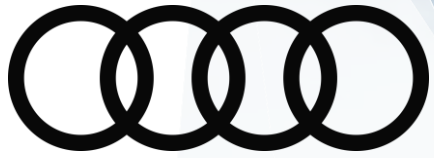


# AUDI INVESTOR & ANALYST DAY 2019

Ingolstadt, 15.03.2019







# AUDI INVESTOR & ANALYST DAY 2019

BRAM SCHOT

CEO



## 2018 Figures

**1.812**

million automobiles



**3.5**

billion euros



**6.0 %**

after special items

# 2018 – biggest launch program





**Audi e-tron**







**2018**

**WAS CHALLENGING...**

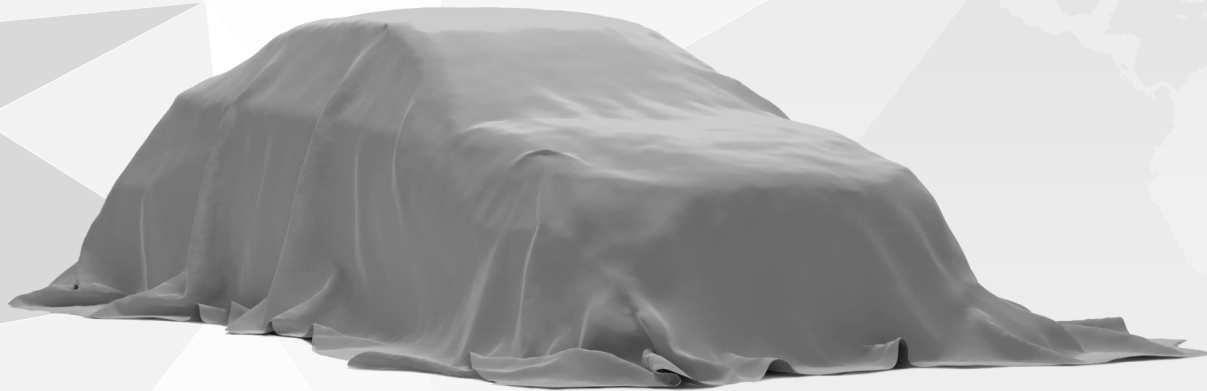


...but we are well prepared

**TO GET BACK ON TRACK**



## Market launches in 2019



# 20

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9 S models

3 R / RS models



**94,000**

**DELIVERED AUDI SPORT MODELS IN 2018**





# Audi e-tron GT concept



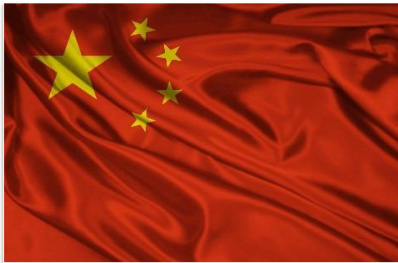


WE WANT TO FUNDAMENTALLY CHANGE THIS COMPANY

**FOR THE BETTER.**



# 5 Priorities



**Securing  
China**

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**Setting  
the Benchmark**

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**Sharpening  
the Brand**

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**Forming  
the Organization**

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**Deciding on the  
Right Technologies**

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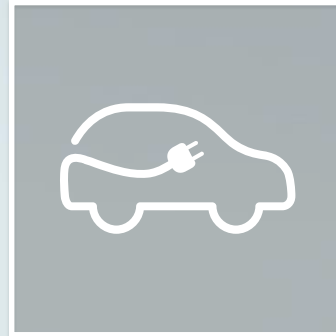


Consistently  
**Audi**

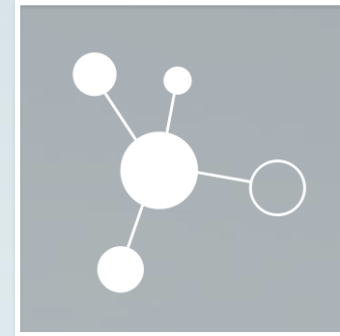
Consistently  
**Audi**



Consistently  
customer



Consistently  
electric



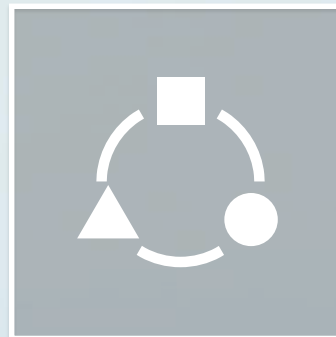
Consistently  
connected



Consistently  
sustainable



Consistently  
focus



Consistently  
synergies

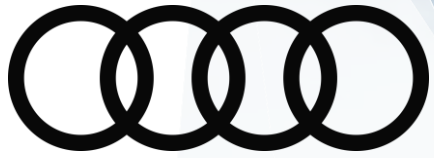


Consistently  
profitability



Consistently  
**team**





# AUDI INVESTOR & ANALYST DAY

ALEXANDER SEITZ

BoM FOR FINANCE, CHINA, COMPLIANCE & INTEGRITY

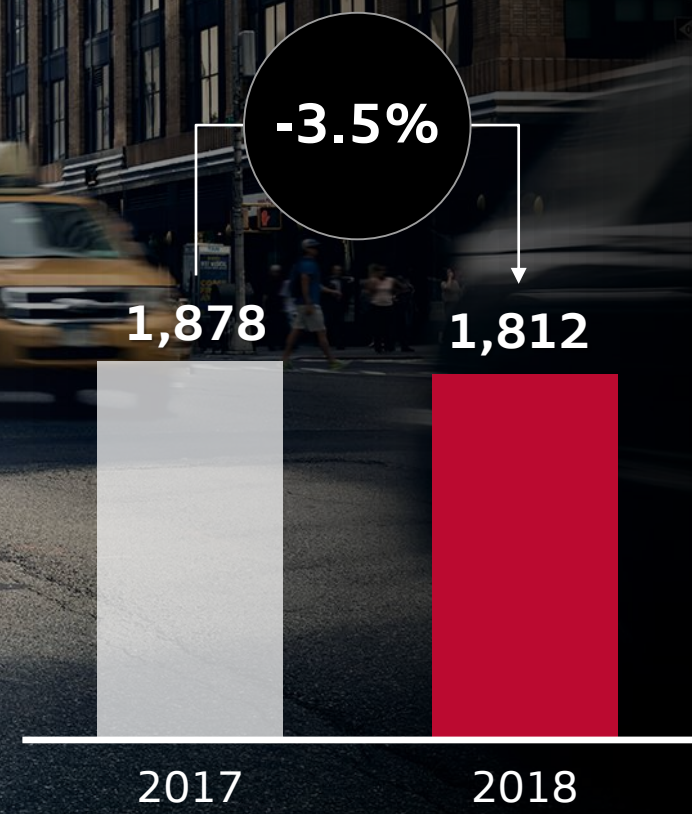




# DELIVERIES TO CUSTOMERS

## WORLDWIDE

Audi brand, '000 units



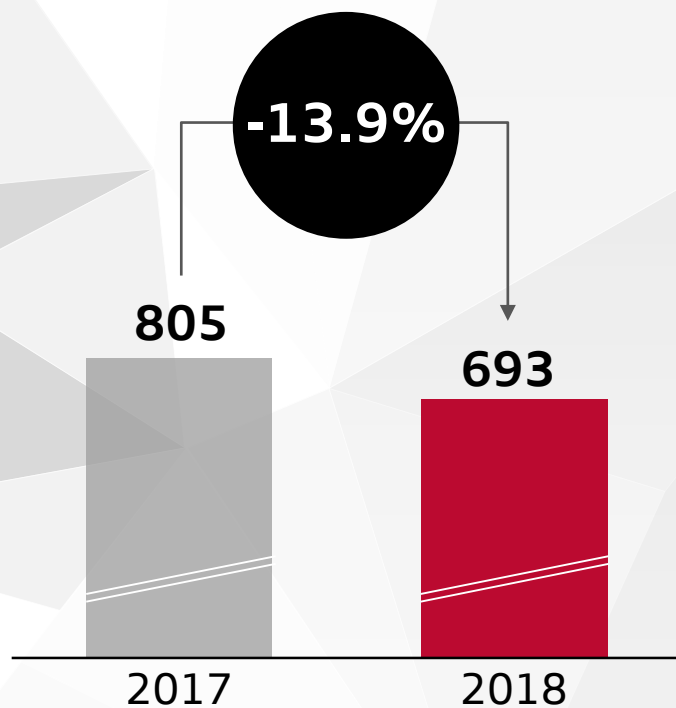


# DELIVERIES TO CUSTOMERS



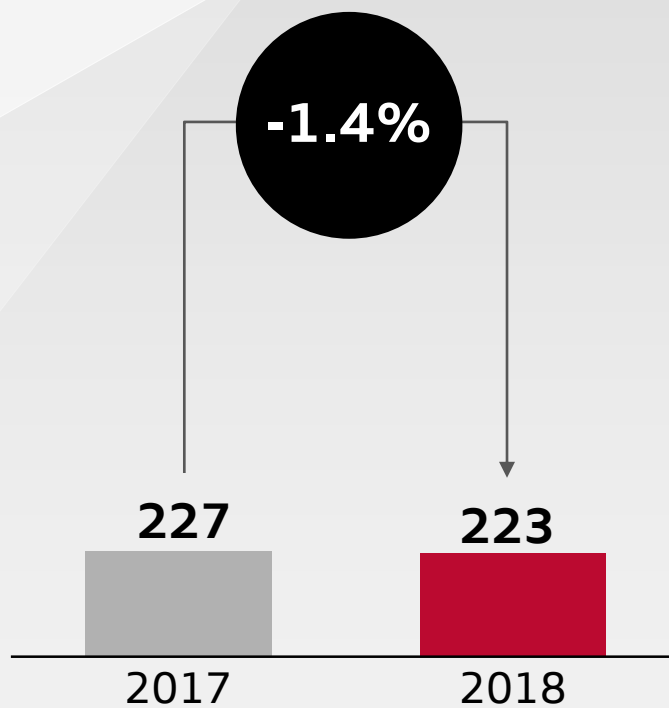
## Western Europe

Audi brand, '000 units



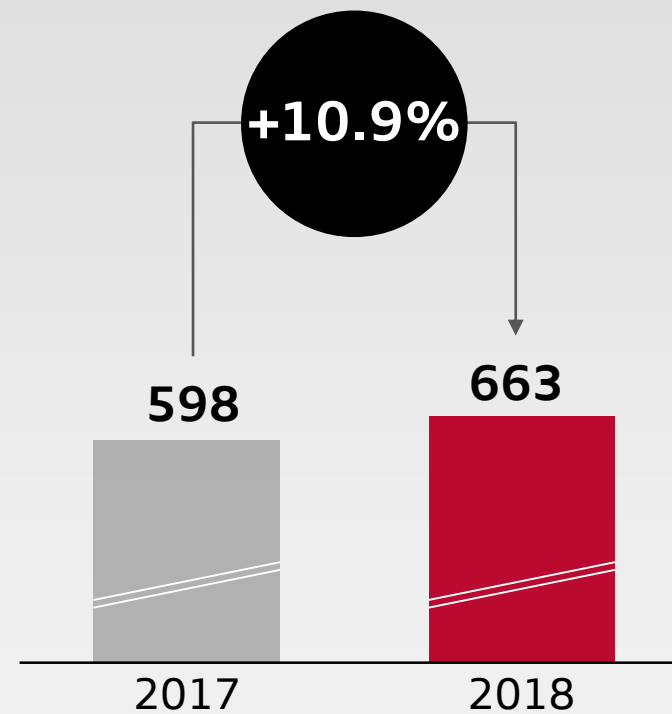
## USA

Audi brand, '000 units



## China

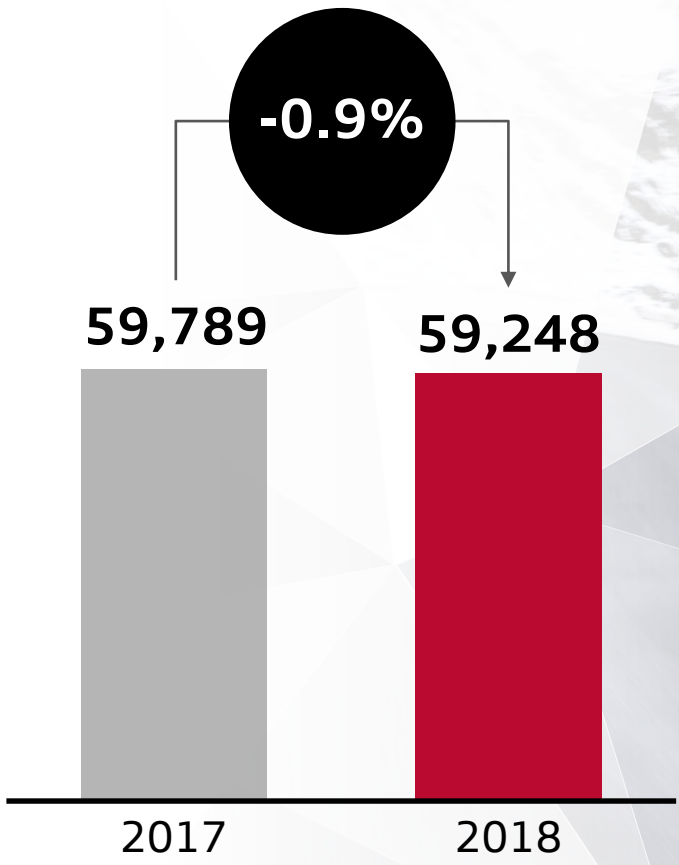
Audi brand, '000 units



# REVENUE AT PRIOR YEAR LEVEL

## DESPITE CHALLENGES

in million euros





# LAMBORGHINI SCALES UP IT'S BUSINESS



**+51%**

**5,750 deliveries**

to customers

**+41%**

**1,316 m euros**

of revenues

**profitability  
push**

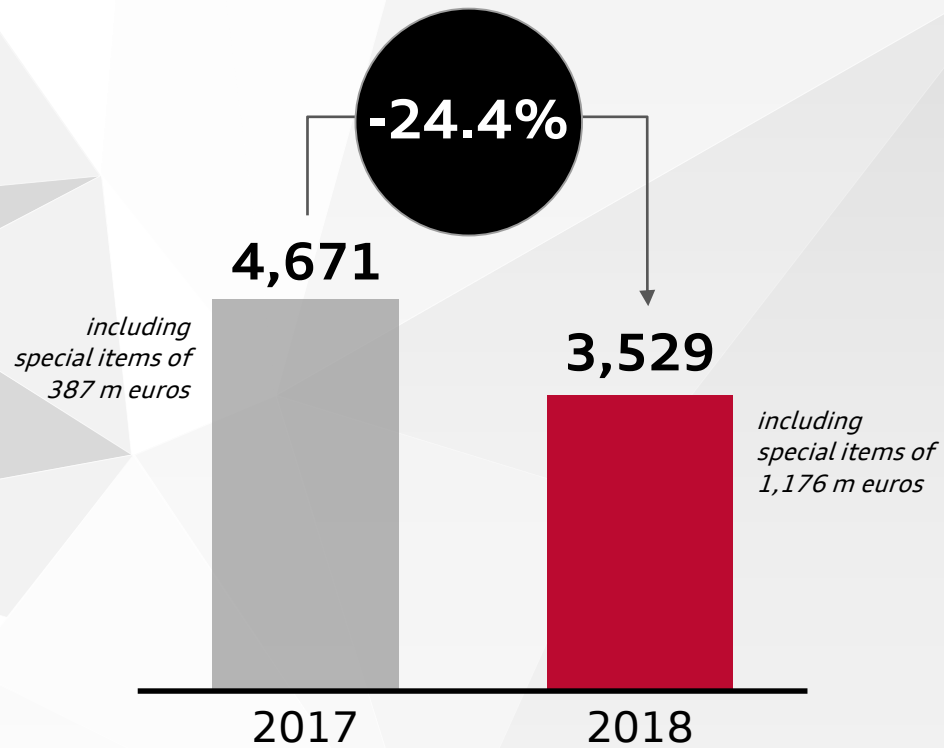


# OPERATING PERFORMANCE

## WITH MAJOR IMPACT OF SPECIAL ITEMS AND WLTP

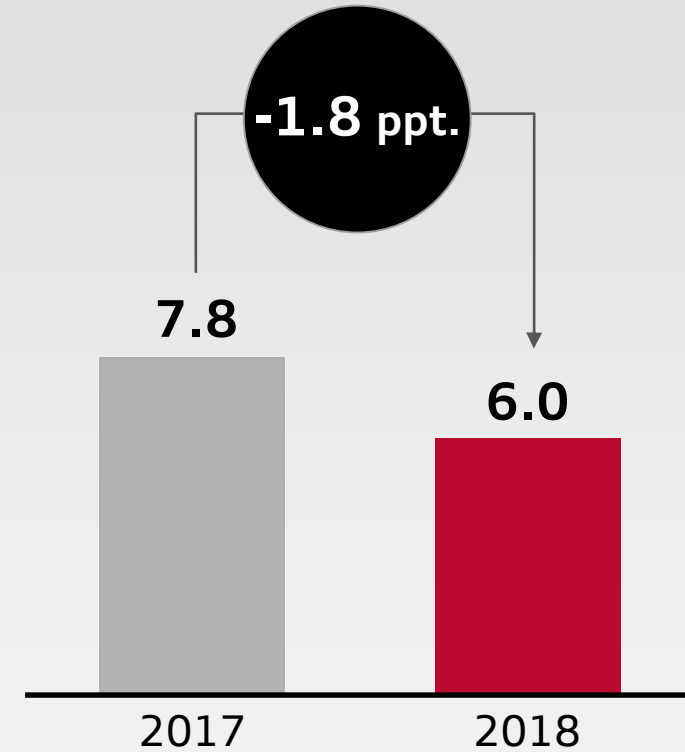
### Operating Profit\*

in million euros



### Operating Return on Sales\*\*

in percent



\* Operating Profit before special items: 4,705 (5,058) m euros

\*\*RoS before special items: 7.9 (8.5) %

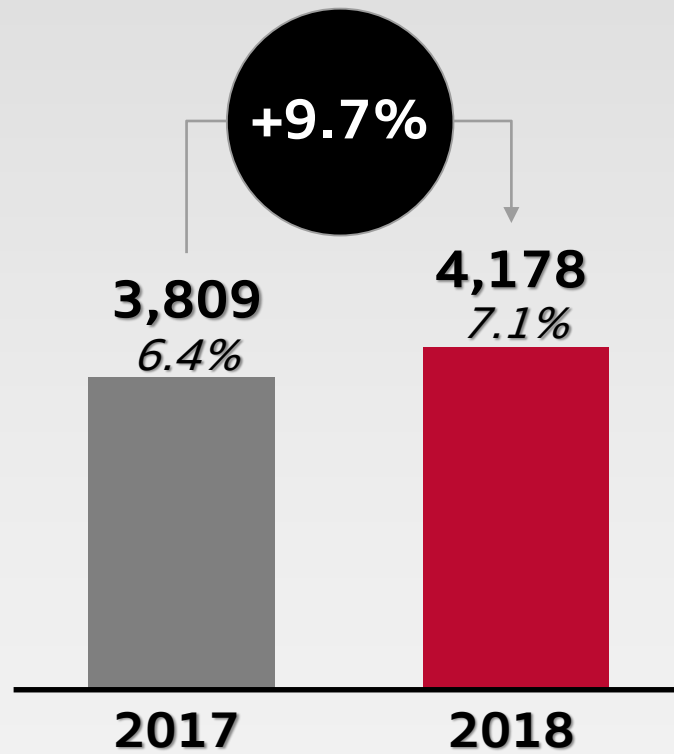


# EXPENDITURE FOR THE FUTURE WITH IMPACT ON COST RATIOS

in euros million

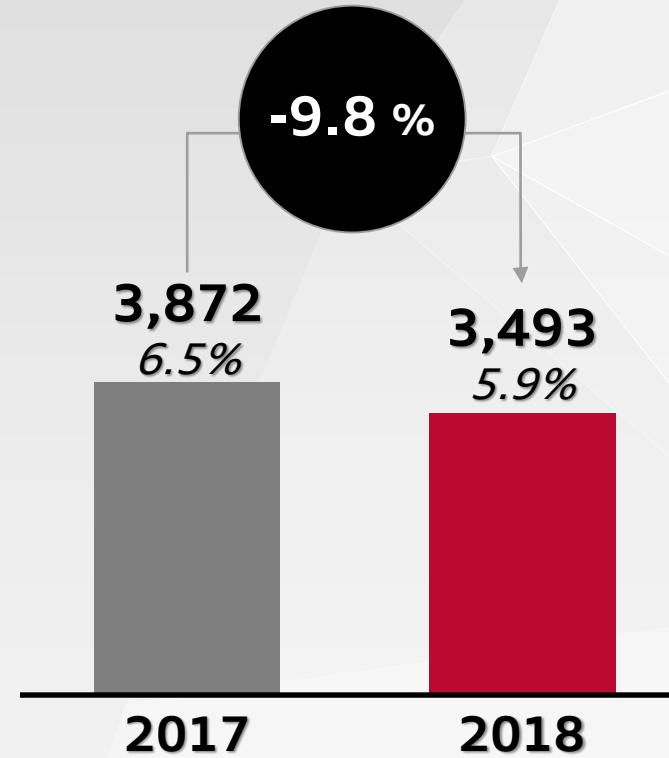
## R&D expenses & R&D ratio

in euros million



## Capex & Capex ratio

in euros million



# FUNDING THE FUTURE THROUGH STRONG CASH GENERATION

net cash flow

**2,141 m euros**

(2017: 4,312)

net liquidity

**20,442 m euros**

(2017: 20,788)







**CHALLENGING YEAR 2019 AHEAD**

**DELIVERIES**

**moderate increase**

**REVENUE**

**slight increase**

**OPERATING**

**RETURN ON SALES**

**7.0 % to 8.5 %**

**NET CASH FLOW**

**2.5 to 3.0 bn euros**



# DECONSOLIDATION OF MULTIBRAND NATIONAL SALES COMPANIES\*

## NEW REPORTING STRUCTURE

management focus  
on core business

better comparability  
to competitors

more transparent  
reporting structure

ADJUSTED KPIs

RoS STRATEGIC CORRIDOR

9 to 11%

*\* Volkswagen Group Italia S.p.A., Audi Volkswagen Korea Ltd., Audi Volkswagen Middle East FZE,  
Audi Volkswagen Taiwan Co. Ltd.*



# AUDI TRANSFORMATION PLAN FREES UP RESOURCES FOR THE FUTURE

NEW MIND SET

profit zone

prior to comfort zone

INCREASED TARGET

15 bn euros

by 2022

CONCRETE MEASURES

for 70% of the target





# TACKLING COST AND REVENUE POTENTIALS ALONG THE VALUE CHAIN

**PURGE PORTFOLIO AT THE  
BACKDROP OF TAKE RATE  
ANALYSIS**

**MORE VIRTUAL  
PROTOTYPES – INSTEAD  
OF PHYSICAL ONES**

**STRONG  
TARGET COST-FOCUS FROM  
EARLY DESIGN STAGE**

**UTILIZE NATURAL  
PERSONNEL TURNOVER**

**PUSH FROM REJUVENATED  
C/D MODELS**

**PROFITABLE  
ELECTRIC VEHICLES**

**CHINA MARKET  
INITIATIVE**





# AUDI E-TRON KICKS OFF ELECTRIC VEHICLE INITIATIVE

**30 electrified models  
by 2025**

**economies of scale  
through electric architectures**

**MEB & PPE**





**FURTHER VORSPRUNG IN CHINA**



**local R&D**

**cooperations**

**China-only products**

**12 models from  
local production  
by 2022**

**> 1m deliveries**

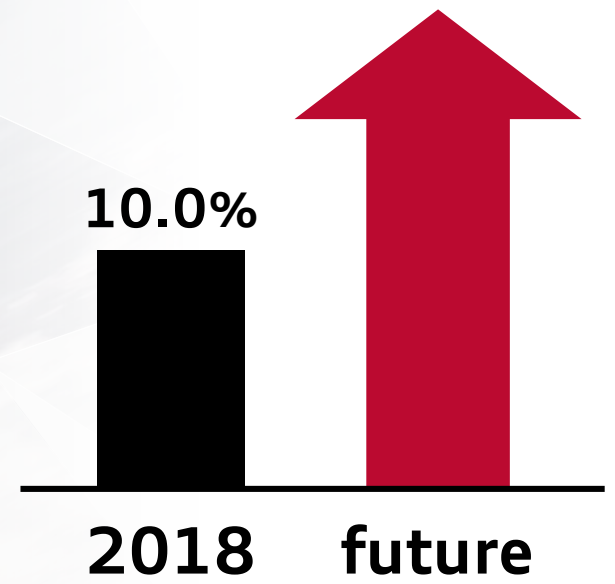


**BACK TO PERFORMANCE**

**MAKING AUDI MORE PROFITABLE AND VALUABLE**



focus on  
**CO<sub>2</sub>**



**RoI**

## Disclaimer

The presentations contain forward-looking statements and information on the business development of the Volkswagen Group. These statements may be spoken or written and can be recognized by terms such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “will” or words with similar meaning. These statements are based on assumptions relating to the development of the economies of individual countries, and in particular of the automotive industry, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. These statements are based on assumptions, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. These assumptions relate in particular to the development of the economies of individual countries and markets, the regulatory framework and the development of the automotive industry. Therefore the estimates given involve a degree of risk, and the actual developments may differ from those forecast. The Volkswagen Group currently faces additional risks and uncertainty related to pending claims and investigations of Volkswagen Group members in a number of jurisdictions in connection with findings of irregularities relating to exhaust emissions from diesel engines in certain Volkswagen Group vehicles. The degree to which the Volkswagen Group may be negatively affected by these ongoing claims and investigations remains uncertain.

Consequently, a negative impact relating to ongoing claims or investigations, any unexpected fall in demand or economic stagnation in our key sales markets, such as in Western Europe (and especially Germany) or in the USA, Brazil or China, will have a corresponding impact on the development of our business. The same applies in the event of a significant shift in current exchange rates in particular relative to the US dollar, sterling, yen, Brazilian real, Chinese renminbi and Czech koruna.

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