

VOLKSWAGEN

AKTIENGESELLSCHAFT

VOLKSWAGEN

5-Year Planning Round 2022-2026

Fireside Chat with Bernstein

Dr. Arno Antlitz, CFO Volkswagen AG

December 10, 2021

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

Any changes in significant parameters relating to our key sales markets, or any significant shifts in exchange rates or commodities or the supply with parts relevant to the Volkswagen Group or deviations in the actual effects of the Covid-19 pandemic from the scenario presented will have a corresponding effect on the development of our business. In addition, there may 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 Such statements are valid on the date of publication and can be superseded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



Arno Antlitz

Chief Financial Officer
Volkswagen AG



Rolf Woller

Head of Group Treasury and
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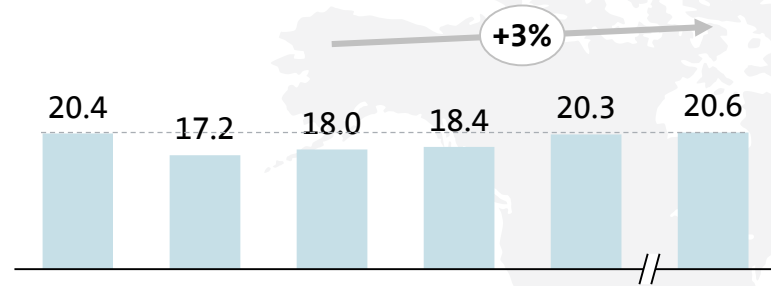
Recovery to pre-Covid levels in most markets expected in 2023 by market analysts

Passenger Car Total Markets by Region

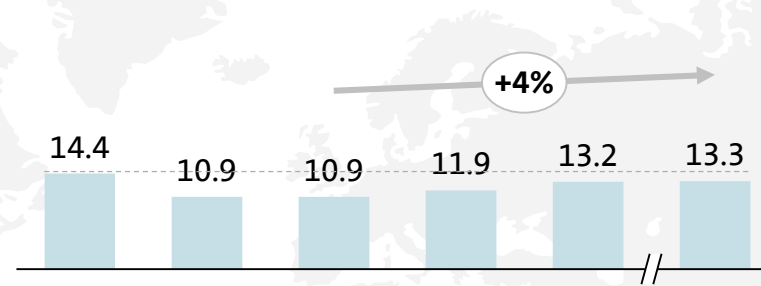
[million units]

CAGR ○

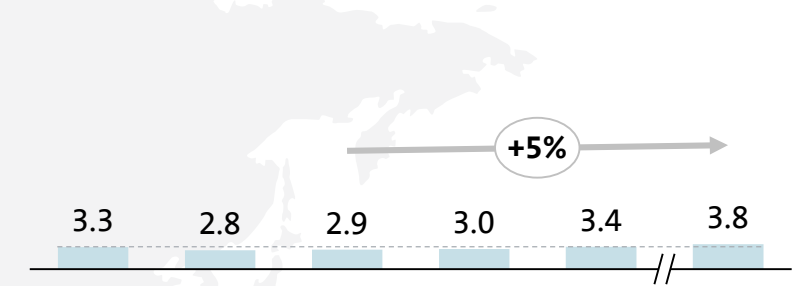
North America (incl. LCV)



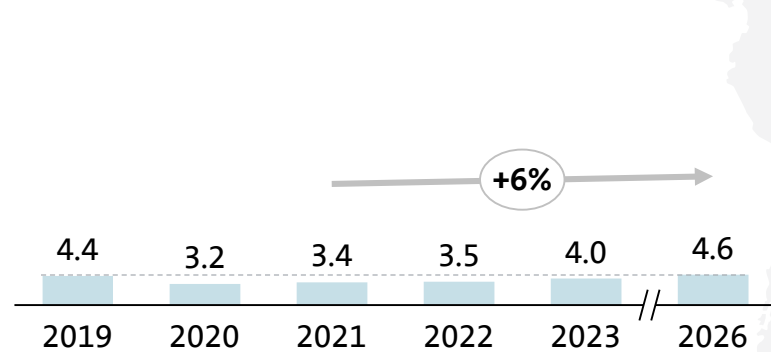
Western Europe



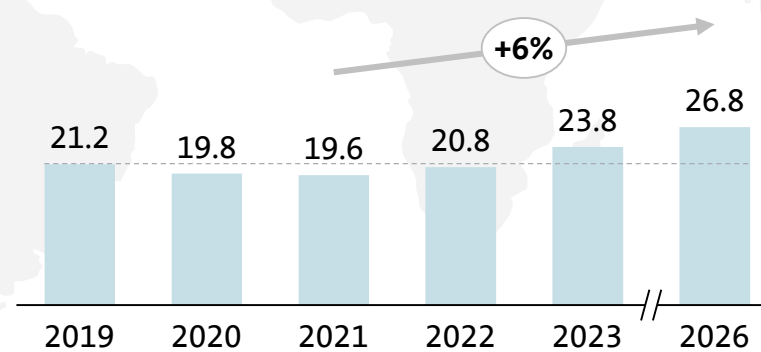
Central and Eastern Europe



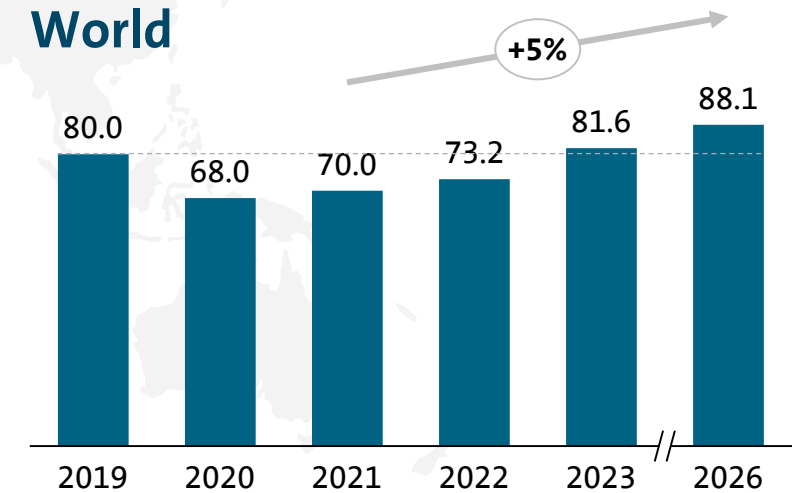
South America¹ (incl. LCV)



China



World

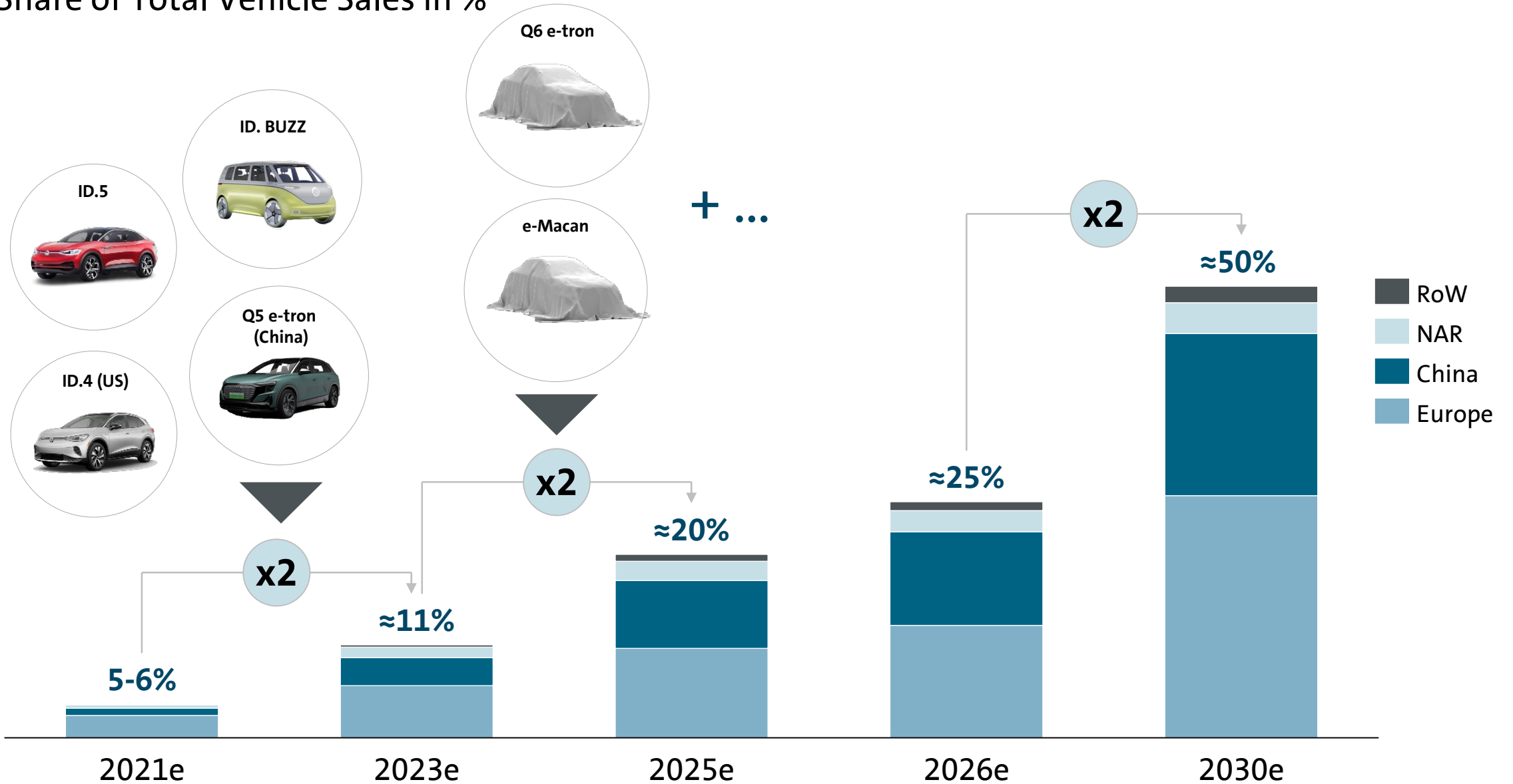


¹ South America includes Brazil, Argentina, Chile and Venezuela

Source: IHS Markit Automotive, MarketInsight New Registration data, 11/2021

Targeting BEV Leadership by 2025

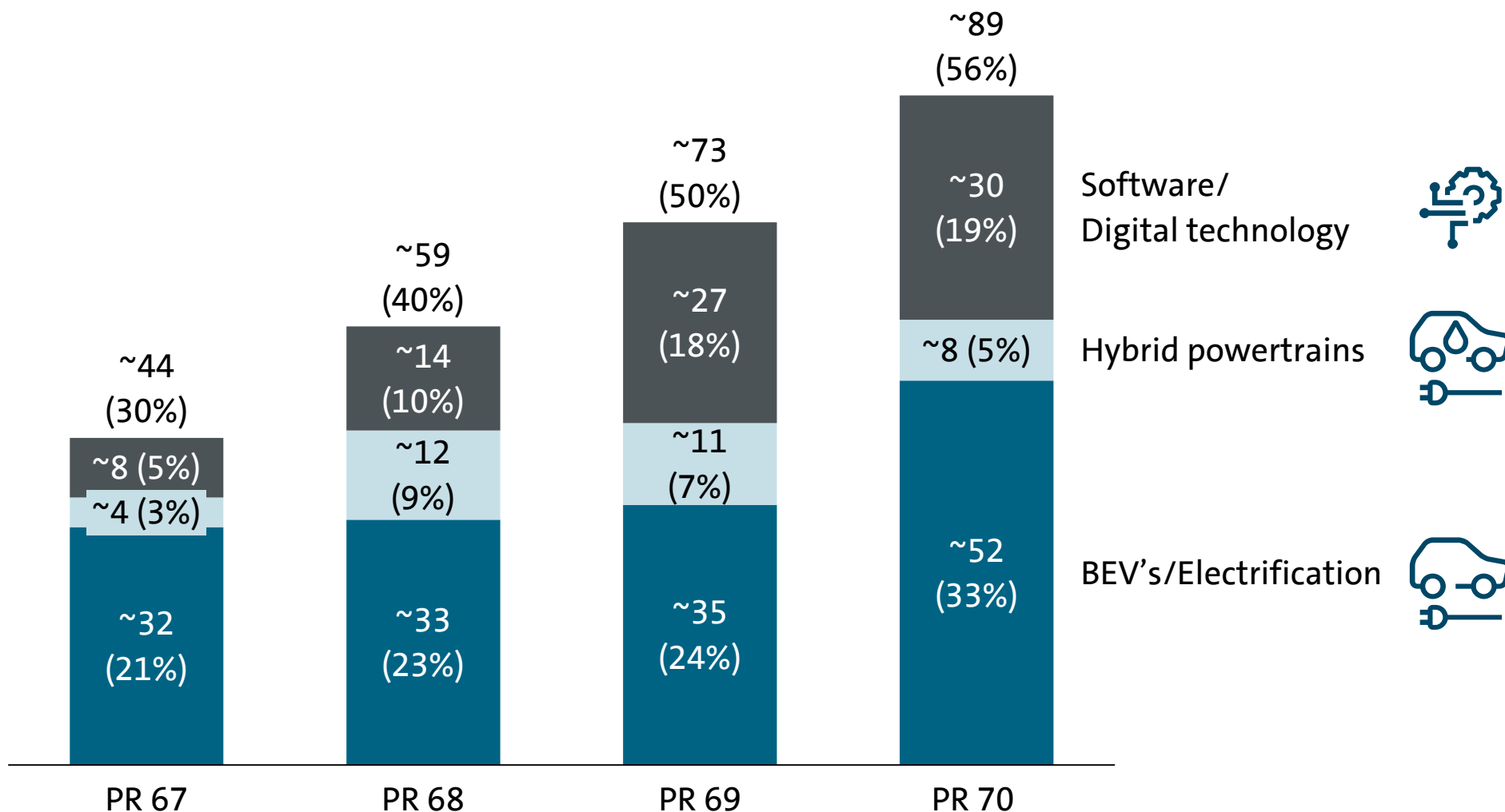
BEV Share of Total Vehicle Sales in %



PR 70 Focus on the future – Investments in R&D and Capex 2022-2026

Investment in electrification ensures 3.5m BEV units capacity by 2026

EUR billions



Financing the transformation: Fixed cost program remains ahead of schedule

YTD September 2021

Plant Program
(Productivity & Overhead)

Working Capital Management/
Cashflow Orientation

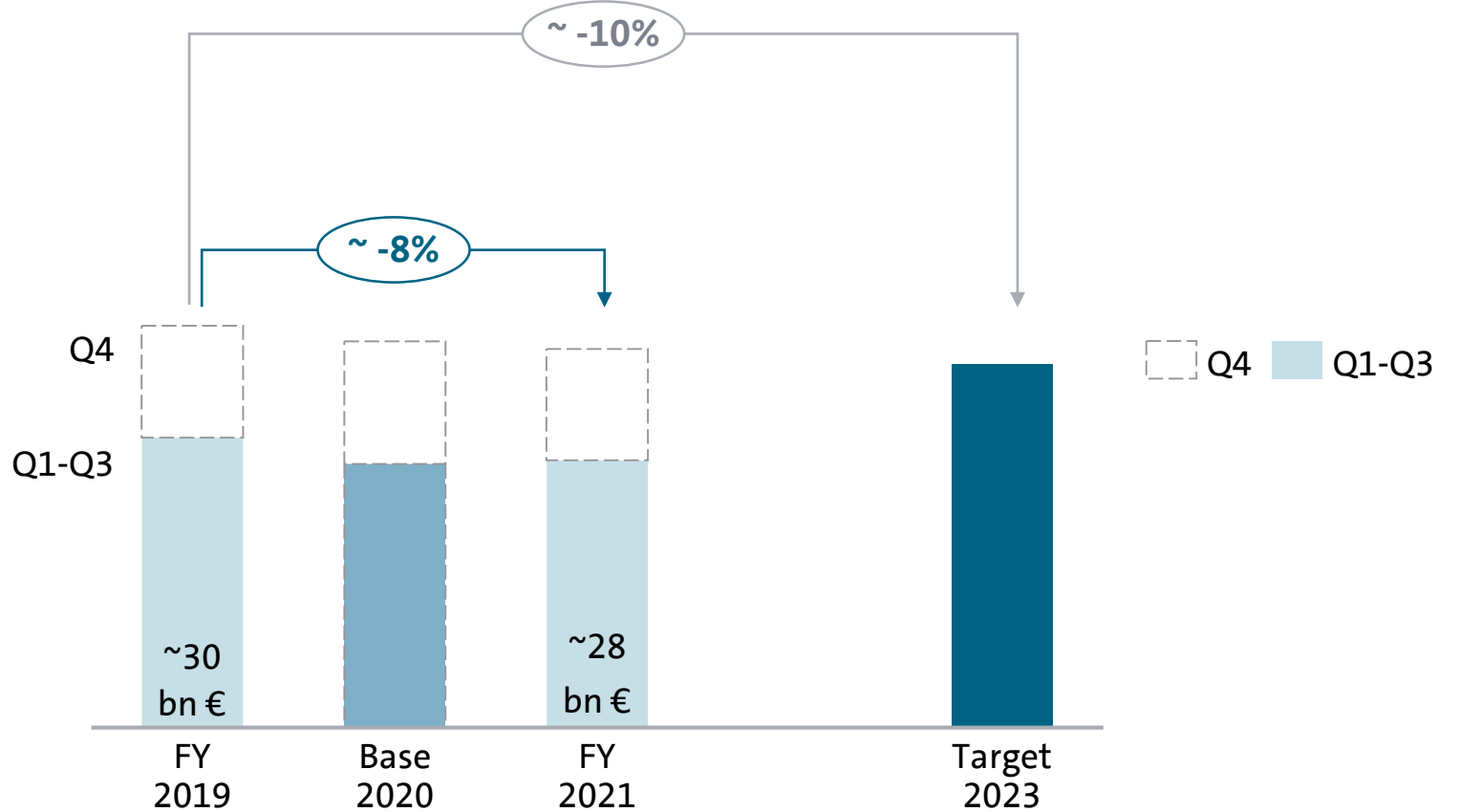
Purchasing Program

**Fixed Cost
(w/o R&D, Capex)**

Pricing & other sales costs
optimization

Group wide Overhead Cost Program (without R&D / Capex)

EUR bn






Robust business case

Key financial targets		2019 Actual	2020 Actual	2021 Outlook	2023 Interim Strategic Targets	2025/26 Strategic Targets
Operating return on sales Before Special Items		7.6	4.8	6.0-7.5	7-9	8-9
Return on investment Automotive Division before Special Items		11.2	6.5	>9	~14	>15
Capex ratio Automotive Division		6.6	6.1	~5	~6	~5
R&D cost ratio Automotive Division		6.7	8.0	~7	~6.5	~6
Cash Automotive Division	a) Clean Net Cashflow Automotive Division w/o Diesel and M&A	13.5	10.0	~15	13-15	>15
	b) Net Liquidity	21.3	26.8	~25 ¹	~10% of Group sales revenue	

¹ Including M&A

Targets by Brands Planning Round 70 – selected brands

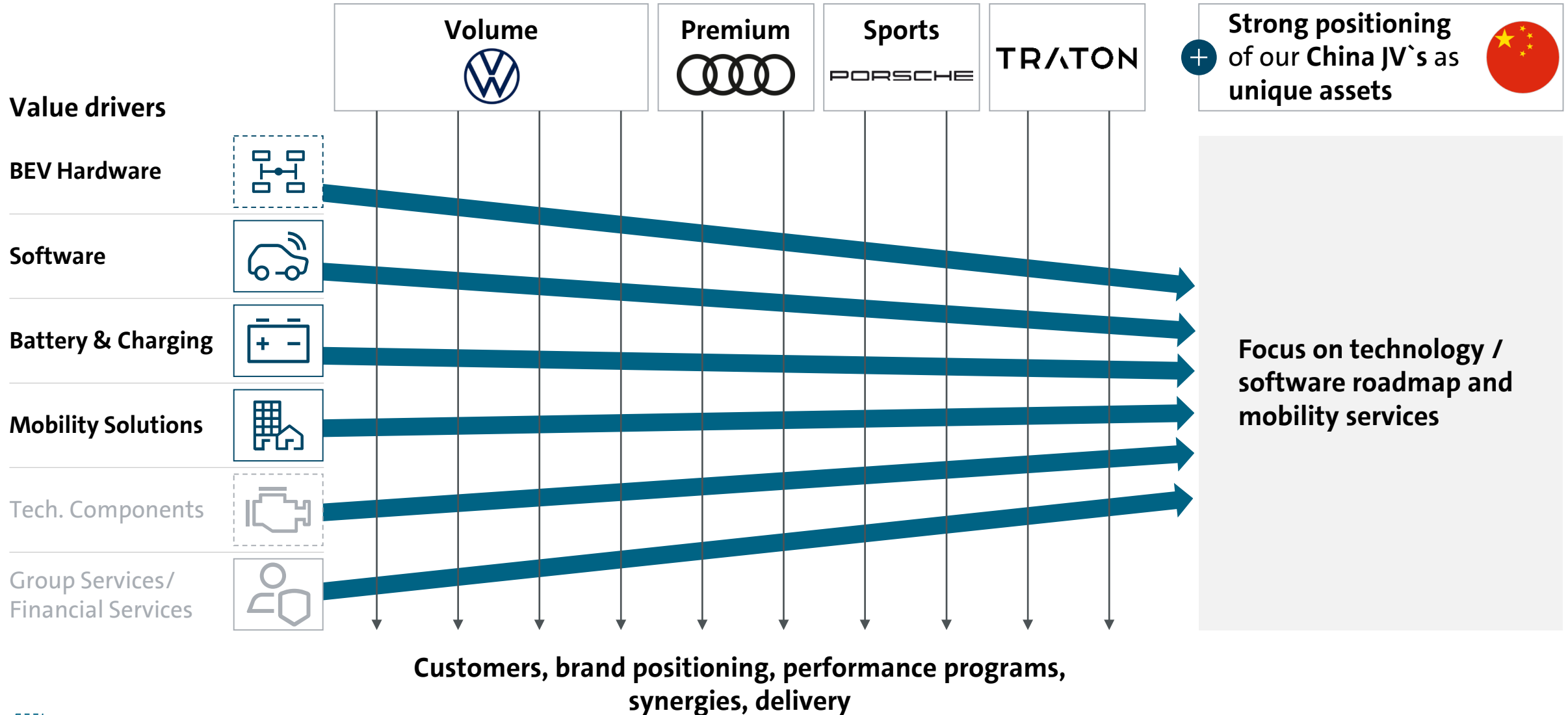
2022-2026, Percent

	Brand targets – RoS	2023	2025/2026
	Volkswagen	6	>6
	Audi	9-11	9-11
 PORSCHE	Porsche	>15	>15
	Volkswagen Group	7-9	8-9
	Volkswagen Financial Services (RoE) ¹	20	20

1. RoE on normalized Equity of 8%

Step-by-step we will Shift the Focus towards Brand Groups and Value Drivers

Schematic



In brand P&L/ books

Key Elements – Changes in Financial Steering (as of 01.01.2022)

Key elements of improved financial steering



Additional information on BEV performance



Reporting of brand groups (Volume, Premium)¹
(financial reporting, target setting, etc)

C A R I A D

Platforms – Establishment of CARIAD as a separate reporting entity



Separate reporting of Tech / Components divisions

TRATON

Reporting of TRATON Group (only)

1. While keeping transparency on brand level for Volume Group

Investment Plan for 2022-2026 – Summary

We have ambitious BEV-targets. We aim to double our BEV volumes every second year and target 50% in 2030

PR70 is embracing our New Auto Strategy: the majority of total investments is designated to new technologies such as Software and electrification including investments in platforms, components, battery capacity and fascinating new products.

We are fully committed to transform this company. We will reduce our CO2 footprint significantly and we want and will capture value in the upcoming revenue pools, especially BEV and software.

While transforming our business towards NEW AUTO we keep an eye on margins, costs and net cash flows

Management is fully committed to deliver on targets