

Volkswagen Group with mixed start to FY 2025; strong product momentum and focus on cost discipline



"As expected, the Volkswagen Group experienced a mixed start to the fiscal year.

Our cars are very well received. Order intake in Western Europe increased significantly and our order books are filling up fast. In addition, every fifth car sold in Western Europe is now fully electric with unit sales in Q1 more than doubling.

At the same time, this market success of our electric cars puts pressure on our result. An operating margin of around four percent clearly shows that there is still a considerable amount of work ahead of us.

Given the current volatile global economic situation, it is even more important to focus on the levers within our control. This means complementing our great product range with a competitive cost base – so we can ensure to succeed also in rapidly changing global markets."

Arno Antlitz, CFO & COO Volkswagen Group

Key Figures

EUR 77.6 billion sales revenue
in Q1 2025, up 2.8% from Q1
2024 (EUR 75.5 billion)

Group sales up 3% due to higher vehicle sales in markets outside China. Revenue growth in Brand Group Core, Brand Group Progressive and in the Financial Services business. This increase was slowed by a decline in revenue at Brand Group Sport Luxury and TRATON due to lower unit sales.

**EUR 2.9 billion Operating
Result in Q1 2025, below Q1
2024 (EUR 4.6 billion);
Operating Margin of 3.7%**

Operating Result impacted by slightly negative price/mix effects, higher fixed costs and particularly special effects of approx. EUR 1.1 billion. Adjusted for special effects, the Operating Result was around EUR 4.0 billion and the operating margin stood at 5.1%.

EUR -0.8 billion Net Cash Flow
in the Automotive Division in
Q1 2025 (EUR -2.5 billion)

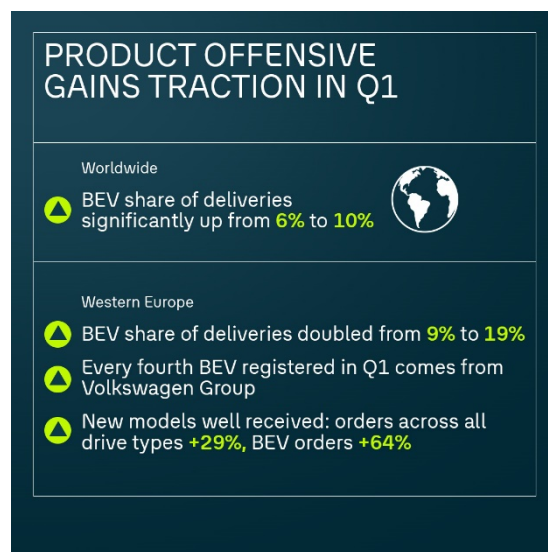
Net cash flow in Q1 2025 negative, but above the previous year. Net Cash Flow was impacted by EUR 0.7 billion for M&A and EUR 0.5 billion cash-out related to restructuring measures.

**2.1 million vehicle sales in Q1
2025, 0.9% above Q1 2024
(2.1 million)**

Unit sales growth in Europe (+4%) and South America (+17%) more than offset the slight decline in North America (-2%) and the expected decline in China (-6%).

**Order intake for vehicles in
Western Europe in Q1 2025
increased by 29% compared to
the previous year**

Strong demand for new models across all drive types, such as the VW ID.7 Tourer, CUPRA Terramar, Skoda Elroq, Audi Q6 e-tron, and Porsche 911. Order backlog in Western Europe increases to almost 1 million vehicles in the first three months, with orders for fully electric vehicles rising particularly sharply (+64%) and accounting for more than 20% of the total order book.



Outlook for 2025

The Volkswagen Group expects the sales revenue to exceed the previous year's figure by up to 5 percent. The operating return on sales for the Group is expected to be between 5.5 and 6.5 percent. This does not include any impact from tariffs recently announced.

In the Automotive Division, the Group expects an investment ratio between 12.0 and 13.0 percent in 2025. The automotive net cash flow for 2025 is expected to be between EUR 2.0 and EUR 5.0 billion. This includes cash outflows for investments for the future as well as for restructuring measures from 2024. Net liquidity in the Automotive Division in 2025 is expected to be between EUR 34 and EUR 37 billion.

Based on the developments in the period up to April 28, 2025, the Volkswagen Group expects the operating return on sales, automotive net cash flow and net liquidity to trend towards the lower end of the respective ranges. It remains the group's goal to continue its robust financing and liquidity policy.

Challenges will arise in particular from an environment characterized by political uncertainty, increasing trade restrictions and geopolitical tensions, the increasing intensity of competition, volatile commodity, energy and foreign exchange markets, and more stringent emissions-related requirements.

Note: Adjustments to the reporting logic from January 2025 will lead, among other things, to a more precise disclosure of the Automotive Division's sales revenue. In mathematical terms, this will lead to a lower investment ratio, namely by 130 basis points to 13.0 percent in the 2024 financial year. Based on the adjusted reporting logic, we expect the investment ratio in the Automotive Division to reduce to between 12 and 13 percent in 2025 and to around 10 percent in 2027. For details, see page 180 of the 2024 Annual Report.

Further information on the brand groups

Core

Sales revenue up 8% year-on-year; Operating Margin down to 3.2%, mainly due to special effects and a higher BEV-share. Excluding special effects, Operating Margin amounted to 4.6%.

[Q1 2025 Results Core on May 2, 2025](#)

Progressive

Operating Result improves slightly to EUR 0.5 billion, supported by an improved mix overcompensating headwinds from CO2 provisions. The Operating Margin is 3.5%, excluding special effects 5.9%.

[Q1 2025 Results Progressive on May 5, 2025](#)

Sport Luxury

Sales revenue declines by 4% due to lower volumes; operating profit falls significantly to EUR 0.7 billion, Operating Margin at 8.7%. The decline was mainly due to lower sales, in particular in China, higher material and R&D cost as well as expenses for adjustment of the company organization.

[Q1 2025 Results Luxury on April 29, 2025](#)

TRATON GROUP

Sales revenue down 10% due to lower sales at Scania, MAN, and International; Operating Margin decreases to 6.2% mainly due to lower fixed cost absorption.

[Q1 2025 Results TRATON Group on April 28, 2025](#)

CARIAD

Sales revenue increased 33% in Q1 mainly due to license income from software delivered in 2024. Operating Loss is EUR -0.8 billion; before restructuring expenses, Operating Loss is EUR -0.6 billion which is at similar level as previous year despite higher depreciation expenses.

Group Mobility

Slight increase in contract volume in Financial Services; Operating Result contributes EUR 0.9 billion to Group net income, significantly above prior-year level, mainly due to improved volumes.

Key Figures Volkswagen Group

	Q1		%
	2025	2024 ¹	
Volume Data ² in thousands			
Deliveries to customers (units)	2,134	2,104	+1.4
Vehicle sales (units)	2,100	2,081	+0.9
Production (units)	2,194	2,266	-3.2
Employees (on March 31, 2025/Dec. 31, 2024)	671.5	679.5	-1.2
Financial Data (IFRS), € million			
Sales revenue	77,558	75,461	+2.8
Operating result	2,873	4,552	-36.9
Operating return on sales (%)	3.7	6.0	
Earnings before tax	3,109	5,136	-39.5
Return on sales before tax (%)	4.0	6.8	
Earnings after tax	2,186	3,678	-40.6
Automotive Division ³			
Cash flows from operating activities	4,696	3,075	+52.7
Cash flows from investing activities attributable to operating activities ⁴	5,524	5,612	-1.6
Net cash flow	-828	-2,537	+67.4
Net liquidity at March 31/Dec. 31	33,180	34,414	-3.6
Investment ratio	11.2	13.1	

1) Prior year has been adjusted (see explanations to IAS 8).

2) The figures also include the equity-accounted Chinese joint ventures. Prior-year deliveries have been updated to reflect subsequent statistical trends.

3) Values correspond to the changed reporting structure.

4) Excluding acquisition and disposal of equity investments: Q1 EUR 4,834 (5,407) million.

Key figures by brand group and business field from January 1 to March 31

	Vehicle sales		Sales revenue		Operating result		Operating margin	
Thousand vehicles/€ million	2025	2024	2025	2024	2025	2024 ¹	2025	2024
Core brand group	1,224	1,192	35,340	32,773	1,118	2,082	3.2	6.4
Progressive brand group	277	243	15,431	13,725	537	466	3.5	3.4
Sport Luxury brand group ²	65	71	7,819	8,144	678	1,207	8.7	14.8
CARIAD	-	-	237	179	-755	-552	-	-
Battery	-	-	2	0	-213	-79	-	-
TRATON Commercial Vehicles	73	81	10,326	11,477	640	1,037	6.2	9.0
Equity-accounted companies in China ³	610	649	-	-	-	-	-	-
Volkswagen Group Mobility	-	-	14,866	13,780	948	786	6.4	5.7
Other ⁴	-149	-155	-6,464	-4,617	-80	-395		
Volkswagen Group	2,100	2,081	77,558	75,461	2,873	4,552	3.7	6.0

1) Prior year has been adjusted.

2) Including Porsche Financial Services: sales revenue EUR 8,858 (9,011) million, operating result EUR 762 (1,282) million.

3) The sales revenue and operating result of the equity-accounted companies in China are not included in the consolidated figures; the share of the operating result generated by these companies amounted to EUR 272 (429) million.

4) In the operating result, 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.

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About the Volkswagen Group

The Volkswagen Group is one of the world's leading car makers, headquartered in Wolfsburg, Germany. It operates globally, with 115 production facilities in 17 European countries and 10 countries in the Americas, Asia and Africa. With around 680,000 employees worldwide. The Group's vehicles are sold in over 150 countries.

With an unrivalled portfolio of strong global brands, leading technologies at scale, innovative ideas to tap into future profit pools and an entrepreneurial leadership team, the Volkswagen Group is committed to shaping the future of mobility through investments in electric and autonomous driving vehicles, digitalization and sustainability.

In 2024, the total number of vehicles delivered to customers by the Group globally was 9.0 million (2023: 9.2 million). Group sales revenue in 2024 totaled EUR 324.7 billion (2023: EUR 322.3 billion). The operating result before special items in 2024 amounted to EUR 19.1 billion (2023: EUR 22.5 billion).

Volkswagen Aktiengesellschaft

Registered office: Wolfsburg

Register court: Braunschweig

HRB No.: 100484

Chairman of the Supervisory Board: Hans Dieter Pötsch

Board of Management: Oliver Blume (Chairman), Arno Antlitz, Ralf Brandstätter, Gernot Döllner, Manfred Döss, Gunnar Kilian, Thomas Schäfer, Thomas Schmall-von Westerholt, Hauke Stars

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