

**VOLKSWAGEN**

AKTIENGESELLSCHAFT

**VOLKSWAGEN**

**Leading the Transformation.**

Media Call Q1  
Volkswagen AG

06 May 2021

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**Herbert Diess**

*Chairman of the  
Board of Management  
Volkswagen AG*



**Arno Antlitz**

*Chief Financial Officer  
Volkswagen AG*



**Nicole Mommsen**

*Head of  
Global Group Communications  
Volkswagen AG*

# Overview: We have reached important milestones in Q1

**Strong Q1 performance**  
in challenging environment



**E-Mobility ramp-up**  
gains further momentum

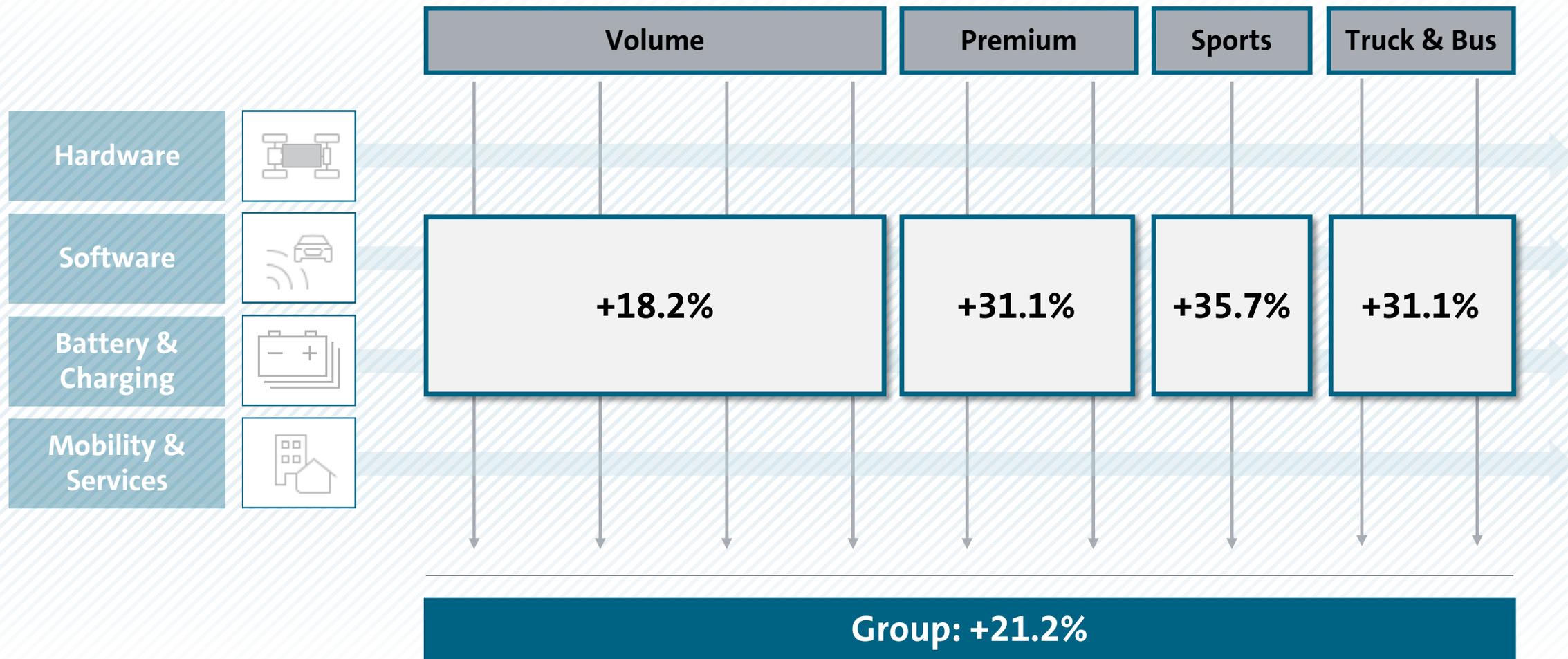


**Group builds foundation**  
for future profit pools

**Updated guidance**  
amid product momentum & cost cuts

# All brand groups contribute to strong Q1 performance

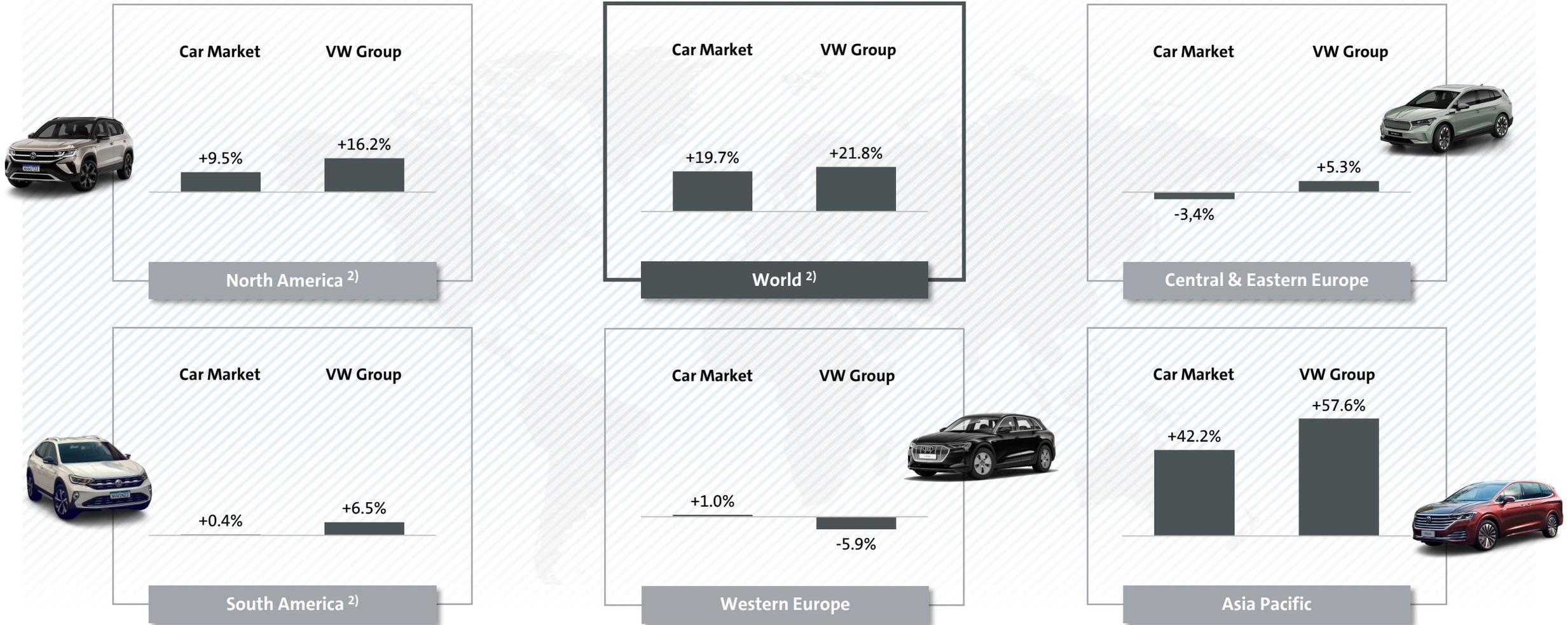
(Volkswagen Group<sup>1)</sup> Deliveries to Customers, January to March 2021 vs. 2020)



<sup>1)</sup> Excluding Ducati

# Volkswagen Group gains market share in most major regions

Development World Car Market vs. Volkswagen Group Car Deliveries to Customers by Regions <sup>1)</sup> (Growth y-o-y, January to March 2021 vs. 2020)

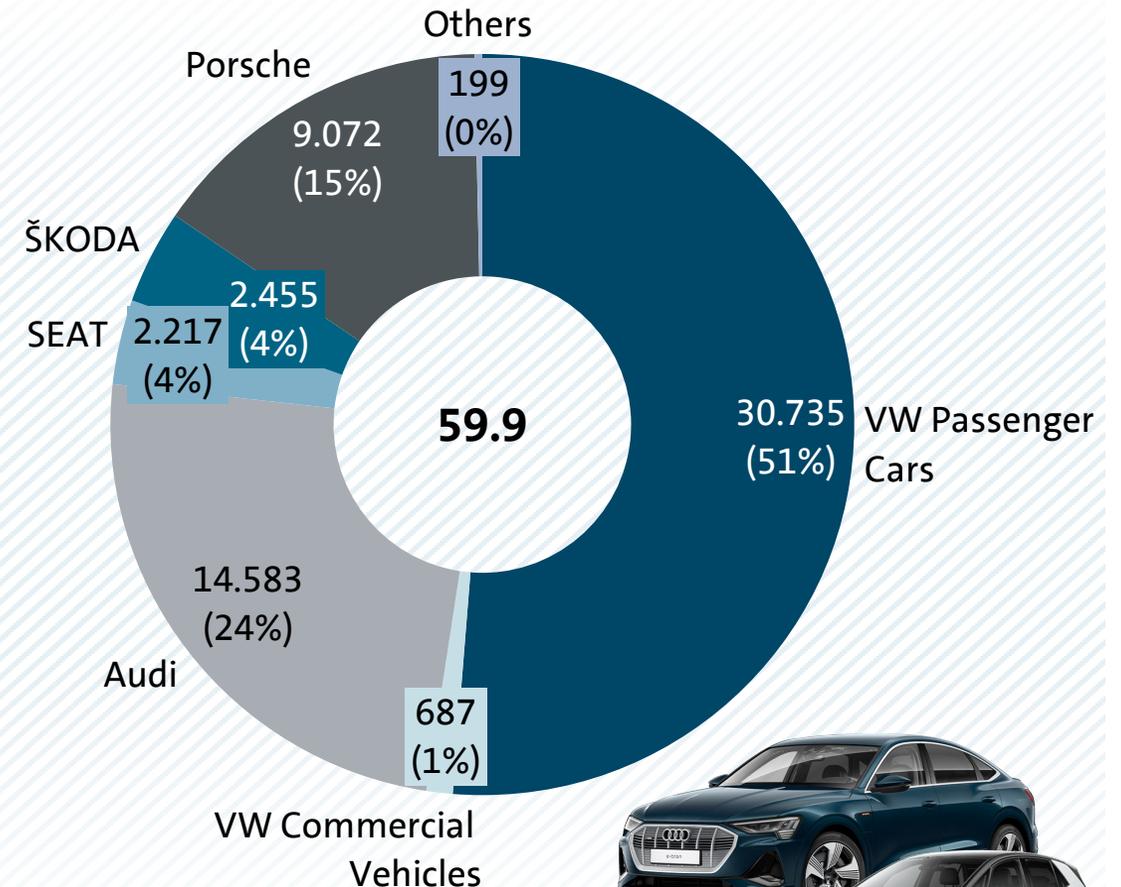
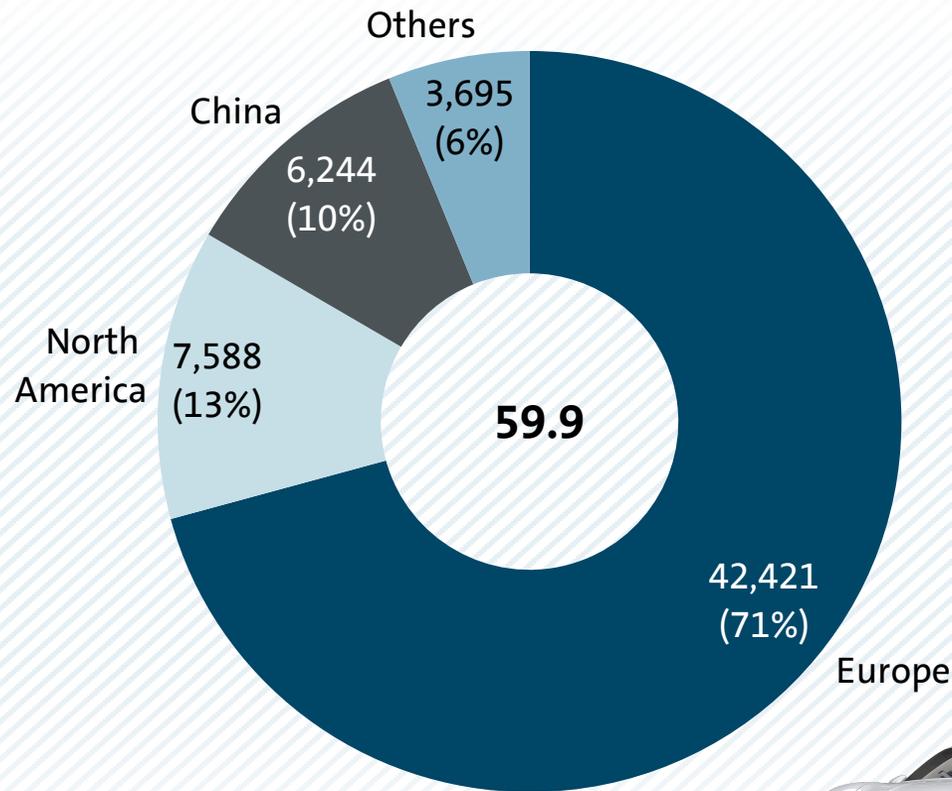


<sup>1)</sup> Volkswagen Group Passenger Cars excl. Volkswagen Commercial Vehicles <sup>2)</sup> incl. LCV in North America & South America

e-tron - power consumption in kWh/100 km (combined): 24.3-21.4 (NEDC), 26.1-21.7 (WLTP); CO<sub>2</sub>-emissions in g/km: 0 (combined); efficiency class: A+; Enyaq iV - power consumption in kWh/100 km (combined): 16.0-14.4 (NEDC); CO<sub>2</sub>-emissions in g/km: 0 (combined); efficiency class: A+; Viloran, Nivus, Taos - not for sale in Europe

# BEV deliveries are gaining broad momentum due to several launches in Q1<sup>1)</sup> (January to March 2021)

[thsd units]



<sup>1)</sup> Europe: EU 27+2+UK, China: Incl. HK

e-tron S Sportback - power consumption in kWh/100 km (combined): 28.3-26.4 (NEDC), 28.1-25.6 (WLTP); CO<sub>2</sub>-emissions in g/km: 0 (combined); efficiency class: A+; ID.3 - power consumption in kWh/100 km (combined): 15.4-13.1 (NEDC); CO<sub>2</sub>-emissions in g/km: 0 (combined); efficiency class: A+

# Group lays foundation to tap into future profit pools

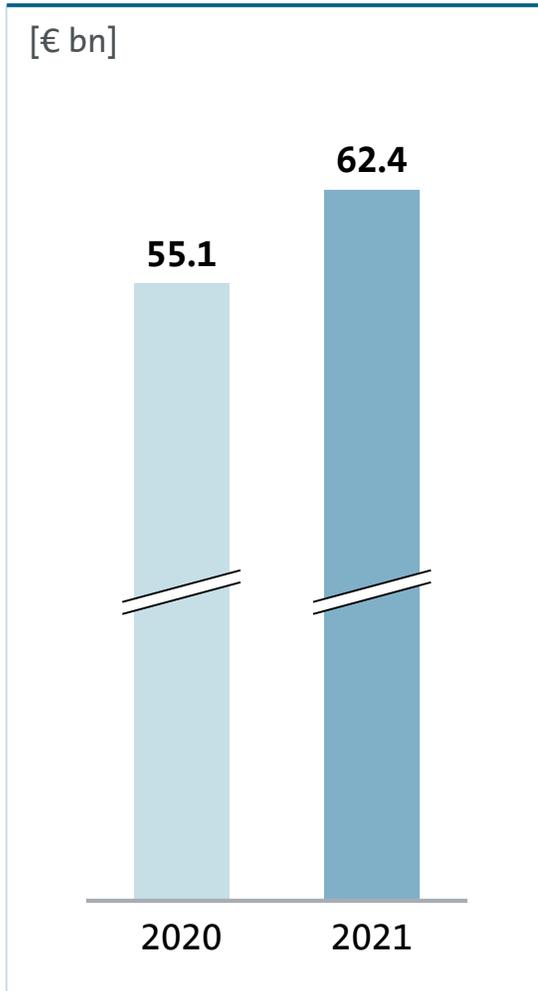


ID.4 - power consumption in kWh/100 km (combined): 16.9-15.5 (NEDC); CO2-emissions in g/km: 0 (combined); efficiency class: A+; Enyaq iV - power consumption in kWh/100 km (combined): 16.0-14.4 (NEDC); CO2-emissions in g/km: 0 (combined); efficiency class: A+; Q4 e-tron - power consumption in kWh/100 km (combined): 17.3-15.8 (NEDC), 19.0-17.0 (WLTP); CO2-emissions in g/km: 0 (combined); efficiency class: A+; ID.Buzz - Concept Car

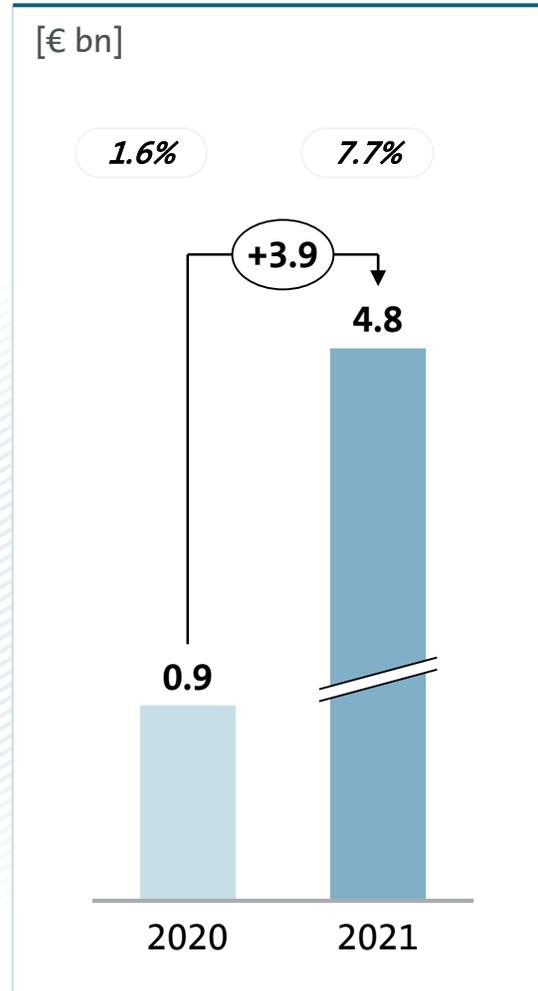
# Financial Highlights – Volkswagen Group

(January to March 2021 vs. 2020)

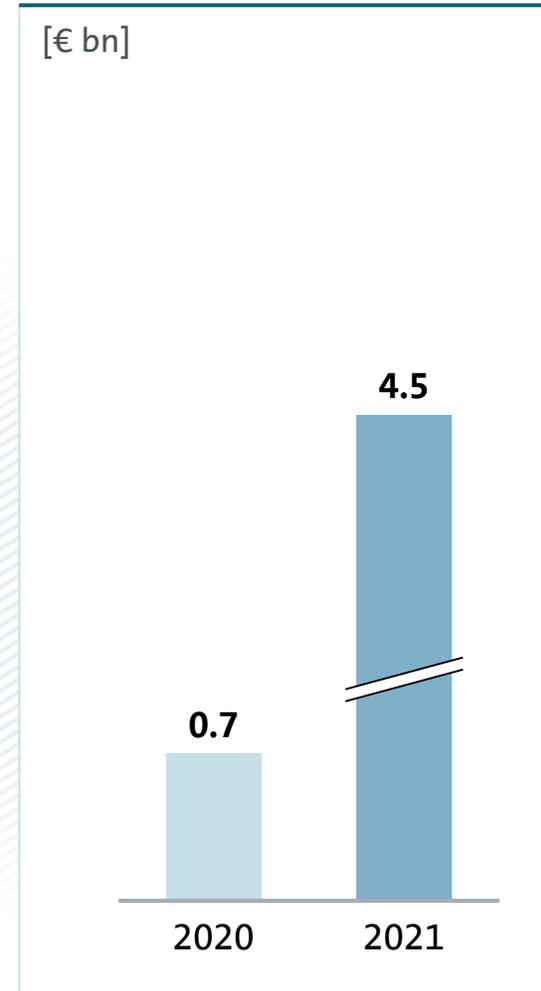
## Sales revenue



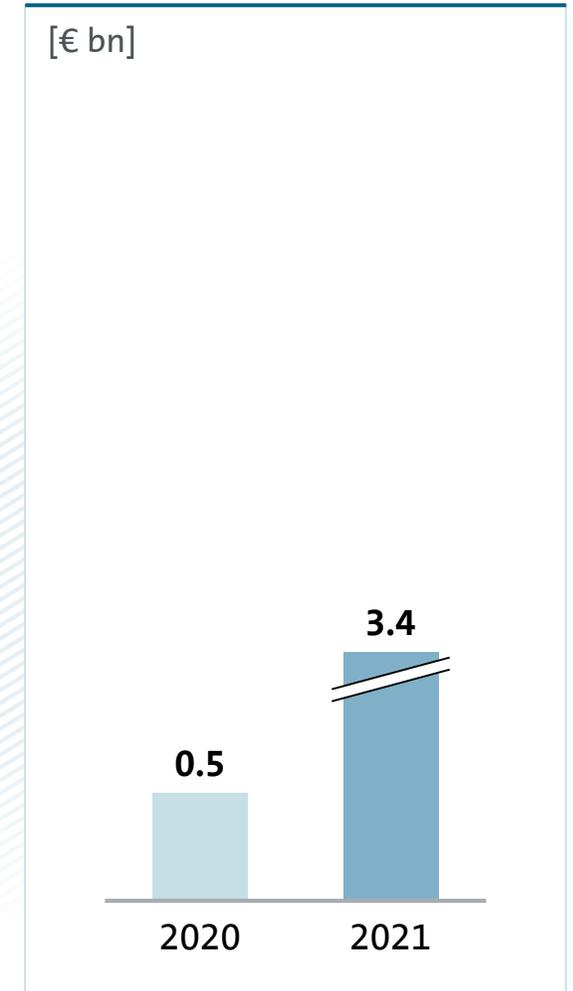
## Operating profit & margin



## Profit before tax

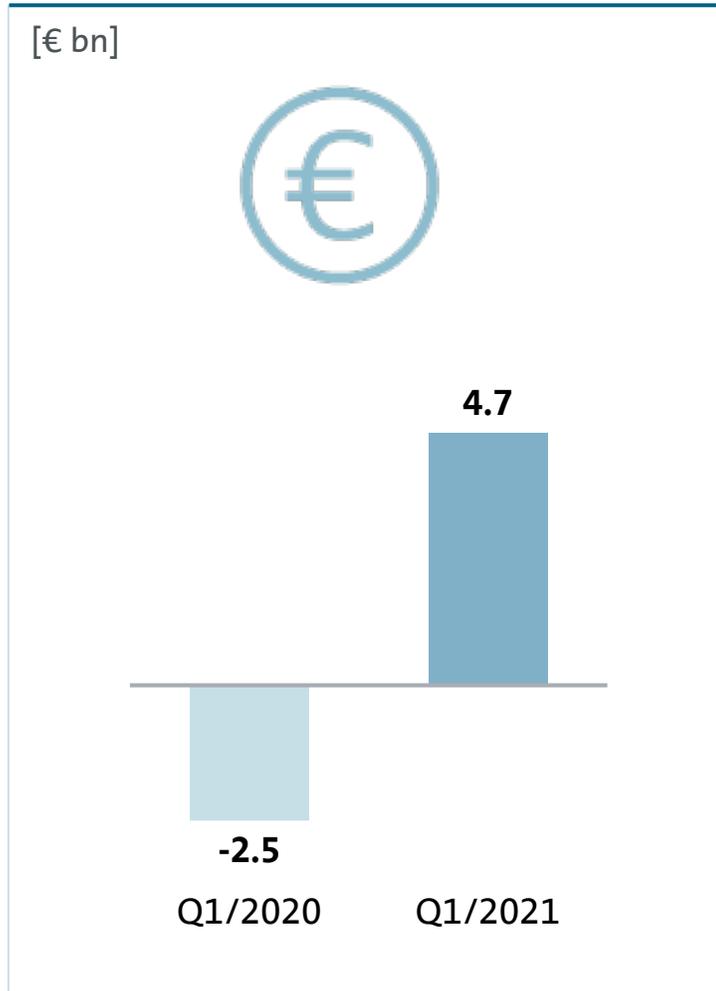


## Profit after tax

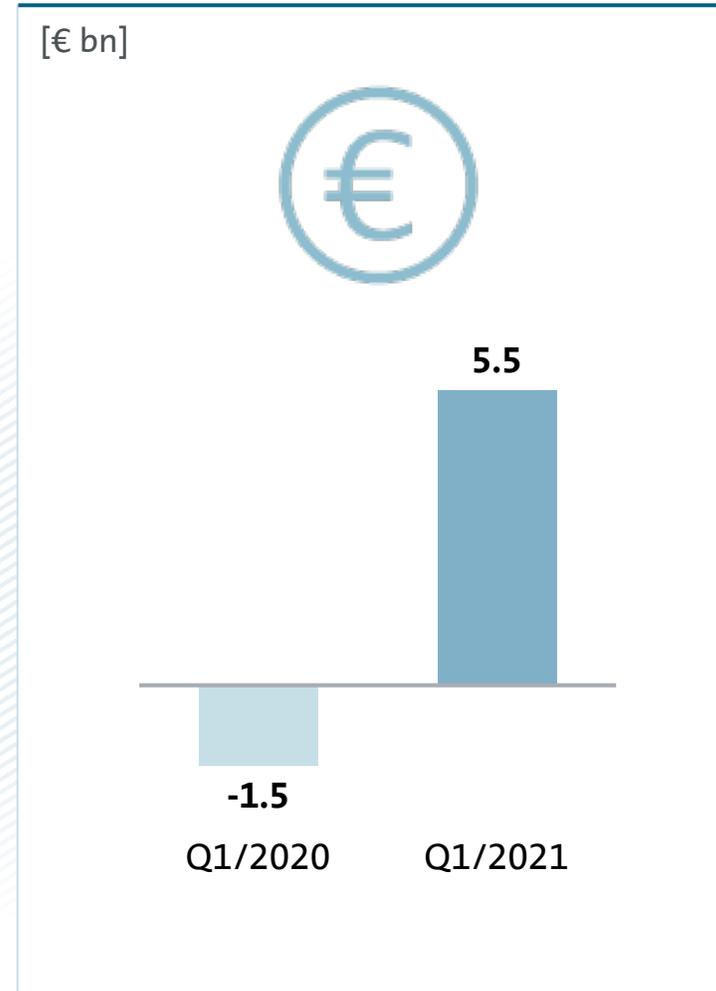


# Strong Automotive Cash Flow development – Safeguarding liquidity to finance future – Automotive Division

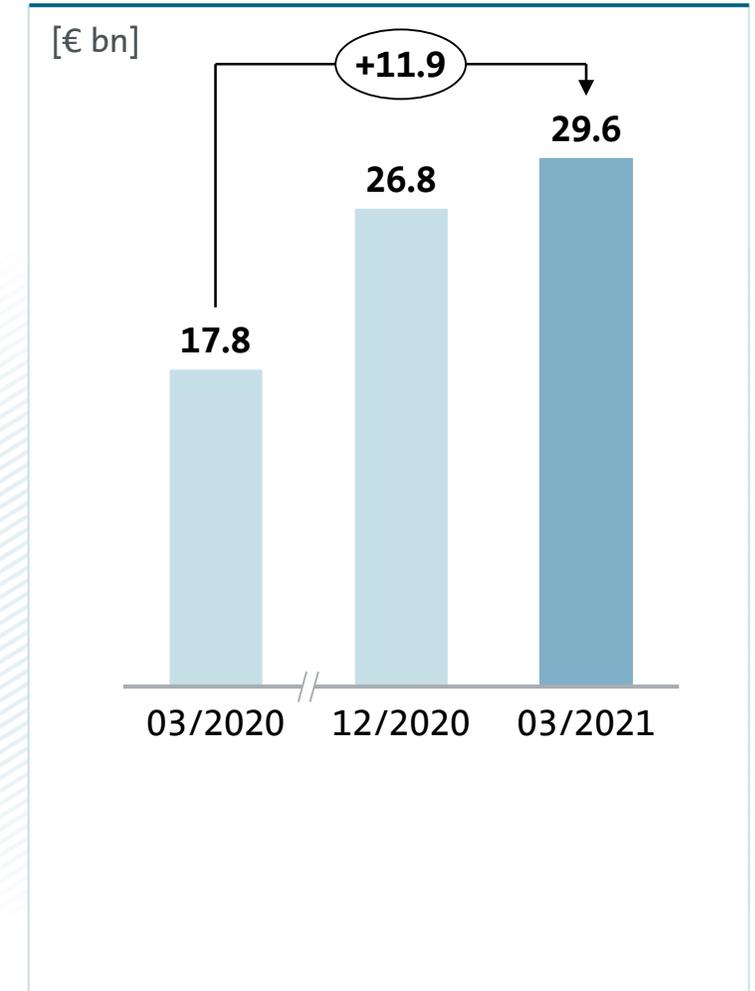
## Reported Net Cash Flow



## 'Clean' Net Cash Flow <sup>1)</sup>



## Net Liquidity



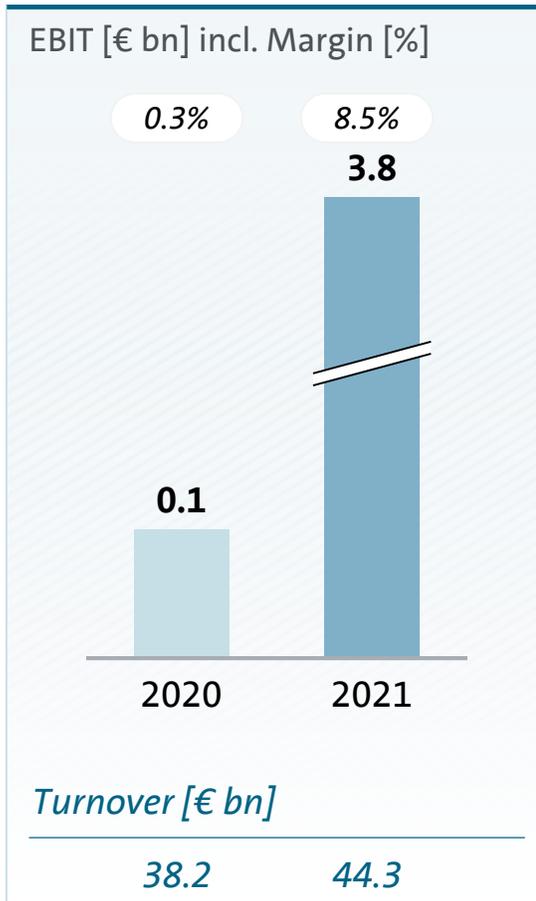
1) Reported net cash flow before M&A and Diesel.

# EBIT per Key Business Areas

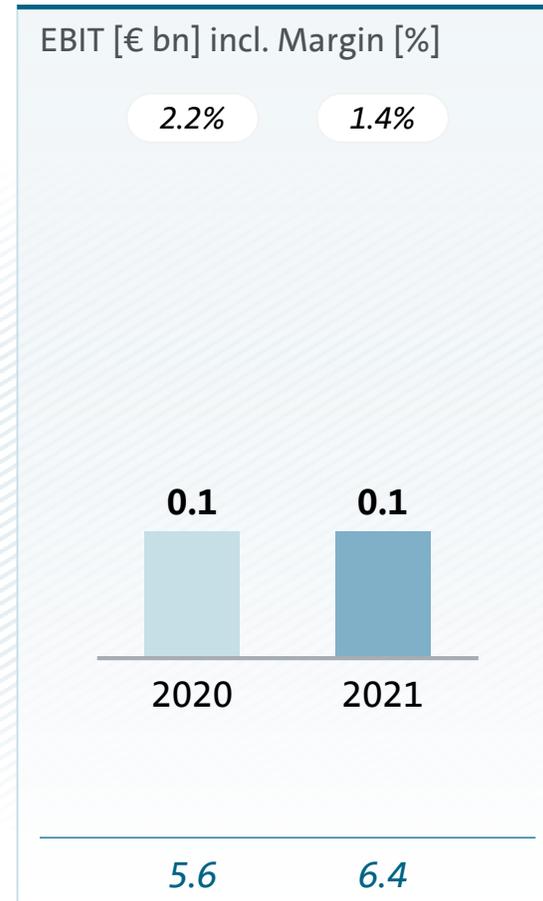
(January to March 2021 vs. 2020)

## Automotive Division

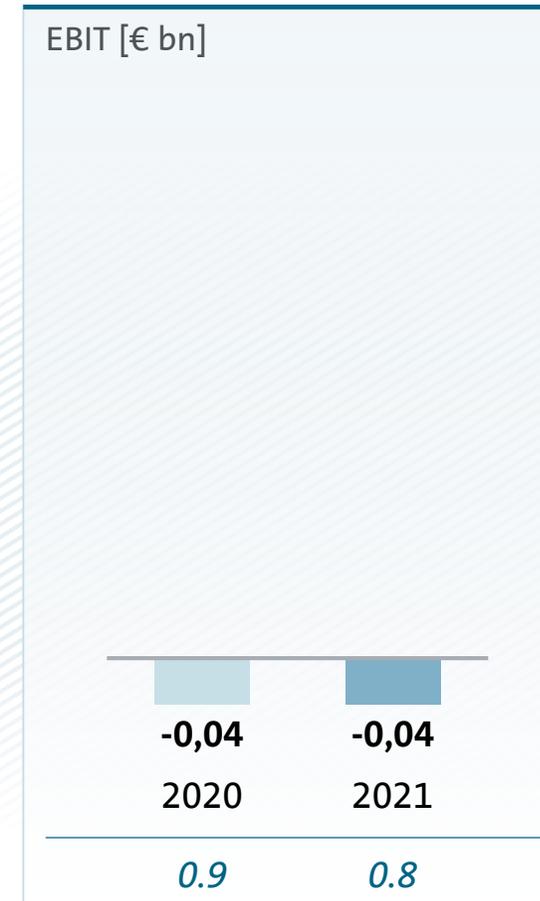
### Passenger Cars



### Commercial Vehicles

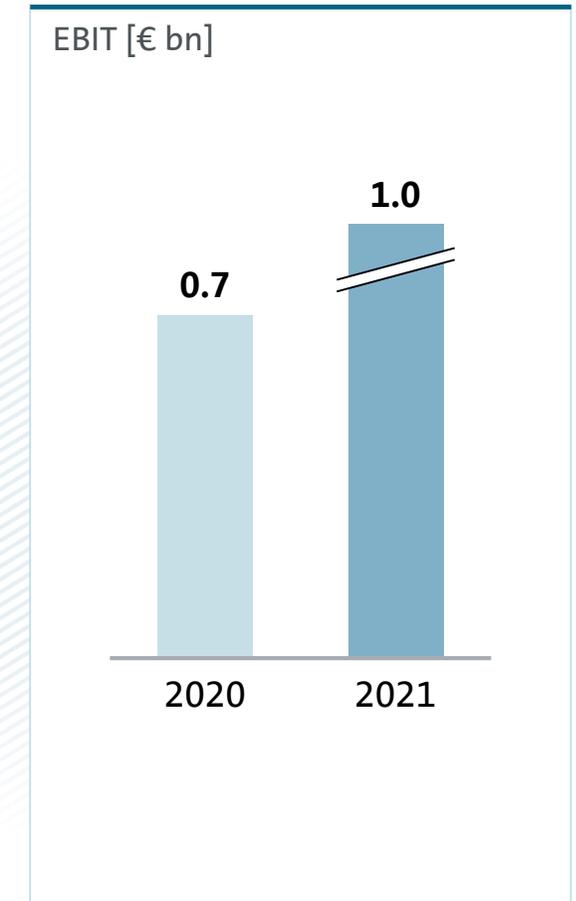


### Power Engineering



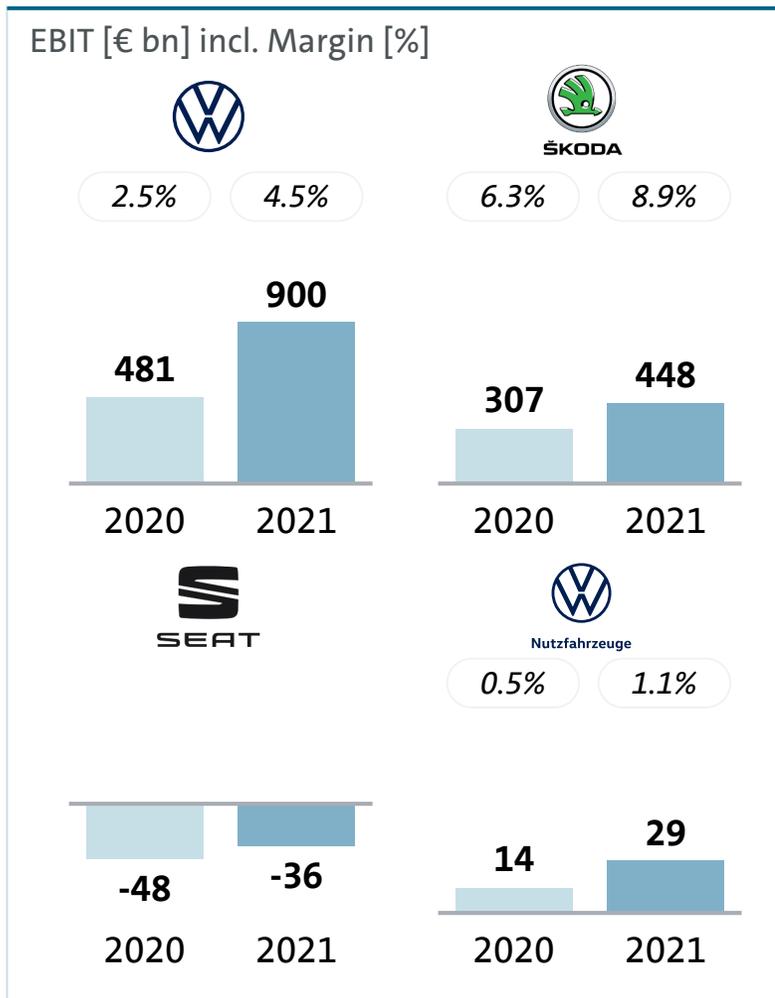
## Financial Services Division

### Financial Services

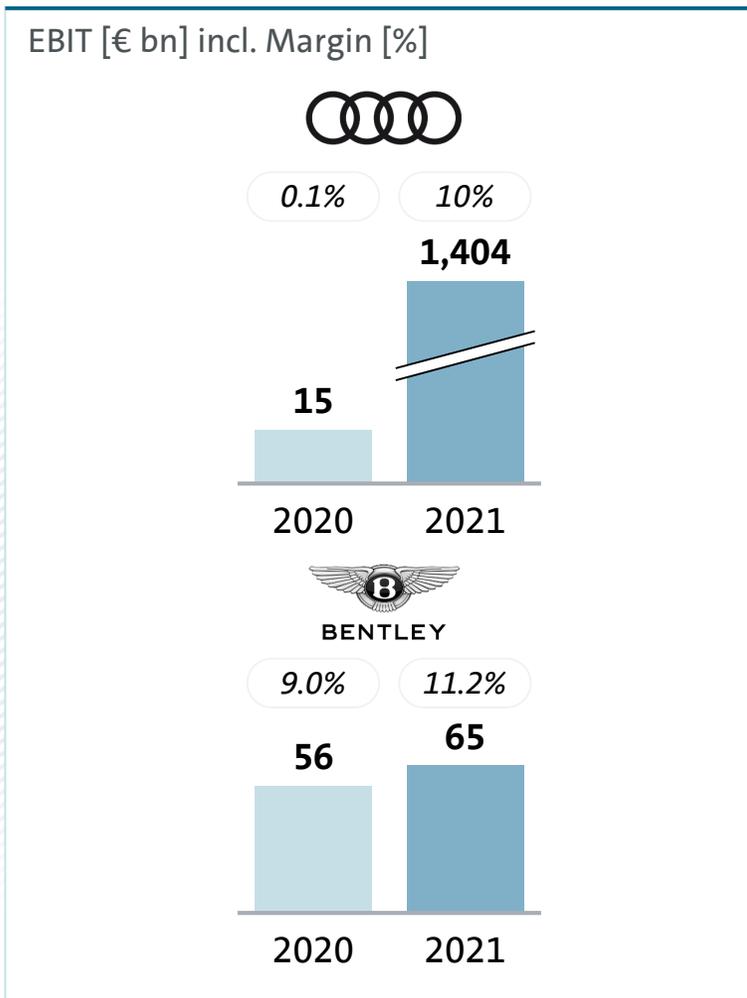


# Volkswagen Passenger Cars – Brand Groups Performance (January to March 2021 vs. 2020)

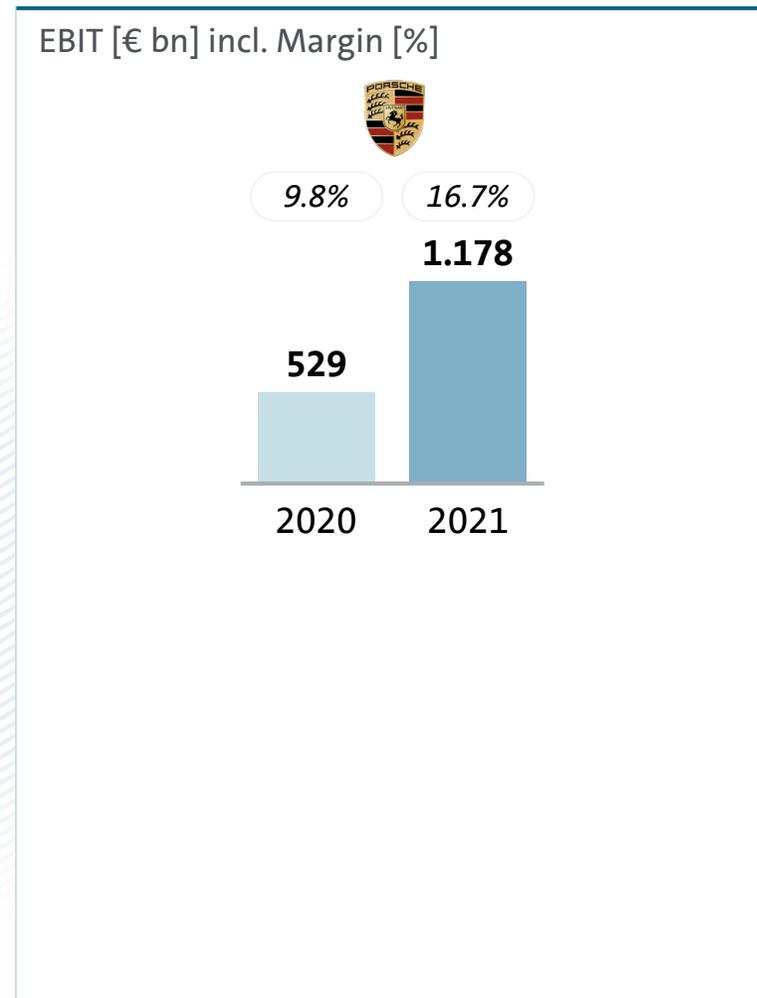
## Volume Group



## Premium Group

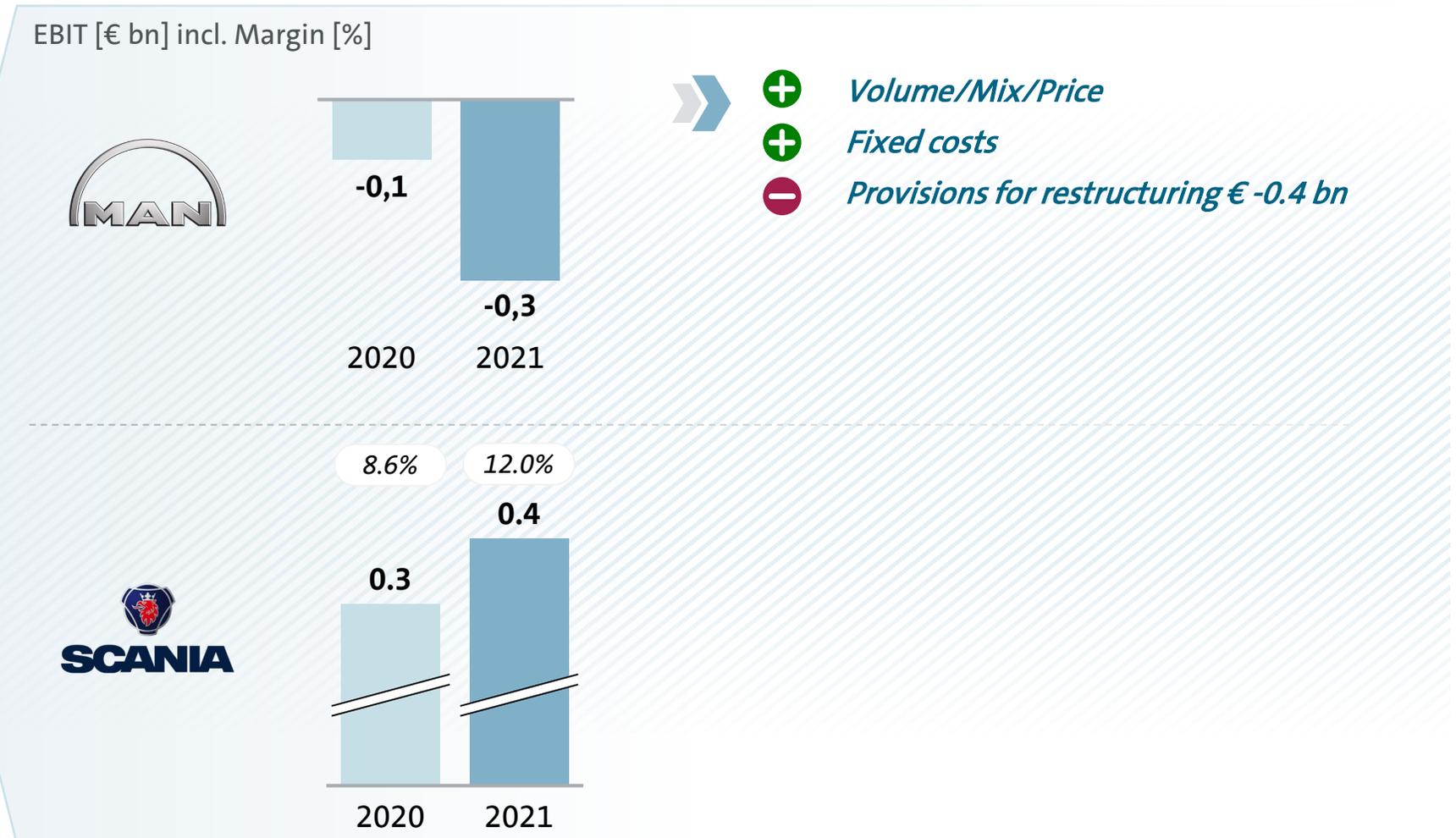
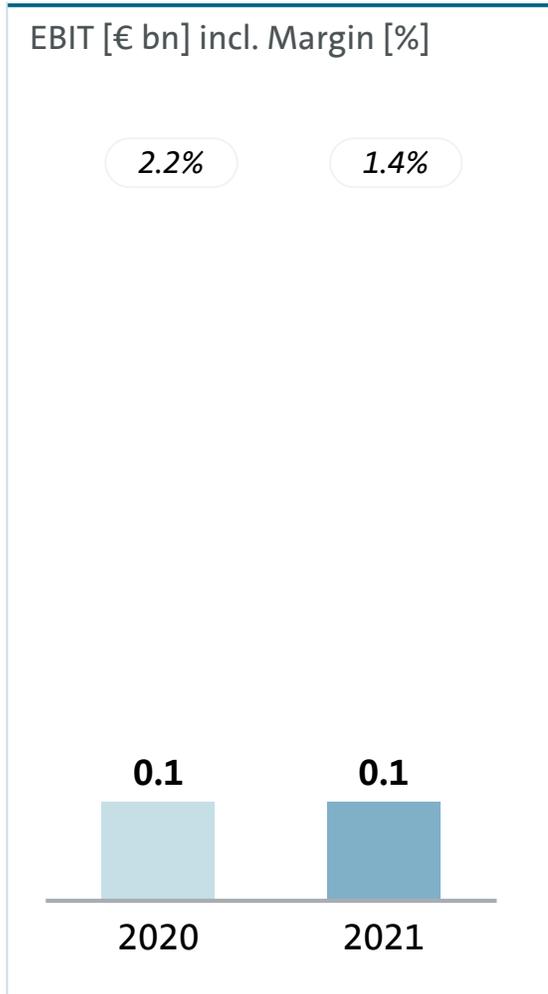


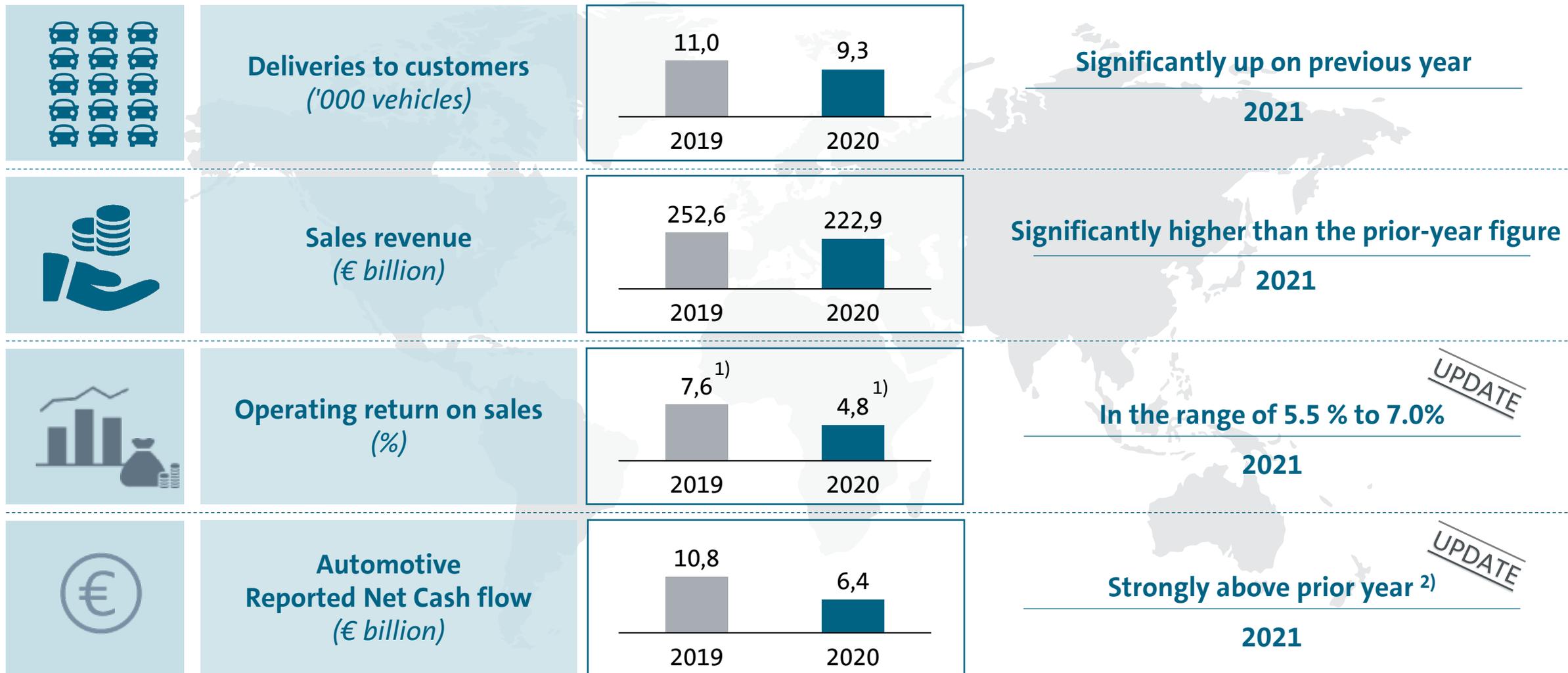
## Sport & Luxury Group



# Commercial Vehicles EBIT (January to March 2021 vs. 2020)

## Commercial Vehicles/Trucks





1) Before Special Items. 2) Before Navistar.

# Proof points of our Strategy

## Strategic CFO Targets

**Focused financial steering**  
of the **transformation**  
(allocation of resources to future topics)

**Safeguarding and strengthening**  
our **financial foundation**  
(... for continued investments in future technologies such as electrification, digital technology and autonomous driving)



## CFO Focus Areas

Focus on **product transformation**

**Digitalization: Advancing in software/autonomous driving/services**

Capturing **group-wide synergies**

**Groupwide cost & efficiency programs**

**Brand positioning/pricing**



*Acting based on **integrity and values***

# Disciplined BEV ramp-up pushing for scale effects

## CFO Focus Areas

Focus on product transformation

Digitalization

Capturing group-wide synergies

Groupwide cost & efficiency programs

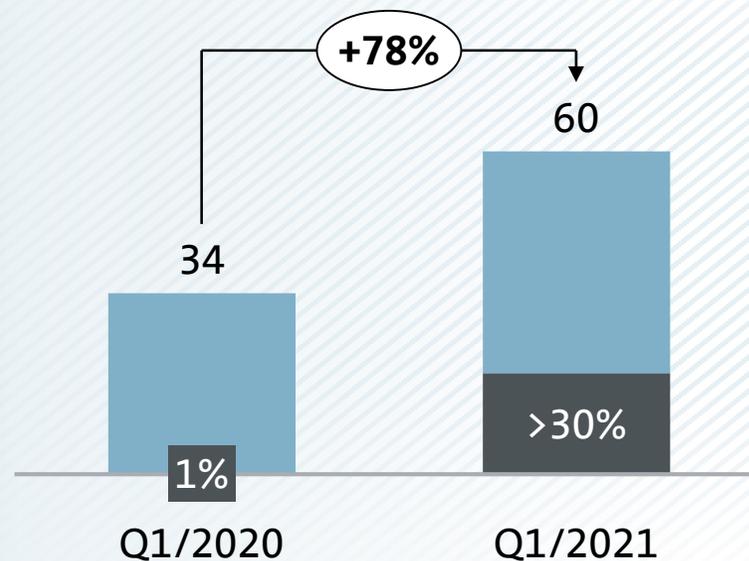
Brand positioning/pricing

Acting based on integrity and values

## Deliveries to Customers

[thousand units]

■ MEB share



- *Scaling up MEB platform such as ID.4 worldwide (major launch March 2021)*
- *Sales almost doubled, very low tacticals*
- *Zwickau multi-brand plant as blue print started third shift in Q1 2021*
- *Over-the-air functionality for ID family; starting with regular updates this summer in Europe and in the US*
- *Synergy projects progressing, Audi launched Q4 e-tron based on MEB*

# Business model: Software is a key differentiator for the future, 100% commitment to become Software-Enabled-Car-Company – scale is key

## CFO Focus Areas



### Operating result

[€ bn]

C A R I A D

Q1/2021



-0.2

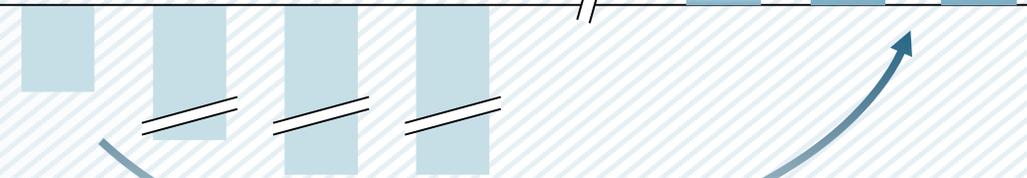
### Planned Business model CARIAD

Software development in brands

Investment phase (R&D)

Income phase through licenses

2020 2021 2022 2023



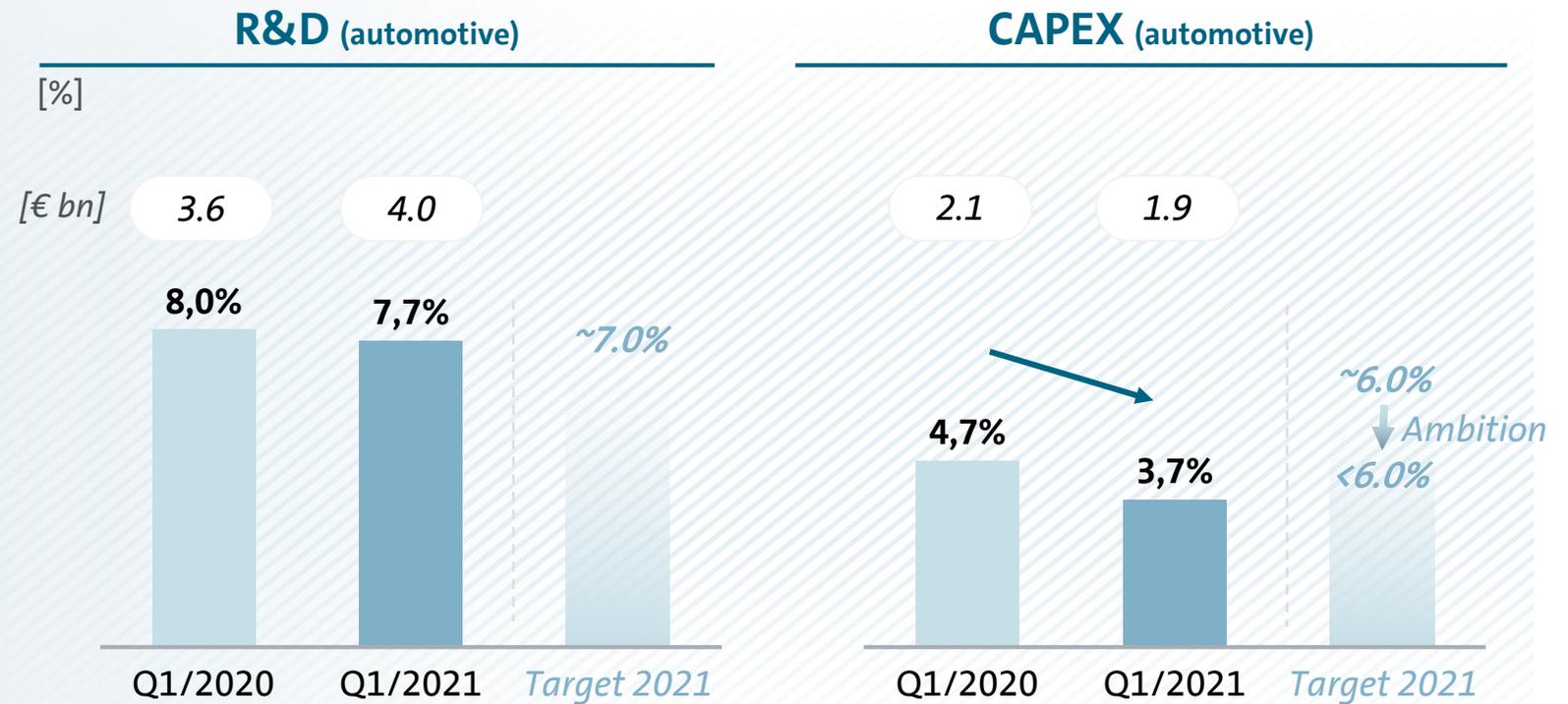
- CARIAD currently included in 'Other line' <sup>1)</sup>
- Brand R&D costs shifting to CARIAD
- Q1 2021:
  - R&D € 0.5 bn
  - ca. 4k headcount

■ Based on primary R&D costs

1) Including allocation of consolidation adjustments between the Automotive and Financial Services divisions.

# R&D/CAPEX – Significant upfront investment in R&D necessary for transformation; Compensation on CAPEX through group wide synergies

## CFO Focus Areas

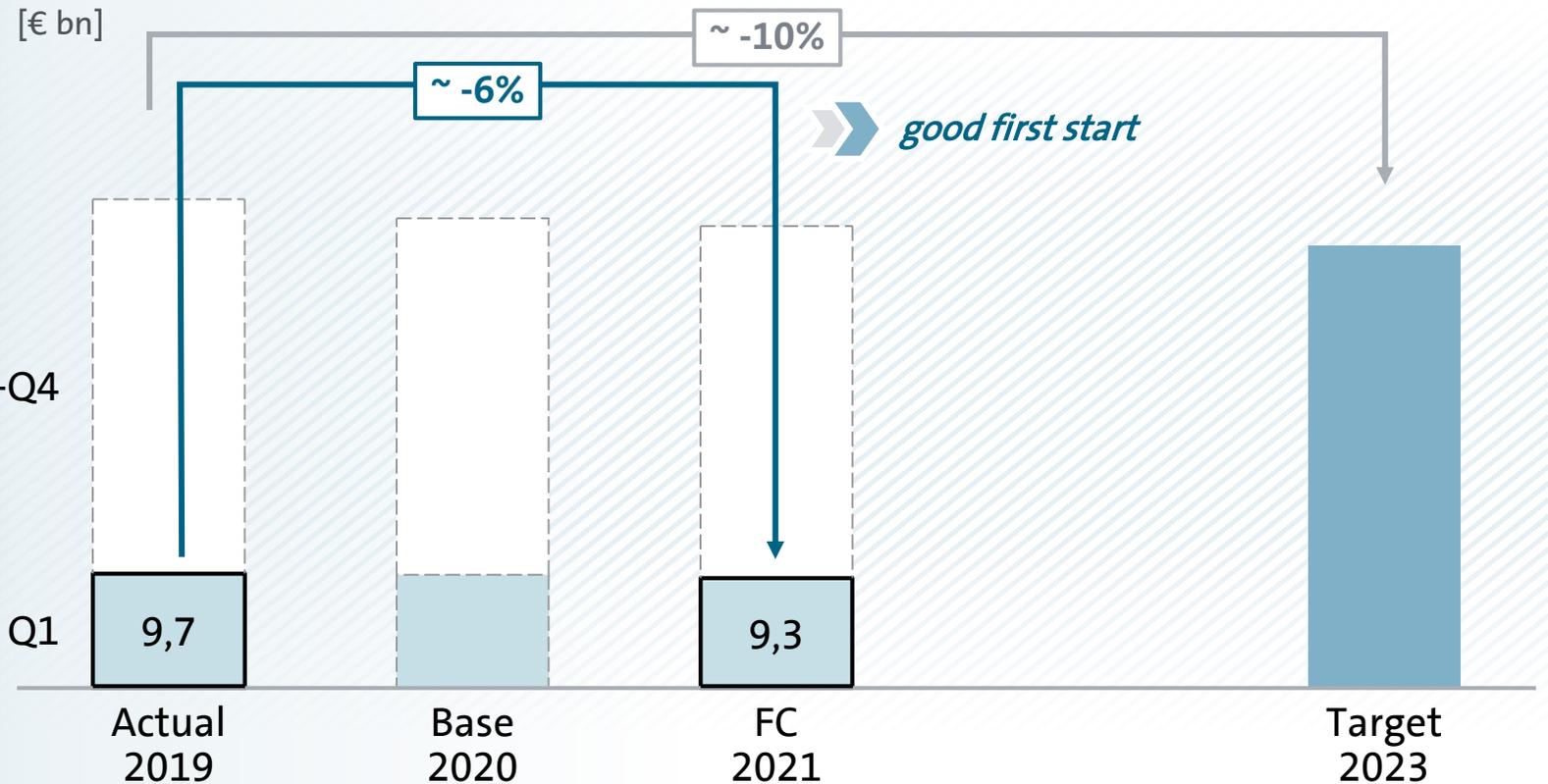


# Financing the transformation: Fixed cost program ahead of schedule, further progress in Q1 <sup>1)</sup>

## CFO Focus Areas



### Group wide Cost Program (without R+D / Capex)



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

# Step-by-step we will complement our current planning and steering of individual brand performance with focus along value drivers

