

5-Year Planning Round: We are on track!

Live INVESTOR and ANALYST Audio Webcast and Conference Call
November 16th, 2020

Disclaimer

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

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

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

If any of these or other risks occur, or if the assumptions underlying any of these statements prove incorrect, the actual results may significantly differ from those expressed or implied by such statements.

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

This information does not constitute an offer to exchange or sell or an offer to exchange or buy any securities.

5-Year Planning Round: Fully on Track



Dr. Herbert Diess

Chairman of the Board
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Dr. Christian Dahlheim

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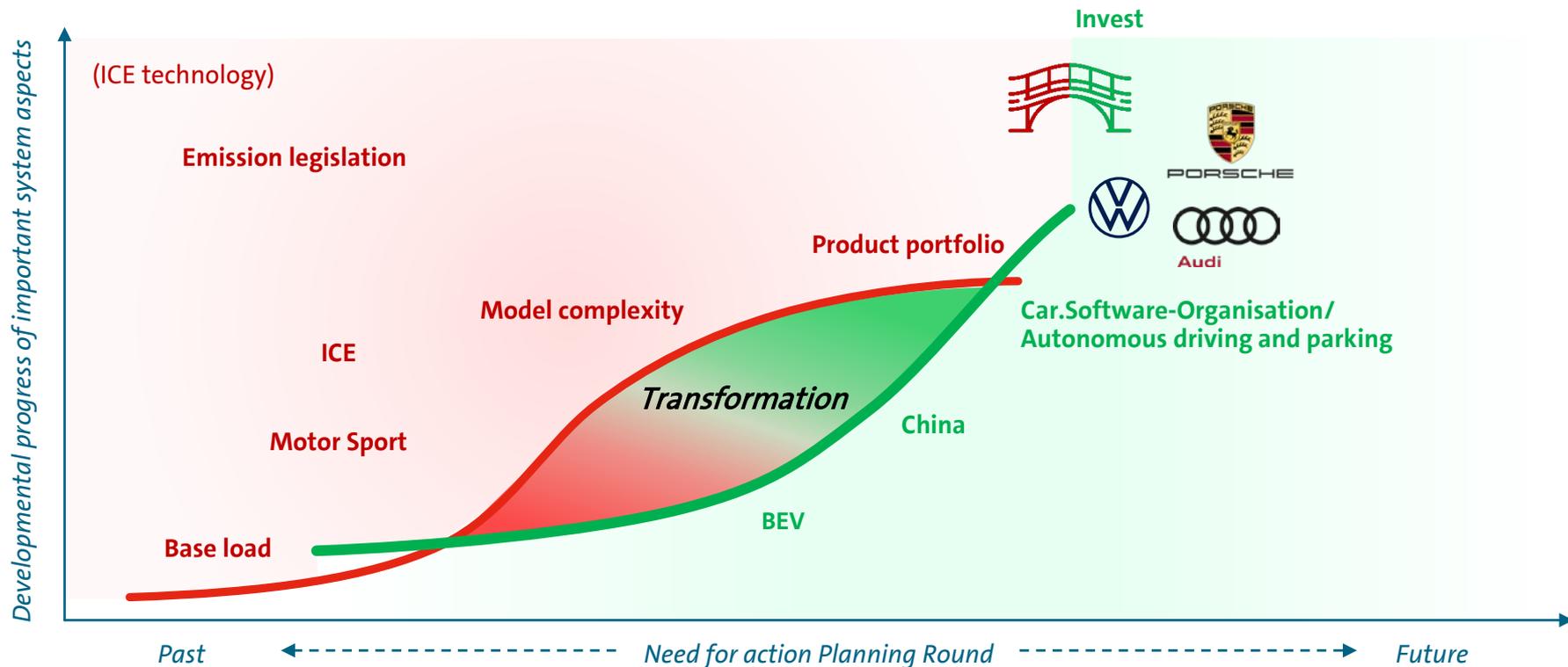
Chief Financial Officer
Volkswagen AG



Helen Beckermann

Head of Group Investor
Relations
Volkswagen AG

Tightened emission regulations require speed up and execution of our transformation



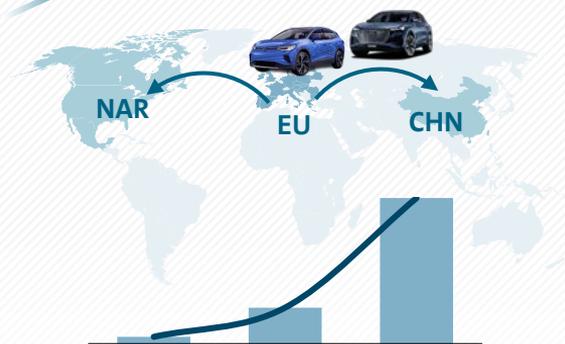
Fully on track towards electrification by entering the next phase of global ramp-up

1 Start of Transformation electro mobility



- *Development and tooling up of electrified platforms MEB and PPE*
- *Closed cycled start of productions*

2 Volume ramp-up and internationalization



- *Scaling up MEB und PPE – Base for volume ramp up*
- *Internationalization of BEVs starting with compact SUVs*

3 Variety of models and segment coverage



- *Coverage of core markets and segments*
- *Fully prepared for Green Deal*
- *Connected car fleet*

Passenger Car Total Markets by Region – External Outlook

The recovery path after the COVID-19 pandemic varies across markets depending on their economic situation

North America (incl. LCV)



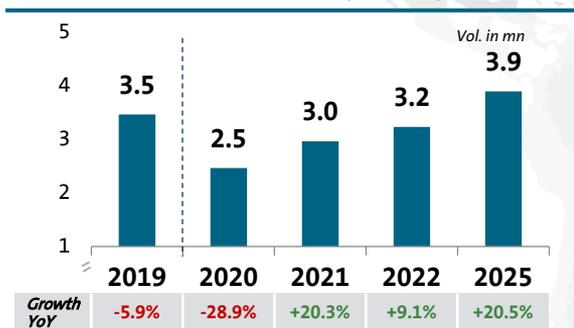
Western Europe



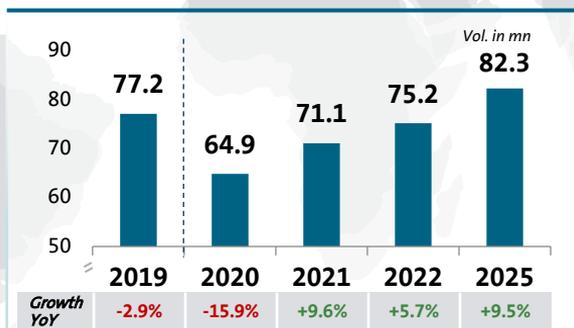
Central and Eastern Europe



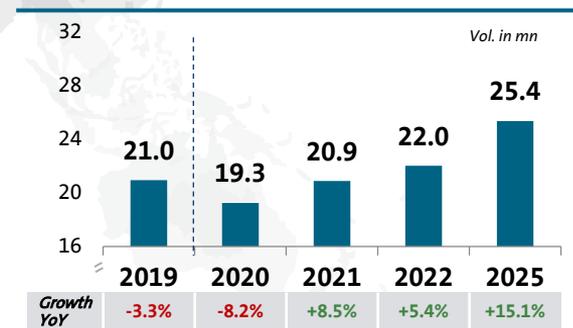
South America ¹⁾ (incl. LCV)



World



China

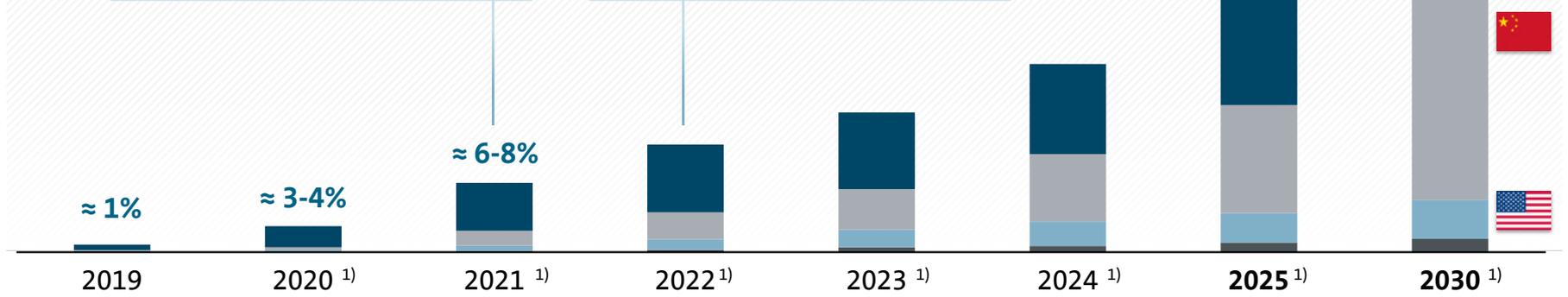
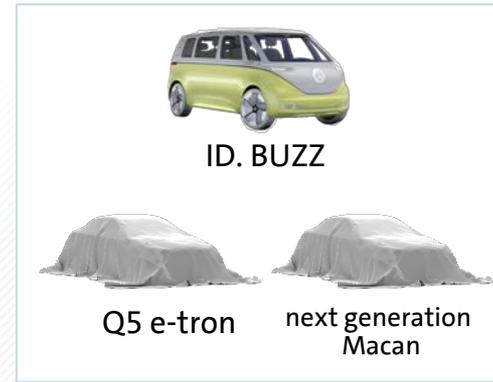


¹⁾ South America includes Brazil, Argentina, Chile and Venezuela.

Source: IHS Markit Automotive, MarketInsight New Registration data, 11/2020

Significant increase in BEV deliveries will support our CO₂ compliance

Volkswagen Group – BEV volume by regions 2019 - 2030 | (BEV share of total Group deliveries in %)



¹⁾Target ²⁾Green Deal need to be reflected.

■ Europe ■ China ■ NAR ■ RoW

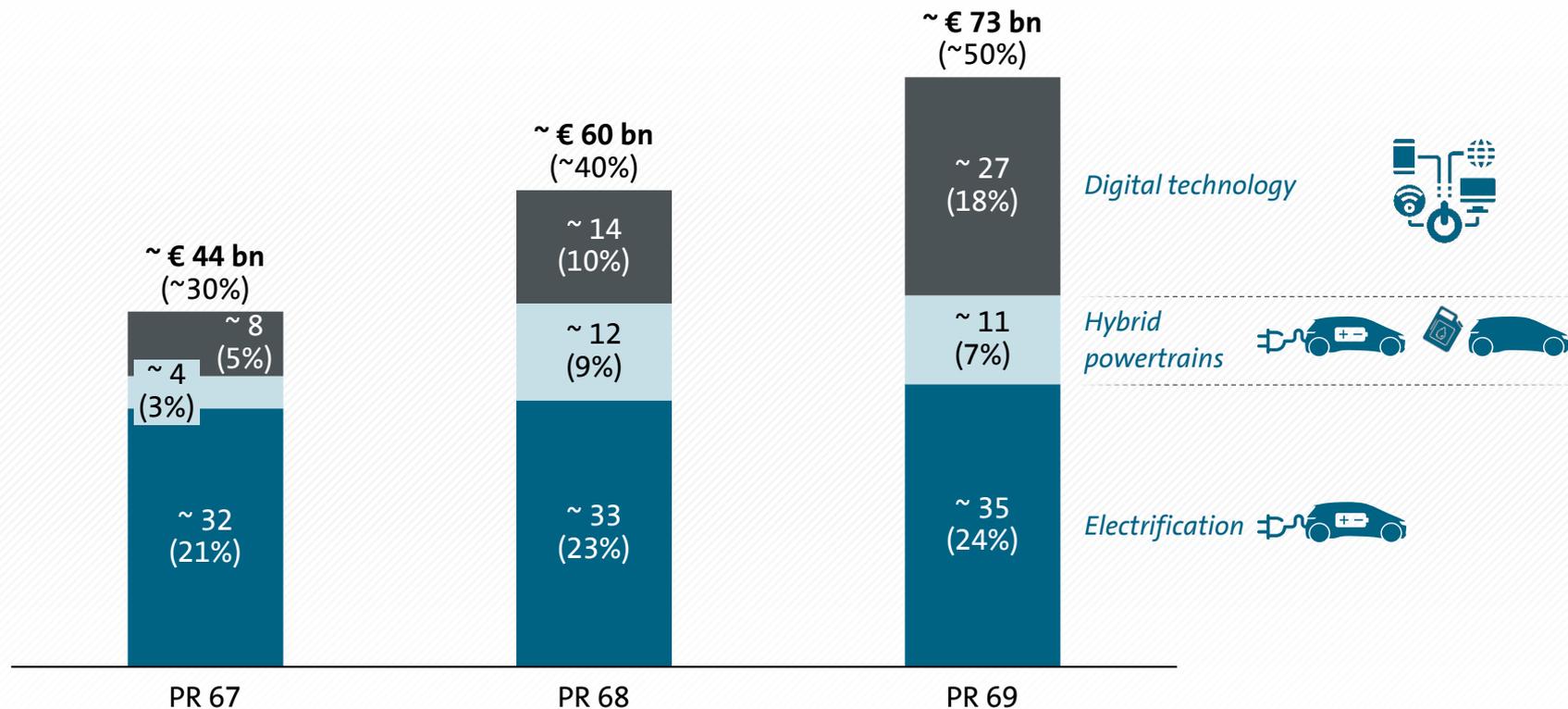
Back to normalization in 2022/23 with upside potential

Key financial targets		2017 <i>Actual</i>	2018 <i>Actual</i>	2019 <i>Actual</i>	2020 <i>Outlook</i> 	2022 <i>Interim Strategic Targets</i>	2025 <i>Strategic Targets</i>
Operating return on sales <i>Before Special Items</i>		7.4%	7.3%	7.6%	positive	6.0-7.0%	7-8%
Return on investment <i>Automotive Division before Special Items</i>		14.4%	13.1%	11.2%	positive	10-12%	>14%
Capex ratio <i>Automotive Division</i>		6.4%	6.6%	6.6%	at previous year's level	6.0-6.5%	6%
R&D cost ratio <i>Automotive Division</i>		6.7%	6.8%	6.7%	will exceed 2019	6.5-7.0%	6%
Cash <i>Automotive Division</i>	a) Net Cashflow¹⁾	€ 10.3 bn	€ 5.6 bn	€13.5 bn	positive	> € 10 bn	> € 10 bn
	b) Net Liquidity	€ 22.4bn	€ 19.4 bn	€ 21.3 bn	at previous year's level	> € 20 bn	~10% of Group turnover

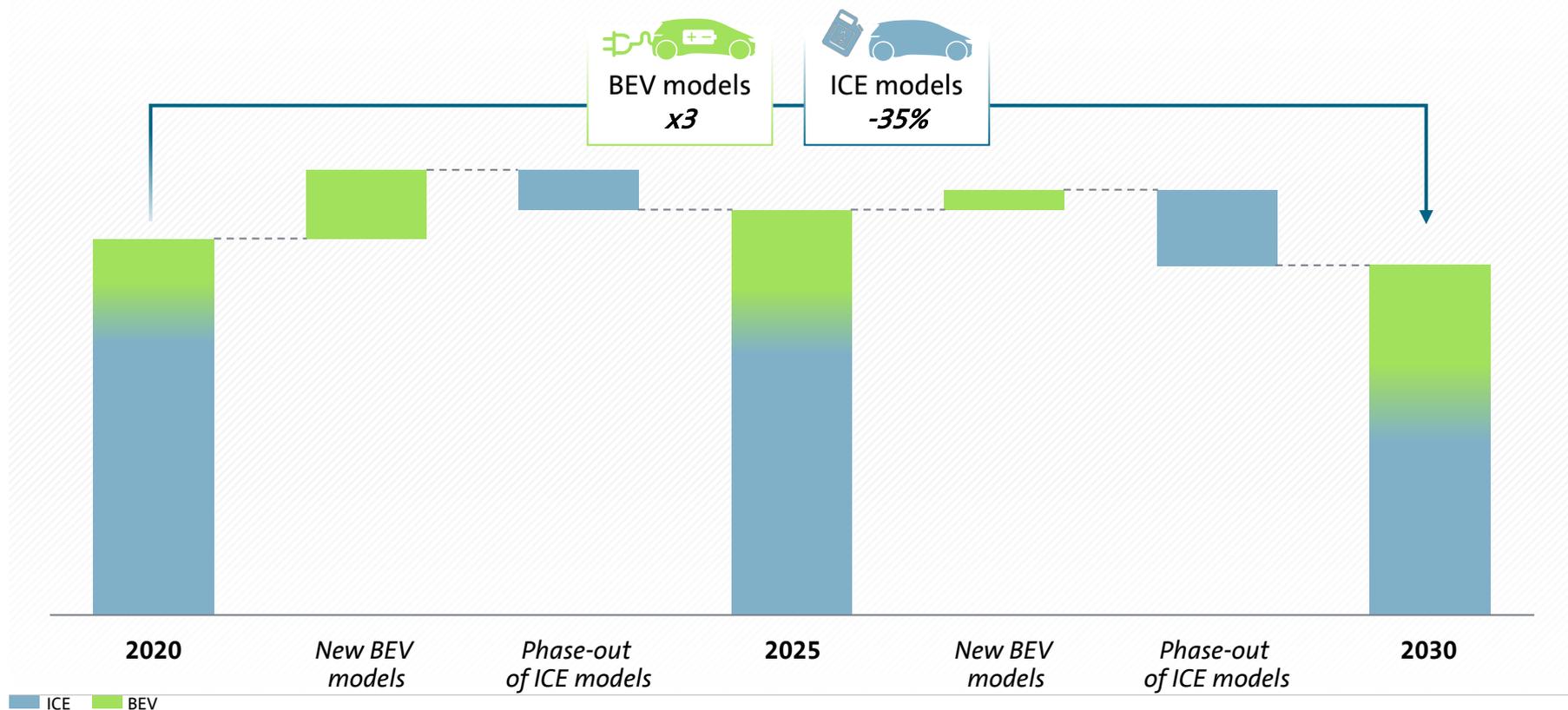
¹⁾ Excluding Diesel payments and M&A.

Please note, Navistar not yet included. The transaction is targeted to close in mid 2021, and is subject to Navistar shareholder approval, customary closing conditions as well as regulatory approvals.

Proportion of “Future Technologies” rising within total investments



Ramp-up e-mobility and staged phase-out of ICEs while remaining flexible with product offer in relation to customer demand



Brand specific programs and competence building – gathering momentum

Restructuring & efficiency programmes ..at the same time..



Building-up of IT know-how



Strategy Together 2025+

Strategy



Remains unchanged!
Consistent delivery, despite Covid!
Focus on execution & speed up!

KPI's



Fully on track for Strategic Targets in 2025!