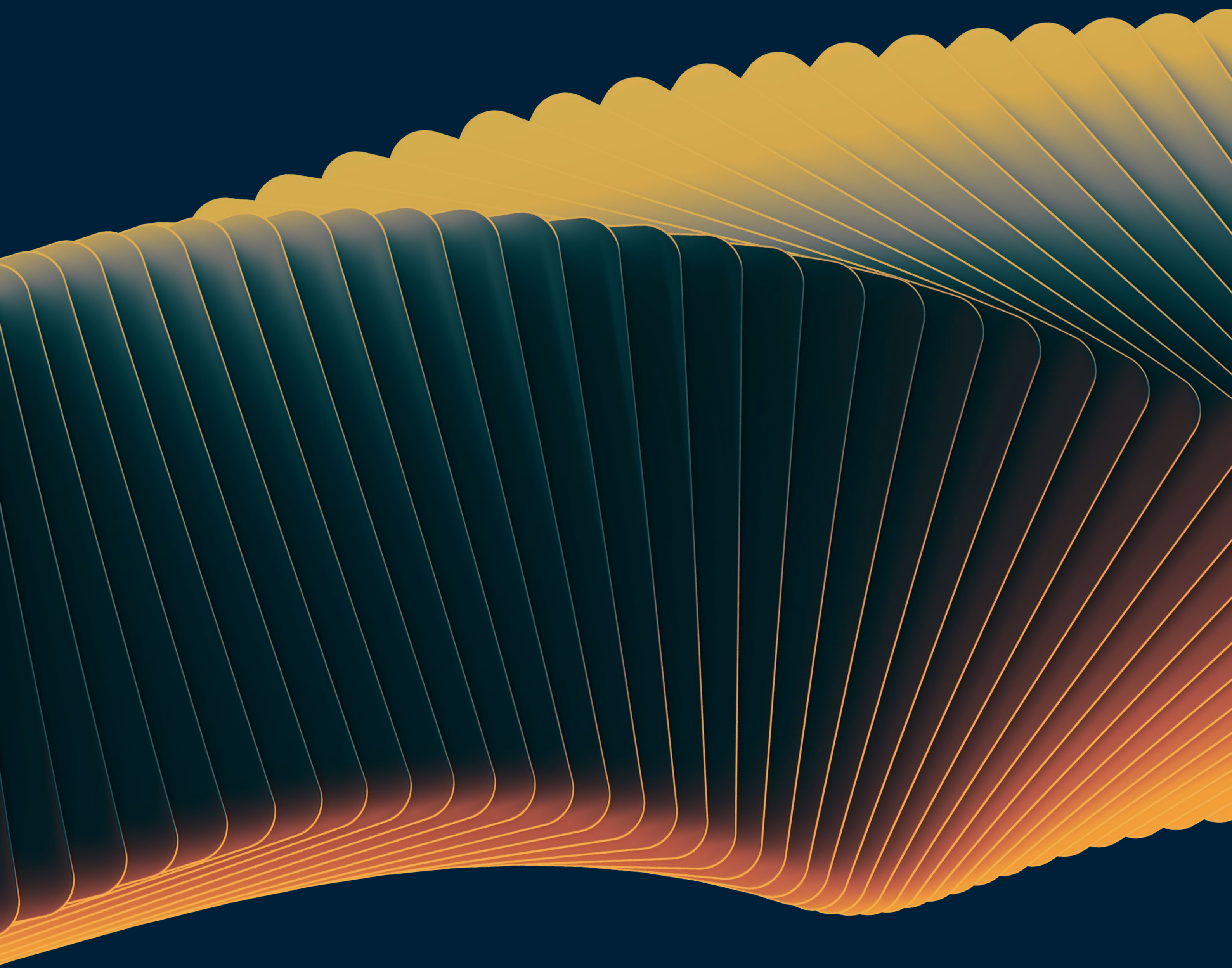
VOLKSWAGEN GROUP



INTERIM REPORT

JANUARY – MARCH 2025

The consolidated financial statements of Volkswagen Aktiengesellschaft were prepared in accordance with IFRS Accounting Standards adopted by the European Union. Moreover, requirements of German commercial law pursuant to German Commercial Code (Handelsgesetzbuch, HGB) as well as the German Corporate Governance Code have been complied. Unless otherwise specified, this is the basis for the analysis of financial information.

All figures shown are rounded in accordance with standard commercial practice, so minor discrepancies may arise from addition of these amounts; the same applies to the calculation of percentages. Unless stated otherwise, comparative prior-year figures are presented in parentheses next to the figures for the reporting period.

This report contains forward-looking statements on the business development of the Volkswagen Group. These statements are based on assumptions relating to the development of the economic, political and legal environment in individual countries, economic regions and markets, and in particular for 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. Risks are associated with the estimates given, and actual developments may differ from those forecast. Any changes in significant parameters relating to our key sales markets, or any significant shifts in exchange rates, prices for energy and other commodities or the supply of parts relevant to the Volkswagen Group will have a corresponding effect on the development of our business. In addition, there may also be departures from our expected business development if the assessments of the factors influencing sustainable value enhancement and of risks and opportunities presented in the 2024 Annual Report develop in a way other than we are currently expecting, or if additional risks and opportunities or other factors emerge that affect the development of our business. We do not assume any obligation beyond that required by law to update the forward-looking statements made in this report.

This document is an English translation of the original report written in German, In case of discrepancies the German version shall take precedence. To conserve resources, both language versions are available in digital format only, and can be accessed in the Investors section at www.volkswagen-group.com.

Key Figures

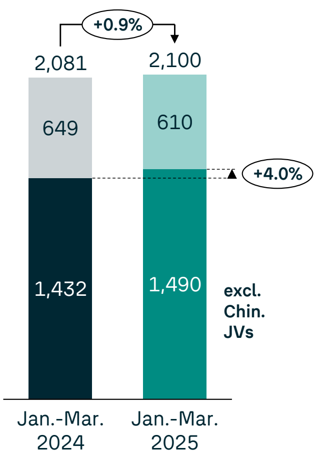
VOLKSWAGEN GROUP[1]

Deliveries to customers

in thousand units

Vehicle sales

in thousand units

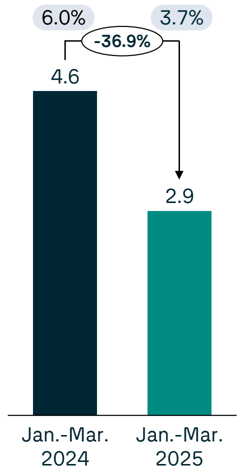


Sales revenue

in € billion

Operating result[2] & Operating return on sales[2]

in € billion



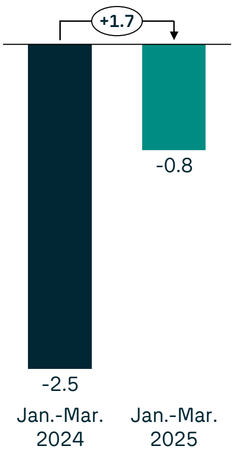
AUTOMOTIVE DIVISION[2,3]

Investment ratio

in %

Net cash flow

in € billion



Net liquidity

in € billion

1 Volume data also includes the unconsolidated Chinese joint ventures (Chin. JVs); prior-year deliveries have been updated to reflect subsequent statistical trends.
2 Prior-year figures adjusted (see disclosures on IAS 8).
3 Since January 1, 2025, the Automotive Division no longer includes the allocation of consolidation adjustments between the Automotive and Financial Services Divisions. Prior-year figures adjusted to the new reporting structure.

Key Facts

- > Deliveries to Volkswagen Group customers, including the Chinese joint ventures, up by 1.4% to 2.1 million vehicles in the first three months of 2025; growth in all sales regions worldwide with the exception of Asia-Pacific
- > Deliveries of all-electric vehicles to customers up very sharply at 217 (136) thousand units (+58.9%); share of Group deliveries at 10.2 (6.5)%
- > Group sales revenue up year-on-year at €77.6 (75.5) billion due in particular to volume-related increases
- > Operating result down at €2.9 (4.6) billion; adverse factors of €1.1 billion mainly from provisions in connection with CO_2 fleet regulations in Europe, restructuring measures, litigation and tariffs
- > Earnings before tax down overall at €3.1 (5.1) billion; earnings after tax decline by €1.5 billion to €2.2 billion
- > Automotive Division's net cash flow amounts to €-0.8 (-2.5) billion; investment ratio at 11.2 (13.1)% due to lower R&D ratio in the Automotive Division
- > Net liquidity in the Automotive Division at robust level of €33.2 billion

Business Development

GENERAL ECONOMIC DEVELOPMENT

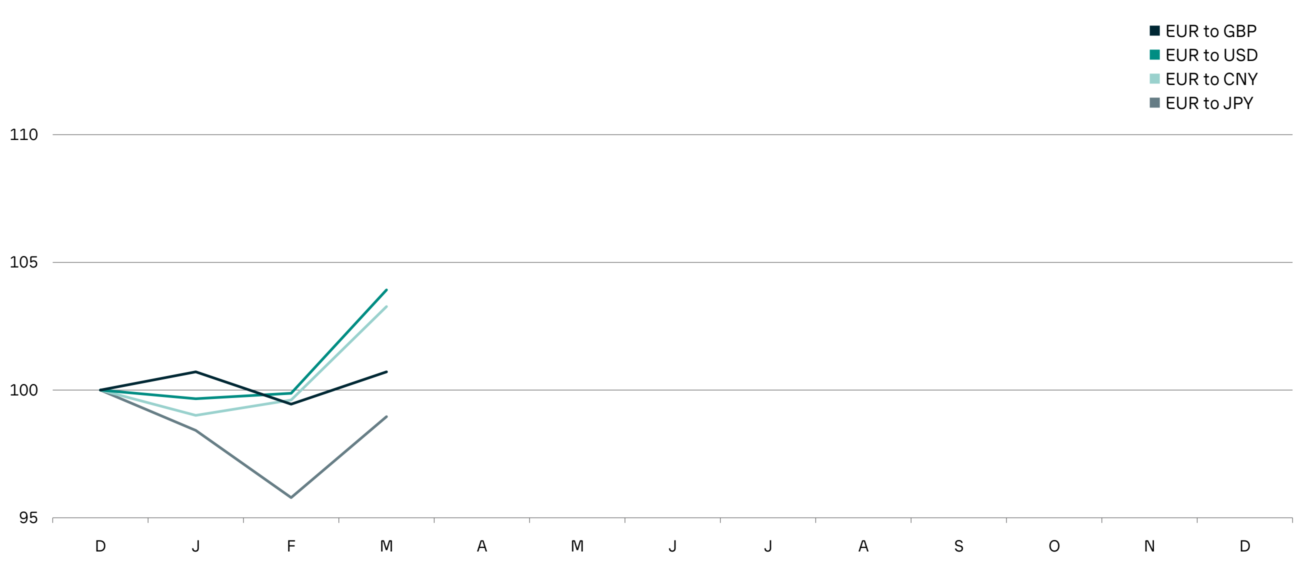
The global economy as a whole remained on a growth path in the first quarter of 2025, with slightly faster momentum than in the year before. In comparison, the group of emerging markets recorded a stronger increase in the growth rate, while growth in the advanced economies remained roughly the same overall. Geopolitical uncertainty, particularly precipitated by US trade policy, dampened sentiment among market participants and counteracted the effects of declining inflation rates in many countries and a loosening of monetary policy.

The economy in Western Europe exhibited positive growth overall in the first quarter of this year, at a higher level than the prior-year level. Development in Northern and Southern Europe was largely similar. In response to declining inflation rates, the European Central Bank has lowered its key interest rates in six steps since June 2024.

Germany once again recorded negative economic growth in the reporting period with performance that was slightly worse than the poor performance already seen in the prior-year comparative period. Compared with the same period of the prior year, the seasonally adjusted unemployment figures rose further on average. After reaching historically high levels in late 2022, monthly inflation rates have since fallen broadly in step with the eurozone average.

EXCHANGE RATE MOVEMENTS FROM DECEMBER 2024 TO MARCH 2025

Index based on month-end prices: as of December 31, 2024 = 100



The economies in Central and Eastern Europe recorded overall growth in the first three months of 2025 that was lower than in the prior-year period.

In the USA, gross domestic product in the reporting period grew at a slower pace than in the prior-year period, while the Federal Reserve has cut its key rates in three steps since September 2024.

Economic output in Brazil grew at a similar pace to that of the first three months of the previous year.

China's economy expanded at an above average level compared with other parts of the world, remaining at the same level as in the year-earlier period.

TRENDS IN THE MARKETS FOR PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES

From January to March 2025, the volume of the global passenger car market was up slightly on the prior-year figure, with varying performance in the individual regions. While market volumes in Western Europe, Central and Eastern Europe and the Middle East fell or remained at the prior-year level, North America, South America, Asia-Pacific and Africa developed favorably. The market for all-electric vehicles (BEVs) increased very strongly compared with the prior-year period, with its share of the market volume assessed rising to 14.1 (10.8) %.

The global volume of new registrations of light commercial vehicles between January and March 2025 was slightly higher than in the previous year.

In Western Europe, the number of new passenger car registrations in the first quarter of 2025 matched the prior-year level. The performance of the large individual passenger car markets in this region was mixed. Whereas the United Kingdom grew noticeably and Spain significantly, the market volume in Italy was at the same level as the previous year and the market volume in France declined noticeably.

The volume of new registrations for light commercial vehicles in Western Europe was noticeably lower in the reporting period than for the same period of the previous year.

The number of new passenger car registrations in Germany from January to March 2025 was down slightly on the previous year, while demand for all-electric vehicles and plug-in hybrids rose. Demand for vehicles with conventional drives was weaker, however. Production in Germany increased to 1.1 million vehicles (+4.6%) in the first three months of 2025, while passenger car exports rose to 0.8 million units (+4.9%).

The number of light commercial vehicles sold in Germany in the first quarter of 2025 was noticeably down on the figure for the same period in 2024.

In the Central and Eastern Europe region, there was a slight decrease in the volume of the passenger car market in the reporting period. Positive movement was recorded in the number of vehicles sold in the major markets of Central Europe.

From January to March 2025, the market volume of light commercial vehicles in Central and Eastern Europe was noticeably below the prior-year level.

Sales of passenger cars and light commercial vehicles (up to 6.35 tonnes) rose slightly in the North America region. The volume of the US market in the first three months of 2025 was slightly above the comparative prior-year period amidst an average improvement in buying power and pull-forward effects resulting from the announced introduction of tariffs. Canada noticeably exceeded the prior-year figure, while Mexico did so slightly.

In the South America region, the volume of new vehicle registrations for passenger cars and light commercial vehicles was significantly higher in the first quarter of 2025 than in the comparative prior-year period. In Brazil, the number of new vehicle registrations was noticeably higher than in the previous year, while the market volume in Argentina nearly doubled.

In the Asia-Pacific region, the volume of the passenger car market from January to March 2025 was slightly higher than in the previous year. The number of new registrations in the Chinese passenger car market was also slightly higher than the prior-year figure. The Indian market recorded a slight decrease. In Japan, however, the market volume rose significantly following weak unit sales in 2024.

In the reporting period, the volume of demand for light commercial vehicles in the Asia-Pacific region was noticeably above the level for the prior-year period. Registration volumes in China, the region's dominant market and the largest market worldwide, were similar to the volume in the period one year earlier.

TRENDS IN THE MARKETS FOR PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES FROM JANUARY 1 TO MARCH 31

	MARKET VOLUME		CHANGE
Units	2025	2024	(%)
Markets for passenger cars			
Western Europe	**3,052,680**	**3,068,777**	**–0.5**
of which: Germany	664,806	694,785	–4.3
France	410,088	444,682	–7.8
United Kingdom	579,958	545,548	+6.3
Italy	445,563	453,564	–1.8
Spain	294,504	253,781	+16.0
Central and Eastern Europe	**596,061**	**616,975**	**–3.4**
of which: Czech Republic	59,686	57,605	+3.6
Poland	142,318	139,002	+2.4
Other Markets	**1,147,836**	**1,100,740**	**+4.3**
of which: Türkiye	206,965	233,389	–11.3
South Africa	102,292	85,179	+20.1
North America	**4,711,506**	**4,533,253**	**+3.9**
of which: USA	3,919,559	3,776,162	+3.8
Canada	427,105	403,830	+5.8
Mexico	364,842	353,261	+3.3
South America	**933,938**	**820,402**	**+13.8**
of which: Brazil	518,467	483,988	+7.1
Argentina	153,440	80,548	+90.5
Asia-Pacific	**8,685,797**	**8,459,640**	**+2.7**
of which: China	5,105,221	4,966,026	+2.8
India	1,090,000	1,112,611	–2.0
Japan	1,103,663	964,118	+14.5
Worldwide	**19,127,818**	**18,599,787**	**+2.8**
of which: all-electric vehicles (BEV)[1]	2,696,450	2,002,963	+34.6
Markets for light commercial vehicles			
Western Europe	**434,904**	**465,272**	**–6.5**
of which: Germany	68,604	73,425	–6.6
Central and Eastern Europe	**67,330**	**72,689**	**–7.4**
Asia-Pacific	**1,299,399**	**1,203,150**	**+8.0**
of which: China	601,000	589,661	+1.9
Worldwide	**2,023,358**	**1,963,227**	**+3.1**

1 Major markets; no data available for individual (minor) markets.

TRENDS IN THE MARKETS FOR COMMERCIAL VEHICLES

In the markets that are relevant for the Volkswagen Group, demand for mid-sized and heavy trucks with a gross weight of more than six tonnes was noticeably lower in the reporting period than in the same period of the previous year. Global truck markets remained at the prior-year level, with the declines in Europe and North America being compensated by growth in South America and China.

The volume of sales in the 27 EU states excluding Malta, but including the United Kingdom, Norway and Switzerland (EU27+3), was significantly lower in the first three months of 2025 than in the prior-year period. New registrations in Germany, the largest market in this region, were down sharply on the same period of the previous year. In the United Kingdom as well as in France, demand was significantly lower than the prior-year level. The truck market in North America is divided into weight classes 1 to 8. In the segments relevant for Volkswagen – Class 6 to 8 (8.85 tonnes or heavier) – the level of new registrations continued to be noticeably lower than in the previous year. By contrast, the truck market in South America was up sharply on the prior-year figure. Brazil, the biggest market in this region, recorded significant growth in demand compared with the prior-year period.

In the first three months of 2025, demand in the bus markets that are relevant for the Volkswagen Group was on a level with the same period of the prior year. Demand for buses in the EU27+3 markets in the reporting period was also on the same level as in the prior-year period, with the picture varying from country to country. In North America, demand for buses was noticeably lower than in the same period of the previous year. The school bus segment in the USA and Canada remained slightly below the prior-year level. In Mexico, demand for buses fell sharply on the previous year. This contrasts with South America, where demand was stronger than in the prior year, due in particular to the very strong trend in demand in Brazil.

TRENDS IN THE MARKETS FOR FINANCIAL SERVICES

There were high levels of demand for automotive financial services in the first quarter of 2025.

Europe's passenger car market volume in the reporting period was at a similar level to that of the previous year. Sales of financial services products exceeded the prior-year level. A positive trend was also observed in the sale of after-sales products such as servicing, maintenance and spare parts agreements.

New passenger car registrations in Germany in the period from January to March 2025 were down slightly year-on-year. However, there was further growth in the number of new contracts in the financial services business, particularly leasing contracts with individual customers. The penetration level for new vehicles was down on the previous year's figure, though exceeded expectations. The used car segment contracted slightly. The number of new contracts signed for services and insurance remained at the prior-year level in the reporting period.

In Türkiye, political events in the reporting period led to renewed upheaval and a strained refinancing situation with rising interest rates. While the leasing-based fleet business remained under pressure, the effects on the traditional lending and insurance business are not yet possible to predict.

In South Africa, vehicle sales in the first quarter of 2025 rose compared with the prior-year period. As a result, the number of financed purchases also increased. The used car market remained strong as a result of higher prices for new vehicles. Financing costs stayed high on account of challenging economic parameters.

On the whole, the markets for financial services in the North America region developed favorably from January to March 2025 when compared with the same period in the previous year. In the USA, Canada and Mexico, deliveries, the number of leasing and financing contracts, new vehicle penetration and new contracts for insurance and after-sales products were all up on the prior-year figures.

In the South America region, the market for financial services remained strong. In Brazil, the number of new contracts rose thanks to the range of financial services targeted at specific customer groups, as well as higher new vehicle registrations. The number of car subscriptions and fleet management programs entered into also rose. In Argentina, improving macroeconomic conditions led to a very sharp increase in the number of financial services contracts concluded.

Demand for electrified vehicles in the Chinese automotive market continued to rise in the first quarter of 2025, though demand for used vehicles tapered off slightly. Despite growing interest on the part of the regulatory authorities, banks increasingly sought to gain a foothold in the market with their own products. This, in turn, also affected demand for automotive financial services. In Japan, vehicle demand rose year-on-year for both new and used vehicles. Demand for vehicle financing arrangements also rose, bolstered by innovative financing offerings, with banks continuing to dominate the market and digital solutions growing in importance.

The financial services business for commercial vehicles was slightly up on the prior-year level in the first quarter of 2025.

VOLKSWAGEN GROUP DELIVERIES

The Volkswagen Group delivered 2,133,632 vehicles to customers worldwide from January to March 2025. This was 1.4% or 29,399 units more than in the same period of the previous year. While passenger car and light commercial vehicle deliveries exceeded the prior-year level, the Group's commercial vehicle sales were down on the previous year.

Deliveries of electrified vehicles from the Volkswagen Group developed very encouragingly: we handed over 216,786 all-electric vehicles (including heavy commercial vehicles) to customers worldwide in the first three months of this year. This was 80,364 units or 58.9% more than in the same period of the previous year. The share of the Group's total deliveries rose to 10.2 (6.5)%. Deliveries to customers of our plug-in hybrid models amounted to 82,482 (+15.0%) units. As a result, the number of electrified vehicles sold rose by a total of 43.8%; their share of total Group deliveries increased year-on-year to 14.0 (9.9)%. The Group brands' highest-volume all-electric vehicles included the ID.4 and ID.3 from Volkswagen Passenger Cars, the Škoda Enyaq iV, the CUPRA Born, the ID. Buzz from Volkswagen Commercial Vehicles, the Audi Q4 e-tron and Audi Q6 e-tron, as well as the Porsche Macan.

The chart in this section shows the trend in deliveries worldwide for the individual months compared with the previous year. In the following, we report separately on deliveries of passenger cars and light commercial vehicles and deliveries of commercial vehicles.

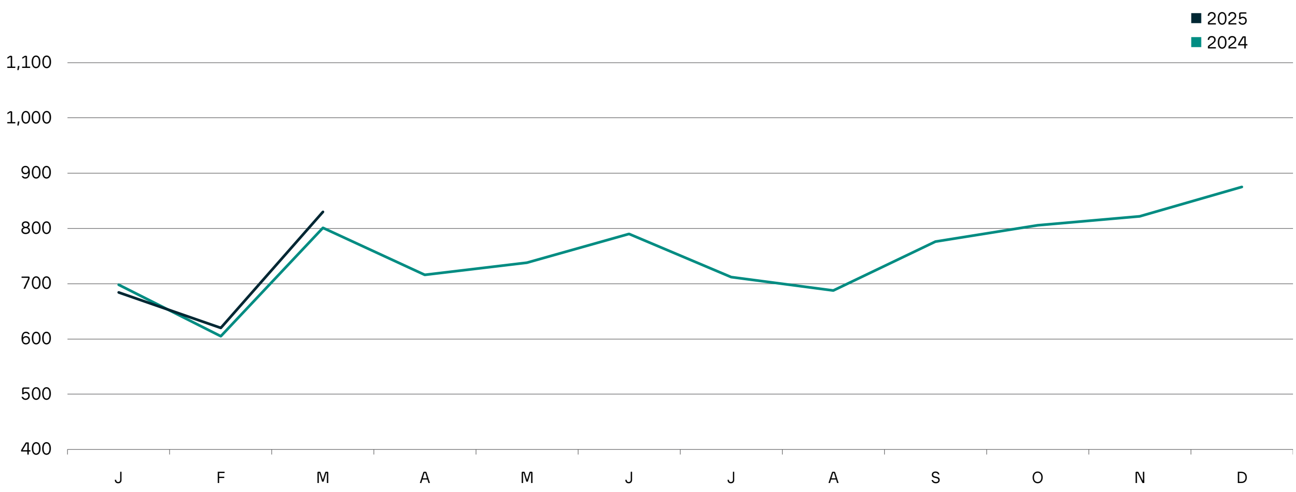
VOLKSWAGEN GROUP DELIVERIES FROM JANUARY 1 TO MARCH 31[1]

	2025	2024	%
Passenger Cars and Light Commercial Vehicles	2,060,554	2,023,084	+1.9
Commercial Vehicles	73,078	81,149	–9.9
Total	**2,133,632**	**2,104,233**	**+1.4**
of which: all-electric vehicles (BEV)	216,786	136,422	+58.9

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

VOLKSWAGEN GROUP DELIVERIES BY MONTH

Vehicles in thousands



GLOBAL DELIVERIES OF PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES

In the first three months of 2025, sales of Volkswagen Group passenger cars and light commercial vehicles worldwide were on the same level as the previous year at 2,060,554 units (+1.9%) in a challenging market. While Volkswagen Passenger Cars, Škoda, SEAT/CUPRA and Lamborghini increased vehicle deliveries, Volkswagen Commercial Vehicles, Audi, Bentley and Porsche did not reach their respective prior-year figures. At a regional level, we saw demand rise for passenger cars and light commercial vehicles from the Volkswagen Group in all regions except for Asia-Pacific.

In an overall global market that saw slight growth, we achieved a passenger car market share of 10.4 (10.4)%. Our BEV market share in the markets assessed was 7.6 (6.4)%.

The table that follows in this section provides an overview of passenger car and light commercial vehicle deliveries to customers by market in the reporting period. Sales trends in the individual markets are described below.

Deliveries in Europe/Other Markets

In Western Europe, the Volkswagen Group delivered 789,077 vehicles to customers in the first three months of 2025 in an overall market that was at the same level as in the previous year. This was 3.9% more than in the same period of the prior year. Customer interest in the Volkswagen Group's electrified vehicles was strongest in Western Europe, where we delivered more than 70% of our all-electric models (including heavy commercial vehicles) or 153,949 units to customers in the reporting period. The number of all-electric models handed over to customers more than doubled year-on-year. Their share of Group deliveries in this region rose to 18.9 (9.2)%. Incoming orders for Volkswagen Group all-electric models developed encouragingly in Western Europe, increasing by more than 60% year-on-year. The Group vehicles that achieved the highest sales volumes were the T-Roc, Tiguan and Golf hatchback models from the Volkswagen Passenger Cars brand. Other models that recorded encouraging demand included the ID.7 Tourer and ID.4 from Volkswagen Passenger Cars, the Kodiaq and Fabia hatchback from Škoda, the SEAT Leon, CUPRA Terramar and CUPRA Tavascan, the ID. Buzz and Multivan from Volkswagen Commercial Vehicles, the Q6 e-tron, A5 Avant and A1 Sportback from Audi and the Porsche Macan. The Tayron from Volkswagen Passenger Cars, the Elroq and Enyaq from Škoda and the Audi Q5 and Audi A6 e-tron, among others, were introduced to the market as new or successor models in the reporting period. The Volkswagen Group's share of the passenger car market in Western Europe rose to 23.8 (22.2)%. The BEV market share increased to 25.8 (15.0)%.

In Germany, 277,991 vehicles were delivered to Volkswagen Group customers between January and March 2025; this was 6.2% more than the prior-year figure. The overall market in the same period was slightly down on the 2024 level. The number of all-electric vehicles delivered more than doubled year-on-year to 53,074 units. The Group vehicles that achieved the highest sales volumes were the T-Roc, Tiguan and Golf hatchback models from the Volkswagen Passenger Cars brand. In addition, the ID.7 Tourer and ID.3 from Volkswagen Passenger Cars, the Škoda Enyaq, the CUPRA Terramar, the Multivan from Volkswagen Commercial Vehicles and the Audi A5 Avant and Audi A6 Avant, among others, saw encouraging demand. Seven Group models led the *Kraftfahrt-Bundesamt* (KBA – German Federal Motor Transport Authority) registration statistics in their respective segments: the Golf, T-Roc, Tiguan, Passat, ID.7, Multivan/Transporter and Porsche 911. The Golf was again the most popular passenger car in Germany in terms of registrations in the first three months of 2025.

In the Central and Eastern Europe region, the number of Volkswagen Group vehicles handed over to customers in the reporting period was up 8.7% year-on-year. The overall market meanwhile experienced a slight contraction. The Group vehicles that achieved the highest sales volumes were Škoda's Octavia Combi, Kodiaq and Octavia saloon. The Volkswagen Group's share of the passenger car market in the Central and Eastern Europe region increased to 18.6 (16.5)% and the BEV market share in the markets assessed rose to 23.6 (12.3)%.

In Türkiye, the Volkswagen Group delivered 13.5% more vehicles to customers in the first three months of 2025 than in the prior-year period in an overall market that was significantly down on the previous year. The T-Roc from Volkswagen Passenger Cars was the most sought-after Group model there. In the South African market, which recorded significant growth, the number of Group models sold decreased by 1.4%. The Polo Vivo from the Volkswagen Passenger Cars brand was the most sought-after Group model in this region.

Deliveries in North America

In North America, the number of Volkswagen Group models delivered to customers from January to March 2025 increased by 6.1% year-on-year. The market as a whole grew slightly over the same period. The volume of all-electric models delivered in North America (including heavy commercial vehicles) rose by 40.1% to 23,052 units compared with the previous year. Their share of total Group deliveries in this region rose to 9.7 (7.2)%. The Taos, Jetta and Tiguan Allspace from the Volkswagen Passenger Cars brand were the most sought-after Group models in North America. The Taos from Volkswagen Passenger Cars and the Porsche 911, among others, were introduced to the market as new or successor models in the reporting period. The Group's share of the market in this region increased to 4.7 (4.6)%. The BEV market share rose to 6.9 (5.3)%.

In the US market, which was slightly up on the previous year, the Volkswagen Group delivered 7.1% more vehicles to customers in the reporting period than in the prior-year comparative period. The Group models to record the greatest increases in absolute terms included the Taos and Jetta from Volkswagen Passenger Cars and the Audi Q6 e-tron.

In Canada, the number of deliveries to Volkswagen Group customers increased by 4.6% year-on-year from January to March 2025. The overall market recorded noticeable growth during this period. The Group models with the highest volume of demand were the Taos and Tiguan Allspace from the Volkswagen Passenger Cars brand.

In Mexico, where the overall market is seeing slight growth, we delivered 3.5% more vehicles to customers in the first three months of this year than in the prior-year period. Demand developed encouragingly for the Jetta from Volkswagen Passenger Cars, among other vehicles.

Deliveries in South America

In the South American market for passenger cars and light commercial vehicles, which was up significantly on the prior-year level, the number of Group models handed over to customers between January and March 2025 increased by 17.6% year-on-year. The Polo and T-Cross from Volkswagen Passenger Cars were the Group models with the highest sales volumes. The Group's share of the market in South America rose to 12.9 (12.4)%. In the South America region, the market for all-electric vehicles remained at a low level.

In Brazil, a market that recorded noticeable growth, the Volkswagen Group delivered 2.4% more vehicles to customers in the first three months of 2025 than in the prior-year period. The trend in the sales of the T-Cross and Taos models from Volkswagen Passenger Cars was particularly encouraging.

In Argentina, where the overall market is seeing very strong growth, the number of Group models sold in the reporting period more than doubled compared with the previous year. The Group vehicles with the highest sales volume were the Amarok and Taos from the Volkswagen Passenger Cars brand.

Deliveries in the Asia-Pacific Region

In the first three months of 2025, the Volkswagen Group's sales volume in the Asia-Pacific region declined by 5.8%, while the overall market in the same period saw slight growth. The volume of all-electric vehicles (including heavy commercial vehicles) delivered in this region decreased by 26.7% year-on-year to 32,245 units. Their share of the Group's total deliveries fell to 4.5 (5.8)%. The Group models with the highest sales volume were the Sagitar and Passat from Volkswagen Passenger Cars and the Audi A6 saloon. The Group's share of the passenger car market in this region declined to 8.2 (9.0)% and the BEV market share in the markets assessed fell to 1.9 (3.7)%.

In the reporting period, China's overall market was slightly higher than the previous year's level. The Volkswagen Group delivered 7.1% fewer vehicles to customers there than in the previous year. The high intensity of competition continued to have a negative impact. At 25,915 units, the number of all-electric vehicles (including heavy commercial vehicles) handed over to customers in China was 36.8% lower than the prior-year figure. Their share of the Group's total deliveries fell here to 4.0 (5.9)%. The Group models with the highest sales volume were the Sagitar, Passat and Magotan from Volkswagen Passenger Cars and the Audi A6 saloon. In addition, the T-Cross, Lavida XR and Tayron from Volkswagen Passenger Cars were among the models that saw an encouraging increase in demand. The Tayron and Teramont from Volkswagen Passenger Cars and the Jetta VA7, Audi A5L Sportback and Porsche 911, among others, were introduced to the market as new or successor models in the reporting period.

In the Indian passenger car market, which registered a slight decrease in growth, the Volkswagen Group sold 36.3% more vehicles in the first three months of this year than in the same period of 2024. Demand was particularly high for the Škoda Kylaq, which was introduced to the market as a new model. The Virtus from Volkswagen Passenger Cars likewise recorded a high volume of demand.

In Japan, the number of Group models delivered to customers between January and March 2025 increased by 16.1% year-on-year in an overall market that registered significant growth. The Group vehicles with the highest sales volume were the T-Cross and Golf hatchback models from the Volkswagen Passenger Cars brand.

PASSENGER CAR AND LIGHT COMMERCIAL VEHICLE DELIVERIES TO CUSTOMERS BY MARKET FROM JANUARY 1 TO MARCH 31[1]

	DELIVERIES (UNITS)		CHANGE
	2025	2024	(%)
Europe/Other Markets	**1,002,471**	**951,605**	**+5.3**
Western Europe	**789,077**	**759,269**	**+3.9**
of which: Germany	277,991	261,783	+6.2
France	60,810	58,901	+3.2
United Kingdom	133,590	125,251	+6.7
Italy	70,719	73,951	–4.4
Spain	66,360	60,369	+9.9
Central and Eastern Europe	**119,433**	**109,866**	**+8.7**
of which: Czech Republic	29,966	27,109	+10.5
Poland	39,066	36,276	+7.7
Other Markets	**93,961**	**82,470**	**+13.9**
of which: Türkiye	42,114	37,092	+13.5
South Africa	16,248	16,478	–1.4
North America	**219,386**	**206,819**	**+6.1**
of which: USA	151,211	141,218	+7.1
Canada	25,805	24,670	+4.6
Mexico	42,370	40,931	+3.5
South America	**120,058**	**102,055**	**+17.6**
of which: Brazil	81,433	79,505	+2.4
Argentina	27,665	12,141	x
Asia-Pacific	**718,639**	**762,605**	**–5.8**
of which: China	643,888	693,329	–7.1
India	26,346	19,327	+36.3
Japan	18,659	16,077	+16.1
Worldwide	**2,060,554**	**2,023,084**	**+1.9**
Volkswagen Passenger Cars	1,134,184	1,079,576	+5.1
Škoda	238,627	220,471	+8.2
SEAT/CUPRA	146,731	138,550	+5.9
Volkswagen Commercial Vehicles	80,786	104,799	–22.9
Audi	383,401	396,912	–3.4
Lamborghini	2,967	2,630	+12.8
Bentley	2,388	2,506	–4.7
Porsche	71,470	77,640	–7.9

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

COMMERCIAL VEHICLE DELIVERIES

From January to March 2025, the Volkswagen Group delivered 9.9% fewer commercial vehicles to customers worldwide than in the previous year. We handed over a total of 73,078 commercial vehicles to customers. Trucks accounted for 57,730 units (–16.1%) and buses for 8,152 units (+62.0%). Deliveries of the MAN TGE van series to customers declined compared with the prior-year period, falling to 7,196 vehicles (–2.0%).

In the 27 EU states, excluding Malta but including the United Kingdom, Norway and Switzerland (EU27+3), sales from January to March 2025 were down by 16.2% on the same period of the previous year and amounted to a total of 30,672 units, of which 22,071 were trucks and 1,518 were buses. Deliveries of the MAN TGE van series to customers amounted to 7,083 units.

Sales in North America declined in the first quarter of 2025 to 17,769 vehicles (–12.2%), of which 14,115 were trucks and 3,654 were buses. The decrease in truck sales compared with the same quarter of the previous year was partly attributable to buyer reluctance in an uncertain economic environment. The bus business, on the other hand, recorded a very strong increase in sales figures because the prior-year quarter had been impacted by the delayed ramp-up of the new school bus model at International.

Deliveries to customers in South America increased significantly to a total of 18,166 units (+10.3%) in the reporting period; 15,792 of these were trucks and 2,373 were buses. In Brazil, sales increased noticeably in the first three months of 2025 in a solid market, rising by 8.3% to 15,145 units. Of the units delivered, 13,066 were trucks and 2,079 were buses.

In the Asia-Pacific region, the Volkswagen Group sold 1,800 vehicles in the reporting period, including 1,458 trucks and 342 buses. Overall, this was 19.4% less than in the previous year.

COMMERCIAL VEHICLE DELIVERIES TO CUSTOMERS BY MARKET FROM JANUARY 1 TO MARCH 31[1]

	DELIVERIES (UNITS)		CHANGE
	2025	2024	(%)
Europe/Other Markets	**35,343**	**42,215**	**–16.3**
of which: EU27+3	30,672	36,597	–16.2
of which: Germany	7,962	9,256	–14.0
France	3,082	3,961	–22.2
United Kingdom	2,984	3,820	–21.9
North America	**17,769**	**20,233**	**–12.2**
of which: USA	14,256	14,633	–2.6
Mexico	2,094	4,136	–49.4
South America	**18,166**	**16,468**	**+10.3**
of which: Brazil	15,145	13,989	+8.3
Asia-Pacific	**1,800**	**2,233**	**–19.4**
Worldwide	**73,078**	**81,149**	**–9.9**
Scania	22,178	26,433	–16.1
MAN	20,613	23,909	–13.8
International	16,889	19,280	–12.4
Volkswagen Truck & Bus	13,398	11,527	+16.2

1 Prior-year deliveries have been updated to reflect subsequent statistical trends.

VOLKSWAGEN GROUP FINANCIAL SERVICES

The activities in the Financial Services Division cover the Volkswagen Group's dealer and customer financing, leasing, banking and insurance activities, fleet management and mobility services. The division comprises the financial services activities of Volkswagen Group Mobility, Scania, International (formerly Navistar) and Porsche Holding Salzburg and also extends to the contracts concluded by our international joint ventures.

There was high demand for the products and services of the Financial Services Division in the first quarter of 2025. The number of new financing, leasing, service and insurance contracts signed worldwide amounted to 2.8 (2.6) million contracts. The ratio of leased and financed vehicles to Group deliveries (penetration rate) increased to 35.8 (34.6)% in the Financial Services Division's markets in the reporting period. The total number of contracts stood at 28.7 (28.5) million on March 31, 2025.

In Europe/Other Markets, 2.1 (1.8) million new contracts were signed. The total number of contracts at the end of the reporting period was on a level with the figure for December 31, 2024 at 20.4 (20.4) million. The customer financing/leasing area was responsible for 7.3 (7.3) million of these contracts.

The number of new contracts signed in North America in the period from January to March 2025 amounted to 361 (356) thousand contracts. At 4.4 (4.3) million, the number of contracts as of March 31, 2025 was higher than at the end of the previous year. The customer financing/leasing area recorded 1.7 (1.7) million contracts.

In the South America region, 241 (185) thousand new contracts were concluded in the first three months of this year. Compared with December 31, 2024, the total number of contracts at the end of the reporting period rose to 1.8 (1.7) million, of which 0.7 (0.7) million contracts were related to the customer financing/leasing area.

The number of new contracts signed in the Asia-Pacific region in the reporting period amounted to 156 (190) thousand. At the end of March 2025, the total number of contracts stood at 2.1 (2.2) million. The customer financing/leasing area was responsible for 1.1 (1.2) million of these contracts.

VEHICLE SALES

In the reporting period, the Volkswagen Group's unit sales defined as the Automotive Division's unit sales increased by 0.9% to 2,099,694 units (including the equity-accounted companies in China) compared with the first quarter of 2024. Unit sales outside Germany were up by 0.9% to 1,813,239 vehicles. India, Argentina and Spain, in particular, recorded an increase. In contrast, fewer vehicles were sold above all in China. The Volkswagen Group's unit sales excluding the equity-accounted companies in China amounted to 1,489,625 (1,432,366) vehicles and were up by 4.0% on the previous year. Unit sales in Germany increased by 0.6% compared with the prior-year figure. The proportion of the Volkswagen Group's total unit sales attributable to Germany remained at the prior-year level of 13.6 (13.7)%.

PRODUCTION

At 2,193,941 vehicles, the Volkswagen Group's global production defined as the Automotive Division's global production in the first three months of 2025 (including the equity-accounted companies in China) was down by 3.2% on the corresponding prior-year period. In contrast, production in Germany rose by 5.4% to 482,303 vehicles. The share of vehicles manufactured in Germany in relation to the Volkswagen Group's total production increased to 22.0 (20.2)%. The production excluding the equity-accounted companies in China totaled 1,559,603 (1,594,851) vehicles, 2.2% lower than the prior-year figure.

INVENTORIES

Global inventories of new vehicles (including the equity-accounted companies in China) at Group companies and in the dealer organization were noticeably higher at the end of the first quarter of 2025 than at year-end 2024, but slightly below the corresponding figure for the prior-year period.

TOTAL WORKFORCE

At 639,608, the number of active employees in the Volkswagen Group at the end of March 2025 was down 1.1% compared with December 31, 2024. In addition, 16,178 employees were in the passive phase of their partial retirement and 15,746 young people were in vocational traineeships. At the close of the reporting period, the total workforce of the Volkswagen Group, including the Chinese joint ventures, amounted to 671,532 employees worldwide, down 1.2% on the figure recorded at the end of 2024. There was a total of 289,113 employees in Germany (–1.4%) and a further 382,419 were employed outside Germany (–1.0%). At the end of the first quarter of 2025, the worldwide total workforce of the Volkswagen Group, excluding the Chinese joint ventures, consisted of 608,111 employees, 1.0% fewer than the level at the end of 2024.

VOLUME DATA OF THE VOLKSWAGEN GROUP FROM JANUARY 1 TO MARCH 31[1]

in thousands	2025	2024	%
Vehicle sales (units)	2,100	2,081	+0.9
Production (units)	2,194	2,266	–3.2
Total workforce (as of March 31, 2025/December 31, 2024)	671.5	679.5	–1.2

1 Including the unconsolidated Chinese joint ventures.

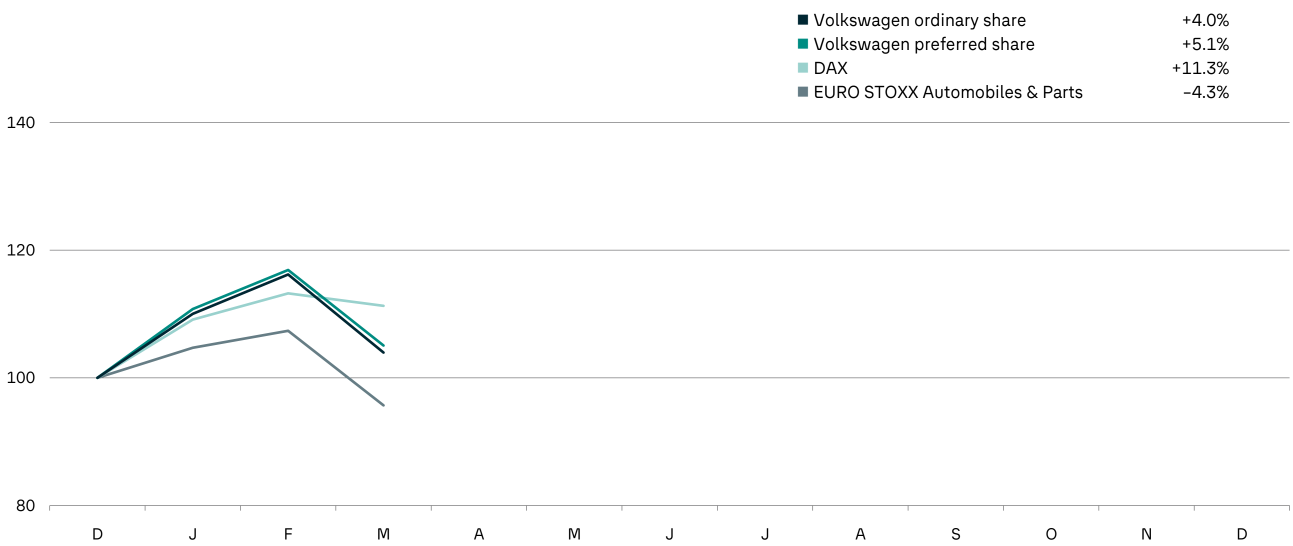
Volkswagen Shares

The international stock markets turned in a mixed performance in the reporting period, with share prices in Europe outdoing those in the United States. Geopolitical uncertainties intensified against the backdrop of the current US trade policy. On the US exchanges in particular, investors grew increasingly concerned that the US administration's trade policy could spark recession in the global economy. In addition, the stocks of US companies in the artificial intelligence and autonomous driving sectors came under pressure with the emergence of new competitors from China.

The German stock index (DAX) initially got off to a subdued start in 2025 before beginning to climb in mid-January, the index hitting new all-time highs in quick succession. The German stock market barometer benefited in particular from market participants' hopes that the European Central Bank would cut interest rates. Reports of talks to broker peace in Ukraine and the prospect of economic recovery thanks to the planned investment package of the potential new German government also had a positive impact, as did the European Commission's announcement of a flexibility measure to help the automotive industry comply with emissions targets. In addition, investors were initially hopeful that the protectionist measures announced by the US government would not materialize. Over the course of the first quarter, momentum weakened substantially in the face of heightened geopolitical tensions. Towards the end of the reporting period, the severe tariff hikes announced by the USA for early April 2025 then led to great uncertainty on the capital market, causing share prices to tumble. On March 31, 2025, the DAX

PRICE DEVELOPMENT FROM DECEMBER 2024 TO MARCH 2025

Index based on month-end prices: December 31, 2024 = 100



was 11.3% higher than at year-end 2024. In the reporting period, the difficult market environment for the automotive industry continued to drag on the pure price index EURO STOXX Automobiles & Parts, which was down 4.3% on year-end 2024.

The prices of Volkswagen AG's preferred and ordinary shares initially developed very positively from the beginning of the reporting period until mid-March. The market also reacted favorably to the joint *Zukunft Volkswagen* agreement reached in the collective bargaining dispute at the end of 2024, which is to lead to extensive structural measures and cost savings at Volkswagen sites in Germany. In addition, the shares benefited from the European Commission's announcement that it will make emissions targets more flexible. Investors reacted positively to the Volkswagen Group's figures for fiscal year 2024 and what they perceived to be a solid outlook for 2025. Starting in mid-March, prices increasingly came under pressure as the industry and trading environment deteriorated, mainly due to heightened trade policy tensions connected with the United States' announcement of possible new or higher tariffs. At the end of March 2025, preferred shares were trading up 5.1% and ordinary shares up 4.0% compared with the end of 2024, outperforming the EURO STOXX Automobiles & Parts benchmark index.

Information and explanations on earnings per share can be found in the notes to the interim consolidated financial statements. Additional Volkswagen share data, plus corporate news, reports and presentations, is available on our website www.volkswagen-group.com/investor-relations.

KEY FIGURES FOR VOLKSWAGEN SHARES AND MARKET INDICES FROM JANUARY 1 TO MARCH 31, 2025

		High	Low	Closing
Ordinary share	Price (€)	112.80	88.60	95.80
	Date	Mar. 10	Jan. 3	Mar. 31
Preferred share	Price (€)	110.15	86.82	93.56
	Date	Mar. 10	Jan. 3	Mar. 31
DAX	Price	23,419	19,906	22,163
	Date	Mar. 6	Jan. 3	Mar. 31
ESTX Auto & Parts	Price	593	510	510
	Date	Feb. 26.	Mar. 31	Mar. 31

Results of Operations, Financial Position and Net Assets

Since January 1, 2025, the Volkswagen Group's segment reporting has comprised three reportable segments – Passenger Cars and Light Commercial Vehicles, Commercial Vehicles, and Financial Services – in compliance with IFRS 8 and in line with the Group's internal financial management and reporting structures as presented in the 2024 Annual Report. For reasons of materiality, the Power Engineering segment is no longer reported separately. In addition, information on other business activities and segments which are not subject to reporting requirements is summarized in the segment reporting under "Other operating companies". This combines primarily the large-bore diesel engines, turbomachinery and propulsion components businesses. The reconciliation of segment reporting includes the consolidation adjustments between the segments, unallocated Group financing activities, and the holding company function.

In line with this logic, the Volkswagen Group's financial reporting has, since January 1, 2025, been divided into the Automotive Division and the Financial Services Division, and also includes consolidation adjustments between those divisions. The Automotive Division comprises the Passenger Cars and Light Commercial Vehicles segment, the Commercial Vehicles segment, Other operating companies, unallocated Group financing activities and the holding company function. The Financial Services Division corresponds to the Financial Services segment. The consolidation adjustments, which contain the elimination of intragroup transactions between the two divisions, are reported separately. The prior-year figures of the Automotive Division reflect the changed reporting structure.

PRIOR-YEAR CORRECTIONS IN ACCORDANCE WITH IAS 8

It was found during the previous year that obligations related to the granting of fringe benefits had not been included in full when calculating the provision for time assets. The error was corrected in the 2024 consolidated financial statements in accordance with IAS 8 by adjusting the affected items accordingly in the consolidated financial statements for the prior years.

KEY FIGURES BY SEGMENT FROM JANUARY 1 TO MARCH 31, 2025

€ million	Passenger Cars and Light Commercial Vehicles	Commercial Vehicles	Financial Services	Total reporting segments	Other operating companies	Reconciliation	Volkswagen Group
Sales revenue	57,538	10,326	15,903	83,767	1,678	–7,887	77,558
Segment profit or loss (operating result)	1,610	641	1,051	3,302	77	–506	2,873
as a percentage of sales revenue	2.8	6.2	6.6	3.9			3.7

The retrospective correction resulted in a change in equity as of December 31, 2023/January 1, 2024 and January 1, 2023, respectively. This is attributable to the increase in other provisions and the recognition of deferred tax assets. A quantification of these effects is published in the "Prior-year corrections in accordance with IAS 8" section of the notes to the 2024 consolidated financial statements. The recognition of the additional fringe benefits did not have a material impact on the income statement, the statement of comprehensive income, or the cash flow statement. The prior-year figures have been adjusted accordingly.

RESTRUCTURING IN THE VOLKSWAGEN GROUP

In the first quarter of fiscal year 2025, the Volkswagen Group recognized restructuring costs of €0.4 billion, mostly in the other operating result. They are primarily attributable to CARIAD SE and AUDI AG. They were offset in this context by income of €0.2 billion from the reversal of personnel-related provisions at AUDI AG, most of which was recognized in cost of sales.

EFFECTS OF THE INCREASED IMPORT DUTIES IMPOSED BY THE USA

On March 27, 2025, the US government announced that it would charge a tariff of 25% on imported vehicles and vehicle parts in future. The higher tariff on imported vehicles became effective on April 3, 2025. The higher tariff on imported vehicle parts is expected to take effect on May 3, 2025. The interim consolidated financial statements as of March 31, 2025 are mainly impacted by an effect of €0.1 billion on the measurement of vehicle inventories at net realizable value.

CO_2 FLEET REGULATION

In the first quarter of fiscal year 2025, expenses of €0.6 billion were recognized for Europe for provisions in connection with the CO_2 fleet regulation; they are presented in cost of sales. The measurement of the provisions is based on current EU regulations and does not yet take account of legislative changes planned by the European Commission.

PLACEMENT OF TRATON SE SHARES

In March 2025, Volkswagen completed the placement of 11 million shares in TRATON SE, Munich (TRATON SE) at a price of €32.75 per share with a total value of €360 million via its subsidiary Volkswagen International Luxembourg S.A., Strassen/Luxembourg. The placement corresponds to an interest of 2.2% in TRATON SE's share capital and reduces the direct interest in TRATON SE from 89.7% to 87.5%. In connection with the transaction, Volkswagen made known its intention to alter its shareholding to 75% plus one share in the medium term.

NORTHVOLT AB

The Swedish company Northvolt AB, Stockholm/Sweden, in which the Volkswagen Group holds an equity investment, filed for bankruptcy in Sweden on March 12, 2025. As a result, inclusion of the investment in the consolidated financial statements using the equity method ended as of March 31, 2025. This resulted in a non-cash loss of €0.1 billion, which is reported in the share of the result of equity-accounted investments. The loss is primarily the result of realizing currency translation effects, which had previously been recognized directly in equity. They were reclassified from other reserves attributable to equity-accounted investments to the share of the result of equity-accounted investments. The carrying amount of the investment had already been written down in full in fiscal year 2024.

DIESEL ISSUE

Expenses of €0.2 billion were recognized in connection with the diesel issue in the first quarter of fiscal year 2025. From fiscal year 2025 onwards, the effects of the diesel issue will no longer be disclosed separately as special items.

INCOME STATEMENT BY DIVISION FOR THE PERIOD JANUARY 1 TO MARCH 31

	VOLKSWAGEN GROUP		AUTOMOTIVE		FINANCIAL SERVICES		CONSOLIDATION ADJUSTMENTS[1]	
€ million	2025	2024[2]	2025	2024[2,3]	2025	2024[2]	2025	2024[2]
Sales revenue	**77,558**	**75,461**	**68,764**	**66,371**	**15,903**	**14,736**	**-7,109**	**-5,646**
Cost of sales	-64,758	-61,948	-58,325	-54,574	-13,529	-12,755	7,096	5,381
Gross profit	**12,800**	**13,513**	**10,439**	**11,797**	**2,374**	**1,981**	**-13**	**-265**
Distribution expenses	-5,425	-5,105	-5,146	-4,961	-321	-274	41	129
Administrative expenses	-3,344	-3,359	-2,727	-2,717	-650	-674	34	32
Net other operating result	-1,157	-497	-818	-329	-352	-152	12	-16
Operating result	**2,873**	**4,552**	**1,748**	**3,791**	**1,051**	**881**	**74**	**-120**
Operating return on sales (%)	**3.7**	**6.0**	**2.5**	**5.7**	**6.6**	**6.0**	**-**	**-**
Share of profits and losses of equity-accounted investments	121	259	204	310	-84	-51	0	0
Interest result and Other financial result	116	326	772	770	-9	-16	-647	-429
Financial result	236	585	976	1,080	-93	-67	-647	-429
Earnings before tax	3,109	5,136	2,724	4,871	958	814	-573	-549
Income tax expense	-923	-1,458	-610	-1,424	-286	-190	-27	156
Earnings after tax	**2,186**	**3,678**	**2,114**	**3,447**	**673**	**624**	**-601**	**-393**

1 Elimination of intragroup transactions between the Automotive and Financial Services divisions.
2 Prior-year figures adjusted (see disclosures on IAS 8).
3 Figures reflect the changed reporting structure.

RESULTS OF OPERATIONS

Results of operations of the Group

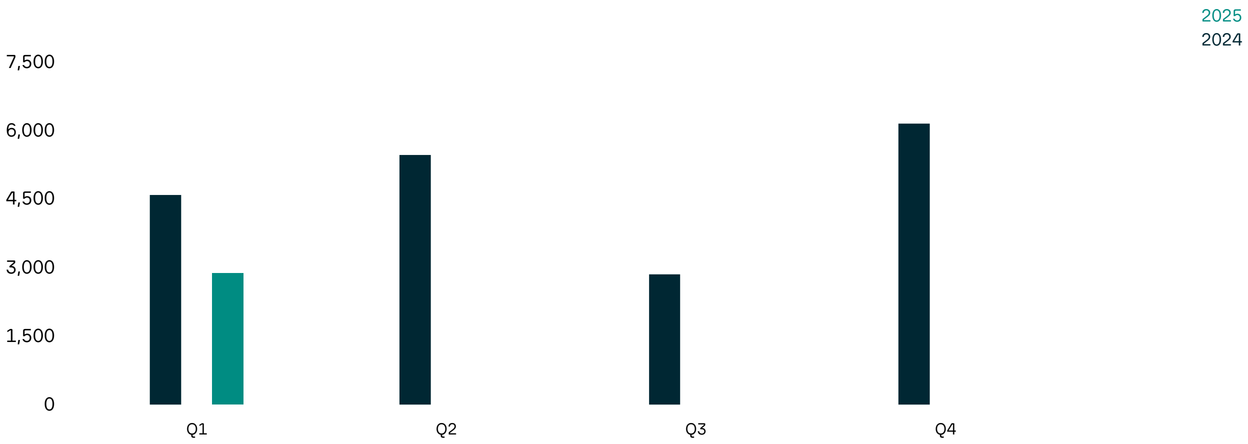
In the period from January to March 2025, the Volkswagen Group generated sales revenue of €77.6 billion, a year-on-year increase of 2.8% on the prior-year figure driven primarily by volume and mix effects. In all, 79.7 (79.3)% of the Volkswagen Group's sales revenue came from outside Germany. Gross profit declined by €0.7 billion to €12.8 billion because cost of sales rose faster than sales revenue. As a consequence, the gross margin declined to 16.5 (17.9)%.

The Volkswagen Group's operating result amounted to €2.9 (4.6) billion in the first three months of 2025. The operating return on sales was 3.7 (6.0)%. The decline was due primarily to adverse factors in an amount of around €1.1 billion, which related in particular to the recognition of provisions in connection with the CO_2 fleet regulation in Europe, negative restructuring effects, mostly at CARIAD, litigation costs incurred in connection with the diesel issue, and expenses from the measurement of vehicles in transit due to the import duties introduced in the United States from the beginning of April 2025. Mix and price effects as well as expenses for the establishment of the Battery business field also weighed on earnings. These factors were set against the higher volume (not including the Chinese joint ventures).

The financial result was down on the previous year at €0.2 (0.6) billion. The share of the result of equity-accounted investments was lower than in the prior-year period due to the decline in the results of the Chinese joint ventures and to adverse effects arising from the deconsolidation of Northvolt. In addition, an increase in interest expenses led to a negative interest result in the reporting period. In the reporting period, the Volkswagen Group's earnings before tax decreased by €2.0 billion to €3.1 billion. At €2.2 billion, earnings after tax declined by €1.5 billion on the previous year.

OPERATING RETURN BY QUARTER[1]

Volkswagen Group in € million



1 Prior-year figures adjusted (see disclosures on IAS 8).

Results of operations in the Automotive Division

In the first quarter of 2025, the Automotive Division's sales revenue increased slightly year-on-year to €68.8 (66.4) billion. Sales revenue in the Passenger Cars and Light Commercial Vehicles segment was higher than in the previous year at €57.5 (54.2) billion due to volume and mix effects, but fell short of the prior-year figure in the Commercial Vehicles segment, where it amounted to €10.3 (11.5) billion as a result of declining volumes. As our Chinese joint ventures are accounted for using the equity method, the Group's business performance in the Chinese passenger car market is essentially reflected in the Group's sales revenue only through deliveries of vehicles and vehicle parts.

Cost of sales increased faster than sales revenue compared with the prior-year period. The material costs included in this item rose due to higher volumes and because of a rise in the cost of production of higher-priced vehicle models, especially in the Progressive and Sport & Luxury brand groups. Moreover, provisions needed to be recognized in connection with the CO_2 fleet regulation in Europe. Research and development costs recognized in profit or loss decreased despite a decline in the capitalization of development costs thanks to lower primary expenses. As a result, the research and development ratio (R&D ratio), which is defined as total research and development costs as a share of the Automotive Division's sales revenue, went down to 7.2 (9.1)% in the period from January to March 2025. The automotive investment ratio, which combines the R&D and capex ratios, amounted to 11.2 (13.1)%, while the capex ratio remained unchanged.

In the first three months of 2025, there was a slight year-on-year increase in distribution expenses – driven among other factors by higher marketing costs – while their share of sales revenue remained unchanged. Both administrative expenses and their share of sales revenue were on a level with the previous year. The other operating result stood at €–0.8 (–0.3) billion. The year-on-year decline was attributable in particular to negative exchange rate factors, restructuring costs and litigation costs (primarily in connection with the diesel issue).

In the period from January to March 2025, the Automotive Division's operating result decreased by €2.0 billion to €1.7 billion. The decline was due primarily to adverse factors in an amount of around €1.1 billion, which related in particular to the recognition of provisions in connection with the CO_2 fleet regulation in Europe, negative restructuring effects, mostly at CARIAD, litigation costs incurred in connection with the diesel issue, and expenses from the measurement of vehicles in transit due to the import duties introduced in the United States from the beginning of April 2025, which affected the Passenger Cars and Light Commercial Vehicles segment alone. In addition, the adverse effects of mix and price changes, a rise in material costs as well as expenses for the establishment of the Battery business field weighed on earnings. The rise in volume (excluding the Chinese joint ventures) had an offsetting effect. The operating return on sales decreased to 2.5 (5.7)%. The Passenger Cars and Light Commercial Vehicles segment's operating result amounted to €1.6 (3.3) billion, marking a decline in the reporting period due primarily to the factors outlined above. In the Commercial Vehicles segment, lower volumes were the main drivers of the €0.4 billion reduction in the operating result to €0.6 billion. With regard to our equity-accounted Chinese joint ventures, our operating result essentially only considers income from deliveries of vehicles and vehicle parts, as well as license income, as these joint ventures are included in the financial result.

Results of operations in the Financial Services Division

Boosted by higher volumes, the Financial Services Division's sales revenue climbed to €15.9 billion in the first three months of 2025, up 7.9% on the prior-year figure. Cost of sales increased more slowly than sales revenue amid a volume-driven rise in depreciation of the residual values of leased vehicles. As a result, gross profit increased to €2.4 (2.0) billion.

The Financial Services Division's operating result of €1.1 (0.9) billion was higher than in the previous year, due mainly to higher volumes. The operating return on sales increased to 6.6 (6.0)%.

FINANCIAL POSITION

Financial position of the Group

In the period from January to March 2025, the Volkswagen Group's gross cash flow decreased by €1.7 billion to €8.7 billion year-on-year, driven among other things by earnings-related factors. The change in working capital amounted to €–5.7 (–8.7) billion; in the reporting period, this was primarily attributable to an increase in lease assets, inventories and receivables, offset by a rise in liabilities.

As a result, cash flows from operating activities went up by €1.2 billion to €3.0 billion in the first quarter of 2025.

The Volkswagen Group's investing activities attributable to operating activities decreased by €0.4 billion to €5.6 billion. Investments in property, plant and equipment, investment property and intangible assets, excluding capitalized development costs (capex) were up only slightly, while there was a decrease in capitalized development costs.

The Volkswagen Group's financing activities generated a total cash outflow of €0.3 billion, compared with an inflow of €12.0 billion in the prior-year period. Financing activities mainly include the issuance and redemption of bonds and unlisted notes, as well as changes in other financial liabilities. At the end of the first quarter of 2025, the Volkswagen Group reported cash and cash equivalents of €36.8 billion in its cash flow statement. At the end of December 2024 this item had amounted to €40.3 billion.

On March 31, 2025, the Volkswagen Group's net liquidity stood at €–170.3 billion; it had amounted to €–169.1 billion at the end of 2024.

CASH FLOW STATEMENT BY DIVISION FOR THE PERIOD JANUARY 1 TO MARCH 31

	VOLKSWAGEN GROUP		AUTOMOTIVE		FINANCIAL SERVICES		CONSOLIDATION ADJUSTMENTS[1]	
€ million	2025	2024[2]	2025	2024[2,3]	2025	2024[2]	2025	2024[2]
Cash and cash equivalents at beginning of period	**40,296**	**43,522**	**28,088**	**31,834**	**16,196**	**14,819**	**-3,988**	**-3,130**
Earnings before tax	3,109	5,136	2,724	4,871	958	814	-573	-549
Income taxes paid	-1,712	-1,789	-1,534	-1,577	-767	-384	590	172
Depreciation and amortization expense[4]	7,798	7,255	5,023	4,674	2,970	2,761	-194	-180
Change in pension provisions	1	45	1	42	1	3	-1	-0
Share of the result of equity-accounted investments	-229	-259	-312	-310	84	51	–	0
Other non-cash income/expense and reclassifications[5]	-269	47	-559	-49	-26	110	316	-14
Gross cash flow	**8,700**	**10,436**	**5,343**	**7,650**	**3,219**	**3,356**	**138**	**-570**
Change in working capital	**-5,723**	**-8,670**	**-647**	**-4,575**	**-3,709**	**-4,118**	**-1,368**	**23**
Change in inventories	-4,541	-5,515	-4,647	-5,844	76	347	29	-18
Change in receivables	-3,577	-2,805	-2,652	-2,780	-498	-186	-427	161
Change in liabilities	7,895	4,100	6,746	3,949	1,941	241	-792	-89
Change in other provisions	143	68	81	134	53	9	9	-75
Change in lease assets (excluding depreciation)	-5,486	-3,963	-172	-34	-5,292	-4,004	-23	74
Change in financial services receivables	-156	-555	-2	0	11	-526	-164	-29
Cash flows from operating activities	**2,976**	**1,766**	**4,696**	**3,075**	**-490**	**-762**	**-1,229**	**-547**
Cash flows from investing activities attributable to operating activities	**-5,587**	**-5,953**	**-5,524**	**-5,612**	**-184**	**-397**	**121**	**57**
of which: investments in property, plant and equipment, investment property and intangible assets, excluding capitalized development costs (capex)	-2,866	-2,787	-2,797	-2,698	-48	-46	-21	-42
capitalized development costs	-2,222	-2,834	-2,222	-2,834	–	–	–	-0
acquisition and disposal of equity investments	-757	-567	-689	-206	-144	-361	77	0
Net cash flow[6]	**-2,610**	**-4,187**	**-828**	**-2,537**	**-674**	**-1,160**	**-1,108**	**-490**
Change in investments in securities and time deposits, as well as in loans	-298	-274	111	-3,778	-301	435	-108	3,069
Cash flows from investing activities	**-5,884**	**-6,227**	**-5,412**	**-9,391**	**-485**	**38**	**13**	**3,126**
Cash flows from financing activities	**-306**	**12,029**	**3,154**	**4,580**	**-5,032**	**10,398**	**1,572**	**-2,949**
of which: capital transactions with non-controlling interests	358	–	358	–	–	–	–	–
capital contributions/ capital redemptions	-21	35	24	35	9	15	-55	-15
Effect of exchange rate changes on cash and cash equivalents	-325	100	-350	112	-1	4	25	-16
Change of loss allowance within cash and cash equivalents	-1	1	-1	1	0	-1	0	0
Net change in cash and cash equivalents	**-3,541**	**7,669**	**2,086**	**-1,622**	**-6,008**	**9,677**	**381**	**-386**
Cash and cash equivalents at March 31[7]	36,756	51,191	30,175	30,212	10,189	24,496	-3,607	-3,517
Securities and time deposits, as well as loans	**45,003**	**42,426**	**78,311**	**80,165**	**19,738**	**20,447**	**-53,045**	**-58,186**
Gross liquidity	81,759	93,617	108,485	110,377	29,926	44,943	-56,652	-61,703
Total third-party borrowings	**-252,053**	**-246,630**	**-75,305**	**-74,872**	**-235,074**	**-235,113**	**58,326**	**63,355**
Net liquidity at March. 31[8]	-170,294	-153,013	33,180	35,505	-205,147	-190,170	1,673	1,652
For information purposes: at Jan. 1	**-169,122**	**-147,433**	**34,414**	**38,653**	**-205,188**	**-187,722**	**1,652**	**1,636**

1 Elimination of intragroup transactions between the Automotive and Financial Services divisions.
2 Prior-year figures adjusted (see disclosures on IAS 8).
3 Figures reflect the changed reporting structure.
4 Net of impairment reversals.
5 These relate mainly to the reclassification of gains/losses on disposal of non-current assets and equity investments to investing activities.
6 Net cash flow: cash flows from operating activities, net of cash flows from investing activities attributable to operating activities (investing activities excluding change in investments in securities, time deposits and loans).
7 Cash and cash equivalents comprise cash at banks, checks, cash-in-hand and call deposits.
8 The total of cash, cash equivalents, securities and time deposits, as well as loans to affiliates and joint ventures net of third-party borrowings (non-current and current financial liabilities).

Financial position of the Automotive Division

In the reporting period, the Automotive Division recorded gross cash flow of €5.3 (7.6) billion. The decline was primarily attributable to lower earnings. The change in working capital amounted to €–0.6 (–4.6) billion. An increase in inventories and receivables was offset by a rise in liabilities. Cash flows from operating activities climbed by €1.6 billion to €4.7 billion.

In the period from January to March 2025, investing activities attributable to operating activities were similar to the previous year at €5.5 (5.6) billion. Within this figure, capex increased by €0.1 billion to €2.8 billion. The capex ratio was 4.1 (4.1)%. Here, significant portions of capex were allocated to the production of electric vehicles, the associated battery technologies, and electric toolkits and platforms as key components of the Company's transformation to sustainable mobility. Other focus areas are the digitalization of our products, measures to cut CO_2 emissions, the promotion of sustainable production processes, and the expansion of our presence in markets such as North America and China. Additions to capitalized development costs were down at €2.2 (2.8) billion. The "Acquisition and disposal of equity investments" item stood at €–0.7 (–0.2) billion; it included investments in a variety of companies.

The Automotive Division's net cash flow amounted to €–0.8 (–2.5) billion.

The Automotive Division's financing activities led to a cash inflow of €3.2 (4.6) billion in the first quarter of 2025. The figure relates mainly to the issuance and redemption of bonds and unlisted notes, as well as to changes in other financial liabilities.

At the end of March 2025, the Automotive Division reported a solid net liquidity of €33.2 billion, compared with €34.4 billion on December 31, 2024.

Financial position of the Financial Services Division

In the first three months of 2025, the Financial Services Division recorded gross cash flow of €3.2 (3.4) billion. The change in working capital amounted to €–3.7 (–4.1) billion. An increase in lease assets and receivables was set against a rise in liabilities, leading to a decrease in funds tied up in working capital compared with the previous year. As a result, cash flows from operating activities stood at €-0.5 (–0.8) billion.

Investing activities attributable to operating activities contracted to €0.2 (0.4) billion.

The Financial Services Division's financing activities led to a cash outflow of €–5.0 billion in the period from January to March 2025. This figure relates primarily to the issuance and redemption of bonds, unlisted notes and other financial liabilities. There had been an inflow of €10.4 billion in the prior-year quarter.

At the end of the first quarter of 2025, the Financial Services Division's negative net liquidity, which is common in the industry, was €–205.1 billion as against €–205.2 billion at the end of 2024.

NET ASSETS

Consolidated balance sheet structure

On March 31, 2025, the Volkswagen Group's total assets stood at €639.4 billion, 1.0% more than at the end of 2024. At €201.1 (196.7) billion, the Group's equity was slightly higher than at the end of 2024. The equity ratio was 31.5 (31.1)%.

Automotive Division balance sheet structure

Intangible assets and property, plant and equipment in the Automotive Division were almost unchanged compared to December 31, 2024. Total non-current assets were on a level with the end of 2024 at €257.4 (256.4) billion.

Current assets amounted to €172.2 (163.4) billion on March 31, 2025, an increase compared to the end of 2024. Inventories expanded noticeably. Current other receivables and financial assets went up, buoyed mainly by a rise in trade receivables. Cash and cash equivalents rose by €2.1 billion to €30.2 billion.

At the end of the first quarter of 2025, the Automotive Division reported equity of €179.4 (174.9) billion, a slight increase on the level recorded in the prior year. Lower actuarial losses from the remeasurement of pension plans because of the change in the discount rate, earnings performance and beneficial factors arising from the measurement of derivatives, which are recognized directly in equity, were set against adverse effects resulting from currency translation. Non-controlling interests increased noticeably for reasons such as the sale of further shares in TRATON; they related mainly to the non-controlling interest shareholders of the Porsche AG Group and of the TRATON Group. The equity ratio was 41.8 (41.7)%.

Non-current liabilities of €128.8 (130.6) billion at the end of the reporting period were lower than at the end of 2024. Non-current financial liabilities grew slightly, while pension provisions decreased noticeably, driven primarily by actuarial remeasurement following a change in the discount rate.

At €121.3 (114.3) billion, current liabilities were noticeably higher on March 31, 2025 than at the end of 2024. Current financial liabilities increased noticeably. There was a rise in current other liabilities. There was a strong increase in trade payables.

At the end of March 2025, the Automotive Division had total assets of €429.6 billion, 2.3% more than on December 31, 2024.

Financial Services Division balance sheet structure

On March 31, 2025, the Financial Services Division's total assets stood at €307.7 billion, down 1.6% from the end of 2024.

At €192.4 (191.2) billion, total non-current assets were higher than on December 31, 2024. The property, plant and equipment included in this item was unchanged. Growth in lease assets was driven mainly by higher volumes.

The Financial Services Division's current assets declined by 5.3% to €115.3 billion, due primarily to lower cash and cash equivalents.

At the end of the first quarter of 2025, the Financial Services Division accounted for around 48.1 (49.4)% of the Volkswagen Group's assets.

Equity in the Financial Services Division at the end of March 2025 was on a level with the previous year, at €45.6 (45.0) billion. The equity ratio was 14.8 (14.4)%.

Non-current liabilities in the Financial Services Division went down to €118.0 (124.6) billion, due mainly to a noticeable decrease in non-current financial liabilities. At €144.2 (143.2) billion, current liabilities were on a level with December 31, 2024. The trade payables included in this item increased very strongly, while current other liabilities decreased significantly.

Deposits from the direct banking business amounted to €59.1 billion on March 31, 2025, compared with €57.5 billion at the end of 2024.

BALANCE SHEET STRUCTURE BY DIVISION

	VOLKSWAGEN GROUP		AUTOMOTIVE		FINANCIAL SERVICES		CONSOLIDATION ADJUSTMENTS[1]	
€ million	Mar. 31, 2025	Dec. 31, 2024	Mar. 31, 2025	Dec. 31, 2024[2]	Mar. 31, 2025	Dec. 31, 2024	Mar. 31, 2025	Dec. 31, 2024
Assets								
Non-current assets	**390,224**	**387,674**	**257,441**	**256,386**	**192,446**	**191,166**	**–59,663**	**–59,878**
Intangible assets	94,059	93,333	93,553	92,811	514	529	–7	–7
Property, plant and equipment	70,815	71,452	68,671	69,228	960	949	1,184	1,274
Lease assets	74,893	73,193	5,417	5,502	74,730	73,086	–5,253	–5,395
Financial services receivables	100,625	101,087	20	21	101,186	101,795	–581	–729
Investments, equity-accounted investments and other equity investments, other receivables and financial assets	49,831	48,610	89,781	88,823	15,055	14,808	–55,005	–55,021
Current assets	**249,146**	**245,231**	**172,166**	**163,387**	**115,279**	**121,674**	**–38,299**	**–39,830**
Inventories	60,830	56,720	55,044	50,785	6,025	6,144	–239	–209
Financial services receivables	68,308	68,855	4	3	68,934	69,510	–630	–657
Other receivables and financial assets	55,337	52,033	63,523	61,411	25,636	25,597	–33,822	–34,975
Marketable securities and time deposits	27,915	27,326	23,420	23,099	4,495	4,227	–	0
Cash and cash equivalents	36,756	40,296	30,175	28,088	10,189	16,196	–3,607	–3,988
Total assets	**639,370**	**632,905**	**429,606**	**419,772**	**307,725**	**312,840**	**–97,961**	**–99,708**
Equity and liabilities								
Equity	**201,136**	**196,731**	**179,446**	**174,860**	**45,569**	**45,044**	**–23,880**	**–23,173**
Equity attributable to Volkswagen AG shareholders	171,739	168,404	150,402	146,836	45,233	44,693	–23,897	–23,125
Equity attributable to Volkswagen AG hybrid capital investors	13,857	13,890	13,857	13,890	–	–	–	–0
Equity attributable to Volkswagen AG shareholders and hybrid capital investors	185,595	182,294	164,259	160,726	45,233	44,693	–23,897	–23,125
Non-controlling interests	15,541	14,437	15,188	14,134	336	352	17	–48
Non-current liabilities	**210,894**	**219,134**	**128,829**	**130,577**	**117,961**	**124,565**	**–35,895**	**–36,008**
Financial liabilities	131,439	137,061	56,059	55,011	105,386	111,887	–30,005	–29,837
Provisions for pensions	24,859	27,602	24,468	27,148	390	453	–0	–0
Other liabilities	54,597	54,472	48,301	48,418	12,185	12,225	–5,890	–6,171
Current liabilities	**227,340**	**217,039**	**121,331**	**114,335**	**144,194**	**143,230**	**–38,186**	**–40,526**
Financial liabilities	120,615	117,020	19,247	17,952	129,688	128,984	–28,320	–29,917
Trade payables	33,689	29,772	34,672	31,286	5,011	3,552	–5,994	–5,067
Other liabilities	73,036	70,247	67,413	65,097	9,496	10,694	–3,872	–5,543
Total equity and liabilities	**639,370**	**632,905**	**429,606**	**419,772**	**307,725**	**312,840**	**–97,961**	**–99,708**

1 Elimination of intragroup transactions between the Automotive and Financial Services divisions.
2 Figures reflect the changed reporting structure.

REPORT ON EXPECTED DEVELOPMENTS, RISKS AND OPPORTUNITIES

The forecast for fiscal year 2025 published in the combined management report in the 2024 Annual Report remains unchanged. Possible effects on sales revenue, profit or loss and cash flows from higher import tariffs that have been announced or have already come into force – particularly in the USA – are still not included in the forecast because further developments as well as the effects and any reciprocal effects cannot be conclusively assessed at the present time.

The outlook for fiscal year 2025 can be found on page 27.

Litigation

Diesel issue

Product-related lawsuits worldwide (excluding the USA/Canada)

In the action brought against Volkswagen Group Automotive Retail France, Volkswagen Group France, and Volkswagen AG by the French consumer organization Confédération de la Consommation, du Logement et du Cadre de Vie (CLCV) for up to 1 million French owners and lessees of vehicles with type EA 189 engines, a procedural judgment was rendered in March 2025 holding the opt-in class action to be admissible with respect to Volkswagen Group France and Volkswagen AG. The complaint against Volkswagen Group Automotive Retail France was ruled inadmissible, however. In the further course of the proceedings, the trial court will now consider the substantive merits of the action, in which rescission without offset for the benefit from using the vehicle is the primary relief sought and damages amounting to 20-30% of the purchase price are claimed in the alternative. The procedural judgment is not yet final. The decision regarding the admissibility of the complaint may be subject to review in the context of an appeal against the anticipated trial court judgment.

Additional important legal cases

In April 2025, the European Commission and the English Competition and Markets Authority (CMA) assessed fines against various automobile manufacturers and automotive industry organizations pursuant to settlement procedures. This follows an investigation of European, Japanese, and Korean manufacturers as well as national organizations operating in such countries and the European organization European Automobile Manufacturers' Association (ACEA) on suspicion of having agreed in the period from 2001/2002 and up until the initiation of the proceedings - in particular through the ACEA Working Group Recycling and related sub-groups thereof - to avoid paying for the services of recycling companies that dispose of end-of-life vehicles (ELV) (specifically passenger cars and light utility vehicles). Also alleged was an agreement to refrain from competitive use of ELV issues, that is, not to publicize relevant recycling data (recyclates, recyclability, recovery) for competitive purposes. The European Commission assessed a fine of approximately €128 million against Volkswagen AG. The CMA imposed an overall fine of approximately GBP15 million on Volkswagen AG and Volkswagen Group UK jointly, which are covered by existing provisions.

In line with IAS 37.92, no further statements have been made concerning estimates of financial impact or regarding uncertainty as to the amount or maturity of provisions and contingent liabilities in relation to legal cases. This is so as to not compromise the results of the proceedings or the interests of the Company.

Beyond these events, there were no significant changes in the reporting period compared with the disclosure on the Volkswagen Group's expected development in fiscal year 2025 contained in the combined management report of the 2024 Annual Report in the sections "Report on Expected Developments" and "Report on Risks and Opportunities", including in section "Legal Risks".

Outlook for 2025

Our planning is based on the assumption that global economic output will grow overall in 2025 at a slightly slower pace than in 2024. Declining inflation in major economic regions and the resulting easing of monetary policy are expected to boost consumer demand. We continue to believe that risks will arise from increasing fragmentation of the global economy and protectionist tendencies, turbulence in the financial markets and structural deficits in individual countries. In addition, continuing geopolitical tensions and conflicts are weighing on growth prospects; risks are associated in particular with the Russia-Ukraine conflict, the confrontations in the Middle East, as well as the uncertainties regarding the political orientation of the USA and the corresponding measures that the new US administration is planning or has already implemented. We assume that both the advanced economies and the emerging markets will record somewhat weaker momentum on average than that of the reporting year.

The trend in the automotive industry closely follows global economic developments. We assume that competition in the international automotive markets will intensify further. Crisis-related disruption to the global supply chain and the resulting impact on vehicle availability may weigh on the volume of new registrations. Moreover, sudden new or intensified geopolitical tension and conflicts could lead in particular to rising prices for materials and declining availability of energy.

We predict that trends in the markets for passenger cars in the individual regions will be mixed but predominantly positive in 2025. Overall, the global volume of new car sales is expected to be slightly higher than the prior-year level. For 2025, we also anticipate that the volume of new passenger car registrations in Western Europe will be slightly higher than that recorded in the reporting year. In the German passenger car market, too, we expect the volume of new registrations in 2025 to be slightly up on the prior-year level. Sales of passenger cars in 2025 are expected to strongly exceed the prior-year figures overall in markets in Central and Eastern Europe – subject to the further development of the Russia-Ukraine conflict. The sales volume in the markets for passenger cars and light commercial vehicles (up to 6.35 tonnes) in North America overall and in the United States in 2025 is forecast to be similar to the level seen in the previous year. We anticipate a noticeable increase overall in new registrations in the South American markets in 2025 compared with the previous year. The passenger car markets in the Asia-Pacific region in 2025 are expected to be similar to the previous year.

Trends in the markets for light commercial vehicles in the individual regions will be mixed; on the whole, we expect the sales volume for 2025 to be on a level with the previous year.

For 2025, we expect that new registrations for mid-sized and heavy trucks with a gross weight of more than six tonnes will be down slightly on the previous year in the markets that are relevant for the Volkswagen Group, with variations from region to region. A noticeable year-on-year increase in demand is anticipated for 2025 in the bus markets relevant for the Volkswagen Group, whereby this will vary depending on the region.

We assume that automotive financial services will prove highly important to global vehicle sales in 2025 in synergy with the development of the vehicle markets.

In a challenging market environment, we anticipate that the number of deliveries to customers of the Volkswagen Group will be similar to the previous year.

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

We expect the sales revenue of the Volkswagen Group and the Passenger Cars and Light Commercial Vehicles segment to exceed the previous year's figure by up to 5% in 2025. The operating return on sales is projected to be between 5.5% and 6.5% for the Group and between 6% and 7% for the Passenger Cars and Light Commercial Vehicles segment. For the Commercial Vehicles segment, we anticipate an operating return on sales of 7.5% to 8.5% amid sales revenue on a level with the previous year. For the Financial Services Division, we forecast an increase of up to 5% in sales revenue compared with the prior year and an operating result in the range of €4.0 billion.

In the Automotive Division, we are assuming an investment ratio of between 12% and 13% in 2025. We expect net cash flow for 2025 to be between €2 billion and €5 billion. This includes cash outflows for investments for the future as well as for restructuring measures. Net liquidity in the Automotive Division in 2025 is expected to be between €34 billion and €37 billion. Our goal remains unchanged, namely, to continue with our robust financing and liquidity policy.

Possible effects on sales revenue, profit or loss and cash flows from higher import tariffs that have been announced or have already come into force – particularly in the USA – are still not included in the forecast because further developments, their impact and any reciprocal effects cannot be conclusively assessed at the present time.

This report contains forward-looking statements on the business development of the Volkswagen Group. These statements are based on assumptions relating to the development of the economic, political and legal environment in individual countries, economic regions and markets, and in particular for 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. Risks are associated with the estimates given, and actual developments may differ from those forecast. Any changes in significant parameters relating to our key sales markets, or any significant shifts in exchange rates, prices for energy and other commodities or the supply of parts relevant to the Volkswagen Group will have a corresponding effect on the development of our business. In addition, there may also be departures from our expected business development if the assessments of the factors influencing sustainable value enhancement and of risks and opportunities presented in the 2024 Annual Report develop in a way other than we are currently expecting, or if additional risks and opportunities or other factors emerge that affect the development of our business. We do not assume any obligation beyond that required by law to update the forward-looking statements made in this report.

Brand Groups and Business Fields

SALES REVENUE AND OPERATING RESULT BY BRAND GROUP AND BUSINESS FIELD

The Volkswagen Group generated sales revenue of €77.6 (75.5) billion in the period from January to March 2025. The operating result stood at €2.9 (4.6) billion.

The Core brand group sold 1.2 (1.2) million vehicles in the reporting period. Sales revenue rose to €35.3 (32.8) billion. The operating result amounted to €1.1 (2.1) billion.

Unit sales for the Volkswagen Passenger Cars brand in the first quarter of 2025 came to 726 (695) thousand vehicles, which was above the prior-year level. The T-Cross and Tiguan recorded growth. Demand also rose for the all-electric ID.4 and ID.7 models. The Tayron was successfully launched on the market. At €21.2 (19.3) billion, sales revenue was higher than in the previous year. The operating result decreased to €112 (746) million, impacted by litigation costs in connection with the diesel issue as well as by the recognition of provisions in connection with CO_2 fleet regulations in Europe. Expenses from the measurement of vehicles in transit due to import duties introduced in the United States from the beginning of April 2025 also negatively affected the operating result.

REPORTING STRUCTURE OF THE VOLKSWAGEN GROUP

Automotive Division	Financial Services Division
Core brand group (Volkswagen Passenger Cars, Škoda, SEAT/CUPRA, Volkswagen Commercial Vehicles, Tech. Components)	**Volkswagen Group Mobility**
Progressive brand group (Audi, Lamborghini, Bentley, Ducati)	**Others**
Sport Luxury brand group (Porsche Automotive)	
CARIAD	
Battery	
TRATON Commercial Vehicles	
Other	

KEY FIGURES BY BRAND GROUP AND BUSINESS FIELD

	VEHICLE SALES		SALES REVENUE		OPERATING RESULT	
Thousand vehicles/€ million	2025	2024	2025	2024	2025	2024[1]
Core brand group	1,224	1,192	35,340	32,773	1,118	2,082
Progressive brand group	277	243	15,431	13,725	537	466
Sport Luxury brand group[2]	65	71	7,819	8,144	678	1,207
CARIAD	–	–	237	179	–755	–552
Battery	–	–	2	0	–213	–79
TRATON Commercial Vehicles	73	81	10,326	11,477	640	1,037
Equity-accounted companies in China[3]	610	649	–	–	–	–
Volkswagen Group Mobility	–	–	14,866	13,780	948	786
Other[4]	–149	–155	–6,464	–4,617	–80	–395
Volkswagen Group	**2,100**	**2,081**	**77,558**	**75,461**	**2,873**	**4,552**

1 Prior-year figures adjusted.
2 Including Porsche Financial Services: sales revenue €8,858 (9,011) million, operating result €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 €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.

KEY FIGURES FOR THE CORE BRAND GROUP

	VEHICLE SALES		SALES REVENUE		OPERATING RESULT	
Thousand vehicles/€ million	2025	2024	2025	2024	2025	2024[1]
Volkswagen Passenger Cars	726	695	21,226	19,264	112	746
Škoda	276	268	7,259	6,574	546	535
SEAT/CUPRA	158	164	3,895	3,803	5	226
Volkswagen Commercial Vehicles	109	122	4,138	4,170	37	398
Tech. Components	–	–	5,972	5,418	387	207
Consolidation	–46	–57	–7,149	–6,456	32	–29
Core brand group	**1,224**	**1,192**	**35,340**	**32,773**	**1,118**	**2,082**

1 Prior-year figures adjusted.

Škoda sold a total of 276 (268) thousand vehicles in the reporting period. The Fabia and Kodiaq models registered strong increases. Production of the Elroq and the new Enyaq family is underway, and demand for both models rose. Sales revenue increased by 10.4% to €7.3 billion. At €546 (535) million, the operating result was above the prior-year level due to volume-related increases.

Unit sales at SEAT/CUPRA came to 158 (164) thousand vehicles in the first three months of 2025. The figure includes the A1 manufactured for Audi. Demand for the SEAT Leon and CUPRA Born rose. The all-electric CUPRA Tavascan and CUPRA Terramar were also popular. At €3.9 billion, sales revenue was up 2.4% year-on-year. The operating result declined to €5 (226) million due to mix effects. In addition, the difficult market environment with increased competitive pressures weighed on earnings.

In the first quarter of 2025, unit sales at Volkswagen Commercial Vehicles declined to 109 (122) thousand units worldwide. The all-electric ID. Buzz and the new Multivan recorded growth. At €4.1 (4.2) billion, sales revenue was similar to the previous year. The operating result fell to €37 (398) million, which was attributable not only to reduced volumes but also in particular to the recognition of provisions in connection with CO_2 fleet regulations in Europe.

In the period from January to March 2025, Tech. Components generated sales revenue of €6.0 (5.4) billion. At €387 (207) million, the operating result was higher than in the previous year, due mainly to positive volume and mix effects.

Unit sales at the Progressive brand group (Audi, Bentley, Lamborghini, Ducati) came to 277 (243) thousand vehicles globally in the reporting period. The A5, Q6 e-tron, Q7 and Q8 model series in particular recorded growth. The new Q5 and the all-electric A6 e-tron were successfully introduced. The new models will see progressive volume growth as the year goes on. Ducati sold 12.9 (14.4) thousand motorbikes in the reporting period. Sales revenue amounted to €15.4 (13.7) billion. Boosted by numerous model changes, the operating result amounted to €537 (466) million.

The Sport Luxury brand group (Porsche Automotive) sold 65 (71) thousand vehicles globally in the first quarter of 2025. Demand for the Macan and Panamera rose compared with the previous year. Sales revenue decreased to €7.8 (8.1) billion and the operating result declined to €0.7 (1.2) billion. This was mainly due to lower sales volumes attributable to the continuously challenging market situation in China, along with higher material costs, the increased impact of development activities on profit, and expenses for the adjustments to the company's organization.

Sales revenue from CARIAD rose to €237 (179) million in the period from January to March 2025. This was mainly attributable to a rise in license fees for CARIAD software. The operating result of €–755 (–552) million was mainly influenced by expenses for restructuring measures that are a necessary element for the successful transformation of CARIAD.

The Battery business field brings together the Group's global battery activities, which relate to the future manufacture of battery cells and other activities along the battery value chain. Due mainly to the effect of fixed costs incurred during the establishment of the business field, the operating result in the Battery business field in the reporting period amounted to €–213 (–79) million.

At 73 (81) thousand vehicles, unit sales by TRATON Commercial Vehicles (Scania, MAN, International (formerly Navistar), Volkswagen Truck & Bus) were lower than in the previous year. Sales revenue contracted by 10.0% to €10.3 billion. The operating result declined to €0.6 (1.0) billion due in particular to volume factors.

The number of new financing, leasing, service and insurance contracts signed with Volkswagen Group Mobility in the reporting period stood at 2.6 (2.4) million. With credit eligibility criteria remaining unchanged, the penetration rate, expressed as the ratio of leased or financed vehicles to relevant Group delivery volumes, rose to 35.9 (34.5)%. At 26.8 (26.7) million, the total number of contracts at the end of March 2025 was higher than the figure for December 31, 2024. The number of contracts in the customer financing/leasing area amounted to 10.2 (10.2) million, and in the service/insurance area to 16.5 (16.5) million. On March 31, 2025, Volkswagen Bank managed 1.9 (1.9) million deposit accounts. The operating result rose to €948 (786) million, due mainly to higher volumes.

UNIT SALES AND SALES REVENUE BY MARKET

In the Europe/Other Markets region, the Volkswagen Group's unit sales for the first quarter of 2025 totaled 1.0 (1.0) million vehicles, which was similar to the previous year. Sales revenue rose to €49.6 (47.5) billion, due mainly to higher sales revenue in the Financial Services Division.

In the North American markets, the Volkswagen Group sold 0.2 (0.2) million vehicles in the reporting period. Sales revenue amounted to €14.6 (13.9) billion.

Unit sales in South America rose year-on-year to 140 (120) thousand vehicles in the period from January to March 2025. As a result, sales revenue improved to €4.6 (4.1) billion.

In the Asia-Pacific region, the unit sales of the Volkswagen Group – including those of the equity-accounted companies in China – decreased by 4.4% to 0.7 million vehicles in the reporting period. Sales revenue amounted to €8.8 (10.2) billion. This figure does not include sales revenue from our equity-accounted companies in China.

Hedging transactions relating to the Volkswagen Group's sales revenue in foreign currency made a negative contribution of € –0.2 (–0.1) billion in the first quarter of 2025.

KEY FIGURES BY MARKET

	VEHICLE SALES		SALES REVENUE	
Thousand vehicles/€ million	2025	2024	2025	2024
Europe/Other Markets	1,032	995	49,648	47,489
North America	209	214	14,610	13,854
South America	140	120	4,618	4,067
Asia-Pacific[1]	719	752	8,846	10,151
Hedges on sales revenue	–	–	–164	–99
Volkswagen Group[1]	**2,100**	**2,081**	**77,558**	**75,461**

1 The sales revenue of the joint venture companies in China is not included in the figures for the Group and the Asia-Pacific market.

Interim Consolidated Financial Statements (Condensed)

Income Statement of the Volkswagen Group for the Period January 1 to March 31

€ million	2025	2024[1]
Sales revenue	**77,558**	**75,461**
Cost of sales	–64,758	–61,948
Gross result	**12,800**	**13,513**
Distribution expenses	–5,425	–5,105
Administrative expenses	–3,344	–3,359
Other operating result	–1,157	–497
Operating result	**2,873**	**4,552**
Share of the result of equity-accounted investments	121	259
Interest result and other financial result	116	326
Financial result	**236**	**585**
Earnings before tax	**3,109**	**5,136**
Income tax expense	–923	–1,458
Earnings after tax	**2,186**	**3,678**
of which attributable to		
Non-controlling interests	204	281
Volkswagen AG hybrid capital investors	151	163
Volkswagen AG shareholders	1,831	3,235
Basic/diluted earnings per ordinary share in €[2]	**3.63**	**6.43**
Basic/diluted earnings per preferred share in €[2]	**3.69**	**6.49**

1 Prior-year figures adjusted (see disclosures on IAS 8 in the "Prior-year corrections in accordance with IAS 8" section).
2 Explanatory information on earnings per share is presented in the "Earnings per share" section.

Statement of Comprehensive Income for the Period January 1 to March 31

€ million	2025	2024[1]
Earnings after tax	**2,186**	**3,678**
Pension plan remeasurements recognized in other comprehensive income		
Pension plan remeasurements recognized in other comprehensive income, before tax	2,731	853
Deferred taxes relating to pension plan remeasurements recognized in other comprehensive income	–827	–246
Pension plan remeasurements recognized in other comprehensive income, net of tax	1,904	606
Fair value valuation of equity instruments that will not be reclassified to profit or loss		
Fair value valuation of equity instruments that will not be reclassified to profit or loss, before tax	381	–307
Deferred taxes relating to fair value valuation of equity instruments that will not be reclassified to profit or loss	–93	76
Fair value valuation of equity instruments that will not be reclassified to profit or loss, net of tax	288	–231
Share of other comprehensive income of equity-accounted investments that will not be reclassified to profit or loss, net of tax	1	1
Items that will not be reclassified to profit or loss	**2,194**	**376**
Exchange differences on translating foreign operations		
Unrealized currency translation gains/losses	–764	356
Transferred to profit or loss	2	44
Exchange differences on translating foreign operations, before tax	–762	401
Deferred taxes relating to exchange differences on translating foreign operations	–5	2
Exchange differences on translating foreign operations, net of tax	–766	402
Hedging		
Fair value changes recognized in other comprehensive income (OCI I)	905	275
Transferred to profit or loss (OCI I)	–171	–170
Cash flow hedges (OCI I), before tax	735	104
Deferred taxes relating to cash flow hedges (OCI I)	–199	–22
Cash flow hedges (OCI I), net of tax	536	82
Fair value changes recognized in other comprehensive income (OCI II)	–140	–171
Transferred to profit or loss (OCI II)	210	235
Cash flow hedges (OCI II), before tax	70	64
Deferred taxes relating to cash flow hedges (OCI II)	–36	–21
Cash flow hedges (OCI II), net of tax	34	44
Fair value valuation of debt instruments that may be reclassified to profit or loss		
Fair value changes recognized in other comprehensive income	18	–12
Transferred to profit or loss	–5	0
Fair value valuation of debt instruments that may be reclassified to profit or loss, before tax	13	–12
Deferred taxes relating to fair value valuation of debt instruments recognized in other comprehensive income	–1	5
Fair value valuation of debt instruments that may be reclassified to profit or loss, net of tax	12	–7
Share of other comprehensive income of equity-accounted investments that may be reclassified to profit or loss, net of tax	30	57
Items that may be reclassified to profit or loss	**–154**	**578**
Other comprehensive income, before tax	3,200	1,160
Deferred taxes relating to other comprehensive income	–1,160	–206
Other comprehensive income, net of tax	**2,039**	**954**
Total comprehensive income	**4,225**	**4,633**
of which attributable to		
Non-controlling interests	364	256
Volkswagen AG hybrid capital investors	151	163
Volkswagen AG shareholders	3,710	4,214

1 Prior-year figures adjusted (see disclosures on IAS 8 in the “Prior-year corrections in accordance with IAS 8” section).

Balance Sheet of the Volkswagen Group as of March 31, 2025 and December 31, 2024

€ million	2025	2024
Assets		
Non-current assets	**390,224**	**387,674**
Intangible assets	94,059	93,333
Property, plant and equipment	70,815	71,452
Lease assets	74,893	73,193
Financial services receivables	100,625	101,087
Investment property, equity-accounted investments and other equity investments, other receivables and financial assets	49,831	48,610
Current assets	**249,146**	**245,231**
Inventories	60,830	56,720
Financial services receivables	68,308	68,855
Other receivables and financial assets	55,337	52,033
Marketable securities and time deposits	27,915	27,326
Cash and cash equivalents	36,756	40,296
Total assets	**639,370**	**632,905**
Equity and liabilities		
Equity	**201,136**	**196,731**
Equity attributable to Volkswagen AG shareholders	171,739	168,404
Equity attributable to Volkswagen AG hybrid capital investors	13,857	13,890
Equity attributable to Volkswagen AG shareholders and hybrid capital investors	185,595	182,294
Non-controlling interests	15,541	14,437
Non-current liabilities	**210,894**	**219,134**
Financial liabilities	131,439	137,061
Provisions for pensions	24,859	27,602
Other liabilities	54,597	54,472
Current liabilities	**227,340**	**217,039**
Financial liabilities	120,615	117,020
Trade payables	33,689	29,772
Other liabilities	73,036	70,247
Total equity and liabilities	**639,370**	**632,905**

Statement of Changes in Equity[1]

				OTHER RESERVES								
					HEDGING							
€ million	Subscribed capital	Capital reserve	Retained earnings	Currency translation reserve	Cash flow hedges (OCI I)	Deferred costs of hedging (OCI II)	Equity and debt instruments	Equity-accounted investments	Equity attributable to Volkswagen AG hybrid capital investors	Equity attributable to Volkswagen AG shareholders and hybrid capital investors	Equity attributable to non-controlling interests	Total equity
Balance at Jan. 1, 2024	**1,283**	**14,551**	**147,830**	**–3,431**	**1,472**	**–676**	**–966**	**476**	**15,155**	**175,694**	**14,218**	**189,912**
Prior-year corrections in accordance with IAS 8	–	–	–726	–	–	–	–	–	–	–726	–	–726
Adjusted balance at Jan. 1, 2024	**1,283**	**14,551**	**147,104**	**–3,431**	**1,472**	**–676**	**–966**	**476**	**15,155**	**174,968**	**14,218**	**189,186**
Earnings after tax	–	–	3,235	–	–	–	–	–	163	3,398	281	3,678
Other comprehensive income, net of tax	–	–	584	397	134	42	–235	57	–	979	–25	954
Total comprehensive income	**–**	**–**	**3,818**	**397**	**134**	**42**	**–235**	**57**	**163**	**4,377**	**256**	**4,633**
Disposal of equity instruments	–	–	–	–	–	–	–	–	–	–	–	–
Capital increases/Capital decreases	–	–	–	–	–	–	–	–	–	–	35	35
Dividend payments	–	–	–	–	–	–	–	–	–185	–185	–	–185
Capital transactions involving a change in ownership interest	–	–	–	–	–	–	–	–	–	–	–	–
Other changes	–	–	52	–	–	–	–	–	–	52	–	52
Balance at March 31, 2024	**1,283**	**14,551**	**150,975**	**–3,034**	**1,606**	**–634**	**–1,201**	**533**	**15,133**	**179,212**	**14,509**	**193,721**
Balance at Jan. 1, 2025	**1,283**	**14,551**	**155,130**	**–2,156**	**466**	**–267**	**–906**	**303**	**13,890**	**182,294**	**14,437**	**196,731**
Earnings after tax	–	–	1,831	–	–	–	–	–	151	1,982	204	2,186
Other comprehensive income, net of tax	–	–	1,851	–757	400	47	300	39	–	1,879	160	2,039
Total comprehensive income	**–**	**–**	**3,682**	**–757**	**400**	**47**	**300**	**39**	**151**	**3,861**	**364**	**4,225**
Disposal of equity instruments	–	–	–	–	–	–	–	–	–	–	–	–
Capital increases/Capital decreases	–	–	–	–	–	–	–	–	–	–	–	–
Dividend payments	–	–	–	–	–	–	–	–	–185	–185	–	–185
Capital transactions involving a change in ownership interest	–	–	–431	48	0	0	14	0	–	–368	726	358
Other changes	–	–	–7	–	–	–	–	1	–	–7	13	6
Balance at March 31, 2025	**1,283**	**14,551**	**158,373**	**–2,865**	**866**	**–220**	**–592**	**342**	**13,857**	**185,595**	**15,541**	**201,136**

1 Prior-year figures adjusted (see disclosures on IAS 8 in the "Prior-year corrections in accordance with IAS 8" section).

Cash Flow Statement of the Volkswagen Group for the Period January 1 to March 31

€ million	2025	2024[1]
Cash and cash equivalents at beginning of period	**40,296**	**43,522**
Earnings before tax	3,109	5,136
Income taxes paid	–1,712	–1,789
Depreciation and amortization expense[2]	7,798	7,255
Change in pension provisions	1	45
Share of the result of equity-accounted investments	–229	–259
Other non-cash income/expense and reclassifications	–269	47
Gross cash flow	**8,700**	**10,436**
Change in working capital	**–5,723**	**–8,670**
Change in inventories	–4,541	–5,515
Change in receivables	–3,577	–2,805
Change in liabilities	7,895	4,100
Change in other provisions	143	68
Change in lease assets (excluding depreciation)	–5,486	–3,963
Change in financial services receivables	–156	–555
Cash flows from operating activities	**2,976**	**1,766**
Cash flows from investing activities attributable to operating activities	**–5,587**	**–5,953**
of which: Investments in intangible assets (excluding capitalized development costs), property, plant and equipment, and investment property	–2,866	–2,787
capitalized development costs	–2,222	–2,834
acquisition and disposal of equity investments	–757	–567
Net cash flow[3]	***–2,610***	***–4,187***
Change in investments in securities, time deposits and loans	–298	–274
Cash flows from investing activities	**–5,884**	**–6,227**
Cash flows from financing activities	**–306**	**12,029**
of which: capital transactions with non-controlling interests	358	–
capital contributions/capital redemptions	–21	35
Effect of exchange rate changes on cash and cash equivalents	–325	100
Change of loss allowance within cash and cash equivalents	–1	1
Net change in cash and cash equivalents	**–3,541**	**7,669**
Cash and cash equivalents at March 31[4]	**36,756**	**51,191**
Securities and time deposits and loans	45,003	42,426
Gross liquidity	**81,759**	**93,617**
Total third-party borrowings	–252,053	–246,630
Net liquidity at March 31[5]	**–170,294**	**–153,013**
For information purposes: at Jan. 1	–169,122	–147,433

1 Prior-year figures adjusted (see disclosures on IAS 8 in the "Prior-year corrections in accordance with IAS 8" section).
2 Net of impairment reversals.
3 Net cash flow: cash flows from operating activities, net of cash flows from investing activities attributable to operating activities (investing activities excluding change in investments in securities, time deposits and loans).
4 Cash and cash equivalents comprise cash at banks, checks, cash-in-hand and call deposits.
5 The total of cash, cash equivalents, securities and time deposits, as well as loans to affiliates and joint ventures net of third-party borrowings (non-current and current financial liabilities).

Explanatory notes on the cash flow statement are presented in the section relating to the cash flow statement.

Notes

to the Interim Consolidated Financial Statements of the Volkswagen Group
as of March 31, 2025

Accounting in accordance with IFRS Accounting Standards (IFRSs)

In accordance with Regulation No. 1606/2002 of the European Parliament and of the Council, Volkswagen AG prepared its consolidated financial statements for 2024 in compliance with the IFRS Accounting Standards (IFRSs), as adopted by the European Union. These interim consolidated financial statements for the period ended March 31, 2025 were thus also prepared in accordance with IAS 34 (Interim Financial Reporting) and are condensed in scope compared with the consolidated financial statements.

All figures shown are rounded, so minor discrepancies may arise from addition of these amounts.

The accompanying interim consolidated financial statements were reviewed by auditors in accordance with section 115 of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act).

Accounting policies

Volkswagen AG has applied all accounting pronouncements adopted by the EU and effective for periods as of January 1, 2025.

A discount rate of 3.9% (December 31, 2024: 3.4%) was applied to German pension provisions in the accompanying interim consolidated financial statements.

In all other respects, the same accounting policies and consolidation methods that were used for the 2024 consolidated financial statements are generally applied to the preparation of the interim consolidated financial statements and the measurement of the prior-year comparatives. A detailed description of the policies and methods applied is published in the "Accounting policies" section of the notes to the 2024 consolidated financial statements. In addition, details of the effects of new standards can be found in the "New and amended IFRSs not applied" section. The 2024 consolidated financial statements can also be accessed on the internet at www.volkswagen-group.com/investor-relations.

Prior-year corrections in accordance with IAS 8

It was found during the previous year that obligations related to the granting of fringe benefits had not been included in full when calculating the provision for time assets. The error was corrected in the 2024 consolidated financial statements in accordance with IAS 8 by adjusting the affected items accordingly in the consolidated financial statements for the prior years.

The retrospective correction resulted in a change in equity as of December 31, 2023/January 1, 2024 and January 1, 2023, respectively. This is attributable to the increase in other provisions and the recognition of deferred tax assets. A quantification of these effects is published in the "Prior-year corrections in accordance with IAS 8" section of the notes to the 2024 consolidated financial statements. The recognition of the additional fringe benefits did not have a material impact on the income statement, the statement of comprehensive income, or the cash flow statement. The comparative period has been adjusted accordingly in the interim consolidated financial statements as of March 31, 2025.

Key events

DIESEL ISSUE

On September 18, 2015, the US Environmental Protection Agency (EPA) publicly announced in a "Notice of Violation" that irregularities in relation to nitrogen oxide (NO_x) emissions had been discovered in emissions tests on certain Volkswagen Group vehicles with 2.0 l diesel engines in the USA. This was followed by further reports on the scope of the diesel issue. Detailed information can be found in the "Key events" section of the 2024 consolidated financial statements.

Expenses of €0.2 billion were recognized in connection with the diesel issue in the first quarter of fiscal year 2025. From fiscal year 2025 onwards, the effects of the diesel issue will no longer be disclosed separately as special items.

Further information on the litigation in connection with the diesel issue can be found in the "Litigation" section.

RESTRUCTURING IN THE VOLKSWAGEN GROUP

In the first quarter of fiscal year 2025, the Volkswagen Group recognized restructuring costs of €0.4 billion, mostly in the other operating result. They are primarily attributable to CARIAD SE and AUDI AG. They were offset in this context by income of €0.2 billion from the reversal of personnel-related provisions at AUDI AG, most of which was recognized in cost of sales.

EFFECTS OF THE INCREASED IMPORT DUTIES IMPOSED BY THE USA

On March 27, 2025, the US government announced that it would charge a tariff of 25% on imported vehicles and vehicle parts in future. The higher tariff on imported vehicles became effective on April 3, 2025. The higher tariff on imported vehicle parts is expected to take effect on May 3, 2025. The interim consolidated financial statements as of March 31, 2025 are mainly impacted by an effect of €0.1 billion on the measurement of vehicle inventories at net realizable value.

CO_2 FLEET REGULATION

In the first quarter of fiscal year 2025, expenses of €0.6 billion were recognized for Europe for provisions in connection with the CO_2 fleet regulation; they are presented in cost of sales. The measurement of the provisions is based on current EU regulations and does not yet take account of legislative changes planned by the European Commission.

PLACEMENT OF TRATON SE SHARES

In March 2025, Volkswagen completed the placement of 11 million shares in TRATON SE, Munich (TRATON SE) at a price of €32.75 per share with a total value of €360 million via its subsidiary Volkswagen International Luxembourg S.A., Strassen/Luxembourg. The placement corresponds to an interest of 2.2% in TRATON SE's share capital and reduces the direct interest in TRATON SE from 89.7% to 87.5%. In connection with the transaction, Volkswagen made known its intention to alter its shareholding to 75% plus 1 share in the medium term.

NORTHVOLT AB

The Swedish company Northvolt AB, Stockholm/Sweden, in which the Volkswagen Group holds an equity investment, filed for bankruptcy in Sweden on March 12, 2025. As a result, inclusion of the investment in the consolidated financial statements using the equity method ended as of March 31, 2025. This resulted in a non-cash loss of €0.1 billion, which is reported in the share of the result of equity-accounted investments. The loss is primarily the result of realizing currency translation effects, which had previously been recognized directly in equity. They were reclassified from other reserves attributable to equity-accounted investments to the share of the result of equity-accounted investments. The carrying amount of the investment had already been written down in full in fiscal year 2024.

Basis of consolidation

In addition to Volkswagen AG, which is domiciled in Wolfsburg and entered in the commercial register at the Braunschweig Local Court under No. HRB 100484, the consolidated financial statements comprise all significant German and non-German subsidiaries, including structured entities, that are controlled directly or indirectly by Volkswagen AG. This is the case if Volkswagen AG obtains power over the potential subsidiaries directly or indirectly from voting rights or similar rights, is exposed or has rights to, positive or negative variable returns from its involvement with the subsidiaries, and is able to influence those returns.

Disclosures on the interim consolidated financial statements

1. Sales revenue

STRUCTURE OF GROUP SALES REVENUE: Q1 2025

€ million	Passenger Cars and Light Commercial Vehicles	Commercial Vehicles	Financial Services	Total reporting segments	Other operating companies	Reconciliation	Volkswagen Group
Vehicles	43,974	6,909	–	50,883	–	–5,367	45,516
Genuine parts	4,161	1,724	–	5,885	–	–50	5,835
Used vehicles and third-party products	3,535	417	6,596	10,548	–	–1,213	9,335
Engines, powertrains and parts deliveries	2,951	227	–	3,178	–	–22	3,156
Power Engineering	2	–	–	2	1,126	0	1,128
Motorcycles	197	–	–	197	–	0	197
Leasing business	239	355	5,428	6,022	1	–416	5,607
Interest and similar income	61	0	3,639	3,700	–	–183	3,517
Hedges sales revenue	–166	–2	–	–168	–	5	–164
Other sales revenue	2,584	697	240	3,521	551	–640	3,432
	57,538	**10,326**	**15,903**	**83,767**	**1,678**	**–7,887**	**77,558**

STRUCTURE OF GROUP SALES REVENUE: Q1 2024[1]

€ million	Passenger Cars and Light Commercial Vehicles	Commercial Vehicles	Financial Services	Total reporting segments	Other operating companies	Reconciliation	Volkswagen Group
Vehicles	40,346	7,926	–	48,272	–	–4,087	44,185
Genuine parts	4,204	1,738	–	5,942	–	–49	5,893
Used vehicles and third-party products	3,502	570	6,114	10,185	–	–1,021	9,164
Engines, powertrains and parts deliveries	3,191	247	–	3,438	–	–23	3,415
Power Engineering	–	–	–	–	971	0	971
Motorcycles	217	–	–	217	–	–	217
Leasing business	195	366	4,884	5,446	0	–363	5,083
Interest and similar income	65	0	3,569	3,635	–	–246	3,389
Hedges sales revenue	–142	–2	–	–144	–	45	–99
Other sales revenue	2,648	632	169	3,449	445	–651	3,243
	54,226	**11,477**	**14,736**	**80,439**	**1,416**	**–6,395**	**75,461**

1 The prior-year figures reflect the changed reporting structure (for explanations, see the "Segment reporting" section).

Other sales revenue comprises revenue from workshop services and extended warranties, among other things.

2. Cost of sales

Cost of sales includes interest expenses of €2,437 million (previous year: €2,545 million) attributable to the financial services business.

In addition to depreciation and amortization expenses, cost of sales also includes impairment losses on capitalized development costs, property, plant and equipment, and lease assets. The impairment losses totaled €261 million (previous year: €271 million); they are mostly recognized in the other operating result and in cost of sales.

3. Research and development costs

€ million	Q1 2025	2024	%
Total research and development costs	4,920	6,008	– 18.1
of which: capitalized development costs	2,222	2,834	– 21.6
Capitalization ratio in %	45.2	47.2	
Amortization of capitalized development costs	1,669	1,442	+ 15.8
Research and development costs recognized in profit or loss	**4,368**	**4,616**	**– 5.4**

4. Earnings per share

Basic earnings per share are calculated by dividing earnings attributable to Volkswagen AG shareholders by the weighted average number of ordinary and preferred shares outstanding during the reporting period. Since there were no transactions in the reporting period that had a dilutive effect on the number of shares, diluted earnings per share are equivalent to basic earnings per share.

In accordance with Article 27(2) No. 3 of the Articles of Association of Volkswagen AG, preferred shares are entitled to a €0.06 higher dividend than ordinary shares.

		Q1 2025	2024[1]
Weighted average number of:			
Ordinary shares – basic/diluted	Shares	295,089,818	295,089,818
Preferred shares – basic/diluted	Shares	206,205,445	206,205,445
Earnings after tax	€ million	2,186	3,678
Non-controlling interests	€ million	204	281
Earnings attributable to Volkswagen AG hybrid capital investors	€ million	151	163
Earnings attributable to Volkswagen AG shareholders	€ million	1,831	3,235
of which: basic/diluted earnings attributable to ordinary shares	€ million	1,070	1,897
of which: basic/diluted earnings attributable to preferred shares	€ million	760	1,338
Earnings per ordinary share – basic/diluted	€	3.63	6.43
Earnings per preferred share – basic/diluted	€	3.69	6.49

1 Prior-year figures adjusted (see disclosures on IAS 8 in the "Prior-year corrections in accordance with IAS 8" section).

5. Non-current assets

CHANGES IN SELECTED NON-CURRENT ASSETS BETWEEN JANUARY 1 AND MARCH 31, 2025

€ million	Carrying amount at Jan. 1, 2025	Additions/ Changes in consolidated Group	Disposals/ Other changes	Depreciation and amortization	Carrying amount at March 31, 2025
Intangible assets	93,333	2,923	77	2,119	94,059
Property, plant and equipment	71,452	2,758	724	2,670	70,815
Lease assets	73,193	9,788	5,040	3,048	74,893

6. Inventories

€ million	March 31, 2025	Dec. 31, 2024
Raw materials, consumables and supplies	9,134	8,926
Work in progress	5,916	5,100
Finished goods and purchased merchandise	35,865	32,905
Current lease assets	6,399	6,226
Prepayments	3,517	3,587
Hedges on inventories	–1	–25
	60,830	**56,720**

Loss allowances (excluding lease assets) recognized as expenses in the reporting period amounted to €961 million (December 31, 2024: €839 million). There were no material reversals of impairment losses.

7. Current other receivables and financial assets

€ million	March 31, 2025	Dec. 31, 2024
Trade receivables	23,146	21,130
Miscellaneous other receivables and financial assets	32,190	30,904
	55,337	**52,033**

Of the trade receivables, €18.7 billion (previous year: €15.5 billion) is attributable to the Automotive Division.

In the period January 1 to March 31, 2025, impairment losses and reversals of impairment losses on non-current and current financial assets reduced operating profit by a total of €458 million (previous year: €185 million).

8. Equity

The subscribed capital is composed of 295,089,818 no-par value ordinary shares and 206,205,445 no-par value preferred shares, and amounts to €1,283 million (previous year: €1,283 million).

Non-controlling interests are mainly attributable to the Porsche AG Group and the TRATON GROUP.

Following the completion of the placement of Traton SE shares in March 2025, the direct non-controlling interests in the TRATON GROUP have risen from 10.3% to 12.5%. Further disclosures can be found in the "Key events" section.

9. Non-current financial liabilities

€ million	March 31, 2025	Dec. 31, 2024
Bonds, commercial paper and notes	101,573	106,945
Liabilities to banks	19,097	18,834
Deposit business	3,510	3,927
Lease liabilities	5,832	5,924
Other financial liabilities	1,427	1,430
	131,439	**137,061**

10. Current financial liabilities

€ million	March 31, 2025	Dec. 31, 2024
Bonds, commercial paper and notes	49,114	47,534
Liabilities to banks	13,493	13,446
Deposit business	55,675	53,632
Lease liabilities	1,280	1,252
Other financial liabilities	1,052	1,156
	120,615	**117,020**

11. Fair value disclosures

Generally, the principles and techniques used for fair value measurement remained unchanged year-on-year. Detailed explanations of the measurement principles and techniques can be found in the "Accounting policies" section of the 2024 consolidated financial statements.

Fair value generally corresponds to the market or quoted market price. If no active market exists, fair value is determined using valuation techniques, such as by discounting the future cash flows at the market interest rate, or by using recognized option pricing models.

Financial assets and liabilities measured at fair value through profit or loss consist of derivative financial instruments to which hedge accounting is not applied. They include primarily commodity swaps, currency forwards relating to commodity swaps, call options on equity instruments as well as, in certain cases, interest rate swaps, currency swaps and cross-currency interest rate swaps. Moreover, other equity investments (shares representing an ownership interest of less than 20% as a rule) in partnerships (debt instruments), customer financing receivables whose returns contain more than just interest and principal repayments, and financial assets held in special funds controlled by the Volkswagen Group are measured at fair value through profit or loss. Derivative financial instruments to which hedge accounting is applied are measured at fair value either directly in equity or through profit or loss, depending on the underlying hedged item.

Financial assets measured at fair value through other comprehensive income include equity investments (shares representing an ownership interest of less than 20% as a rule) in corporations (equity instruments) and shares for which the Volkswagen Group normally exercises the option of fair value measurement through other comprehensive income, as well as securities (debt instruments) whose cash flows comprise solely payments of interest and principal and that are held under a business model aimed at both collecting contractual cash flows and selling financial assets. For instruments measured through other comprehensive income, changes in fair value are recognized directly in equity, taking deferred taxes into account. Impairment losses on securities (debt instruments) are recognized through profit or loss.

Uniform valuation techniques and inputs are used to measure fair value. The fair value of Level 2 and Level 3 financial instruments is measured in the individual divisions on the basis of Group-wide specifications.

Reconciliation of balance sheet items to classes of financial instruments

The following table shows the reconciliation of the balance sheet items to the relevant classes of financial instruments, broken down by the carrying amount and fair value of the financial instruments.

The fair value of financial instruments measured at amortized cost, such as receivables and liabilities, is calculated by discounting the carrying amount using a market rate of interest for a similar risk and matching maturity. For reasons of materiality, the fair value of current financial assets and liabilities is generally deemed to be their carrying amount.

The risk variables governing the fair value of the receivables are risk-adjusted interest rates.

RECONCILIATION OF BALANCE SHEET ITEMS TO CLASSES OF FINANCIAL INSTRUMENTS AS OF MARCH 31, 2025

€ million	MEASURED AT FAIR VALUE	MEASURED AT AMORTIZED COST		DERIVATIVE FINANCIAL INSTRUMENTS WITHIN HEDGE ACCOUNTING	NOT ALLOCATED TO A MEASURE-MENT CATEGORY	BALANCE SHEET ITEM AT MAR. 31, 2025
	Carrying amount	Carrying amount	Fair value	Carrying amount	Carrying amount	
Non-current assets						
Equity-accounted investments	–	–	–	–	10,461	10,461
Other equity investments	2,813	–	–	–	4,182	6,995
Financial services receivables	25	54,481	55,745	–	46,119	100,625
Other financial assets	2,612	6,911	7,008	2,638	–	12,161
Current assets						
Trade receivables	0	23,146	23,146	–	–	23,146
Financial services receivables	16	45,525	45,525	–	22,767	68,308
Other financial assets	1,605	14,634	14,634	2,017	–	18,256
Marketable securities and time deposits	27,361	554	554	–	–	27,915
Cash and cash equivalents	–	36,756	36,756	–	–	36,756
Non-current liabilities						
Financial liabilities	–	125,607	124,127	–	5,832	131,439
Other financial liabilities	1,483	2,412	2,417	2,161	–	6,056
Current liabilities						
Financial liabilities	–	119,334	119,334	–	1,280	120,615
Trade payables	–	33,689	33,689	–	–	33,689
Other financial liabilities	1,071	11,882	11,882	1,516	–	14,469

RECONCILIATION OF BALANCE SHEET ITEMS TO CLASSES OF FINANCIAL INSTRUMENTS AS OF DECEMBER 31, 2024

	MEASURED AT FAIR VALUE	MEASURED AT AMORTIZED COST		DERIVATIVE FINANCIAL INSTRUMENTS WITHIN HEDGE ACCOUNTING	NOT ALLOCATED TO A MEASURE-MENT CATEGORY	BALANCE SHEET ITEM AT DEC. 31, 2024
€ million	Carrying amount	Carrying amount	Fair value	Carrying amount	Carrying amount	
Non-current assets						
Equity-accounted investments	–	–	–	–	10,269	10,269
Other equity investments	2,460	–	–	–	3,271	5,731
Financial services receivables	33	55,188	56,567	–	45,866	101,087
Other financial assets	2,427	6,931	7,069	2,771	–	12,129
Tax receivables	–	–	–	–	409	409
Current assets						
Trade receivables	0	21,130	21,130	–	–	21,130
Financial services receivables	16	46,542	46,542	–	22,297	68,855
Other financial assets	1,687	14,775	14,775	2,187	–	18,649
Tax receivables	–	10	10	–	2,029	2,038
Marketable securities and time deposits	26,963	363	363	–	–	27,326
Cash and cash equivalents	–	40,296	40,296	–	–	40,296
Non-current liabilities						
Financial liabilities	–	131,137	131,680	–	5,924	137,061
Other financial liabilities	1,561	2,405	2,390	2,583	–	6,548
Current liabilities						
Financial liabilities	–	115,768	115,768	–	1,252	117,020
Trade payables	–	29,772	29,772	–	–	29,772
Other financial liabilities	1,160	11,109	11,109	2,095	–	14,364
Tax payables	–	18	18	–	705	724

The category headed "not allocated to a measurement category" is used in particular for shares in equity-accounted investments, shares in non-consolidated affiliated companies as well as for lease receivables.

The carrying amount of lease receivables was €68.9 billion (previous year: €68.2 billion) and their fair value was €69.9 billion (previous year: €68.9 billion).

The following tables contain an overview of the financial assets and liabilities measured at fair value:

FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE BY LEVEL

€ million	March 31, 2025	Level 1	Level 2	Level 3
Non-current assets				
Other equity investments	2,813	2,061	0	752
Financial services receivables	25	–	–	25
Other financial assets	2,612	–	815	1,798
Current assets				
Trade receivables	0	–	–	0
Financial services receivables	16	–	–	16
Other financial assets	1,605	–	1,223	381
Marketable securities and time deposits	27,361	27,253	108	–
Non-current liabilities				
Other financial liabilities	1,483	–	858	625
Current liabilities				
Other financial liabilities	1,071	–	725	346

€ million	Dec. 31, 2024	Level 1	Level 2	Level 3
Non-current assets				
Other equity investments	2,460	1,795	0	665
Financial services receivables	33	–	–	33
Other financial assets	2,427	–	1,015	1,412
Current assets				
Trade receivables	0	–	–	0
Financial services receivables	16	–	–	16
Other financial assets	1,687	–	1,207	480
Marketable securities and time deposits	26,963	26,850	113	–
Non-current liabilities				
Other financial liabilities	1,561	–	920	640
Current liabilities				
Other financial liabilities	1,160	–	823	337

DERIVATIVE FINANCIAL INSTRUMENTS WITHIN HEDGE ACCOUNTING BY LEVEL

€ million	March 31, 2025	Level 1	Level 2	Level 3
Non-current assets				
Other financial assets	2,638	–	2,547	90
Current assets				
Other financial assets	2,017	–	2,017	–
Non-current liabilities				
Other financial liabilities	2,161	–	2,061	100
Current liabilities				
Other financial liabilities	1,516	–	1,516	–

€ million	Dec. 31, 2024	Level 1	Level 2	Level 3
Non-current assets				
Other financial assets	2,771	–	2,697	74
Current assets				
Other financial assets	2,187	–	2,187	–
Non-current liabilities				
Other financial liabilities	2,583	–	2,431	152
Current liabilities				
Other financial liabilities	2,095	–	2,095	–

The allocation of fair values to the three levels in the fair value hierarchy is based on the availability of observable market prices. Level 1 is used to report the fair value of financial instruments for which a price is directly available in an active market. Examples include marketable securities and other equity investments measured at fair value that are listed and traded on a public market. Fair values in Level 2, for example of derivatives, are measured on the basis of market inputs using market-based valuation techniques. In particular, the inputs used include exchange rates, yield curves, commodity prices and stock exchange prices of listed shares that are observable in the relevant markets and obtained through pricing services. Fair Values in Level 3 are calculated using valuation techniques that incorporate inputs that are not directly observable in active markets. In the Volkswagen Group, long-term commodity swaps are allocated to Level 3 because the prices available on the market must be extrapolated for measurement purposes. This is done on the basis of observable inputs obtained for the different commodities through pricing services. Options on equity instruments, residual value protection models, customer financing receivables and receivables from vehicle financing programs and other equity investments are also reported in Level 3. Equity instruments are measured primarily using the relevant business plans and entity-specific discount rates. The significant inputs used to measure fair value for the residual value protection models include forecasts and estimates of used vehicle residual values for the appropriate models. The measurement of vehicle financing programs requires in particular the use of the corresponding vehicle price.

The table below provides a summary of changes in Level 3 balance sheet items measured at fair value:

CHANGES IN BALANCE SHEET ITEMS MEASURED AT FAIR VALUE BASED ON LEVEL 3

€ million	Financial assets measured at fair value	Financial liabilities measured at fair value
Balance at Jan. 1, 2025	**2,607**	**977**
Foreign exchange differences	–34	–16
Changes in consolidated Group	0	–
Total comprehensive income	517	23
recognized in profit or loss	434	23
recognized in other comprehensive income	83	–
Additions (purchases)	11	–
Sales and settlements	–128	–12
Transfers into Level 2	–	–
Transfers Hedge Accounting	–	–
Balance at March 31, 2025	**2,972**	**971**
Total gains or losses recognized in profit or loss	**434**	**–23**
Other operating result	23	–23
of which attributable to assets/liabilities held at the reporting date	23	–23
Financial result	411	–
of which attributable to assets/liabilities held at the reporting date	411	–

€ million	Financial assets measured at fair value	Financial liabilities measured at fair value
Balance at Jan. 1, 2024	**1,734**	**237**
Foreign exchange differences	10	1
Changes in consolidated Group	0	–
Total comprehensive income	–202	45
recognized in profit or loss	–205	45
recognized in other comprehensive income	3	–
Additions (purchases)	1,068	–
Sales and settlements	–20	134
Transfers into Level 2	–21	–18
Transfers Hedge Accounting	–	–
Balance at March 31, 2024	**2,569**	**400**
Total gains or losses recognized in profit or loss	**–205**	**–45**
Other operating result	–250	–58
of which attributable to assets/liabilities held at the reporting date	–238	–186
Financial result	46	12
of which attributable to assets/liabilities held at the reporting date	40	–

CHANGES IN DERIVATIVE FINANCIAL INSTRUMENTS WITHIN HEDGE ACCOUNTING BASED ON LEVEL 3

€ million	Active derivative financial instruments within hedge accounting	Passive derivative financial instruments within hedge accounting
Balance at Jan. 1, 2025	**74**	**152**
Foreign exchange differences	–	–
Changes in consolidated Group	–	–
Total comprehensive income	37	–23
recognized in profit or loss	1	1
recognized in other comprehensive income	36	–25
Transfers non Hedge Accounting	–	–
Transfers into Level 2	–21	–29
Balance at March 31, 2025	**90**	**100**

The transfers between the levels of the fair value hierarchy are reported at the respective reporting dates. The transfers out of Level 3 into Level 2 comprise commodity swaps for which observable quoted prices are now available for measurement purposes due to the decline in their remaining maturities; consequently, no further extrapolation is required.

Commodity prices are the key risk variable for the fair value of commodity swaps. Sensitivity analyses are used to present the effect of changes in commodity prices on earnings after tax and equity.

If commodity prices for commodity swaps classified as Level 3 had been 10% higher (lower) as of March 31, 2025, earnings after tax would have been €12 million (previous year: €190 million) higher (lower) and equity would have been €213 million (previous year: €– million) higher (lower).

The key risk variable for measuring options on equity instruments held by the Company is the relevant enterprise value. Sensitivity analyses are used to present the effect of changes in risk variables on earnings after tax.

If the assumed enterprise values at March 31, 2025 had been 10% higher, earnings after tax would have been €2 million (previous year: €2 million) higher. If the assumed enterprise values as of March 31, 2025 had been 10% lower, earnings after tax would have been €2 million (previous year: €2 million) lower.

Residual value risks result from hedging agreements with dealerships under which earnings effects caused by market-related fluctuations in residual values that arise from buy-back obligations under leases are borne in part by the Volkswagen Group.

The key risk variable influencing the fair value of the options relating to residual value risks is used car prices. Sensitivity analyses are used to quantify the effects of changes in used car prices on earnings after tax.

If the prices of the used cars covered by the residual value protection model had been 10% higher as of March 31, 2025, earnings after tax would have been €434 million (previous year: €465 million) higher. If the prices of the used cars covered by the residual value protection model had been 10% lower as of March 31, 2025, earnings after tax would have been €436 million (previous year: €495 million) lower.

If the risk-adjusted interest rates applied to receivables measured at fair value had been 100 basis points higher as of March 31, 2025, earnings after tax would have been €12 million (previous year: €11 million) lower. If the risk-adjusted interest rates as of March 31, 2025 had been 100 basis points lower, earnings after tax would have been €12 million (previous year: €8 million) higher.

If the corresponding vehicle price used in the vehicle financing programs had been 10% higher as of March 31, 2025, earnings after tax would have been €7 million (previous year: €10 million) higher. If the corresponding vehicle prices used in the vehicle financing programs had been 10% lower as of March 31, 2025, earnings after tax would have been €7 million (previous year: €10 million) lower.

If the result of operations of equity investments measured at fair value had been 10% better as of March 31, 2025, equity would have been €47 million (previous year: €22 million) higher, and earnings after tax would have been €9 million (previous year: €22 million) higher. If the result of operations of equity investments measured at fair value had been 10% worse, equity would have been €47 million (previous year: €22 million) lower, and earnings after tax would have been €9 million (previous year: €21 million) lower.

12. Cash flow statement

The cash flow statement presents the cash inflows and outflows in the Volkswagen Group and in the Automotive and Financial Services divisions. Cash and cash equivalents comprise cash at banks, checks, cash-in-hand and call deposits.

€ million	March 31, 2025	March 31, 2024
Cash and cash equivalents as reported in the balance sheet	36,756	51,185
Cash and cash equivalents held for sale	–	7
Cash and cash equivalents as reported in the cash flow statement	**36,756**	**51,191**

Cash inflows and outflows from financing activities are presented in the following table:

	Q1	
€ million	2025	2024
Capital contributions/Capital redemptions	–21	35
Dividends paid	–185	–185
Capital transactions with non-controlling interest shareholders	358	–
Proceeds from issuance of bonds	7,698	12,353
Repayments of bonds	–11,224	–7,308
Proceeds from issuance of unlisted notes	3,528	5,107
Repayments of unlisted notes	–1,585	–1,638
Changes in other financial liabilities	1,456	3,932
Repayments of lease liabilities	–331	–266
	–306	**12,029**

13. Segment reporting

Segments are identified on the basis of the Volkswagen Group's internal management and reporting. In line with the Group's multibrand strategy, each of its brands (operating segments) is managed by its own Board of Management. The Group targets and requirements laid down by the Board of Management of Volkswagen AG must be complied with. As from fiscal year 2025, segment reporting comprises three reportable segments: Passenger Cars and Light Commercial Vehicles, Commercial Vehicles and Financial Services. For reasons of materiality, the Power Engineering segment is no longer reported separately. The prior-year figures were adjusted accordingly.

The activities of the Passenger Cars and Light Commercial Vehicles segment cover the development of vehicles, engines, vehicle software and vehicle batteries, the production and sale of passenger cars and light commercial vehicles, and the corresponding genuine parts business. In the Passenger Cars and Light Commercial Vehicles reporting segment, the individual brands are combined into a single reportable segment, in particular as a response to the high degree of technological and economic interlinking in the production network. Furthermore, there is collaboration within key areas such as procurement, research and development or treasury.

The Commercial Vehicles segment primarily comprises the development, production and sale of trucks and buses, the corresponding genuine parts business and related services. As in the case of the passenger car brands, there is collaboration within the areas procurement, development and sales. The aim is to create closer cooperation within the business areas.

Information on other business activities and segments which are not subject to reporting requirements are summarized under "Other operating companies". This combines primarily the large-bore diesel engines, turbomachinery and propulsion components businesses.

The activities of the Financial Services segment comprise dealership and customer financing, leasing, banking and insurance activities, fleet management and mobility services. In this segment, activities are combined for reporting purposes taking into particular account the comparability of the type of services and of the regulatory environment.

The reconciliation includes the consolidation adjustments between the segments, unallocated Group financing activities, and the holding company function. It no longer includes other operating companies, which by definition do not constitute segments. These companies are reported under "Other operating companies". The prior-year figures were adjusted accordingly.

Purchase price allocation for companies acquired is allocated directly to the corresponding segments.

At Volkswagen, segment profit or loss is measured on the basis of the operating result.

As a matter of principle, business relationships between the companies within the segments of the Volkswagen Group are transacted at arm's length prices.

REPORTING SEGMENTS: Q1 2025

€ million	Passenger Cars and Light Commercial Vehicles	Commercial Vehicles	Financial Services	Total reporting segments	Other operating companies	Reconciliation	Volkswagen Group
Sales revenue from external customers	51,592	9,979	14,624	76,195	1,352	12	77,558
Intersegment sales revenue	5,945	347	1,280	7,572	327	-7,899	–
Total sales revenue	57,538	10,326	15,903	83,767	1,678	-7,887	77,558
Segment result (operating result)	1,610	641	1,051	3,302	77	-506	2,873

REPORTING SEGMENTS: Q1 2024[1,2]

€ million	Passenger Cars and Light Commercial Vehicles	Commercial Vehicles	Financial Services	Total reporting segments	Other operating companies	Reconciliation	Volkswagen Group
Sales revenue from external customers	49,426	11,154	13,684	74,264	1,152	45	75,461
Intersegment sales revenue	4,800	324	1,052	6,176	264	-6,440	–
Total sales revenue	54,226	11,477	14,736	80,439	1,416	-6,395	75,461
Segment result (operating result)	3,273	1,038	881	5,192	92	-733	4,552

1 Prior-year figures adjusted (see disclosures on IAS 8 in the “Prior-year corrections in accordance with IAS 8” section).
2 The prior-year figures reflect the changed reporting structure.

RECONCILIATION[1,2]

€ million	Q1 2025	Q1 2024
Segment result (operating result)	**3,302**	**5,192**
Other operating companies	77	92
Group financing	-11	-8
Consolidation/Holding company function	-495	-725
Operating result	**2,873**	**4,552**
Financial result	**236**	**585**
Consolidated earnings before tax	**3,109**	**5,136**

1 Prior-year figures adjusted (see disclosures on IAS 8 in the “Prior-year corrections in accordance with IAS 8” section).
2 The prior-year figures reflect the changed reporting structure.

14. Related party disclosures

Porsche Automobil Holding SE (Porsche SE) holds the majority of the voting rights in Volkswagen AG.

The creation of rights of appointment for the State of Lower Saxony was resolved at the extraordinary General Meeting of Volkswagen AG on December 3, 2009. This means that, even though it holds the majority of voting rights in Volkswagen AG, Porsche SE cannot appoint the majority of the members of Volkswagen AG's Supervisory Board for as long as the State of Lower Saxony holds at least 15% of Volkswagen AG's ordinary shares. However, Porsche SE is therefore classified as a related party as defined by IAS 24.

	SUPPLIES AND SERVICES RENDERED Q1		SUPPLIES AND SERVICES RECEIVED Q1	
€ million	2025	2024	2025	2024
Porsche SE and its majority interests	1	1	0	0
Supervisory Board members	1	1	1	1
Unconsolidated subsidiaries	463	302	666	472
Joint ventures and their majority interests	3,387	3,980	492	297
Associates and their majority interests	99	85	660	640
State of Lower Saxony, its majority interests and joint ventures	2	2	1	1

	RECEIVABLES FROM		LIABILITIES (INCLUDING OBLIGATIONS) TO	
€ million	March 31, 2025	Dec. 31, 2024	March 31, 2025	Dec. 31, 2024
Porsche SE and its majority interests	0	0	2	2
Supervisory Board members	0	0	107	123
Unconsolidated subsidiaries	3,027	2,575	2,566	2,334
Joint ventures and their majority interests	17,048	17,710	4,607	5,004[1]
Associates and their majority interests	388	403	1,130	9,194[1]
State of Lower Saxony, its majority interests and joint ventures	1	1	1	1

1 Prior-year figures adjusted.

The tables above do not contain the dividend payments (net of withholding tax) of €2 million (previous year: €4 million) received from joint ventures and associates.

Receivables from joint ventures are primarily attributable to loans granted in an amount of €12,792 million (December 31, 2024: €11,941 million) as well as trade receivables in an amount of €3,679 million (December 31, 2024: €3,770 million). Receivables from unconsolidated subsidiaries also result primarily from loans granted in an amount of €2,045 million (December 31, 2024: €2,920 million) as well as trade receivables in an amount of €274 million (December 31, 2024: €157 million).

Outstanding related party receivables include doubtful receivables on which impairment losses of €26 million (previous year: €21 million) were recognized. These incurred expenses of €2 million (previous year: €3 million) in the first quarter of 2025.

In addition, the Volkswagen Group has furnished guarantees to external banks on behalf of related parties in the amount of €66 million (December 31, 2024: €73 million).

Between January and March 2025, the Volkswagen Group made capital contributions of €628 million (previous year: €402 million) at related parties.

Obligations to members of the Supervisory Board relate primarily to interest-bearing bank balances of Supervisory Board members that were invested at standard market terms and conditions at Volkswagen Group companies.

Transactions with related parties are regularly conducted on an arm's length basis. Some of these transactions also include reservation of title clauses.

15. Litigation

DIESEL ISSUE

Product-related lawsuits worldwide (excluding the USA/Canada)

In the action brought against Volkswagen Group Automotive Retail France, Volkswagen Group France, and Volkswagen AG by the French consumer organization *Confédération de la Consommation, du Logement et du Cadre de Vie* (CLCV) for up to 1 million French owners and lessees of vehicles with type EA 189 engines, a procedural judgment was rendered in March 2025 holding the opt-in class action to be admissible with respect to Volkswagen Group France and Volkswagen AG. The complaint against Volkswagen Group Automotive Retail France was ruled inadmissible, however. In the further course of the proceedings, the trial court will now consider the substantive merits of the action, in which rescission without offset for the benefit from using the vehicle is the primary relief sought and damages amounting to 20-30% of the purchase price are claimed in the alternative. The procedural judgment is not yet final. The decision regarding the admissibility of the complaint may be subject to review in the context of an appeal against the anticipated trial court judgment.

ADDITIONAL IMPORTANT LEGAL CASES

In April 2025, the European Commission and the English Competition and Markets Authority (CMA) assessed fines against various automobile manufacturers and automotive industry organizations pursuant to settlement procedures. This follows an investigation of European, Japanese, and Korean manufacturers as well as national organizations operating in such countries and the European organization European Automobile Manufacturers' Association (ACEA) on suspicion of having agreed in the period from 2001/2002 and up until the initiation of the proceedings - in particular through the ACEA Working Group Recycling and related sub-groups thereof - to avoid paying for the services of recycling companies that dispose of end-of-life vehicles (ELV) (specifically passenger cars and light utility vehicles). Also alleged was an agreement to refrain from competitive use of ELV issues, that is, not to publicize relevant recycling data (recyclates, recyclability, recovery) for competitive purposes. The European Commission assessed a fine of approximately €128 million against Volkswagen AG. The CMA imposed an overall fine of approximately £15 million on Volkswagen AG and Volkswagen Group UK jointly, which are covered by existing provisions.

In line with IAS 37.92, no further statements have been made concerning estimates of financial impact or regarding uncertainty as to the amount or maturity of provisions and contingent liabilities in relation to legal cases. This is so as to not compromise the results of the proceedings or the interests of the Company.

Beyond these events, there were no significant changes in the reporting period compared with the disclosure on the Volkswagen Group's expected development in fiscal year 2025 contained in the combined management report of the 2024 Annual Report in the sections "Report on Expected Developments" and "Report on Risks and Opportunities", including in section "Legal Risks".

16. Contingent liabilities

As of March 31, 2025, there were no material changes to the contingent liabilities as reported in the 2024 consolidated financial statements.

17. Other financial obligations

Compared with the 2024 consolidated financial statements, other financial obligations increased by €1.6 billion to €46.2 billion as of March 31, 2025. The rise was due largely to higher obligations from irrevocable credit commitments in the Financial Services Division and higher purchase commitments for services.

18. Events after the balance sheet date

There were no events with a significant effect on net assets, financial position and results of operations after March 31, 2025.

Wolfsburg, April 29, 2025

Volkswagen Aktiengesellschaft

The Board of Management

Review Report

On completion of our review, we issued the following unqualified review report dated 29 April 2025 in German language. The following text is a translation of this review report. The German text is authoritative:

To VOLKSWAGEN AKTIENGESELLSCHAFT

We have reviewed the interim condensed consolidated financial statements of VOLKSWAGEN AKTIENGESELLSCHAFT, Wolfsburg, - comprising the condensed income statement, condensed statement of comprehensive income, condensed balance sheet, condensed statement of changes in equity, condensed cash flow statement as well as selected explanatory notes - and the interim group management report for the period from 1 January 2025 to 31 March 2025, which are part of the interim financial report pursuant to Sec. 115 (7) in conjunction with (2) Nos. 1 and 2 and (3) and (4) WpHG ["Wertpapierhandelsgesetz": German Securities Trading Act]. The executive directors are responsible for the preparation of the interim condensed consolidated financial statements in accordance with IFRSs on interim financial reporting as adopted by the EU and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports. Our responsibility is to issue a report on the interim condensed consolidated financial statements and the interim group management report based on our review.

We conducted our review of the interim condensed consolidated financial statements and of the interim group management report in compliance with German Generally Accepted Standards for the Review of Financial Statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the review to obtain a certain level of assurance in our critical appraisal to preclude that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU and that the interim group management report is not prepared, in all material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to making inquiries of the Company's employees and analytical assessments and therefore does not provide the assurance obtainable from an audit of financial statements. Since, in accordance with our engagement, we have not performed an audit of financial statements, we cannot issue an auditor's report.

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU or that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports.

Hanover, 29 April 2025

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Dr. Janze
Wirtschaftsprüfer
[German Public Auditor]

Dr. Gaenslen
Wirtschaftsprüfer
[German Public Auditor]

Glossary

Selected terms at a glance

Hybrid notes
Hybrid notes issued by Volkswagen are classified in their entirety as equity. The issuer has call options at defined dates during their perpetual maturities. They pay a fixed coupon until the first possible call date, followed by a variable rate depending on their terms and conditions.

Plug-in hybrid
Performance levels of hybrid vehicles. Plug-in hybrid electric vehicles (PHEVs) have a larger battery with a correspondingly higher capacity that can be charged via the combustion engine, the brake system, or an electrical outlet. This increases the range of the vehicle.

Automotive investment ratio
The automotive investment ratio indicates the ratio of investment to sales revenue and is calculated by adding the research and development ratio (R&D ratio) and the capex to sales revenue ratio. The R&D ratio in the Automotive Division shows total research and development costs as a share of sales revenue. Research and development costs comprise a range of expenses, from futurology to the development of our marketable products. Particular emphasis is placed on the environmentally friendly orientation and digitalization of our product portfolio, the expansion of our battery expertise, the development of software and new platforms and the creation of new technologies. The R&D ratio reflects the activities we have undertaken to safeguard the Company's future viability. The ratio of capex (investments in property, plant and equipment, investment property and intangible assets, excluding capitalized development costs) to sales revenue in the Automotive Division reflects both our innovative power and our future competitiveness. It shows our capital expenditure – largely for modernizing, expanding, electrifying and digitalizing our product range and for environmentally friendly drivetrains, as well as for adjusting production capacities and improving production processes – in relation to the Automotive Division's sales revenue.

Capitalization ratio
The capitalization ratio is defined as the ratio of capitalized development costs to total research and development costs in the Automotive Division. It shows the proportion of primary research and development costs subject to capitalization.

Equity ratio
The equity ratio measures the percentage of total assets attributable to shareholders' equity as of a reporting date. This ratio indicates the stability and financial strength of the company and shows the degree of financial independence.

Gross margin
Gross margin is the percentage of sales revenue attributable to gross profit in a period. Gross margin provides information on profitability net of cost of sales.

Net cash flow
Net cash flow in the Automotive Division represents the excess funds from operating activities available for dividend payments, for example. It is calculated as cash flows from operating activities less cash flows from investing activities attributable to operating activities.

Net liquidity
Net liquidity in the Automotive Division is the total of cash, cash equivalents, securities, time deposits and loans not financed by third-party borrowings.

Operating result
Sales revenue, which does not include the figures for our equity-accounted Chinese joint ventures, reflects our market success in financial terms. Following adjustment for our use of resources, the operating result reflects the Company's actual business activity and documents the economic success of our core business.

Operating return on sales
The operating return on sales is the ratio of the operating result to sales revenue.

Return on sales before tax
The return on sales is the ratio of profit before tax to sales revenue in a period, expressed as a percentage. It shows the level of profit generated for each unit of sales revenue. The return on sales provides information on the profitability of all business activities before deducting income tax expense.

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Financial Calender

→ **May 16**
Volkswagen AG Annual General Meeting

→ **July 25**
Half-Yearly Financial Report 2025

→ **October 30**
Interim Report January – September 2025

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