2018 Figures

1.812 million automobiles

3.5 billion euros

6.0% after special items
2018 – biggest launch program
2018 WAS CHALLENGING...
...but we are well prepared TO GET BACK ON TRACK
Market launches in 2019

20

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

Setting the Benchmark

Sharpening the Brand

Forming the Organization

Deciding on the Right Technologies
Consistently

Audi

Consistently customer

Consistently electric

Consistently connected

Consistently sustainable

Consistently focus

Consistently synergies

Consistently profitability

Consistently team
DELIVERIES TO CUSTOMERS

WORLDWIDE
Audi brand, '000 units

-3.5%

1,878  1,812
2017  2018
DELIVERIES TO CUSTOMERS

Western Europe
Audi brand, ’000 units
-13.9%
805 → 693
2017 → 2018

USA
Audi brand, ’000 units
-1.4%
227 → 223
2017 → 2018

China
Audi brand, ’000 units
+10.9%
598 → 663
2017 → 2018

China
Audi brand, ’000 units
-13.9%
805 → 693
2017 → 2018

Western Europe
Audi brand, ’000 units
-1.4%
227 → 223
2017 → 2018

China
Audi brand, ’000 units
+10.9%
598 → 663
2017 → 2018
REVENUE AT PRIOR YEAR LEVEL

DESPITE CHALLENGES

in million euros

-0.9%

59,789

59,248

2017

2018
LAMBORGHINI SCALES UP IT’S BUSINESS

+51% 5,750 deliveries to customers

+41% 1,316 m euros of revenues

profitability push
Operating Profit*
in million euros

-24.4%

4,671 3,529
2017 2018
including special items of 387 m euros

Operating Return on Sales**
in percent

-1.8 ppt.

7.8 6.0
2017 2018
including special items of 1,176 m euros

* 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

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td>R&amp;D expenses &amp; R&amp;D ratio</td>
<td></td>
<td></td>
</tr>
<tr>
<td>in euros million</td>
<td>3,809</td>
<td>4,178</td>
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<tr>
<td>+9.7%</td>
<td>6.4%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Capex &amp; Capex ratio</td>
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<td></td>
</tr>
<tr>
<td>in euros million</td>
<td>3,872</td>
<td>3,493</td>
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<tr>
<td>-9.8%</td>
<td>6.5%</td>
<td>5.9%</td>
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</table>
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

DELIBERIES
 moderate increase

REVENUE
 slight increase

OPERATING
 RETURN ON SALES
 7.0 % to 8.5 %

NET CASH FLOW
 2.5 to 3.0 bn euros
DECONSORTATION 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%
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**
- **Push from Rejuvenated C/D Models**
- **Profitable Electric Vehicles**
- **China Market Initiative**
- **More Virtual Prototypes – Instead of Physical Ones**
- **Strong Target Cost-Focus from Early Design Stage**
- **Utilize Natural Personnel Turnover**

...
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
- Cooperation
- China-only products
- 12 models from local production by 2022
- > 1m deliveries
BACK TO PERFORMANCE
MAKING AUDI MORE PROFITABLE AND VALUABLE

focus on CO₂

RoI

10.0%

2018 future
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