

VOLKSWAGEN

AKTIENGESELLSCHAFT

**Live INVESTOR and ANALYST
Audio Webcast and Conference Call**
April 29th, 2020

Interim Report

JANUARY – MARCH 2020

Disclaimer

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, 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. These assumptions relate in particular to the development of the economies of individual countries and markets, the regulatory framework and the development of the automotive industry. Therefore the estimates given involve a degree of risk, and the actual developments may differ from those forecast. The Volkswagen Group currently faces additional risks and uncertainty related to pending claims and investigations in a number of jurisdictions in connection with findings of irregularities relating to exhaust emissions from diesel engines in certain Volkswagen Group vehicles. The degree to which the Volkswagen Group may be negatively affected by these ongoing claims and investigations remains uncertain.

The recent outbreak of COVID-19 (commonly referred to as coronavirus) has negatively impacted economic and social conditions in primary markets of Volkswagen, including China and Europe, as public, private, and government entities have implemented containment measures. The continued spread of COVID-19 has caused shortages of necessary materials and parts from suppliers directly or indirectly affected by the outbreak and has caused operational disruptions and interruptions at Volkswagen's production facilities, which led to production downtimes. The COVID-19 pandemic and the respective containment measures might continue to have a negative impact in the future.

A negative development relating to ongoing claims or investigations, the continuation of COVID-19, an unexpected fall in demand or economic stagnation in our key sales markets, such as in Western Europe (and especially Germany) or in the USA, Brazil or China, and trade disputes among major trading partners will have a corresponding impact on the development of our business. The same applies in the event of a significant shift in current exchange rates in particular relative to the US dollar, sterling, yen, Brazilian real, Chinese renminbi and Czech koruna.

If any of these or other risks occur, or if the assumptions underlying any of these statements prove incorrect, the actual results may significantly differ from those expressed or implied by such statements.

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.

Analyst and Investor Conference Q1 2020



Frank Witter

Chief Financial Officer
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Dr. Christian Dahlheim

Director Group Sales
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Helen Beckermann

Head of Group Investor Relations
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Financial Highlights January – March 2020

Volkswagen Group's business sustains a substantial blow from Covid-19 pandemic in first quarter of 2020

Deliveries to Volkswagen Group customers 23.0% down on previous year at 2.0 (2.6) million vehicles; declines especially in Asia-Pacific and Europe

Group sales revenue decreases by 8.3% to €55.1 billion

Operating profit of €0.9 billion down €3.0 billion on prior-year figure including special items; demand-related fall in volumes, fair value measurement of commodity hedges and exchange-rate effects have a negative impact

Profit before tax decreases to €0.7 (4.1) billion

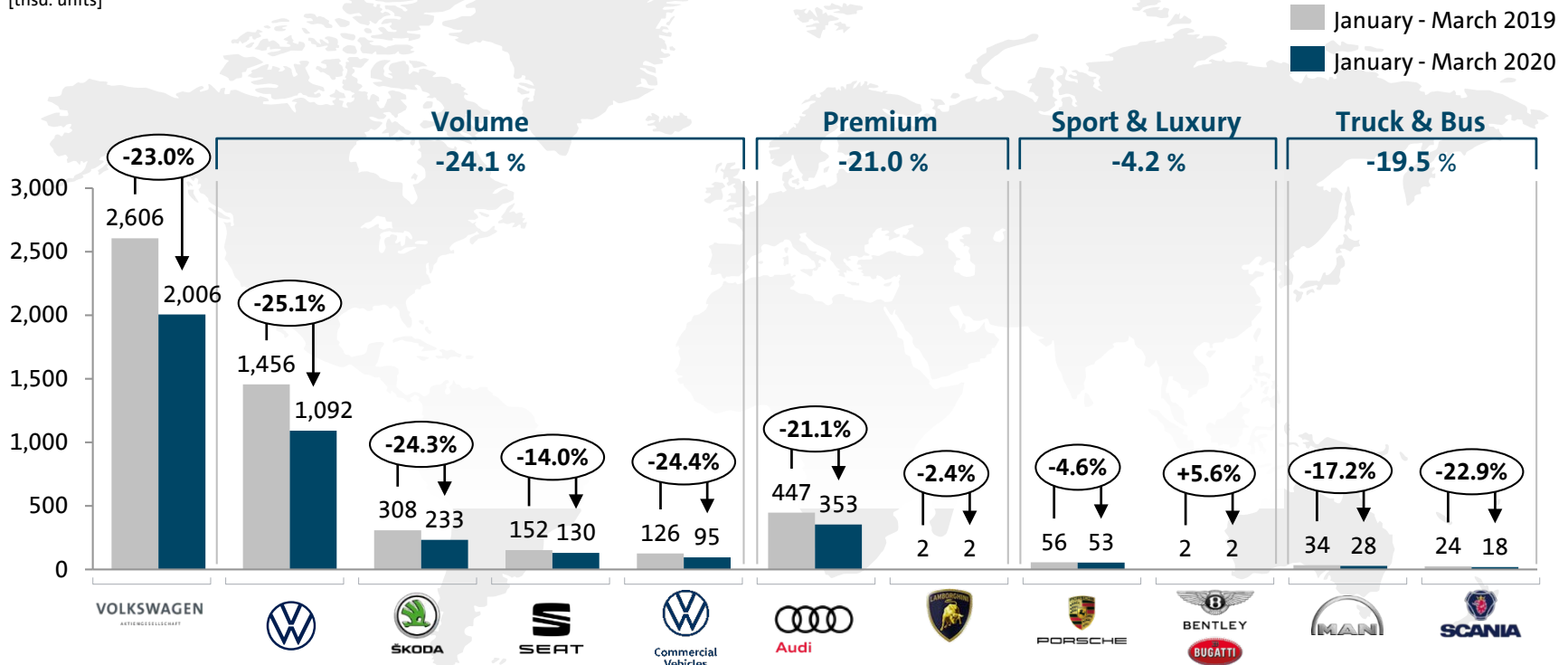
Automotive Division's net cash flow down €4.5 billion on prior-year period to €-2.5 billion; capex ratio of 4.7 (4.0)%

Net liquidity in the Automotive Division at €17.8 billion

Volkswagen Group – Deliveries to Customers by Brands¹⁾

(January to March 2020 vs. 2019)

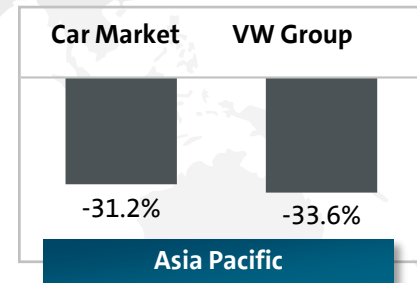
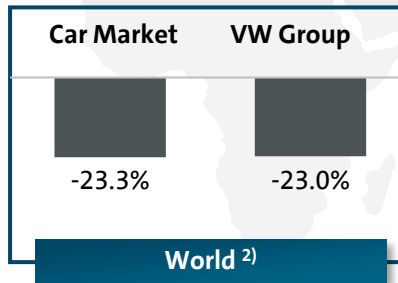
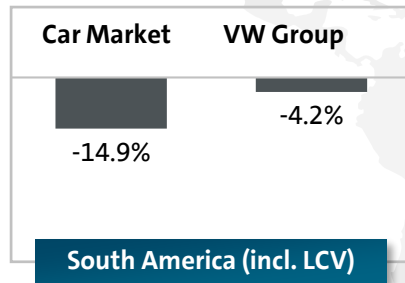
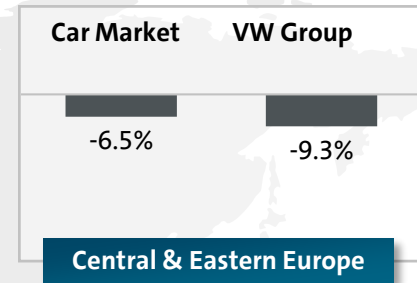
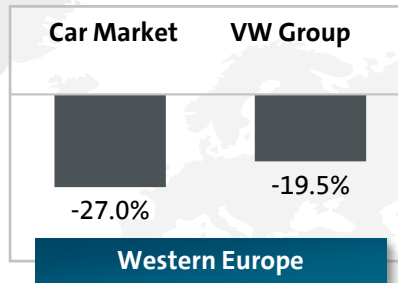
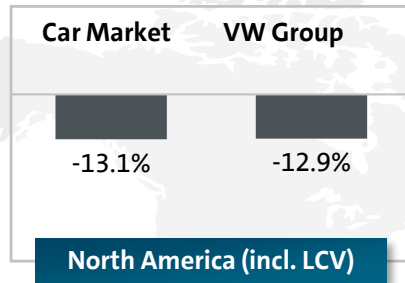
[thsd. units]



¹⁾ Volkswagen Group excl. Ducati

Development World Car Market vs. Volkswagen Group Car Deliveries to Customers¹⁾

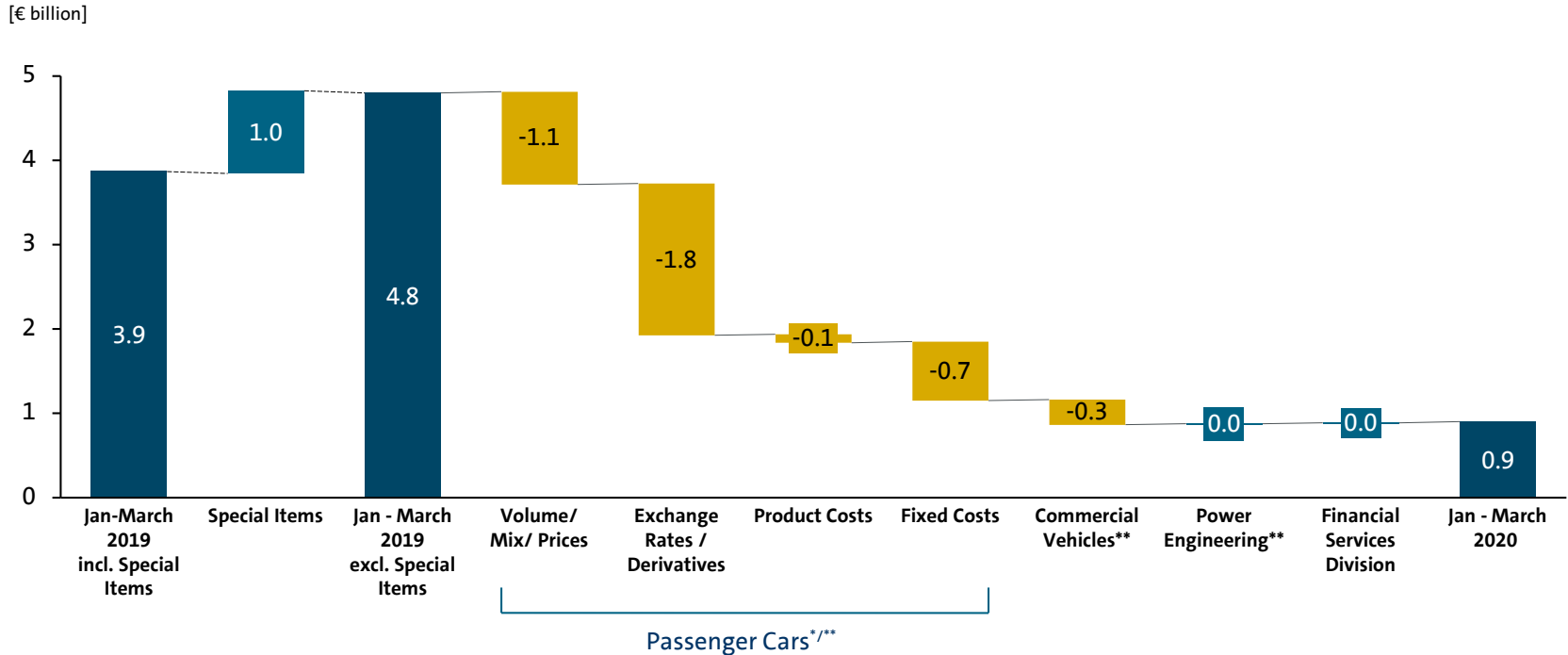
(Growth y-o-y in deliveries to customers, January to March 2020 vs. 2019)



¹⁾ Volkswagen Group Passenger Cars excl. Volkswagen Commercial Vehicles ²⁾ incl. LCV in North America & South America

Volkswagen Group – Analysis of Operating Profit¹⁾

(January to March 2020)



¹⁾ All figures shown are rounded, minor discrepancies may arise from addition of these amounts. *) without FS **) including PPA

Volkswagen Group – Analysis by Business Line¹⁾

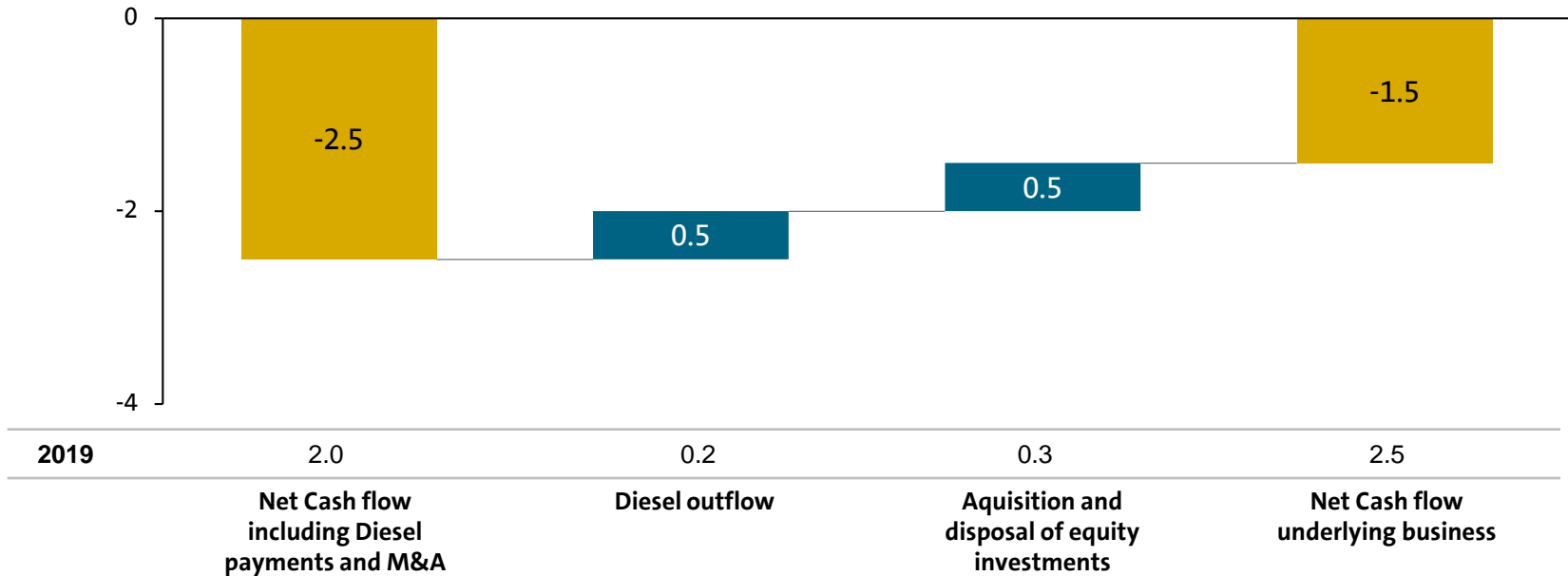
(January to March 2020)

thousand vehicles / € million / percentage	Vehicle sales		Sales revenue		Operating profit		Operating margin	
	2020	2019	2020	2019	2020	2019	2020	2019
Volkswagen Passenger Cars	765	910	18,965	21,538	481	921	2.5	4.3
Audi	268	305	12,454	13,812	15	1,100	0.1	8.0
ŠKODA	237	275	4,850	4,920	307	410	6.3	8.3
SEAT	140	176	2,558	3,053	-48	89	-1.9	2.9
Bentley	3	3	620	456	56	49	9.0	10.7
Porsche Automotive ²⁾	56	57	5,394	5,224	529	829	9.8	15.9
Volkswagen Commercial Vehicles	99	129	2,671	3,294	14	291	0.5	8.8
Scania ³⁾	19	24	2,982	3,350	256	370	8.6	11.0
MAN Commercial Vehicles	28	34	2,633	2,988	-83	115	-3.2	3.8
Power Engineering	-	-	922	891	16	9	1.7	1.0
VW China ⁴⁾	503	901	-	-	-	-	-	-
Other ⁵⁾	-180	-229	-8,842	-8,220	-1,293	28	-	-
Volkswagen Financial Services	-	-	9,847	8,706	654	638	-	-
Volkswagen Group before Special Items	-	-	-	-	904	4,849	1.6	8.1
Special Items	-	-	-	-	-	-981	-	-
Volkswagen Group	1,937	2,583	55,054	60,012	904	3,868	1.6	6.4
Automotive Division ⁶⁾	1,937	2,583	44,650	50,777	197	3,166	-	-
of which: Passenger Cars	1,891	2,526	38,165	43,581	120	2,803	-	-
of which: Commercial Vehicles ¹⁾	46	57	5,564	6,305	121	420	-	-
of which: Power Engineering	-	-	922	891	-44	-56	-	-
Financial Services Division	-	-	10,404	9,236	707	701	-	-

¹⁾ All figures shown are rounded, minor discrepancies may arise from addition of these amounts. ²⁾ Porsche (Automotive and Financial Services): sales revenue € 6,016 (5,799) million, operating profit € 572 (868) million. ³⁾ Scania (Automotive and Financial Services): sales revenue € 3,098 (3,458) million, operating profit € 282 (402) million. ⁴⁾ The sales revenue and operating profits of the joint venture companies in China are not included in the figures for the Group. These Chinese companies are accounted for using the equity method and recorded a proportionate operating profit of € 276 (1,074) million. ⁵⁾ In operating profit mainly intragroup items recognized in profit or loss, in particular from the elimination of intercompany profits; the figure includes depreciation and amortization of identifiable assets as part of purchase price allocation for Scania, Porsche Holding Salzburg, MAN and Porsche. ⁶⁾ Including allocation of consolidation adjustments between the Automotive and Financial Services divisions.

Automotive Division – Net Cash Flow¹⁾ (January to March 2020)

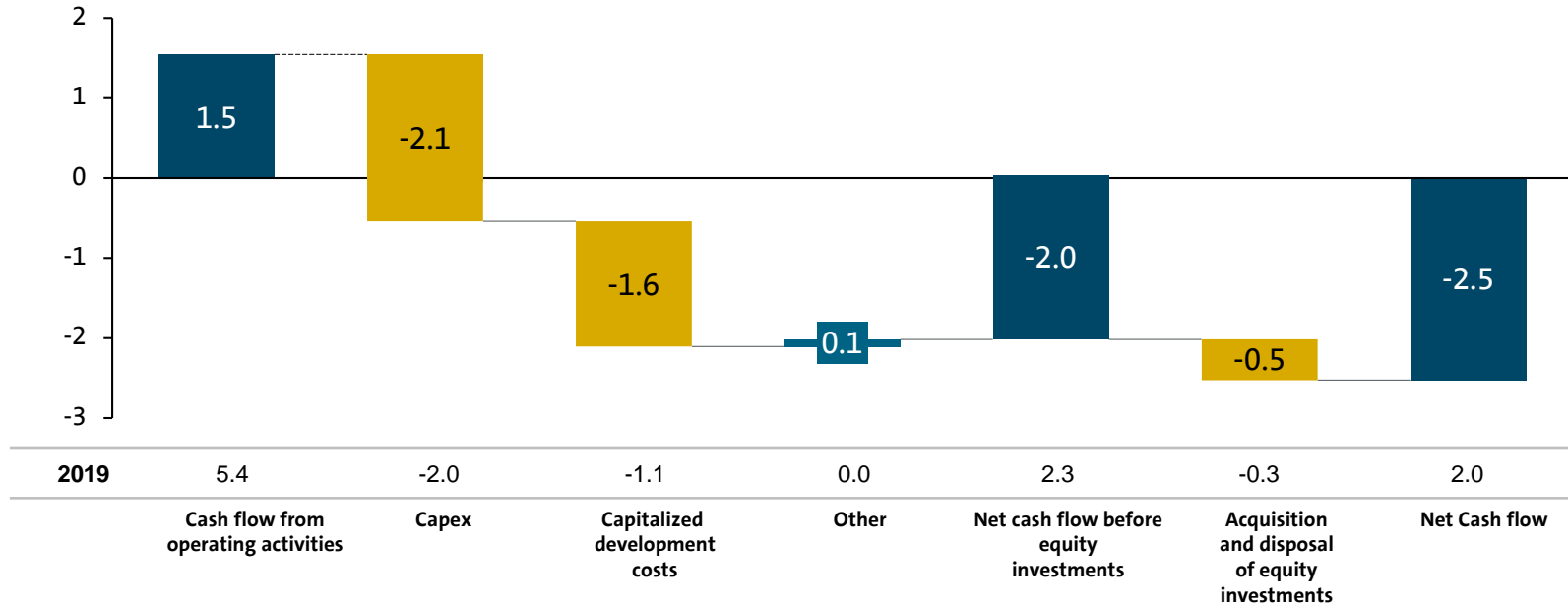
[€ billion]



¹⁾ Including allocation of consolidation adjustments between Automotive and Financial Services divisions.

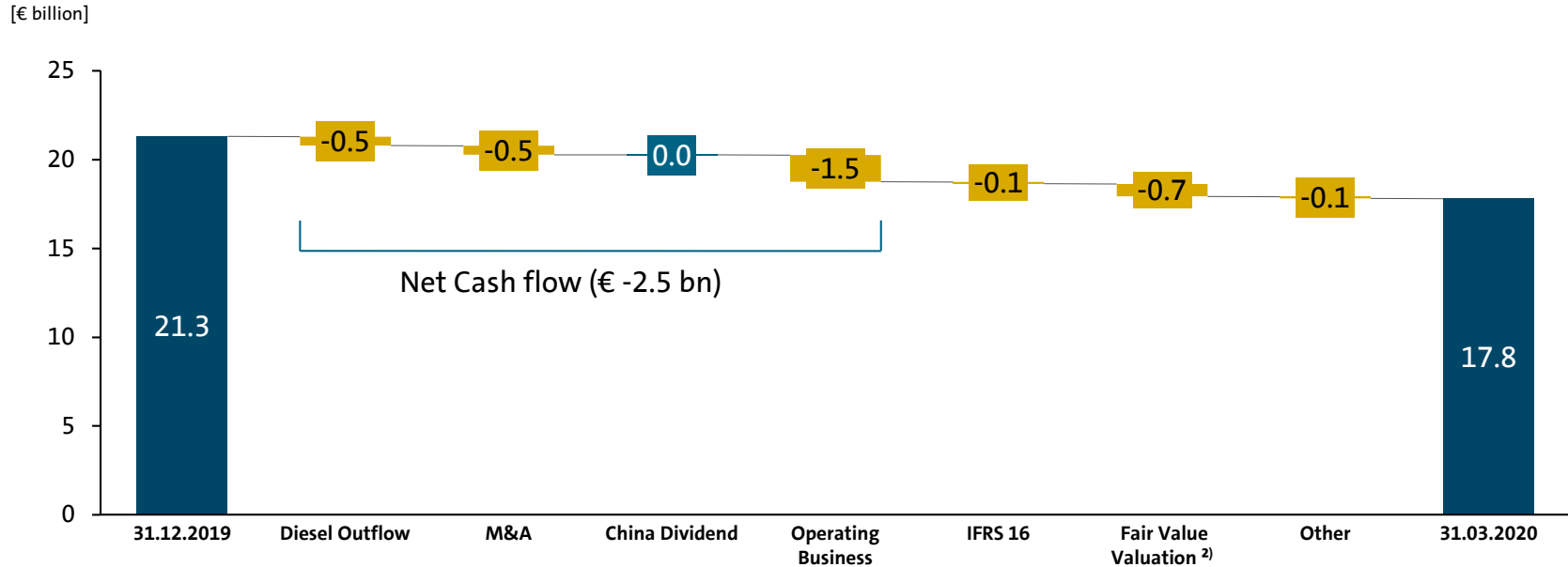
Automotive Division – Net Cash Flow Development¹⁾²⁾ (January to March 2020)

[€ billion]



¹⁾ All figures shown are rounded, minor discrepancies may arise from addition of these amounts. ²⁾ Including allocation of consolidation adjustments between Automotive and Financial Services divisions.

Automotive Division – Analysis of Net Liquidity¹⁾ (January to March 2020)

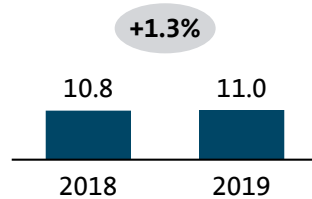


¹⁾ All figures shown are rounded, minor discrepancies may arise from addition of these amounts. ²⁾ Valuation at Fair Value of securities and financial liabilities.

Volkswagen Group – Outlook for 2020



Deliveries to customers
(*'000 vehicles)

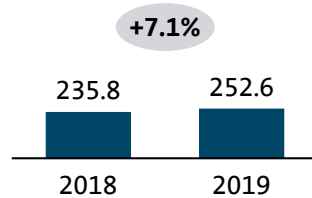


significantly below prior year

2020



Sales revenue
(€ billion)

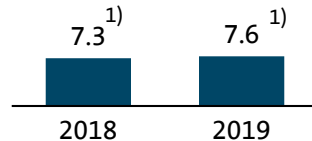


significantly below prior year

2020



Operating return on sales
(%)



Operating result severely below prior year

However, positive

2020

¹⁾ before Special Items.