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Income Statement

of the Volkswagen Group for the period January 1 to December 31, 2022

€ million	Note	2022	2021
Sales revenue	1	279,232	250,200
Cost of sales	2	-227,005	-202,959
Gross result		52,228	47,241
Distribution expenses	3	-19,840	-19,228
Administrative expenses	4	-11,689	-10,420
Other operating income	5	19,238	14,731
Other operating expenses	6	-17,812	-13,049
Operating result		22,124	19,275
Share of the result of equity-accounted investments	7	2,395	2,321
Interest income	8	1,325	810
Interest expenses	8	-442	-1,818
Other financial result	9	-3,359	-463
Financial result		-81	851
Earnings before tax		22,044	20,126
Income tax income/expense	10	-6,208	-4,698
Current		-5,262	-4,612
Deferred		-946	-86
Earnings after tax		15,836	15,428
of which attributable to			
Noncontrolling interests		393	46
Volkswagen AG hybrid capital investors		576	539
Volkswagen AG shareholders		14,867	14,843
Basic/diluted earnings per ordinary share in €	11	29.63	29.59
Basic/diluted earnings per preferred share in €	11	29.69	29.65

Statement of Comprehensive Income

Changes in comprehensive income for the period January 1 to December 31, 2022

€ million	Total	Income attributable to Volkswagen AG shareholders	Income attributable to Volkswagen AG hybrid capital investors	Income attributable to noncontrolling interests
Earnings after tax	15,836	14,867	576	393
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, 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 (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 (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	321	321	–	0
Items that may be reclassified to profit or loss	1,587	1,365	–	222
Other comprehensive income, before tax	16,494	16,066	–	428
Deferred taxes relating to other comprehensive income	–5,027	–4,840	–	–187
Other comprehensive income, net of tax	11,466	11,226	–	241
Total comprehensive income	27,302	26,092	576	634

Changes in comprehensive income for the period January 1 to December 31, 2021

€ million	Total	Income attributable to Volkswagen AG shareholders	Income attributable to Volkswagen AG hybrid capital investors	Income attributable to noncontrolling interests
Earnings after tax	15,428	14,843	539	46
Pension plan remeasurements recognized in other comprehensive income	–	–	–	–
Pension plan remeasurements recognized in other comprehensive income, before tax	5,603	5,556	–	47
Deferred taxes relating to pension plan remeasurements recognized in other comprehensive income	–1,423	–1,414	–	–9
Pension plan remeasurements recognized in other comprehensive income, net of tax	4,180	4,143	–	37
Fair Value valuation of equity instruments that will not be reclassified to profit or loss, net of tax	–52	–39	–	–13
Share of other comprehensive income of equity-accounted investments that will not be reclassified to profit or loss, net of tax	1	–2	–	3
Items that will not be reclassified to profit or loss	4,128	4,102	–	27
Exchange differences on translating foreign operations	–	–	–	–
Gains/losses on currency translation recognized in other comprehensive income	3,389	3,336	–	53
Transferred to profit or loss	0	0	–	–
Exchange differences on translating foreign operations, before tax	3,390	3,337	–	53
Deferred taxes relating to exchange differences on translating foreign operations	4	4	–	–
Exchange differences on translating foreign operations, net of tax	3,393	3,340	–	53
Hedging	–	–	–	–
Fair value changes recognized in other comprehensive income (OCI I)	–2,711	–2,707	–	–5
Transferred to profit or loss (OCI I)	–70	–76	–	6
Cash flow hedges (OCI I), before tax	–2,782	–2,783	–	1
Deferred taxes relating to cash flow hedges (OCI I)	860	861	–	0
Cash flow hedges (OCI I), net of tax	–1,922	–1,922	–	0
Fair value changes recognized in other comprehensive income (OCI II)	–613	–612	–	–1
Transferred to profit or loss (OCI II)	1,114	1,114	–	0
Cash flow hedges (OCI II), before tax	502	503	–	–1
Deferred taxes relating to cash flow hedges (OCI II)	–161	–161	–	0
Cash flow hedges (OCI II), net of tax	341	342	–	–1
Fair value valuation of debt instruments that may be reclassified to profit or loss	–	–	–	–
Fair value changes recognized in other comprehensive income	–61	–61	–	–
Transferred to profit or loss	0	0	–	–
Fair value valuation of debt instruments that may be reclassified to profit or loss, before tax	–61	–61	–	–
Deferred taxes relating to fair value valuation of debt instruments recognized in other comprehensive income	18	18	–	–
Fair value valuation of debt instruments that may be reclassified to profit or loss, net of tax	–43	–43	–	–
Share of other comprehensive income of equity-accounted investments that may be reclassified to profit or loss, net of tax	631	624	–	7
Items that may be reclassified to profit or loss	2,401	2,341	–	60
Other comprehensive income, before tax	7,231	7,134	–	96
Deferred taxes relating to other comprehensive income	–702	–692	–	–9
Other comprehensive income, net of tax	6,529	6,442	–	87
Total comprehensive income	21,958	21,285	539	133

Balance Sheet

of the Volkswagen Group as of December 31, 2022

€ million	Note	Dec. 31, 2022	Dec. 31, 2021
Assets			
Noncurrent assets			
Intangible assets	12	83,241	77,689
Property, plant and equipment	13, 33	63,890	63,695
Lease assets	14, 33	59,380	59,699
Investment property	14	610	615
Equity-accounted investments	15	12,668	12,531
Other equity investments	15	3,489	3,000
Financial services receivables	16	86,944	84,954
Other financial assets	17	13,832	9,156
Other receivables	18	3,095	2,895
Tax receivables	19	394	635
Deferred tax assets	19	12,921	13,393
		340,464	328,261
Current assets			
Inventories	20	52,274	43,725
Trade receivables	21	18,581	15,521
Financial services receivables	16	61,549	56,498
Other financial assets	17	15,167	12,584
Other receivables	18	7,896	7,473
Tax receivables	19	1,732	1,618
Marketable securities and time deposits ¹	22	37,206	22,532
Cash and cash equivalents ¹	23	29,172	39,723
Assets held for sale		733	674
		224,309	200,347
Total assets		564,772	528,609

1 In the current fiscal year, investments in time deposits with maturities of more than three months are reported together with securities.

€ million	Note	Dec. 31, 2022	Dec. 31, 2021
Equity and liabilities			
Equity	24		
Subscribed capital		1,283	1,283
Capital reserve		14,551	14,551
Retained earnings		137,267	117,342
Other reserves		-1,845	-3,167
Equity attributable to Volkswagen AG hybrid capital investors		14,121	14,439
Equity attributable to Volkswagen AG shareholders and hybrid capital investors		165,378	144,449
Noncontrolling interests		12,950	1,705
		178,327	146,154
Noncurrent liabilities			
Financial liabilities	25	121,737	131,618
Other financial liabilities	26	8,188	4,466
Other liabilities	27	9,020	8,430
Deferred tax liabilities	28	10,734	5,131
Provisions for pensions	29	27,553	41,550
Provisions for taxes	28	4,320	3,392
Other provisions	30	21,900	23,474
		203,453	218,062
Current liabilities			
Financial liabilities	25	83,448	78,584
Trade payables	31	28,748	23,624
Tax payables	28	726	614
Other financial liabilities	26	19,820	13,002
Other liabilities	27	22,655	19,890
Provisions for taxes	28	2,586	2,863
Other provisions	30	24,851	25,578
Liabilities associated with assets held for sale		158	238
		182,992	164,393
Total equity and liabilities		564,772	528,609

Statement of Changes in Equity

of the Volkswagen Group for the period January 1 to December 31, 2022

				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	
Balance at Jan. 1, 2021	1,283	14,551	100,772	-5,659	1,287	-708	-219	30	15,713	127,049	1,734	128,783	
Earnings after tax	-	-	14,843	-	-	-	-	-	539	15,383	46	15,428	
Other comprehensive income, net of tax	-	-	4,143	3,340	-1,922	342	-82	621	-	6,442	87	6,529	
Total comprehensive income	-	-	18,986	3,340	-1,922	342	-82	621	539	21,825	133	21,958	
Disposal of equity instruments	-	-	54	-	-	-	-54	-	-	-	-	-	
Capital increases/Capital decreases	-	-	-	-	-	-	-	-	-1,237	-1,237	170	-1,068	
Dividends payment	-	-	-2,419	-	-	-	-	-	-576	-2,994	-28	-3,022	
Capital transactions involving a change in ownership interest	-	-	-269	-32	-1	0	0	-1	-	-302	-288	-590	
Other changes	-	-	217	-	-	-	-	-109	-	108	-16	93	
Balance at Dec. 31, 2021	1,283	14,551	117,342	-2,351	-635	-367	-355	541	14,439	144,449	1,705	146,154	
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	
Earnings after tax	-	-	14,867	-	-	-	-	-	576	15,443	393	15,836	
Other comprehensive income, net of tax	-	-	10,243	321	1,920	-885	-705	332	-	11,226	241	11,466	
Total comprehensive income	-	-	25,109	321	1,920	-885	-705	332	576	26,668	634	27,302	
Disposal of equity instruments	-	-	-58	-	-	-	58	-	-	-	-	-	
Capital increases/Capital decreases¹	-	-	-	-	-	-	-	-	-337	-337	103	-234	
Dividends payment²	-	-	-13,327	-	-	-	-	-	-557	-13,884	-257	-14,141	
Capital transactions involving a change in ownership interest²	-	-	8,148	-226	338	174	-3	0	-	8,432	10,796	19,228	
Other changes	-	-	52	-	-	-	-	-3	-	50	-30	20	
Balance at Dec. 31, 2022	1,283	14,551	137,267	-2,256	1,623	-1,077	-1,005	870	14,121	165,378	12,950	178,327	

1 For details on capital increases/decreases, see the "Equity" section.

2 For information on dividend payments and capital transactions involving a change in ownership interest, see the "Equity" section and the "Key events" 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, 2022

€ million	2022	2021
Cash and cash equivalents at beginning of period	39,123	33,432
Earnings before tax	22,044	20,126
Income taxes paid	-4,415	-4,216
Depreciation and amortization of, and impairment losses on, intangible assets, property, plant and equipment, and investment property ¹	13,364	12,947
Amortization of and impairment losses on capitalized development costs ¹	5,144	5,050
Impairment losses on equity investments ¹	2,185	137
Depreciation of and impairment losses on lease assets ¹	9,977	9,339
Gain/loss on disposal of noncurrent assets and equity investments	30	180
Share of the result of equity-accounted investments	575	787
Other noncash expense/income	-542	-1,652
Change in inventories	-8,385	2,110
Change in receivables (excluding financial services)	-3,207	1,888
Change in liabilities (excluding financial liabilities)	8,586	1,856
Change in provisions	-1,856	1,943
Change in lease assets	-8,711	-16,205
Change in financial services receivables	-6,294	4,345
Cash flows from operating activities	28,496	38,633
Investments in intangible assets (excluding development costs), property, plant and equipment, and investment property	-12,948	-10,655
Additions to capitalized development costs	-9,723	-7,843
Acquisition of subsidiaries	-1,122	-3,158
Acquisition of other equity investments	-2,504	-2,741
Disposal of subsidiaries	372	-304
Disposal of other equity investments	35	52
Proceeds from disposal of intangible assets, property, plant and equipment, and investment property	437	469
Change in investments in securities and time deposits ²	-14,885	-1,281
Change in loans ²	-1,483	-667
Cash flows from investing activities	-41,822	-26,128
Capital contributions/capital redemptions	-235	-1,071
Dividends paid	-4,362	-3,022
Capital transactions with noncontrolling interest shareholders	16,198	-590
Proceeds from issuance of bonds	23,876	32,659
Repayments of bonds	-25,638	-30,557
Changes in other financial liabilities	-4,366	-3,928
Repayments of lease liabilities	-1,248	-1,246
Cash flows from financing activities	4,225	-7,754
Effect of exchange rate changes on cash and cash equivalents	-285	942
Change of loss allowance within cash and cash equivalents	1	-1
Net change in cash and cash equivalents	-9,385	5,691
Cash and cash equivalents at end of period	29,738	39,123
Cash and cash equivalents at end of period	29,738	39,123
Securities and time deposits and loans	49,771	34,515
Gross liquidity	79,509	73,637
Total third-party borrowings	-205,312	-210,213
Net liquidity	-125,803	-136,576

1 Net of impairment reversals.

2 In the previous fiscal year, time deposits with maturities of more than three months were reported together with change in loans.

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