

Investor Meeting

June 16th 2017



Last month, deliveries increased worldwide

	MAY 2017	vs. 2016
Germany	50,800	+6.0 %
Europe	99,800	+5.9 %
International	35,700	-9.1 %
North America	50,600	-1.9 %
South America	35,000	+14.7 %
World without China	271,900	+3.2 %
China	241,600	+4.0 %
World	513,500	+3.5 %

The global product campaign has been launched successfully

Atlas (NAR)



Arteon (EU)



Polo (EU)



Phideon PHEV (CN)



Touareg (EU)



JAN

FEB

MRZ

APR

MAI

JUN

JUL

AUG

SEP

OKT

NOV

DEZ



up! PA (SAM)



Tiguan LWB (NAR)



T-Roc (EU)



Virtus (SAM)



Jetta (NAR)

START OF PRODUCTION



Volkswagen



Volkswagen



Volkswagen



Volkswagen



Volkswagen



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The strategic realignment is being executed in three stages

Strengthen core business

2% RoS

Productivity / Cost focus

Sharpen the Positioning

SUV Offensive

Regional Focus

Transform Know-how

2015

Leap to the top of electric mobility

≥ 4% RoS

E-mobility Offensive

Digital Ecosystem

Operational Excellence

2020

Major transformation

≥ 6% RoS

New Business Models

New Mobility Solutions

Autonomous Driving

2025

Global leader auto-mobility

> 6% RoS

2030



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The Zukunftspakt has started

ZUKUNFTS PAKT

COMPETITIVENESS

- Action plan for improving productivity by 7.5% in 2017 has been prepared
- Plan includes job downsizing

SECURING THE FUTURE

- "Center of Excellence" for battery cells/modules now operating in Salzgitter
- Fourth model for the Emden plant is in the development phase
- Decision on additional model for Wolfsburg





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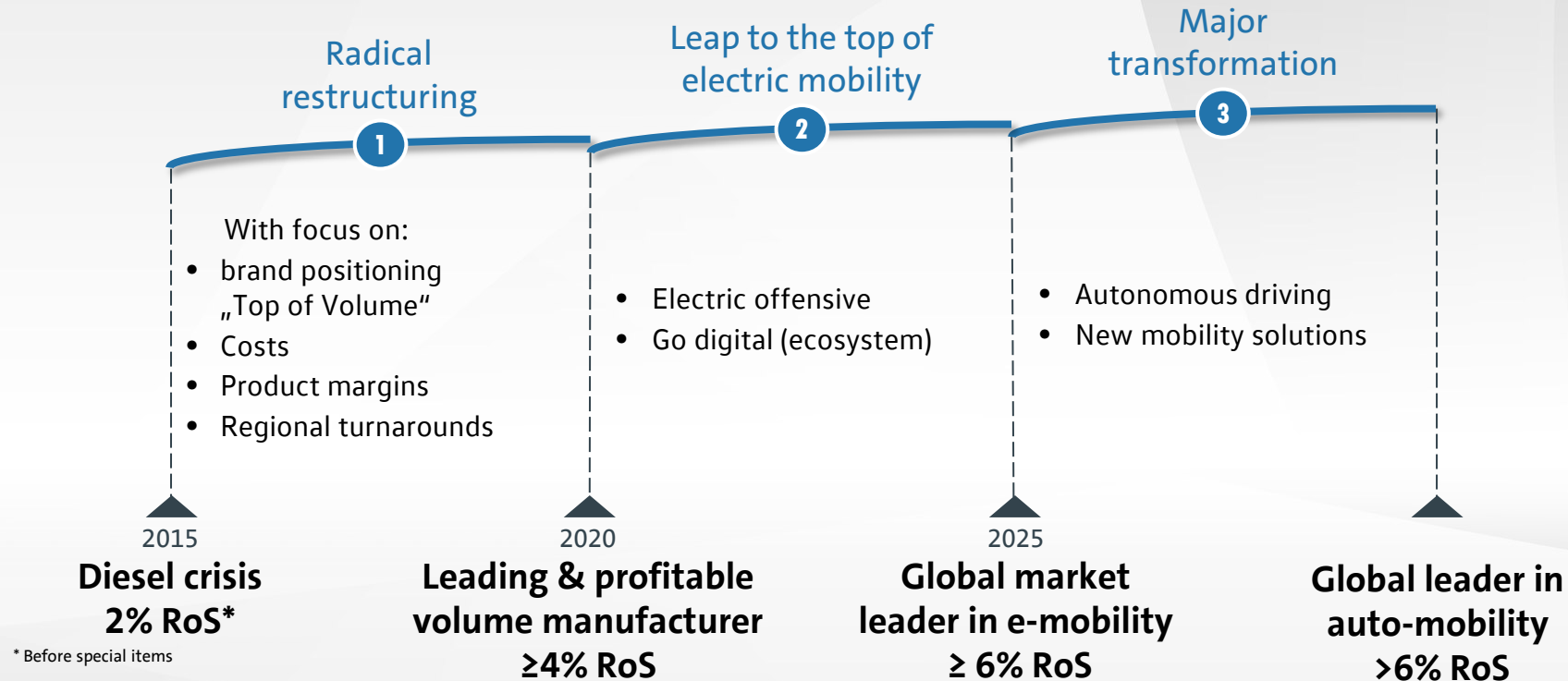
Earnings Momentum of the Volkswagen brand

Dr. Arno Antlitz



Volkswagen

The „TRANSFORM 2025+“ strategy will put the brand to the top of the automotive industry



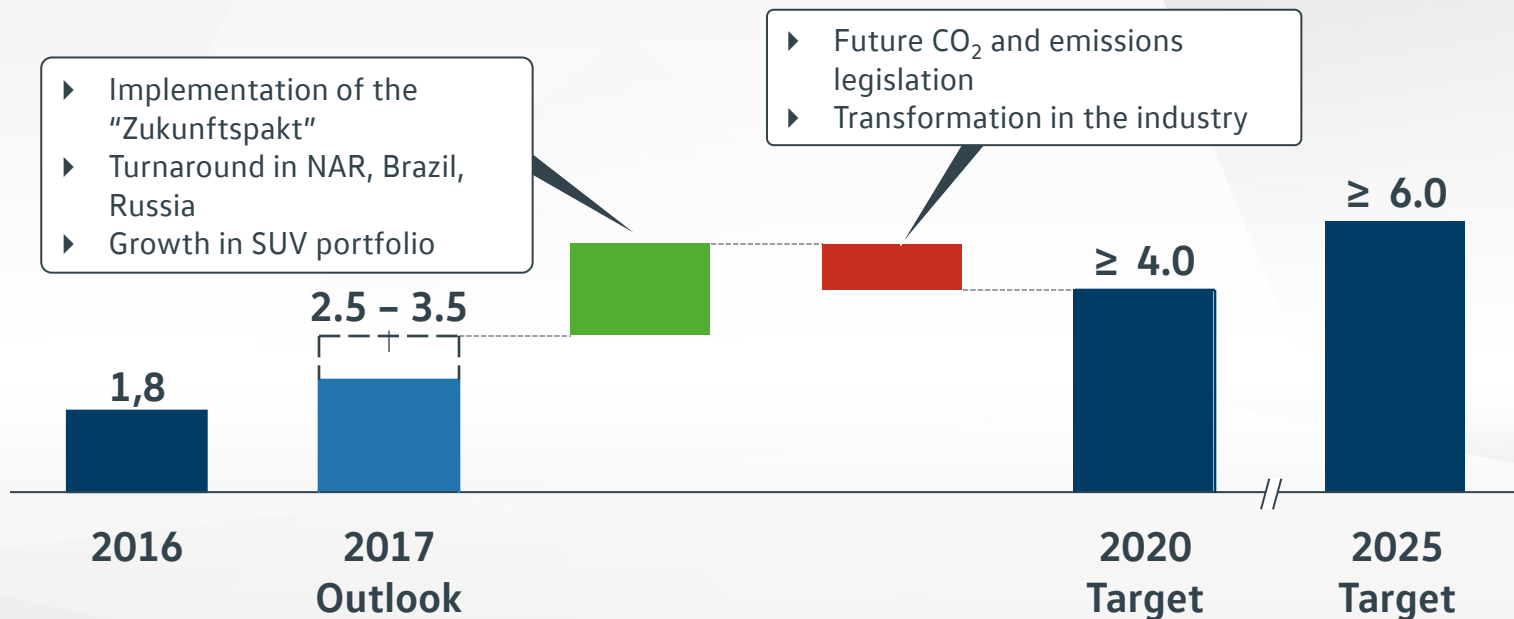
* Before special items



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Result outlook for 2017 follows TRANSFORM 2025+ strategic path

Growth in operating return on sales as % of net earnings



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Key levers for improving the result of the Volkswagen brand by 2020

Product offensive



Future Pact



Turnaround plans for the regions



- SUV offensive
- MQB roll-out
- Global electrification of fleet (CO₂ conformity)

ZUKUNFTS
PAKT

- Productivity 25%
- Reduction in factory costs
- Development/Capex efficiency
- Lean administration and cutting bureaucracy



- Massive restructuring
- Product offensive
- "Top of volume" brand positioning



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Challenges from regulation, MEB implementation and product margins for electric vehicles

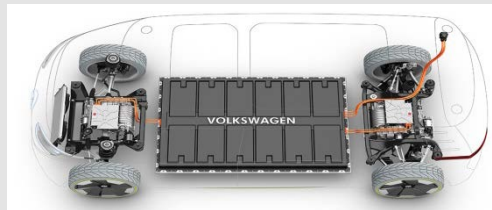
CO₂ and emission legislation



- Additional costs to reach CO₂ fleet targets
- Additional costs from future emission legislation, esp. for Diesel cars



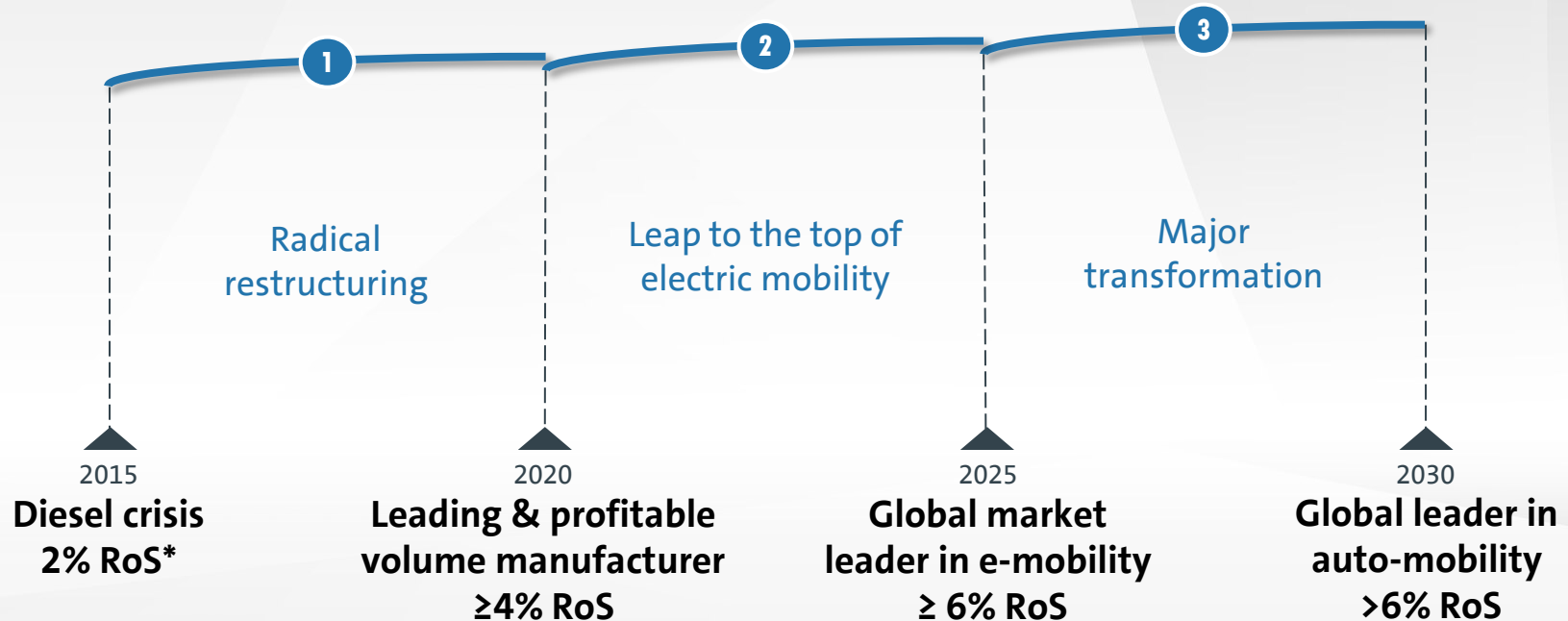
Upfront cost for new electric architecture



- Investments and R&D costs
- Lower product margins in the ramp up phase for vehicles based on the new electric architecture



The „TRANSFORM 2025+“ strategy will put the brand to the top of the automotive industry



* Before special items



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Backup



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Structural adjustments leads to financial changes in the Volkswagen Passenger Cars brand

Key figures VW Passenger Cars brand 2016¹⁾ and "2016 adjusted"¹⁾ with new structure

Sales revenue

Operating result

Return on sales



1) All figures shown are rounded, so minor discrepancies may arise during arithmetic operations involving these amounts



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