

Volkswagen Group with solid performance in a demanding environment for the first half of 2024

„The Volkswagen Group delivered a solid performance in the first half of the year. In a demanding environment, 2024 marks the Group’s largest product offensive and a comprehensive restructuring of our business areas. The results reflect a successful team effort across all brands. Strategically, we have set a decisive course and the TOP 10 programs are making good headway. We are accelerating our global software strategy with international partners and have completely realigned our set-up in China. The performance programs are picking up speed across the Group and our new products are receiving positive feedback from global markets. This is a good basis. However, much of the work still lies ahead of us.”

Oliver Blume, CEO Volkswagen Group



“Our second quarter margin, before restructuring costs and other non-operational factors, came in slightly above our expectations. But what ultimately counts is the reported result. A margin of 6.3% after six months is below our ambitions and potential, given our array of great vehicles, our brand portfolio, and our global footprint. Given the expected product momentum and a solid order book, we confirm our outlook for the full year. However, we must make significant efforts on the cost side in the second half and beyond in order to achieve our targets.”

Arno Antlitz, CFO & COO Volkswagen Group



Key Figures

EUR 158.8 billion sales revenue in H1 2024, up from H1 2023 (EUR 156.3 billion)

Volkswagen Group sales revenue increased due to strong business development in Financial Services. Sales revenue in the automotive business almost stable with a slight decline in vehicle sales worldwide.

EUR 10.1 billion Operating Result in H1 2024, 11% below H1 2023 (EUR 11.3 billion); Operating Margin of 6.3%

Decrease in Operating Result related to several non-operating factors, in particular unplanned provisions for the severance program at Volkswagen AG; Operating Margin further impacted by higher fixed costs, charges related to the deconsolidation of VW Bank Russia, and the closing of part of a gas turbine business at MAN Energy Solutions.

Solid underlying result in H1 2024, improvement in margin from Q1 to Q2

Adjusted for non-operating factors and before fair value of derivatives outside of hedge accounting, corresponding Operating Margin was 7.1% in H1 2024; improvement in underlying margin of 7.6% in Q2 2024, compared to 6.6% underlying margin in Q1 2024.

EUR -0.1 billion net cash flow in the Automotive division in H1 2024 (EUR 2.5 billion)

Automotive net cash flow affected by increase in working capital related to the model ramp-up and supply constraints; strong net cashflow in Q2 of EUR 2.9 billion, almost compensating for outflow of EUR 3.0 billion in Q1 2024.

4.3 million vehicle sales H1 2024, slightly below H1 2023 (4.4 million vehicles)

Growth in North America (+8%) and South America (+15%) nearly offsets decline in other regions, particularly China in Q2.

Order intake for vehicles in Western Europe slightly up in H1 2024

Overall order intake in home region up 2%, driven by all-electric vehicles (+124%). Order book reaches well into the fourth quarter.



Outlook for 2024 Confirmed

The Volkswagen Group expects the sales revenue to exceed the previous year's figure by up to 5% in 2024. The operating return on sales for the Volkswagen Group and the Passenger Cars Business Area is likely to be between 6.5% and 7%.

In the Automotive Division, the Group assumes an investment ratio of between 13.5% and 14.5% in 2024. The automotive net cash flow in 2024 is expected to be between EUR 2.5 billion and EUR 4.5 billion. This will include in particular investments for the future and cash outflows from mergers and acquisitions, which are a vital pillar of the Volkswagen Group's transformation. Net liquidity in the Automotive Division in 2024 is expected to be between EUR 37 billion and EUR 39 billion. The Group's goal remains unchanged, namely, to continue with our robust financing and liquidity policy.

Further information on the brand groups

Core

Sales revenue at prior year level; Operating Margin decreased to 5.0%, due to restructuring expenses. Underlying Operating Margin before restructuring expenses at 6.0%.

[H1 Results Core on Aug. 2, 2024](#)

Progressive

Significant decline in sales revenue mainly driven by supply constraints at Audi; Operating Margin declines to 6.4%, Operating Margin before valuation effects at 7.7%.

[H1 Results Progressive on Jul. 25, 2024](#)

Sport Luxury

Decline in sales revenue driven by expected operating headwinds; Operating Margin declines to 16.4% due to costs related to model ramp-up.

[H1 Results Porsche on Jul. 24, 2024](#)

TRATON Trucks

Slightly increased sales revenue and strong profitability; continued high demand for vehicle services; Operating Margin came in at 9.0%.

[H1 Results TRATON on Jul. 26, 2024](#)

CARIAD

CARIAD sales revenue increases due to a significant increase in software licenses. The Operating Result is on previous year's level.

Group Mobility

Financial Services recorded an Operating Result of EUR 1.4 billion, a decline of 22% year-over-year, attributable to the deconsolidation of the Russian business.

[H1 Results VW Group Mobility on Aug. 9, 2024](#)

Key Figures Volkswagen Group

	Q2			H1		
	2024	2023	%	2024	2023	%
Volume Data¹ in thousands						
Deliveries to customers (units)	2,244	2,331	-3.8	4,348	4,372	-0.6
Vehicle sales (units)	2,260	2,324	-2.8	4,341	4,448	-2.4
Production (units)	2,340	2,418	-3.2	4,606	4,691	-1.8
Employees (on June 30, 2024/Dec. 31, 2023)				682.8	684.0	-0.2
Financial Data (IFRS), € million						
Sales revenue	83,339	80,059	+4.1	158,800	156,257	+1.6
Operating result	5,464	5,600	-2.4	10,052	11,347	-11.4
Operating return on sales (%)	6.6	7.0		6.3	7.3	
Earnings before tax	4,986	5,446	-8.4	10,167	11,898	-14.6
Return on sales before tax (%)	6.0	6.8		6.4	7.6	
Earnings after tax	3,631	3,791	-4.2	7,341	8,521	-13.9
Automotive Division²						
Cash flows from operating activities	8,396	6,161	+36.3	10,925	13,373	-20.5
Cash flows from investing activities attributable to operating activities ³	5,499	5,936	-7.4	11,054	11,267	-1.9
Net cash flow	2,898	226	-	-129	2,470	-
Net liquidity at June 30/Dec. 31				31,314	40,289	-22.3
Investment ratio	12.5	12.4		13.4	12.1	

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

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

3) Excluding acquisition and disposal of equity investments: Q2 EUR 5,393 (5,700) million, January to June EUR 10,743 (10,654) million.

Key figures by brand group and business field from January 1 to June 30

Thousand vehicles/€ million	Vehicle sales		Sales revenue		Operating result		Operating margin	
	2024	2023	2024	2023	2024	2023	2024	2023
Core brand group	2,494	2,450	69,051	68,764	3,462	3,773	5.0	5.5
Progressive brand group	539	655	30,939	34,169	1,982	3,417	6.4	10.0
Sport Luxury brand group ¹	152	171	17,695	18,892	2,904	3,653	16.4	19.3
CARIAD	-	-	426	329	-1,182	-1,088		
Battery	-	-	0	0	-166	-181		
TRATON Commercial Vehicles	161	168	22,738	22,331	2,050	1,798	9.0	8.1
MAN Energy Solutions	-	-	1,998	1,875	124	208		
Equity-accounted companies in China ²	1,265	1,352	-	-	-	-		
Volkswagen Group Mobility	-	-	27,514	24,112	1,373	1,760		
Other ³	-269	-349	-11,561	-14,215	-495	-1,993		
Volkswagen Group	4,341	4,448	158,800	156,257	10,052	11,347	6.3	7.3

1) Including Porsche Financial Services: sales revenue EUR 19,457 (20,431) million, operating result EUR 3,061 (3,852) million.

2) The sales revenue and operating result of the equity-accounted companies in China are not included in the consolidated figures; the share of the operating result generated by these companies amounted to EUR 801 (1,152) million.

3) In the operating result, mainly intragroup items recognized in profit or loss, in particular from the elimination of intercompany profits; the figure includes depreciation and amortization of identifiable assets as part of purchase price allocation, as well as companies not allocated to the brands.

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About the Volkswagen Group

The Volkswagen Group is one of the world's leading car makers, headquartered in Wolfsburg, Germany. It operates globally, with 114 production facilities in 19 European countries and 10 countries in the Americas, Asia and Africa. With around 684,000 employees worldwide. The Group's vehicles are sold in over 150 countries.

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

In 2023, the total number of vehicles delivered to customers by the Group globally was 9.2 million (2022: 8.3 million). Group sales revenue in 2023 totaled EUR 322.3 billion (2022: EUR 279.1 billion). The operating result before special items in 2023 amounted to EUR 22.6 billion (2022: EUR 22.5 billion).

Volkswagen Aktiengesellschaft

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