Letter to our Shareholders

What does growth mean to you? Of course, the automotive industry primarily measures growth in terms of increasing unit sales, rising revenue and a strong financial performance. In this respect, we succeeded in keeping the Volkswagen Group on a growth path in fiscal year 2013, despite the difficult economic environment.

With 9.73 million vehicles delivered, sales revenue of €197.0 billion and an operating profit of €11.7 billion, we met and even exceeded our goals for 2013. You – our Company’s owners – naturally also profit from this growth, not least through a significantly higher proposed dividend of €4.00 per ordinary share and €4.06 per preferred share.

For the Volkswagen Group, though, growth is not measured solely on the basis of unit sales or financial performance indicators. By implementing our Strategy 2018, we aim to also grow qualitatively in every respect and in all areas of the Company. This means that our goal is to become better and better, more efficient, more environmentally friendly and even more customer-centric – from development through production down to sales.

2013 was a growth year for your Company in this sense as well. One of the highlights was the targeted expansion of our production network, with seven new plants in China, Mexico and Russia. In terms of “sustainable mobility”, we became the first automaker to commit to the goal of cutting the CO₂ emissions of our European new vehicle fleet to 95 g/km by 2020. We have already made significant progress towards this goal, coming in under the 130 g/km mark for the first time in the past year. We clearly underscored our bid for technological leadership in e-mobility with the e-up!, the e-Golf, the Audi A3 e-tron and the Porsche Panamera S E-Hybrid. Our modular toolkits are the foundation for this – in 2014, we will build around two million Group vehicles using the Modular Transverse Toolkit alone, easily twice as many as in 2013. And finally, our Commercial Vehicles segment is also making considerable progress. Scania, MAN and Volkswagen Commercial Vehicles are growing closer together and will make positive headlines in the coming years.
“The Volkswagen Group once again became a great deal more innovative, more international and more competitive last year.”

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MARTIN WINTERKORN
Overall, the Volkswagen Group once again became a great deal more innovative, more international and more competitive last year. In other words, we grew both quantitatively and qualitatively. We are proud of this – and I would like to thank our more than 570,000 employees for their tremendous dedication and the hard work behind these successes.

Without a doubt, the economy, the competition and the markets will again demand much from us this year. Nevertheless, I am convinced that, together, we will also overcome the next obstacles on our road to becoming the world’s best automotive group. The Volkswagen Group’s strengths are plain to see: we have a unique brand and model portfolio, and an extremely successful Financial Services segment. We are well positioned around the world and have strong, rock-solid finances to build on. And above all, we have technological expertise and innovative power that is unparalleled in our industry. We can and will continue to keep the Volkswagen Group on a strong and healthy growth path on this basis. To do so, we are counting not least on your faith in us. This is why I am asking you, as Volkswagen’s shareholders, to continue to follow and support your Company on its challenging, but rewarding journey to the top.

Sincerely,

Prof. Dr. Martin Winterkorn