PORSCHE SE

Half-yearly financial report

1 January – 30 June

2015

Investments of Porsche SE

PORSCHE SE

Core Investment

Stake of ordinary shares: 50.7 %
(Represents a stake of subscribed capital: 31.5 %)

VOLKSWAGEN
AKTIENGESELLSCHAFT

	Audi	SEAT	ŠKODA
BENTLEY	BUGATTI	LAMBORGHINI	PORSCHE
DUCATI	Commercial Vehicles	SCANIA	MAN

VOLKSWAGEN FINANCIAL SERVICES
AKTIENGESELLSCHAFT

Further Investment

Share of total capital: ~ 10 %

INRIX

Status 30 June 2015

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Interim group management report

Porsche Automobil Holding SE (“Porsche SE” or the “company”), as the ultimate parent of the Porsche SE Group, is a European Company (Societas Europaea) and is headquartered at Porscheplatz 1 in 70435 Stuttgart, Germany. As of 30 June 2015, the Porsche SE Group had 32 employees (31 December 2014: 31 employees).

Porsche SE is a holding company. In particular, it holds the majority of the ordinary shares in Volkswagen Aktiengesellschaft (“Volkswagen AG” or “Volkswagen”), one of the leading automobile manufacturers in the world. The Volkswagen Group comprises 12 brands from 7 European countries: Volkswagen passenger cars, Audi, SEAT, ŠKODA, Bentley, Bugatti, Lamborghini, Porsche, Ducati, Volkswagen commercial vehicles, Scania and MAN.

Alongside this core investment in Volkswagen AG, Porsche SE plans to acquire further strategic investments. Porsche SE’s principal criteria for future investments are the connection to the automotive value chain, and above-average growth potential based on macroeconomic trends and industry-specific trends derived from them.

The automotive value chain comprises the entire spectrum of basic technologies geared to supporting the development and production process through to vehicle- and mobility-related services. The relevant macro trends include, for example, sustainability and conservation of resources, demographic change, urbanization and the increasingly networked automotive world. The industry-specific trends derived from these include new materials and drive concepts, shorter product life cycles and rising customer demands regarding safety and connectivity.

Taking these criteria into account, Porsche SE’s investment focus is on strategic investments in midsize companies in Germany and abroad with experienced management. The main goal is to achieve sustainable value enhancement. New potential investment opportunities are examined on an ongoing basis.

Significant events and developments in the Porsche SE Group

Significant events and developments in the Porsche SE Group are presented in the following. The explanations refer to events and developments in the second quarter of the fiscal year 2015, unless reference is made in this section to another time period.

Annual general meeting

The annual general meeting of Porsche SE, which was attended by around 4,000 shareholders, took place in Stuttgart on 13 May 2015. The dividend approved for the fiscal year 2014 amounted to €2.010 per share to holders of preference shares and €2.004 per share to holders of ordinary shares. In the prior year, the dividend had also been €2.010 per ordinary share and €2.004 per preference share. The amount distributed totaled €614,643,750 and therefore remained unchanged compared to the prior year.

The executive board and supervisory board were exonerated. Hans-Peter Porsche, who had already been appointed as a member of the supervisory board by the Stuttgart Local Court on 25 March 2015, was elected as a member of the supervisory board by the annual general meeting. He succeeds His Excellency Sheikh Jassim bin Abdulaziz bin Jassim Al-Thani, who retired from his position on the supervisory board effective as of the end of the day on 24 March 2015.

In addition, the annual general meeting approved control and profit and loss transfer agreements with the newly founded companies Porsche Zweite Beteiligung GmbH, Stuttgart, Porsche Dritte Beteiligung GmbH, Stuttgart, and Porsche Vierte Beteiligung GmbH, Stuttgart.

Significant developments and current status relating to litigation risks and legal disputes

For several years, Porsche SE has been involved in various legal proceedings. The main developments of these proceedings up to the time when the half-yearly financial report was prepared are presented in the following:

Actions for damages in Germany and England

At the end of 2011, six plaintiffs asserting damages from their own rights and one plaintiff asserting damages from allegedly assigned rights of six other claimants filed an action for damages against Porsche SE, which is pending before the Regional Court of Hanover. In this action, the plaintiffs last alleged overall damages of about €1.81 billion (plus interest) based on alleged market manipulation and alleged inaccurate information in connection with the acquisition of the shareholding in Volkswagen AG by Porsche SE. An oral hearing before the Regional Court of Hanover took place on 14 October 2014. During two further oral hearings on 6 and 7 May 2015 evidence was taken through examination of two witnesses. Dates for continuation of taking evidence and for examination of further witnesses have not yet been scheduled. Porsche SE considers these claims to be without merit.

Based on the same alleged claims, the aforementioned plaintiffs filed an action against two members of the supervisory board of Porsche SE before the Regional Court of Frankfurt am Main in September 2013. Porsche SE has joined the proceeding as intervenor in support of the two supervisory board members. A trial date for hearing the case took place on 30 April 2015. By interim judgment dated 21 May 2015 the court has assigned six of the seven plaintiffs to provide a security for costs for the legal procedures. Porsche SE considers the claims to be without merit.

On 30 April 2013, 25 plaintiffs filed a complaint against Porsche SE at the Regional Court of Stuttgart and asserted claims for damages based on allegations of market manipulation and inaccurate information in connection with the acquisition of the shareholding in Volkswagen AG in 2008. After withdrawal of the complaint by one plaintiff, the merger of two other plaintiffs and after the partial correction of the alleged damage claim, the remaining 23 plaintiffs asserted claims for damages in an amount of around €1.36 billion (plus interest) in the proceeding before the Regional Court of Stuttgart. The Regional Court of Stuttgart dismissed the action by decision of 17 March 2014. 19 of the 23 plaintiffs filed appeals against this decision on 22 April 2014. The four plaintiffs who did not file appeals originally had asserted claims for damages in the amount of approximately €177 million (plus interest). Hence, the remaining claims for damages asserted in the appellate proceedings amounted to approximately €1.18 billion (plus interest). The Higher Regional Court of Stuttgart dismissed the appeals by decision of 26 March 2015 and thus confirmed the dismissal by the Regional Court of Stuttgart. Leave to appeal on points of law was not permitted. All 19 plaintiffs have lodged a complaint against the refusal of leave to appeal on points of law to the Federal Court of Justice (Bundesgerichtshof). Porsche SE considers the claims to be without merit.

In March 2015, 32 companies (hedge funds, pension funds and other investment funds) filed claims for damages against Porsche SE before the Regional Court of Braunschweig. In this action, the plaintiffs allege overall damages of about €507 million (plus interest) based on allegedly inaccurate information and the alleged omission of information and have filed an application for establishment of a model case according to the Capital Markets Model Case Act (KapMuG). By decision dated 10 June 2015, the Regional Court of Braunschweig referred the case to the Regional Court of Hanover as the competent court for antitrust matters because the plaintiffs based their alleged claims also on antitrust law. A decision on further steps to be taken in the proceedings has not yet been made. Porsche SE considers the KapMuG motion to be inadmissible and the claims to be without merit.

The four proceedings most recently pending before the Regional Court of Braunschweig are meanwhile pending before the Regional Court of Hanover as the competent court for antitrust matters because the plaintiffs based their alleged claims also on antitrust law (see the detailed description of the proceedings in note [20] of the interim condensed consolidated financial statements). The plaintiffs assert claims for damages in an amount of around €2.13 billion (plus interest), based on alleged market manipulation and alleged inaccurate information in connection with the acquisition of the shareholding in Volkswagen AG by Porsche SE in 2008. By a pleading of 18 February 2015, in one of the proceedings the plaintiff filed a further application for establishment of a model case according to the Capital Markets Model Case Act (KapMuG). A decision on further steps to be taken in the proceedings has not yet been made. Porsche SE considers the KapMuG motions to be inadmissible and the claims to be without merit.

On 7 June 2012, Porsche SE filed an action for declaratory judgment with the Regional Court of Stuttgart that alleged claims of an investment fund in the amount of around US$ 195 million do not exist. The investment fund had asserted out-of-court that Porsche SE had made false and misleading statements in connection with its acquisition of a stake in Volkswagen AG during 2008 and announced that it intended to file the alleged claim before a court in England. On 18 June 2012, the investment fund filed an action against Porsche SE with the Commercial Court in England. On 6 March 2013 the English proceedings were suspended at the request of both parties, until a final decision had been reached in the proceedings begun at the Regional Court of Stuttgart concerning the question of which court is the court first seized. On 24 July 2013, the Regional Court of Stuttgart decided that the Regional Court of Stuttgart is the court first seized. This decision of the Regional Court of Stuttgart has been appealed by way of an immediate appeal by one of the defendants. By decision dated 28 November 2013, the Regional Court of Stuttgart did not allow the appeal and submitted the appeal to the Higher Regional Court of Stuttgart for a decision. By decision dated 30 January 2015, the Higher Regional Court of Stuttgart dismissed the immediate appeal. The defendant has filed an appeal on points of law to the Federal High Court of Justice. Porsche SE considers the action filed in England to be inadmissible and the claims to be without merit.

Proceedings regarding shareholders’ actions

A shareholder has filed an action of nullity and for annulment before the Regional Court of Stuttgart regarding the resolutions of the annual general meeting on 30 April 2013 on the exoneration of the executive board and the supervisory board for the fiscal year 2012, the election of five persons as members of the supervisory board as well as the resolution to refuse the motion to vote out the chairman of the general meeting. The Regional Court of Stuttgart dismissed the action by decision of 23 September 2014. The shareholder appealed this decision. By decision dated 8 July 2015, the Higher Regional Court of Stuttgart dismissed the appeal and thus confirmed the dismissal of the action by the Regional Court of Stuttgart. Leave to appeal on points of law was not permitted. The shareholder has the right to file a complaint against the refusal of leave to appeal. Porsche SE considers the action to be partially inadmissible and in any event to be without merit.

Investigations and criminal proceedings

In December 2012, the Stuttgart public prosecutor brought charges against the former members of the executive board Dr. Wendelin Wiedeking and Holger P. Härter with the chamber of the Regional Court of Stuttgart responsible for economic offenses on suspicion of information-based manipulation of the market in Volkswagen shares. They are held responsible for false declarations made in public statements of the company at their instigation in 2008 relating to the acquisition of the shareholding in Volkswagen AG. In five statements made in the period from 10 March 2008 to 2 October 2008, Porsche SE is alleged to have denied any intention to step up its investment to 75% of the voting capital despite already planning to do so at the time. In its charges, the public prosecutor assumes, that by February 2008 at the latest, it was already the intent of the accused former members of the executive board to increase Porsche SE's investment in Volkswagen AG to 75% of the voting capital before the end of the first quarter of 2009 in preparation for a control and profit and loss transfer agreement. Porsche SE's denials covered by the charges are alleged to have had an actual impact on the stock market price of Volkswagen ordinary shares. This is alleged to have led specific investors to sell Volkswagen ordinary shares that they already held and to sell short Volkswagen ordinary shares. The Regional Court of Stuttgart dismissed the opening of the main proceedings on 24 April 2014. Following the Stuttgart public prosecutor's appeal, this decision of the Regional Court of Stuttgart was annulled by the Higher Regional Court of Stuttgart on 18 August 2014 and the main proceedings were opened. This decision was final. By decision dated 29 April 2015, the Regional Court of Stuttgart followed a request of the public prosecutor and ordered the participation of Porsche SE as a secondary party with respect to the imposition of a fine in accordance with Sec. 30 German Act against Regulatory Offenses (OWiG). In this context the Stuttgart prosecutor noted that it currently does not assume that Porsche SE obtained an economic benefit from the alleged criminal offenses (five statements made between 10 March 2008 and 2 October 2008) that could be confiscated.

By indictment dated 10 June 2015, the Stuttgart public prosecutor brought further charges against the former executive board members Dr. Wendelin Wiedeking and Holger P. Härter concerning the press release by Porsche SE of 26 October 2008. The public prosecutor raises the accusation that the press release had been misleading because it suggested that in the future there would only be just a few Volkswagen ordinary shares available in the market, thus generating the false impression of a long-term narrow market. Furthermore the public prosecutor raises the accusation that the press release contained a recommendation to short sellers of Volkswagen ordinary shares to purchase Volkswagen ordinary shares under pretense of alleged altruism and concealment of alleged selfish motives. It is further alleged that the press release was capable of influencing the stock market price of Volkswagen shares and actually did so as well. By decision dated 3 July 2015 the Regional Court of Stuttgart accepted this indictment for trial. Additionally the Regional Court of Stuttgart followed a request of the Stuttgart public prosecutor and ordered again the participation of Porsche SE as a secondary party with respect to the imposition of a fine in accordance with Sec. 30 OWiG. In case of conviction of the former members of the executive board Dr. Wendelin Wiedeking and Holger P. Härter, the Regional Court of Stuttgart could impose a fine in accordance with Sec. 30 OWiG against Porsche SE. A possible economic benefit obtained by Porsche SE from the alleged criminal offense of the former members of the executive board could also be confiscated. The amount of the economic benefit that may be confiscated will be determined in the course of the main hearing. The public prosecutor stated in the indictment as one (however not quantified) economic benefit that Porsche SE allegedly saved to provide additional securities. In addition the public prosecutor asserted in the indictment an economic benefit in the amount of around €381 million that Porsche SE allegedly obtained from the alleged sale of Volkswagen ordinary shares on 30 October 2008. According to the Regional Court of Stuttgart these proceedings were consolidated for joint hearing with the criminal proceedings already pending concerning five allegedly false statements between 10 March 2008 and 2 October 2008 because of reasons of procedural economy as well as because of the personal and thematic overlap. According to a statement of the Regional Court of Stuttgart, the main hearings are now to be held in the fall of 2015. The dates for the main hearings determined prior to the additional indictment of 10 June 2015 being brought were rescinded. Porsche SE considers the allegations made by the Stuttgart public prosecutor to be without merit and therefore does not see the possibility of a confiscation.

Porsche SE considers all allegations made in the aforementioned investigations and criminal proceedings to be without merit.

For further explanations of the litigation described above, other damage claims, the investigations of the Stuttgart public prosecutor, the criminal proceedings and other proceedings regarding shareholders' actions, we refer to note [20] of the interim condensed consolidated financial statements.

Significant events at the Volkswagen Group

In the second quarter of the fiscal year 2015, there were the following significant events at the Volkswagen Group:

Capacities and capabilities

Volkswagen opened a new vehicle plant in Changsha, southern China, in May 2015. The plant has the capacity to produce a total of 300,000 Volkswagen passenger cars and ŠKODA brand models per year. The goal is for more than 4,000 jobs to be created at the plant, with a further 4,000 at the adjacent supplier park. The plant is the Shanghai-Volkswagen joint venture's first production facility to receive the "Triple-Star Green Building Design Award", China's highest state award for environmentally friendly factory planning. A dry painting system reduces water and energy consumption by more than 20%. In addition, the use of rainwater and recycled production water means that 20% less fresh water is used in production compared with conventional processes. The plant uses solar panels and local hydroelectricity for power, making production carbon neutral.

Volkswagen is investing approximately half a billion euros in a further body shell production facility at the Bratislava plant. The new hall will be equipped with state-of-the-art joining technology and the plan is to produce body shells for the Porsche Cayenne to begin in 2017.

The Audi brand intends to cooperate with Baidu and Huawei to give Chinese customers seamless and fast use of smartphones in cars and to drive forward the networking of vehicles with their surroundings and the Internet. The partnership with Baidu, China's leading search engine provider, covers the integration of smartphones for use in cars and the joint development of data, calculation processes and functions for vehicle navigation. Audi and Huawei, the world's largest network provider, are jointly developing a China-specific LTE module for rapid data transfer.

In June, Volkswagen signed a cooperation agreement in the area of e-mobility research with Chinese joint venture partner SAIC. This covers expanding Chinese joint venture SVW's main production facility in Anting to locally develop and produce plug-in hybrid and fully electric models.

Volkswagen creates an integrated commercial vehicles group

Going forward, the Volkswagen Group will bundle the midsized truck, heavy truck and bus businesses under Truck & Bus GmbH as the holding company for commercial vehicle brands MAN and Scania. The brands will continue to retain their independence. Truck & Bus GmbH will manage the cooperation between the three commercial vehicles businesses – MAN Truck & Bus AG, MAN Latin America Ltda.

and Scania AB. The company's management will be headed by Mr. Andreas Renschler, the member of the group board of management responsible for commercial vehicles. The CEOs of the three commercial vehicles businesses, among others, will be represented in the company's management. The objective is for strategy, development, HR and purchasing to be agreed jointly across the brands, allowing the full potential for synergies between the brands to be leveraged. As a producer of light commercial vehicles, Volkswagen commercial vehicles will also form part of the integrated commercial vehicles group and will retain a close link with the Volkswagen passenger cars brand.

Business development

The following statements in this section on deliveries, sales, production and employees take into consideration operating developments at the Volkswagen Group in the first half of 2015. For the business development of Porsche SE, please refer to the sections “Significant events and developments in the Porsche SE Group” and “Explanatory notes on results of operations, net assets and financial position” in this interim group management report.

General economic development

The robust growth in the global economy lost momentum slightly in the first half of 2015. While the economic upturn continued in many industrialized nations, growth in some emerging economies remained below average. Although the comparatively low energy and raw materials prices had a negative impact on individual countries’ economies, their effect on the global economy as a whole was supportive.

Trends in the passenger car markets

In the period from January to June 2015, global new passenger car registrations were up 2.6% year-on-year, although demand varied from region to region. The growth drivers were the Asia-Pacific region, North America and Western Europe. In contrast, new passenger car registrations in Eastern Europe and South America declined drastically in some areas compared with the prior-year period.

Trends in the markets for commercial vehicles

Global demand for light commercial vehicles was slightly below the prior-year level in the first half of 2015. In the period from January to June 2015, global demand for midsized and heavy trucks with a gross weight of more than six tonnes was significantly down on the previous year. Demand for buses, both globally and in the markets that are relevant for the Volkswagen Group, was lower than in the previous year in the period from January to June 2015.

Employees in the Volkswagen Group

The Volkswagen Group had a total of 597,849 employees worldwide at the end of the first half of 2015, up 0.9% on the number as of 31 December 2014. The expansion of the workforce was primarily attributable to the recruitment of specialists and experts, the transfer of temporary workers to permanent contracts and the expansion of the production facilities in Mexico and Poland. At 273,852, the number of employees in Germany was up 1.0% on year-end 2014. The proportion of employees in Germany was 45.8% (31 December 2014: 45.7%).

Sales and production in the Volkswagen Group

The Volkswagen Group's unit sales to the dealer organization – including the Chinese joint ventures – amounted to 5,090,239 vehicles in the first half of 2015, 2.2% fewer than at the prior-year reporting date. The Volkswagen Group produced 5,313,568 vehicles in the first six months of 2015, an increase of 1.5% year-on-year. Production in Germany increased by 6.2% to 1,394,816 units. The proportion of vehicles produced in Germany rose to 26.3% (first half of 2014: 25.1%).

The following table presents the Volkswagen Group's deliveries by region and by brand.

Deliveries of passenger cars, light commercial vehicles, trucks and buses from 1 January to 30 June[1]

	2015	2014	Change %
Regions			
Europe/Other markets	2,347,152	2,251,883	4.2
North America	451,241	425,863	6.0
South America	297,329	383,686	–22.5
Asia-Pacific	1,943,488	2,004,253	–3.0
Worldwide	**5,039,210**	**5,065,685**	**– 0.5**
by brands			
Volkswagen passenger cars	2,945,709	3,065,899	–3.9
Audi	902,389	869,357	3.8
ŠKODA	544,300	522,499	4.2
SEAT	216,463	200,140	8.2
Bentley	4,639	5,254	–11.7
Lamborghini	1,882	956	96.9
Porsche	113,984	87,803	29.8
Bugatti	17	19	–10.5
Volkswagen commercial vehicles	222,962	217,732	2.4
Scania	36,989	38,391	–3.7
MAN	49,876	57,635	–13.5

1 The deliveries for 2014 have been updated to reflect subsequent statistical trends. Includes the Chinese joint ventures.

Explanatory notes on results of operations, financial position and net assets

In the following explanations, the significant results of operations as well as the financial position and net assets for the first six months of the fiscal year 2015 or as of 30 June 2015 are compared to the corresponding comparative figures for the period from 1 January to 30 June 2014 (results of operations and financial position) and as of 31 December 2014 (net assets and financial position).

Results of operations

In the period from 1 January to 30 June 2015, the Porsche SE Group recorded a profit for the period of €1,651 million (first half of 2014: €1,739 million). This result was significantly influenced by the profit/loss from the investments accounted for at equity of €1,694 million (first half of 2014: €1,766 million), of which €1,695 million (first half of 2014: €1,766 million) was attributable to the investment in Volkswagen AG and minus €1 million to the investment in INRIX Inc., Kirkland, Washington, USA ("INRIX") acquired in September 2014.

Other operating income decreased in the period from 1 January to 30 June 2015 to €1 million compared to €2 million in the comparative period. This item primarily contains income from the reversal of provisions and accruals.

Personnel expenses in the Porsche SE Group came to €7 million in the reporting period (first half of 2014: €8 million).

Other operating expenses increased from €10 million in the comparative period to €14 million in the first half of 2015. This increase is attributable in particular to back payments made for contributions for the Chamber of Industry and Commerce (IHK).

Compared to the corresponding prior-year period, profit/loss from investments accounted for at equity decreased from €1,766 million to €1,694 million. The profit from investments accounted for at equity attributable to Volkswagen contains profit contributions from ongoing equity accounting of €1,756 million (first half of 2014: €1,794 million) in addition to the effects from purchase price allocations and, in the comparative period, from the dilution of the share in capital. On 3 June 2014, Volkswagen AG resolved a capital increase through the issue of preference shares from authorized capital in exchange for cash contributions in which Porsche SE did not participate. As a result, the share of Porsche SE in the capital of Volkswagen AG decreased from 32.2% to 31.5%, which resulted in a total positive impact of €57 million which affected profit but not cash in the first half of 2014. The profit/loss from investments accounted for at equity also includes effects of the subsequent measurement of the purchase price allocations performed at the time of the renewed inclusion of Volkswagen AG as an associate as well as the first time inclusion of INRIX. The Porsche SE Group's profit/loss from investments accounted for at equity was reduced by €61 million (first half of 2014: €85 million) in total by the subsequent effects of these purchase price allocations, i.e., the subsequent measurement of hidden reserves and liabilities identified in the process.

The financial result decreased from minus €14 million in the prior year to minus €17 million. In the reporting period, this amount mainly contains expenses from loan interest of €10 million (first half of 2014: €10 million), as well as expenses for interest on tax back payments of €5 million (first half of 2014: €7 million). Moreover, within the scope of liquidity management, investments were made in a newly established alternative investment fund in the second quarter of 2015. In this context, net expenses totaling €4 million from bonds and investment fund shares as well as from the measurement of derivatives were incurred in the financial result in the first half of 2015.

Profit before tax comes to €1,657 million (first half of 2014: €1,736 million). Income tax comprises income of €1 million from the reversal of the income tax provisions (first half of 2014: €0 million) as well as expenses of €7 million from deferred taxes (first half of 2014: income of €3 million). Group profit for the first half of the fiscal year 2015 therefore comes to €1,651 million (first half of 2014: €1,739 million).

Financial position

Cash flow from operating activities comes to €421 million in the first half of the fiscal year 2015 (first half of 2014: €546 million). This positive cash flow is mainly attributable to dividends received from the investment in Volkswagen AG of €719 million (first half of 2014: €599 million). Payment of income taxes for prior years resulted in cash outflows of €355 million (first half of 2014: €14 million), which were partially offset in the first half of 2015 by incoming payments from tax refunds of €207 million. There was also a negative effect on cash flow from operating activities from net interest payments of €92 million on tax back payments (first half of 2014: €0 million) as well as payments for operating expenses of Porsche SE. Interest paid in the first six months of the fiscal year 2015 on financial liabilities came to €11 million (first half of 2014: €12 million); interest received came to €3 million (first half of 2014: €4 million). The non-cash expenses and income contain almost exclusively the profit contribution of investments accounted for at equity.

In the first six months of the fiscal year 2015, there was a cash outflow of €323 million from investment activities (first half of 2014: cash inflow of €1,355 million). In the first half of 2015, this comprises a cash outflow as a result of an €833 million increase in the securities portfolio as well as a cash inflow from the €510 million reduction in the amount of time deposits with an original term of more than three months. The cash inflow from investment activities of the prior year was entirely attributable to the reduction in the volume of time deposits with an original term of more than three months.

As in the prior year, there was a cash outflow of €615 million relating to financing activities in the first half of 2015. In both years, this resulted exclusively from the corresponding amount of the dividends distributed to the shareholders of Porsche SE.

Cash funds therefore decreased by a total of €517 million as of 31 December 2014 to €466 million as of 30 June 2015.

Gross liquidity, i.e., cash and cash equivalents, time deposits and securities decreased from €2,567 million as of 31 December 2014 to

€2,372 million as of 30 June 2015. Taking into account the loan liabilities of €300 million due to the Volkswagen Group, net liquidity – i.e., gross liquidity less financial liabilities – is clearly positive at €2,072 million as of 30 June 2015. As of 31 December 2014, net liquidity came to €2,267 million.

Net assets

The Porsche SE Group's total assets increased by €867 million from €30,465 million as of 31 December 2014 to €31,332 million as of 30 June 2015.

The non-current assets of the Porsche SE Group as of 30 June 2015 totaling €28,948 million (31 December 2014: €27,715 million) almost exclusively comprise the investments accounted for at equity. These include in particular the carrying amount of the investment in Volkswagen AG accounted for at equity, which rose in comparison to the end of the fiscal year 2014 from €27,672 million to €28,907 million. This increase results in particular from the profit/loss from investments accounted for at equity of €1,695 million. This was countered by dividend payments received amounting to €719 million. The shares accounted for at equity also include the carrying amount of the investment in INRIX, which totaled €39 million as of 30 June 2015.

As a percentage of total assets, non-current assets increased from 91.0% as of 31 December 2014 to 92.4% as of 30 June 2015.

Current assets mainly consist of cash and cash equivalents, time deposits and securities of Porsche SE and its subsidiaries and decreased from €2,750 million as of 31 December 2014 to €2,384 million as of 30 June 2015. As a percentage of total assets, current assets fell from 9.0% as of 31 December 2014 to 7.6% as of 30 June 2015.

As of 30 June 2015, the equity of the Porsche SE Group increased to a total of €30,789 million mainly due to the profit for the period (31 December 2014: €29,493 million).

The equity ratio increased from 96.8% at the end of the fiscal year 2014 to 98.3% as of 30 June 2015.

Current and non-current provisions decreased from €592 million as of 31 December 2014 to €129 million as of 30 June 2015. This decrease is mainly attributable to payments in connection with a completed tax field audit and corresponding notices issued for past assessment periods.

Non-current financial liabilities as of 30 June 2015 remained unchanged compared to 31 December 2014, at a total of €300 million.

Related parties

With regard to significant transactions with related parties, reference is made to note [21] of the interim condensed consolidated financial statements.

Results of operations of the significant investment

The following statements relate to the original profit/loss figures of the Volkswagen Group in the first half of the fiscal year 2015. This means that effects from inclusion in the consolidated financial statements of Porsche SE, particularly relating to the subsequent measurement of the hidden reserves and liabilities identified in the course of the purchase price allocation, as well as from applying uniform group accounting policies, are not taken into consideration.

The Volkswagen Group generated sales revenue of €108,776 million in the first half of 2015, 10.1% more than a year earlier. The rise was primarily due to a favorable trend in exchange rates and positive mix effects. The proportion of the group's sales revenue generated outside Germany was 79.2% (first half of 2014: 79.6%).

Less cost of sales, gross profit in the reporting period came to €21,698 million, €2,965 million higher than in the prior-year period. The gross margin was 19.9% (first half of 2014: 19.0%).

Despite lower vehicle volumes and higher fixed costs, the Volkswagen Group's operating profit improved to €6,990 million (first half of 2014: €6,186 million) before special items in the first six months of 2015 due to optimized product costs as well as exchange rate and mix effects. Restructuring measures in the trucks business resulted in special items of minus €170 million in the reporting period. Operating profit was €6,820 million (first half of 2014: €6,186 million) and the operating return on sales stood at 6.3% (first half of 2014: 6.3%).

Profit before tax was down slightly on the prior-year figure to €7,664 million (first half of 2014: €7,777 million). Profit after tax was on a level with the previous year at €5,663 million (first half of 2014: €5,716 million).

Opportunities and risks of future development

Opportunities and risks at Porsche SE

The report on opportunities and risks at Porsche SE in the group management report and management report of Porsche SE for the fiscal year 2014 must be updated as of 30 June 2015 with regard to the statements on the current status of the legal proceedings. We refer to the section "Significant events and developments in the Porsche SE Group" in this interim group management report. There were no significant changes compared to the presentation of the other opportunities and risks at Porsche SE contained in the group management report and management report for the fiscal year 2014.

Opportunities and risks in the Volkswagen Group

The Volkswagen Group has adjusted its expected deliveries to customers due to the weaker global economic growth and the tense situation in the Chinese, Brazilian and Russian vehicle markets. Beyond this, there were no significant changes compared with the disclosures on the Volkswagen Group's expected development in the group management report and management report of Porsche SE for the fiscal year 2014.

Subsequent events

Through its 50% interest in the joint venture Global Mobility Holding B.V., Amsterdam, the Netherlands ("Global Mobility Holding"), the Volkswagen Group holds a 50% indirect stake in the joint venture's subsidiary, LeasePlan Corporation N.V., Amsterdam, the Netherlands ("LeasePlan Corporation"). On 23 July 2015, Global Mobility Holding sold its 100% interest in LeasePlan Corporation to a consortium of international investors. The legal transfer of the shares is subject to the condition precedent that the necessary official approvals are issued during the further course of the sale. The Volkswagen Group assumes that the approvals will be issued in the second half of 2015 and that the transaction can be completed. The total value of the transaction is approximately €3.7 billion. It is expected that a gain in the low triple-digit millions of euros will be reported in the Volkswagen Group's financial result. At the level of Porsche SE, this gives rise to corresponding income equivalent to the amount of Porsche SE's share in capital of Volkswagen AG, taking into account effects from purchase price allocations, in the profit/loss from investments accounted for at equity.

Otherwise, with the exception of the developments presented in the section "Significant developments and current status relating to litigation risks and legal disputes", there were no other reportable events after 30 June 2015.

Forecast report and outlook

Anticipated development of the Volkswagen Group

The Volkswagen Group's strengths include in particular its unique brand portfolio, its diverse range of models, its steadily growing presence in all major world markets and its wide selection of financial services. Volkswagen offers an extensive array of attractive, environmentally friendly, cutting-edge, high-quality vehicles for all markets and customer groups. This ranges from motorcycles through compact, sports and luxury cars to heavy trucks and buses, and covers almost all segments. The Volkswagen Group's brands will press ahead with their product initiative in 2015, modernizing and expanding their offering by introducing new models. The Volkswagen Group's goal is to offer all customers the products and innovations they need, sustainably strengthening its competitive position in the process.

The Volkswagen Group expects its deliveries to customers in 2015 to remain on a level with the previous year in a persistently challenging market environment.

The difficult market environment, fierce competition, interest rate and exchange rate volatility, and fluctuations in raw materials prices all pose challenges. A positive effect is expected from the efficiency programs implemented by all brands and, increasingly, from the modular toolkits.

Depending on the economic conditions, the Volkswagen Group expects 2015 sales revenue for the group and its business areas to increase by up to 4% above the prior-year figure. However, economic trends in Latin America and Eastern Europe will need to be continuously monitored in the commercial vehicles/power engineering business area.

In terms of the group's operating profit, Volkswagen anticipates an operating return on sales of between 5.5% and 6.5% in 2015 in light of the challenging economic environment. The operating return on sales is expected to be in the 6.0% to 7.0% range in the passenger cars business area and between 2.0% and 4.0% in the commercial vehicles/power engineering business area. For the financial services division, Volkswagen is forecasting an operating profit at the prior-year level. Disciplined cost and investment management and the continuous optimization of its processes remain integral elements of the Volkswagen Group's Strategy 2018.

Anticipated development of the Porsche SE Group

The Porsche SE Group's profit/loss will be largely dependent on the results of operations of the Volkswagen Group and therefore on the profit/loss of the investment in it accounted for at equity that is attributable to Porsche SE. The forecast is therefore largely based on the expectations of the Volkswagen Group regarding its future development. Differences between the forecasts of the Volkswagen Group and the Porsche SE Group can arise, as Porsche SE's forecast cannot be based on the core management indicators forecast by the Volkswagen Group.

The following forecast is based on the current structure of the Porsche SE Group. Effects from future investments of the company are not taken into account as it is not possible to make statements regarding their future effects on the results of operations, financial position and net assets of the group.

As of 30 June 2015, Porsche SE had net liquidity of €2,072 million. It is aimed to achieve positive net liquidity for both Porsche SE and the Porsche SE Group. The amount as of 31 December 2015 is still expected to be between €1.7 billion and €2.3 billion, not taking future investments into account.

Overall, based on the current group structure, in particular on the basis of the Volkswagen Group's expectations regarding its future development for the fiscal year 2015, without taking into account the expected effect of the dilution of Porsche SE's share in the capital of Volkswagen AG in connection with the mandatory convertible bonds issued by Volkswagen AG, Porsche SE continues to expect a group profit for the year of between €2.8 billion and €3.8 billion.

Stuttgart, 30 July 2015
Porsche Automobil Holding SE

The executive board

Prof. Dr. Martin Winterkorn   Matthias Müller   Hans Dieter Pötsch   Philipp von Hagen

1 January – 30 June 2015

Interim condensed consolidated financial statements

Consolidated income statement of Porsche Automobil Holding SE for the period from 1 January to 30 June 2015

€ million	Note	**1st half of 2015**	1st half of 2014
Other operating income	[1]	1	2
Personnel expenses	[2]	–7	–8
Other operating expenses	[3]	–14	–10
Profit/loss from investments accounted for at equity	[4]	1,694	1,766
Profit/loss before financial result		1,674	1,750
Finance costs	[5]	–17	–20
Other financial result	[6]	0	6
Financial result		**–17**	**–14**
Profit/loss before tax		**1,657**	**1,736**
Income tax	[7]	–6	3
Profit/loss for the period		**1,651**	**1,739**
thereof profit/loss attributable to shareholders of Porsche Automobil Holding SE	[8]	1,651	1,739
Earnings per ordinary share (basic)	[8]	5.39	5.67
Earnings per preference share (basic)	[8]	5.40	5.68
Earnings per ordinary share (diluted)	[8]	5.39	5.67
Earnings per preference share (diluted)	[8]	5.40	5.68

Consolidated statement of comprehensive income of Porsche Automobil Holding SE for the period from 1 January to 30 June 2015

€ million	**1st half of 2015**	1st half of 2014
Profit/loss for the period	**1,651**	**1,739**
Actuarial gains (+)/losses (-) after tax	1	– 1
Other comprehensive income not reclassified subsequently to profit or loss from investments accounted for at equity (after tax)	393	– 626
Total other comprehensive income not reclassified subsequently to profit or loss	394	– 627
Other comprehensive income reclassified subsequently to profit or loss from investments accounted for at equity (after tax)	– 129	– 177
Total other comprehensive income reclassified subsequently to profit or loss	– 129	– 177
Other comprehensive income after tax	**265**	**– 804**
Total comprehensive income	**1,916**	**935**
thereof attributable to		
shareholders of Porsche Automobil Holding SE	1,916	935

Consolidated balance sheet of Porsche Automobil Holding SE as of 30 June 2015

€ million	Note	**30/6/2015**	31/12/2014
Assets			
Investments accounted for at equity	[9]	28,946	27,713
Other receivables and assets	[10]	2	2
Non-current assets		**28,948**	**27,715**
Other receivables and assets	[10]	4	9
Income tax assets	[11]	8	174
Securities	[12]	1,127	295
Time deposits		779	1,289[1]
Cash and cash equivalents		466	983[1]
Current assets		**2,384**	**2,750**
		31,332	**30,465**
Equity and liabilities			
Subscribed capital	[13]	306	306
Capital reserves	[13]	4,884	4,884
Retained earnings	[13]	25,599	24,303
Equity		**30,789**	**29,493**
Provisions for pensions and similar obligations		19	20
Other provisions	[15]	10	15
Deferred tax liabilities	[7]	45	38
Financial liabilities	[14]	300	300
Non-current liabilities		**374**	**373**
Income tax provisions	[15]	0	336
Other provisions	[15]	100	221
Trade payables		2	3
Income tax liabilities		32	11
Other liabilities	[16]	35	28
Current liabilities		**169**	**599**
		31,332	**30,465**

[1] Adjusted; we refer to the explanations in the Note “Basis of presentation”.

Consolidated statement of cash flows of Porsche Automobil Holding SE for the period from 1 January to 30 June 2015

€ million	**1st half of 2015**	1st half of 2014
1. Operating activities		
Profit/loss for the period	1,651	1,739
Change in provisions for pensions	1	1
Change in other provisions	– 126	– 5
Current income tax	– 1	0
Change in deferred tax	7	– 3
Income tax paid	– 355	– 14
Income tax received	207	0
Non-cash expenses and income	– 1,693	– 1,766
Dividends received	719	599
Change in other assets	5	– 1
Changes in trade payables and other liabilities (excluding tax provisions, pension provisions and other provisions)	6	– 4
Cash flow from operating activities	**421**	**546**
2. Investing activities		
Change in investments in securities	– 833	0
Change in investments in time deposits	510	1,355
Cash flow from investing activities	**– 323**	**1,355**
3. Financing activities		
Dividends paid to shareholders	– 615	– 615
Cash flow from financing activities	**– 615**	**– 615**
4. Cash funds		
Change in cash funds (subtotal of 1 to 3)	– 517	1,286
Cash funds as of 1 January 2015 and 1 January 2014	**983**	**462**
Cash funds as of 30 June 2015 and 30 June 2014	**466**	**1,748**

Note [17] contains further explanations on the statement of cash flows.

Consolidated statement of changes in equity of Porsche Automobil Holding SE for the period from 1 January to 30 June 2015

€ million	Subscribed capital	Capital reserves	Retained earnings: Accumulated profit	Retained earnings: Investments accounted for at equity[3]	Equity
As of 1 January 2014	**306**	**4,884**	**25,200**	**80**	**30,470**
Profit/loss for the period			1,739		1,739
Other comprehensive income after tax			–1	–803	–804
Total comprehensive income for the period			1,738	–803	935
Dividend payment			–615[1]		–615
Transfer of other comprehensive income not reclassified subsequently to profit or loss			–35	35	0
Other changes in equity arising from the level of investments accounted for at equity			–1,470		–1,470
As of 30 June 2014	**306**	**4,884**	**24,818**	**– 688**	**29,320**
As of 1 January 2015	**306**	**4,884**	**26,123**	**– 1,820**	**29,493**
Profit/loss for the period			1,651		1,651
Other comprehensive income after tax			1	264	265
Total comprehensive income for the period			1,652	264	1,916
Dividend payment			–615[2]		–615
Other changes in equity arising from the level of investments accounted for at equity			–5		–5
As of 30 June 2015	**306**	**4,884**	**27,155**	**– 1,556**	**30,789**

1 Distribution of a dividend of €2.004 per ordinary share; total €306,862,500
Distribution of a dividend of €2.01 per preference share; total €307,781,250
2 Distribution of a dividend of €2.004 per ordinary share; total €306,862,500
Distribution of a dividend of €2.01 per preference share; total €307,781,250
3 Other comprehensive income of investments accounted for at equity

Selected explanatory notes

Basis of presentation

Porsche Automobil Holding SE ("Porsche SE" or the "company") is a European Company (Societas Europaea) and is headquartered at Porscheplatz 1 in 70435 Stuttgart, Germany. The business purpose of Porsche SE comprises the management of companies and the administration of investments in companies active in the following business fields or parts thereof:

- The development, design, manufacture and distribution of vehicles, engines of all kinds and other technical or chemical products as well as of parts and assemblies thereof;
- The provision of advice in the area of development and production, especially in the area of vehicle and engine construction;
- The provision of advice on and development of data processing as well as the creation and distribution of data processing products;
- The marketing of products using trademark rights;
- The provision of financial and mobility services;
- The exploitation, procurement, processing and distribution of raw materials used in the automobile industry;
- The generation and procurement of energy, especially of renewable energies, as well as the trading of energy;
- The acquisition, holding and administration as well as the disposal of real estate.

The purpose of the company includes in particular the acquisition, holding and administration as well as the sale of investments in such companies, their combination under uniform control and the provision of support and advice to them, including the provision of services on behalf of such companies.

The company may also be active itself in the business areas specified. This does not apply to banking transactions and financial services requiring approval. The company may limit its activities to parts of the business fields specified above.

The company may engage in all kinds of business and take all measures that are related to the business purpose or that it deems directly or indirectly useful for achieving that purpose. To this end, it may also establish branches, in Germany and abroad, establish and purchase other companies or acquire interests in such companies.

The half-yearly financial report covers the period from 1 January to 30 June of a year.

The interim condensed consolidated financial statements of Porsche SE for the first half of the fiscal year 2015 were prepared in accordance with IAS 34 “Interim Financial Reporting”. All International Financial Reporting Standards (IFRSs) applied by Porsche SE were endorsed by the EU Commission for application within the EU. In accordance with IAS 34, the interim condensed consolidated financial statements do not contain all the information and disclosures required for a complete set of consolidated financial statements.

During the preparation of the interim condensed consolidated financial statements, the amendments presented in the section “New accounting standards” which are applicable as of 1 January 2015 as well as the exercise of the option for accounting for financial instruments at fair value through profit or loss presented in Note [12] were applied for the first time. Moreover, in order to increase transparency, the previous balance sheet item “Cash, cash equivalents and time deposits”, amounting to €1,245 million (31 December 2014: €2,272 million), was divided for the first time into the separate balance sheet items “Cash and cash equivalents”, amounting to €466 million (31 December 2014: €983 million), and “Time deposits”, amounting to €779 million (31 December 2014: €1,289 million). Cash deposits with an original term of more than three months are reported within the item “Time deposits”, while the balance sheet item “Cash and cash equivalents” contains cash and cash equivalents with an original term of up to three months.

In all other respects, the accounting policies applied for the preparation of the consolidated financial statements as of 31 December 2014 have been applied unchanged. For further information about the accounting policies applied, please refer to the consolidated financial statements of Porsche SE as of 31 December 2014. The group’s presentation currency is the euro. Unless otherwise stated, all figures are presented in millions of euro (€ million).

The responsibility statement has been made in accordance with German Accounting Standard No. 16 (GAS 16) “Interim Financial Reporting” of the German Accounting Standards Committee (GASC).

The interim condensed consolidated financial statements and the interim group management report were reviewed by the group auditor of the consolidated financial statements of Porsche SE, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart. They were discussed with the supervisory board’s audit committee before publication.

Consolidated group

The interim condensed consolidated financial statements of Porsche SE for the first half of 2015 include by means of full consolidation all entities controlled by Porsche SE, i.e., where Porsche SE is exposed, or has rights, to variable returns from its involvement and has the ability to use power over the investee to affect the amount of such returns. A company is no longer consolidated upon loss of control.

Porsche Zweite Beteiligung GmbH, Porsche Dritte Beteiligung GmbH and Porsche Vierte Beteiligung GmbH, all domiciled in Stuttgart, Germany, were founded in February 2015. Porsche SE holds 100% of the share capital in each of these shelf companies. In addition, an alternative investment fund for cash investments was established on 1 April 2015. This fund is included in the consolidated financial statements of Porsche SE by way of full consolidation.

Material companies where Porsche SE is able, directly or indirectly, to significantly influence financial and operating policy decisions (associates) are accounted for at equity.

Associates also include companies in which the Porsche SE Group holds the majority of voting rights, but whose articles of association or partnership agreements stipulate that important decisions may not be made without the approval of the other shareholders or where Porsche SE does not have control as defined by IFRSs for other reasons.

The number of entities included in the interim condensed consolidated financial statements of Porsche SE is shown in the following table:

	30/6/2015	31/12/2014
Fully consolidated subsidiaries		
Germany	4	1
Fully consolidated alternative investment fund		
Germany	1	0
Associates		
Germany	1	1
International	1	1
	7	**3**

New accounting standards

The group adopted the following new and revised standards and interpretations for the first time during the reporting period:

2011-2013 Annual Improvements Cycle

The changes affect the following standards:

- Amendment to the scope of IFRS 3: IFRS 3 does not apply to the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.
- Amendment to IFRS 13: Amendments regarding the applicability of the exception in IFRS 13.48.
- Amendment to IAS 40: Clarification that, when determining whether the acquisition of a property corresponds to the definition of a business combination within the scope of IFRS 3 and includes an investment property as defined by IAS 40, both standards are to be applied independently of each other (IAS 40.7-14 vs. IFRS 3).

The changes did not have any effect on the Porsche SE Group.

Notes to the consolidated income statement

[1] Other operating income

Other operating income primarily contains income from the reversal of provisions and accruals.

[2] Personnel expenses

€ million	**1st half of 2015**	1st half of 2014
Wages and salaries	7	8
Social security contributions, pension and other benefit costs	0	0
	7	**8**

[3] Other operating expenses

Other operating expenses consist of:

€ million	**1st half of 2015**	1st half of 2014
Legal and consulting fees	3	3
Other external services	5	4
Sundry other operating expenses	6	3
	14	**10**

Other external services mainly contain expenses relating to the organization of annual general meetings. Sundry other operating expenses primarily include expenses for rentals and insurance, travel expenses as well as, in the reporting period, back payments for contributions for the Chamber of Industry and Commerce (IHK).

[4] Profit/loss from investments accounted for at equity

The profit or loss from investments accounted for at equity breaks down as follows:

€ million	**1st half of 2015**	1st half of 2014
Profit from ongoing equity accounting before purchase price allocation	1,755	1,794
Effects from purchase price allocation	– 61	– 85
Profit from ongoing equity accounting	1,694	1,709
Effects from dilution of the share in capital	0	57
	1,694	**1,766**

Profit/loss from investments accounted for at equity is attributable almost exclusively to the investment in Volkswagen AG.

The effects from dilution of the share in capital of €57 million in the comparative period are attributable almost exclusively to the capital increase by issue of preference shares in return for a contribution in cash approved at the level of Volkswagen AG on 3 June 2014, in which Porsche SE did not take part. The effects comprised the proportionate disposal of the carrying amount at equity of €31 million and the derecognition of proportionate reclassifiable gains and losses of €26 million recognized directly in equity.

[5] Finance costs

€ million	**1st half of 2015**	1st half of 2014
Interest expenses from loans issued by associates	10	10
Interest on tax back payments	5	7
Other interest and similar expenses	2	3
	17	**20**

Interest on tax back payments mainly includes expenses for interest on tax back payments in connection with the completed tax field audit for the assessment periods 2006 to 2008.

[6] Other financial result

€ million	**1st half of 2015**	1st half of 2014
Expenses from bonds and investment fund shares	–1	0
Income from derivative financial instruments	2	0
Expenses from derivative financial instruments	–5	0
Other interest and similar income	4	6
	0	**6**

The expenses from bonds and investment fund shares as well as the income and expenses from derivative financial instruments result from the investment in the alternative investment fund that was established in April 2015 (reference is made to the section “Consolidated group”). Other interest and similar income contains income from asset-backed commercial papers and from guarantee fees.

[7] Income tax

The income tax recognized in the first half of the fiscal year 2015 results from deferred tax expenses of €7 million (prior year: deferred tax income of €3 million); this, like the deferred tax income presented in the comparative period, is attributable to taxable temporary differences from investments accounted for at equity less offsettable deferred tax assets on unused tax losses, as well as to additionally recorded offsettable deferred tax assets from the alternative investment fund in the reporting period. This was countered in the reporting period by income of €1 million from the reversal of income tax provisions.

[8] Earnings per share

		1st half of 2015	1st half of 2014
Profit/loss for the period	€ million	1,651	1,739
Profit/loss attributable to shareholders of Porsche Automobil Holding SE	€ million	1,651	1,739
Profit/loss attributable to ordinary shares (basic)	€ million	825	869
Profit/loss attributable to preference shares (basic)	€ million	826	870
Profit/loss attributable to ordinary shares (diluted)	€ million	825	869
Profit/loss attributable to preference shares (diluted)	€ million	826	870
Average number of ordinary shares outstanding	Number	153,125,000	153,125,000
Average number of preference shares outstanding	Number	153,125,000	153,125,000
Earnings per ordinary share (basic)	€	5.39	5.67
Earnings per preference share (basic)	€	5.40	5.68
Earnings per ordinary share (diluted)	€	5.39	5.67
Earnings per preference share (diluted)	€	5.40	5.68

Earnings per share are calculated by dividing the profit or loss attributable to the shareholders of Porsche SE by the weighted average number of shares outstanding in the first half of the year.

There were no dilutive effects.

Notes to the consolidated balance sheet

[9] Investments accounted for at equity

Investments accounted for at equity almost exclusively comprise the carrying amount of the investment in Volkswagen AG.

On 21 February 2014, Volkswagen AG announced a voluntary public offer to the shareholders of Scania Aktiebolag ("Scania") to tender all shares in Scania at a price of SEK 200 in cash per share, regardless of share class. Volkswagen AG declared on 13 May 2014 that the offer will be executed. Volkswagen has initiated a squeeze-out procedure with respect to the Scania shares not sold in the offer. The effect resulting at the level of the Volkswagen Group, which had to be recognized directly in equity in the comparative period, led to a decrease of €1,471 million in the investments accounted for at equity at the level of Porsche SE, which was likewise recognized directly in equity.

For the purpose of partial refinancing, Volkswagen AG resolved on 3 June 2014 to perform a capital increase through the issue of preference shares from authorized capital in exchange for cash contributions in which Porsche SE did not participate. As a result, Porsche SE's share in capital of Volkswagen AG decreased from 32.2% to 31.5%. In the comparative period, this dilution increased the carrying amount of the investment accounted for at equity by €31 million.

[10] Other receivables and assets

Other receivables and assets consist of:

€ million	**30/6/2015**	31/12/2014
Sundry other financial receivables and assets	3	7
Sundry other non-financial receivables and assets	3	4
	6	**11**
thereof non-current	2	2
thereof current	4	9

[11] Income tax receivables

Income tax receivables mainly comprise tax refund claims for tax on investment income.

[12] Securities

Securities consist of:

€ million	30/6/2015	31/12/2014
Bonds and investment fund shares	182	0
Asset-backed commercial papers	945	295
	1,127	**295**

For the bonds and investment fund shares, the option for accounting for financial instruments at fair value through profit or loss is exercised.

[13] Equity

The development of equity is presented in the consolidated statement of changes in equity and in the consolidated statement of comprehensive income.

Subscribed capital

Porsche SE's subscribed capital totals €306.25 million and is divided into 153,125,000 ordinary shares and 153,125,000 preference shares which have been fully paid in. Each share represents a €1 notional value of the subscribed capital. The preference shares carry an additional dividend of 0.6 cents per share if net profit is available for distribution.

Capital reserves

The capital reserves contain additions from share premiums less any transaction costs incurred within the scope of capital increases.

Retained earnings

The retained earnings include the reserve for investments accounted for at equity and the reserve for accumulated profits.

Expenses and income from investments accounted for at equity recognized directly in equity are presented in the reserve for investments accounted for at equity. Due to the dilution of Porsche SE's share in capital of Volkswagen AG, reclassifiable after-tax income and expenses previously recognized in equity totaling €26 million were transferred to profit or loss in the first half of the comparative period. In addition, non-reclassifiable expenses after taxes of €35 million from pension plans were transferred to retained earnings in the comparative period.

The reserve for accumulated profits includes the profits of Porsche SE and its consolidated subsidiaries earned in prior years and the reporting period that have not yet been distributed. This also includes reclassified revaluation reserves of deconsolidated subsidiaries, non-reclassifiable expenses and income reclassified due to dilution of the share in capital of associates, and the reserve for actuarial gains and losses from pensions taking into account the allocable deferred tax.

As of 30 June 2015, actuarial losses from pensions came to €9 million (31 December 2014: €11 million); the allocable deferred tax came to €3 million (31 December 2014: €3 million).

The changes in equity at the level of investments accounted for at equity presented in the statement of changes in equity include the proportionate changes in the non-controlling interests within the Volkswagen Group attributable to Porsche SE which did not lead to a change in control and therefore had to be recognized directly in equity with no effect on the consolidated income statement in the Volkswagen Group's consolidated financial statements (for changes in retained earnings recognized in the first half of 2014, reference is made to note [9]). In addition, other changes in equity of the Volkswagen Group that are not part of total comprehensive income are reported in this item.

Dividends paid

On 13 May 2015, the annual general meeting of Porsche SE resolved to distribute a dividend of €2.004 per ordinary share and €2.01 per preference share for the fiscal year 2014. As a result, a total of €614,643,750.00 was distributed.

On 27 May 2014, the annual general meeting of Porsche SE resolved to distribute a dividend of €2.004 per ordinary share and €2.01 per preference share for the fiscal year 2013. As a result, a total of €614,643,750.00 was likewise distributed in the comparative period.

[14] Financial liabilities

The financial liabilities of €300 million (31 December 2014: €300 million) are due entirely to associates.

[15] Income tax provisions and other provisions

As of the reporting date, income tax provisions and other provisions break down as follows:

€ million	**30/6/2015**	31/12/2014
Income tax provisions	**0**	**336**
thereof non-current	0	0
thereof current	0	336
Other provisions		
Provisions for personnel costs	5	9
Provisions for costs of litigation	30	31
Provisions for interest on tax back payments	19	119
Sundry other provisions	56	77
	110	**236**
thereof non-current	10	15
thereof current	100	221

[16] Other liabilities

As of the reporting date, other liabilities break down as follows:

€ million	**30/6/2015**	31/12/2014
Other financial liabilities to associates	22	23
Sundry other financial liabilities	12	3
Sundry other non-financial liabilities	1	2
	35	**28**
thereof non-current	0	0
thereof current	35	28

Other notes

[17] Statement of cash flows

The cash inflow from operating activities includes:

€ million	1st half of 2015	1st half of 2014
Interest paid from financial liabilities	11	12
Interest received from cash investments	3	4

The non-cash expenses and income presented in the cash inflow from operating activities contain almost exclusively the profit from investments accounted for at equity.

The cash outflow from financing activities concerns the dividends totaling €615 million distributed to the shareholders of Porsche SE (first half of 2014: €615 million).

[18] Disclosures on financial instruments

If there is an active market, fair value corresponds to the quoted market price. If there is no active market, fair value is calculated using appropriate valuation techniques, e.g., by discounting the future cash flows with the market interest rate.

In the course of the valuation process, the necessary publicly available market data are collected and, where appropriate, updated. The assumptions underlying the fair values calculated by discounting the future cash flows are validated, if necessary.

The allocation of fair value to the various levels is based on the availability of observable market data on an active market. Level 1 shows the fair values of financial instruments where a price is quoted on active markets for identical financial instruments. Level 2 presents the fair value of financial instruments for which market data are directly or indirectly observable. In particular, interest rate curves, index values and exchange rates are used as key parameters. The fair value of financial instruments in level 3 is calculated using inputs that are not based on observable market data.

Financial instruments at fair value through profit or loss comprise non-derivative financial instruments designated as at fair value as well as derivative financial instruments for which hedge accounting is not applied.

The following overview contains the assets accounted for at fair value:

€ million	**30/6/2015**	Level 1	Level 2	Level 3
Current financial assets measured at fair value through profit or loss				
Securities	182	0	182	0

There were no balance sheet items measured at fair value in the comparative period.

The following table shows the reconciliation of the items of the balance sheet to the classes of financial instruments, as well as the comparison of carrying amount and fair value:

€ million **30/6/2015**	Measurement category under IAS 39	Carrying amount	Fair value
Assets			
Other financial receivables	LAR[1]	3	3
Securities	LAR[1]/FVtPL[2]	1,127	1,127
Time deposits	LAR[1]	779	779
Cash and cash equivalents	LAR[1]	466	466
		2,375	**2,375**
thereof non-current		2	2
thereof current		2,373	2,373
Equity and liabilities			
Financial liabilities	FLAC[3]	300	341
Trade payables	FLAC[3]	2	2
Other financial liabilities	FVtPL[1]/FLAC[3]	34	34
		336	**377**
thereof non-current		300	341
thereof current		36	36

1 LAR: Loans and receivables
2 FVtPL: Fair value through profit or loss
3 FLAC: Financial liabilities at cost

€ million	Measurement category under IAS 39	Carrying amount	Fair value
31/12/2014			
Assets			
Other financial receivables	LAR[1]	7	7
Securities	LAR[1]	295	295
Time deposits	LAR[1]	1,289[3]	1,289[3]
Cash and cash equivalents	LAR[1]	983[3]	983[3]
		2,574	**2,574**
thereof non-current		2	2
thereof current		2,572	2,572
Equity and liabilities			
Financial liabilities	FLAC[2]	300	350
Trade payables	FLAC[2]	3	3
Other financial liabilities	FLAC[2]	26	26
		329	**379**
thereof non-current		300	350
thereof current		29	29

1 LAR: Loans and receivables
2 FLAC: Financial liabilities at cost
3 Adjusted; we refer to the explanations in the Note "Basis of presentation".

The fair value of financial liabilities measured at amortized cost was calculated by discounting the cash flows taking into account interest rates observable on the market pursuant to level 2. The fair values of non-current financial assets and liabilities correspond to their carrying amount.

[19] German Corporate Governance Code

The declaration of the executive board and supervisory board of Porsche SE on the German Corporate German Corporate Governance Code required by Sec. 161 AktG ["Aktiengesetz": German Stock Corporation Act] was updated in May 2015 and is accessible on the website www.porsche-se.com.

[20] Litigation

Actions for damages in Germany and England

At the end of 2011, six plaintiffs asserting damages from their own rights and one plaintiff asserting damages from allegedly assigned rights of six other claimants filed an action for damages against Porsche SE, which is pending before the Regional Court of Hanover. In this action, the plaintiffs last alleged overall damages of about €1.81 billion (plus interest) based on alleged market manipulation and alleged inaccurate information in connection with the acquisition of the shareholding in Volkswagen AG by Porsche SE. An oral hearing before the Regional Court of Hanover took place on 14 October 2014. During two further oral hearings on 6 and 7 May 2015 evidence was taken through examination of two witnesses. Dates for continuation of taking evidence and for examination of further witnesses have not yet been scheduled. Porsche SE considers these claims to be without merit.

Based on the same alleged claims, the aforementioned plaintiffs filed an action against two members of the supervisory board of Porsche SE before the Regional Court of Frankfurt am Main in September 2013. Porsche SE has joined the proceeding as intervenor in support of the two supervisory board members. A trial date for hearing the case took place on 30 April 2015. By interim judgment dated 21 May 2015 the court has assigned six of the seven plaintiffs to provide a security for costs for the legal procedures. Porsche SE considers the claims to be without merit.

On 30 April 2013, 25 plaintiffs filed a complaint against Porsche SE at the Regional Court of Stuttgart and asserted claims for damages based on allegations of market manipulation and inaccurate information in connection with the acquisition of the shareholding in Volkswagen AG in 2008. After withdrawal of the complaint by one plaintiff, the merger of two other plaintiffs and after the partial correction of the alleged damage claim, the remaining 23 plaintiffs asserted claims for damages in an amount of around €1.36 billion (plus interest) in the proceeding before the Regional Court of Stuttgart. The Regional Court of Stuttgart dismissed the action by decision of 17 March 2014. 19 of the 23 plaintiffs filed appeals against this decision on 22 April 2014. The four plaintiffs who did not file appeals originally had asserted claims for damages in the amount of approximately €177 million (plus interest). Hence, the remaining claims for damages asserted in the appellate proceedings amounted to approximately €1.18 billion (plus interest). The Higher Regional Court of Stuttgart dismissed the appeals by decision of 26 March 2015 and thus confirmed the dismissal by the Regional Court of Stuttgart. Leave to appeal on points of law was not permitted. All 19 plaintiffs have lodged a complaint against the refusal of leave to appeal on points of law to the Federal Court of Justice (Bundesgerichtshof). Porsche SE considers the claims to be without merit.

At the end of 2011, ARFB Anlegerschutz UG (haftungsbeschränkt), Berlin, brought two actions before the Regional Court of Braunschweig against Porsche SE based on claims for damages in an amount of around €1.92 billion (plus interest) allegedly assigned to it by 69 investment funds, insurance companies and other companies. In each case, the plaintiff alleges that, in 2008, on the basis of inaccurate information and the omission of information as well as market manipulation by Porsche SE, the companies behind the complaints either failed to participate in price increases of shares in Volkswagen AG and, hence, lost profits or entered into derivatives relating to shares in Volkswagen AG and incurred losses from these transactions due to the share price development in the amount claimed. During the oral hearings before the Regional Court of Braunschweig on 10 December 2014 the plaintiff filed an application for establishment of a model case according to the Capital Markets Model Case Act (KapMuG) and filed as a precautionary measure a motion to refer the case. By decisions of 4 March 2015, the Regional Court of Braunschweig referred the case to the Regional Court of Hanover as the competent court for antitrust matters because the plaintiff based its alleged claims also on antitrust law. A decision on further steps to be taken in the proceedings has not yet been made.

Porsche SE considers the KapMuG motions to be inadmissible and the claims to be without merit.

An individual filed an action against the company in the amount of approximately €1.3 million (plus interest) with the Regional Court of Stuttgart in August 2012 based on asserted damage claims due to allegedly inaccurate information and the omission of information. After an oral hearing before the Regional Court of Braunschweig had taken place, the case was referred to the antitrust chamber of the Regional Court of Hanover in accordance with a request of the plaintiff. By a pleading of 18 February 2015, the plaintiff filed an application for establishment of a model case according to the Capital Markets Model Case Act (KapMuG). A decision on further steps to be taken in the proceedings has not yet been made. Porsche SE considers the KapMuG motion to be inadmissible and the claim to be without merit.

In September 2012, another company filed an action against Porsche SE in the amount of approximately €213 million (plus interest) with the Regional Court of Braunschweig. The plaintiff claims that it entered into options relating to ordinary shares in Volkswagen AG in 2008 on the basis of inaccurate information and the omission of information by Porsche SE and that it incurred losses from these options due to the share price development in the amount claimed. By decision dated 10 June 2015, the Regional Court of Braunschweig referred the case to the Regional Court of Hanover as the competent court for antitrust matters because the plaintiff based its alleged claims also on antitrust law. A decision on further steps to be taken in the proceedings has not yet been made. Porsche SE considers the claim to be without merit.

In January 2013, another individual had substantiated his claim in the amount of around €130,000 (plus interest) based on allegedly inaccurate information and omission of information, previously asserted by reminder notice, entering thereby legal proceedings. After being referred, the proceeding was pending before the Regional Court of Braunschweig. The Regional Court of Braunschweig dismissed the plaintiff’s action by decision dated 30 July 2014. The plaintiff has appealed this decision. Until now, no decision on the appeal has been rendered nor has a trial date been set. Porsche SE considers the claim to be without merit.

In March 2015, 32 companies (hedge funds, pension funds and other investment funds) filed claims for damages against Porsche SE before the Regional Court of Braunschweig. In this action, the plaintiffs allege overall damages of about €507 million (plus interest) based on allegedly inaccurate information and the alleged omission of information and have filed an application for establishment of a model case according to the Capital Markets Model Case Act (KapMuG). By decision dated 10 June 2015, the Regional Court of Braunschweig referred the case to the Regional Court of Hanover as the competent court for antitrust matters because the plaintiffs based their alleged claims also on antitrust law. A decision on further steps to be taken in the proceedings has not yet been made. Porsche SE considers the KapMuG motion to be inadmissible and the claims to be without merit.

On 7 June 2012, Porsche SE filed an action for declaratory judgment with the Regional Court of Stuttgart that alleged claims of an investment fund in the amount of around US$ 195 million do not exist. The investment fund had asserted out-of-court that Porsche SE had made false and misleading statements in connection with its acquisition of a stake in

Volkswagen AG during 2008 and announced that it intended to file the alleged claim before a court in England. On 18 June 2012, the investment fund filed an action against Porsche SE with the Commercial Court in England. On 6 March 2013 the English proceedings were suspended at the request of both parties, until a final decision had been reached in the proceedings begun at the Regional Court of Stuttgart concerning the question of which court is the court first seized. On 24 July 2013, the Regional Court of Stuttgart decided that the Regional Court of Stuttgart is the court first seized. This decision of the Regional Court of Stuttgart has been appealed by way of an immediate appeal by one of the defendants. By decision dated 28 November 2013, the Regional Court of Stuttgart did not allow the appeal and submitted the appeal to the Higher Regional Court of Stuttgart for a decision. By decision dated 30 January 2015, the Higher Regional Court of Stuttgart dismissed the immediate appeal. The defendant has filed an appeal on points of law to the Federal High Court of Justice. Porsche SE considers the action filed in England to be inadmissible and the claims to be without merit.

Proceedings regarding shareholders' actions

A shareholder has filed an action of nullity and for annulment before the Regional Court of Stuttgart regarding the resolutions of the annual general meeting on 30 April 2013 on the exoneration of the executive board and the supervisory board for the fiscal year 2012, the election of five persons as members of the supervisory board as well as the resolution to refuse the motion to vote out the chairman of the general meeting. The Regional Court of Stuttgart dismissed the action by decision of 23 September 2014. The shareholder appealed this decision. By decision dated 8 July 2015, the Higher Regional Court of Stuttgart dismissed the appeal and thus confirmed the dismissal of the action by the Regional Court of Stuttgart. Leave to appeal on points of law was not permitted. The shareholder has the right to file a complaint against the refusal of leave to appeal. Porsche SE considers the action to be partially inadmissible and in any event to be without merit.

The same shareholder has also filed an action of nullity and for annulment regarding the resolutions of the annual general meeting on 27 May 2014 as well as a precautionary action for determination that a shareholders' resolution has been adopted before the Regional Court of Stuttgart. Subject of the actions are the shareholders' resolutions on the exoneration of the executive board and the supervisory board for the fiscal year 2013 as well as the resolution to refuse the motion to vote out the chairman of the general meeting. As a precautionary measure, the shareholder additionally filed an action for determination that a shareholders' resolution has been adopted regarding the motion to vote out the chairman of the general meeting. A trial date has been set for 20 October 2015. Porsche SE considers the action to be partially inadmissible and in any event to be without merit.

Furthermore, the same shareholder claims a right to information against Porsche SE before the Regional Court of Stuttgart. With this motion, the disclosure of questions asked at the annual general meeting in 27 May 2014 is demanded. A trial date has been set for 20 October 2015. Porsche SE considers the motion to be without merit.

Investigations and criminal proceedings

In December 2012, the Stuttgart public prosecutor brought charges against the former members of the executive board Dr. Wendelin Wiedeking and Holger P. Härter with the chamber of the Regional Court of Stuttgart responsible for economic offenses on suspicion of information-based manipulation of the market in Volkswagen shares. They are held responsible for false declarations made in public statements of the company at their instigation in 2008 relating to the acquisition of the shareholding in Volkswagen AG. In five statements made in the period from 10 March 2008 to 2 October 2008, Porsche SE is alleged to have denied any intention to step up its investment to 75% of the voting capital despite already planning to do so at the time. In its charges, the public prosecutor assumes, that by February 2008 at the latest, it was already the intent of the accused former members of the executive board to increase Porsche SE's investment in Volkswagen AG to 75% of the voting capital before the end of the first quarter of 2009 in preparation for a control and profit and loss transfer agreement. Porsche SE's denials covered by the charges are alleged to have had an actual impact on the stock market price of Volkswagen ordinary shares. This is alleged to have led specific investors to sell Volkswagen ordinary shares that they already held and to sell short Volkswagen ordinary shares. The Regional Court of Stuttgart dismissed the opening of the main proceedings on 24 April 2014. Following the Stuttgart public prosecutor's appeal, this decision of the Regional Court of Stuttgart was annulled by the Higher Regional Court of Stuttgart on 18 August 2014 and the main proceedings were opened. This decision was final. By decision dated 29 April 2015, the Regional Court of Stuttgart followed a request of the public prosecutor and ordered the participation of Porsche SE as a secondary party with respect to the imposition of a fine in accordance with Sec. 30 German Act against Regulatory Offenses (OWiG). In this context the Stuttgart prosecutor noted that it currently does not assume that Porsche SE obtained an economic benefit from the alleged criminal offenses (five statements made between 10 March 2008 and 2 October 2008) that could be confiscated.

By indictment dated 10 June 2015, the Stuttgart public prosecutor brought further charges against the former executive board members Dr. Wendelin Wiedeking and Holger P. Härter concerning the press release by Porsche SE of 26 October 2008. The public prosecutor raises the accusation that the press release had been misleading because it suggested that in the future there would only be just a few Volkswagen ordinary shares available in the market, thus generating the false impression of a long-term narrow market. Furthermore the public prosecutor raises the accusation that the press release contained a recommendation to short sellers of Volkswagen ordinary shares to purchase Volkswagen ordinary shares under pretense of alleged altruism and concealment of alleged selfish motives. It is further alleged that the press release was capable of influencing the stock market price of Volkswagen shares and actually did so as well. By decision dated 3 July 2015 the Regional Court of Stuttgart accepted this indictment for trial. Additionally the Regional Court of Stuttgart followed a request of the Stuttgart public prosecutor and ordered again the participation of Porsche SE as a secondary party with respect to the imposition of a fine in accordance with Sec. 30 OWiG. In case of conviction of the former members of the executive board Dr. Wendelin Wiedeking and Holger P. Härter, the Regional Court of Stuttgart could impose a fine in accordance with Sec. 30 OWiG against Porsche SE. A possible economic benefit obtained by Porsche SE from the alleged criminal offense of the former members of the executive board could also be confiscated. The amount of the economic benefit that may be confiscated will be determined in the course of the main hearing. The public prosecutor stated in the indictment as one (however not quantified) economic benefit that Porsche SE allegedly saved to provide additional securities. In addition the public prosecutor asserted in the indictment an economic benefit in the amount of around €381 million that Porsche SE allegedly obtained from the alleged sale of Volkswagen ordinary shares on 30 October 2008. According to the Regional Court of Stuttgart these proceedings were consolidated for joint hearing with the criminal proceedings already pending concerning five allegedly false statements between 10 March 2008 and 2 October 2008 because of reasons of procedural economy as well as because of the personal and thematic overlap. According to a statement of the Regional Court of Stuttgart, the main hearings are now to be held in the fall of 2015. The dates for the main hearings determined prior to the additional indictment of 10 June 2015 being brought were rescinded. Porsche SE considers the allegations made by the Stuttgart public prosecutor to be without merit and therefore does not see the possibility of a confiscation.

In February 2013, it became known that the Stuttgart public prosecutor launched investigations against all members of the supervisory board of Porsche SE from 2008 and a former employee with the allegation of jointly aiding and abetting violation of the prohibition on market manipulation by omission as charged against Dr. Wendelin Wiedeking and Holger P. Härter in the indictment of 17 December 2012. The investigations have not yet been closed.

Porsche SE considers all allegations made in the aforementioned investigations and criminal proceedings to be without merit.

[21] Related parties

In accordance with IAS 24, persons or entities which are in control of or controlled by the Porsche SE must be disclosed. Pursuant to a consortium agreement, the Porsche and Piëch families have direct and indirect control, respectively, of the Porsche SE.

There were no transactions between the Porsche SE Group and the Porsche and Piëch families and their affiliates in either the first half of the fiscal year 2015 or the comparative period.

The disclosure requirements under IAS 24 also extend to persons who have the power to exercise significant influence over the entity, i.e., who have the power to participate in the financial and operating policies of the entity, but do not control it. In the first half of the fiscal year 2015 and in the comparative period, this concerns members of the supervisory board and the executive board of Porsche SE as well as their close family members. No transactions requiring disclosure were conducted by entities of the Porsche SE Group with members of the supervisory board or executive board as key management personnel and their close family members or with any other entities having these persons on their executive or supervisory board and over which Porsche SE has no significant influence or does not exercise joint control.

The disclosure requirements pursuant to IAS 24 also include persons and entities over which the Porsche SE Group can exercise a significant influence.

In the first half of 2015 and the comparative period, Porsche SE exercised significant influence over the Volkswagen Group. In addition, it has exercised significant influence over the INRIX Group since 3 September 2014.

All relationships to the respective parent companies and subsidiaries of both of these groups are presented. Supplies and services rendered include the dividend received from Volkswagen AG of €719 million (first half of 2014: €599 million). Direct obligations resulting from the contribution of the holding business operations of Porsche SE to Volkswagen AG in the fiscal year 2012 are reported within liabilities at an amount of €12 million (31 December 2014: €12 million).

In addition, revenue totaling €2 million (first half of 2014: €3 million) from financial services is included in financial revenue; this was counterbalanced by finance costs of €10 million (first half of 2014: €10 million). Liabilities of €303 million are attributable to financing activities (31 December 2014: €303 million).

In addition, there were relationships in the services sector in the first half of the fiscal year 2015 that led to the recognition of goods and services received totaling €2 million (first half of 2014: €4 million). Liabilities in connection with this relationship came to €7 million (31 December 2014: €7 million).

Related parties

€ million	Supplies and services rendered **1st half of 2015**	 1st half of 2014	Supplies and services received **1st half of 2015**	 1st half of 2014
Associates and their majority shareholdings	721	602	12	14
	721	**602**	**12**	**14**

€ million	Receivables **30/6/2015**	 31/12/2014	Liabilities **30/6/2015**	 31/12/2014
Associates and their majority shareholdings	0	0	322	323
	0	**0**	**322**	**323**

[22] Subsequent events

Through its 50% interest in the joint venture Global Mobility Holding B.V., Amsterdam (“Global Mobility Holding”), the Netherlands, the Volkswagen Group holds a 50% indirect stake in the joint venture’s subsidiary, LeasePlan Corporation N.V., Amsterdam, the Netherlands (“LeasePlan Corporation”). On 23 July 2015, Global Mobility Holding sold its 100% interest in LeasePlan Corporation to a consortium of international investors. The legal transfer of the shares is subject to the condition precedent that the necessary official approvals are issued during the further course of the sale. The Volkswagen Group assumes that the approvals will be issued in the second half of 2015 and that the transaction can be completed. The total value of the transaction is approximately €3.7 billion. It is expected that a gain in the low triple-digit millions of euros will be reported in the Volkswagen Group’s financial result. At the level of the Porsche SE Group, this gives rise to corresponding income equivalent to the amount of Porsche SE’s share in capital of Volkswagen AG, taking into account effects from purchase price allocations, in the profit/loss from investments accounted for at equity.

Otherwise, with the exception of the developments relating to litigation presented in Note [20], there were no other reportable events after 30 June 2015.

Stuttgart, 30 July 2015

Porsche Automobil Holding SE

The executive board

Prof. Dr. Martin Winterkorn Matthias Müller Hans Dieter Pötsch Philipp von Hagen

Review report

We have reviewed the interim condensed consolidated financial statements, prepared by Porsche Automobil Holding SE, Stuttgart, comprising the income statement, the statement of comprehensive income, the balance sheet, the statement of cash flows, the statement of changes in equity and selected explanatory notes to the financial statements, and the interim group management report for the period from 1 January to 30 June 2015, which are part of the six-monthly financial report pursuant to Sec. 37w WpHG [“Wertpapierhandelsgesetz”: German Securities Trading Act]. The preparation of the interim condensed consolidated financial statements in accordance with IFRSs on interim financial reporting as adopted by the EU and of the interim group management report in accordance with the requirements of the WpHG applicable to interim management reports is the responsibility of the company’s management. Our responsibility is to issue a report on the interim condensed consolidated financial statements and the interim group management report based on our review.

We conducted our review of the interim condensed consolidated financial statements and 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 to obtain a certain level of assurance in our critical appraisal to preclude that the interim condensed consolidated financial statements have not been prepared, in all material respects, in accordance with IFRSs on 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 WpHG applicable to interim management reports. A review is limited primarily to making inquiries of company personnel and applying analytical procedures and thus does not provide the assurance that we would obtain from an audit of financial statements. In accordance with our engagement, we have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements have not been prepared, in all material respects, in accordance with IFRSs for 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 requirements of the WpHG applicable to interim management reports.

Stuttgart, 30 July 2015

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Prof. Dr. Wollmert	Matischiok
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Responsibility statement

To the best of our knowledge and in accordance with the applicable reporting principles for interim financial reporting, the interim condensed consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group in accordance with the German accepted accounting principles, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the material opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Stuttgart, 30 July 2015

Porsche Automobil Holding SE

The executive board

Prof. Dr. Martin Winterkorn Matthias Müller Hans Dieter Pötsch Philipp von Hagen

This half-yearly financial report is available in German and English. In case of doubt the German version is binding.

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