

VOLKSWAGEN

AKTIENGESELLSCHAFT

Shaping the transformation together.

Frank Witter, CFO Volkswagen Group
Bloomberg Webinar, London, 5th September 2018

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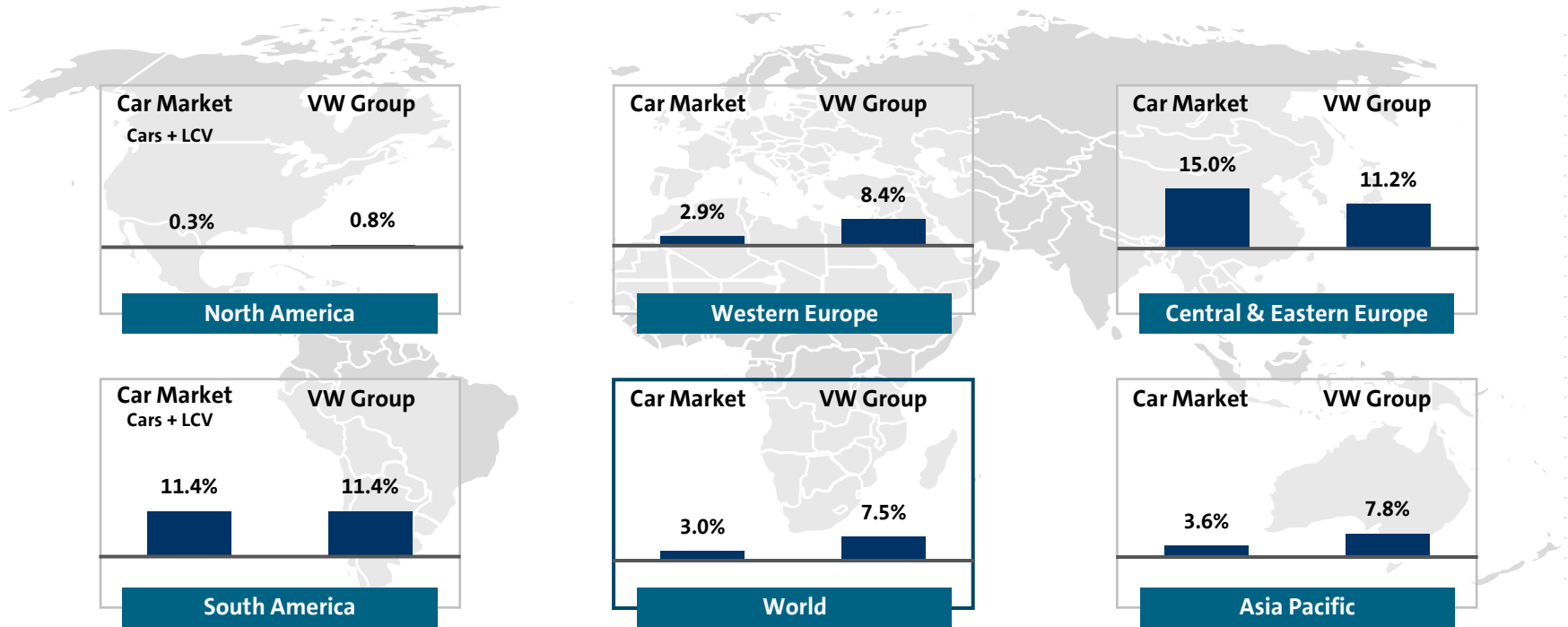
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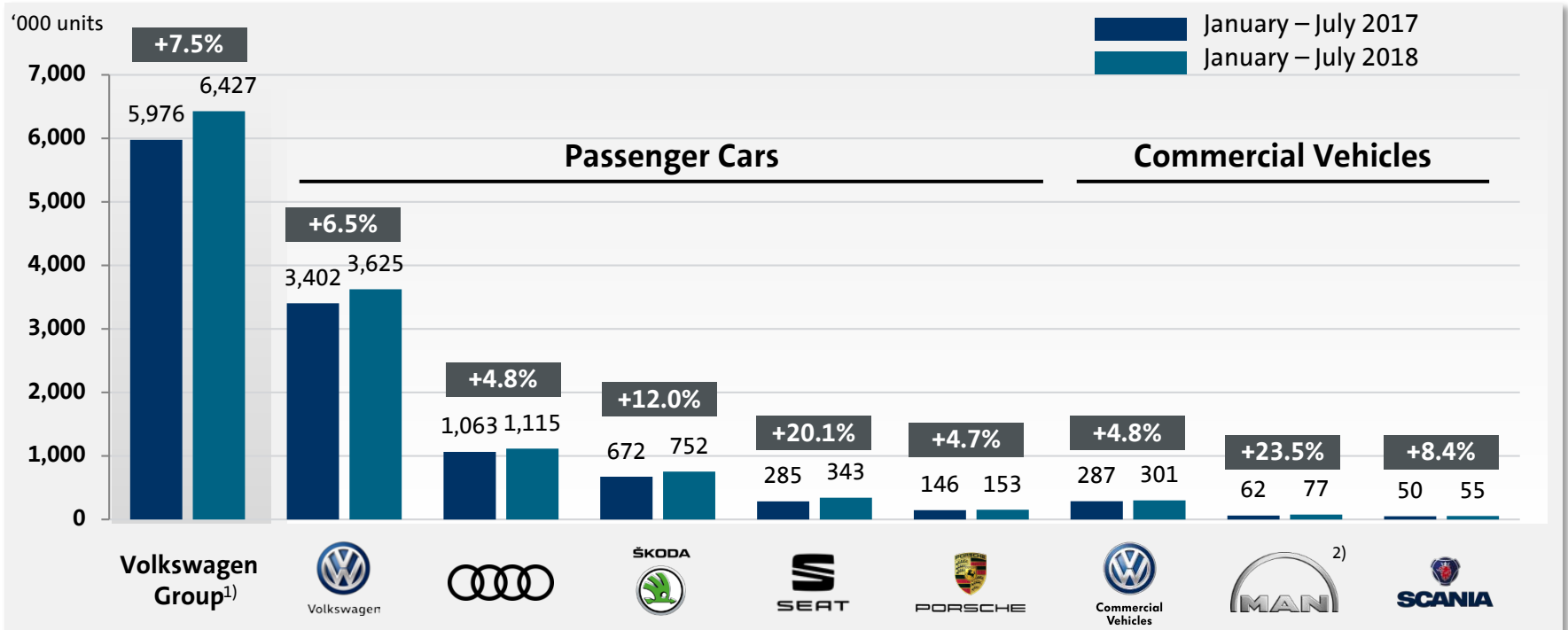
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Development World Car Market vs. Volkswagen Group Car Deliveries to Customers¹⁾ (Growth y-o-y in deliveries to customers, January to July 2018 vs. 2017)



¹⁾ Figures excl. Volkswagen Commercial Vehicles, Scania and MAN.

Volkswagen Group – Deliveries to Customers by Brands (January to July 2018 vs. 2017)



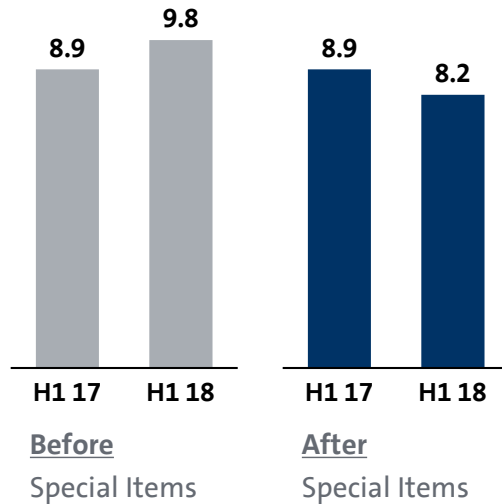
¹⁾ Incl. all brands of Volkswagen Group (Passenger Cars and Commercial Vehicles); +7.5% excl. Volkswagen Commercial Vehicles, Scania and MAN.

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

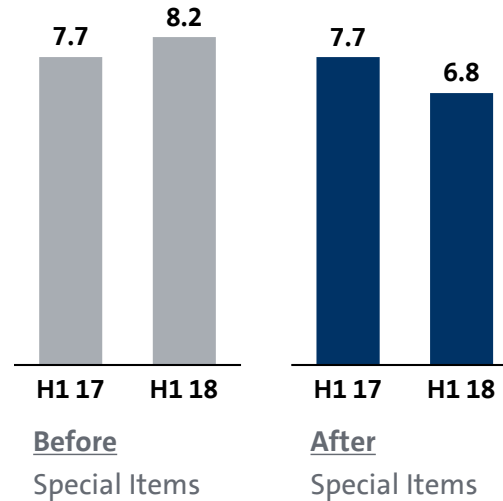
Volkswagen Group – Key Figures

(January to June 2018)

Operating profit (in € billion)



Operating profit (in % of sales)



Net Liquidity – Automotive Division (in € billion)

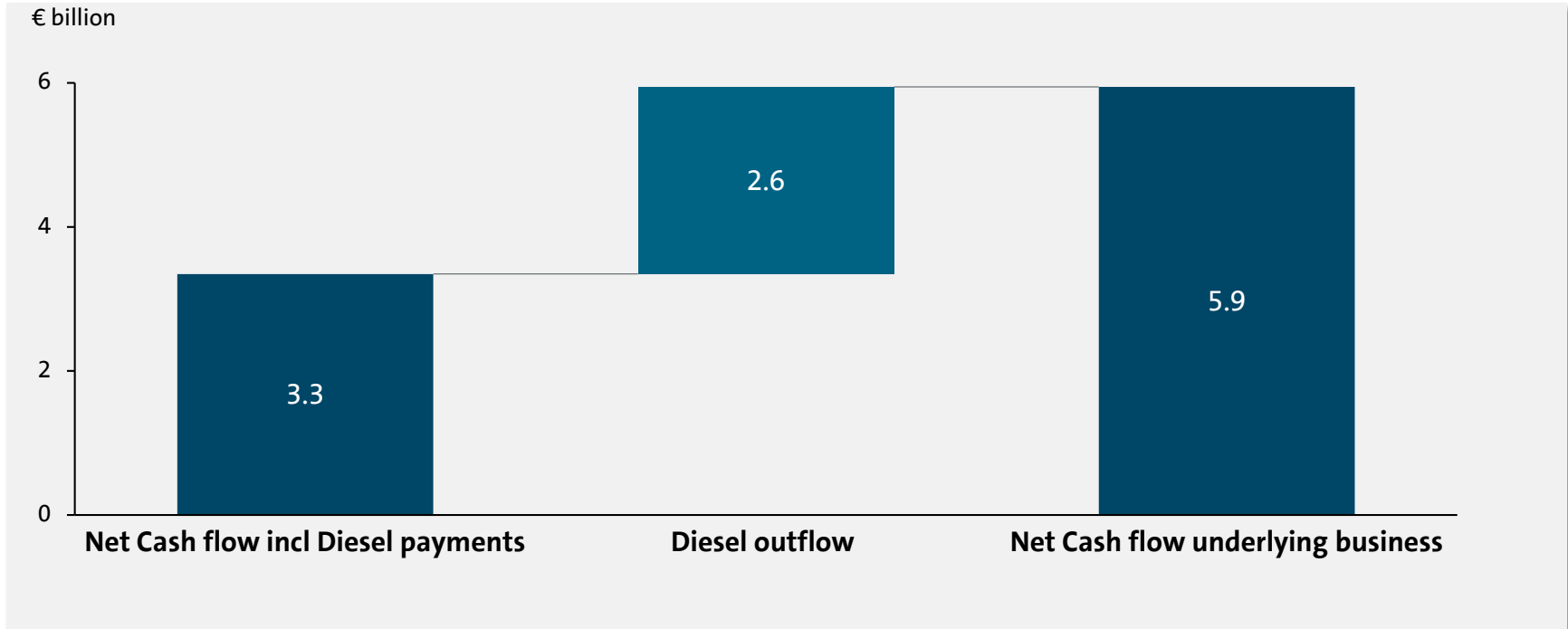


Volkswagen Group – Operating Profit by Brand and Business Field ¹⁾ (January to June 2018 vs. 2017)

| € million | 2018 | 2017 | % |
|--|--------------|--------------|-------------|
| Volkswagen Passenger Cars | 2,130 | 1,776 | 19.9 |
| Audi | 2,761 | 2,680 | 3.0 |
| ŠKODA | 821 | 860 | -4.5 |
| SEAT | 212 | 130 | 63.1 |
| Bentley | -80 | 13 | x |
| Porsche Automotive ²⁾ | 2,064 | 2,056 | 0.4 |
| Volkswagen Commercial Vehicles | 567 | 448 | 26.6 |
| Scania ³⁾ | 684 | 673 | 1.6 |
| MAN Commercial Vehicles | 258 | 193 | 33.7 |
| MAN Power Engineering | 68 | 73 | -6.8 |
| VW China ⁴⁾ | - | - | |
| Other ⁵⁾ | -921 | -1,152 | 20.1 |
| Volkswagen Financial Services | 1,231 | 1,165 | 5.7 |
| Volkswagen Group before Special Items | 9,794 | 8,916 | 9.8 |
| Special Items | -1,635 | - | |
| Volkswagen Group after Special Items | 8,160 | 8,916 | -8.5 |

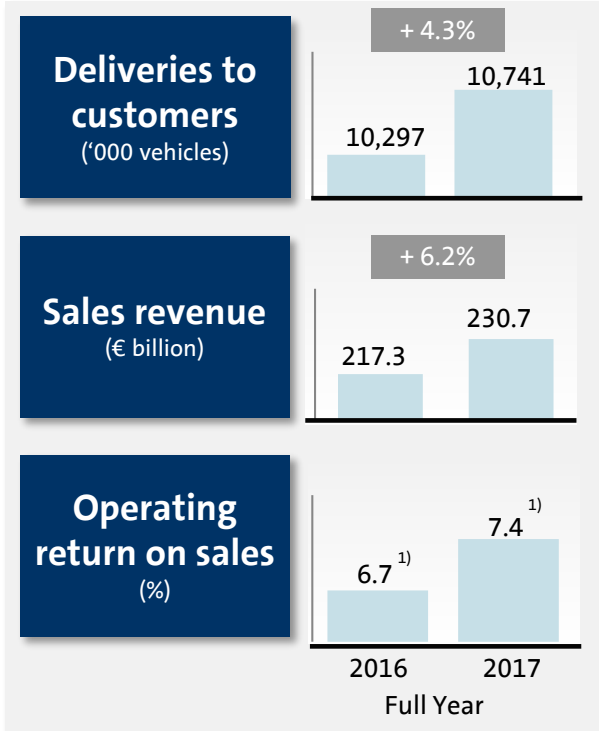
¹⁾ All figures shown are rounded, minor discrepancies may arise from addition of these amounts. ²⁾ Porsche (Automotive and Financial Services): sales revenue €12,287 (11,778) million, operating profit €2,154 (2,131) million. ³⁾ Including financial services. ⁴⁾ The sales revenue and operating profits 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 €2,318 (2,135) 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.

Volkswagen Group – Automotive Division Net Cash Flow ¹⁾ (January to June 2018)



¹⁾ Ex diesel payments; including allocation of consolidation adjustments between Automotive and Financial Services divisions.

Volkswagen Group – Outlook for 2018



Deliveries to customers

moderately above prior year



Sales revenue

by as much as 5% year-on-year



Operating return on sales

between 6.5% to 7.5% before Special Items²⁾

¹⁾ before Special Items. ²⁾ Operating return on sales after Special Items is expected to be moderately below that range.

Volkswagen Group – Focus Areas and Crucial Phase

Focus Areas



Continue to resolve the diesel crisis

- Conclude worldwide recall campaigns and service actions
- Manage legal proceedings worldwide



Improving the Core Business

- Profitability in NAR / SAM / Russia
- Drive Future Pact Brand VW further
- Cash Generation and Capex/R&D discipline



Transformation towards more E-Mobility

- CO₂ Compliance / WLTP implementation
- Profitability of Electric Vehicles
- Governance / Compliance / Culture



Strengthen Innovation Power

- Digitalization & Connectivity
- Profitable Mobility Services

Crucial Phase



WLTP

- Sales risk and higher incentives
- Volatility in production and stock
- Effects on sales revenue, operating profit and cash flow



MEB

- Timely start of production and product launch
- Key to making volume e-vehicles a reality
- Ultimate target -> CO₂ compliance

Audi e-tron

