
Media information

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Volkswagen Group and its brands bring 2019 to successful conclusion

- **CEO Dr. Herbert Diess: “2019 was a very successful year for the Volkswagen Group. We have laid vital groundwork for all relevant changes.”**
- **Volkswagen Passenger Cars increases sales revenue and operating profit – ID.3¹ and Golf 8 DNA models introduced, new brand design expresses the brand’s new attitude**
- **Audi achieves higher operating return on sales – ŠKODA, SEAT, Bentley, Porsche, Scania and MAN see improvements in sales revenue and operating profit**
- **Volkswagen Commercial Vehicles sees decrease in earnings, Volkswagen Financial Services sees significant increase in sales revenue and record operating profit**

Wolfsburg, March 17, 2020 – The Volkswagen Group brought fiscal year 2019 to a successful conclusion with improved financial results in almost all brands. Dr. Herbert Diess, Chairman of the Board of Management of Volkswagen Aktiengesellschaft, said, “2019 was a very successful year for the Volkswagen Group. We have laid vital groundwork for all relevant changes. 2020 is a very difficult year. The corona pandemic presents us with unknown operational and financial challenges. At the same time, there are concerns about sustained economic impacts. We will succeed in overcoming the corona crisis by pooling our strengths and with close cooperation and high morale in our Group.”

At EUR 88.4 billion, the **Volkswagen Passenger Cars** brand’s sales revenue in 2019 was 4.5 percent higher than in the previous year. Operating profit before special items increased to EUR 3.8 (3.2) billion. Improvements in the mix and price positioning in particular compensated for lower sales of Volkswagen Passenger Cars models and for launch costs and negative exchange rate effects. The operating return on sales before special items increased to 4.3 (3.8) percent. The diesel issue gave rise to special items of EUR –1.9 (–1.9) billion.

The **Audi** brand’s sales revenue declined to EUR 55.7 (59.2) billion in fiscal year 2019. The reason for this was the Group’s internal relocation of the multibrand sales companies. Operating profit (previous year’s figure excludes special items) amounted to EUR 4.5 (4.7) billion. Mix and product cost improvements offset negative effects from model start-ups and phase-outs, higher upfront expenditure for new products and technologies, an unfavorable exchange rate trend and personnel cost increases. The operating return on sales (previous year’s figure excludes special items) was 8.1 (7.9) percent. The financial key performance indicators for the Lamborghini and Ducati brands are included in the financial figures for the Audi brand.

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Sales revenue at the **ŠKODA** brand increased by 14.5 percent in 2019 to EUR 19.8 billion, partly due to initial consolidation following the assumption of regional responsibility for India. Operating profit improved by EUR 0.3 billion to EUR 1.7 billion. Volume increases, mix optimizations and pricing measures more than compensated for negative effects resulting from cost increases and higher upfront expenditure for new products. The operating return on sales stood at 8.4 percent, compared to 8.0 percent in the previous year.

SEAT continued its upward trend in the reporting year: Sales revenue was EUR 11.5 billion, exceeding the previous year's record figure by 12.7 percent. Operating profit rose to EUR 445 (254) million, which was also a new record. Particularly volume and mix effects had a positive impact. The SEAT brand's operating return on sales improved to 3.9 (2.5) percent.

The **Bentley** brand generated sales revenue of EUR 2.1 billion in 2019, exceeding the equivalent prior-year figure by 35.1 percent. Operating profit improved to EUR 65 (–288) million driven by higher volumes, as well as by cost savings in connection with the ongoing efficiency program together with mix effects and exchange rate trends. The brand's operating return on sales increased to 3.1 (–18.6) percent.

Porsche Automotive's sales revenue increased by 10.1 percent to EUR 26.1 (23.7) billion in fiscal year 2019. Operating profit before special items improved by 2.4 percent year-on-year to EUR 4.2 billion. Volume and mix improvements as well as product cost optimization compensated for negative exchange rate effects and cost increases. The operating return on sales before special items was 16.2 (17.4) percent. The diesel issue gave rise to special items of EUR –0.5 billion in the reporting period.

Sales revenue by **Volkswagen Commercial Vehicles** in fiscal year 2019 was almost on a level with the previous year, at EUR 11.5 (11.9) billion. In particular, increased fixed and development costs for new products reduced operating profit to EUR 510 (780) million. Improved product costs had a positive effect. The operating return on sales was 4.4 (6.6) percent.

Scania Vehicles and Services generated sales revenue of EUR 13.9 (13.0) billion in fiscal year 2019. Operating profit increased by 24.8 percent to EUR 1.5 billion. In addition to higher vehicles sales and a stronger genuine parts and service business, improvements in the mix as well as exchange rate effects had a positive impact on profit. The operating return on sales was 10.8 (9.3) percent in the reporting year.

Driven by higher volumes, sales revenue at **MAN** Commercial Vehicles climbed to EUR 12.7 billion in 2019, exceeding the prior-year figure by 4.6 percent. Operating profit was up on the prior-year period at EUR 402 (332) million, which was negatively impacted by expenses incurred in connection with the restructuring of activities in India. The brand's operating return on sales was 3.2 (2.7) percent.

The sales revenue of **Volkswagen Financial Services** in the reporting year amounted to EUR 38.0 billion, an increase of 15.8 percent on the previous year. Operating profit rose by 13.3 percent and hit a new record of EUR 3.0 billion. The increase was mainly attributable to business growth.

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Frank Witter, Group Board of Management Member for Finance and IT, said, “The spread of coronavirus is currently impacting the global economy. It is uncertain how severely or for how long this will also affect the Volkswagen Group. Currently, it is almost impossible to make a reliable forecast. We are making full use of all measures in task force mode to support our employees and their families and to stabilize our business.”

This text is available from www.volkswagen-newsroom.com.

¹⁾ This vehicle is not yet offered for sale in Europe.



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About the Volkswagen Group:

The Volkswagen Group, with its headquarters in Wolfsburg, is one of the world's leading automobile manufacturers and the largest carmaker in Europe. The Group comprises twelve brands from seven European countries: Volkswagen Passenger Cars, Audi, SEAT, ŠKODA, Bentley, Bugatti, Lamborghini, Porsche, Ducati, Volkswagen Commercial Vehicles, Scania and MAN. The passenger car portfolio ranges from small cars all the way to luxury-class vehicles. Ducati offers motorcycles. In the light and heavy commercial vehicles sector, the products range from pick-ups to buses and heavy trucks. Every weekday, 671.205 employees around the globe produce on average 44,567 vehicles, are involved in vehicle-related services or work in other areas of business. The Volkswagen Group sells its vehicles in 153 countries.

In 2019, the total number of vehicles delivered to customers by the Group globally was 10.97 million (2018: 10.83 million). The passenger car global market share was 12.9 percent. Group sales revenue in 2019 totaled EUR 252.6 billion (2018: EUR 235.8 billion). Earnings after tax in the fiscal year now ended amounted to EUR 14.0 billion (2018: EUR 12.2 billion).