combined. A new module is purchase price insurance, which insures customers against write-off and theft. This reimburses the difference between the replacement cost, which is covered by fully comprehensive insurance, and the purchase price.

Volkswagen Bank GmbH was the clear winner in a survey conducted by "Auto Bild" magazine, taking top honors in the "automotive bank" category. Readers of "auto motor und sport" voted Volkswagen Bank GmbH the best bank for the sixth time in a row, awarding it the title "Best Brand". Both reader surveys primarily addressed the quality of the financial services offered.

Volkswagen Leasing GmbH acquired rental company Euromobil on January 1, 2012. The acquisition strengthened Volkswagen Financial Services AG's own rental business and closed a gap in its mobility concept. The goal is to pool the strengths of the Group dealer organization and Volkswagen Leasing GmbH, and to offer customers comprehensive mobility solutions. At the same time, a new product was launched in the shape of "PartnerMiete", in which Euromobil partners themselves rent vehicles and rent these on directly to their customers as required. Alongside the vehicle and insurance, the product also includes a "maintenance & wear and tear" service and covers vehicle tax, registration and GEZ broadcast license fees.

Volkswagen Leasing GmbH was recognized for its sustainable fleet management program in the Germany-wide "365 Orte im Land der Ideen" competition. Together with the German Nature and Biodiversity Conservation Union (NABU), Volkswagen encourages fleet management to make their fleets "greener". In addition, every time an environmentally friendly car is registered, Volkswagen Leasing GmbH makes a contribution to a NABU project. The company also provides its customers with information on how to save the most fuel and cut the most emissions through the optimum use of a "green fleet". In this way, Volkswagen Leasing GmbH makes an important contribution to the creation of greener fleets and promotes the use of environmentally friendly fleet vehicles from the Volkswagen Group.

In Korea, Volkswagen Financial Services Korea Co., Ltd. has offered dealer financing for the Volkswagen and Audi brands since February.

In March, the Volkswagen Car Lease 15 (VCL 15) securitization transaction, backed by German lease receivables in the amount of approximately €1.0 billion, was successfully placed with a broad investor base. VCL 15 is the first German benchmark ABS transaction in 2012 for Volkswagen Financial Services AG and bears the "TSI – DEUTSCHER VERBRIEFUNGSSTANDARD" quality label from True Sale International GmbH.

Volkswagen Financial Services AG marketed Japanese loan receivables totaling JPY 25.0 billion for the first time with the Driver Japan One securitization transaction. This was the first public securitization of a European automobile manufacturer in Japan and allows Volkswagen Financial Services AG to tap an additional local refinancing source and expand its investor base.

A total of 0.8 million new finance, leasing, service and insurance contracts were signed in the reporting period, 17.9% more than in the first three months of 2011. The total number of contracts as of March 31, 2012 exceeded the 2011 year-end figure by 4.5%. The number of contracts in the Customer Financing/Leasing area was up 4.4% as against December 31, 2011 to 5.8 million and the number of contracts in the Service/Insurance area was 4.6% higher. Leased or financed vehicles accounted for 26.0% (33.9%) of total Group deliveries worldwide based on unchanged credit eligibility criteria. The decrease is attributable to the Chinese market, which was included for the first time. The share of leased or financed vehicles in China is significantly below the average of other automotive markets. Compared with December 31, 2011, receivables relating to dealer financing were 5.5% higher.

As of March 31, 2012, Volkswagen Bank direct managed 1.4 million accounts, slightly fewer than at year-end 2011 (–1.6%). Volkswagen Financial Services employed 9,019 people at the end of the reporting period.

The number of contracts in our fleet management business at the end of the first quarter of 2012 was down 0.6% on year-end 2011. Our LeasePlan joint venture managed around 1.3 million vehicles on March 31, 2012.

Interim Financial Statements (Condensed)

Income Statement for the Period January 1 to March 31

€ million	VOLKSWAGEN GROUP		DIVISIONS			
			AUTOMOTIVE[1]		FINANCIAL SERVICES	
	2012	2011	2012	2011	2012	2011
Sales revenue	**47,326**	**37,470**	**42,630**	**33,552**	**4,695**	**3,918**
Cost of sales	– 38,389	– 30,330	– 34,798	– 27,346	– 3,591	– 2,985
Gross profit	**8,936**	**7,140**	**7,833**	**6,207**	**1,104**	**933**
Distribution expenses	– 4,098	– 3,108	– 3,872	– 2,941	– 226	– 167
Administrative expenses	– 1,379	– 919	– 1,095	– 744	– 283	– 175
Other operating income/expense	– 251	– 201	1	85	– 251	– 286
Operating profit	**3,209**	**2,912**	**2,866**	**2,608**	**343**	**304**
Share of profits and losses of equity-accounted investments	952	585	905	545	47	39
Other financial result	138	– 1,273	170	– 1,263	– 32	– 10
Financial result	**1,090**	**– 688**	**1,075**	**– 717**	**15**	**29**
Profit before tax	**4,300**	**2,223**	**3,941**	**1,890**	**358**	**333**
Income tax expense	– 1,114	– 511	– 1,043	– 431	– 71	– 80
Profit after tax	**3,186**	**1,712**	**2,898**	**1,459**	**288**	**253**
Noncontrolling interests	20	117	15	112	5	5
Profit attributable to shareholders of Volkswagen AG	**3,166**	**1,595**	**2,883**	**1,347**	**283**	**248**
Basic earnings per ordinary share (€)[2]	**6.78**	**3.41**				
Diluted earnings per ordinary share (€)[2]	**6.78**	**3.41**				
Basic earnings per preferred share (€)[2]	**6.84**	**3.47**				
Diluted earnings per preferred share (€)[2]	**6.84**	**3.47**				

1 Including allocation of consolidation adjustments between the Automotive and Financial Services divisions.
2 Explanatory notes on earnings per share are presented in note 4.

Statement of Comprehensive Income for the Period January 1 to March 31

€ million	2012	2011
Profit after tax	**3,186**	**1,712**
Actuarial gains/losses		
Actuarial gains/losses, before tax	– 1,577	754
Deferred taxes relating to actuarial gains/losses	453	– 224
Actuarial gains/losses, net of tax	– 1,123	530
Exchange differences on translating foreign operations		
Unrealized currency translation gains/losses	66	– 450
Transferred to profit or loss	–	–
Exchange differences on translating foreign operations, before tax	66	– 450
Deferred taxes relating to exchange differences on translating foreign operations	– 1	–
Exchange differences on translating foreign operations, net of tax	66	– 450
Cash flow hedges		
Fair value changes recognized in other comprehensive income	1,522	2,520
Transferred to profit or loss	164	21
Cash flow hedges, before tax	1,686	2,541
Deferred taxes relating to cash flow hedges	– 475	– 729
Cash flow hedges, net of tax	1,211	1,813
Available-for-sale financial assets		
Fair value changes recognized in other comprehensive income	289	– 42
Transferred to profit or loss	– 49	30
Available-for-sale financial assets, before tax	240	– 11
Deferred taxes relating to available-for-sale financial assets	– 7	7
Available-for-sale financial assets, net of tax	233	– 4
Share of other comprehensive income of equity-accounted investments, net of tax	67	– 112
Other comprehensive income, before tax	482	2,722
Deferred taxes relating to other comprehensive income	– 29	– 945
Other comprehensive income, net of tax	**453**	**1,777**
Total comprehensive income	**3,639**	**3,489**
of which attributable to		
noncontrolling interests	17	98
shareholders of Volkswagen AG	3,622	3,391

Balance Sheet as of March 31, 2012 and December 31, 2011

€ million	VOLKSWAGEN GROUP		DIVISIONS			
			AUTOMOTIVE*		FINANCIAL SERVICES	
	2012	2011	2012	2011	2012	2011
Assets						
Noncurrent assets	**151,044**	**147,986**	**86,870**	**86,278**	**64,173**	**61,708**
Intangible assets	22,061	21,992	21,930	21,861	131	131
Property, plant and equipment	32,307	31,916	31,832	31,454	475	462
Leasing and rental assets	16,873	16,626	3,214	3,278	13,659	13,348
Financial services receivables	43,962	42,450	– 601	– 600	44,563	43,050
Noncurrent investments, equity-accounted investments and other equity investments, other receivables and financial assets	35,841	35,002	30,496	30,286	5,345	4,717
Current assets	**113,875**	**105,640**	**66,156**	**59,755**	**47,718**	**45,885**
Inventories	28,888	27,551	26,597	25,378	2,291	2,173
Financial services receivables	34,877	33,754	– 840	– 816	35,717	34,570
Other receivables and financial assets	23,434	19,897	18,493	15,494	4,941	4,404
Marketable securities	6,094	6,146	5,014	5,235	1,079	911
Cash, cash equivalents and time deposits	20,581	18,291	16,892	14,464	3,689	3,827
Total assets	**264,919**	**253,626**	**153,027**	**146,033**	**111,892**	**107,593**
Equity and Liabilities						
Equity	**65,567**	**63,354**	**53,772**	**52,488**	**11,795**	**10,865**
Equity attributable to shareholders of Volkswagen AG	60,738	57,539	49,159	46,891	11,579	10,647
Noncontrolling interests	4,829	5,815	4,614	5,597	216	218
Noncurrent liabilities	**98,294**	**89,216**	**54,905**	**49,074**	**43,389**	**40,142**
Noncurrent financial liabilities	52,374	44,443	12,672	7,663	39,702	36,780
Provisions for pensions	18,358	16,787	18,140	16,592	218	194
Other noncurrent liabilities	27,562	27,986	24,094	24,819	3,468	3,167
Current liabilities	**101,058**	**101,057**	**44,349**	**44,471**	**56,708**	**56,586**
Current financial liabilities	47,699	49,090	– 4,575	– 2,979	52,273	52,069
Trade payables	17,200	16,325	15,812	15,245	1,388	1,081
Other current liabilities	36,158	35,642	33,111	32,205	3,047	3,436
Total equity and liabilities	**264,919**	**253,626**	**153,027**	**146,033**	**111,892**	**107,593**

* Including allocation of consolidation adjustments between the Automotive and Financial Services divisions, primarily intragroup loans.

Statement of Changes in Equity

			ACCUMULATED COMPREHENSIVE INCOME	
€ million	Subscribed capital	Capital reserves	Retained earnings	Currency translation reserve
Balance at Jan. 1, 2011	**1,191**	**9,326**	**37,684**	**– 165**
Profit after tax	–	–	1,595	–
Other comprehensive income, net of tax	–	–	–	– 434
Total comprehensive income	**–**	**–**	**1,595**	**– 434**
Capital increase	0	0	–	–
Dividend payment	–	–	–	–
Capital transactions involving a change in ownership interest	–	–	–	–
Other changes	–	–	– 4	–
Balance at Mar. 31, 2011	**1,191**	**9,326**	**39,274**	**– 599**
Balance at Jan. 1, 2012	**1,191**	**9,329**	**51,764**	**– 332**
Profit after tax	–	–	3,166	–
Other comprehensive income, net of tax	–	–	–	58
Total comprehensive income	**–**	**–**	**3,166**	**58**
Capital increase	–	–	–	–
Dividend payment	–	–	–	–
Capital transactions involving a change in ownership interest*	–	–	– 411	–
Other changes	–	–	– 12	–
Balance at March 31, 2012	**1,191**	**9,329**	**54,507**	**– 273**

* The capital transactions involving a change in ownership interest are primarily attributable to the increase in the equity interest in MAN SE.

Reserve for actuarial gains/losses	Cash flow hedge reserve	Available-for-sale financial assets	Equity-accounted investments	Equity attributable to shareholders of VW AG	Noncontrolling interests	Total equity
– 2,201	**61**	**– 25**	**107**	**45,978**	**2,734**	**48,712**
–	–	–	–	1,595	117	1,712
530	1,812	– 4	– 108	1,796	– 19	1,777
530	**1,812**	**– 4**	**– 108**	**3,391**	**98**	**3,489**
–	–	–	–	0	–	0
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	– 4	3	– 2
– 1,671	**1,873**	**– 29**	**– 1**	**49,364**	**2,835**	**52,199**
– 2,866	**– 1,437**	**176**	**– 286**	**57,539**	**5,815**	**63,354**
–	–	–	–	3,166	20	3,186
– 1,110	1,207	233	68	456	– 3	453
– 1,110	**1,207**	**233**	**68**	**3,622**	**17**	**3,639**
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	– 411	– 1,015	– 1,427
–	–	–	–	– 12	13	1
– 3,976	**– 229**	**408**	**– 219**	**60,738**	**4,829**	**65,567**

Cash Flow Statement for the Period January 1 to March 31

€ million	VOLKSWAGEN GROUP		DIVISIONS			
			AUTOMOTIVE[1]		FINANCIAL SERVICES	
	2012	2011	2012	2011	2012	2011
Cash and cash equivalents at beginning of period	**16,495**	**18,228**	**12,668**	**17,002**	**3,827**	**1,226**
Profit before tax	4,300	2,223	3,941	1,890	358	333
Income taxes paid	– 1,198	– 783	– 1,108	– 556	– 90	– 227
Depreciation and amortization expense	3,006	2,254	2,315	1,672	691	583
Change in pension provisions	– 5	11	– 6	9	1	2
Other noncash income/expense and reclassifications[2]	– 268	673	– 309	567	41	106
Gross cash flow	**5,835**	**4,379**	**4,833**	**3,583**	**1,002**	**796**
Change in working capital	**– 4,381**	**– 1,871**	**– 1,892**	**1,538**	**– 2,489**	**– 3,409**
Change in inventories	– 1,348	– 1,655	– 1,228	– 1,383	– 121	– 273
Change in receivables	– 3,006	– 1,655	– 3,017	– 574	11	– 1,081
Change in liabilities	2,036	2,397	1,711	2,179	325	219
Change in other provisions	863	1,362	728	1,272	134	89
Change in leasing and rental assets (excluding depreciation)	– 1,235	– 876	– 113	– 56	– 1,122	– 820
Change in financial services receivables	– 1,690	– 1,444	26	99	– 1,717	– 1,544
Cash flows from operating activities	**1,454**	**2,508**	**2,941**	**5,120**	**– 1,487**	**– 2,612**
Cash flows from investing activities attributable to operating activities	– 2,732	– 4,188	– 2,523	– 4,465	– 209	277
of which: acquisition of property, plant and equipment	– 1,727	– 963	– 1,695	– 940	– 32	– 23
capitalized development costs	– 465	– 392	– 465	– 392	–	–
acquisition and disposal of equity investments[3]	– 590	– 2,919	– 411	– 3,215	– 179	296
Net cash flow[4]	***– 1,278***	***– 1,680***	***418***	***655***	***– 1,696***	***– 2,335***
Change in investments in securities and loans	– 357	– 668	598	– 608	– 955	– 60
Cash flows from investing activities	**– 3,089**	**– 4,856**	**– 1,925**	**– 5,073**	**– 1,164**	**218**
Cash flows from financing activities	**4,272**	**4,644**	**1,756**	**1,789**	**2,516**	**2,855**
of which: capital transactions with noncontrolling interests	– 1,427	–	– 1,427	–	–	–
Changes in cash and cash equivalents due to exchange rate changes	– 70	– 160	– 52	– 143	– 17	– 17
Net change in cash and cash equivalents	**2,567**	**2,137**	**2,720**	**1,693**	**– 153**	**444**
Cash and cash equivalents at March 31	**19,063**	**20,365**	**15,388**	**18,695**	**3,674**	**1,669**
Securities, loans and time deposits	12,577	10,029	8,471	7,990	4,106	2,039
Gross liquidity	**31,640**	**30,394**	**23,859**	**26,686**	**7,780**	**3,708**
Total third-party borrowings	– 100,073	– 83,197	– 8,097	– 7,037	– 91,975	– 76,160
Net liquidity at March 31	**– 68,433**	**– 52,803**	**15,762**	**19,648**	**– 84,195**	**– 72,452**
For information purposes: at January 1	– 64,875	– 49,347	16,951	18,639	– 81,826	– 67,986

1 Including allocation of consolidation adjustments between the Automotive and Financial Services divisions.

2 These relate mainly to the fair value measurement of financial instruments, application of the equity method and reclassification of gains/losses on disposal of noncurrent assets to investing activities.

3 These relate mainly to the acquisition of shares in KPI Polska Sp.z.o.o., Poznan/Poland, and related financial services companies for a total of €254 million and in MAN FORCE TRUCKS Private Limited, Akurdi/India, for €150 million.

4 Net cash flow: cash flows from operating activities, net of cash flows from investing activities attributable to operating activities.

Notes to the Consolidated Financial Statements

Accounting in accordance with International Financial Reporting Standards (IFRSs)

In accordance with Regulation No. 1606/2002 of the European Parliament and of the Council, Volkswagen AG prepared its consolidated financial statements for 2011 in compliance with the International Financial Reporting Standards (IFRSs), as adopted by the European Union. These interim consolidated financial statements for the period ended March 31, 2012 were therefore also prepared in accordance with IAS 34 and are condensed in scope compared with the consolidated financial statements.

All figures shown are rounded, so minor discrepancies may arise from addition of these amounts.

In addition to the reportable segments, the Automotive and Financial Services divisions are presented in the condensed interim consolidated financial statements for explanatory purposes alongside the income statement, balance sheet and cash flow statement for the Volkswagen Group. These are not required disclosures under IFRSs. Eliminations of intragroup transactions between the Automotive and Financial Services divisions are allocated to the Automotive Division.

Accounting policies

Volkswagen AG has complied with all accounting pronouncements adopted by the EU and effective for periods beginning on or after January 1, 2012.

The accounting pronouncements required to be applied for the first time in fiscal year 2012 are insignificant for the presentation of the Volkswagen Group's net assets, financial position and results of operations in its interim consolidated financial statements. A detailed breakdown of these accounting pronouncements is provided in the notes to the consolidated financial statements in the 2011 Annual Report.

A discount rate of 4.0% (December 31, 2011: 4.6%) was applied to German pension provisions in the accompanying interim financial statements. The decrease in the discount rate increased the actuarial losses for pension provisions that are recognized in other comprehensive income.

The income tax expense for the interim reporting period was calculated on the basis of the average annual tax rate that is expected for the entire fiscal year, in accordance with IAS 34, Interim Financial Reporting.

In other respects, the same accounting policies and consolidation methods that were used for the 2011 consolidated financial statements are generally applied to the preparation of the Interim Report and the measurement of the prior-year comparatives. A detailed description of the methods applied is published in the notes to the consolidated financial statements in the 2011 Annual Report. This can also be accessed on the Internet at www.volkswagenag.com/ir.

Basis of consolidation

In addition to Volkswagen AG, which is domiciled in Wolfsburg and entered in the commercial register at the Braunschweig Local Court under no. HRB 100484, the consolidated financial statements comprise all significant companies at which Volkswagen AG is able, directly or indirectly, to govern the financial and operating policies in such a way that the companies of the Group obtain benefits from the activities of these companies (subsidiaries).

CONSOLIDATED SUBSIDIARIES

After receipt of all official approvals, on November 9, 2011, Volkswagen acquired 25.4% of the voting rights and 2.7% of the preferred shares of MAN SE, Munich, against payment of a total of €3,416 million and, after completion of the mandatory offer, held 55.90% of the voting rights and 53.71% of the share capital of MAN SE. The measurement basis for the goodwill is calculated as follows:

€ million	2011
Purchase price for shares acquired on November 9	3,416
of which: attributable to termination of existing contractual arrangements	– 43
Adjusted purchase price for shares acquired on November 9	3,373
Existing shares measured at quoted market price on November 9	2,694
Shares held by noncontrolling interests measured at quoted market price on November 9	4,267
Measurement basis for goodwill	**10,334**

On December 31, 2011, following the acquisition of additional shares, Volkswagen held 59.58% of the voting rights and 57.33% of the share capital of MAN SE. In fiscal year 2012, Volkswagen acquired further shares in MAN SE for €1,413 million and as of March 31, 2012 held 70.89% of the voting rights and 68.94% of the share capital of MAN SE. The difference of €–351 million arising from the acquisition of further shares was recognized directly in equity.

The shares of Scania AB held by MAN SE increase the interest in the capital of Scania attributable to Volkswagen AG shareholders to 58.49% (December 31, 2011: 56.94%). The resulting difference of €–52 million was recognized directly in equity.

The analysis of the assets acquired and liabilities assumed was not completed by the date of issue of the interim consolidated financial statements for reasons of time. An adjustment based on better knowledge indicates that the business combination generated goodwill of €605 million. The goodwill is not tax-deductible.

The following table shows the preliminary allocation of the purchase price to the assets and liabilities:

€ million	IFRS carrying amounts at the acquisition date	Purchase price allocation	Adjustment in the measurement period	Fair values at the acquisition date
Brand names	53	1,574	–	1,628
Technology	545	1,852	–	2,397
Customer and dealer relationships	470	2,689	–	3,160
Other intangible assets*	779	– 351	–	428
Property, plant and equipment	2,034	880	– 41	2,872
Investments	1,965	– 234	–	1,731
Leasing and rental assets	2,232	–	–	2,232
Other noncurrent assets	2,377	–	–	2,377
Inventories	3,745	185	–	3,930
Trade receivables	2,319	–	–	2,319
Cash and cash equivalents	607	–	–	607
Other current assets	1,405	– 63	–	1,342
Total assets	**18,531**	**6,532**	**– 41**	**25,022**
Noncurrent financial liabilities	1,824	150	– 1	1,973
Other noncurrent liabilities and provisions	2,797	2,126	– 10	4,913
Current financial liabilities	1,334	–	–	1,334
Trade payables	2,137	–	–	2,137
Current provisions	1,364	398	13	1,774
Other current liabilities	3,175	–	– 13	3,162
Total liabilities	**12,631**	**2,674**	**– 11**	**15,293**

* Excluding goodwill of Volkswagen AG.

€402 million of the goodwill and €1,158 million of the brand names are allocated to the MAN Commercial Vehicles operating segment, which is part of the Trucks and Buses reporting segment; the remaining goodwill of €203 million and the remaining brand names of €470 million are allocated to the Power Engineering segment.

The fair values of the assets and liabilities described above were determined as far as possible using observable market prices. If market prices could not be determined, recognized valuation techniques were used to measure the assets acquired and liabilities assumed.

In order to strengthen its sales activities, Volkswagen acquired all shares of KPI Polska Sp.z.o.o., Poznan, effective January 1, 2012. KPI Polska is the exclusive importer and distributor of various Volkswagen Group brands in Poland. At the same time, Volkswagen acquired from the previous owners of KPI Polska the outstanding shares of two Polish financial services companies that until then had been jointly controlled. The purchase price paid amounted to €254 million in total. The measurement of the existing shares in the financial services companies at a fair value of €66 million resulted in a noncash book gain of €21 million, which was recognized in the financial result.

In addition, on March 28, 2012, the Volkswagen Group acquired through MAN Truck & Bus AG, Munich, the remaining shares (apart from one share) of MAN FORCE TRUCKS Private Limited (in future: MAN Trucks India Private Limited), Akurdi/India, which until then had been a joint venture, against payment of €150 million. The company has been consolidated since that date. This strategic decision by MAN Truck & Bus underscores the significance of the Indian market for the company. The interest originally held in the joint venture had already been recognized at its fair value as part of the purchase price allocation on acquisition of MAN SE.

The measurement basis for the goodwill from the two transactions is calculated as follows:

€ million	2012
Purchase price for shares acquired	404
Preliminary fair value of existing shares	177
Measurement basis for goodwill	**581**

The following main groups of assets and liabilities were acquired and assumed for KPI Polska and MAN FORCE TRUCKS:

€ million	IFRS carrying amounts at the acquisition date
Noncurrent assets	207
Cash and cash equivalents	94
Other current assets	728
Total assets	**1,029**
Noncurrent financial liabilities	190
Current financial liabilities	657
Total liabilities	**847**

The purchase price allocation for the above-mentioned business combinations, including the calculation of the fair value of the existing shares, was not completed by the date of issue of the interim consolidated financial statements for reasons of time. The difference between the consideration and the acquired equity of €399 million has therefore not yet been allocated in any greater detail. Significant hidden reserves or liabilities are not expected to be realized. Any goodwill will not be tax-deductible.

INTERESTS IN JOINT VENTURES

The Volkswagen Group holds a 50% indirect interest in the joint venture LeasePlan Corporation N.V., Amsterdam, the Netherlands, via its 50% stake in the joint venture Global Mobility Holding B.V., Amsterdam, the Netherlands. Volkswagen agreed with Fleet Investments B.V., Amsterdam, the Netherlands, an investment company belonging to the von Metzler family, that Fleet Investments would become the new co-investor in Global Mobility Holding in 2010 for an initial period of two years. The agreement was prolonged by a further two years in fiscal year 2011. Volkswagen AG granted the new co-investor a put option on its shares. If this option is exercised, Volkswagen must pay the original purchase price of €1.4 billion plus accumulated pro rata preferred dividends or the higher fair value. The put option is accounted for at fair value.

In addition, Volkswagen pledged claims under certificates of deposit with Bankhaus Metzler in the amount of €1.4 billion to secure a loan granted to Fleet Investments B.V. by Bankhaus Metzler. This pledge does not increase the Volkswagen Group's risk arising from the above-mentioned short position.

INVESTMENTS IN ASSOCIATES

The acquisition of the majority interest in MAN SE in fiscal year 2011 meant that MAN's 30% interest in Ferrostaal GmbH (formerly: Ferrostaal AG), Essen, was attributable to Volkswagen. There was already an intention to sell the investment in the near term at the time it was acquired, so the shares were classified as held for sale and not accounted for using the equity method. The investment had already been written down in full as of December 31, 2011. On March 7, 2012, the settlement agreement between MAN SE and the International Petroleum Investment Company (IPIC), Abu Dhabi, regarding the repurchase of the 70% interest in Ferrostaal held by IPIC was completed (settlement with IPIC). This resulted in a cash outflow of €350 million, which is reported as part of the cash flows from operating activities. At the same time, the agreement between MAN and MPC Industries GmbH, Hamburg, regarding the transfer of 100% of the shares in Ferrostaal to MPC and a co-investor was implemented (sale of MPC). The sale of MPC provides for MAN to pay Ferrostaal an amount equal to the claims in connection with the profit and loss transfer agreements in existence at that time. MPC pays the same amount to MAN. The completion of the settlement with IPIC and the sale of MPC did not result in any earnings effects for Volkswagen because the earnings effects attributable to the transaction had already been included in purchase price allocation for the MAN Group as a contingent liability.

Disclosures on the consolidated financial statements

1 | Sales revenue

STRUCTURE OF GROUP SALES REVENUE

€ million	Q1 2012	2011
Vehicles	33,967	28,017
Genuine parts	2,665	2,514
Used vehicles and third-party products*	1,798	918
Engines, powertrains and parts deliveries*	2,219	1,234
Power Engineering	954	–
Rental and leasing business	2,755	2,308
Interest and similar income	1,554	1,363
Other sales revenue*	1,414	1,116
	47,326	**37,470**

* The prior-year figure was adjusted accordingly due to the more detailed breakdown of other sales revenue.

2 | Cost of sales

Cost of sales includes interest expenses of €676 million (previous year: €560 million) attributable to the financial services business.

In addition to depreciation and amortization expenses, cost of sales also includes impairment losses on intangible assets, items of property, plant and equipment, and leasing and rental assets. The impairment losses identified on the basis of updated impairment tests amount to a total of €65 million (previous year: €46 million).

3 | Research and development costs in the Automotive Division

€ million	Q1 2012	2011	%
Total research and development costs	2,136	1,920	11.3
of which: capitalized development costs	465	392	18.5
Capitalization ratio in %	21.8	20.4	
Amortization of capitalized development costs	432	373	16.1
Research and development costs recognized in the income statement	**2,104**	**1,900**	**10.7**

4 | Earnings per share

Basic earnings per share are calculated by dividing profit attributable to shareholders of Volkswagen AG by the weighted average number of ordinary and preferred shares outstanding during the reporting period. Earnings per share are diluted by potential shares. These include stock options, although these are only dilutive if they result in the issuance of shares at a value below the average market price of the shares.

		Q1 2012	Q1 2011
Weighted average number of shares outstanding			
Ordinary shares: basic	million	295.1	295.0
diluted	million	295.1	295.1
Preferred shares: basic	million	170.1	170.1
diluted	million	170.1	170.1
Profit after tax	€ million	3,186	1,712
Noncontrolling interests	€ million	20	117
Profit attributable to shareholders of Volkswagen AG	€ million	3,166	1,595
Earnings per share			
Ordinary shares: basic	€	6.78	3.41
diluted	€	6.78	3.41
Preferred shares: basic	€	6.84	3.47
diluted	€	6.84	3.47

5 | Noncurrent assets

CHANGES IN SELECTED NONCURRENT ASSETS BETWEEN JANUARY 1 AND MARCH 31, 2012

€ million	Carrying amount at Jan. 1, 2012	Additions/ Changes in consolidated Group	Disposals/ Other changes	Depreciation and amortization	Carrying amount at Mar. 31, 2012
Intangible assets	21,992	814	– 43	789	22,061
Property, plant and equipment	31,916	1,763	9	1,363	32,307
Leasing and rental assets	16,626	2,266	1,164	855	16,873

6 | Inventories

€ million	Mar. 31, 2012	Dec. 31, 2011
Raw materials, consumables and supplies	3,643	3,429
Work in progress	3,244	3,324
Finished goods and purchased merchandise	18,008	17,383
Current leased assets	3,673	3,204
Payments on account	320	210
	28,888	**27,551**

7 | Current other receivables and financial assets

€ million	Mar. 31, 2012	Dec. 31, 2011
Trade receivables	12,525	10,479
Miscellaneous other receivables and financial assets	10,909	9,419
	23,434	**19,897**

In the period January 1, 2012 to March 31, 2012, impairment losses and reversals of impairment losses on financial assets reduced operating profit by €123 million (previous year: €247 million).

8 | Equity

The subscribed capital is composed of 295,089,817 no-par value ordinary shares and 170,142,778 preferred shares, and amounts to €1,191 million (December 31, 2011: €1,191 million).

9 | Noncurrent financial liabilities

€ million	Mar. 31, 2012	Dec. 31, 2011
Bonds, commercial paper and notes	37,329	31,567
Liabilities to banks	11,206	8,561
Deposit business	2,580	3,093
Other financial liabilities	1,259	1,222
	52,374	**44,443**

10 | Current financial liabilities

€ million	Mar. 31, 2012	Dec. 31, 2011
Bonds, commercial paper and notes	16,712	19,650
Liabilities to banks	8,629	7,474
Deposit business	20,271	19,997
Other financial liabilities	2,087	1,969
	47,699	**49,090**

11 | Disclosures on the fair value hierarchy

Financial assets amounting to €30 million (December 31, 2011: €98 million) were transferred out of Level 3 of the fair value hierarchy into Level 2 in the first quarter of 2012. Financial liabilities amounting to €3 million (December 31, 2011: €15 million) were transferred out of Level 3 into Level 2 in the reporting period. The transfers out of Level 3 into Level 2 comprise commodity futures for which observable quoted prices are now available again for measurement purposes due to the decline in their remaining maturities; consequently, no extrapolation is required. There were no transfers between other Levels of the fair value hierarchy.

12 | Cash flow statement

The cash flow statement presents the cash inflows and outflows in the Volkswagen Group and in the Automotive and Financial Services divisions. Cash and cash equivalents comprise cash at banks, checks, bills, cash-in-hand and call deposits.

€ million	Mar. 31, 2012	Mar. 31, 2011
Cash, cash equivalents and time deposits as reported in the balance sheet	20,581	21,431
of which: time deposits	– 1,519	– 1,066
Cash and cash equivalents as reported in the cash flow statement	**19,063**	**20,365**

Cash inflows from financing activities in the current year are attributable primarily to the issuance of bonds in the amount of €6,659 million (previous year: €3,645 million) and the increase in other financial liabilities in the amount of €4,569 million (previous year: €2,055 million), which are offset mainly by the repayment of bonds in the amount of €5,495 million (previous year: €1,014 million) and capital transactions with noncontrolling interests in the amount of €1,427 million (previous year: €– million). The capital transactions with noncontrolling interests are accounted for almost entirely by the acquisition of further shares of MAN SE.

13 | Segment reporting

Segments are identified on the basis of the Volkswagen Group's internal management and reporting. In line with its multibrand strategy, each of the Group's brands is managed by its own board of management. The Group targets and requirements laid down by the Board of Management of Volkswagen AG or the Group Board of Management must be complied with to the extent permitted by law. Starting with fiscal year 2011, the segment reporting comprises the four reportable segments of Passenger Cars and Light Commercial Vehicles, Trucks and Buses, Power Engineering and Financial Services.

The activities of the Passenger Cars and Light Commercial Vehicles segment cover the development of vehicles and engines, the production and sale of passenger cars and light commercial vehicles, and the corresponding genuine parts business. The individual passenger car brands and light commercial vehicles of the Volkswagen Group are combined on a consolidated basis into a single reportable segment.

Due to the initial consolidation of the MAN Group and the associated addition of MAN's commercial vehicles business, the Scania Vehicles and Services segment was renamed "Trucks and Buses" in fiscal year 2011. This primarily comprises the development, production and sale of heavy commercial vehicles and buses, the corresponding genuine parts business and related services.

The activities of the new "Power Engineering" segment that was created by the initial consolidation of the MAN Group in fiscal year 2011 consist of the development and production of large-bore diesel engines, turbo compressors, industrial turbines and chemical reactor systems, as well as the production of gear units, propulsion components and testing systems.

The activities of the Financial Services segment comprise dealer and customer financing, leasing, banking and insurance activities, as well as fleet management.

In the expanded segment structure, purchase price allocation for companies acquired is now allocated directly to the corresponding segments. The prior-year figures were adjusted accordingly.

At Volkswagen, segment profit or loss is measured on the basis of operating profit or loss.

The reconciliation contains activities and other operations that do not by definition constitute segments. It also includes the unallocated Group financing activities. Consolidation adjustments between the segments are also contained in the reconciliation.

As a matter of principle, business relationships between the companies within the segments of the Volkswagen Group are transacted at arm's length prices.

REPORTING SEGMENTS: Q1 2011*

€ million	Passenger Cars and Light Commercial Vehicles	Trucks and Buses	Power Engineering	Financial Services	Total segments	Recon-ciliation	Volkswagen Group
Sales revenue from external customers	31,239	2,295	–	3,658	37,193	277	37,470
Intersegment sales revenue	1,885	49	–	260	2,194	– 2,194	–
Total sales revenue	33,124	2,345	–	3,918	39,386	– 1,916	37,470
Segment profit or loss (operating profit or loss)	2,384	292	–	304	2,980	– 69	2,912

* The prior-year figures were adjusted.

REPORTING SEGMENTS: Q1 2012

€ million	Passenger Cars and Light Commercial Vehicles	Trucks and Buses	Power Engineering	Financial Services	Total segments	Recon-ciliation	Volkswagen Group
Sales revenue from external customers	36,657	5,113	954	4,298	47,022	303	47,326
Intersegment sales revenue	2,240	66	–	397	2,702	– 2,702	–
Total sales revenue	38,897	5,179	954	4,695	49,725	– 2,399	47,326
Segment profit or loss (operating profit or loss)	2,982	65	– 17	343	3,374	– 164	3,209

RECONCILIATION*

€ million	Q1 2012	Q1 2011
Segment profit or loss (operating profit or loss)	**3,374**	**2,980**
Unallocated activities	50	62
Group financing	– 18	3
Consolidation adjustments	– 197	– 134
Operating profit	**3,209**	**2,912**
Financial result	**1,090**	**– 688**
Consolidated profit before tax	**4,300**	**2,223**

* The prior-year figures were adjusted.

14 | Related party disclosures

At 50.73%, Porsche Automobil Holding SE holds the majority of the voting rights in Volkswagen AG.

The creation of rights of appointment for the State of Lower Saxony was resolved at the Extraordinary General Meeting of Volkswagen AG on December 3, 2009. As a result, Porsche Automobil Holding SE can no longer appoint the majority of the members of Volkswagen AG's Supervisory Board for as long as the State of Lower Saxony holds at least 15% of Volkswagen AG's ordinary shares. However, Porsche Automobil Holding SE continues to have the power to participate in the operating policy decisions of the Volkswagen Group.

	SUPPLIES AND SERVICES RENDERED		SUPPLIES AND SERVICES RECEIVED	
	Q1		Q1	
€ million	2012	2011	2012	2011
Porsche Automobil Holding SE	0	0	–	–
Supervisory Board members	0	0	0	0
Unconsolidated subsidiaries	399	302	191	186
Joint ventures	3,679	2,517	479	328
Associates[1]	71	15	133	34
Porsche Holding Salzburg, its majority interests and joint ventures[2]	–	744	–	27
State of Lower Saxony, its majority interests and joint ventures	4	4	0	0

1 Suzuki Motor Corporation until September 13, 2011 and MAN SE until November 9, 2011.
2 Until February 28, 2011.

Based on the updated assumptions underlying the valuation, the call option on the shares of Porsche Zwischenholding GmbH agreed in the Comprehensive Agreement with Porsche Automobil Holding SE has a positive fair value of €8,990 million at the date of the interim financial statements (December 31, 2011: €8,409 million) and the corresponding put option has a negative fair value of €59 million (December 31, 2011: €87 million). The difference attributable to the updated fair value was recognized in the other financial result.

Factoring-related financing of €0.2 billion (December 31, 2011: €0.2 billion) granted to a subsidiary of Porsche Zwischenholding GmbH at standard market terms collateral was outstanding as of March 31, 2012; €23 million of this amount (December 31, 2011: €103 million) was granted in the reporting period.

15 | Contingent assets and liabilities

There were no significant changes as of March 31, 2012 in the contingent assets and liabilities described in the 2011 consolidated financial statements.

German Corporate Governance Code

The current declarations in accordance with section 161 of the Aktiengesetz (AktG – German Stock Corporation Act) on the German Corporate Governance Code by the Board of Management and Supervisory Board of Volkswagen AG, AUDI AG, MAN SE and Renk AG are permanently available on the Internet at www.volkswagenag.com/ir, www.audi.com, www.man.eu and www.renk.biz respectively.

Significant events after the balance sheet date

On April 18, 2012, AUDI AG signed an agreement to acquire 100% of the shares of Ducati Motor Holding S.p.A. Bologna, Italy, an internationally renowned motorcycle manufacturer in the premium segment. The agreement is subject to approval by the responsible antitrust authorities.

Wolfsburg, April 26, 2012

Volkswagen Aktiengesellschaft
The Board of Management

Review Report

This report was originally prepared in German. In case of ambiguities the German version shall prevail:

Review Report

To VOLKSWAGEN AKTIENGESELLSCHAFT, Wolfsburg

We have reviewed the condensed consolidated interim financial statements – comprising the condensed income statement and condensed statement of comprehensive income, condensed balance sheet, condensed statement of changes in equity, condensed statement of cash flows and selected explanatory notes – and the interim group management report of VOLKSWAGEN AKTIENGESELLSCHAFT, Wolfsburg, for the period from January 1 to March 31, 2012, which are part of the quarterly financial report pursuant to § (Article) 37x Abs. (paragraph) 3 WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRSs applicable to interim financial reporting, as adopted by the EU, and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Management. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRSs applicable to interim financial reporting, as adopted by the EU, and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRSs applicable to interim financial reporting, as adopted by the EU, nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Hanover, April 26, 2012
PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

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Financial Calendar
July 26, 2012
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Volkswagen