

VOLKSWAGEN

AKTIENGESELLSCHAFT

January – March 2018
Conference Call and Webcast

26 April 2018

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 of Volkswagen Group members 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.

Consequently, a negative impact relating to ongoing claims or investigations, any 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, 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.

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Conference Call: January – March 2018



Frank Witter

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



Fred Kappler

Head of Group Sales
Volkswagen AG

Financial Highlights January – March 2018

Volkswagen Group started the first quarter on a strong footing

Sales revenue of €58.2 billion due to volume-related factors; negative exchange rate effects as expected

At €4.2 billion operating profit was below prior year, adjusted for changes in IFRS accounting and capitalized development costs, the underlying result would have come in slightly higher than the prior year

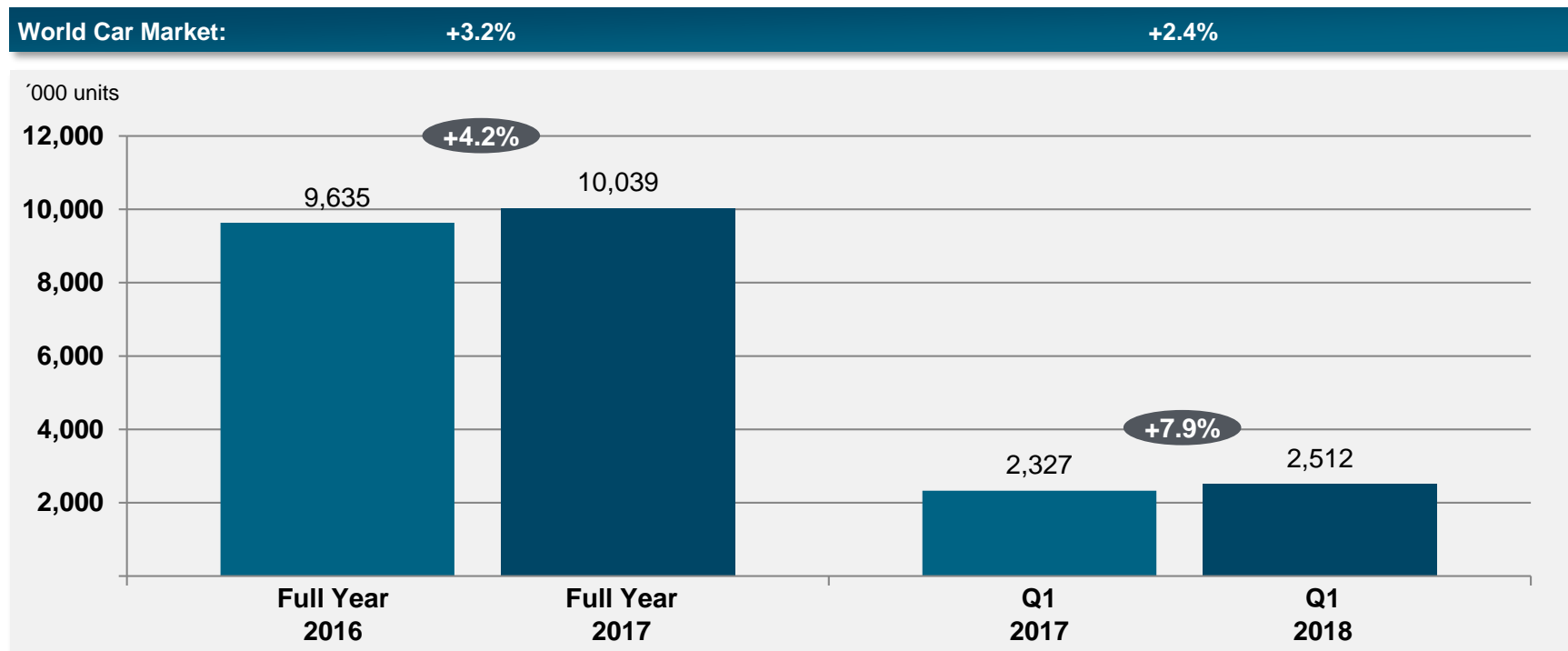
Profit before tax at €4.5 billion

Automotive cash generation improved significantly due to lower diesel related outflows

Net liquidity in the Automotive Division remains on a robust level

Development Volkswagen Group Car Deliveries to Customers ¹⁾

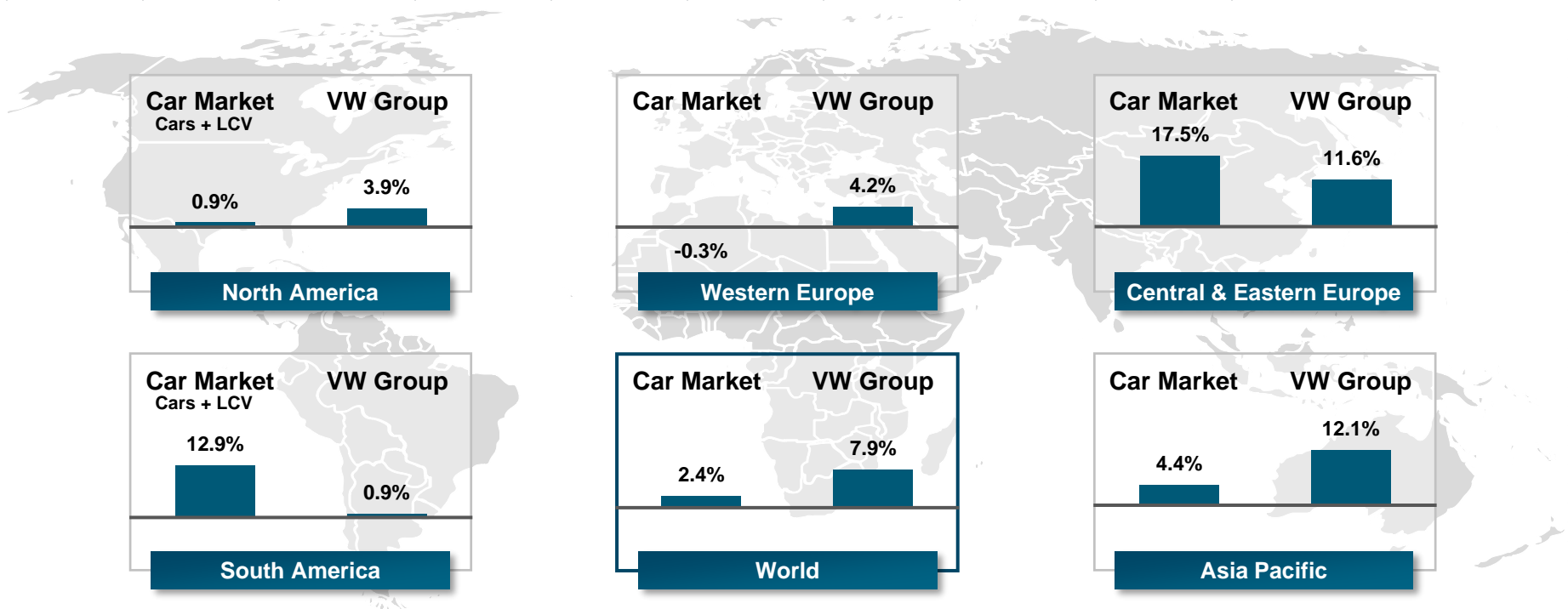
(in comparison to previous year)



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

Development World Car Market vs. Volkswagen Group Car Deliveries to Customers ¹⁾

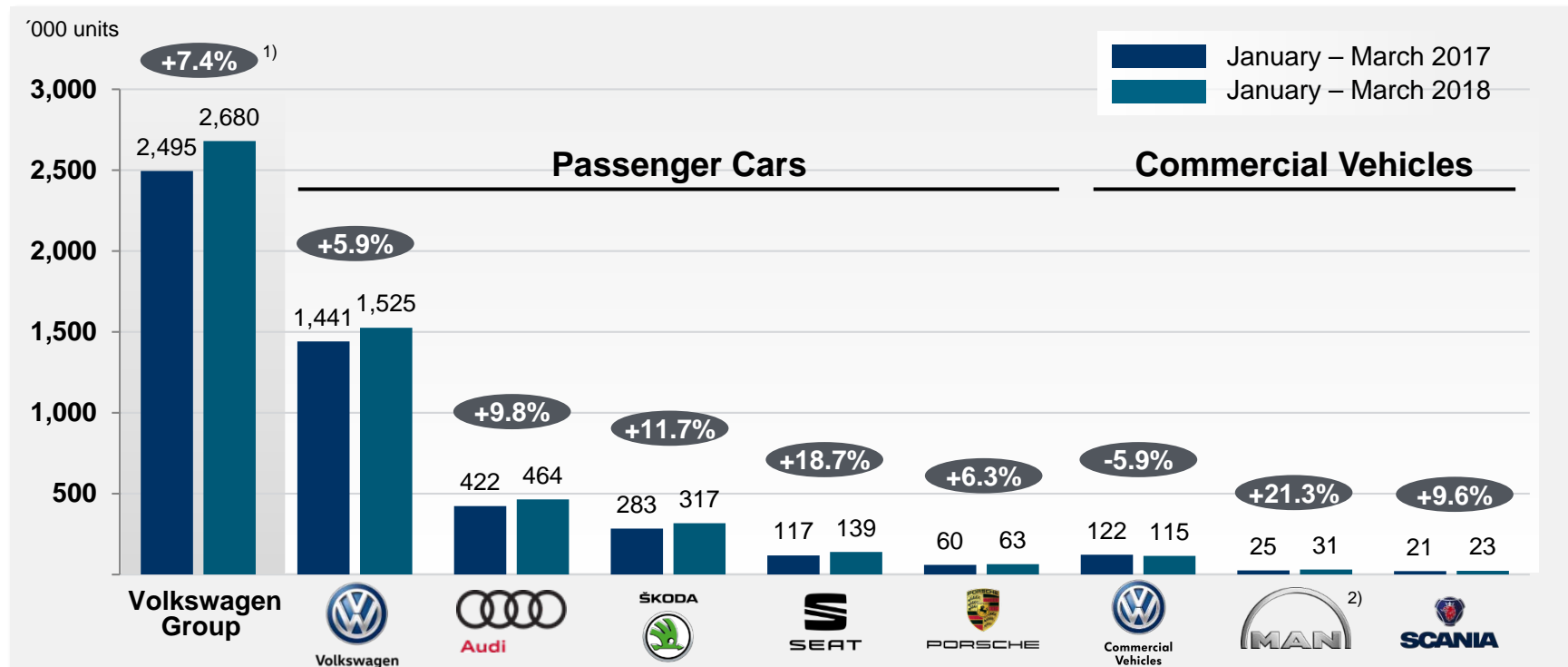
(Growth y-o-y in deliveries to customers, January to March 2018 vs. 2017)



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

Volkswagen Group – Deliveries to Customers by Brands

(January to March 2018 vs. 2017)



¹⁾ Incl. all brands of Volkswagen Group (Passenger Cars and Commercial Vehicles); +7.9% excl. Volkswagen Commercial Vehicles, Scania and MAN.

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



Audi A7 Sportback



Volkswagen up!GTI



Porsche 911 Carrera T



Lamborghini Aventador S Roadster

Volkswagen Group – Key Financial Figures ¹⁾

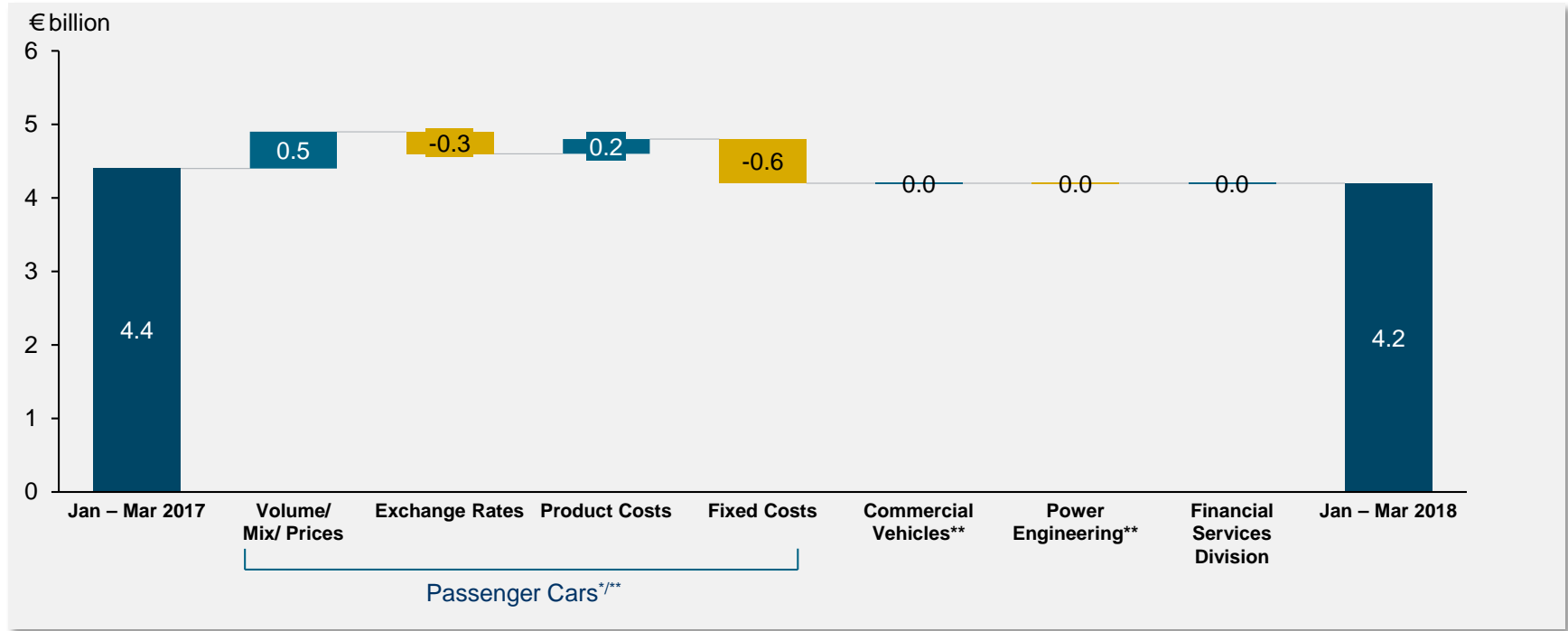
(January to March 2018 vs. 2017)

thousand vehicles / € million	2018	2017 ²⁾	+/- (%)
Vehicle Sales ³⁾	2,769	2,610	+6.1
Sales revenue	58,228	56,197	+3.6
Operating profit	4,211	4,367	-3.6
% of sales revenue	7.2	7.8	
Financial result	266	224	+18.8
of which: At-equity result ³⁾	829	936	-11.5
of which: Other financial result	-562	-712	-21.1
Profit before tax	4,477	4,592	-2.5
% Return on sales before tax	7.7	8.2	
Profit after tax	3,300	3,373	

¹⁾ 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. ²⁾ Prior-year figures were adjusted due to IFRS ³⁾ 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 €1,163 million (€1,112 million).

Volkswagen Group – Analysis of Operating Profit ¹⁾

(January to March 2018 vs. 2017)



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

Volkswagen Group – Analysis by Business Line ¹⁾

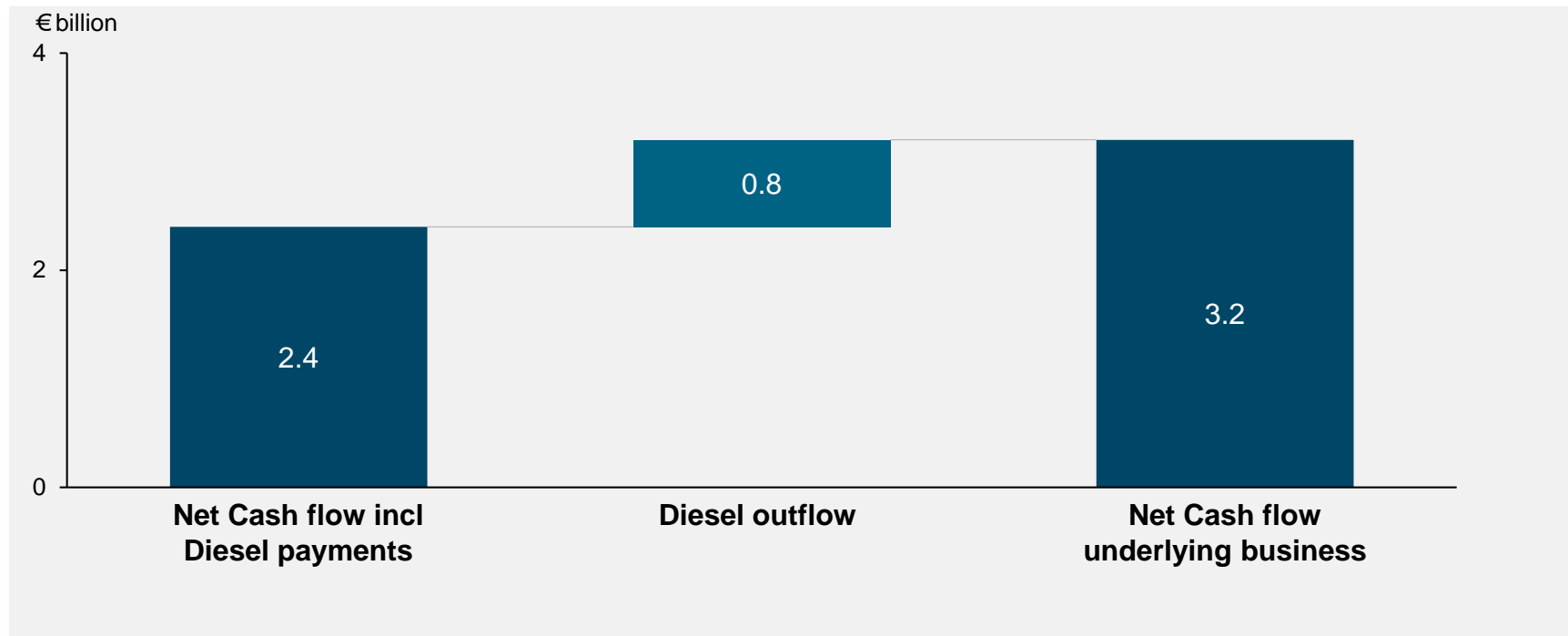
(January to March 2018 vs. 2017)

thousand vehicles/ € million	Vehicle sales		Sales revenue		Operating profit	
	2018	2017	2018	2017	2018	2017
Volkswagen Passenger Cars	912	862	20,115	19,040	879	869
Audi	394	375	15,320	14,378	1,300	1,244
ŠKODA	256	252	4,547	4,334	437	415
SEAT	167	148	2,782	2,487	85	56
Bentley	2	2	351	361	-44	-30
Porsche Automotive ²⁾	61	57	5,438	5,035	939	932
Volkswagen Commercial Vehicles	117	119	2,945	2,875	224	205
Scania ³⁾	23	21	3,118	3,084	331	324
MAN Commercial Vehicles	31	25	2,771	2,572	83	93
MAN Power Engineering	-	-	766	783	21	26
VW China ⁴⁾	1,040	971	-	-	-	-
Other ⁵⁾	-233	-223	-7,923	-6,628	-652	-319
Volkswagen Financial Services	-	-	7,999	7,876	608	551
Volkswagen Group before Special Items	-	-	-	-	4,211	4,367
Special Items	-	-	-	-	-	-
Volkswagen Group	2,769	2,610	58,228	56,197	4,211	4,367
Automotive Division ⁶⁾	2,769	2,610	49,743	47,825	3,572	3,768
of which: Passenger Cars	2,600	2,445	40,298	38,640	3,077	3,299
of which: Commercial Vehicles	169	165	8,679	8,402	536	499
of which: Power Engineering	-	-	766	783	-42	-30
Financial Services Division	-	-	8,485	8,372	639	600

¹⁾ All figures shown are rounded, minor discrepancies may arise from addition of these amounts. ²⁾ Porsche (Automotive and Financial Services): sales revenue €5,936 (5,489) million, operating profit €976 (967) 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 €1,163 (1,112) 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 Flow ¹⁾

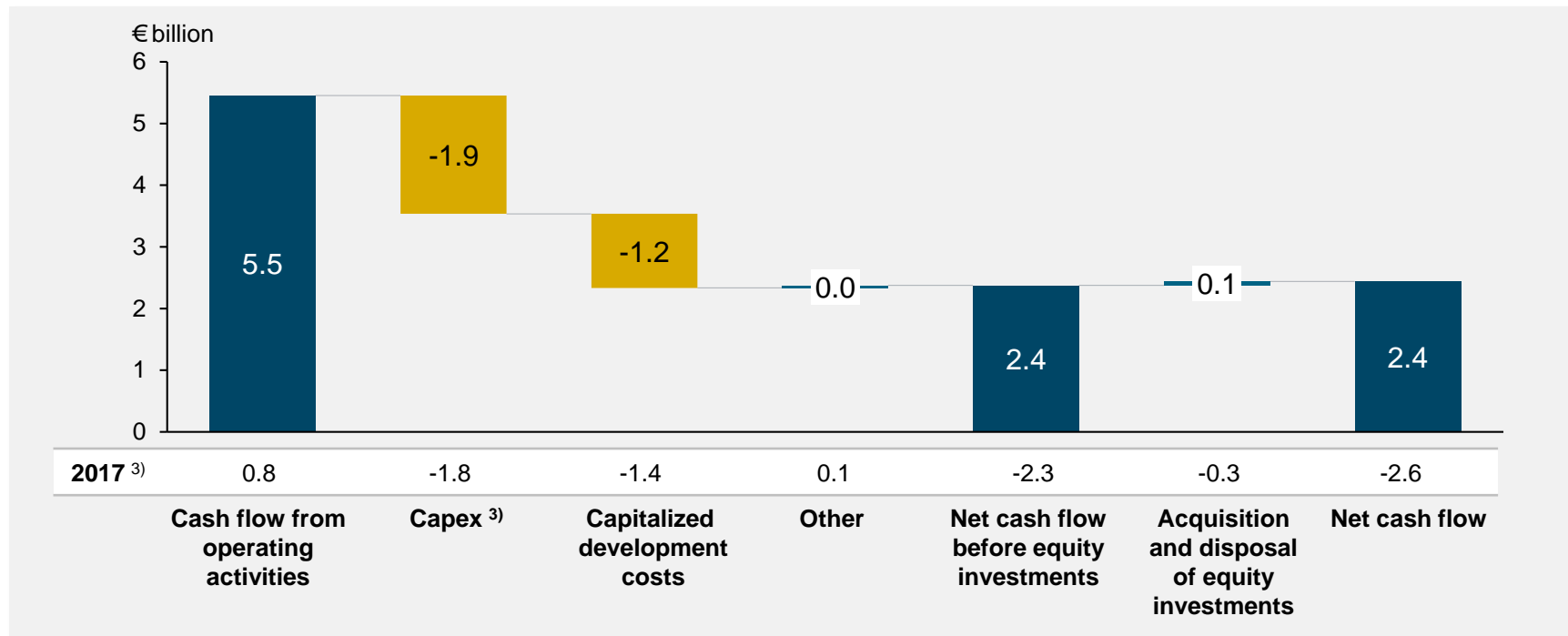
(January to March 2018)



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

Automotive Division Net Cash Flow Development ^{1) 2)}

(January to March 2018)

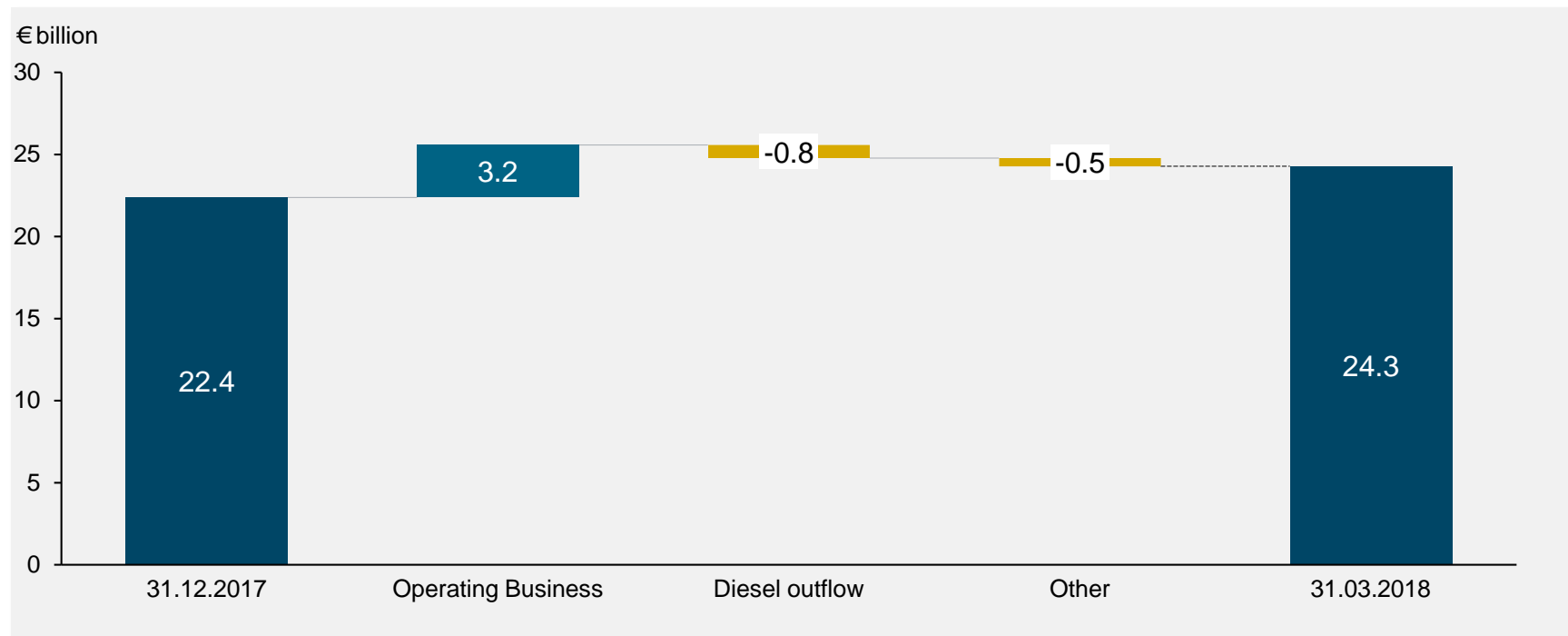


¹⁾ All figures shown are rounded, minor discrepancies may arise from addition of these amounts. ²⁾ Including allocation of consolidation adjustments between Automotive and Financial Services divisions.

³⁾ Capital expenditure for property, plant and equipment in % of Automotive sales revenue.

Automotive Division – Analysis of Net Liquidity ¹⁾

(January to March 2018)



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

Volkswagen Group – Outlook for 2018

Deliveries to customers

('000 vehicles)

+ 4.3%

10,297

10,741

Sales revenue

(€ billion)

+ 6.2%

217.3

230.7

Operating return on sales

(%)

6.7¹⁾

7.4¹⁾

2016

2017

Full Year



Deliveries to customers

moderately above prior year



Sales revenue

by as much as 5% year-on-year



Operating return on sales

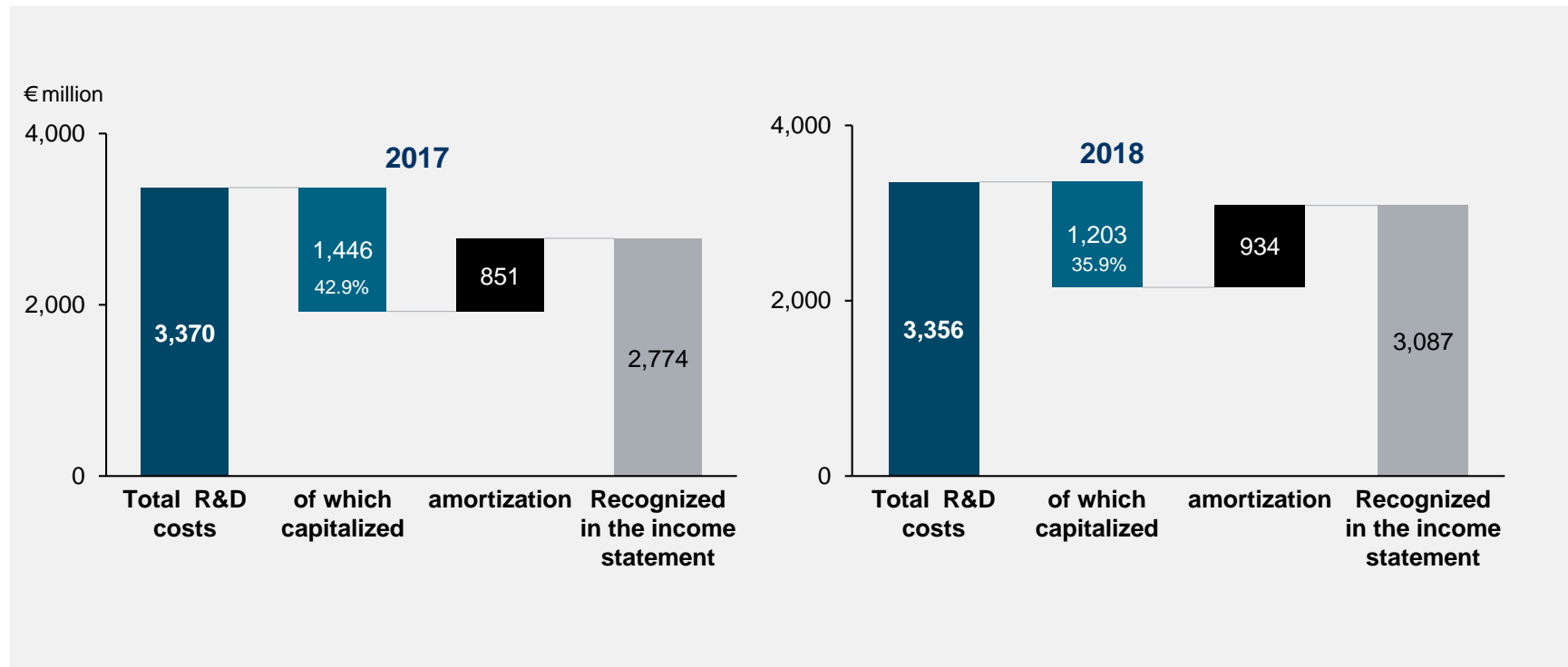
between 6.5% to 7.5%

¹⁾ before Special Items.

Appendix

Automotive Division – Research and Development Costs

(January to March 2018 vs. 2017)



Volkswagen Touareg



Audi Q5L



ŠKODA Fabia



SEAT CUPRA Ateca



Porsche 911 Carrera T



Bentley Continental GT



Lamborghini Urus



Volkswagen Amarok



MAN TGX 18.500



MAN TGE 5.180



Scania G 450 XT 8x4



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