Leading the Transformation.

Alexander Hunger & Andreas Kowalczyk
Investor Relations

Investor Roadshow with MM Warburg, Hamburg, 20 August 2019
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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 July 2019 vs. 2018)

1) Volkswagen Group Passenger Cars excl. Volkswagen Commercial Vehicles 2) incl. LCV in North America & South America
Volkswagen Group – Deliveries to Customers by Brands ¹)
(January to July 2019 vs. 2018)

¹) Volkswagen Group excl. Ducati
## Volkswagen Group – Key Financial Figures ¹)
(January to June 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>5,339</td>
<td>5,575</td>
<td>-4.2</td>
</tr>
<tr>
<td>Sales revenue</td>
<td>125,197</td>
<td>119,377</td>
<td>+4.9</td>
</tr>
<tr>
<td>Operating profit before Special Items</td>
<td>9,979</td>
<td>9,794</td>
<td>+1.9</td>
</tr>
<tr>
<td>% of sales revenue</td>
<td>8.0</td>
<td>8.2</td>
<td></td>
</tr>
<tr>
<td>Operating profit</td>
<td>8,997</td>
<td>8,160</td>
<td>+10.3</td>
</tr>
<tr>
<td>% of sales revenue</td>
<td>7.2</td>
<td>6.8</td>
<td></td>
</tr>
<tr>
<td>Financial result</td>
<td>560</td>
<td>813</td>
<td>-31.1</td>
</tr>
<tr>
<td>of which: At-equity result ⁴)</td>
<td>1,599</td>
<td>1,680</td>
<td>-4.9</td>
</tr>
<tr>
<td>of which: Other financial result</td>
<td>-1,039</td>
<td>-867</td>
<td>-19.8</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>9,557</td>
<td>8,972</td>
<td>+6.5</td>
</tr>
<tr>
<td>% Return on sales before tax</td>
<td>7.6</td>
<td>7.5</td>
<td></td>
</tr>
<tr>
<td>Profit after tax</td>
<td>7,168</td>
<td>6,613</td>
<td>+8.4</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 €2,103 million (€2,318 million).
Volkswagen Group – Analysis of Operating Profit ¹)
(January to June 2019 vs. 2018)

[€ billion]

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Passenger Cars¹/²</td>
<td>8.2</td>
<td>9.8</td>
<td>0.8</td>
<td>-0.3</td>
<td>0.3</td>
<td>-0.9</td>
<td>0.3</td>
<td>0.0</td>
<td>0.1</td>
<td>10.0</td>
<td>1.0</td>
<td>9.0</td>
</tr>
</tbody>
</table>

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**  
(February to June 2019)

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.

<table>
<thead>
<tr>
<th>2018</th>
<th>Cash flow from operating activities</th>
<th>Capex</th>
<th>Capitalized development costs</th>
<th>Other</th>
<th>Net cash flow before equity investments</th>
<th>Acquisition and disposal of equity investments</th>
<th>Net Cash flow 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.2</td>
<td>-4.4 (4.3%) 3)</td>
<td>-2.5</td>
<td>0.1</td>
<td>3.3</td>
<td>-0.1</td>
<td>3.3</td>
<td></td>
</tr>
</tbody>
</table>

13.5 billion

8 billion
## Automotive Division – Net Cash Flow ¹)
(January to June 2019)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Cash flow including Diesel payments and M&amp;A</th>
<th>Diesel outflow</th>
<th>Acquisition and disposal of equity investments</th>
<th>Net Cash flow underlying business</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>3.3</td>
<td>0.9</td>
<td>0.5</td>
<td>6.0</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 June 2019)

[€ billion]

Net Cash flow (€ 5.6 bn)

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

- **Deliveries to customers (’000 vehicles)**
  - 2017: 10.7
  - 2018: 10.8
  - Increase: +0.9%

- **Sales revenue (€ billion)**
  - 2017: 229.6
  - 2018: 235.8
  - Increase: +2.7%

- **Operating return on sales (%)**
  - 2017: 7.4%
  - 2018: 7.3%
  - Range: 6.5 – 7.5%

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)

Portfolio expansion and successor models ICE

- T Cross
- Sagitar
- B-SUV 5-Seater (US/CH)
- A1 City Carver
- Bora BEV (CH)
- Lavida BEV (CH)
- Octavia Combi
- SKODA Scala
- Tarraco
- e-tron
- Taycan

Portfolio expansion BEV

- Leon
- 911 Carrera
- Cayenne Coupé
- Flying Spur
- e-tron
- e-tron Sportback
- Citigo BEV

¹) Selected models planned.
Emission requirements: WLTP$^{1)}$ is the “new normal"

**Homologation Deadlines**

<table>
<thead>
<tr>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>from 1/19</td>
<td>from 9/19$^2)$</td>
<td>from 1/21</td>
</tr>
</tbody>
</table>

- **WLTP regulations extended and sharpened „WLTP 2nd Act“**
- **WLTP**
  - + EVAP Evaporative Emission Control System
  - + In-Service Conformity (Examination of customer vehicles)
  - + RDE-NOx
- + On Board Fuel Consumption Monitoring (Measurement and saving of consumption data throughout vehicle life)
- **RDE 2nd step** (sharpening of limits) from 1/21

**Complexity Reduction**

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

Volkswagen Volume Brands already acted:

- **On Board Fuel Consumption Monitoring**
- **RDE-NOx** from 9/19
- **RDE 2nd step** from 1/21

**Further complexity reduction in 2019 is under way.**

---

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><strong>Operating return on sales</strong></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><strong>Return on investment</strong></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><strong>Capex ratio</strong></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><strong>R&amp;D cost ratio</strong></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><strong>Cash</strong></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>≥ € 9bn</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>≥ € 15bn³)</td>
<td>&gt; € 20 bn</td>
<td></td>
</tr>
<tr>
<td></td>
<td>€ 27.2 bn</td>
<td>€ 22.4 bn</td>
<td>€ 19.4 bn</td>
<td></td>
<td></td>
<td>~10% of Group turnover</td>
</tr>
</tbody>
</table>

### Overview Brand Targets (RoS, RoE)

<table>
<thead>
<tr>
<th></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>7.0-8.5²</td>
<td>9-11²</td>
<td>9-11²</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>&gt;6</td>
</tr>
<tr>
<td>TRATON Group³</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%⁴</td>
<td></td>
</tr>
</tbody>
</table>

### Return on Equity (norm. 8%)

<table>
<thead>
<tr>
<th></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>

¹ Before special items. ² Effective 01/2019, operating return based on adjusted sales revenue without turnover from multi-brand sales companies. ³ Incl. Scania Financial Services I Adj. Return on Sales for 2016 / 2017 / 2018 ⁴ 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>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>6.7%</td>
</tr>
<tr>
<td>2017</td>
<td>7.4%</td>
</tr>
<tr>
<td>2018</td>
<td>7.3%</td>
</tr>
</tbody>
</table>

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

Performance improvement impacts
- Mix / Price
- Fixed costs
- Purchasing
- Productivity
- Complexity reduction
- Overseas performance
- Investment discipline

Target:
- 2019/2020: 6.5 - 7.5%
- 2025: 7.0 - 8.0%

\(^1\) Before special items.
Securing Group KPI’s: Profit Improvement programs

- Future Pact/Profit Improv. Program
- Attack Plan
- Included in ‘Grip 2025+’

Volume

- Transformation Plan

Premium

- Profit Improv. Program
- Transformation Plan

Sport & Luxury

- Opex

Financial Services

- Focus on synergies

Commercial Vehicles

- Lean and focused (GI 12)

Group

7.0 - 8.0%

All Group KPIs 2020/2025 confirmed!

2018

2025 RoS Target
Discipline: Maintaining R&D and CAPEX Targets

R&D Automotive Division (in € bn, as % of sales revenue)

- 2016: 13.7
- 2017: 13.1
- 2018: 13.6
- Target: 6% (unchanged)
- 2019: 6.7%
- 2020: 6.8%
- 2025: 6.5-7.0%

CAPEX Automotive Division (in € bn, as % of sales revenue)

- 2016: 12.8
- 2017: 12.6
- 2018: 13.2
- Target: 6% (unchanged)
- 2019: 6.9%
- 2020: 6.5%
- 2025: 6.5-7.0%
Generate cash (1): Self funding \(^1\)

**Automotive Net Cash Flow\(^2\)**

(in € bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019 Target</th>
<th>2020 Target</th>
<th>2025 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.9</td>
<td>10.3</td>
<td>5.6</td>
<td>≥ 9</td>
<td>≥ 10</td>
<td>&gt; 10</td>
</tr>
</tbody>
</table>

- 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 ratio(^1) (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 10.30</td>
<td>2016 2.06</td>
<td>2016 19.7</td>
</tr>
<tr>
<td>2017 22.34</td>
<td>2017 3.96</td>
<td>2017 17.6</td>
</tr>
<tr>
<td>2018 23.63</td>
<td>2018 4.86</td>
<td>2018 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.
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

Secure funding
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

Our belief

Values and integrity
## 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>Region China</td>
</tr>
<tr>
<td>Škoda</td>
<td>Lamborghini¹⁾</td>
<td>Bentley</td>
<td>Scania</td>
<td>Components</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEAT</td>
<td>Ducati¹⁾</td>
<td>Bugatti</td>
<td>Power Engineering¹⁾</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VW LCV</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>MOIA</td>
<td></td>
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</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.

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.

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.

As of 3rd May, 2019.
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

Volkswagen

Car

Today

Fully connected car

Tomorrow

Control units: approx. 70

No own Software stacks

Distributed customer functions

High Performance Computers 3-5

Further control units for safety relevant functions

Development of Volkswagen’s own Software stacks

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

Cloud/Backend

Basic Software: Operating System

vVw.OS

Volkswagen's own Software stacks
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
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

**Usability / Range**
- **e-Golf**: up to 231 km (WLTP)
- **MEB-platform**: up to 550 km (WLTP)

**Total Cost of Ownership**
- Par value on total costs between ICE and BEV
- State subsidy
- Cost of Ownership
- Cost / Leasing

**Systematic Sales Approach**
- New Car
- Used Car
- ID. Lifetime Concept

Effects:
- Stabilization of residual values
- Increase of customer loyalty towards dealers & brand

Note: 
- "Rate instead of price":
  - Leasing for all customer groups
  - Package offers incl. After Sales
  - Forarris and used vehicles
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
Ford and Volkswagen extend global alliance, Volkswagen simultaneously invests in Argo AI

**ANOUNCED 2019**
- COMMERCIAL VAN AND PICKUP
- FULLY ELECTRIC VEHICLES

**VOLKSWAGEN TO SUPPLY MEB PLATFORM TO FORD**

**EQUAL SHAREHOLDER WITH FORD; TRANSACTION REPRESENTS $7.25B VALUATION**
- NEW COLLABORATION
- VOLKSWAGEN MAKES AUTONOMOUS DRIVING INVESTMENT

*Estimated*
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**

- 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>Q2 2019**</td>
<td>9.907</td>
<td>4.513</td>
<td>6.522</td>
</tr>
</tbody>
</table>

Total portfolio 20,942

**Rising penetration rates**

- w/o China
  - 2015: 46.9%, 2016: 48.7%, 2017: 47.8%, 2018: 49.4%, Q2 2019: 48.3%
- with China
  - 2015: 31.3%, 2016: 33.1%, 2017: 33.1%, 2018: 33.3%, Q2 2019: 34.1%

**Diversified funding structure**

- Equity, liabilities to affiliated companies, other
  - 30%

- Customer deposits
  - 18%

- Asset backed securitization
  - 16%

- Bonds, Commercial Paper, liabilities to financial institutions
  - 36%

30.06.2019: € 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>Year</th>
<th>Deliveries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>500</td>
</tr>
<tr>
<td>2013</td>
<td>250</td>
</tr>
<tr>
<td>2014</td>
<td>203</td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
</tr>
<tr>
<td>2019-1-7/2019</td>
<td></td>
</tr>
</tbody>
</table>

Market Share %

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Share %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>3.0</td>
</tr>
<tr>
<td>2013</td>
<td>2.6</td>
</tr>
<tr>
<td>2014</td>
<td>2.2</td>
</tr>
<tr>
<td>2015</td>
<td>2.0</td>
</tr>
<tr>
<td>2016</td>
<td>1.8</td>
</tr>
<tr>
<td>2017</td>
<td>2.0</td>
</tr>
<tr>
<td>2018</td>
<td>-</td>
</tr>
</tbody>
</table>

**SUV offensive #1**
- Atlas
- Tiguan
- Refreshed Golf

**Sedans**
- Jetta
- Passat
- Arteon

**SUV offensive #2**
- Midsize SUV 5s
- Compact SUV
- ID Crozz
Volkswagen Group China performance
(January to July 2019 vs. 2018)

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

Proportionate operating profit, January to June

- € 2.3 bn
- € 2.1 bn

H1 2018
H1 2019

-9.3%
-9.3%

€ 2.3 bn
€ 2.1 bn

[thsd. units]

VOLKSWAGEN

[units]

January – July 2018
January – July 2019

January – July 2018
January – July 2019

>500%
>500%

[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>
Investor Relations Team
We are pleased to answer your inquiries regarding Volkswagen shares and other capital market related questions.

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The official website of Volkswagen Group Investor Relations. Company topics, brandchannels, innovation and informations.
Appendix
## The Shareholder Structure, Supervisory and Management Board

### Shareholder Structure of Volkswagen AG

<table>
<thead>
<tr>
<th>Number of Outstanding Shares</th>
<th>Preferred shares</th>
<th>Ordinary shares</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>206,205,445</td>
<td>295,089,818</td>
</tr>
</tbody>
</table>

### Current Voting Rights Distribution

- **Preferred shares**: 41.1% (58.9%)
- **Ordinary shares**: 52.2% (20.0%)
- **Others**: 17.0%

### Ordinary shares

- **295,089,818**

### Current Voting Rights Distribution

- **Ordinary shares**: 58.9%
- **Preferred shares**: 41.1%
- **Others**: 10.8%

### Ordinary shares

- **295,089,818**

### Preferred shares

- **206,205,445**

### Others

- **20,064,853**

### Voting Rights Distribution

- **Porsche SE, Stuttgart**
- **Qatar Holding**
- **State of Lower Saxony, Hanover**

### Board of Management of Volkswagen AG

| Chairman of VW AG and VW Passenger Cars brand | Dr. Herbert Diess |
| 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 Schönhard                              |                  |
| Athanasios Stimoniaris                       |                  |
| Stephan Weil                                 |                  |
| Werner Weresch                              |                  |

### Board of Supervision

- **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 Schönhard, Athanasios Stimoniaris, Stephan Weil, Werner Weresch

### Shareholders

- **Porsche SE, Stuttgart**: 53.1%
- **Qatar Holding**: 10.8%
- **State of Lower Saxony, Hanover**: 2.0%

**Ordinary shares**

- **295,089,818**

**Preferred shares**

- **206,205,445**

**Others**

- **20,064,853**

### Notes

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 an increase in voting rights to 53.1%.
### Volkswagen Group – Deliveries to Customers by Markets

(January to July 2019 vs. 2018)

<table>
<thead>
<tr>
<th>Region</th>
<th>January – July 2018</th>
<th>January – July 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen Group</td>
<td>6.428</td>
<td>6.251</td>
<td>-2.7%</td>
</tr>
<tr>
<td>Western Europe</td>
<td>2.357</td>
<td>2.326</td>
<td>-1.3%</td>
</tr>
<tr>
<td>Central &amp; Eastern Europe</td>
<td>472</td>
<td>465</td>
<td>-1.4%</td>
</tr>
<tr>
<td>North America</td>
<td>546</td>
<td>541</td>
<td>-0.9%</td>
</tr>
<tr>
<td>South America</td>
<td>332</td>
<td>336</td>
<td>+1.2%</td>
</tr>
<tr>
<td>China (incl. HK)</td>
<td>2.304</td>
<td>2.230</td>
<td>-3.2%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>195</td>
<td>162</td>
<td>-17.0%</td>
</tr>
<tr>
<td>Rest of World</td>
<td>222</td>
<td>191</td>
<td>-14.0%</td>
</tr>
</tbody>
</table>

1) Incl. all brands of Volkswagen Group (Passenger Cars and Commercial Vehicles); -3.1% incl. Volkswagen Commercial Vehicles in North and South America, excl. Scania and MAN.
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**

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>Europe</td>
<td>x4</td>
<td>x5</td>
<td>&gt;500</td>
</tr>
<tr>
<td>China</td>
<td>&gt;25</td>
<td>&gt;100</td>
<td>&gt;500</td>
</tr>
<tr>
<td>RoW</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) As of 2nd May, 2019.
**Better Earnings Quality & EPS growth**

Basis: Result 2016

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue (€ bn)</td>
<td>217.3</td>
</tr>
<tr>
<td>Operating profit (€ bn)</td>
<td>14.6</td>
</tr>
<tr>
<td>Profit before tax (€ bn)</td>
<td>14.8</td>
</tr>
<tr>
<td>Earnings per Pref. Share</td>
<td>~20 €</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2020 Updated Targets</th>
<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>
<td></td>
</tr>
<tr>
<td>+ 25 %</td>
<td>+ ≥ 25 %</td>
<td>+ &gt; 30 %</td>
<td></td>
</tr>
<tr>
<td>+ ≥ 25 %</td>
<td>+ ≥ 30 %</td>
<td>+ ≥ 40 %</td>
<td></td>
</tr>
<tr>
<td>+ ≥ 25 %</td>
<td>+ &gt; 25 €</td>
<td>+ ≥ 30 €</td>
<td></td>
</tr>
</tbody>
</table>

---

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

[€ million]
# Diesel issue: Special Items & payments

<table>
<thead>
<tr>
<th></th>
<th>Diesel special items</th>
<th>Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Legal 7.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other items 9.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>16.2</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>~24.6</strong></td>
</tr>
<tr>
<td><strong>2015</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mainly legal risks 6.4</td>
<td>~3.0</td>
</tr>
<tr>
<td><strong>2016</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Buyback/retrofit program 2.2</td>
<td>~16.1</td>
</tr>
<tr>
<td></td>
<td>Legal 1.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>3.2</strong></td>
<td></td>
</tr>
<tr>
<td><strong>2017</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mainly legal risks 3.2</td>
<td>~5.3</td>
</tr>
<tr>
<td><strong>2018</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>**2019 1)</td>
<td>Mainly legal risks 1.0</td>
<td>Expected 2.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>Payments made until 2018</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 June 2019 vs. 2018)

<table>
<thead>
<tr>
<th></th>
<th>2019 sales (thousand vehicles)</th>
<th>2019 revenue (€ million)</th>
<th>2019 profit (€ million)</th>
<th>2018 sales (thousand vehicles)</th>
<th>2018 revenue (€ million)</th>
<th>2018 profit (€ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen Passenger Cars</td>
<td>1,886</td>
<td>44,146</td>
<td>2,286</td>
<td>1,931</td>
<td>42,704</td>
<td>2,130</td>
</tr>
<tr>
<td>Audi</td>
<td>632</td>
<td>28,761</td>
<td>2,300</td>
<td>812</td>
<td>31,183</td>
<td>2,761</td>
</tr>
<tr>
<td>ŠKODA</td>
<td>560</td>
<td>10,154</td>
<td>824</td>
<td>511</td>
<td>9,161</td>
<td>821</td>
</tr>
<tr>
<td>SEAT</td>
<td>370</td>
<td>6,266</td>
<td>216</td>
<td>347</td>
<td>5,768</td>
<td>212</td>
</tr>
<tr>
<td>Bentley</td>
<td>5</td>
<td>835</td>
<td>57</td>
<td>5</td>
<td>757</td>
<td>-80</td>
</tr>
<tr>
<td>Porsche Automotive 2)</td>
<td>136</td>
<td>12,212</td>
<td>2,117</td>
<td>123</td>
<td>11,231</td>
<td>2,064</td>
</tr>
<tr>
<td>Volkswagen Commercial Vehicles</td>
<td>256</td>
<td>6,489</td>
<td>506</td>
<td>248</td>
<td>6,324</td>
<td>567</td>
</tr>
<tr>
<td>Scania 3)</td>
<td>52</td>
<td>7,115</td>
<td>828</td>
<td>47</td>
<td>6,322</td>
<td>618</td>
</tr>
<tr>
<td>MAN Commercial Vehicles</td>
<td>72</td>
<td>6,283</td>
<td>248</td>
<td>65</td>
<td>5,814</td>
<td>258</td>
</tr>
<tr>
<td>Power Engineering</td>
<td>-</td>
<td>1,864</td>
<td>42</td>
<td>-</td>
<td>1,637</td>
<td>68</td>
</tr>
<tr>
<td>VW China 4)</td>
<td>1,789</td>
<td>-</td>
<td>-</td>
<td>1,999</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other 5)</td>
<td>-188</td>
<td>-16,919</td>
<td>-727</td>
<td>-512</td>
<td>-18,206</td>
<td>-856</td>
</tr>
<tr>
<td>Volkswagen Financial Services</td>
<td>-</td>
<td>17,992</td>
<td>-</td>
<td>-</td>
<td>16,664</td>
<td>-</td>
</tr>
<tr>
<td>Volkswagen Group before Special Items</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Special Items</td>
<td>-</td>
<td>-</td>
<td>-81</td>
<td>-</td>
<td>-</td>
<td>-1,635</td>
</tr>
<tr>
<td>Volkswagen Group 6)</td>
<td>5,339</td>
<td>125,197</td>
<td>8,997</td>
<td>5,575</td>
<td>119,377</td>
<td>8,160</td>
</tr>
<tr>
<td>of which: Automotive Division</td>
<td>5,339</td>
<td>106,126</td>
<td>7,589</td>
<td>5,575</td>
<td>101,715</td>
<td>6,866</td>
</tr>
<tr>
<td>of which: Passenger Cars 7)</td>
<td>5,215</td>
<td>90,942</td>
<td>6,693</td>
<td>5,463</td>
<td>88,090</td>
<td>6,217</td>
</tr>
<tr>
<td>of which: Commercial Vehicles 7)</td>
<td>124</td>
<td>13,320</td>
<td>959</td>
<td>113</td>
<td>11,988</td>
<td>707</td>
</tr>
<tr>
<td>of which: Power Engineering</td>
<td>-</td>
<td>1,864</td>
<td>-63</td>
<td>-</td>
<td>1,637</td>
<td>-58</td>
</tr>
<tr>
<td>Financial Services Division</td>
<td>-</td>
<td>19,071</td>
<td>1,409</td>
<td>-</td>
<td>17,662</td>
<td>1,294</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 €13,405 (12,287) million, operating profit before special items €2,209 (2,154) million. 3) Scania (Automotive and Financial Services): sales revenue €7,336 (6,515) million, operating profit €985 (804) 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 €2,103 (2,318) million. 5) In operating profit, mainly intragroup items recognized in profit or loss, in particular from the elimination of intercompany profits; the figure includes depreciation and amortization of identifiable assets as part of purchase price allocation as well as companies not allocated to the brands. 6) Including allocation of consolidation adjustments between the Automotive and Financial Services divisions. 7) The Volkswagen Commercial Vehicles brand has been reported as part of the Passenger Cars Business Area since January 1, 2019. The prior-year figures have been adjusted.
We are speeding up the transformation and becoming the leading provider of sustainable mobility.