

**VOLKSWAGEN**

AKTIENGESELLSCHAFT



**Interim Report**  
**January – September 2016**  
**Conference Call and Webcast**  
**27 October 2016**

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The following presentations contain forward-looking statements and information on the business development of the Volkswagen Group. These statements may be spoken or written and can be recognized by terms such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “will” or words with similar meaning. These statements are based on assumptions relating to the development of the economies of individual countries, and in particular of 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 involve a degree of risk, and the actual developments may differ from those forecast.

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## Conference Call: January – September 2016



**Frank Witter**

Member of the Board of  
Management, Volkswagen AG  
Finance and Controlling



**Fred Kappler**

Head of Group Sales  
Volkswagen AG

## Financial Highlights January – September 2016

Solid performance over the first three quarters of 2016

Sales Revenue on level of prior year, despite exchange rate headwind

Operating Profit before Special Items improved

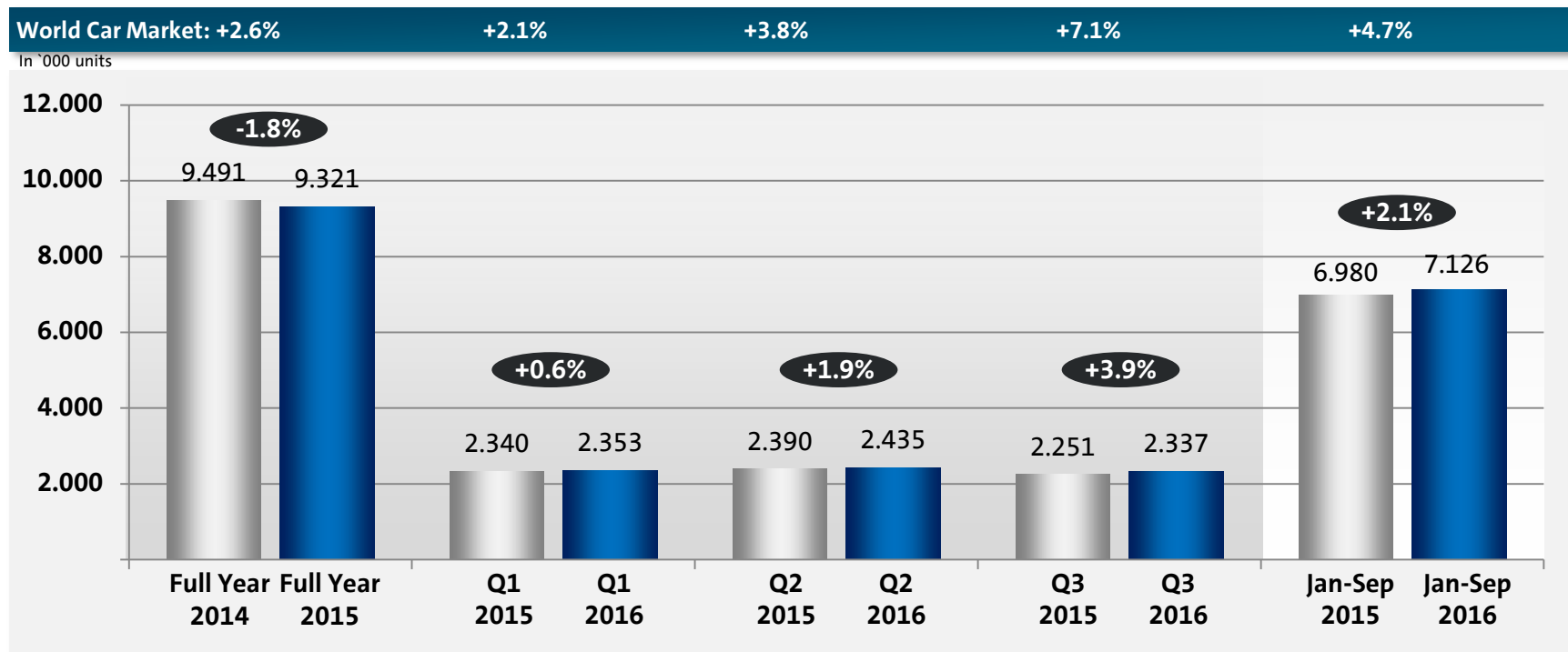
Special Items increased slightly in the third quarter

Financial result impacted by negative valuation of derivatives and lower at-equity result

Automotive net liquidity further increased

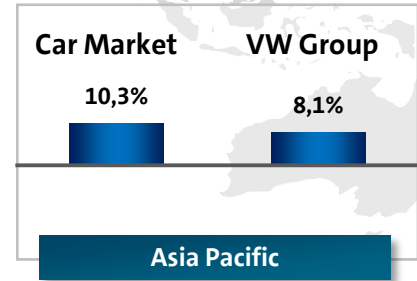
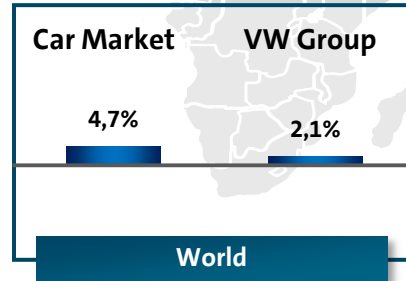
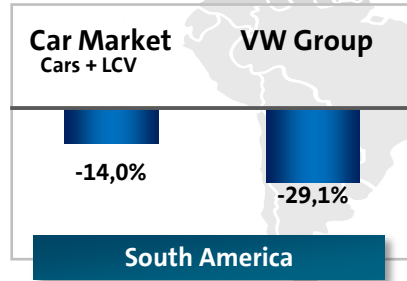
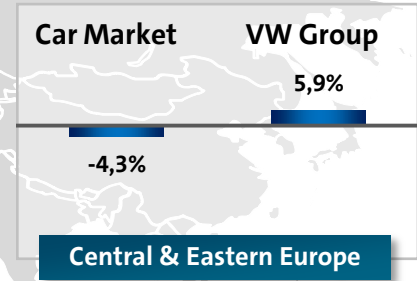
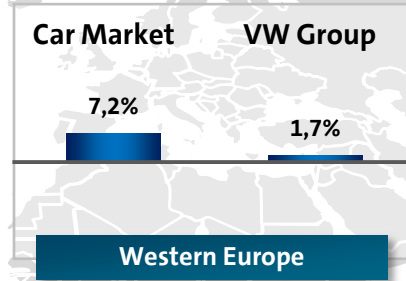
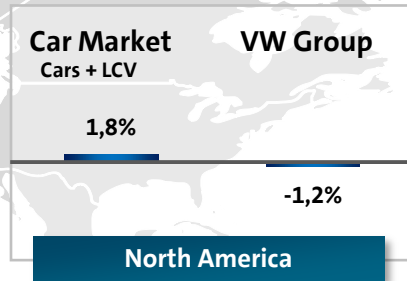
## Development Volkswagen Group Car Deliveries to Customers<sup>1)</sup>

(in comparison to previous year)



<sup>1)</sup> Figures excl. Volkswagen Commercial Vehicles, Scania and MAN.

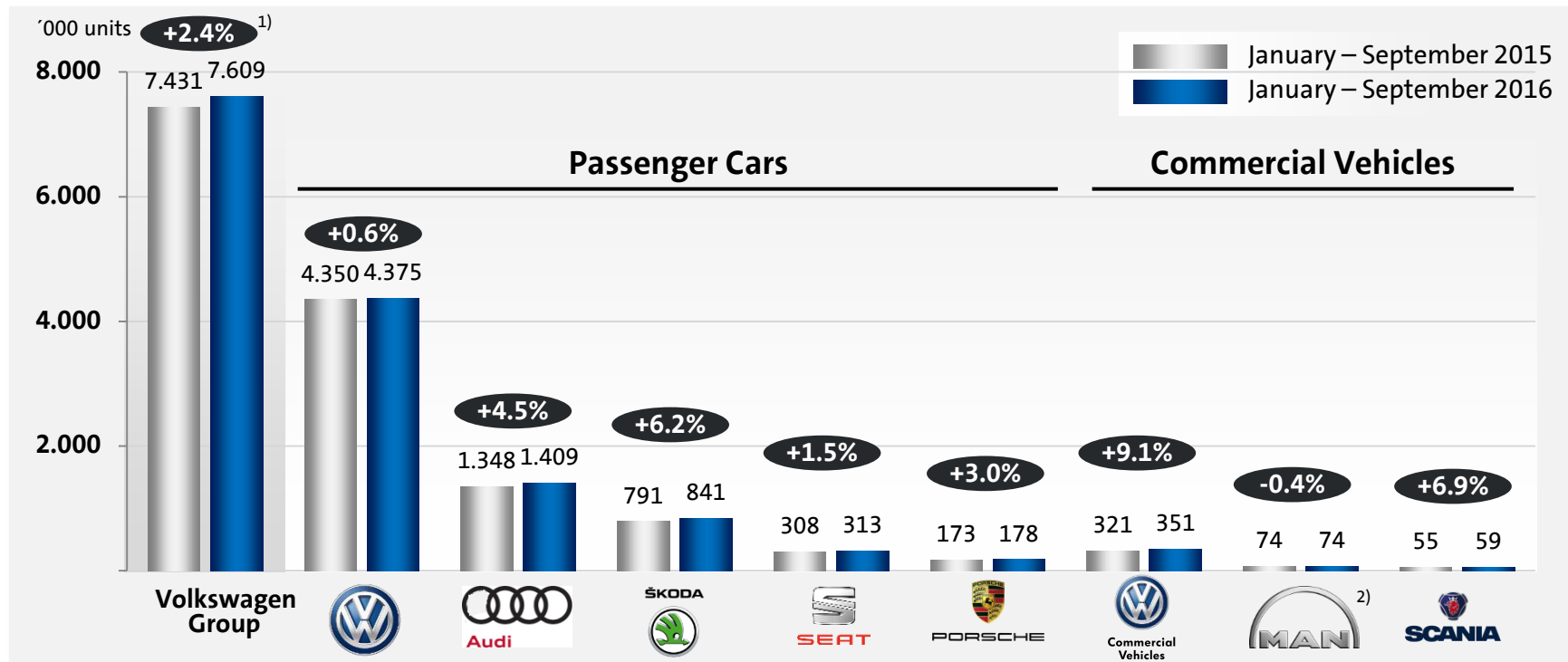
## Development World Car Market vs. Volkswagen Group Car Deliveries to Customers<sup>1)</sup> (Growth y-o-y in deliveries to customers, January to September 2016 vs. 2015)



<sup>1)</sup> Figures excl. Volkswagen Commercial Vehicles, Scania and MAN.

## Volkswagen Group – Deliveries to Customers by Brands

(January to September 2016 vs. 2015)



<sup>1)</sup> Incl. all brands of Volkswagen Group (Passenger Cars and Commercial Vehicles); +2.1% excl. Volkswagen Commercial Vehicles, Scania and MAN.

<sup>2)</sup> MAN incl. MAN Latin America Trucks and Busses GVW > 5t

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**Volkswagen Phideon (China)**



**Audi Q2**



**ŠKODA KODIAQ**



**Porsche Panamera 4 E Hybrid**



## Volkswagen Group – Key Financial Figures<sup>1)</sup>

(January to September 2016 vs. 2015)

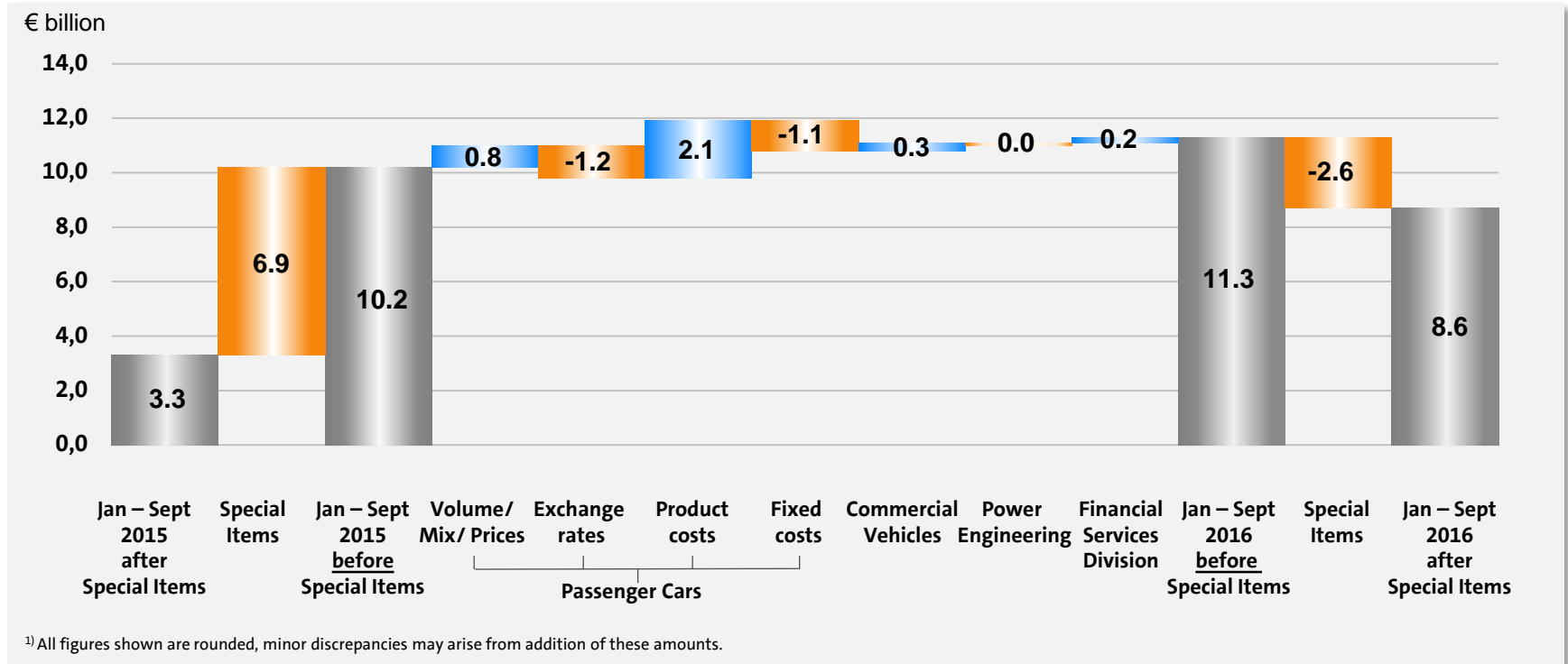
thousand vehicles / € million	2016	2015	+/- (%)
Vehicle Sales <sup>2)</sup>	7,653	7,440	+2.9
Sales revenue	159,932	160,263	-0.2
Operating profit before Special Items	11,267	10,197	+10.5
<i>% of sales revenue</i>	7.0	6.4	
Operating profit	8,647	3,342	x
<i>% of sales revenue</i>	5.4	2.1	
Financial result	-488	1,800	x
of which: At-equity result <sup>2)</sup>	2,627	3,128	-16.0
of which: Other financial result	-3,116	-1,327	x
Profit before tax	8,159	5,142	+58.7
<i>% Return on sales before tax</i>	5.1	3.2	
Profit after tax	5,915	3,990	+48.2

<sup>1)</sup> All figures shown are rounded, so minor discrepancies may arise from addition of these amounts. Including allocation of consolidation adjustments between the Automotive and Financial Services divisions.

<sup>2)</sup> Volume data including the unconsolidated Chinese joint ventures. The joint venture companies in China are accounted for using the equity method and recorded an operating profit (proportionate) of €3,594 million (€3,777 million).

# Volkswagen Group – Analysis of Operating Profit<sup>1)</sup>

(January to September 2016 vs. 2015)



# Volkswagen Group – Analysis by Business Line<sup>1)</sup>

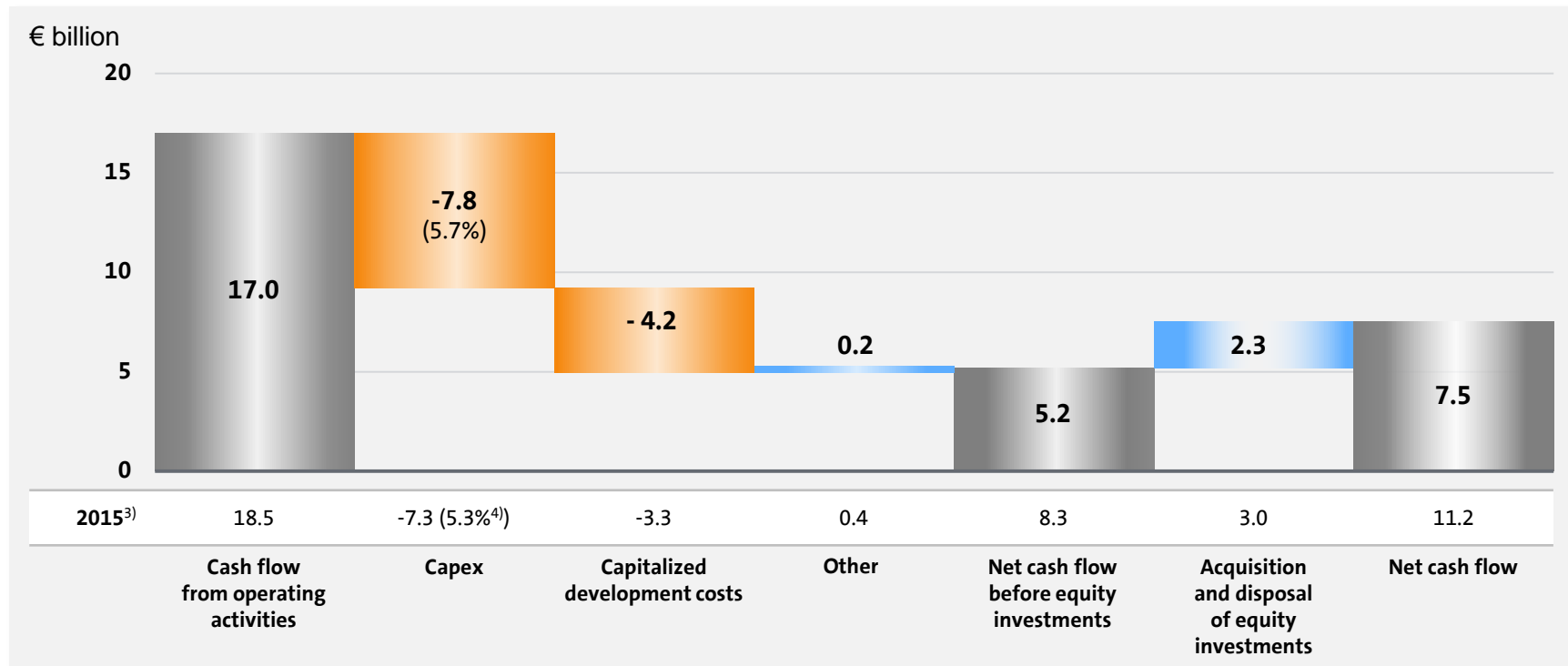
(January to September 2016 vs. 2015)

thousand vehicles/ € million	Vehicle sales		Sales revenue		Operating profit	
	2016	2015	2016	2015	2016	2015
Volkswagen Passenger Cars	3,234	3,343	77,725	79,972	1,244	2,229
Audi	1,166	1,158	44,017	43,695	3,918	4,024
ŠKODA	606	605	10,113	9,280	940	734
SEAT	400	404	6,535	6,388	137	12
Bentley	8	7	1,411	1,364	54	57
Porsche <sup>2)</sup>	177	169	16,470	16,471	2,858	2,546
Volkswagen Commercial Vehicles	342	335	8,045	7,537	392	313
Scania <sup>2)</sup>	60	56	8,272	7,686	802	748
MAN Commercial Vehicles	74	74	7,213	7,247	204	52
MAN Power Engineering	-	-	2,567	2,756	176	227
VW China <sup>3)</sup>	2,803	2,492	-	-	-	-
Other	-1,217	-1,204	-42,771	-41,538	-993 <sup>4)</sup>	-2,126 <sup>4)</sup>
Volkswagen Financial Services	-	-	20,337	19,403	1,534	1,381
<b>Volkswagen Group before Special Items</b>	-	-	-	-	<b>11,267</b>	<b>10,197</b>
Special Items	-	-	-	-	-2,620	-6,855
<b>Volkswagen Group</b>	<b>7,653</b>	<b>7,440</b>	<b>159,932</b>	<b>160,263</b>	<b>8,647</b>	<b>3,342</b>
Automotive Division <sup>5)</sup>	7,653	7,440	136,889	138,302	6,841	1,726
of which: Passenger Cars	7,178	6,974	111,044	113,325	6,359	1,203
of which: Commercial Vehicles	475	466	23,278	22,221	491	489
of which: Power Engineering	-	-	2,567	2,756	-9	34
Financial Services Division	-	-	23,042	21,961	1,806	1,615

<sup>1)</sup> All figures shown are rounded, minor discrepancies may arise from addition of these amounts. <sup>2)</sup> Incl. financial services. <sup>3)</sup> Sales revenue and operating profit of the JV's in China are not included in the Group figures. The Chinese companies are accounted for using the equity method and recorded an operating profit (proportionate) of € 3,594 million (€3,777 million). <sup>4)</sup> Mainly intragroup items, in particular from elimination of intercompany profits; incl. depreciation and amortization of identifiable assets as part of the PPA for Scania, Porsche Holding Salzburg, MAN and Porsche. <sup>5)</sup> Including allocation of consolidation adjustments between Automotive and Financial Services divisions.

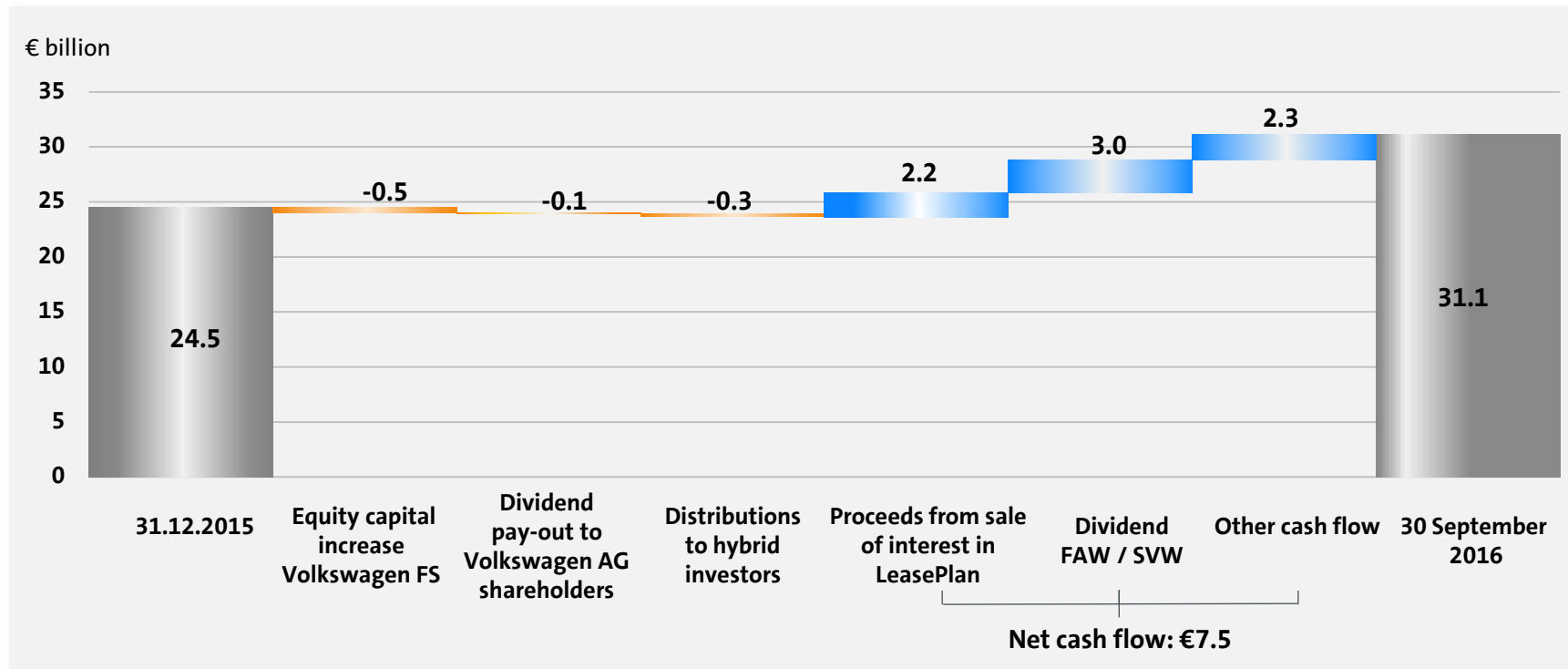
## Automotive Division – Strong Cash Generation<sup>1) 2)</sup>

(January to September 2016)



<sup>1)</sup> All figures shown are rounded, minor discrepancies may arise from addition of these amounts. <sup>2)</sup> Including allocation of consolidation adjustments between Automotive and Financial Services divisions. <sup>3)</sup> prior-year figures adjusted <sup>4)</sup> Capital expenditure for property, plant and equipment in % of Automotive sales revenue.

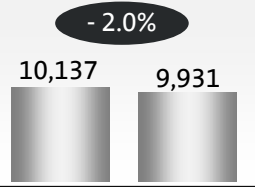
## Automotive Division – Analysis of Net Liquidity<sup>1)</sup>



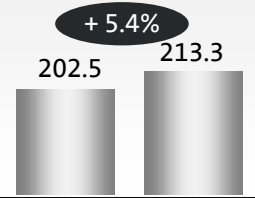
<sup>1)</sup> All figures shown are rounded, minor discrepancies may arise from addition of these amounts.

# Volkswagen Group – Outlook for 2016

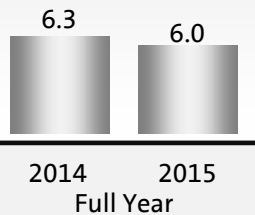
**Deliveries to customers**  
(‘000 vehicles)



**Sales revenue**  
(€ billion)



**Operating return on sales**  
(before Special Items)  
(%)



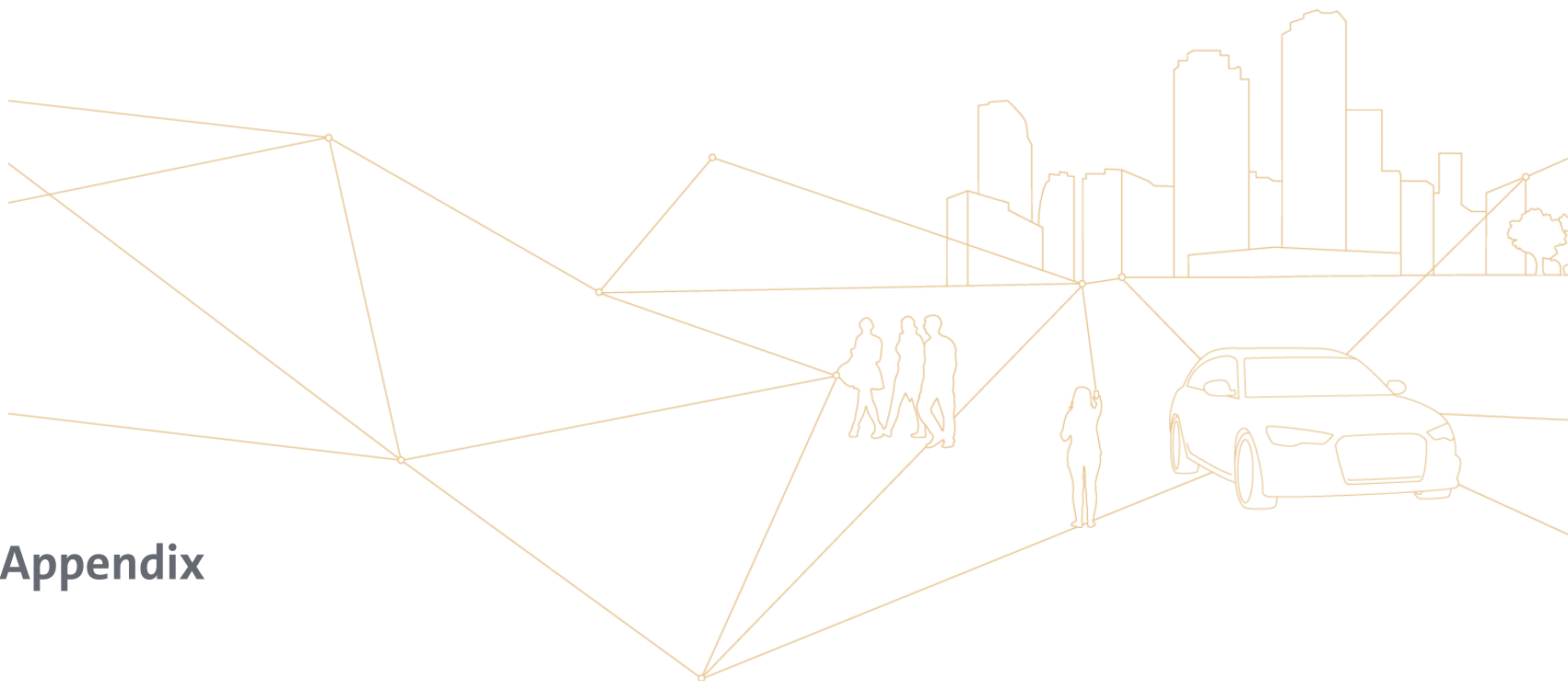
**Deliveries to customers**  
slightly above prior year



**Sales revenue**  
may reach prior year level

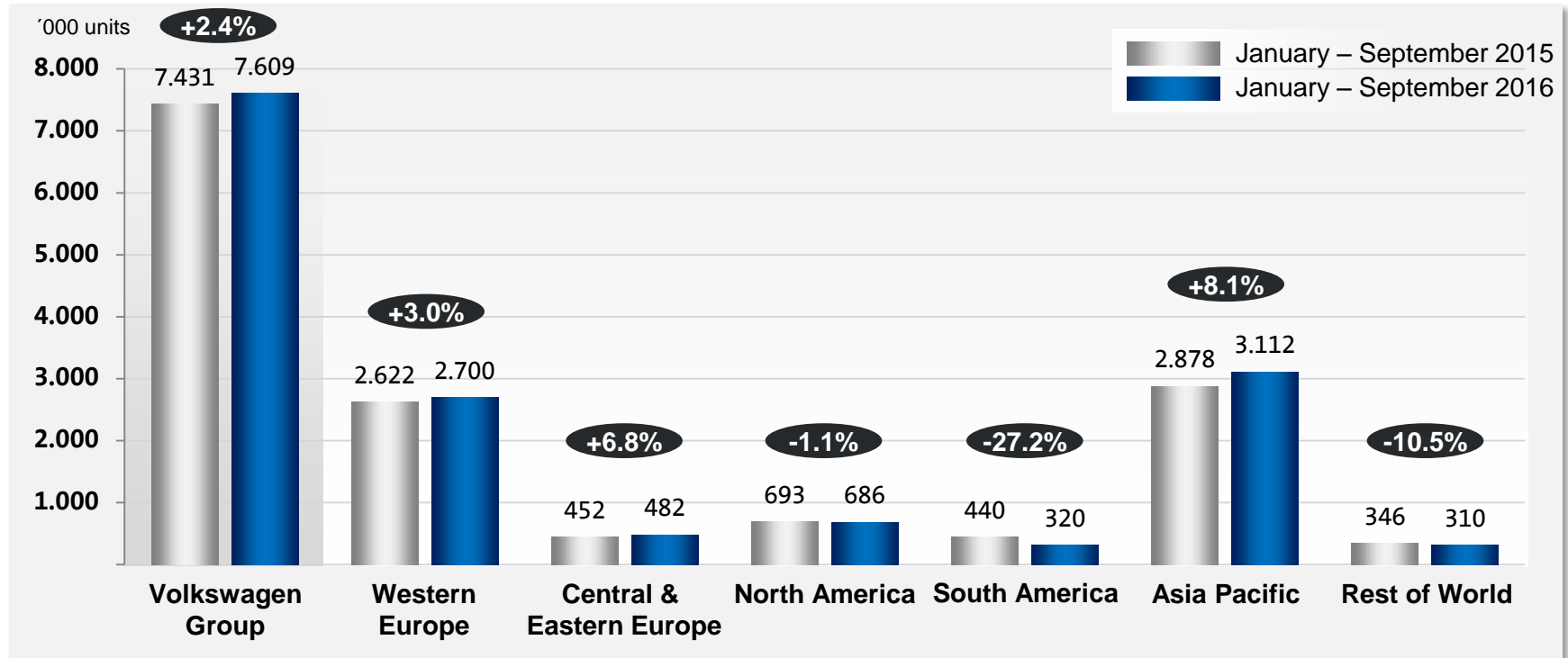


**Operating return on sales**  
(before Special Items) between 5.0% and 6.0%



## Appendix

## Volkswagen Group – Deliveries to Customers by Markets<sup>1)</sup> (January to September 2016 vs. 2015)



<sup>1)</sup> Incl. all brands of Volkswagen Group (Passenger Cars and Commercial Vehicles); +2.1% excl. Volkswagen Commercial Vehicles, Scania and MAN.



# Volkswagen Group – Headline Figures

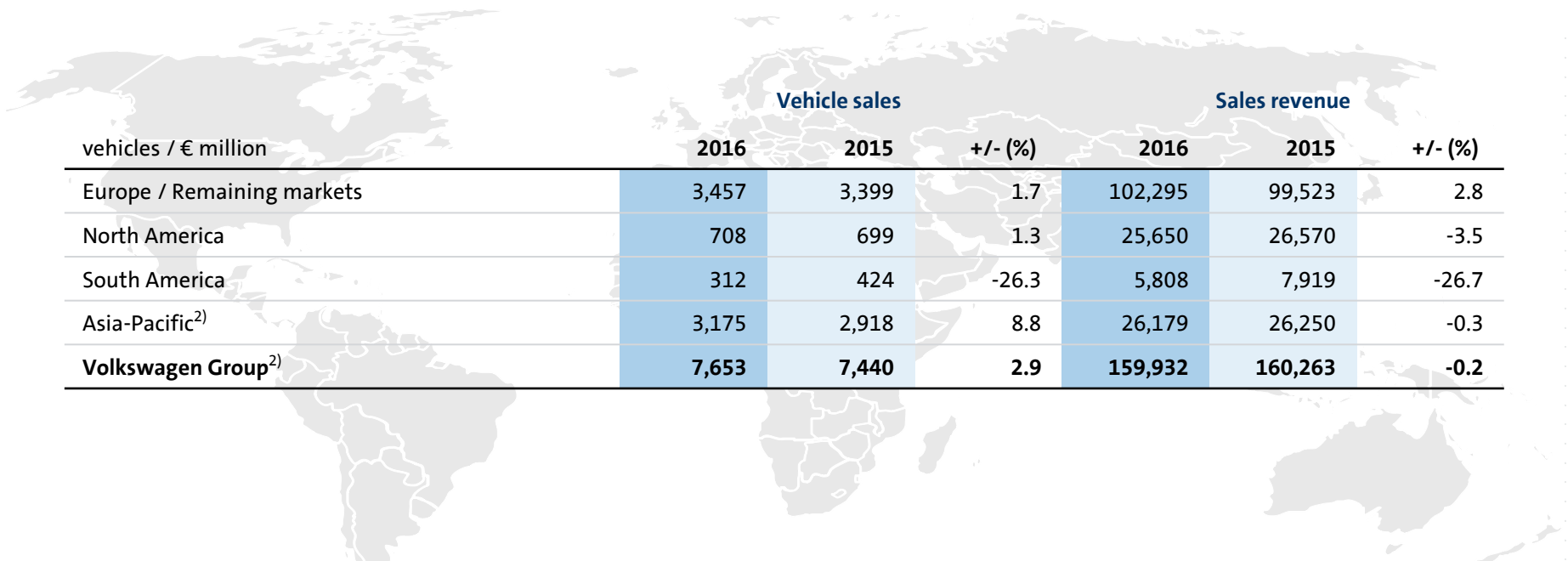
(January to September 2016 vs. 2015)

		2016	2015	+/- (%)
Deliveries to customers <sup>1)</sup>	'000 units	7,609	7,431	+2.4
Vehicle sales <sup>1)</sup>	'000 units	7,653	7,440	+2.9
Production <sup>1)</sup>	'000 units	7,645	7,438	+2.8
Sales revenue	€ million	159,932	160,263	-0.2
Operating profit before Special Items	€ million	11,267	10,197	+10.5
Special Items	€ million	-2,620	-6,855	-61.8
Operating profit	€ million	8,647	3,342	x
Profit before tax	€ million	8,159	5,142	+58.7
Profit after tax	€ million	5,915	3,990	+48.2
<b>Automotive Division<sup>2)</sup></b>				
Cash flows from operating activities <sup>3)</sup>	€ million	16,998	18,455	-7.9
Cash flows from investing activities attributable to operating activities <sup>4)</sup>	€ million	9,495	7,220	+31.5
of which investments in property, plant & equipment	€ million	7,803	7,340	+6.3
Net cash flow	€ million	7,504	11,235	-33.2
Net liquidity at September 30	€ million	31,115	27,755	+12.1

<sup>1)</sup> Volume data including the unconsolidated Chinese joint ventures. These companies are accounted for using the equity method. All figures shown are rounded, so minor discrepancies may arise from addition of these amounts. 2015 deliveries updated reflect subsequent statistical trends. <sup>2)</sup> Including allocation of consolidation adjustments between the Automotive and Financial Services divisions. <sup>3)</sup> prior-year figures adjusted <sup>4)</sup> Excluding acquisition and disposal of equity investments: January – September €11.788 million (€10,246 million).

# Volkswagen Group – Analysis by Market<sup>1)</sup>

(January to September 2016 vs. 2015)



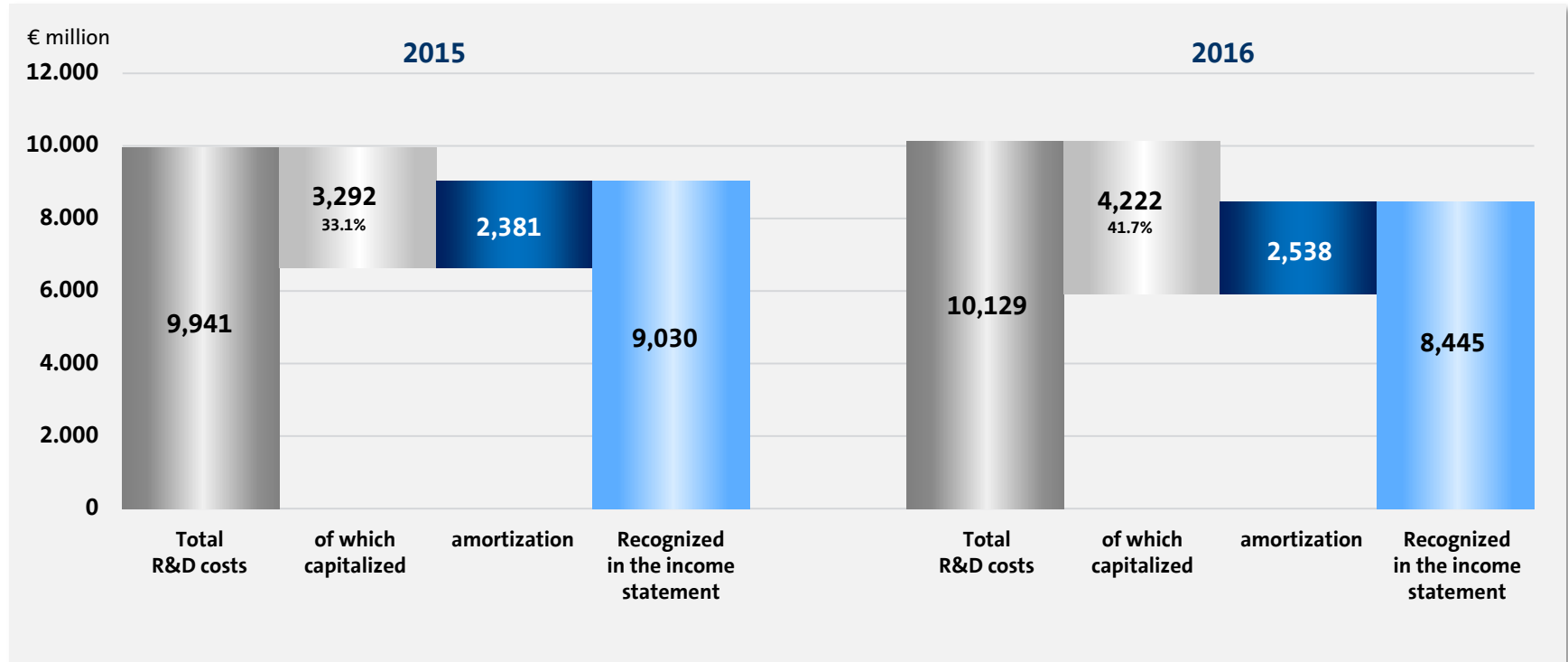
vehicles / € million	Vehicle sales			Sales revenue		
	2016	2015	+/- (%)	2016	2015	+/- (%)
Europe / Remaining markets	3,457	3,399	1.7	102,295	99,523	2.8
North America	708	699	1.3	25,650	26,570	-3.5
South America	312	424	-26.3	5,808	7,919	-26.7
Asia-Pacific <sup>2)</sup>	3,175	2,918	8.8	26,179	26,250	-0.3
<b>Volkswagen Group<sup>2)</sup></b>	<b>7,653</b>	<b>7,440</b>	<b>2.9</b>	<b>159,932</b>	<b>160,263</b>	<b>-0.2</b>

<sup>1)</sup> All figures shown are rounded, so minor discrepancies may arise from addition of these amounts.

<sup>2)</sup> The sales revenue of the joint venture companies in China is not included in the figures for the Group and the Asia-Pacific market.

# Automotive Division – Research and Development Costs

(January to September 2016 vs. 2015)



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## Volkswagen I.D



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## Audi Q5



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## Porsche 718 Boxster



VOLKSWAGEN

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ŠKODA SUPERB COMBI



VOLKSWAGEN

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SEAT Ateca





## Bentley Bentayga



## Lamborghini Centenario



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## Bugatti Chiron



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## Volkswagen Crafter



## MAN TGX

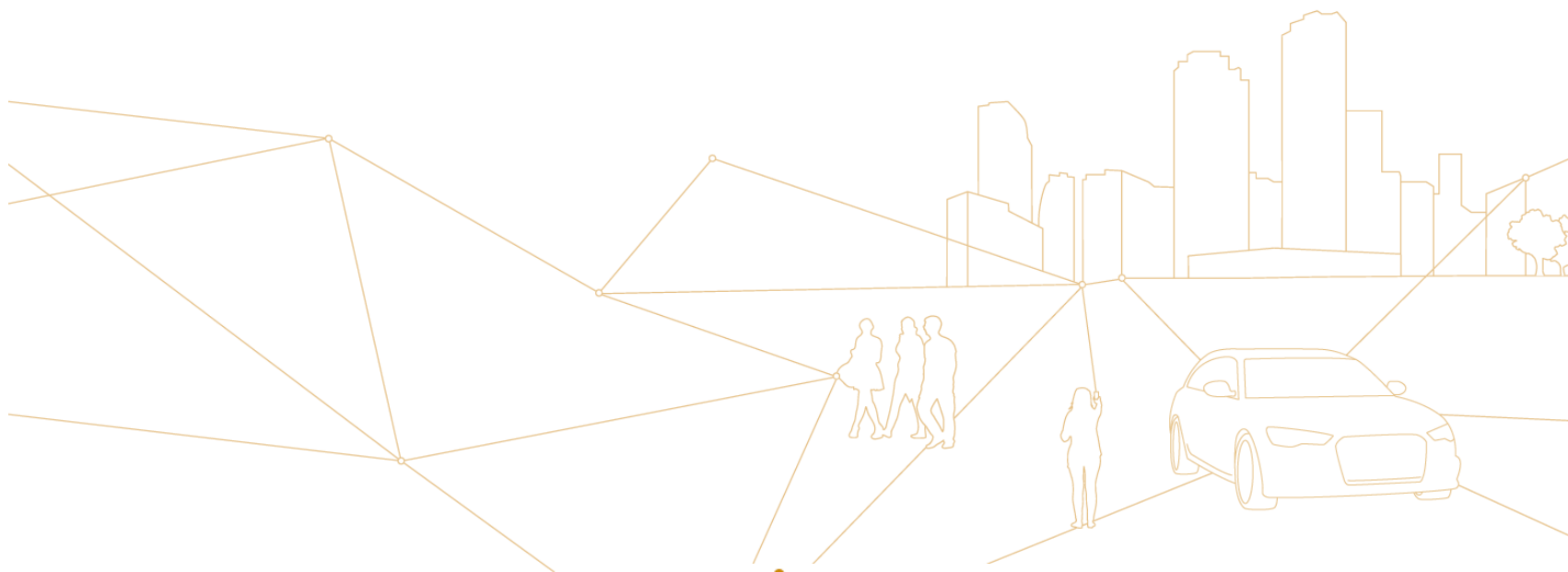


Scania R500 4x2



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