Audi – Premium market leader in China
Joachim Wedler, President of Audi China
September 7, 2016, Beijing
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Consequently, any unexpected fall in demand or economic stagnation in our key sales markets, such as in Western Europe (and especially Germany) or in China or the USA, 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 relative to the US dollar, sterling, yen and Chinese renminbi.

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We do not update forward-looking statements retrospectively. Such statements are valid on the date of publication and can be superseded.
Audi in China

- **FAW-Volkswagen** Audi Production and Audi Sales Division (A6 L, A4 L, Q5, Q3)
- **Audi China** with Audi R&D Beijing
- **Volkswagen Automatic Transmission Tianjin** Audi transmission plant
- **FAW-Volkswagen** Audi Production (A3 Sportback, A3 Sedan)
Premium leader in localization

First localized long-wheel base versions
Audi A6 L (since 1999)
Audi A4 L (since 2009)

First localized premium engine
2.0 TFSI 140/185 KW (since 2007)

First localized premium SUV
Audi Q5 (since 2008)

First localized premium transmission
7 speed S tronic (since 2016)
Audi continues to lead the premium market in China
Most successful first seven months in company history for Audi in China

Audi deliveries to customers in China (incl. Hong Kong), vehicles

<table>
<thead>
<tr>
<th>Year</th>
<th>Deliveries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>102,000</td>
</tr>
<tr>
<td>2008</td>
<td>119,600</td>
</tr>
<tr>
<td>2009</td>
<td>158,900</td>
</tr>
<tr>
<td>2010</td>
<td>227,900</td>
</tr>
<tr>
<td>2011</td>
<td>313,000</td>
</tr>
<tr>
<td>2012</td>
<td>405,800</td>
</tr>
<tr>
<td>2013</td>
<td>492,000</td>
</tr>
<tr>
<td>2014</td>
<td>578,900</td>
</tr>
<tr>
<td>2015</td>
<td>570,900</td>
</tr>
<tr>
<td>2016</td>
<td>578,900</td>
</tr>
</tbody>
</table>

Jan. – Jul. 2016: 336,600 units +6.5%
Audi plans to continue the growth in 2016
Every third delivery in China

Audi deliveries to customers worldwide, vehicles

- **China: 570,900**
- **Worldwide: 1,803,200**

<table>
<thead>
<tr>
<th>Year</th>
<th>Worldwide</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>949,700</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>1,092,400</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>1,302,700</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>1,455,100</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>1,575,500</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1,741,100</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1,803,200</td>
<td></td>
</tr>
</tbody>
</table>
Over 60% of sales volume updated
New Audi A4 L to be launched on September 10, 2016

Share of models updated between December 2015 and September 2016

[in %]

New models
CKD: A4 L
FBU: Q7, RS7 plus, TTS Coupe, TTS Cabrio, R8 Coupe

Facelifts
CKD: Q3, A6L
FBU: RS6 Avant

Audi A4 L
Audi Q3
Audi leads the SUV growth segment

SUV share of the premium market

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>Jan-Jul 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>18%</td>
<td>40%</td>
<td></td>
</tr>
<tr>
<td>82%</td>
<td>60%</td>
<td></td>
</tr>
</tbody>
</table>

Segment leaders

- Audi Q3 (43% share*)
- Audi Q5 (31% share*)

Since 2015: New Audi Q7

*January to July 2016
Leading a diverse market: Private buyers dominate

Audi in China, customer mix

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>1 %</td>
<td>0 %</td>
</tr>
<tr>
<td>Fleet customers</td>
<td>&lt;10 %</td>
<td>&lt;10 %</td>
</tr>
<tr>
<td>Private customers</td>
<td>&gt;90 %</td>
<td>&gt;90 %</td>
</tr>
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</table>
Verified Top Service: Audi in J.D. Power Rankings China

**SSI 2016**
(Sales Satisfaction Index)

**CSI 2016**
(After Sales Service Index)
Financial services business is growing

Financing in percent of Audi car sales in China

- 2011: 22%
- 2012: 28%
- 2013: 36%
- 2014: 39%
- 2015: 46%
- 2016 Jan.-Jul.: 48%
Sustainable expansion of sales network

Number of Audi dealerships in China

- 2009: ~150
- 2010: ~170
- 2011: ~230
- 2012: ~290
- 2013: ~340
- 2014: ~400
- 2015: ~430
- Aug. 2016: ~450
Paving the way for Audi’s future
Strategic key areas for Audi in China

<table>
<thead>
<tr>
<th>New Energy Vehicles</th>
<th>Automated Driving</th>
<th>Digitalization</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1" alt="New Energy Vehicles" /></td>
<td><img src="image2" alt="Automated Driving" /></td>
<td><img src="image3" alt="Digitalization" /></td>
</tr>
</tbody>
</table>
Leading into the future: Strong focus on efficiency

**Efficiency programme**

**Technology**
Over 20 percent reduction of average fuel consumption of local models since 2011

**Efficient components**

**Localized 7-speed S tronic**
Best-in-class efficiency (with 2.0 T engine)

**First localized e-tron**

**Audi A6 L e-tron**
Produced in China and to be launched in 2016

**Developed for Asia**

**Audi Q7 e-tron**
Special TFSI version to be launched in China in 2017
Audi is the leader for piloted driving

**AUDI AG**

- The next generation Audi A8 will be the first series model to master piloted driving up to a speed of 65 km/h

**Audi R&D Beijing**

- Testing Advanced Driver Assistance Systems in China since 2013
- Adaption to Chinese traffic conditions
- Predevelopment of next generation driver assist systems.
Audi cooperates with China’s leading digital companies

Audi is the first premium manufacturer to offer high-resolution 3D maps in its navigation systems in China. Map data supplied by Alibaba

Integration of Wechat functions into the Audi MMI under development

Baidu Car Life to be integrated into the Audi MMI in 2017
Thank you