moving progress

Factbook 2015

12 fascinating brands
10.14 million deliveries in 2014
592,586 employees worldwide
153 countries
2014 was an unexpectedly difficult but ultimately good year for the Volkswagen Group. Political and economic uncertainty dominated the situation in many regions of the world, and this also had far-reaching consequences for the automotive industry. Despite these headwinds, we successfully kept your company on a strong, stable trajectory.

This is underscored by the fact that we reached a major strategic milestone – over 10 million deliveries – four years earlier than expected. This is underscored by record sales revenue of €202.5 billion and operating profit of €12.7 billion. And this is underscored by the increase in the operating margin to 6.3% at the upper end of the forecast range. At €14.8 billion, we also lifted profit before tax year-on-year. We again posted a record equity-accounted profit from our Chinese joint ventures.

Our company continues to offer outstanding prospects because we stand for innovation, competitiveness and financial strength. This is another reason why I am convinced that your confidence in and support for the Volkswagen Group and its team will pay off. In every respect.

Sincerely,

Prof. Dr. Martin Winterkorn
Chairman of the Board of Management Volkswagen Aktiengesellschaft
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Volkswagen at a glance

The Volkswagen Group with its headquarters in Wolfsburg is one of the world’s leading automobile manufacturers and the largest carmaker in Europe.

The Group operates 118 production plants. Every weekday, more than 590,000 employees worldwide produce some 40,600 vehicles, and work in vehicle-related services or other fields of business. The Volkswagen Group sells its vehicles in 153 countries.

In 2014, the Group increased the number of vehicles delivered to customers to 10.14 million (2013: 9.73 million), corresponding to an increase in sales of 4.2 percent. The Group’s market share of the world passenger car market was 12.9 percent (12.8 percent).
The Volkswagen Group consists of two divisions: the Automotive Division, including the Passenger Cars and Commercial Vehicles / Power Engineering Business Areas, and the Financial Services Division.

The **Passenger Cars Business Area** is centered on the development of vehicles and engines as well as the production and sale of passenger cars.

The **Commercial Vehicles / Power Engineering Business Area** deals with the production and sale of trucks and busses, and business comprising genuine parts, large-bore diesel engines, turbomachinery, special gear units, propulsion components and testing systems.

The **Financial Services Division**'s portfolio of services combines dealer and customer financing, leasing, banking and insurance activities and fleet management.
The board of management of Volkswagen Aktiengesellschaft

(from left to right)

Prof. Rupert Stadler
Chairman of the Board of Management of AUDI AG

Christian Klingler
Sales and Marketing

Prof. Dr. rer. pol. Horst Neumann
Human Resources and Organization

Prof. Dr. rer. pol. Dr.-Ing. E. h. Jochem Heizmann
China

Dr. rer. pol. h. c. Francisco Javier Garcia Sanz
Procurement

Prof. Dr. Dr. h.c. mult. Martin Winterkorn
Chairman of the Board of Management of Volkswagen Aktiengesellschaft
Research and Development

Hans Dieter Pötsch
Finance and Controlling

Dr. h. c. Leif Östling
Commercial Vehicles (until February 2015)

Andreas Renschler
(Andreas Renschler became a member of the Board of Management of Volkswagen AG on February 1, 2015. He is responsible for Commercial Vehicles)
Content

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Our Brands & Products ................................................. 10

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Volkswagen is the one of the most successful multiband group in the automotive industry.

The Group consists of twelve brands from seven European countries: Volkswagen Passenger Cars, Audi, SEAT, ŠKODA, Bentley, Bugatti, Lamborghini, Porsche, Ducati, Volkswagen Commercial Vehicles, Scania and MAN.

Each brand has its own character and operates as an independent entity in the market to better satisfy the specific needs of the different segments and countries.
Our huge product range satisfies all major customer groups

<table>
<thead>
<tr>
<th>World 2015</th>
<th>Hatchback</th>
<th>Sedan</th>
<th>Estate</th>
<th>MPV</th>
<th>SUV</th>
<th>Coupé</th>
<th>Convertible</th>
<th>Roadster</th>
<th>City Van / Transporter</th>
<th>Pick-Up</th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td>BENTLEY</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>D</td>
<td>Volkswagen</td>
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<td></td>
<td></td>
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<tr>
<td>C</td>
<td>Audi</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
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<tr>
<td>B</td>
<td>Volkswagen</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Volkswagen</td>
<td></td>
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<td>A0</td>
<td>SKODA</td>
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<td>A00</td>
<td>SKODA</td>
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<td></td>
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</tr>
</tbody>
</table>

- **Segments > 1m cars**
- **New product launch 2015**
Volkswagen – Das Auto

The Volkswagen Passenger Cars brand is one of the world’s most successful volume carmakers. The Group’s core brand maintains facilities in 14 countries, producing vehicles for customers in more than 150 nations.

Volkswagen is “Das Auto”. The brand delivers innovative, responsible mobility to people worldwide.

**KEY FIGURES**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries (’000 units)</td>
<td>6,119</td>
<td>6,022</td>
<td>+1.6</td>
</tr>
<tr>
<td>Vehicle sales (’000 units)</td>
<td>4,583</td>
<td>4,704</td>
<td>-2.6</td>
</tr>
<tr>
<td>Production (’000 units)</td>
<td>6,156</td>
<td>6,017</td>
<td>+2.3</td>
</tr>
<tr>
<td>Sales revenue (€ million)</td>
<td>99,764</td>
<td>99,397</td>
<td>+0.4</td>
</tr>
<tr>
<td>Operating profit (€ million)</td>
<td>2,476</td>
<td>2,894</td>
<td>-14.4</td>
</tr>
<tr>
<td>as % of sales revenue</td>
<td>2.5</td>
<td>2.9</td>
<td></td>
</tr>
</tbody>
</table>

**MOST PRODUCED IN 2014**

- **Golf**
  - 1,011,124
- **Jetta/Sagitar**
  - 926,277
- **Polo**
  - 753,754

**DELIVERIES BY MARKETS 2014**

- Europe/Remaining markets: 31.0%
- North America: 9.6%
- South America: 10.8%
- Asia-Pacific: 48.6%

- 2014: 6.1m
- 2013: 3.7m
- 2012: 3.7m
- 2011: 3.7m
- 2010: 3.7m
- 2009: 3.7m
- 2008: 3.7m
- 2007: 3.7m
Audi is one of the world’s leading manufacturers of premium cars and has been part of the Volkswagen Group since 1965. Today, the company makes vehicles ranging from compact to top-of-the range models.

Audi is “Vorsprung durch Technik”. Lightweight construction, efficient drivetrains, connectivity and innovative assistance systems - Audi clothes its progressive technologies in clear lines and sporty design.
ŠKODA is one of the world’s longest-standing carmakers. It became a member of the Volkswagen Group in 1991.

Clever solutions for everyday car journeys – that is ŠKODA’s aspiration. The traditional Czech brand combines functionality and everyday practicality with high quality and timeless design.

**KEY FIGURES**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries (‘000 units)</td>
<td>1,037</td>
<td>921</td>
<td>+12.7</td>
</tr>
<tr>
<td>Vehicle sales (‘000 units)</td>
<td>796</td>
<td>719</td>
<td>+10.8</td>
</tr>
<tr>
<td>Production (‘000 units)</td>
<td>1,050</td>
<td>932</td>
<td>+12.6</td>
</tr>
<tr>
<td>Sales revenue (€ million)</td>
<td>11,758</td>
<td>10,324</td>
<td>+13.9</td>
</tr>
<tr>
<td>Operating profit (€ million)</td>
<td>817</td>
<td>522</td>
<td>+56.5</td>
</tr>
<tr>
<td>as % of sales revenue</td>
<td>7.0</td>
<td>5.1</td>
<td></td>
</tr>
</tbody>
</table>

**MOST PRODUCED IN 2014**

- **Octavia**: 397,433
- **Rapid**: 228,175
- **Fabia**: 162,954

**DELIVERIES BY MARKETS 2014**

<table>
<thead>
<tr>
<th>Markets</th>
<th>Deliveries (‘000 units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe/Remaining markets</td>
<td>1,037</td>
</tr>
<tr>
<td>North America</td>
<td>796</td>
</tr>
<tr>
<td>South America</td>
<td>719</td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>10,324</td>
</tr>
</tbody>
</table>

2014: 1,04m
2013: 0.63m
29.3%
SEAT – technology to enjoy

SEAT looks back on a history spanning over 60 years. A member of the Volkswagen Group since 1986, the Spanish carmaker today designs, develops and manufactures cars and components at its production sites in Barcelona, Martorell and Prat.

SEAT combines temperament and precision. The Spanish brand’s vehicles radiate sheer enjoyment and impress with their technological perfection.

KEY FIGURES

<table>
<thead>
<tr>
<th>Deliveries (’000 units)</th>
<th>2014</th>
<th>2013</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>391</td>
<td>355</td>
<td>+10.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vehicle sales (’000 units)</th>
<th>501</th>
<th>459</th>
<th>+9.2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production (’000 units)</td>
<td>395</td>
<td>353</td>
<td>+11.9</td>
</tr>
<tr>
<td>Sales revenue (€ million)</td>
<td>7,699</td>
<td>6,874</td>
<td>+12.0</td>
</tr>
<tr>
<td>Operating profit (€ million)</td>
<td>-127</td>
<td>-152</td>
<td>+16.3</td>
</tr>
<tr>
<td>as % of sales revenue</td>
<td>-1.6</td>
<td>-2.2</td>
<td></td>
</tr>
</tbody>
</table>

MOST PRODUCED IN 2014

- Leon 157,087
- Ibiza 153,633
- Altea/Toledo 35,683

DELIVERIES BY MARKETS 2014

<table>
<thead>
<tr>
<th>Markets &amp; Sales</th>
<th>2014</th>
<th>2013</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe/Remaining markets</td>
<td>94.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>5.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>South America</td>
<td>0.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>0.0%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Volkswagen at a Glance

Our Brands & Products
Markets & Sales
Financials & Outlook
Strategy 2018
Excellence in Production
Focus on R&D
Shareholder Information
Investor Relations Team

SEAT looks back on a history spanning over 60 years. A member of the Volkswagen Group since 1986, the Spanish carmaker today designs, develops and manufactures cars and components at its production sites in Barcelona, Martorell and Prat.

SEAT combines temperament and precision. The Spanish brand’s vehicles radiate sheer enjoyment and impress with their technological perfection.
Bentley

The brand is part of the Group since 1998. For more than 75 years, Bentley’s headquarters have been based in Crewe, where the luxury cars are designed and manufactured.

Individual luxury, handcrafted perfection and powerful performance – the Bentley experience, every time. Built in Crewe and driven across the world.

KEY FIGURES

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries (units)</td>
<td>11,020</td>
<td>10,120</td>
<td>+8.9</td>
</tr>
<tr>
<td>Vehicle sales (units)</td>
<td>10,930</td>
<td>10,564</td>
<td>+3.5</td>
</tr>
<tr>
<td>Production (units)</td>
<td>11,033</td>
<td>10,876</td>
<td>+1.4</td>
</tr>
<tr>
<td>Sales revenue (€ million)</td>
<td>1,746</td>
<td>1,679</td>
<td>+4.0</td>
</tr>
<tr>
<td>Operating profit (€ million)</td>
<td>170</td>
<td>168</td>
<td>+1.2</td>
</tr>
<tr>
<td>as % of sales revenue</td>
<td>9.7</td>
<td>10.0</td>
<td></td>
</tr>
</tbody>
</table>

MOST PRODUCED IN 2014

- **Flying Spur**
  - 4,556

- **Continental GT Coupé**
  - 3,442

- **Continental GT Convertible**
  - 2,151

DELIVERIES BY MARKETS 2014

<table>
<thead>
<tr>
<th>Markets</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe/Remaining markets</td>
<td>37.6%</td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>28.8%</td>
<td></td>
</tr>
<tr>
<td>South America</td>
<td>0.1%</td>
<td></td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>33.5%</td>
<td></td>
</tr>
</tbody>
</table>

2007 Volkswagen at a Glance

- **Our Brands & Products**
  - Volkswagen
  - Bentley

- **Markets & Sales**
  - Europe/Remaining markets
  - North America
  - South America
  - Asia-Pacific

- **Financials & Outlook**
  - Sales revenue
  - Operating profit

- **Strategy 2018**
  - Focus on R&D
  - Excellence in Production
  - Shareholder Information

- **Investor Relations Team**
Dr. Ing. h.c. F. Porsche AG is one of most successful sports car manufacturer in the world and has been part of the Volkswagen Group since 2012. Today, Porsche maintains production sites in Stuttgart-Zuffenhausen and Leipzig.

Porsche’s mission is to build sports cars that go full throttle on the circuit but also hold their own on everyday journeys. German engineering brilliance creates the most efficient sports cars in the world.
Volkswagen Commercial Vehicles

The brand produces commercial vehicles at its four plants in Hanover, Poznań, Anchieta and Pacheco.

Volkswagen Commercial Vehicles – from the California camper van to the Caddy urban delivery van and the Crafter delivery van – the brand’s light commercial vehicles offer highly flexible and cost-effective performance for everyday driving.

KEY FIGURES

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries (’000 units)</td>
<td>447</td>
<td>462</td>
<td>-3.4</td>
</tr>
<tr>
<td>Vehicle sales (’000 units)</td>
<td>442</td>
<td>436</td>
<td>+1.5</td>
</tr>
<tr>
<td>Production (’000 units)</td>
<td>396</td>
<td>418</td>
<td>-5.1</td>
</tr>
<tr>
<td>Sales revenue (€ million)</td>
<td>9,577</td>
<td>9,370</td>
<td>+2.2</td>
</tr>
<tr>
<td>Operating profit (€ million)</td>
<td>504</td>
<td>448</td>
<td>+12.5</td>
</tr>
</tbody>
</table>

as % of sales revenue

5.3 4.8

MOST PRODUCED IN 2014

- Caravelle/Multivan, Kombi (94,336)
- Transporter (83,947)
- Caddy Kombi (76,564)

DELIVERIES BY MARKETS 2014

- Europe/Remaining markets 84.4%
- North America 1.3%
- South America 9.2%
- Asia-Pacific 5.1%

Markets & Sales

- Excellence in Production
- Focus on R&D
- Shareholder Information
- Investor Relations Team
Scania

Scania was one of the first companies to make commercial vehicles and has been a member of the Volkswagen Group since 2008. The Swedish brand builds its products at nine production sites in six countries.

Scania trucks, buses and engines offer maximum efficiency and absolute reliability. The premium brand in the commercial vehicle segment stands for high cost effectiveness and comprehensive service.

### Key Figures

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received (’000 units)</td>
<td>83</td>
<td>81</td>
<td>+2.5</td>
</tr>
<tr>
<td>Deliveries (’000 units)</td>
<td>80</td>
<td>80</td>
<td>-0.8</td>
</tr>
<tr>
<td>Vehicle sales (’000 units)</td>
<td>80</td>
<td>80</td>
<td>-0.8</td>
</tr>
<tr>
<td>Production (’000 units)</td>
<td>82</td>
<td>83</td>
<td>-0.8</td>
</tr>
<tr>
<td>Sales revenue (€ million)</td>
<td>10,381</td>
<td>10,360</td>
<td>+0.2</td>
</tr>
<tr>
<td>Operating profit (€ million)</td>
<td>955</td>
<td>974</td>
<td>-1.9</td>
</tr>
<tr>
<td>as % of sales revenue</td>
<td>9.2</td>
<td>9.4</td>
<td></td>
</tr>
</tbody>
</table>

### Production in 2014

- **Trucks**: 75,287
- **Buses**: 6,921

### Deliveries by Markets 2014

<table>
<thead>
<tr>
<th>Markets</th>
<th>2014</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe/Remaining markets</td>
<td>67.7%</td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>1.1%</td>
<td></td>
</tr>
<tr>
<td>South America</td>
<td>22.3%</td>
<td></td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>8.9%</td>
<td></td>
</tr>
</tbody>
</table>

### Orders received (’000 units)

- **2014**: 83
- **2013**: 81
- **2012**: 80
- **2011**: 80
- **2010**: 83
- **2009**: 82
- **2008**: 80
- **2007**: 76k

**Martin Lundstedt**

CEO

**Our Brands & Products**

- Volkswagen
- Scania

**Markets & Sales**

- Europe/Remaining markets: 67.7%
- North America: 1.1%
- South America: 22.3%
- Asia-Pacific: 8.9%

**Financials & Outlook**

- Sales revenue: €10,381 million (2013: €10,360 million)
- Operating profit: €955 million (2013: €974 million)

**Strategy 2018**

- Focus on R&D
- Excellence in Production
- Shareholder Information

**Investor Relations Team**

- Martin Lundstedt
- CEO

**Scania at a Glance**

- Europe/Remaining markets: 67.7%
- North America: 1.1%
- South America: 22.3%
- Asia-Pacific: 8.9%
The MAN Group is one of Europe’s leading industrial players in transport-related engineering and a supplier of trucks, buses, diesel engines, turbomachinery, and special gear units.

Technological expertise in transportation and energy is a characteristic of all MAN products, from trucks to buses, from large-bore engines to turbomachinery.

### KEY FIGURES

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received (’000 units)</td>
<td>122</td>
<td>138</td>
<td>-11.6</td>
</tr>
<tr>
<td>Deliveries (’000 units)</td>
<td>120</td>
<td>140</td>
<td>-14.4</td>
</tr>
<tr>
<td>Vehicle sales (’000 units)</td>
<td>120</td>
<td>140</td>
<td>-14.4</td>
</tr>
<tr>
<td>Production (’000 units)</td>
<td>116</td>
<td>141</td>
<td>-17.8</td>
</tr>
<tr>
<td>Sales revenue (€ million)</td>
<td>14,286</td>
<td>15,861</td>
<td>-9.9</td>
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<tr>
<td>Operating profit (€ million)</td>
<td>384</td>
<td>319</td>
<td>+20.2</td>
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<tr>
<td>as % of sales revenue</td>
<td>2.7</td>
<td>2.0</td>
<td></td>
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</tbody>
</table>
Lamborghini

Lamborghini stands for extreme and uncompromising super sports cars of the best Italian tradition.

Lamborghini redefined the future of its super sports cars and decided to focus more on weight reduction than on top-speed. Extensive use of carbon fibre, even at a structural level, allows Lamborghini to be at the forefront of development techniques.

The successor of the Gallardo, the new Lamborghini Huracán LP 610-4, made its global debut at the Geneva Motor Show 2014 and is currently receiving overwhelming reactions from markets and customers all over the world.

An uncompromisingly sporty identity, extreme design, ultimate performance – Lamborghini continually rewrites automotive history with super sports cars such as the new Huracán.

Bugatti

Bugatti has always been the epitome of exclusivity, luxury, elegance, style and extraordinary design, driven by a great passion for automobiles.

Unique visions, the strong legacy of legendary sports cars that date back to the year 1901, and high-precision engineering in development, construction, and manufacture distinguish this outstanding automotive brand.

Bugatti confirmed its unique position by launching the Veyron Grand Sport Vitesse, the fastest roadster of all time with a top speed of 431 km/h.

Bugatti is more than just a brand – Bugatti is a legend. Its super sports cars epitomize its quest for the perfect synthesis of art and technology.
Volkswagen Financial Services – the key to mobility\(^1\)

**KEY FIGURES**

<table>
<thead>
<tr>
<th></th>
<th>2014 (in € million)</th>
<th>2013 (in € million)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>137,438</td>
<td>115,067</td>
<td>+19.4</td>
</tr>
<tr>
<td>Receivables</td>
<td>93,679</td>
<td>80,070</td>
<td>+17.0</td>
</tr>
<tr>
<td>Direct Banking Deposits</td>
<td>23,774</td>
<td>21,285</td>
<td>+11.7</td>
</tr>
<tr>
<td>Equity</td>
<td>15,184</td>
<td>11,582</td>
<td>+31.1</td>
</tr>
<tr>
<td>Operating profit</td>
<td>1,702</td>
<td>1,614</td>
<td>+5.5</td>
</tr>
</tbody>
</table>

Volkswagen Financial Services offers tailor-made products and services spanning all vehicle segments and representing the key to mobility for many of the Group’s customers worldwide.

It is the largest automotive financial services provider in Europe presently employing more than 12,821 employees worldwide, of which 5,928 work in Germany.

Volkswagen Financial Services offers financial services for more than 60 years in close cooperation with the Volkswagen Group brands in 51 countries worldwide.

The portfolio includes dealer and customer financing, leasing, banking and insurance activities, fleet management and mobility solutions.

---

\(^1\) All shown figures show VW Financial Services as of 31 December 2014, excluding financial service activities of Scania, Porsche AG and Porsche Holding Salzburg

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New group models 2015 – a strong basis for profitable growth

### Highlights
- Touran, Passat Alltrack, Tiguan, Lamando, Santana Derivative
- Q7, A4, TT Roadster
- Fabia Combi, Superb Sedan & Superb Combi
- Ibiza
- 911
- Huracán Spyder
- Continental GT, Continental GT Convertible
- T6 Family Caddy

### Global Roll-Out
- Passat, Touareg, Golf (Brazil)
- TT Coupé, Q3 (US), A3 Sedan (Brazil), A6L (China)
- Fabia, Fabia (China), Superb Sedan (China)
- Cayenne

### Highly Efficient Powertrains
- Passat GTE (PHEV), Jetta Hybrid
- Golf TSI BlueMotion
- Q7 TDI e-tron
Content

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Markets & Sales 26
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Strategy 2018 52
Excellence in Production 63
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Shareholder Information 84
Investor Relations Team 92
Markets & sales - in 2014 the Volkswagen Group delivered more than 10 million vehicles for the first time, ranking 2\textsuperscript{nd} world wide

<table>
<thead>
<tr>
<th>Deliveries (million units)</th>
<th>Change vs. 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toyota</td>
<td>10.23 2.5%</td>
</tr>
<tr>
<td>Volkswagen Group</td>
<td>10.14 4.2%</td>
</tr>
<tr>
<td>GM\textsuperscript{1)}</td>
<td>10.14 4.2%</td>
</tr>
<tr>
<td>Renault-Nissan\textsuperscript{2)}</td>
<td>9.92 2.1%</td>
</tr>
<tr>
<td>Hyundai-Kia</td>
<td>8.47 2.5%</td>
</tr>
<tr>
<td>Ford\textsuperscript{3)}</td>
<td>7.71 4.7%</td>
</tr>
<tr>
<td>Fiat-Chrysler</td>
<td>6.32 -0.1%</td>
</tr>
<tr>
<td>Honda\textsuperscript{3)}</td>
<td>4.75 7.3%</td>
</tr>
<tr>
<td>PSA</td>
<td>4.36 4.7%</td>
</tr>
<tr>
<td>Suzuki</td>
<td>2.94 4.3%</td>
</tr>
<tr>
<td>Daimler</td>
<td>2.88 7.0%</td>
</tr>
<tr>
<td>BMW</td>
<td>2.53 7.7%</td>
</tr>
<tr>
<td>Mazda</td>
<td>2.12 7.9%</td>
</tr>
<tr>
<td>Mazda</td>
<td>1.38 6.6%</td>
</tr>
<tr>
<td>Dongfeng\textsuperscript{4)}</td>
<td>1.19 0.0%</td>
</tr>
<tr>
<td>Changan\textsuperscript{4)}</td>
<td>1.15 18.1%</td>
</tr>
<tr>
<td>Mitsubishi</td>
<td>1.08 3.7%</td>
</tr>
<tr>
<td>BAIC\textsuperscript{4)}</td>
<td>1.04 20.4%</td>
</tr>
<tr>
<td>Tata</td>
<td>0.97 -9.4%</td>
</tr>
</tbody>
</table>

\textsuperscript{1)} incl. SAIC-GM-Wuling (1,786,000 units)  \textsuperscript{2)} incl. Lada (448,000 units)  \textsuperscript{3)} wholesalers  \textsuperscript{4)} excl. foreign JV partner brands; Source: company data
Our brands once again proved their attraction to customers

Deliveries to customers in 1’000 units

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen Group</td>
<td>9,731</td>
<td>10,137</td>
</tr>
<tr>
<td>Passenger Cars</td>
<td>6,022</td>
<td>6,119</td>
</tr>
</tbody>
</table>

1) Incl. Volkswagen Commercial Vehicles, Scania and MAN; 4.9% excl. Volkswagen Commercial Vehicles, Scania and MAN.

2) The Saveiro model, previously Volkswagen Commercial Vehicles, is reported in the Volkswagen Passenger Cars brand retrospectively as of January 1, 2013.
Volkswagen Group – truck and bus deliveries

Deliveries to customers in´000 units

1) Incl. Volkswagen Commercial Vehicles, Scania and MAN; 4.9% excl. Volkswagen Commercial Vehicles, Scania and MAN.
2) The Saveiro model, previously Volkswagen Commercial Vehicles, is reported in the Volkswagen Passenger Cars brand retrospectively as of January 1, 2013.
3) MAN incl. MAN Latin America Trucks and Buses GVW > 5t.
With its brands, the Volkswagen Group has a presence in all relevant automotive markets around the world.

Western Europe, China, Brazil, the USA, Russia and Mexico are currently the key sales markets for the Group.

The Group maintained its strong competitive position in 2014 thanks to its wide range of attractive and environmentally friendly models. We recorded an encouraging increase in demand in many of our key markets.

In 2014, the Volkswagen Group delivered 9,490,921 passenger cars to customers, exceeding the record prior year level by 4.9%. The market as a whole only grew by 4.5% in the same period, meaning that the Group’s share of the global market increased to 12.9% (12.8%).

For the first time in a calendar year, Volkswagen Passenger Cars sold more than 6 million vehicles and ŠKODA’s sales exceeded 1 million units. Demand for Volkswagen Group passenger cars grew fastest in the Asia-Pacific region, with China recording the highest absolute increase.

### Worldwide Deliveries of the Group’s most successful models in 2014 ('000 units)

- **Golf**: 980
- **Jetta**: 929
- **Passat**: 739
- **Polo**: 738
- **Tiguan**: 497
- **Lavida**: 477
- **ŠKODA Octavia**: 389
- **Audi A4**: 328
Improved segment and market exposure provides stable earnings

1) Source: Polk; figures excluding Volkswagen Commercial Vehicles, MAN and Scania. Porsche fully consolidated as from 1 August 2012  2) Split of Group Operating Profit excluding Other / Consolidation and PPA  3) Commercial Vehicles / Power Engineering  4) VW Financial Services figures do not include financial service activities of Scania, Porsche AG and Porsche Holding Salzburg
Deep roots and strong market position combined with further growth potential assures continued profitable growth in China.

Production network and implementation of MQB

- Production capacity (250 working days)
  - 2014: 3 million
  - 2019: >5 million

- Existing production site
- MQB production site by 2016
- Planned MQB production site

Significant extension of product portfolio

<table>
<thead>
<tr>
<th>Locally produced</th>
<th>Import</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014: 25</td>
<td>57</td>
<td>82</td>
</tr>
<tr>
<td>2018: &gt;40</td>
<td>&gt;65</td>
<td>&gt;105</td>
</tr>
</tbody>
</table>

Continuous expansion of dealer network

<table>
<thead>
<tr>
<th>Others</th>
<th>ŠKODA</th>
<th>Audi</th>
<th>Volkswagen</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;3,600</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Strategic expansion of production site in China

- Production network
- Implementation of MQB

Markets & Sales

- Continuous expansion of dealer network
- Delivery of MQB units to customers

Financials & Outlook

- Proportionate Operating Profit
- Dividends paid to Volkswagen AG
- Deliveries to customers

Strategy 2018

- Excellence in Production
- Focus on R&D
- Shareholder Information
- Investor Relations Team

Volkswagen at a Glance

- Our Brands & Products
- Markets & Sales
- Financials & Outlook
USA – extending the business

Expanding local footprint

- Herndon Headquarters
- Chattanooga Plant
- Atlanta Headquarters
- Sião Plant (engines)
- Puebla Plant
- San José Chiapa Plant

Upgrade/expansion of portfolio

- Introduction of the new Golf
- US Passat facelift
- Tiguan LWD
- Jetta facelift
- B-SUV

Expand into the U.S. market

LCV segment remains a large opportunity

Strong commitment to targets in the U.S. market

Deliveries in ‘000 units by brands

- Volkswagen
- Audi
- Porsche
- Other

Segment structure 2014

- Total Market
- LCVs
- Cars

Deliveries to customers Jan-Dec 2014 vs. Jan-Dec 2013

- Passenger Cars: +1.8%
- Light Commercial Vehicles: +10.0%

1) Production of global volumes of new Audi Q5 from 2016
2) Figures including Porsche as from 1 August 2012
3) Thereof Passenger Cars +1.8%, Light Commercial Vehicles +10.0%

32
Brazil – short-term challenge, mid-term opportunity

**Highly localized passenger car production**

- São Carlos (engines)
- Taubaté
- Anchieta
- Curitiba

**A rapidly changing competitive landscape**

- Number of automotive companies in the Brazilian market

<table>
<thead>
<tr>
<th>Year</th>
<th>Importers</th>
<th>Other local producers</th>
<th>&quot;Big 4&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980s</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1990s</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015e</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Anfavea, own research

1) Audi to start production of A3 Sedan in São José dos Pinhais in 2015, Q3 to be produced from 2016
2) Volkswagen, Fiat, General Motors, Ford

**Deliveries to customers (‘000 units)**

- 2007: 200
- 2008: 300
- 2009: 600
- 2010: 900
- 2011: 1,200
- 2012: 200
- 2013: 300
- 2014: 400
- 2015: 500
- 2016: 600
- 2017: 700
- 2018: > 1,000

**Expansion & upgrade of locally produced portfolio**

- 2014: up!, Fox family, Saveiro, Golf
- 2015: Gol
- 2016: A3 Sedan, Q3
Key sales markets offer substantial growth opportunities
Market growth 2014 – 2018 (million units)

1) Includes Cyprus and Malta
2) Includes Central America and Caribbean
Source: IHS Automotive (data status: January 2015), rounded
Note: Market = Cars and LCVs
Global passenger car market expected to grow further in 2015 with adverse developments in individual regions

### Passenger car & LCV market (2015 growth)

<table>
<thead>
<tr>
<th>Region</th>
<th>2014e</th>
<th>2015e</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Western Europe</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td></td>
<td></td>
</tr>
<tr>
<td>South America¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russia</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### GDP (growth p.a.)

<table>
<thead>
<tr>
<th>Region</th>
<th>2014e</th>
<th>2015e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Europe</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td></td>
<td></td>
</tr>
<tr>
<td>South America¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russia</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: IHS Automotive, IHS Economics as of May 2015

¹) Includes Central America and Caribbean, excluding Mexico
Expected market development 2015 by country for trucks > 6t

**Western Europe**
Demand will rise modestly with economic recovery; pull-forward effects in 2013 related to Euro 6 emission standard negatively affected 2014

**Germany**
GDP growth in 2015 expected to slightly increase over the year with positive effect on truck sales

**Russia**
Sanctions and macroeconomic development will have continuing negative effect in 2015

**Brazil**
Negative macroeconomic development with adjustment of FINAME-Program have a significantly negative impact on Brazilian market

**India**
- Government change 2014 provides further investment incentives
- Substantial increase in truck sales expected

**China**
Sales in China expected to be almost on the same level as 2014 despite positive macroeconomic development
ŠKODA Superb
## Content

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<th>Page</th>
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</thead>
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<td>Markets &amp; Sales</td>
<td>26</td>
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<td>Focus on R&amp;D</td>
<td>73</td>
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<td>Shareholder Information</td>
<td>84</td>
</tr>
<tr>
<td>Investor Relations Team</td>
<td>92</td>
</tr>
</tbody>
</table>
**Financials and Outlook – new records in unit sales, sales revenue and earnings in fiscal year 2014**

“Last year put the entire automotive industry to the test. But the Volkswagen Group didn’t lose its way despite the tough conditions. We ensured that 2014 was another successful year. In a world full of uncertainties, in an industry characterized by ups and downs, our company therefore represents something special: solidity and reliability. 2014 is more than just a snapshot in time. It’s just the latest chapter in an impressive, sustained success story.”

Hans Dieter Pötsch

*Member of the Board of Management, Volkswagen AG*

*Finance and Controlling*
Volkswagen Group – analysis of earnings per share development
(January to December 2014 vs. 2013)

**Earnings per share** (diluted, in €)

<table>
<thead>
<tr>
<th>Year</th>
<th>Ordinary shares</th>
<th>Preferred shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan – Dec 2013</td>
<td>18.61</td>
<td></td>
</tr>
<tr>
<td>Jan – Dec 2014</td>
<td>18.71</td>
<td>21.84</td>
</tr>
<tr>
<td></td>
<td>18.67</td>
<td></td>
</tr>
<tr>
<td></td>
<td>21.90</td>
<td></td>
</tr>
</tbody>
</table>

**Key driving factors for EPS**

- Increase of Group operating profit
- Improved at-equity result, mainly due to continued strong performance of Chinese joint venture companies
- Improved other financial result
- Higher minority and hybrid investors’ interest in net profit reconciliation
- Slightly increased average number of shares outstanding following issuance of equity capital and convertibles

1) Prior-year figures adjusted to reflect application of IAS 33.26
Operating profit growth clearly outperforming volume expansion mainly due to premium exposure and strong position in China

Deliveries to customers Volkswagen Group

in million units

<table>
<thead>
<tr>
<th>Year</th>
<th>Deliveries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>6.2</td>
</tr>
<tr>
<td>2014</td>
<td>10.1</td>
</tr>
</tbody>
</table>

Operating Profit (incl. proportionate Operating Profit from China JVs\(^1\))

in € billion

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>6.4</td>
</tr>
<tr>
<td>2014</td>
<td>17.9</td>
</tr>
</tbody>
</table>

+15.7% p.a.

\(^1\) The joint venture companies in China are accounted for using the equity method and recorded an operating profit (proportionate) of €5,182 million in 2014 (€294 million in 2007)

Key drivers for strong operating profit performance

- **Strong expanded presence in premium segment**
  - Porsche integration, above average growth and margins
  - Synergies within premium brands
  - Outperformance of Audi brand

- **Performance of VW Group in China**
  - Strong market position and growth momentum, above average margins
  - Continued investments and at the same time substantial dividends received

- **Expansion of commercial vehicles business**
  - Acquisition of Scania and MAN

- **Increasing contribution from Financial Services**
  - Global expansion
  - Rising penetration rates

Markets & Sales

Excellence in Production

Focus on R&D

Shareholder Information

Investor Relations Team
Strong performance across our business lines¹)

<table>
<thead>
<tr>
<th></th>
<th>Vehicle sales</th>
<th>Sales revenue</th>
<th>Operating profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen Passenger Cars</td>
<td>4,583</td>
<td>4,704</td>
<td>99,764</td>
</tr>
<tr>
<td>Audi</td>
<td>1,444</td>
<td>1,349</td>
<td>53,787</td>
</tr>
<tr>
<td>ŠKODA</td>
<td>796</td>
<td>719</td>
<td>11,758</td>
</tr>
<tr>
<td>SEAT</td>
<td>501</td>
<td>459</td>
<td>7,699</td>
</tr>
<tr>
<td>Bentley</td>
<td>11</td>
<td>11</td>
<td>1,746</td>
</tr>
<tr>
<td>Porsche²)</td>
<td>187</td>
<td>155</td>
<td>17,205</td>
</tr>
<tr>
<td>Volkswagen Commercial Vehicles</td>
<td>442</td>
<td>436</td>
<td>9,577</td>
</tr>
<tr>
<td>Scania²)</td>
<td>80</td>
<td>80</td>
<td>10,381</td>
</tr>
<tr>
<td>MAN³)</td>
<td>120</td>
<td>140</td>
<td>14,286</td>
</tr>
<tr>
<td>VW China⁴)</td>
<td>3,506</td>
<td>3,038</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>-1,454</td>
<td>-1,364</td>
<td>-45,885</td>
</tr>
<tr>
<td>Volkswagen Financial Services³)</td>
<td>-</td>
<td>-</td>
<td>22,139</td>
</tr>
<tr>
<td><strong>Volkswagen Group</strong></td>
<td><strong>10,217</strong></td>
<td><strong>9,728</strong></td>
<td><strong>202,458</strong></td>
</tr>
<tr>
<td><strong>Automotive Division⁶)</strong></td>
<td><strong>10,217</strong></td>
<td><strong>9,728</strong></td>
<td><strong>177,538</strong></td>
</tr>
<tr>
<td>of which: Passenger Cars</td>
<td><strong>9,575</strong></td>
<td><strong>9,071</strong></td>
<td><strong>143,601</strong></td>
</tr>
<tr>
<td>of which: Commercial Vehicles, Power Engineering</td>
<td><strong>642</strong></td>
<td><strong>657</strong></td>
<td><strong>33,937</strong></td>
</tr>
<tr>
<td>Financial Services Division</td>
<td>-</td>
<td>-</td>
<td><strong>24,920</strong></td>
</tr>
</tbody>
</table>

¹) All figures shown are rounded, minor discrepancies may arise from addition of these amounts
²) incl. financial services
³) MAN Finance International GmbH has been reported within Volkswagen Financial Services since its acquisition by Financial Services AG as of January 1, 2014. The prior-year figures have not been adjusted
⁴) Sales revenue of the JVs in China are not included in the Group figures. The Chinese companies are accounted for using the equity method and recorded an operating profit (proportionate) of €5,182 million (€4,296 million)
⁵) Mainly intragroup items, in particular from elimination of intercompany profits; incl. depreciation and amortization of identifiable assets as part of the PPA for Scania, Porsche Holding Salzburg, MAN and Porsche
⁶) Including allocation of consolidation adjustments between the Automotive and Financial Services divisions
Cash flows from operating activities in the Automotive Division increased by €1.0 billion to €21.6 billion, mainly thanks to the strong operating earnings performance. At €15.5 billion, the cash outflow from investing activities was €0.7 billion lower than in the previous year. As a consequence the Automotive Division’s net cash flow improved by €1.7 billion to €6.1 billion in 2014.

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
## Strong cash generation and sufficient net liquidity

### Operating cash flow and investments (automotive)

<table>
<thead>
<tr>
<th>Year</th>
<th>Op. cash flow</th>
<th>Investing cash flow</th>
<th>Equity investments</th>
<th>Net cash flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>13.7 bn</td>
<td>8.0 bn</td>
<td>-5.7 bn</td>
<td>13.5 bn</td>
</tr>
<tr>
<td>2008</td>
<td>8.0 bn</td>
<td>8.8 bn</td>
<td>-8.9 bn</td>
<td>8.0 bn</td>
</tr>
<tr>
<td>2009</td>
<td>12.8 bn</td>
<td>5.2 bn</td>
<td>-2.6 bn</td>
<td>8.8 bn</td>
</tr>
<tr>
<td>2010</td>
<td>13.9 bn</td>
<td>12.8 bn</td>
<td>-7.6 bn</td>
<td>17.6 bn</td>
</tr>
<tr>
<td>2011</td>
<td>17.1 bn</td>
<td>13.9 bn</td>
<td>5.2 bn</td>
<td>17.1 bn</td>
</tr>
<tr>
<td>2012</td>
<td>16.2 bn</td>
<td>6.9 bn</td>
<td>2.1 bn</td>
<td>18.6 bn</td>
</tr>
<tr>
<td>2013</td>
<td>20.6 bn</td>
<td>7.7 bn</td>
<td>-9.4 bn</td>
<td>20.6 bn</td>
</tr>
<tr>
<td>2014</td>
<td>21.6 bn</td>
<td>12.0 bn</td>
<td>-12.5 bn</td>
<td>13.6 bn</td>
</tr>
</tbody>
</table>

1. Cash flow from investing activities attributable to operating activities excl. cash flow from acquisition and disposal of equity investments
2. Cash flow from acquisition and disposal of equity investments
3. Net cash flow before acquisition and disposal of equity investments

### Net liquidity (automotive)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net liquidity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>13.5 bn</td>
</tr>
<tr>
<td>2008</td>
<td>8.0 bn</td>
</tr>
<tr>
<td>2009</td>
<td>10.6 bn</td>
</tr>
<tr>
<td>2010</td>
<td>11.6 bn</td>
</tr>
<tr>
<td>2011</td>
<td>17.0 bn</td>
</tr>
<tr>
<td>2012</td>
<td>17.0 bn</td>
</tr>
<tr>
<td>2013</td>
<td>16.9 bn</td>
</tr>
<tr>
<td>2014</td>
<td>17.6 bn</td>
</tr>
</tbody>
</table>

Robust financial structure to ensure Group solvency at all times

The Group’s **refinancing activities in 2014** continuously focused on the diversification of its issues and the expansion of its maturity profile so as to address a broad base of investors and access new groups of investors.

Overall we implemented a higher number of capital market transactions to refinance our operating business and strategic projects and issued bonds with a value of approximately €30 billion.

The **main currencies** of the issues were euros, US dollars, sterling and Canadian dollars; the share of fixed-rate refinancing was roughly twice as high as the share of variable-rate instruments. In addition the Group was active in the Russian and South Korean capital markets for the first time.

In 2014, **rating agencies** Standard & Poor’s and Moody’s Investors Service undertook their regular update of their credit ratings. While Moody’s confirmed its short-term and long-term ratings and the positive outlook, Standard & Poor’s raised its short-term and long-term ratings for all three companies by one notch each to A–1 and A (stable outlook). In March 2015, Moody’s also raised its short-term and long-term ratings by one notch to P–1 and A2 (stable outlook).

### Capital Market Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Authorized volume € billion</th>
<th>Amount utilized on Dec. 31, 2014 € billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial paper</td>
<td>26.7</td>
<td>4.6</td>
</tr>
<tr>
<td>Bonds</td>
<td>117.4</td>
<td>61.8</td>
</tr>
<tr>
<td>of which hybrid issues</td>
<td></td>
<td>5.0</td>
</tr>
<tr>
<td>Asset-backed securities</td>
<td>55.4</td>
<td>28.0</td>
</tr>
</tbody>
</table>

### Rating Overview

<table>
<thead>
<tr>
<th>As of March 16, 2015</th>
<th>Volkswagen AG</th>
<th>Volkswagen Financial Services AG</th>
<th>Volkswagen Bank GmbH</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Standard &amp; Poor’s</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term</td>
<td>A–1</td>
<td>A–1</td>
<td>A–1</td>
</tr>
<tr>
<td>Long-term</td>
<td>A</td>
<td>A</td>
<td>A</td>
</tr>
<tr>
<td>Outlook</td>
<td>stable</td>
<td>stable</td>
<td>stable</td>
</tr>
<tr>
<td><strong>Moody’s</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term</td>
<td>P–1</td>
<td>P–1</td>
<td>P–1</td>
</tr>
<tr>
<td>Long-term</td>
<td>A2</td>
<td>A2</td>
<td>A2</td>
</tr>
<tr>
<td>Outlook</td>
<td>stable</td>
<td>stable</td>
<td>stable</td>
</tr>
</tbody>
</table>
Volkswagen’s Automotive Division further strengthens innovation and technology leadership

**Investments in property, plant and equipment**

<table>
<thead>
<tr>
<th>Year</th>
<th>Capex (€ billion)</th>
<th>Capex to sales ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>5.8</td>
<td>6.2%</td>
</tr>
<tr>
<td>2010</td>
<td>5.7</td>
<td>5.0%</td>
</tr>
<tr>
<td>2011</td>
<td>7.9</td>
<td>5.6%</td>
</tr>
<tr>
<td>2012</td>
<td>10.3</td>
<td>5.9%</td>
</tr>
<tr>
<td>2013</td>
<td>11.0</td>
<td>6.3%</td>
</tr>
<tr>
<td>2014</td>
<td>11.5</td>
<td>6.5%</td>
</tr>
</tbody>
</table>

**5-year investment program remains on a stable level**

- €85.6 bn: Investments in property, plant and equipment
- €41.3 bn: Modernizing and extending the product range
- €23.0 bn: Cross-product investments
- €21.9 bn: Capitalized development costs
- €0.6 bn: Others

- Around two-thirds will continue to flow into increasingly efficient vehicles, drives and technologies, as well as environmentally friendly production
- In addition, China JVs will invest a total of €22.0 bn in new production facilities and products (fully self funded)

Note: All figures shown are rounded
Positive long-term trend of return on investment

The increase of the operating automotive profit after tax was due to positive volume and mix effects, optimized product costs and the significant improvement in the proportionate operating profit of the Chinese joint ventures. These factors more than offset the deteriorations in exchange rates, higher depreciation charges as a result of increased capital expenditures, higher research and development costs, and greater fixed costs due to growth factors. Effects on earnings and assets from purchase price allocation are not taken into account as this is beyond what is feasible from an operational management perspective.

Invested capital rose to €78,889 million (€72,749 million), primarily due to increased investments in property, plant and equipment, investment property and intangible assets, excluding capex.

The ROI rose year-on-year in 2014 due to earnings-related factors, and was well above our minimum required rate of return of 9%. At €6,074 million (€6,038 million), the opportunity cost of capital (invested capital multiplied by cost of capital) was level year on-year. The increased operating profit after the opportunity cost of invested capital led to a clear improvement in the value contribution, which grew to €5,660 million (€4,497 million).
### Volkswagen Group – reliably delivering on targets

#### Outlook 2015 and achievements 2014

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volkswagen Group</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deliveries to customers</td>
<td>9.7</td>
<td>moderate growth</td>
<td>+4.2%</td>
<td>10.1</td>
</tr>
<tr>
<td>Sales revenue</td>
<td>197.0</td>
<td>+/- 3%</td>
<td>+2.8%</td>
<td>202.5</td>
</tr>
<tr>
<td>Operating profit</td>
<td>11.7</td>
<td>within forecast range</td>
<td>12.7</td>
<td>within forecast range</td>
</tr>
<tr>
<td>Operating return on sales</td>
<td>5.9%</td>
<td>5.5 – 6.5%</td>
<td>6.3%</td>
<td>5.5 – 6.5%</td>
</tr>
<tr>
<td><strong>Passenger Cars</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales revenue</td>
<td>140.1</td>
<td>+/- 3%</td>
<td>+2.5%</td>
<td>143.6</td>
</tr>
<tr>
<td>Operating profit</td>
<td>9.0</td>
<td>within forecast range</td>
<td>9.8</td>
<td>within forecast range</td>
</tr>
<tr>
<td>Operating return on sales</td>
<td>6.4%</td>
<td>5.5 – 6.5%</td>
<td>6.8%</td>
<td>6.0 – 7.0%</td>
</tr>
<tr>
<td><strong>Commercial Vehicles / Power Engineering</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales revenue</td>
<td>34.9</td>
<td>+/- 3%</td>
<td>-2.8%</td>
<td>33.9</td>
</tr>
<tr>
<td>Operating profit</td>
<td>0.8</td>
<td>moderate growth</td>
<td>0.9</td>
<td>within forecast range</td>
</tr>
<tr>
<td>Operating return on sales</td>
<td>2.3%</td>
<td>2.8%</td>
<td>2.0 – 4.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Financial Services Division</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales revenue</td>
<td>22.0</td>
<td>+/- 3%</td>
<td>+13.3%</td>
<td>24.9</td>
</tr>
<tr>
<td>Operating profit</td>
<td>1.9</td>
<td>within forecast range</td>
<td>1.9</td>
<td>previous year’s level</td>
</tr>
<tr>
<td>Operating return on sales</td>
<td>8.5%</td>
<td>8.0 – 9.0%</td>
<td>7.7%</td>
<td>6.0 – 7.0%</td>
</tr>
<tr>
<td><strong>Automotive Division</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capex/sales revenue</td>
<td>6.3%</td>
<td>6.0 – 7.0%</td>
<td>6.5%</td>
<td>6.0 – 7.0%</td>
</tr>
<tr>
<td>Net cash flow</td>
<td>4.4</td>
<td>moderate decline</td>
<td>+38.6%</td>
<td>6.1</td>
</tr>
<tr>
<td>Return on investment (RoI)</td>
<td>14.5%</td>
<td>9.0 – 14.5%</td>
<td>14.9%</td>
<td>sign. &gt; 9.0 &lt; 14.9%</td>
</tr>
</tbody>
</table>
Volkswagen Group – outlook for 2015

We expect …

- to moderately increase Volkswagen Group deliveries to customers year-on-year in 2015 in a persistently challenging market environment.
- 2015 sales revenue for the Volkswagen Group and its business areas to increase by up to 4% above the prior-year figure, depending on the economic conditions. However, economic trends in Latin America and Eastern Europe will need to be continuously monitored in the Commercial Vehicles/Power Engineering Business Area.

In terms of operating profit…

- we anticipate a Group operating return on sales of between 5.5% and 6.5% in 2015 in light of the challenging economic environment.
- The operating return on sales is expected to be in the 6.0% to 7.0% range in the Passenger Cars Business Area and between 2.0% and 4.0% in the Commercial Vehicles/Power Engineering Business Area.
- For the Financial Services Division, we are forecasting an operating profit at the prior-year level.
SEAT Concept 20V20
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Strategy 2018 - a global economic and environmental leader by 2018

We have defined four goals that are designed to support Volkswagen becoming a global and environmental leader by 2018. To achieve these targets we have identified six areas to focus on:

1. Growth market focus
   - Increased market penetration
   - Emerging markets expansion
   - Balanced global footprint

2. Modular toolkit strategy
   - Reduction in investment, development and unit costs
   - Scale and efficiency effects
   - Increased production flexibility
   - Reduced time to market

3. Capital discipline
   - > 16% RoI target in automotive business
   - 20% RoE1 goal in Financial Services

4. Operating profit measures
   - Strong cost control
   - Process/product optimization
   - Regional scale effects

5. Volkswagen Group
   - Volumes > 10 million units p.a.2
   - Profit before tax margin > 8%

6. Leading in customer satisfaction and quality
   - Top employer
   - Financials & Outlook
   - Shareholder Information
   - Investor Relations Team
   - Potential upside
     - Product portfolio extension
     - North American expansion and market recovery
     - Commercial vehicle strategy and market recovery
     - Financial Services: strengthen the automotive value chain
   - Synergy potential
     - Leveraging best practices across the Group
     - Purchasing, production, and distribution benefits

---

1) Normalized RoE based on 8% equity ratio 2) Including China
Note: All stated Volkswagen Group figures represent financial targets for 2018
Volkswagen well on track to achieve targets under Strategy 2018

**Volkswagen Group customer satisfaction**
(on a scale of 1 to 10)

- 2007: 8.2
- 2010: 8.4
- 2014: 8.8

**Group profit before tax margin**
(excluding the nonrecurring effect from the remeasurement of the Porsche put/call options and from remeasurement at the contribution date of the shares already held)

- 2007: 6.0%
- 2008: 5.8%
- 2009: 1.2%
- 2010: 7.1%
- 2011: 7.8%
- 2012: 11.9%
- 2013: 13.2%
- 2014: 6.3%

**Group deliveries to customers**
(in million units)

- 2007: 6.0 million
- 2008: 6.2 million
- 2009: 7.2 million
- 2010: 9.3 million
- 2011: 10.1 million

**Vehicles > 10 million units p.a.**

- 2007: 84
- 2014: 90

**Top employer**

**Leading in customer satisfaction and quality**

**Volumes > 10 million units p.a.**

- 2007: 8.2
- 2010: 8.4
- 2014: 8.8

**I am happy to work at the Volkswagen Group**
(Employee opinion survey, index)

- 2007: 84
- 2014: 90

**Group profit before tax margin**
(in percent)

- 2007: 6.0%
- 2008: 5.8%
- 2009: 1.2%
- 2010: 7.1%
- 2011: 7.8%
- 2012: 11.9%
- 2013: 13.2%
- 2014: 6.3%

**Top employer**

**Leading in customer satisfaction and quality**

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- 2010: 90

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- 2008: 6.2 million
- 2009: 7.2 million
- 2010: 9.3 million
- 2011: 10.1 million

---

* Own calculation based on key industry studies on customer satisfaction with dealers, after sales and new vehicles. Including China.

** Group profit before tax margin excluding the nonrecurring effect from the remeasurement of the Porsche put/call options and from remeasurement at the contribution date of the shares already held.
Growth expectations had to be lowered for major markets, excl. China

GDP growth remains behind forecasts - but recovery expected until 2018

Volume projections for global car markets (ex China) reduced significantly

Source: IHS Economics
Tightening environmental regulation and major trends driving substantially higher investment and engineering needs today.

**... CO₂ and EU6 regulations**

<table>
<thead>
<tr>
<th></th>
<th>EU baseline</th>
<th>US baseline</th>
<th>China baseline</th>
<th>US 2025:</th>
<th>China 2015:</th>
<th>EU 2020:</th>
<th>China 2015:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EU</strong></td>
<td>142</td>
<td>219</td>
<td>185</td>
<td>95</td>
<td>167</td>
<td>142</td>
<td>185</td>
</tr>
<tr>
<td><strong>US-LDV (PC+LDT)</strong></td>
<td>230</td>
<td>230</td>
<td>190</td>
<td>190</td>
<td>190</td>
<td>190</td>
<td>190</td>
</tr>
</tbody>
</table>

Source: based on ICCT

**... Market / consumer trends**

- Digitalization
- Shorter lifecycles
- E-mobility
- SUV trend
- Automated driving
- Shift in priorities
Future Tracks – paving the way to the future

Volkswagen Group 2018 Strategy

Strategy for the time beyond 2018

Profitability

Future trends

Economic uncertainty

Revenues

Costs

E-mobility
Digitalization
Business models
Product cycles
Automated driving

Trade barriers
Currencies
Economic development
Regulation

Top employer
Volkswagen Group site numbers in 2018
Emissions in kg CO2 per km

Volkswagen Group 2018 Strategy

Volkswagen at a Glance
Our Brands & Products
Markets & Sales
Financials & Outlook
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Excellence in Production
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Volkswagen Brand: substantial efficiency measures across all business areas to ensure > 6% target return before 2018

- Adapt lifecycle strategy to meet core regional competition
- Focus on models providing sustainable profitability
- Expand after-sales business

- Reduce complexity and improve decision making process
- Increase use of common parts and reduction of number of variants
- Sharpen target-oriented investment
- Increase localization in core markets
- Enhance R&D efficiency
- Leverage scale effects and groupwide synergy potential further
Volkswagen Brand: three focus areas to improve competitiveness

**Efficiency Program**

**Model Portfolio & Cycle Plan**
- Continually adapt product lifecycles to the specific regional and competitive requirement
- Challenge every model regarding growth prospects and sustainable profit contribution

**Strengthen Regions**
- Improve operational and financial robustness of regional business models
- Increase localization of products, production and components as well as research and development

**Cost Discipline & Productivity**
- Strong focus on cost and investment discipline
- Roll-out of efficiency program in order to secure/improve cost efficiency and quality of results
New Touran: variants will be reduced in order to compensate complexity drivers and to cut costs

<table>
<thead>
<tr>
<th>Complexity drivers</th>
<th>Variant reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drivers assistant systems</td>
<td>Steering wheels</td>
</tr>
<tr>
<td>Legal requirements</td>
<td>Trunk lining</td>
</tr>
<tr>
<td>Seating options</td>
<td>Mirrors</td>
</tr>
<tr>
<td>...</td>
<td>...</td>
</tr>
</tbody>
</table>
Significant savings potential through various variant reductions
(% reduction in number of variants)

- **Golf 7: Batteries**: ~50%
- **Golf 7: Interior lamps**: ~50%
- **Golf 7: Armrests (leather)**: >30%
- **Polo successor: Engine/gearbox variants**: >30%
Volkswagen is represented in each important region with at least one plant.

Local production allows us to offer model variations that answer the different needs of our regional customers from China to North America, India and Europe.

Our flexible engineering architecture allows this to be achieved in a cost effective and timely manner.

The transfer of the toolkit principle to production is in the process. Our factories are highly flexible, and it can produce a wide range of models and brands on the same production line.

The latest addition to our production network is a components plant in Tianjin in the north of China, which was inaugurated in November 2014.
Further increasing localization in major regions is at the centre of Volkswagen Passenger Cars’ strategy.

Substantial progress has been made with high localization rates achieved today in North America and China. However, local content in key regions, such as Russia or India, needs to be increased further.

A high degree of localization helps:
- to create a natural hedge and to reduce transactional currency risks.
- to avoid import duties, trade barriers and sales taxes.
- to secure profitability of locally produced model.
- to make the regional business model more robust.

Note: Status as of October 2014
Innovative technical flexibility made simple

**Flexibility of volume**

„Turntable“ („Drehscheibe“)

- WOLFSBURG
- ZWICKAU
- EMDEN

**Integrated production across three sites** (Schematic illustration)

- e.g. Additional demand for Volkswagen Passat

Additional Passat volume due to customer demand

- WOLFSBURG
- ZWICKAU
- EMDEN

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**Volkswagen at a Glance**

- Our Brands & Products
- Markets & Sales
- Financials & Outlook
- Strategy 2018
- Excellence in Production
- Focus on R&D
- Shareholder Information
- Investor Relations Team

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Modular toolkit – efficiency gains through synergies

TECHNICAL CONCEPT

Significantly reducing the fuel consumption of our vehicles, producing them at globally competitive costs and simultaneously increasing profitability and productivity – these are the Volkswagen Group’s goals for its modular toolkits.

The modular toolkit strategy represents the further development of our platform and modular strategy, which has its origins in the mid-1990s. Independent from size and segment, several parts, such as engines, gearboxes or air conditioning, can be used for different vehicles.

This ensures that the synergy effects that exist, both between models in one series and across all series and brands, can be optimized and increased.

Modularisation enables standardization with visible customization whilst maintaining the individual brand identity.
Audi started with the launch of the Modular Longitudinal Toolkit and keeps the responsibility. The know-how which they have gained over the years, helped and helps to develop the following toolkits.

The Volkswagen Passenger Cars brand is responsible for the Modular Transverse Toolkit which will be used for the Volkswagen, Audi, SEAT and ŠKODA brands. Development of the Modular Standard Drivetrain Toolkit is being handled by Porsche, which was made responsible for development of sports car and luxury sedan platforms. The MSB is for a conventional front-engine, rear-wheel drive layout, hence the word “standard” in its title, and it will be used for a range of models including the next-generation Porsche Panamera and Bentley Continental lineup.

In addition, the New Small Family complements the toolkit strategy. The up! and its derivatives are not produced based on the MQB. However, individual components such as engine, gearbox and steering components can be used for vehicles based on MQB.
Modular toolkit – introduction of the Modular Transverse Toolkit

MODULAR LONGITUDINAL TOOLKIT (MLB)

The Modular Longitudinal Toolkit is the use of a modular strategy in vehicle platforms in which the drive train is mounted longitudinally to the direction of travel. This modular arrangement of all components enables maximum synergies to be achieved between the vehicle families. This concept is already used at Audi since 2007 to develop vehicles. With the evolutionary step MLB evo, the toolkit is expanded in the future. The Audi Q7 is the first car based on the MLB evo. Others such as the new Audi A4, A6 etc. will follow.

MODULAR TRANSVERSE TOOLKIT (MQB)

The Modular Transverse Toolkit (MQB) is the basis for vehicles with a transversally mounted engine. We introduced the first models based on this toolkit in the shape of the new Audi A3, the new Golf and the new SEAT Leon in 2012 followed by the new ŠKODA Octavia in 2013. In 2014 the most important MQB launch was the new Passat. The list of future MQB models to be released includes the successors for Touran, ŠKODA Superb, Tiguan.

The MQB extends from the A0 segment to the B segment. We intend to produce over 40 models based on the MQB in the long term and across brands – to the highest quality standards, customized for each brand and tailored to the different market requirements.
MQB – driving forward economies of scale in unit cost, investment and supporting achievement of emission targets

Distribution of MQB savings

MQB platform ca. 60% of total material costs

- Lower cost per unit
- Less EHpv¹
- Less one-off expenditures

= Potential savings

Margin improvement

- Savings
- Expenditures
- Invest

¹ Engineered Hours per Vehicle

Different powertrains

The MQB’s flexible design is able to accommodate alternative drives:

- Conventional drive
  - TSI Gasoline
    - EA211
  - TDI Diesel
    - EA288

- Electric drive
  - Hybrid
  - BEV
  - EcoFuel
  - FlexFuel
  - BiFuel

- Alternative/Regenerative
  - CNG
  - Ethanol
  - LPG
Sustainable success secured through the roll-out of modular toolkits

Global roll-out of modular toolkits

MQB production share of total production volumes

Number of toolkit equipped plants and volume

1) Including China; the Chinese share in the global MQB volume amounted to around one fifth in 2014 and is expected to increase to more than one third in 2018.
Lamborghini Aventador P 750-4 SV
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Focus on R&D – our mission

Shaping the future is a fascinating challenge for industry and society. Volkswagen’s automotive future is formed by social conditions and trends. It is the Group’s task to anticipate the future needs of our customers and to convert these needs into innovative technologies.

The technological challenges of the future can only be mastered by intensive research and networked co-operation both inside and outside the company. Our mission is to continue meeting our customers’ wishes for individual and affordable mobility through sustainable technologies. We work together with our partners to achieve this goal. The Volkswagen Group’s research and development activities continued to concentrate on expanding our product portfolio and improving the functionality, quality, safety and environmental compatibility of our products in fiscal year 2014.

1972 BEETLE 1303
Consumed 13l/100km

2013 XL1
Consumes just 0.9l/100km
Alongside new models, the main **R&D focus** was on **electrification**, an efficient range of engines and lightweight construction; the proportion accounted for by alternative drive technologies increased again. The **capitalization ratio** rose to **35.1%** (34.2%).

**R&D costs** recognized in the income statement in accordance with IFRSs increased to **€11.5 billion** (€10.2 billion); the **ratio to sales revenue** in the Automotive Division was **6.5%** (5.8%). At year end, **R&D** – including the Chinese joint ventures – employed **45,742 people** Group-wide (+4.5%), corresponding to **7.7%** of the total headcount.
Integrating a wide range of innovations into fuel-efficient, low emission mobility solutions, Volkswagen’s “green labels” offer technologies and products that are geared to significantly reduced fuel consumption and CO₂ emissions. Volkswagen is committing to reducing the CO₂ output of the European new car fleet to 95 grams per kilometer by 2020. We again recorded impressive results in reducing emission levels last year: we reduced the average CO₂ emissions over the past six years by 26 grams of CO₂ per kilometer to 125 grams of CO₂ per kilometer.
Challenge or opportunity? Substantial competitive advantage potential through industry leading powertrain solutions.

- Technologies to increase CO₂ efficiency
- Optimizing conventional drive trains
- Using alternative drive technologies

EU27 Fleet value in 2006: 166g CO₂/km
EU27 Fleet value in 2014: 125g CO₂/km
EU27 Fleet value in 2020: 95g CO₂/km
415 Group models below 120g/km CO₂ emissions
(Engine/Transmission) EU 27 Market

114 Volkswagen/Commercial Vehicles models
Top: e-Golf EV 0 g/km CO₂

100 Audi models
Top: A3 Sportback e-tron 1.4 TFSI 35 g/km CO₂

110 SEAT models
Top: Mii 1.0 MPI CNG 79 g/km CO₂

88 ŠKODA models
Top: Citigo 1.0 MPI CNG 79 g/km CO₂

3 Porsche models
Top: 918 Spyder 70 g/km CO₂
Steps in electrification

The Group’s drivetrain strategy is paving the way for carbon-neutral, sustainable mobility. We are pursuing the goal of increasing drive system efficiency with each new model generation, irrespective of whether these are powered by combustion engines, hybrids, plug-in hybrids, pure electric drives, or potential future fuel cell drive systems. Thanks to our conventional and alternative technologies and the modular toolkit strategy, which allows innovations to be incorporated rapidly into different vehicles, we are optimally positioned to meet the challenges that the future will bring.

- **Internal combustion engine (ICE)**
  - Gasoline or Diesel Engine
- **Mild Hybrid**
  - Start-Stop system Recuperation
  - Combination of ICE and electric motor. The electric motor serves to boost power during acceleration. Pure electric driving is not possible.
- **Full Hybrid**
  - Jetta Hybrid
  - Full Hybrids, in contrast to mild hybrids, can drive short distances in full electric mode.
- **Plug-In Hybrid**
  - Golf GTE
  - The Batteries of Plug-In Hybrids can be charged by plugging into an electric socket. Due to the greater battery capacity, longer electric driving ranges are possible.
- **Range Extender**
  - Range Extender Electrical Vehicle
  - Small internal combustion engine which recharges the vehicle’s battery and thereby increases its range.
- **Electric vehicle**
  - Audi R8 e-tron
- **Fuel Cell**
  - Golf Variant HyMotion
  - In the next decades, today’s technologies will continue to be dominant. Combustion engines – some of them supported by E-motors, pure E-drives and fuel cells – will co-exist side-by-side. On its path towards the future, Volkswagen will continue to research and further develop all potential engine types and introduce them as soon as it makes sense and is technically feasible.
The use of efficient, sustainable drivetrains is a highly important strategic issue for Volkswagen. The Group is not only working to continuously optimize its existing drivetrains but is also – as in the past – pursuing a variety of alternative drive concepts, and especially electric traction.
Transition to piloted driving already started and offers huge potential

Drivers assistant systems in the new Passat

- Emergency assist with lane change
- Traffic jam assist with hands-off
- Work zone lane assist
- Automated driving
- Automated parking
- Emergency assist
- Trailer assist
- Front assist with pedestrian monitoring
One of Group’s most important development areas is piloted driving. **Driver assistance should make the job easier whenever it makes sense** – not just when maneuvering in tight parking spaces or in parking lots, but also for example in slowmoving traffic on the highway. Once the necessary conditions (e.g. the legal basis) are in place, functions like these could go into series production in the next few years.

**Audi has shown what the technology can already do:** the Audi RS7 piloted driving concept completed a lap of the Hockenheim Grand Prix track in the reporting period at racing speeds of up to 240 km/h – without a driver. The results of this test are being integrated into the development of series models and are helping to increase the safety and comfort of future vehicles.
In 1961, Volkswagen first issued ordinary shares on the Frankfurt stock exchange with a nominal value of DM100 issued at a price of 350 percent. Two stock splits were performed in the course of time. Presently, the majority of the ordinary shares are held by the Group’s three biggest shareholders guaranteeing a stable shareholder structure.

In 1986, Volkswagen introduced its preferred shares as an alternative investment vehicle. In December 2009 the ordinary shares were replaced through the preferred shares in the German DAX stock index.

Volkswagen is globally represented with a market capitalization of around €86.5 billion as of December 31, 2014. The shares are listed on different exchanges worldwide, among others in Frankfurt, London and Zurich. In the U.S., Volkswagen has 2 sponsored ADR programs, representing the preference and ordinary shares. Both are sponsored by J.P. Morgan and trade in the US on the over-the-counter (OTC) market.

KEY FACTS & FIGURES (as of December 31, 2014)

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<td>Exchanges</td>
<td>Berlin, Düsseldorf, Frankfurt, Hamburg, Hanover, Munich, Stuttgart, Xetra, Luxembourg, New York¹, SIX Swiss Exchange</td>
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<td>Major market indices</td>
<td>DAX, CDAX, Prime All Share, Prime Automobile, Dow Jones Euro STOXX, Dow Jones Euro STOXX Automobile &amp; Parts, S&amp;P Global 100 Index, Dow Jones Sustainability Index World, FTSE4Good, Dow Jones Sustainability Europe Index, Dow Jones Euro STOXX 50, MSCI Euro, Classic All Share, CDP Global 500 Climate Disclosure Leadership Index</td>
<td></td>
</tr>
<tr>
<td>Preferred shares²</td>
<td>Unlike ordinary shares, preferred shares do not carry voting rights. Dividends are paid to stockholders in proportion to their share of the capital stock eligible for dividend in such a manner that the preferred shares shall be eligible for a dividend which is higher than that for the ordinary shares by 6 Cents per preferred share.</td>
<td></td>
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<tr>
<td>American Depositary Receipt (ADR)</td>
<td>An ADR is a U.S. dollar denominated form of equity ownership in a non-U.S. company. It represents the foreign shares of the company held on deposit by a custodian bank in the company's home country and carries the corporate and economic rights of the foreign shares, subject to the terms specified on the ADR certificate.</td>
<td></td>
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¹ Traded as sponsored unlisted American Depositary Receipts (ADR). Five ADR certificates correspond to one underlying Volkswagen Ordinary or Preferred share. ²Definition excludes specific exemptions. For more details see Articles of Association of Volkswagen AG.
The **subscribed capital** of Volkswagen AG, which amounted to €1,217,872,117.76 at the end of 2014, is composed of 295,089,818 no-par value **ordinary shares** and 180,641,478 no-par value preferred shares. As well as ordinary shares, there are **preferred shares** that entitle the bearer to a €0.06 higher dividend than ordinary shares, but do not carry voting rights.
Volkswagen shares – historical prices

HISTORICAL DEVELOPMENT ORDINARY AND PREFERRED SHARE (€, monthly closing prices, as per February 2015)

Volkswagen Ordinary Share

- 1969 Stocksplit 1:2
- 1998 Stocksplit 1:10

Volkswagen Preferred Share

- 1969
- 1998

Markets & Sales
Excellence in Production
Focus on R&D
Shareholder Information
Investor Relations Team
Exceptionally positive long-term performance of Volkswagen shares (as per year-end 2014)

Volkswagen AG’s shares trended downward in 2014, underperforming the overall market and the automotive sector. The Company’s preferred shares closed the year 2014 at €184.65, down 9.6% on the prior-year figure. The ordinary shares were trading at €180.10 on the last day of trading in 2014, down 8.5% on the price at the end of 2013. With dividends reinvested as per the day of payment, the total return of the ordinary and preferred shares amounted to -7.6% and -6.6%, respectively.

Over the medium and the long-term though, investors in Volkswagen shares could achieve a substantially positive return (share price development plus dividends reinvested) both in absolute terms as well as relative to the indices and the sector. An investor who purchased Volkswagen preferred shares worth €10,000 at the end of 2004 and reinvested the dividends had €65,700 ten years later, corresponding to an annual average return of 25.6%. Over the ten-year period, the same initial sum would have grown to €23,000 if invested in the DAX30 index. The investors would have earned an annual return of 8.7%.

Source: Bloomberg
Continuous dividend development on a sustainable basis

Development of dividend pay-out…

in € per share

<table>
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<tr>
<th>Year</th>
<th>Ordinary Shares</th>
<th>Preferred Shares</th>
</tr>
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<tbody>
<tr>
<td>2010</td>
<td>2.20</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>3.00</td>
<td>3.06</td>
</tr>
<tr>
<td>2012</td>
<td>3.50</td>
<td>3.56</td>
</tr>
<tr>
<td>2013</td>
<td>4.00</td>
<td>4.06</td>
</tr>
<tr>
<td>2014</td>
<td>4.80</td>
<td>4.86</td>
</tr>
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+21.5% p.a.

… and pay-out ratio

<table>
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<tr>
<th>Year</th>
<th>Mid-term target</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>30%</td>
<td>15.1%</td>
<td>15.7%</td>
<td>17.8%</td>
<td>20.6%</td>
<td>21.2%</td>
</tr>
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</table>

1) Dividend proposal to Annual General Meeting on 05 May 2015 2) Total dividend in percent of net income attributable to shareholders adjusted for noncash income mainly from the updated measurement of the put/call rights relating to the acquisition of the stake in Porsche AG indirectly held by Porsche SE, as well as the remeasurement of the existing stake held at the contribution date.
## Events 2015

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<td>April 29, 2015</td>
<td>Volkswagen AG Interim Report January – March 2015</td>
<td>Wolfsburg</td>
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<td>May 05, 2015</td>
<td>Volkswagen AG Annual General Meeting 2014</td>
<td>Hanover</td>
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Investor relations team

Christine Ritz
Group Head of Investor Relations
E-Mail: Christine.Ritz@volkswagen.de
Telephone: +49 5361 9 49840

Oliver Larkin (London office)
Senior Investor Relations Manager
E-Mail: Oliver.Larkin@volkswagen.de
Telephone: +44 20 3693 6061

Alexander Hunger (Wolfsburg office)
Senior Investor Relations Officer
E-Mail: Alexander.Hunger@volkswagen.de
Telephone: +49 5361 9 47420

Andreas Buchta (Wolfsburg office)
Investor Relations Manager
E-Mail: Andreas.Buchta@volkswagen.de
Telephone: +49 5361 9 47419

Lars Korinth (Wolfsburg office)
Investor Relations Manager
E-Mail: Lars.Korinth@volkswagen.de
Telephone: +49 5361 9 42224

Lennart Schmidt (Wolfsburg office)
Investor Relations Officer
E-Mail: Lennart.Schmidt@volkswagen.de
Telephone: +49 5361 9 49015

Thomas Küter (Beijing office)
Investor Relations Manager
E-Mail: Thomas.Kueter@volkswagen.com.cn
Telephone: + 86 10 6531 4715
Volkswagen Caddy
MAN TGX EfficientLine
Scania R 730 6x4
This presentation contains 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 relating to the development of the economies of individual countries, and in particular of the automotive industry, 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. The estimates given involve a degree of risk, and the actual developments may differ from those forecast.

Consequently, 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 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.

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fascinating brands
10.14 million deliveries in 2014
592,586 employees worldwide
153 countries

Factbook 2015