

5

Consolidated Financial Statements

267 Income Statement

268 Statement of Comprehensive Income

270 Balance Sheet

272 Statement of Changes in Equity

273 Cash flow statement

274 Notes

442 Responsibility Statement

443 Independent Auditor's Report

457 Independent Auditor's Report

(on the Remuneration Report)

Consolidated Financial Statements

267	Income Statement	333	22. Marketable securities and time deposits
268	Statement of Comprehensive Income	333	23. Cash and cash equivalents
270	Balance Sheet	334	24. Equity
272	Statement of Changes in Equity	336	25. Noncurrent and current financial liabilities
273	Cash flow statement	337	26. Noncurrent and current other financial liabilities
	Notes		
274	Basis of presentation	338	27. Noncurrent and current other liabilities
274	Effects of new and amended IFRSs	338	28. Tax liabilities
276	New and amended IFRSs not applied	339	29. Provisions for pensions and other post-employment benefits
277	Key events	346	30. Noncurrent and current other provisions
284	Effects of climate change	347	31. Trade payables
285	Basis of consolidation	348	Other disclosures
297	Currency translation	348	32. IAS 23 (Borrowing costs)
298	Accounting policies	348	33. IFRS 16 (Leases)
309	Segment reporting	353	34. IFRS 7 (Financial instruments)
312	Income statement disclosures	366	35. Cash flow statement
312	1. Sales revenue	368	36. Financial risk management and financial instruments
313	2. Cost of sales	393	37. Capital management
313	3. Distribution expenses	395	38. Contingent liabilities
313	4. Administrative expenses	396	39. Litigation
314	5. Other operating income	409	40. Other financial obligations
315	6. Other operating expenses	410	41. Total fee of the Group auditor
315	7. Share of the result of equity-accounted investments	410	42. Personnel expenses
316	8. Interest result	411	43. Average number of employees during the year
316	9. Other financial result	411	44. Events after the balance sheet date
317	10. Income tax income/expense	412	45. Remuneration based on performance shares
321	11. Earnings per share	414	46. Related party disclosures in accordance with IAS 24
322	Balance sheet disclosures	419	47. Notices and disclosure of changes regarding the ownership of voting rights in Volkswagen AG in accordance with the Wertpapierhandelsgesetz (WpHG – German securities trading act)
322	12. Intangible assets	441	48. German Corporate Governance Code
325	13. Property, plant and equipment	441	49. Remuneration of the Board of Management and the Supervisory Board
327	14. Lease assets and investment property	442	Responsibility Statement
328	15. Equity-accounted investments and other equity investments	443	Independent Auditor's Report
330	16. Noncurrent and current financial services receivables	457	Independent Auditor's Report (on the Remuneration Report)
330	17. Noncurrent and current other financial assets		
331	18. Noncurrent and current other receivables		
332	19. Tax assets		
332	20. Inventories		
333	21. Trade receivables		

Income Statement

of the Volkswagen Group for the period January 1 to December 31, 2023

€ million	Note	2023	2022 ¹
Sales revenue	1	322,284	279,050
Cost of sales	2	-261,262	-226,866
Gross result		61,022	52,184
Distribution expenses	3	-21,340	-19,840
Administrative expenses	4	-12,724	-11,655
Other operating income	5	15,152	19,234
Other operating expenses	6	-19,534	-17,813
Operating result		22,576	22,109
Share of the result of equity-accounted investments	7	2,291	2,403
Interest income	8	2,658	1,325
Interest expenses	8	-3,592	-408
Other financial result	9	-739	-3,359
Financial result		618	-40
Earnings before tax		23,194	22,070
Income tax income/expense	10	-5,266	-6,217
Current		-6,791	-5,263
Deferred		1,526	-954
Earnings after tax		17,928	15,852
of which attributable to			
Noncontrolling interests		1,329	395
Volkswagen AG hybrid capital investors		586	576
Volkswagen AG shareholders		16,013	14,881
Basic/diluted earnings per ordinary share in €	11	31.92	29.66
Basic/diluted earnings per preferred share in €	11	31.98	29.72

1 Prior-year figures adjusted (see disclosures on IFRS 17 in the "Effects of new and amended IFRSs" section).

Statement of Comprehensive Income

Changes in comprehensive income for the period January 1 to December 31, 2023

€ million	Total	Income attributable to Volkswagen AG shareholders	Income attributable to Volkswagen AG hybrid capital investors	Income attributable to noncontrolling interests
Earnings after tax	17,928	16,013	586	1,329
Pension plan remeasurements recognized in other comprehensive income				
Pension plan remeasurements recognized in other comprehensive income, before tax	-1,871	-1,763	-	-107
Deferred taxes relating to pension plan remeasurements recognized in other comprehensive income	642	610	-	32
Pension plan remeasurements recognized in other comprehensive income, net of tax	-1,229	-1,153	-	-76
Fair value valuation of equity instruments that will not be reclassified to profit or loss				
Fair value valuation of equity instruments that will not be reclassified to profit or loss, before tax	-96	-97	-	1
Deferred taxes relating to fair value valuation of equity instruments that will not be reclassified to profit or loss	22	23	-	0
Fair Value valuation of equity instruments that will not be reclassified to profit or loss, net of tax	-73	-74	-	1
Share of other comprehensive income of equity-accounted investments that will not be reclassified to profit or loss, net of tax	-7	-7	-	0
Items that will not be reclassified to profit or loss	-1,309	-1,234	-	-74
Exchange differences on translating foreign operations				
Gains/losses on currency translation recognized in other comprehensive income	-1,653	-1,556	-	-97
Transferred to profit or loss	395	395	-	-
Exchange differences on translating foreign operations, before tax	-1,258	-1,160	-	-97
Deferred taxes relating to exchange differences on translating foreign operations	-3	-3	-	-
Exchange differences on translating foreign operations, net of tax	-1,260	-1,163	-	-97
Hedging				
Fair value changes recognized in other comprehensive income (OCI I)	747	428	-	320
Transferred to profit or loss or inventories (OCI I)	-748	-674	-	-75
Cash flow hedges (OCI I), before tax	-1	-246	-	245
Deferred taxes relating to cash flow hedges (OCI I)	20	95	-	-75
Cash flow hedges (OCI I), net of tax	19	-151	-	170
Fair value changes recognized in other comprehensive income (OCI II)	-404	-359	-	-45
Transferred to profit or loss or inventories (OCI II)	1,055	915	-	140
Cash flow hedges (OCI II), before tax	651	556	-	95
Deferred taxes relating to cash flow hedges (OCI II)	-184	-155	-	-29
Cash flow hedges (OCI II), net of tax	467	401	-	66
Fair value valuation of debt instruments that may be reclassified to profit or loss				
Fair value changes recognized in other comprehensive income	176	176	-	-
Transferred to profit or loss	-6	-6	-	-
Fair value valuation of debt instruments that may be reclassified to profit or loss, before tax	170	170	-	-
Deferred taxes relating to fair value valuation of debt instruments recognized in other comprehensive income	-44	-44	-	-
Fair value valuation of debt instruments that may be reclassified to profit or loss, net of tax	126	126	-	-
Share of other comprehensive income of equity-accounted investments that may be reclassified to profit or loss, net of tax	-382	-381	-	-1
Items that may be reclassified to profit or loss	-1,030	-1,168	-	138
Other comprehensive income, before tax	-2,792	-2,929	-	136
Deferred taxes relating to other comprehensive income	454	526	-	-73
Other comprehensive income, net of tax	-2,339	-2,402	-	64
Total comprehensive income	15,589	13,611	586	1,393

Changes in comprehensive income for the period January 1 to December 31, 2022¹

€ million	Total	Income attributable to Volkswagen AG shareholders	Income attributable to Volkswagen AG hybrid capital investors	Income attributable to noncontrolling interests
Earnings after tax	15,852	14,881	576	395
Pension plan remeasurements recognized in other comprehensive income				
Pension plan remeasurements recognized in other comprehensive income, before tax	14,880	14,793	-	87
Deferred taxes relating to pension plan remeasurements recognized in other comprehensive income	-4,572	-4,550	-	-22
Pension plan remeasurements recognized in other comprehensive income, net of tax	10,308	10,243	-	65
Fair value valuation of equity instruments that will not be reclassified to profit or loss				
Fair value valuation of equity instruments that will not be reclassified to profit or loss, before tax ²	-475	-422	-	-52
Deferred taxes relating to fair value valuation of equity instruments that will not be reclassified to profit or loss ²	35	29	-	5
Fair Value valuation of equity instruments that will not be reclassified to profit or loss, net of tax	-440	-393	-	-47
Share of other comprehensive income of equity-accounted investments that will not be reclassified to profit or loss, net of tax	11	11	-	0
Items that will not be reclassified to profit or loss	9,879	9,860	-	19
Exchange differences on translating foreign operations				
Gains/losses on currency translation recognized in other comprehensive income	100	256	-	-156
Transferred to profit or loss	59	59	-	-
Exchange differences on translating foreign operations, before tax	160	316	-	-156
Deferred taxes relating to exchange differences on translating foreign operations	5	5	-	-
Exchange differences on translating foreign operations, net of tax	164	321	-	-156
Hedging				
Fair value changes recognized in other comprehensive income (OCI I)	2,203	1,675	-	528
Transferred to profit or loss or inventories (OCI I)	1,094	1,045	-	48
Cash flow hedges (OCI I), before tax	3,297	2,720	-	577
Deferred taxes relating to cash flow hedges (OCI I)	-976	-800	-	-176
Cash flow hedges (OCI I), net of tax	2,321	1,920	-	401
Fair value changes recognized in other comprehensive income (OCI II)	-2,058	-2,002	-	-56
Transferred to profit or loss or inventories (OCI II)	753	730	-	22
Cash flow hedges (OCI II), before tax	-1,305	-1,272	-	-34
Deferred taxes relating to cash flow hedges (OCI II)	398	387	-	11
Cash flow hedges (OCI II), net of tax	-908	-885	-	-23
Fair value valuation of debt instruments that may be reclassified to profit or loss				
Fair value changes recognized in other comprehensive income	-430	-430	-	-
Transferred to profit or loss	0	0	-	-
Fair value valuation of debt instruments that may be reclassified to profit or loss, before tax	-430	-430	-	-
Deferred taxes relating to fair value valuation of debt instruments recognized in other comprehensive income	118	118	-	-
Fair value valuation of debt instruments that may be reclassified to profit or loss, net of tax	-312	-312	-	-
Share of other comprehensive income of equity-accounted investments that may be reclassified to profit or loss, net of tax	314	314	-	0
Items that may be reclassified to profit or loss	1,580	1,358	-	222
Other comprehensive income, before tax	16,452	16,030	-	422
Deferred taxes relating to other comprehensive income	-4,993	-4,811	-	-182
Other comprehensive income, net of tax	11,459	11,218	-	241
Total comprehensive income	27,312	26,100	576	636

1 Prior-year figures adjusted (see disclosures on IFRS 17 in the "Effects of new and amended IFRSs" section).

2 As from the first quarter of 2023, deferred taxes are reported separately. The prior-year figures were adjusted accordingly.

Balance Sheet

of the Volkswagen Group as of December 31, 2023

€ million	Note	Dec. 31, 2023	Dec. 31, 2022 ¹
Assets			
Noncurrent assets			
Intangible assets	12	89,109	83,241
Property, plant and equipment	13, 33	66,880	63,890
Lease assets	14, 33	64,094	59,380
Investment property	14	632	610
Equity-accounted investments	15	12,239	12,668
Other equity investments	15	4,431	3,489
Financial services receivables	16	94,474	86,944
Other financial assets	17	11,757	13,832
Other receivables	18	2,702	2,477
Tax receivables	19	437	394
Deferred tax assets	19	13,940	12,929
		360,694	339,853
Current assets			
Inventories	20	53,601	52,274
Trade receivables	21	21,849	18,534
Financial services receivables	16	66,381	61,549
Other financial assets	17	16,953	15,148
Other receivables	18	8,799	7,813
Tax receivables	19	1,649	1,732
Marketable securities and time deposits	22	26,772	37,206
Cash and cash equivalents	23	43,449	29,172
Assets held for sale		190	733
		239,644	224,159
Total assets		600,338	564,013

1 Prior-year figures adjusted (see disclosures on IFRS 17 in the "Effects of new and amended IFRSs" section).

€ million	Note	Dec. 31, 2023	Dec. 31, 2022 ¹
Equity and liabilities			
Equity	24		
Subscribed capital		1,283	1,283
Capital reserve		14,551	14,551
Retained earnings		147,830	137,272
Other reserves		-3,125	-1,851
Equity attributable to Volkswagen AG hybrid capital investors		15,155	14,121
Equity attributable to Volkswagen AG shareholders and hybrid capital investors		175,694	165,376
Noncontrolling interests		14,218	12,952
		189,912	178,328
Noncurrent liabilities			
Financial liabilities	25	122,323	121,737
Other financial liabilities	26	6,968	8,188
Other liabilities	27	9,885	9,144
Deferred tax liabilities	28	9,781	10,736
Provisions for pensions	29	29,672	27,553
Provisions for taxes	28	4,287	4,320
Other provisions	30	21,636	21,283
		204,552	202,961
Current liabilities			
Financial liabilities	25	110,476	83,448
Trade payables	31	30,901	28,738
Tax payables	28	556	726
Other financial liabilities	26	14,022	19,807
Other liabilities	27	24,345	22,665
Provisions for taxes	28	1,663	2,586
Other provisions	30	23,881	24,596
Liabilities associated with assets held for sale	31		158
		205,874	182,723
Total equity and liabilities		600,338	564,013

1 Prior-year figures adjusted (see disclosures on IFRS 17 in the "Effects of new and amended IFRSs" section).

Statement of Changes in Equity

of the Volkswagen Group for the period January 1 to December 31, 2023

OTHER RESERVES

HEDGING

€ million	Subscribed capital	Capital reserve	Retained earnings	Currency translation reserve	Cash flow hedges (OCI I)	Deferred costs of hedging (OCI II)	Equity and debt instruments	Equity-accounted investments	Equity attributable to Volkswagen AG hybrid capital investors	Equity attributable to Volkswagen AG shareholders and hybrid capital investors	Noncontrolling interests	Total equity
Unadjusted balance at Jan. 1, 2022	1,283	14,551	117,342	-2,351	-635	-367	-355	541	14,439	144,449	1,705	146,154
Changes in accounting policy to reflect IFRS 17	-	-	-11	-	-	-	-	1	-	-11	-	-11
Balance at Jan. 1, 2022	1,283	14,551	117,331	-2,351	-635	-367	-355	542	14,439	144,438	1,705	146,143
Earnings after tax	-	-	14,881	-	-	-	-	-	576	15,457	395	15,852
Other comprehensive income, net of tax	-	-	10,243	321	1,920	-885	-705	325	-	11,218	241	11,459
Total comprehensive income	-	-	25,124	321	1,920	-885	-705	325	576	26,676	636	27,312
Disposal of equity instruments	-	-	-58	-	-	-	58	-	-	-	-	-
Capital increases/Capital decreases	-	-	-	-	-	-	-	-	-337	-337	103	-234
Dividends payment	-	-	-13,327	-	-	-	-	-	-557	-13,884	-257	-14,141
Capital transactions involving a change in ownership interest	-	-	8,148	-226	338	174	-3	0	-	8,432	10,796	19,228
Other changes	-	-	54	-	-	-	-	-3	-	51	-30	21
Balance at Dec. 31, 2022¹	1,283	14,551	137,272	-2,256	1,623	-1,077	-1,005	864	14,121	165,376	12,952	178,328
Unadjusted balance at Jan. 1, 2023	1,283	14,551	137,267	-2,256	1,623	-1,077	-1,005	870	14,121	165,378	12,950	178,327
Changes in accounting policy to reflect IFRS 17	-	-	5	-	-	-	-	-7	-	-1	2	1
Balance at Jan. 1, 2023	1,283	14,551	137,272	-2,256	1,623	-1,077	-1,005	864	14,121	165,376	12,952	178,328
Earnings after tax	-	-	16,013	-	-	-	-	-	586	16,599	1,329	17,928
Other comprehensive income, net of tax	-	-	-1,153	-1,163	-151	401	52	-388	-	-2,402	64	-2,339
Total comprehensive income	-	-	14,860	-1,163	-151	401	52	-388	586	14,197	1,393	15,589
Disposal of equity instruments	-	-	13	-	-	-	-13	-	-	-	-	-
Capital increases/Capital decreases	-	-	-	-	-	-	-	-	1,004	1,004	3	1,008
Dividends payment	-	-	-4,374	-	-	-	-	-	-556	-4,930	-54	-4,984
Capital transactions involving a change in ownership interest	-	-	-42	-11	-	-	-	-	-	-54	-27	-80
Other changes	-	-	100	-	-	-	-	-	-	100	-50	51
Balance at Dec. 31, 2023	1,283	14,551	147,830	-3,431	1,472	-676	-966	476	15,155	175,694	14,218	189,912

¹ Prior-year figures adjusted (see disclosures on IFRS 17 in the "Effects of new and amended IFRSs" section).

Explanatory notes on equity are presented in the note relating to equity.

Cash flow Statement

of the Volkswagen Group for the period January 1 to December 31, 2023

€ million	2023	2022 ²
Cash and cash equivalents at beginning of period	29,738	39,123
Earnings before tax	23,194	22,070
Income taxes paid	-7,716	-4,416
Depreciation and amortization of, and impairment losses on, intangible assets, property, plant and equipment, and investment property ¹	11,727	13,364
Amortization of and impairment losses on capitalized development costs ¹	5,184	5,144
Impairment losses on equity investments ¹	717	2,185
Depreciation of and impairment losses on lease assets ¹	10,655	9,977
Gain/loss on disposal of noncurrent assets and equity investments	208	30
Share of the result of equity-accounted investments	271	568
Other non-cash expense/income	3,953	-539
Change in inventories	-2,071	-8,385
Change in receivables (excluding financial services)	-4,361	-3,065
Change in liabilities (excluding financial liabilities)	5,272	8,713
Change in provisions	620	-2,144
Change in lease assets	-14,964	-8,711
Change in financial services receivables	-13,332	-6,294
Cash flows from operating activities	19,356	28,496
Investments in intangible assets (excluding development costs), property, plant and equipment, and investment property	-14,653	-12,948
Additions to capitalized development costs	-11,142	-9,723
Acquisition of subsidiaries	-675	-1,122
Acquisition of other equity investments	-2,041	-2,504
Disposal of subsidiaries	-63	372
Disposal of other equity investments	41	35
Proceeds from disposal of intangible assets, property, plant and equipment, and investment property	501	437
Change in investments in securities and time deposits	11,273	-14,885
Change in loans	-3,054	-1,483
Cash flows from investing activities	-19,812	-41,822
Capital contributions/capital redemptions	1,003	-235
Dividends paid	-11,732	-4,362
Capital transactions with noncontrolling interest shareholders	-8	16,198
Proceeds from issuance of bonds	37,740	23,876
Repayments of bonds	-32,582	-25,638
Changes in other financial liabilities	22,776	-4,366
Repayments of lease liabilities	-1,190	-1,248
Cash flows from financing activities	16,008	4,225
Effect of exchange rate changes on cash and cash equivalents	-1,764	-285
Change of loss allowance within cash and cash equivalents	-2	1
Net change in cash and cash equivalents	13,785	-9,385
Cash and cash equivalents at end of period	43,522	29,738
Cash and cash equivalents at end of period	43,522	29,738
Securities and time deposits and loans	41,858	49,771
Gross liquidity	85,380	79,509
Total third-party borrowings	-232,813	-205,312
Net liquidity	-147,433	-125,803

1 Net of impairment reversals.

2 Prior-year figures adjusted (see disclosures on IFRS 17 in the "Effects of new and amended IFRSs" section).

Explanatory notes on the cash flow statement are presented in the section relating to the cash flow statement.