

VOLKSWAGEN

AKTIENGESELLSCHAFT

Business significantly impacted by Covid-19 pandemic

Interim Report January - March 2020

Press Call, April 29, 2020

Disclaimer

The following presentations contain forward-looking statements and information on the business development of the Volkswagen Group. These statements may be spoken or written and can be recognized by terms such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “will” or words with similar meaning. These statements are based on assumptions, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. These assumptions relate in particular to the development of the economies of individual countries and markets, the regulatory framework and the development of the automotive industry. Therefore the estimates given involve a degree of risk, and the actual developments may differ from those forecast. The Volkswagen Group currently faces additional risks and uncertainty related to pending claims and investigations in a number of jurisdictions in connection with findings of irregularities relating to exhaust emissions from diesel engines in certain Volkswagen Group vehicles. The degree to which the Volkswagen Group may be negatively affected by these ongoing claims and investigations remains uncertain.

The recent outbreak of COVID-19 (commonly referred to as coronavirus) has negatively impacted economic and social conditions in primary markets of Volkswagen, including China and Europe, as public, private, and government entities have implemented containment measures. The continued spread of COVID-19 has caused shortages of necessary materials and parts from suppliers directly or indirectly affected by the outbreak and has caused operational disruptions and interruptions at Volkswagen’s production facilities, which led to production downtimes. The COVID-19 pandemic and the respective containment measures might continue to have a negative impact in the future.

A negative development relating to ongoing claims or investigations, the continuation of COVID-19, an unexpected fall in demand or economic stagnation in our key sales markets, such as in Western Europe (and especially Germany) or in the USA, Brazil or China, and trade disputes among major trading partners will have a corresponding impact on the development of our business. The same applies in the event of a significant shift in current exchange rates in particular relative to the US dollar, sterling, yen, Brazilian real, Chinese renminbi and Czech koruna.

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.

We do not update forward-looking statements retrospectively. Such statements are valid on the date of publication and can be superseded.

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Media Webcast and Conference Call: January - March 2020



Frank Witter

Chief Financial Officer
Volkswagen AG



Dr. Christian Dahlheim

Head of Group Sales
Volkswagen AG

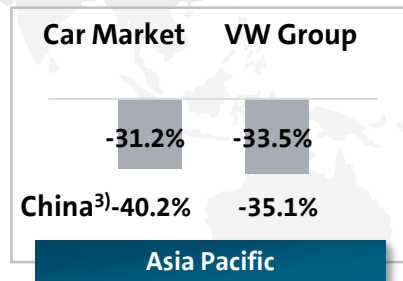
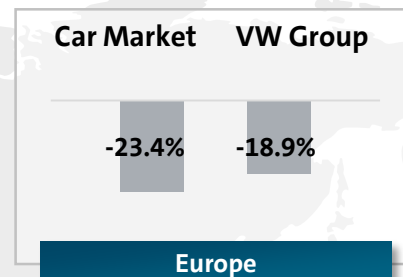
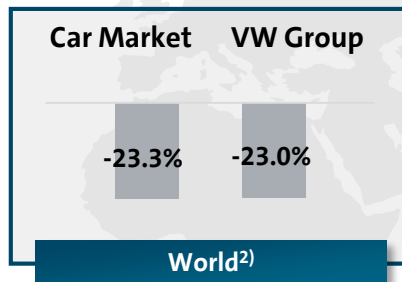
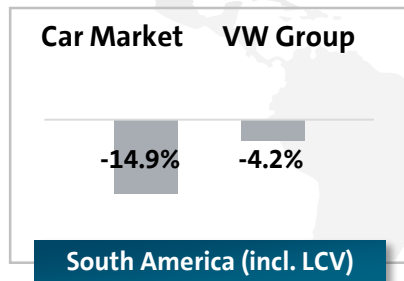


Peik von Bestenbostel

Head of Communications
Volkswagen AG

Development Car Market vs. Volkswagen Group¹⁾

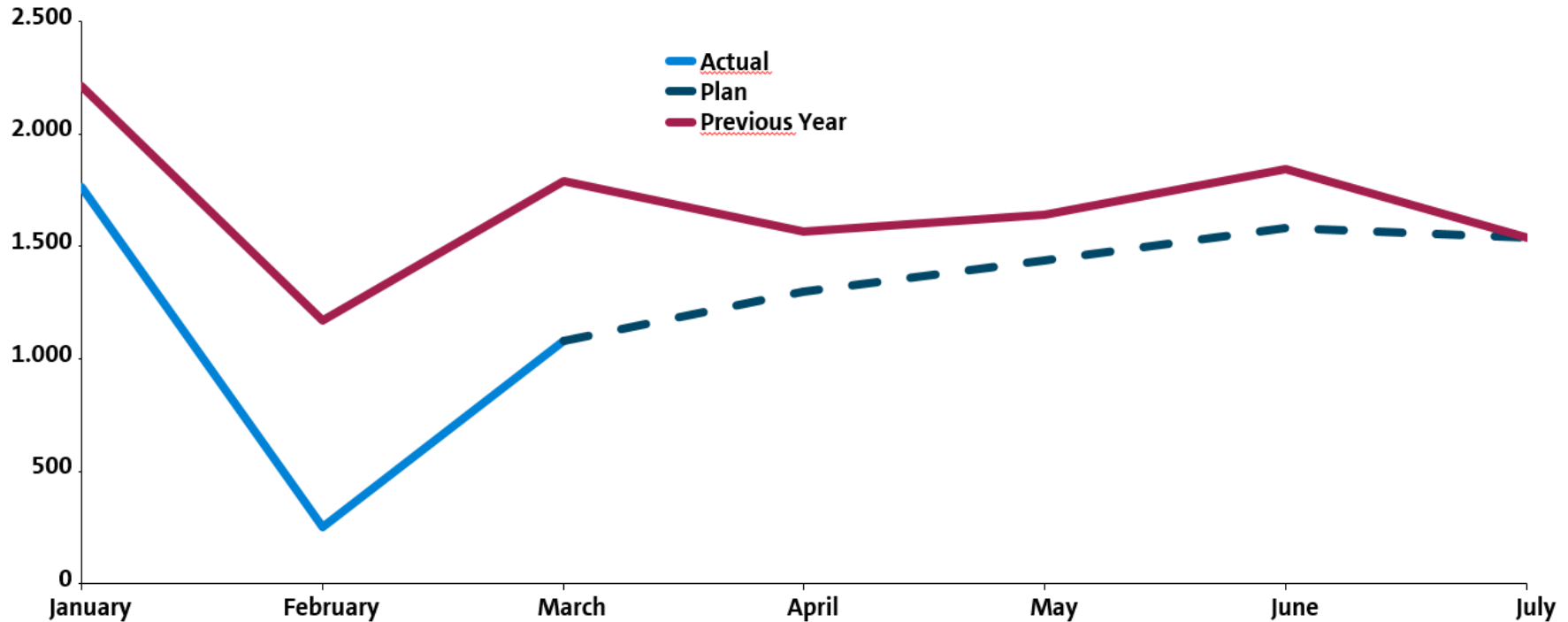
(Growth y-o-y in deliveries to customers, January - March 2019 vs. 2020)



1) Volkswagen Group Passenger Cars excl. Volkswagen Commercial Vehicles 2) Incl. Light Commercial Vehicles in North America & South America 3) Incl. Hong Kong

China: Total Market - Plan 2020 vs. Previous Year

Total Market Passenger Cars (Thd. Veh.)

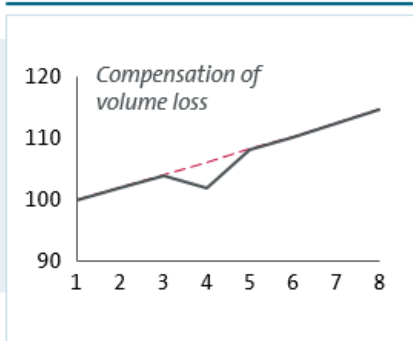


Scenarios for Macro Economic Development

ILLUSTRATIVE

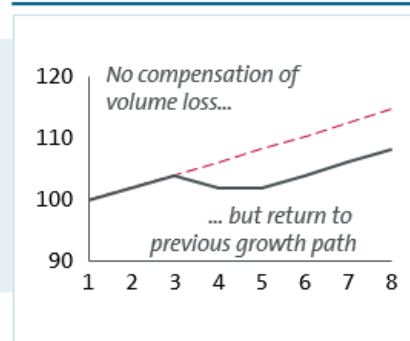
Market Level

V-shape
fast recovery
(„Catch-up“)



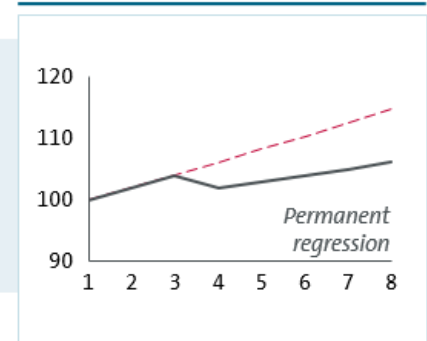
- Classical short term economic crisis
- Regain effects via sales post crisis

U-shape
delayed recovery
(„Rebound“)



- Delay of sales because of crisis
- Thereafter return to previous market performance

L-shape
no recovery / recession

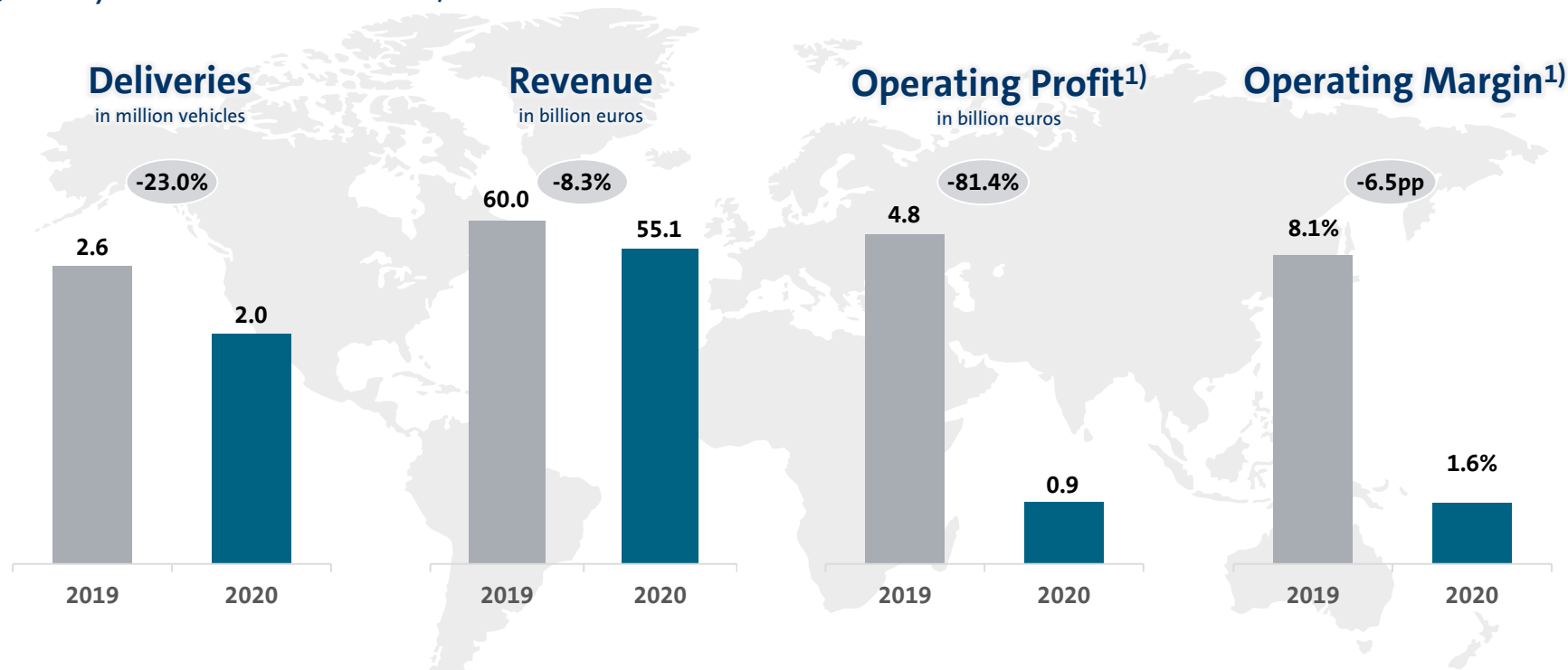


- Continuous disruption of market growth due to impairment of growth drivers (e.g. customers, prices, labour force ...)

--- Before crisis
— crisis
Source: BCG 2020

Volkswagen Group – Key Figures

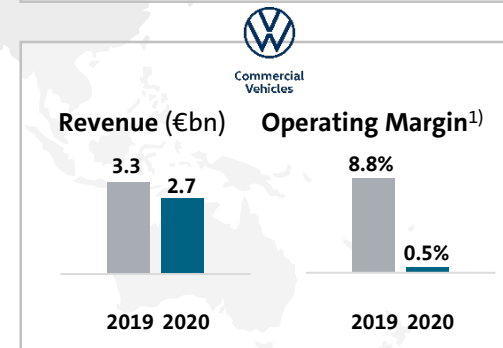
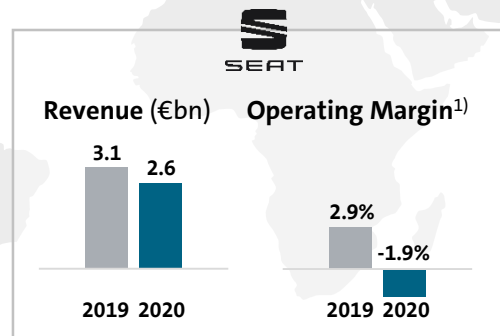
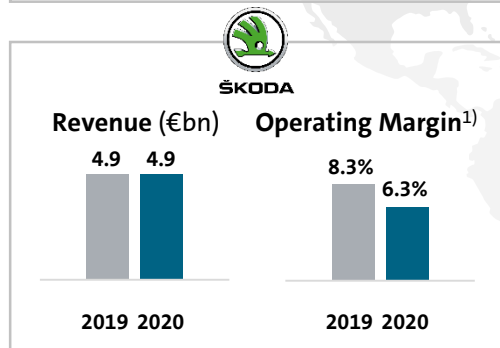
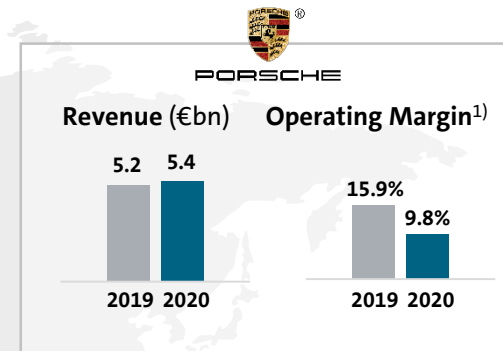
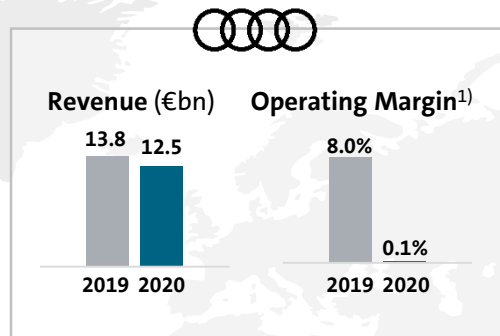
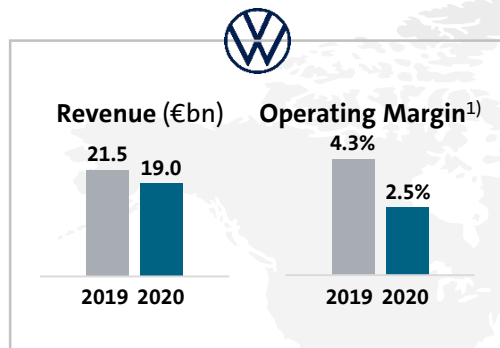
(January - March 2019 vs. 2020)



1) Before Special Items; No Special Items in Q1/2020

Performance of Passenger Car Brands

(January - March 2019 vs. 2020)



1) Before Special Items; No Special Items in Q1/2020

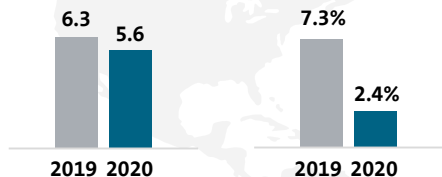
Performance of Truck & Bus Brands

(January - March 2019 vs. 2020)

TRATON

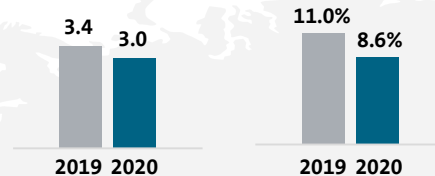
Industrial Business

Revenue (€bn) Operating Margin¹⁾



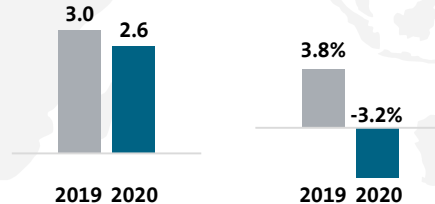
Vehicles & Services

Revenue (€bn) Operating Margin¹⁾



Commercial Vehicles

Revenue (€bn) Operating Margin¹⁾

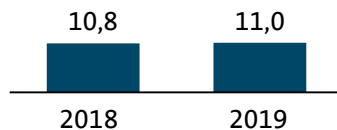


1) Before Special Items; No Special Items in Q1/2020

Volkswagen Group – Outlook for 2020¹⁾



Deliveries to customers
(‘000 vehicles)



significantly below prior year

2020



Sales revenue
(€ billion)

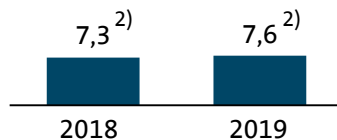


significantly below prior year

2020



Operating return on sales
(%)



Operating result severely below prior year
However, positive

2020

1) In light of Corona, under constant review 2) Before Special Items



Thank you!

We are happy to take your questions now.