



Volkswagen AG Pre-Close Call FY 2024

January 22, 2025

Disclaimer

The following presentations as well as remarks/comments and explanations in this context contain forward-looking statements on the business development of the Volkswagen Group. These statements are based on assumptions relating to the development of the economic, political and legal environment in individual countries, economic regions and markets, and in particular for the automotive industry, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. The estimates given entail a degree of risk, and actual developments may differ from those forecast. All figures are rounded, so minor discrepancies may arise from addition of these amounts.

At the time of preparing these presentations, it is not yet possible to conclusively assess the specific effects of the latest developments in the Russia-Ukraine conflict on the Volkswagen Group's business, nor is it possible to predict with sufficient certainty to what extent further escalation of the Russia-Ukraine conflict will impact on the global economy and growth in the industry in fiscal year 2024.

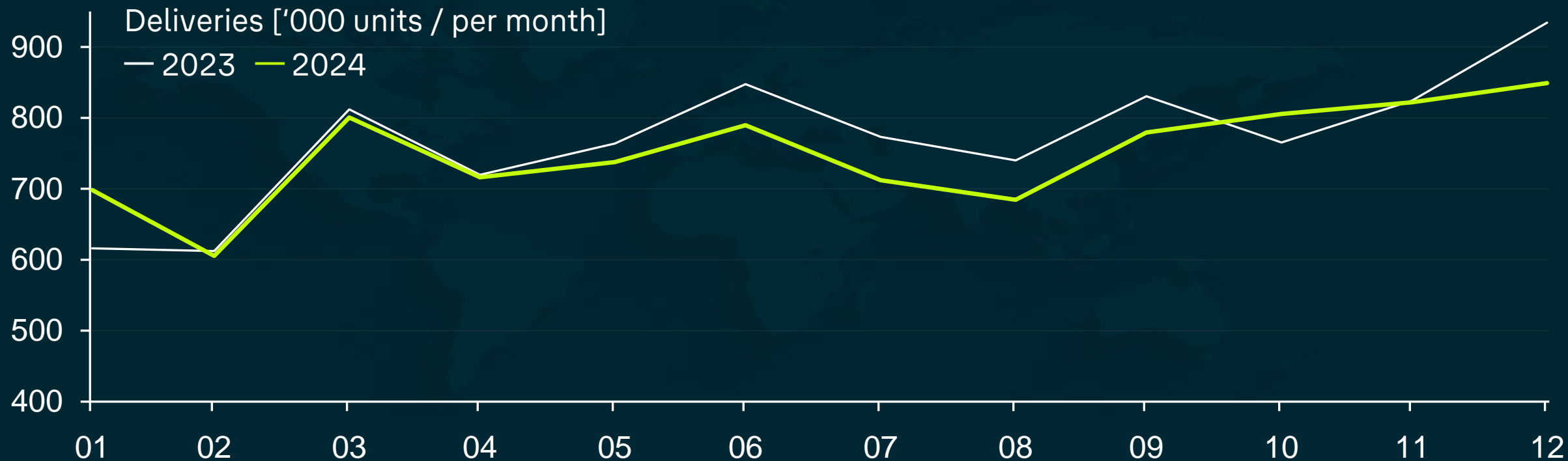
Any changes in significant parameters relating to our key sales markets, or any significant shifts in exchange rates, energy and other commodities or the supply with parts relevant to the Volkswagen Group will have a corresponding effect on the development of our business. In addition, there may also be departures from our expected business development if the assessments of the factors influencing sustainable value enhancement and of risks and opportunities presented develop in a way other than we are currently expecting, or if additional risks and opportunities or other factors emerge that affect the development of our business.

We do not update forward-looking statements retrospectively. Such statements are valid on the date of publication and can be superseded.

This information does not constitute an offer to exchange or sell or an offer to exchange or buy any securities.

Volkswagen Group Deliveries

Q4 deliveries almost on prior-year level, BEV ratio sequentially increased to ca. 10% in Q4 24



Deliveries at 9.0mn in
FY24, Q4 at 2.5mn units

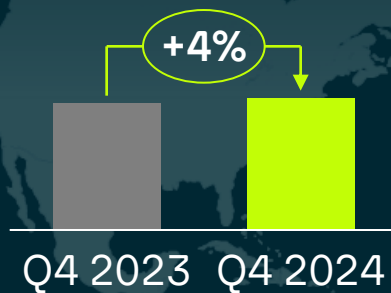
BEV deliveries at 745k units
(-3% YoY); share stable at 8.3%

Worldwide **passenger car**
SoM sustained at ~11%

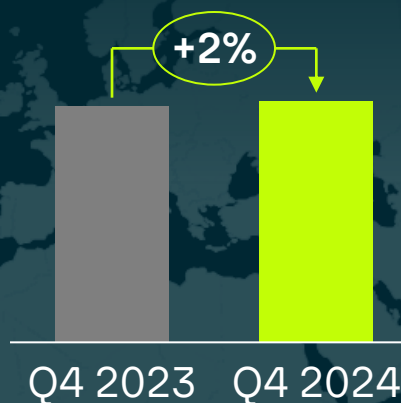
Volkswagen Group Q4 2024 Deliveries by Regions

Growth in Europe, NAR and SA offset by lower volumes in China (Q4 globally -1%)

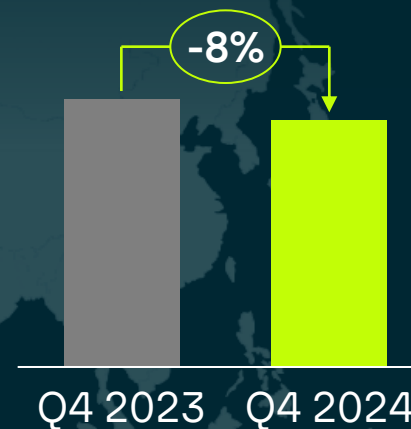
North America



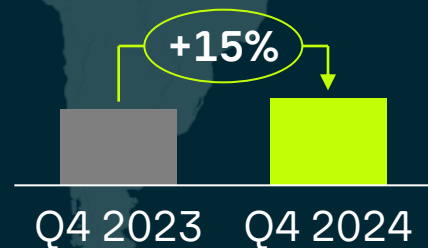
Europe



China



South America



Volkswagen Group Highlights 2024



**STRONG
BRANDS**

Greatest product renewal across brands in our history successfully executed & on-going



New "In China for China" strategy presented at China CMD and already in implementation



Successful launch of the PPE and the E³ 1.2: First vehicles: Porsche Macan electric and Audi Q6 e-tron



North America strategy progresses including world premiere of first Scout vehicles (Terra and Traveler)



**RIVIAN | VOLKSWAGEN GROUP
TECHNOLOGIES**

Software strategy realigned – smarter, faster and leaner; launch of first vehicles with JV technology envisaged for 2027



Agreement reached: Volkswagen AG positions itself competitively for the future

Agreement reached: Volkswagen AG¹ positions itself competitively for the future



Wage increase **suspended²**
until 2030; German **Workforce**
to be reduced by >35k

Competitiveness to be enhanced
substantially by reducing **German**
technical capacity by >730k vehicles

Short-term cost **effect** of
net **€1.5 bn p.a.**; **mid-term**
cost **effect** of net **€4 bn p.a.**

1. Including Volkswagen Passenger Car brand, Volkswagen Commercial Vehicles and Volkswagen Group Components, including Volkswagen Sachsen and Volkswagen Osnabrueck | 2. Suspension of wage increase of in total 5.5% and one-time payment of 600€ until 2030; continued suspension of increase in 2027-30 to financially support socially acceptable reduction of workforce until 2030; possible wage increases resulting from the 2027 et seq rounds of wage negotiations will be partly used to align individual compensations to to be defined benchmarks

Volkswagen AG¹ positions itself competitively for the future



1. Including Volkswagen Passenger Car brand, Volkswagen Commercial Vehicles and Volkswagen Group Components, including Volkswagen Sachsen and Volkswagen Osnabrueck | 2. Incl. Audi and Porsche locations | 3. Resulting in particular from short-term reduction in labor costs as well as the agreed capacity and workforce reduction until 2030 | 4. German workforce comprising locations of Volkswagen Passenger Car brand, Volkswagen Commercial Vehicles and Volkswagen Group Components, including Volkswagen Sachsen and Volkswagen Osnabrueck

Volkswagen Group

Outlook for FY 2024

	Actual FY/2023	YTD 9M/2024	Outlook FY/2024 updated on Sept 27, 2024
Sales Revenue	€ 322.3bn	€ 237.3bn	around € 320bn
Operating Margin / Result	7.0%	5.4%	around € 18bn (corresponding to ~5.6%)
Automotive Investment Ratio ¹	13.5%	13.6%	13.5% to 14.5%
Automotive Reported Net Cash Flow	€ 10.7bn	€ 3.3bn	around € 2bn ²
Automotive Net Liquidity	€ 40.3bn	€ 34.4bn	€ 36bn to € 37bn

Solid Q4 expected driven by **higher volume** and **mix**

No significant impact on FY 2024 expected **from VW AG agreement**

Non-recurring expenses³ of € 2.6bn considered

Three changes in results disclosure starting Q1 2025

1

Segment Reporting

€ million	Passenger Cars and Light Commercial Vehicles	Commercial Vehicles	Power Engineering	Financial Services	Total segments	Reconciliation	Volkswagen Group
Sales revenue	245,680	45,731	4,044	54,128	349,584	-27,300	322,284
Segment profit or loss (operating result)	19,474	3,714	366	3,792	27,345	-4,769	22,576
as a percentage of sales revenue	7.9	8.1	9.0	7.0			7.0
Capex, including capitalized development costs	22,636	2,205	134	282	25,257	538	25,795

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Analysis by Brand and Business Field

Thousand vehicles/€ million	VEHICLE SALES		SALES REVENUE		OPERATING RESULT	
	2023	2022	2023	2022 ¹	2023	2022 ¹
Core brand group	4,826	4,069	137,770	113,762	7,273	4,045
Progressive brand group	1,282	1,070	69,865	61,753	6,280	7,622
Sport Luxury brand group ²	334	314	37,349	34,599	6,938	6,425
CARIAD	-	-	1,078	796	-2,392	-2,068
Battery	-	-	31	0	-417	-121
TRATON Commercial Vehicles	339	306	45,731	39,516	3,715	1,583
MAN Energy Solutions	-	-	4,044	3,565	369	284
Equity-accounted companies in China ³	3,065	3,122	-	-	-	-
Volkswagen Financial Services	-	-	50,765	43,953	3,253	5,584
Other ⁴	-484	-400	-24,350	-18,895	-2,445	-845
Volkswagen Group before special items	-	-	-	-	22,576	22,509
Special items	-	-	-	-	0	-399
Volkswagen Group	9,362	8,481	322,284	279,050	22,576	22,109

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Financial Statements by Division

€ million	VOLKSWAGEN GROUP		AUTOMOTIVE ¹		FINANCIAL SERVICES	
	2023	2022 ¹	2023	2022 ¹	2023	2022 ¹
Sales revenue	322,284	279,050	268,156	232,392	54,128	46,657
Cost of sales	-261,262	-226,866	-214,996	-189,572	-46,266	-37,294
Gross profit	61,022	52,184	53,160	42,820	7,862	9,363
Distribution expenses	-21,340	-19,840	-20,308	-18,794	-1,032	-1,046
Administrative expenses	-12,724	-11,655	-10,007	-9,074	-2,717	-2,582
Net other operating result	-4,382	1,421	-4,061	1,518	-321	-97
Operating result	22,576	22,109	18,784	16,471	3,792	5,638
Operating return on sales (%)	7.0	7.9	7.0	7.1	7.0	12.1
Share of profits and losses of equity-accounted investments	2,291	2,403	2,236	2,287	55	116
Interest result and Other financial result	-1,673	-2,442	-1,602	-2,283	-71	-159
Financial result	618	-40	635	3	-17	-43
Earnings before tax	23,194	22,070	19,419	16,474	3,775	5,595
Income tax expense	-5,266	-6,217	-4,182	-4,249	-1,084	-1,969
Earnings after tax	17,928	15,852	15,236	12,226	2,692	3,627
Noncontrolling interests	1,329	395	1,209	270	120	125
Earnings attributable to Volkswagen AG hybrid capital investors	586	576	586	576	0	0
Earnings attributable to Volkswagen AG shareholders	16,013	14,881	13,442	11,380	2,572	3,502

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Changes to the segment reporting starting Q1 2025

- **Number of reporting segments reduced:**
 - Power engineering (PE) omitted as a separate reporting segment
 - Guidance for the segment PE will be discontinued
 - PE included in "Other operative entities" from Q1 2025 onwards
 - "Other operative entities" to include PE, Autostadt, VW Kraftwerk and other smaller non-core entities
 - **Results of Operations, Financial Position and Net Assets:**
 - Aligned to the adjusted segment reporting
-

Segment reporting: old vs new shown for FY23

Power engineering segment to be moved to "Other operative entities"¹

Old

<i>in bn EUR</i>	Passenger cars and light comm. vehicles	Comm. vehicles	Financial Services	Power Engineering	Total segments	Reconciliation	Group
Sales revenue	245,680	45,731	54,128	4,044	349,584	-27,300	322,284
Operating results	19,474	3,714	3,792	366	27,345	-4,769	22,576
RoS (in %)	7.9	8.1	7.0	9.0	7.8	17.5	7.0
Capex incl. capitalized R&D	22,636	2,205	282	134	25,257	538	25,795

New

<i>in bn EUR</i>	Passenger cars and light comm. vehicles	Comm. vehicles	Financial Services	Total reporting segments	Other operative entities	Reconciliation	Group
Sales revenue	245,680	45,731	54,128	345,539	5,643	-28,899	322,284
Operating results	19,474	3,714	3,792	26,980	480	-4,884	22,576
RoS (in %)	7.9	8.1	7.0	7.8	8.5	16.9	7.0
Capex incl. capitalized R&D	22,636	2,205	282	25,123	-33	705	25,795

1. New column (red box) contains MAN Energy Solution/Power Engineering and VW Kraftwerk, Autostadt as well as other smaller non-core entities

Changes in brand and business field analysis starting Q1 2025

Streamlined structure of the management report

Old

Automotive Division

Passenger cars business area

- VW PC
- Škoda
- SEAT/CUPRA
- VW CV
- Tech. components
- Audi
- Porsche
- CARIAD
- Battery
- Other

CV business area

- TRATON Commercial vehicles

PE business area

- MAN Energy Solution (PE)

FS Division

- Dealer and customer financing
- Leasing
- Direct bank
- Insurance
- Fleet management
- Mobility services

New

Automotive Division

- **Brand Group Core**
VW PC, Škoda, SEAT/CUPRA, VW CV & Tech. components
- **Brand Group Progressive**
(Audi, Lamborghini, Bentley & Ducati)
- **Brand Group Sport Luxury**
(Porsche)
- **Cariad**
- **Battery**
- **TRATON**
- **Other**

FS Division

- **Volkswagen Group Mobility**
- **Others**

Brand and business field analysis: old vs new shown for FY23

MAN Energy Solutions segment moved into other line

Old

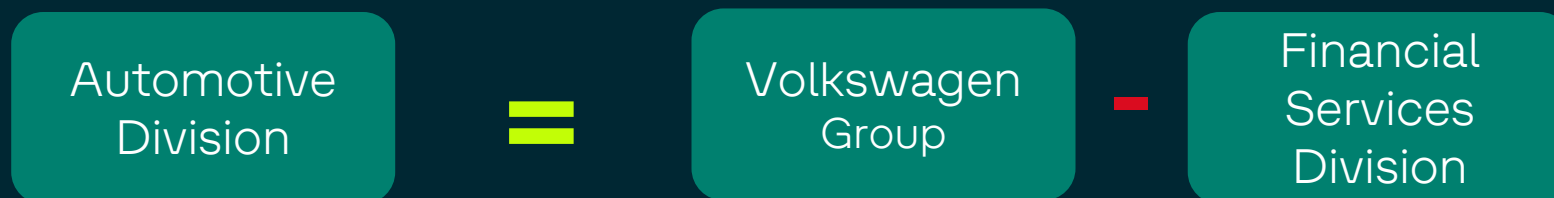
In EUR mn	Sales Revenue	Operating Result	RoS (in %)
BG Core	137,770	7,273	5.3
BG Progressive	69,865	6,280	9.0
BG Sport Luxury	37,349	6,938	18.6
CARIAD	1,078	-2,392	-
Battery	31	-417	-
TRATON	45,731	3,715	8.1
MAN Energy Solutions (PE)	4,044	369	9.1
Group Mobility	50,765	3,253	6.4
Others	-24,350	-2,445	-
Group	-	22,576	-

New

In EUR mn	Sales Revenue	Operating Result	RoS (in %)
BG Core	137,770	7,273	5.3
BG Progressive	69,865	6,280	9.0
BG Sport Luxury	37,349	6,938	18.6
CARIAD	1,078	-2,392	-
Battery	31	-417	-
TRATON	45,731	3,715	8.1
Group Mobility	50,765	3,253	6.4
Others	-20,306	-2,076	-
Group	-	22,576	-

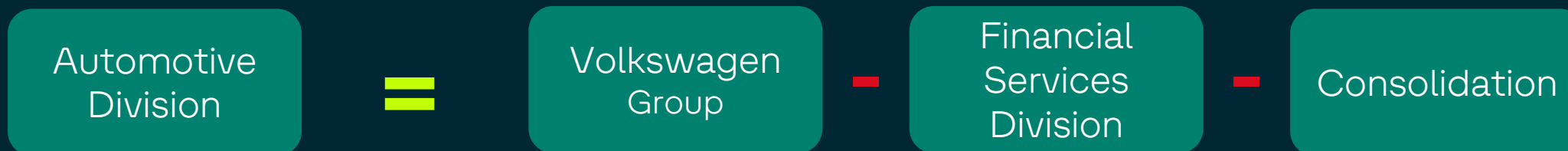
Divisional financial reporting then and now

Until 2024



Automotive Division incl. consolidation effects of intersegment business with FS

Starting Q1 2025



Divisional financial reporting







Automotive Division performance and intersegment dynamics with enhanced transparency

Rationale

- Intersegment business grew strongly between Automotive and Financial Services¹
- Therefore, consolidation effects have grown substantially
- Significance of those consolidation effects requires introduction of consolidation line

Expected implications *(illustrative)*

KB Auto

Revenues (€ bn)		up
Operating result (€ bn)		slightly up
RoS (in %)		moderately down
Auto NCF (€ bn)		slightly up
Auto NIL (€ bn)		moderately down
Invest ratio (in %)		moderately down

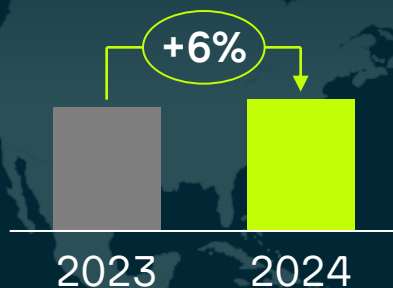
1. Addressing financing activities, buybacks, vehicle sales of Automotive division to Financial Services

VOLKSWAGEN GROUP

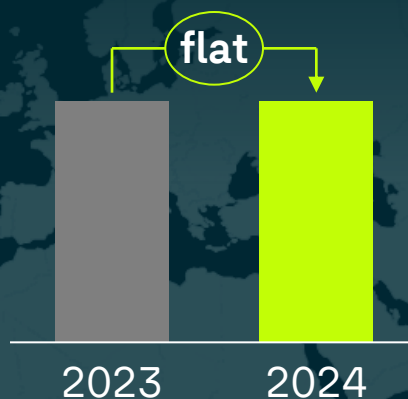
Volkswagen Group Deliveries by Regions

Continued growth in North & South America, flat volumes in Europe and lower volumes in China

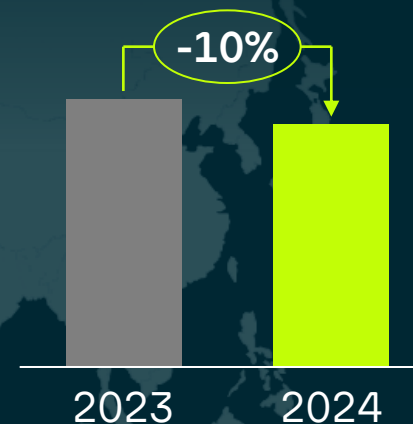
North America



Europe



China



South America

