

**VOLKSWAGEN**

GROUP CHINA

# Shaping the transformation together.

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Investor Webcast with Exane BNP Paribas, 14 September 2018, Beijing

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## The Chinese market had a good start into 2018 and slowed down during the summer

### Total market development (in '000 units)

2017 vs. 2016

Q1: **+1.3%**

Q2: **+5.2%**

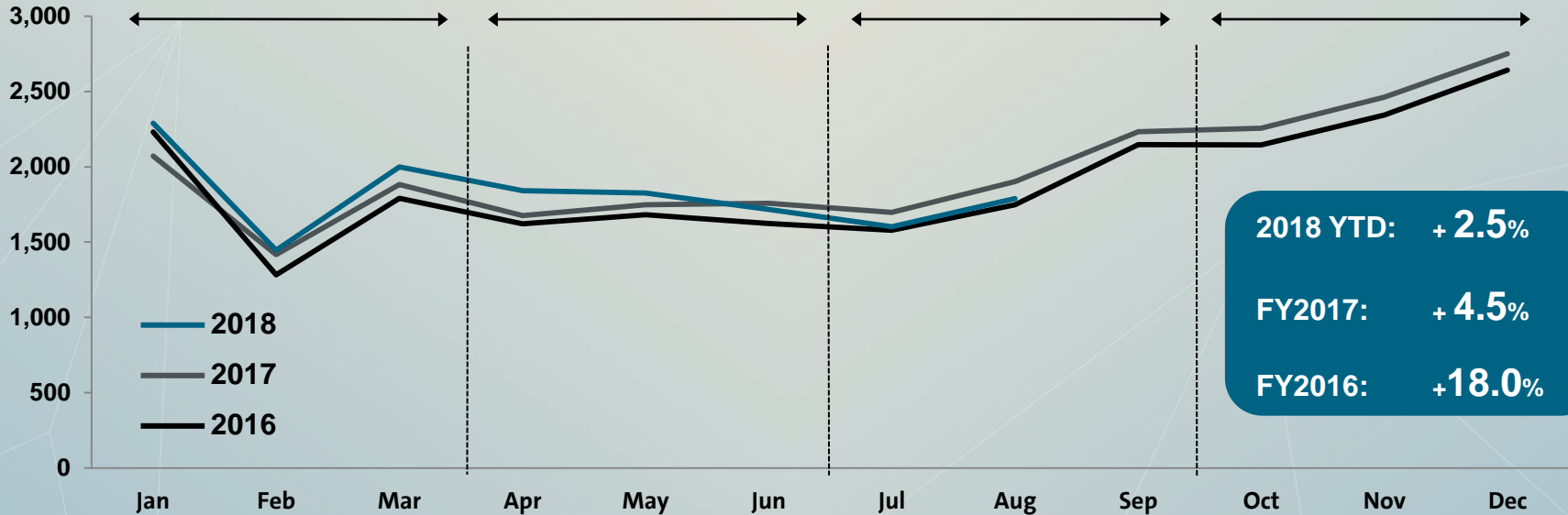
Q3: **+6.5%**

Q4: **+4.7%**

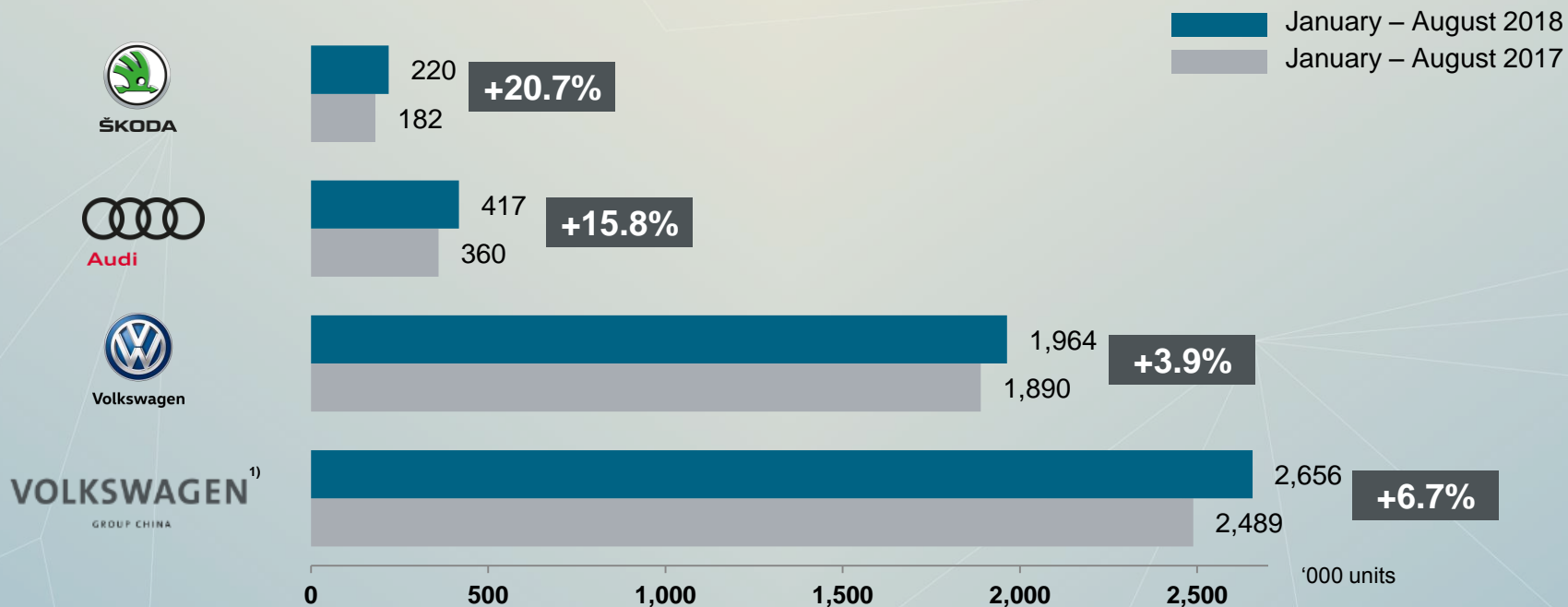
2018 vs. 2017

Q1: **+6.7%**

Q2: **+3.9%**



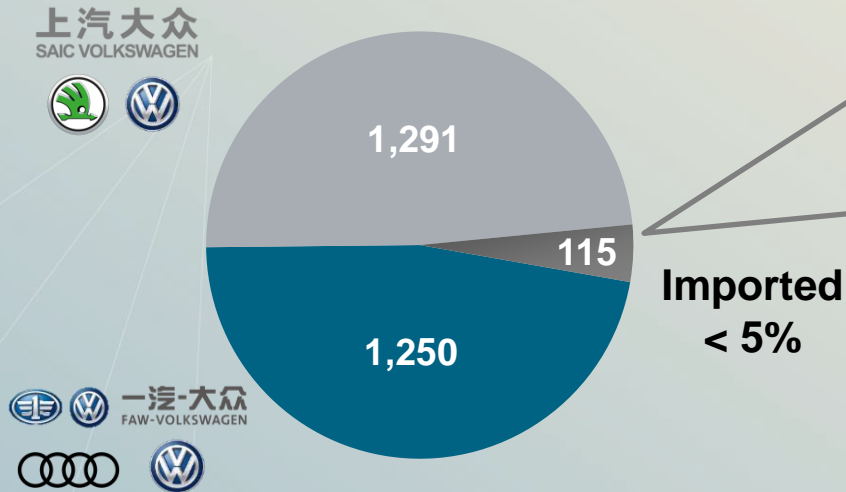
## Volkswagen Group China is clearly outperforming the market



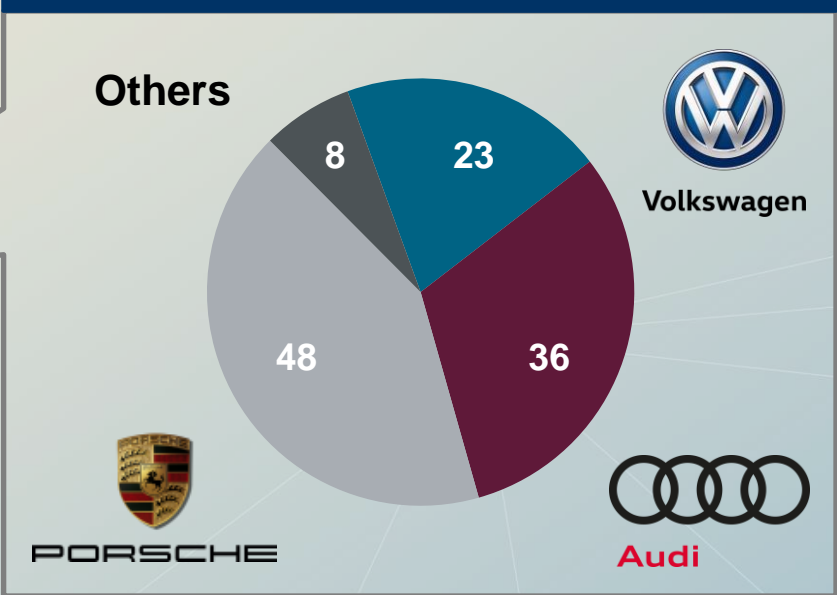
<sup>1)</sup> incl. Hong Kong, excl. Ducati. Group numbers incl. MAN and Scania. All figures are rounded.

## Highly localized product offering of our JVs is complemented by our import business<sup>1)</sup>

Deliveries to customers Jan-Aug 2018 (in '000 veh.)



Import business Jan-Aug 2018 (deliveries in '000 veh.)

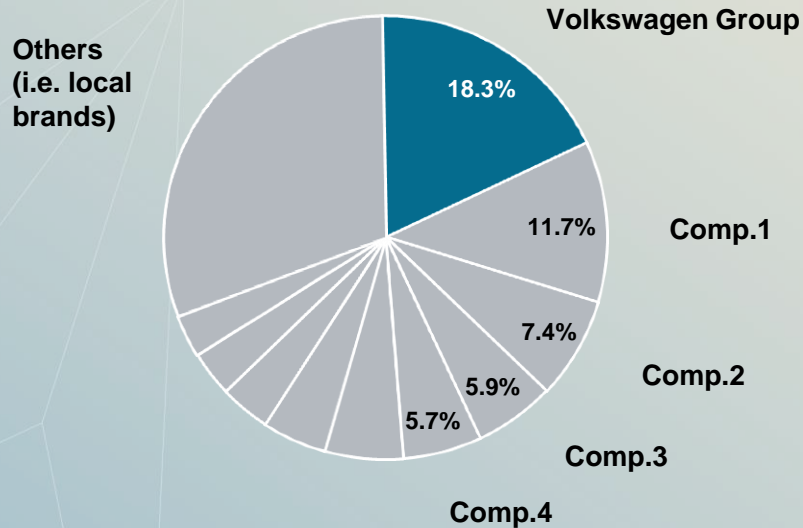


» Total deliveries in the region China amounted to 2.7 million in Jan-Aug 2018

<sup>1)</sup> incl. Hong Kong, excl. Ducati. Group numbers incl. MAN and Scania. All figures are rounded.

## Volkswagen Group – No. 1 in the Chinese passenger vehicle market

### Passenger vehicles market share January to August 2018



Rank	Group	Market share		
		(August)	(2018 YTD)	(2017 YTD)
1	Volkswagen Group	19.6%	18.3%	17.5%
2	Competitor 1	11.4%	11.7%	11.8%
3	Competitor 2	7.4%	7.4%	5.4%
4	Competitor 3	6.3%	5.9%	5.5%
5	Competitor 4	6.5%	5.7%	6.3%

## Proportionate operating profit of our Joint Ventures increased in H1 2018

Proportionate operating profit of Chinese Joint Ventures January to June (in € million)



# The second half of 2018 is characterized by a firework of locally produced models hitting the Chinese market



T-Roc L



Volkswagen

Tharu



Tayron



Audi

Q2 L



ŠKODA

KODIAQ GT



New Bora



Tiguan L PHEV



Gran Lavida



江淮大众  
JAC VOLKSWAGEN

E20X





# Volkswagen Group China opens new factories to strengthen SUV offensive and e-Mobility

## Production capacity will increase

- New vehicle plants
- Vehicle plants expansions
- New component plants
- Component plant expansion
- Existing plants



## Factories starting in 2018

- Tianjin** SUV models for Volkswagen and Audi including PHEV models  
Component plant for chassis

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- Qingdao** New Bora & 2 Audi models on MQB platform  
ICE & EV production on one production line  
Production of battery systems

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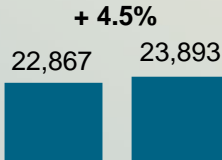
- Hefei** Production of JAC Volkswagen's brand first production model – battery electric E20X

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- Foshan** Focus on SUVs (Audi & VW)  
Additional factory at the production site  
MQB platform will be electrified  
Battery system assembly and MEB to follow

## Volkswagen Group China looks forward to a successful year 2018

**Vehicles Sales  
Chinese Market**  
(in '000 vehicles)

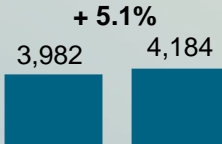


**Vehicles Sales Chinese Market**  
Growth expected despite uncertainty

## VOLKSWAGEN

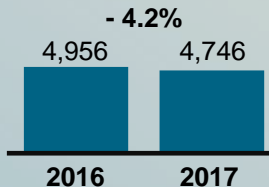
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**Deliveries to  
customers**  
(in '000 vehicles)



**Deliveries to Customers**  
Potential to outperform the overall market

**Prop. Operating  
Profit of JVs**  
(in € million)



**Prop. Op. Profit of Joint Ventures**  
Around the level of last year

Outlook 2018

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