

06.11.2012 17:00

Dissemination of a UK Regulatory Announcement, transmitted by DGAP - a company of EquityStory AG. The issuer is solely responsible for the content of this announcement.

-----

VOLKSWAGEN AKTIENGESELLSCHAFT announces the issuance of mandatory convertible notes

The Management Board of Volkswagen Aktiengesellschaft today decided with the approval of the Supervisory Board to issue subordinated mandatory convertible notes. The total volume of the mandatory convertible notes shall initially be at least 2 billion euros. The final volume of the issuance will be determined after completion of an accelerated bookbuilding process. In case of strong demand the total volume can be increased additionally by approximately 0.5 billion euro. The mandatory convertible notes are issued by Volkswagen International Finance N.V. under the subordinated guarantee of Volkswagen Aktiengesellschaft with a minimum principal amount of 100,000.00 euros each. The preemptive rights of existing shareholders have been excluded. The mandatory convertible notes will be redeemed at maturity by means of conversion of the repayment claims of the holders of the mandatory convertible notes into new no par-value bearer preferred shares issued by partial utilisation of the existing conditional capital of Volkswagen Aktiengesellschaft.

The targeted proceeds of approximately 2 to 2.5 billion euros from the issuance of the mandatory convertible notes are intended for the improvement of Volkswagen's capital base against the background of the creation of the integrated automotive group and implementation of the strategic growth and investment programme.

The mandatory convertible notes shall be issued at par value, with a maximum conversion premium of 20% and a coupon of 4.75% to 5.50%. The conversion price is set with reference to the placement price determined in a concurrent offering of existing preferred shares from hedging transactions of individual investors in the mandatory convertible notes. The mandatory convertible notes mature on November 9, 2015, whilst the terms and conditions provide for the possibility of early conversion. The Company will determine the final terms and volume of the transaction shortly before issuance of the mandatory convertible notes, after completion of an accelerated bookbuilding process, which is expected to take place on November 6, 2012.

The mandatory convertible notes will be offered by a syndicate of banks in international private placements exclusively to institutional investors in Germany and other countries, including the United States of America.

Wolfsburg, November 5, 2012

VOLKSWAGEN AKTIENGESELLSCHAFT - The Board of Management

06.11.2012 DGAP's Distribution Services include Regulatory Announcements, Financial/Corporate News and Press Releases.  
Media archive at [www.dgap-medientreff.de](http://www.dgap-medientreff.de) and [www.dgap.de](http://www.dgap.de)

-----

Language: English  
Company: VOLKSWAGEN AG  
Brieffach 1849  
38436 Wolfsburg  
Germany  
Phone: +49 (0)5361 9 - 49840

Fax: +49 (0)5361 9 - 30411  
E-mail: christine.ritz@volkswagen.de  
Internet: www.volkswagenag.com/ir  
ISIN: DE0007664039, DE0007664005  
Indices: DAX, Euro Stoxx 50  
Listed: Regulierter Markt in Berlin, Düsseldorf, Frankfurt  
(Prime Standard), Hamburg, Hannover, München,  
Stuttgart; Terminbörse EUREX; London, Luxembourg, SIX  
Category Code: IOD  
LSE Ticker: VKW  
Sequence Number: 1254  
Time of Receipt: Nov 06, 2012 16:45:56

End of Announcement

DGAP News-Service

---