Leading the Transformation.

Frank Witter
Chief Financial Officer

Investor Roadshow with Société Générale, Paris, 4th July 2019
Disclaimer

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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, 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.

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Development World Car Market vs. Volkswagen Group Car Deliveries to Customers\(^1\)  
(Growth y-o-y in deliveries to customers, January to May 2019 vs. 2018)

<table>
<thead>
<tr>
<th>Region</th>
<th>Car Market</th>
<th>VW Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>-2.4%</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Western Europe</td>
<td>-2.6%</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Central &amp; Eastern Europe</td>
<td>0.7%</td>
<td>1.4%</td>
</tr>
<tr>
<td>South America</td>
<td>-6.4%</td>
<td>-5.7%</td>
</tr>
<tr>
<td>World</td>
<td>-5.7%</td>
<td>-4.3%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>-8.2%</td>
<td>-7.9%</td>
</tr>
</tbody>
</table>

\(^1\) Figures including Volkswagen Commercial Vehicles in North and South America, excluding Scania and MAN.
Development Volkswagen Group Car Deliveries to Customers by Markets 1)
(Growth y-o-y in deliveries to customers, January to May 2019 vs. 2018)

[thsd. units]

<table>
<thead>
<tr>
<th>Jan - May 2018</th>
<th>China</th>
<th>Turkey</th>
<th>Argentina</th>
<th>Rest of World</th>
<th>France</th>
<th>Algeria</th>
<th>Brazil</th>
<th>Jan - May 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4,259</td>
<td>-123</td>
<td>-26</td>
<td>-25</td>
<td>6</td>
<td>13</td>
<td>26</td>
<td>4,075</td>
</tr>
</tbody>
</table>

1) Figures including Volkswagen Commercial Vehicles in North and South America, excluding Scania and MAN.
Volkswagen Group – Deliveries to Customers by Brands (January to May 2019 vs. 2018)

[thsd. units]

Volume
-3.7%  
4,561 4,391
-5.0%  
2,585 2,456
-5.2%  
536 508
+7.7%  
239 257
+2.4%  
210 215
-5.8%  
785 739

Premium
-5.8%  
4,391 4,109
-2.0%  
109 107
-11.2%  
4 4
+9.8%  
53 58
+10.4%  
2 2

Sport & Luxury
-5.0%  
2,585 2,456
+11.2%  
58 52
+9.8%  
53 58
+10.4%  
2 2

Truck & Bus

1) Incl. all brands of Volkswagen Group (Passenger Cars and Commercial Vehicles); -4.3% incl. Volkswagen Commercial Vehicles in North and South America, excl. Scania and MAN.

2) MAN incl. MAN Latin America Trucks and Busses GVW > 5t.
### Volkswagen Group – Key Financial Figures ¹)
(From January to March 2019 vs. 2018)

<table>
<thead>
<tr>
<th>Thousand vehicles / € million</th>
<th>2019</th>
<th>2018 ²)</th>
<th>+/- (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle Sales ³)</td>
<td>2,583</td>
<td>2,769</td>
<td>-6.7</td>
</tr>
<tr>
<td>Sales revenue</td>
<td>60,012</td>
<td>58,228</td>
<td>+3.1</td>
</tr>
<tr>
<td>Operating profit before Special Items</td>
<td>4,849</td>
<td>4,211</td>
<td>+15.2</td>
</tr>
<tr>
<td>% of sales revenue</td>
<td>8.1</td>
<td>7.2</td>
<td></td>
</tr>
<tr>
<td>Operating profit</td>
<td>3,868</td>
<td>4,211</td>
<td>-8.2</td>
</tr>
<tr>
<td>% of sales revenue</td>
<td>6.4</td>
<td>7.2</td>
<td></td>
</tr>
<tr>
<td>Financial result</td>
<td>203</td>
<td>266</td>
<td>-23.7</td>
</tr>
<tr>
<td>of which: At-equity result ⁴)</td>
<td>808</td>
<td>829</td>
<td>-2.5</td>
</tr>
<tr>
<td>of which: Other financial result</td>
<td>-605</td>
<td>-562</td>
<td>-7.7</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>4,071</td>
<td>4,477</td>
<td>-9.1</td>
</tr>
<tr>
<td>% Return on sales before tax</td>
<td>6.8</td>
<td>7.7</td>
<td></td>
</tr>
<tr>
<td>Profit after tax</td>
<td>3,053</td>
<td>3,300</td>
<td>-7.5</td>
</tr>
</tbody>
</table>

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.
⁴) The joint venture companies in China are accounted for using the equity method and recorded an operating profit (proportionate) of €1,074 million (€1,163 million).
Volkswagen Group – Analysis of Operating Profit 1)
(January to March 2019 vs. 2018)

[€ billion]

- Jan – Mar 2018 before Special Items: 4.2
- Volume/Mix/Prices: +0.2
- Exchange Rates: +0.5
- Product Costs: -0.4
- Fixed Costs: +0.2
- Commercial Vehicles**: +0.1
- Power Engineering**: +0.0
- Financial Services Division: +0.1
- Jan – Mar 2019 before Special Items: 4.8
- Special Items: +1.0
- Jan – Mar 2019 after Special Items: 3.9

Passenger Cars**

1) All figures shown are rounded, minor discrepancies may arise from addition of these amounts. *) without FS **) including PPA
### Automotive Division Net Cash Flow Development 1) 2)
(January to March 2019)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from</td>
<td>5.4</td>
<td>2.0</td>
</tr>
<tr>
<td>operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capex</td>
<td>5.5</td>
<td>5.1</td>
</tr>
<tr>
<td>Capitalized</td>
<td>-1.9 (3.9%) 3)</td>
<td>-1.2</td>
</tr>
<tr>
<td>development costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Net cash flow before</td>
<td>2.4</td>
<td>2.4</td>
</tr>
<tr>
<td>equity investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition and</td>
<td>-0.3</td>
<td></td>
</tr>
<tr>
<td>disposal of equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Cash flow 4)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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. 4) Including Diesel payments and M&A.
Automotive Division – Net Cash Flow 1)
(January to March 2019)

[€ billion]

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Cash flow including Diesel payments and M&amp;A</th>
<th>Diesel outflow</th>
<th>Aquisition and disposal of equity investments</th>
<th>Net Cash flow underlying business</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>2.4</td>
<td>0.2</td>
<td>0.3</td>
<td>3.1</td>
</tr>
</tbody>
</table>

1) Including allocation of consolidation adjustments between Automotive and Financial Services divisions
Automotive Division – Analysis of Net Liquidity ¹)
(January to March 2019)

[€ billion]

1) All figures shown are rounded, minor discrepancies may arise from addition of these amounts.
Volkswagen Group – Outlook for 2019

**Deliveries to customers**
- 2017: 10,7
- 2018: 10,8
- Slightly exceed the prior-year

**Sales revenue**
- 2017: 229,6
- 2018: 235,8
- Grow by as much as 5%

**Operating return on sales**
- 2017: 7,4
- 2018: 7,3
- In the range of 6.5 – 7.5% before Special Items

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1) before Special Items.
Global Passenger Car Market 2018 – 2019 ¹)

China remains largest driver of passenger car demand, Western Europe stable
Slowdown in the US from a high level

Deliveries to customers of the Volkswagen Group in 2019 will still grow moderately amid continuously challenging market conditions.

¹) Internal forecast; as of June, 2019. ²) Volume for North & South America includes light commercial vehicles (definition 'Light Vehicles')
New and Forthcoming Product Highlights in 2019 ¹)

<table>
<thead>
<tr>
<th>Portfolio expansion and successor models ICE</th>
<th>Portfolio expansion BEV</th>
</tr>
</thead>
<tbody>
<tr>
<td>T-Cross</td>
<td>Bora BEV (CH)</td>
</tr>
<tr>
<td>Q3</td>
<td>911 Carrera</td>
</tr>
<tr>
<td>Sagitar</td>
<td>ŠKODA Scala</td>
</tr>
<tr>
<td>Octavia Combi</td>
<td>e-tron</td>
</tr>
<tr>
<td>B-SUV 5-Seater (US/CH)</td>
<td>Tarraco</td>
</tr>
<tr>
<td>ŠKODA Scala</td>
<td>e-tron Sportback</td>
</tr>
<tr>
<td>A1 City Carver</td>
<td>Citigo BEV</td>
</tr>
<tr>
<td>Cayenne Coupé</td>
<td>Flying Spur</td>
</tr>
<tr>
<td>Bora BEV (CH)</td>
<td>Taycan</td>
</tr>
</tbody>
</table>

¹) Selected models planned.
Emission requirements: WLTP\(^1\) is the “new normal"

<table>
<thead>
<tr>
<th>Homologation Deadlines</th>
<th>Complexity Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2019</strong></td>
<td></td>
</tr>
<tr>
<td>from 1/19</td>
<td></td>
</tr>
<tr>
<td>&lt; WLTP regulations extended and sharpened „WLTP 2nd Act“</td>
<td></td>
</tr>
<tr>
<td><strong>2020</strong></td>
<td></td>
</tr>
<tr>
<td>from 9/19(^2)</td>
<td></td>
</tr>
<tr>
<td>WLTP + EVAP Evaporative Emission Control System + In-Service Conformity (Examination of customer vehicles) + RDE-NOx</td>
<td></td>
</tr>
<tr>
<td><strong>2021</strong></td>
<td></td>
</tr>
<tr>
<td>from 1/21</td>
<td></td>
</tr>
<tr>
<td>RDE 2nd step (sharpening of limits)</td>
<td></td>
</tr>
<tr>
<td>from 1/21</td>
<td></td>
</tr>
<tr>
<td>+ On Board Fuel Consumption Monitoring (Measurement and saving of consumption data throughout vehicle life)</td>
<td></td>
</tr>
</tbody>
</table>

The majority of **engine/transmission combinations** need to be re-homologated and newly approved.

**Volkswagen Volume Brands** already acted:

![Graph showing complexity reduction]

Further complexity reduction in 2019 is under way.

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\(^1\)Worldwide Harmonized Light Vehicles Test Procedure
\(^2\)Extended to Light Commercial Vehicles all new registrations
### Clear Financial Targets and Milestones 1)

<table>
<thead>
<tr>
<th>Key financial targets</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019 Targets</th>
<th>2020 Targets</th>
<th>2025 Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating return on sales</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Before Special Items</td>
<td>6.7%</td>
<td>7.4%</td>
<td>7.3%</td>
<td>6.5-7.5%</td>
<td>6.5-7.5%</td>
<td>7-8%</td>
</tr>
<tr>
<td>Return on investment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automotive Division before Special Items</td>
<td>13.9%</td>
<td>14.4%</td>
<td>13.1%</td>
<td>12-14%</td>
<td>13-15%</td>
<td>&gt; 15%</td>
</tr>
<tr>
<td>Capex ratio</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automotive Division</td>
<td>6.9%</td>
<td>6.4%</td>
<td>6.6%</td>
<td>6.5-7.0%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>R&amp;D cost ratio</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automotive Division</td>
<td>7.3%</td>
<td>6.7%</td>
<td>6.8%</td>
<td>6.5-7.0%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Cash</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Net Cashflow</td>
<td></td>
<td></td>
<td></td>
<td>≥ € 9 bn</td>
<td>≥ € 10 bn</td>
<td>&gt; € 10 bn</td>
</tr>
<tr>
<td>Automotive Division</td>
<td>€ 4.9 bn</td>
<td>€ 10.3 bn</td>
<td>€ 5.6 bn</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) Net Liquidity</td>
<td></td>
<td></td>
<td></td>
<td>≥ € 15 bn³</td>
<td>&gt; € 20 bn</td>
<td></td>
</tr>
<tr>
<td>Automotive Division</td>
<td>€ 27.2 bn</td>
<td>€ 22.4 bn</td>
<td>€ 19.4 bn</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

### Overview Brand Targets (RoS, RoE)

<table>
<thead>
<tr>
<th>Return on Sales in %&lt;sup&gt;1)&lt;/sup&gt;</th>
<th>2016</th>
<th>2017</th>
<th>Target 2018</th>
<th>2018</th>
<th>Target 2019</th>
<th>Target 2020</th>
<th>Target 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen Group</td>
<td>6.7</td>
<td>7.4</td>
<td>6.5-7.5</td>
<td>7.3</td>
<td>6.5-7.5</td>
<td>6.5-7.5</td>
<td>7.0-8.0</td>
</tr>
<tr>
<td>Volkswagen Brand</td>
<td>1.8</td>
<td>4.1</td>
<td>4.5</td>
<td>3.8</td>
<td>4.5</td>
<td>4.5</td>
<td>≥6</td>
</tr>
<tr>
<td>Audi</td>
<td>8.2</td>
<td>8.4</td>
<td>8-10</td>
<td>7.9</td>
<td>7.0-8.5&lt;sup&gt;2)&lt;/sup&gt;</td>
<td>9-11&lt;sup&gt;2)&lt;/sup&gt;</td>
<td>9-11&lt;sup&gt;2)&lt;/sup&gt;</td>
</tr>
<tr>
<td>Porsche Automotive</td>
<td>17.4</td>
<td>18.5</td>
<td>&gt;15</td>
<td>17.4</td>
<td>&gt;15</td>
<td>&gt;15</td>
<td>&gt;15</td>
</tr>
<tr>
<td>ŠKODA</td>
<td>8.7</td>
<td>9.7</td>
<td>8-9</td>
<td>8.0</td>
<td>6-7</td>
<td>6-7</td>
<td>≥7</td>
</tr>
<tr>
<td>Volkswagen Commercial Vehicles</td>
<td>4.1</td>
<td>7.2</td>
<td>5-6</td>
<td>6.6</td>
<td>4-5</td>
<td>4-5</td>
<td>≥6</td>
</tr>
<tr>
<td>TRATON Group&lt;sup&gt;3)&lt;/sup&gt;</td>
<td>5.4</td>
<td>6.0</td>
<td>-</td>
<td>6.4</td>
<td>6.5-7.5</td>
<td>Over the cycle target of 9%&lt;sup&gt;4)&lt;/sup&gt;</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Return on Equity (norm. 8%)</th>
<th>2016</th>
<th>2017</th>
<th>Target 2018</th>
<th>2018</th>
<th>Target 2019</th>
<th>Target 2020</th>
<th>Target 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen Financial Services</td>
<td>15.6</td>
<td>15.8</td>
<td>14-16</td>
<td>15.8</td>
<td>14-16</td>
<td>14-16</td>
<td>20</td>
</tr>
</tbody>
</table>

<sup>1)</sup> Before special items.  
<sup>2)</sup> Effective 01/2019, operating return based on adjusted sales revenue without turnover from multi-brand sales companies.  
<sup>3)</sup> Incl. Scania Financial Services I Adj. Return on Sales for 2016 / 2017 / 2018  
<sup>4)</sup> Strategic target TRATON Group wants to achieve over-the-cycle, incl. holding costs and consolidation effects.
Improving Group Return on Sales despite significant headwinds

Operating margin\(^1\) (% of sales revenue)

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019/2020 Target</th>
<th>2025 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating margin</td>
<td>6.7%</td>
<td>7.4%</td>
<td>7.3%</td>
<td>6.5 - 7.5%</td>
<td>7.0 - 8.0%</td>
</tr>
</tbody>
</table>

\(^1\) Before special items.

Industry transition and emission costs / CO\(_2\)

Performance improvement impacts
- Mix / Price
- Fixed costs
- Purchasing
- Productivity
- Complexity reduction
- Overseas performance
- Investment discipline
Securing Group KPI’s: Profit Improvement programs

- **Volume**: Future Pact/Profit Improv. Program, Attack Plan, 100+/ Full Cost Optim.
- **Premium**: Transformation Plan
- **Sport & Luxury**: Profit Improv. Program
- **Financial Services**: Opex
- **Commercial Vehicles**: Focus on synergies
- **Group**: Lean and focused (GI 12)

All Group KPIs 2020/2025 confirmed!

2018

2025 RoS Target

7.0 - 8.0%
Discipline: Maintaining R&D and CAPEX Targets

**R&D Automotive Division**

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td></td>
<td>7.3%</td>
<td>6.7%</td>
<td>6.8%</td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td>6.5%</td>
<td>6.0%</td>
<td>6.0%</td>
</tr>
<tr>
<td>2025</td>
<td></td>
<td>6.5%</td>
<td>6.0%</td>
<td>6.0%</td>
</tr>
</tbody>
</table>

**CAPEX Automotive Division**

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td></td>
<td>6.9%</td>
<td>6.5%</td>
<td>6.6%</td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td>6.5%</td>
<td>6.0%</td>
<td>6.0%</td>
</tr>
<tr>
<td>2025</td>
<td></td>
<td>6.5%</td>
<td>6.0%</td>
<td>6.0%</td>
</tr>
</tbody>
</table>
Generate cash (1): Self funding¹

Automotive Net Cash Flow² (in € bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Cash Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>4.9</td>
</tr>
<tr>
<td>2017</td>
<td>10.3</td>
</tr>
<tr>
<td>2018</td>
<td>5.6</td>
</tr>
</tbody>
</table>

- **2019 Target**: ≥ 9
- **2020 Target**: ≥ 10
- **2025 Target**: > 10

- ✔ Improving working capital management
- ✔ Robust China dividends
- ✔ Cash is King!

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

² Before Diesel related outflows and M&A.
Generate Cash (2): Attractive Dividend

<table>
<thead>
<tr>
<th>Earnings per Preference Share (€)</th>
<th>Dividend per Preference Share (€)</th>
<th>Dividend pay-out ratio¹ (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.30  22.34  23.63</td>
<td>2.06  3.96  4.86</td>
<td>19.7  17.6  20.4</td>
</tr>
</tbody>
</table>

Target EPS: ≥ 30 € by 2020

Target Dividend Pay-Out Ratio: 30%

¹ Total dividend in percent of net income attributable to shareholders of Volkswagen AG. ² Dividend proposal.
STRATEGY 2025 – Initiatives at a glance

1. Sharpen positioning of brands
2. Develop winning vehicle and drivetrain portfolio
3. Streamline modular architectures
4. Partner with regional players to win in economy segment
5. Develop self-driving system for autonomous vehicles and artificial intelligence in-house
6. Develop battery technology as new core competency
7. Develop best-in-class user experience across brands and customer touchpoints
8. Implement model line organization
9. Realign "Components" business
10. Build mobility solutions business
11. Develop and expand attractive and profitable smart mobility offering
12. Improve operational excellence
13. Optimize business portfolio
14. Drive digital transformation
15. Create organization 4.0
Enhanced Strategy: Together 2025+

- Accelerating industry changes
- New Group structure
- Leadership changes on board level

Continuation of strategic direction
- Increase focus and speed
- New purpose-driven vision: Shaping mobility – for generations to come
Together 2025+: Increased focus and speed towards a purpose-driven vision

Our new vision

Shaping mobility – for generations to come.

Our updated action plan

Brand and regional strategies

Best Governance
Best Performance
Best Brand Equity
Software-enabled car company
Excellent Leadership

Functional strategies

Our belief

Values and integrity

Our updated action plan
Creation of Brand Groups reduces the complexity of the Group structure

<table>
<thead>
<tr>
<th>Volume</th>
<th>Premium</th>
<th>Sport &amp; Luxury</th>
<th>Truck &amp; Bus</th>
<th>Procurement/Components</th>
<th>Finance &amp; IT</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>VW</td>
<td>Audi</td>
<td>Porsche</td>
<td>MAN</td>
<td>Procurement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Škoda</td>
<td>Lamborghini</td>
<td>Bentley</td>
<td>Scania</td>
<td>Components</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEAT</td>
<td>Ducati</td>
<td>Bugatti</td>
<td>Power Engineering</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VW LCV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Region China</td>
</tr>
<tr>
<td>MOIA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) Allocation to be verified.
Investing heavily in our transformation

Up to the end of **2023**: We will be putting more than **€44 bn** into our mobility for the future: there of € 30bn in e-mobility and rest in digitalization, autonomous driving and mobility services.

Amounts to roughly one third of total expenditure for the years 2019-2023.

As of 19th November, 2018.

Up to the end of **2023**: Two thirds of total expenditure are being put into the conventional vehicle and drive portfolio in order to meet the CO2 requirements.

As of 3rd May, 2019.

On top, up to the end of **2023**: Volkswagen Group and its joint-venture partners in China will be making around **€15 bn** available for e-mobility, autonomous driving, digitalization and new mobility services.

Investments of around **€1 bn** planned to set up **battery cell production** facility with partner in Lower Saxony.

As of 19th November, 2018.
BEVs are First choice as the most cost efficient solution for CO₂ reduction

MEASURES FOR CO₂ REDUCTION IN €/G CO₂

95€/gCO₂

Diesel ICE EU7
Gasoline ICE Hybrid
Gasoline ICE Mild-Hybrid
Gasoline ICE Plug-In-Hybrid
BEV MEB 1st Generation
BEV MEB 2nd Generation

Example Volkswagen Brand: Ranking CO₂ efficiency indicators (average) for selected CO₂ measures
Scalable Technology: The dedicated platforms (MEB/PPE) guarantee superior customer experience, scale and versatility.
The car becomes the most complex internet device

Car

Today

Tomorrow

Control units: approx. 70
Distributed customer functions
No own Software stacks

Fully connected car

Software Stacks:
Infotainment, Navigation, Emergency Assist...

ww.os
Basic Software: Operating System

Functional/Swotware

Cloud/Backend

High Performance Computers

Development of Volkswagen’s own Software stacks

Further control units for safety relevant functions

3-5
Expanding production of electric vehicles worldwide on a massive scale by the end of 2022
Huge worldwide BEV offensive on the way to CO2 neutrality by 2050

BEV worldwide (in million) based on expected Group deliveries to customers

Roadmap

PREMIUM

VOLUME

> 70 models

~ 3.0

2018 2019 2020 2021 2022 2023 2024 2025 2050

„Zero Emission“ in the existing fleet
Volkswagen is gathering momentum with the first MEB vehicle ID.3
A new era begins

ID.3 will come with ranges from 330 to 550 kilometers (WLTP) and starting price of under €30,000 in Germany

Pre-booking of special edition ID.3 1st:

Already ca. 23,000 registrations with an excellent customer response

- limited to 30,000 vehicles
- range of 420 km (WLTP)
- starting price of less than €40,000 in Germany
- including charging of electric power for a year at no cost up to a maximum of 2,000 kWh
- Registration deposit is €1,000

Status: June 2019.
BEV challenges addressed by three key elements

<table>
<thead>
<tr>
<th>Usability / Range</th>
<th>Total Cost of Ownership</th>
<th>Systematic Sales Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>e-Golf</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>up to 231 km (WLTP)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>MEB-platform</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>up to 550 km (WLTP)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>scalable</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Par value on total costs between ICE and BEV*

- **State subsidy**
- **Cost of Ownership**
- **Cost/Leasing**

- **ICE - e.g. Golf TDI**
- **e-Golf**
- **BEV - ID.**

---

**New Car**

- ID.
- Lifetime Concept

**Used Car**

- ID.
- Lifetime Concept

**Effects:**
- Stabilization of residual values
- Increase of customer loyalty towards dealers & brand
The charging infrastructure: An enabler for the transformation to e-mobility

1) As of 12th March, 2019.
Driving forward Strategy: New collaborative approach

**Market/ Product**
- Ford
- JETTA

**E-Mobility services**
- Elli
- IONITY

**Software**
- Microsoft
- WirelessCar
- Volkswagen We
- aws
- SIEMENS

**Technology**
- QuantumScape
- northvolt

**New Scale dimensions**
Key Messages

1. Leading the transformation to e-mobility
2. Cost effective transformation path
3. First in transforming into software OEM
4. Increased focus on value creation
TRATON Group – New Era for TRATON with IPO

• TRATON shares began trading on the regulated market of the Frankfurt Stock Exchange (Prime Standard) and the regulated market of Nasdaq Stockholm (Large Cap Segment) in June 2019.
• Significant step to create additional value for all stakeholders and drive the Global Champion strategy.

Global Champion

• Scale and global reach through leading brands and strategic alliance partners
• Unique platform enabling growth and positioning for best-in-class profitability

Growth

• Customer value focused product and service offering
• New product generations
• Further expansion in key geographies

Profitability

• Concrete path to profitability improvement
• Stand-alone brand performance and synergies
• Earnings growth and cash generation potential

Execution

• Strong team with industry-leading track record
• Committed to Global Champion strategy
Volkswagen Financial Services ¹): global, well diversified and successful

**Strong global presence**

- Rising penetration rates

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>Q1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>w/o China</td>
<td>46.9%</td>
<td>48.7%</td>
<td>47.8%</td>
<td>49.4%</td>
</tr>
<tr>
<td>with China</td>
<td>31.3%</td>
<td>33.1%</td>
<td>33.1%</td>
<td>33.3%</td>
</tr>
</tbody>
</table>

**Continuous portfolio expansion**

<table>
<thead>
<tr>
<th>Year</th>
<th>Financing</th>
<th>Leasing</th>
<th>Insurance / Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>6,322</td>
<td>2,518</td>
<td>5,833</td>
</tr>
<tr>
<td>2016</td>
<td>7,218</td>
<td>2,760</td>
<td>6,155</td>
</tr>
<tr>
<td>2017</td>
<td>7,641</td>
<td>3,921</td>
<td>5,672</td>
</tr>
<tr>
<td>2018</td>
<td>7,717</td>
<td>4,149</td>
<td>5,935</td>
</tr>
<tr>
<td>Q1 2019</td>
<td>9,644</td>
<td>4,403</td>
<td>6,488</td>
</tr>
</tbody>
</table>

**Total portfolio** 20,535

**Diversified funding structure**

- Equity, liabilities to affiliated companies, other
- Customer deposits
- Bonds, Commercial Paper, liabilities to financial institutions
- Asset backed securitization

31.03.2019: € 210.2 bn

---

¹) Excl. activities of Scania and Porsche Holding Salzburg; incl. Financial Services of Porsche AG and MAN Financial Services.
Volkswagen Brand – Pushing the Turnaround in the US with new products

Deliveries to US customers, ‘000’ units

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>500</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>153</td>
<td></td>
</tr>
</tbody>
</table>

Market Share %

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>Sedans</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3.0</td>
<td>2.6</td>
<td>2.2</td>
<td>2.0</td>
<td>1.8</td>
<td>2.0</td>
<td></td>
</tr>
</tbody>
</table>

SUV offensive #1

- Atlas
- Tiguan
- Refreshed Golf

2017

2018-19

- Jetta
- Passat
- Arteon

SUV offensive #2

- Midsize SUV 5s
- Compact SUV
- ID Crozz

Volkswagen Brand – Pushing the Turnaround in the US with new products
Volkswagen Group China looks forward to a successful year 2019

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Market Growth</td>
<td>22.7m (-4.6%)</td>
<td></td>
</tr>
<tr>
<td>Volkswagen Group China Deliveries</td>
<td>4.2m (+0.5%)</td>
<td></td>
</tr>
<tr>
<td>Prop. Operating Profit</td>
<td>€ 4.6bn (-2.5%)</td>
<td></td>
</tr>
</tbody>
</table>

We, together with our Joint Venture partners, plan investments of more than **EUR 4 billion in 2019!**
Volkswagen Group China performance
(January to May 2019 vs. 2018)

1) Incl. Hong Kong, excl. Ducati. Group numbers incl. Volkswagen Commercial Vehicles, Scania and MAN.

Proportionate operating profit, January to March

- € 1.2 bn
- € 1.1 bn

Q1 2018
Q1 2019

-7.7%
-7.7%

January – May 2018
January – May 2019

-6.8%
-1.9%

-26.1%
+9.6%

-7.4%
+394.3%

+5.5%
-40.3%

[thsd. units]
[units]
Together4Integrity: Group-wide integrity and compliance program in full swing

**STRATEGY**
Ethics and compliance is central to business strategy

**RISK MANAGEMENT**
Ethics and compliance risks are identified, owned, managed and mitigated

**SPEAK-UP ENVIRONMENT**
The organization encourages, protects and values the reporting of concerns and suspected wrongdoing

**CULTURE OF INTEGRITY**
Leaders at all levels across the organization build and sustain a culture of integrity

**RESOLUTE ACCOUNTABILITY**
The organization takes action and holds itself accountable when wrongdoing occurs

1) Group entities covered; as of 12th March, 2019.
Group Compliance action plan for 2019

<table>
<thead>
<tr>
<th>Standards, Organization</th>
<th>1</th>
<th>Whistleblower Group Guideline</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2</td>
<td>Staffing of Group Compliance</td>
</tr>
<tr>
<td>Processes &amp; Tools</td>
<td>3</td>
<td>Strengthening the group-wide Compliance Organization</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Consistent Compliance Risk Assessment</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Worldwide Anti-Money Laundering System</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>Risk-based revision of group guidelines</td>
</tr>
<tr>
<td>Business partner</td>
<td>7</td>
<td>New Business partner approval process for suppliers and sales organization</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>Compliance in M&amp;A transactions and post merger integration for non-controlled shareholdings</td>
</tr>
<tr>
<td>Certification</td>
<td>9</td>
<td>Support Monitorship + implementation of Monitor Recommendations</td>
</tr>
</tbody>
</table>
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The official website of Volkswagen Group Investor Relations. Company topics, brand channels, innovation and information.
The Shareholder Structure, Supervisory and Management Board

Shareholder Structure of Volkswagen AG

- **Number of Outstanding Shares**
  - Preferred shares: 206,205,445 (41.1%)
  - Ordinary shares: 295,089,818 (58.9%)

- **Current Voting Rights Distribution**
  - Preferred shares: 206,205,445 (41.1%)
  - Ordinary shares: 295,089,818 (58.9%)

Current Voting Rights Distribution:
- **Qatar Holding**
  - Shares: 10,8% (17,0%)
- **State of Lower Saxony, Hanover**
  - Shares: 20,0% (20,0%)
- **Porsche SE, Stuttgart**
  - Shares: 52,2% (52,2%)

Supervisory Board of Volkswagen AG

- **Chairman**
  - Hans Dieter Pötsch
- **Members**
  - Dr. Hussain Ali Al Abdulla
  - Dr. Hessa Sultan Al Jaber
  - Dr. Bernd Althusmann
  - Dr. Hans-Peter Fischer
  - Marianne Heiß
  - Jörg Hofmann
  - Johan Järvklo
  - Ulrike Jakob
  - Dr. Louise Kiesling
  - Peter Mosch
  - Bertina Murkovic
  - Bernd Osterloh
  - Dr. jur. Hans Michel Piëch
  - Dr. jur. Ferdinand Oliver Porsche
  - Dr. rer. comm. Wolfgang Porsche
  - Conny Schönhardt
  - Athanasios Stimoniaris
  - Stephan Weil
  - Werner Weresch

Board of Management of Volkswagen AG

- **Chairman of VW AG and VW Passenger Cars brand**
  - Dr. Herbert Diess
- **Porsche AG**
  - Dr. Oliver Blume
- **Human Resources**
  - Gunnar Kilian
- **TRATON Group**
  - Andreas Renschler
- **Audi AG**
  - Abraham Schot
- **Integrity and Legal Affairs**
  - Hiltrud Dorothea Werner
- **Finance and IT**
  - Frank Witter
- **Components and Procurement**
  - Dr. Stefan Sommer

1) Each Board Member is responsible for one or more functions within the Volkswagen Group. The work of the Board of Management of Volkswagen AG is supported by the boards of the brands and regions as well as by the other group business units and holdings. 
2) On March 13 2019, Porsche SE announced increase in voting rights to 53.1%.
Volkswagen Group – Deliveries to Customers by Markets\footnote{Incl. all brands of Volkswagen Group (Passenger Cars and Commercial Vehicles); -4.3% incl. Volkswagen Commercial Vehicles in North and South America, excl. Scania and MAN.}\(^1\)

(January to May 2019 vs. 2018)

\begin{itemize}
  \item Volkswagen Group: 4,561 (2019) vs. 4,391 (2018), -3.7%\footnote{\textsuperscript{1}}
  \item Western Europe: 1,634 (2019) vs. 1,635 (2018), +0.1%
  \item Central & Eastern Europe: 328 (2019) vs. 327 (2018), -0.4%
  \item North America: 384 (2019) vs. 380 (2018), -1.1%
  \item South America: 232 (2019) vs. 235 (2018), +1.1%
  \item Asia Pacific: 1,821 (2019) vs. 1,676 (2018), -8.0%
  \item Rest of World: 161 (2019) vs. 138 (2018), -14.4%
\end{itemize}
Strongly growing SUV trend ¹)

SUV mix by region based on expected Group deliveries to customers

¹) As of 2nd May, 2019.
## Strongly growing BEV trend ¹)
Sales by region based on expected Group deliveries to customers

[thsd. units]

<table>
<thead>
<tr>
<th>Region</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAR</td>
<td>&gt;25</td>
<td>&gt;100</td>
<td>&gt;500</td>
</tr>
<tr>
<td>Europe</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RoW</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹) As of 2nd May, 2019.

### Models
- e-Crafter
- e-Golf
- e-up!
- e-tron
- Taycan
- Q2L e-tron
- e-Bora
- e-Lavida
- e-Transporter
- e-TGE
- e-Caddy
- Moia Shuttle
- ID.
- ID. Crozz
- e-tron Spb
- e-Mii
- e-Citigo
Better Earnings Quality & EPS growth ¹)

### Basis: Result 2016

<table>
<thead>
<tr>
<th>Metric</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue (€ bn)</td>
<td>217.3</td>
</tr>
<tr>
<td>Operating profit (€ bn) before Special Items</td>
<td>14.6</td>
</tr>
<tr>
<td>Profit before tax (€ bn)</td>
<td>14.8</td>
</tr>
<tr>
<td>Earnings per Pref. Share before Special Items</td>
<td>~20 €</td>
</tr>
</tbody>
</table>

### 2020 Updated Targets

<table>
<thead>
<tr>
<th>CMD March 2017</th>
<th>PR 66</th>
<th>PR 67</th>
</tr>
</thead>
<tbody>
<tr>
<td>+ &gt; 20 %</td>
<td>+ &gt; 25 %</td>
<td>+ &gt; 25 %</td>
</tr>
<tr>
<td>+ 25 %</td>
<td>+ ≥ 25 %</td>
<td>+ &gt; 30 %</td>
</tr>
<tr>
<td>+ ≥ 25 %</td>
<td>+ ≥ 30 %</td>
<td>+ ≥ 40 %</td>
</tr>
<tr>
<td>+ ≥ 25 %</td>
<td>+ &gt; 25 €</td>
<td>+ ≥ 30 €</td>
</tr>
</tbody>
</table>

¹) As of 19th November, 2018.
Automotive Division – Research and Development Costs
January to March 2019 vs. 2018

<table>
<thead>
<tr>
<th></th>
<th>January to March 2019</th>
<th>January to March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total R&amp;D costs</td>
<td>3,483</td>
<td>3,356</td>
</tr>
<tr>
<td>of which capitalized</td>
<td>1,147 (32.9%)</td>
<td>1,203 (35.9%)</td>
</tr>
<tr>
<td>amortization</td>
<td>891</td>
<td>934</td>
</tr>
<tr>
<td>Recognized in the income statement</td>
<td>3,227</td>
<td>3,087</td>
</tr>
</tbody>
</table>
### Diesel issue: Special Items & payments

<table>
<thead>
<tr>
<th>Year</th>
<th>Diesel special items</th>
<th>Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Legal</td>
<td>Other items</td>
</tr>
<tr>
<td>2015</td>
<td>7.0</td>
<td>9.2</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>30.0</td>
<td></td>
</tr>
</tbody>
</table>

1) In Q1 Special Items of 981 million € were booked for diesel related legal risks, of which 535 million € related to Porsche and 400 million € to Volkswagen Passenger Cars.
**Volkswagen Group – Analysis by Business Line**

(January to March 2019 vs. 2018)

<table>
<thead>
<tr>
<th></th>
<th>Vehicle sales (thousand vehicles)</th>
<th>Sales revenue (€ million)</th>
<th>Operating profit (€ million)</th>
<th>Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volkswagen Group</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>before Special Items</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Special Items</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Volkswagen Group</strong></td>
<td>2,583</td>
<td>2,769</td>
<td>60,012</td>
<td>58,228</td>
</tr>
<tr>
<td>Automotive Division 6)</td>
<td>2,583</td>
<td>2,769</td>
<td>50,777</td>
<td>49,743</td>
</tr>
<tr>
<td>of which: Passenger Cars</td>
<td>2,526</td>
<td>2,716</td>
<td>43,581</td>
<td>43,243</td>
</tr>
<tr>
<td>of which: Commercial Vehicles 7)</td>
<td>57</td>
<td>53</td>
<td>6,305</td>
<td>5,734</td>
</tr>
<tr>
<td>of which: Power Engineering</td>
<td></td>
<td></td>
<td>891</td>
<td>766</td>
</tr>
<tr>
<td>Financial Services Division</td>
<td>-</td>
<td>-</td>
<td>9,236</td>
<td>8,485</td>
</tr>
</tbody>
</table>

1) All figures shown are rounded; minor discrepancies may arise from addition of these amounts. 2) Porsche (Automotive and Financial Services): sales revenue € 3,458 (3,118) million, operating profit € 402 (331) million. 3) Scania (Automotive and Financial Services): sales revenue € 3,458 (3,118) million, operating profit € 402 (331) 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 € 1,074 (1,163) 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 amortisation 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. 7) From 1st January 2019 Volkswagen Commercial Vehicles is reported in the Automotive division, prior year figures have been adjusted.
We are speeding up the transformation and becoming the leading provider of sustainable mobility.