TALKING BUSINESS
Investor Breakfast with EquiVal Research
Anton Poll, Head of Audi IR
Jens van Eikels, Head of e-tron model range
2019 YTD WITH EFFECTS FROM WLTP & MODEL CHANGEOVERS

DELIVERIES
Audi brand, in units

H1/2018: 949,233
H1/2019: 906,180

H1/2018: 1,268,522
H1/2019: 1,211,700

-4.5%
AS EXPECTED: CHALLENGING OPERATING DEVELOPMENT IN FIRST HALF OF THE YEAR

**Revenue**
- H1/2018: 31,183 m euros
- H1/2019: 28,761 m euros
- Change: -7.8%

**Operating Profit**
- H1/2018: 2,761 m euros, 8.9% in percent
- H1/2019: 2,300 m euros, 8.0% in percent
- Change: -16.7%

*deconsolidation of multibrand sales companies*
STRENGTHEN FINANCIAL POWER IN A CHALLENGING ENVIRONMENT

NET CASH FLOW

2,253 bn euros
(2018: 2,672**)

One-time effect* from deconsolidation

NET LIQUIDITY

21,034 bn euros
(June 30, 2018: 20,931**)

* deconsolidation of multinational sales companies
** prior year figure with positive impact from inflows from changes in participations
FORECAST FULL YEAR 2019 LARGELY STABLE

AUDI DELIVERIES
moderate increase

REVENUE
slight increase*

OPERATING
RETURN ON SALES
7.0 % to 8.5 %

NET CASH FLOW
2.5 bis 3.0 bn euros

* based on FY 2018 figures, which have been adjusted for the one time effect of the deconsolidation of multibrand sales companies
CHINA – A MARKET WITH A LOT OF CHANCES FOR AUDI

IN CHINA FOR CHINA

strengthened Research & Development

LOCAL PRODUCTION

12 models by the end of 2022

AMBITIOUS TARGET

1m deliveries p.a. prospectively
MARKET LAUNCHES 2019

20 models
A1 citycarver

Fuel consumption combined*: 5.4–5.2 l/100 km; CO₂-emissions combined*: 122–118 g/km
Fuel consumption combined*: 7.6–4.7 l/100 km; \( \text{CO}_2 \)-emissions combined*: 174–124 g/km;
A6 L
China-only
RS 7 Sportback

Fuel consumption combined*: 11.6 – 11.4 l/100 km; CO₂-emissions combined*: 170 g/km

and more to come...
AUDI POSITIONS ITSELF FOR THE FUTURE

CAPEX & Research & Development expenditure

40 bn euros until 2023*

* total projected expenditure according to planning round
TRANSFORMATION PLAN FREES UP RESOURCES FOR THE FUTURE

INCREASED TARGET
15 bn euros
by the end of 2022

NEW MINDSET
profit zone prior to comfort zone

CONCRETE MEASURES
for 70% of the target
AUDI.ZUKUNFT TACKLES LONGTERM COMPETITIVENESS

VALUE CHAIN

core activities & distribution of tasks

ON THE TEST STAND

benefits not covered by collective wage agreements

ENTERPRENEURIAL FLEXIBILITY

future-proof shift system
OUR VISION

Unleash the beauty of sustainable mobility
BRAND POSITIONING

MOST PROGRESSIVE PREMIUM BRAND

customer experience

exciting customer-relevant innovations

breathtaking design

best
OUR VISION

- **CO\textsubscript{2}-neutral mobility** with strongest range of electric models amongst the premium competitors
- Increasing **expectations** for plug-in hybrids and electric cars to **40\%** of unit sales
- Reducing **CO\textsubscript{2} footprint** of Audi fleet over its entire lifecycle by **2025**
- In the long-term perspective, **to manage without CO\textsubscript{2} emissions** throughout the company
Consistently Audi

What:

- Consistently customer
- Consistently electric
- Consistently connected
- Consistently sustainable
CONSISTENTLY ELECTRIC
AUDI E-TRON IS THE FIRST STEP

combined electrical consumption in kWh/100 km*: 26.4 - 22.9 (WLTP); 24.6 - 23.7 (NEDC); combined CO₂ emissions in g/km: 0
100% Audi DNA
CUSTOMER DEMAND IN C SEGMENT
GROWING SEGMENT
MAKING ELECTRIC CARS DESIRABLE

WHY E-TRON?
AUDI DNA
PERFORMANCE

Offroad
quattro
95 kWh
cw: 0,27
>400 Km (WLTP)

30% Recuperation
95 kWh
>400 Km (WLTP)
HIGH POWER CHARGING WITH 150kW USP!
OPTIONAL VIRTUAL SIDE-VIEW MIRRORS USP!
OPTIONAL SECOND CHARGING SOCKET USP!
BEST RECUPERATION SYSTEM (1 BOX-BRAKE) USP!
TRAILER HITCH 1,8T
REPRODUCIBLE DRIVING PERFORMANCE WITHOUT DERATING
E-TRON SOLUTIONS FOR CHARGING & TRAVELLING

Note: some of the features not yet available
Electrification
It’s much more than just the vehicle!

Electric Mobility ONLY works as a SYSTEM
ecosystem

FLEXIBILITY
on the road

COMFORT
@Home

HASSLE FREE
from day one

Private Charging

Public Charging

Premium

Turnkey Solutions
INCREASE EFFICIENCY OF OUR INVESTMENTS

TARGET
at least 21% in the mid term

PROJECT MARGIN
incl. CO₂ contribution

RETURN ON INVESTMENT

2018 10%

TARGET 2019
11% to 14%
AMBITIOUS E-ROADMAP AHEAD

MAJOR GROUP SYNERGIES STARTING FROM 2020s

PPE

- Audi e-tron
- Audi e-tron sportback
- J1 e-tron GT

MEB

- Q4 e-tron

dedicated BEV platforms

PHEV

- A6e
- A7e
- Q5e
- Q7e

MORE TO COME

2018

2025...
Q4 e-tron concept
e-tron GT concept
CONSISTENTLY CONNECTED
FUNCTION ON DEMAND

soon in 23 markets
CONSISTENTLY SUSTAINABLE

Brussels plant
CO₂-neutral location

successively in all plants
100% green electricity

Győr plant 2020
CO₂-neutral

heat supply in Germany
biogas

all plants by 2025
CO₂-neutral

additional measures
closed water cycle
targeted reuse of resources
Consistently Audi

How:

- Consistently team
- Consistently focused
- Consistently synergetic
- Consistently profitable
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* The specified fuel consumption and emission data have been determined according to the measurement procedures prescribed by law. Since 1st September 2017, certain new vehicles are already being type-approved according to the Worldwide Harmonized Light Vehicles Test Procedure (WLTP), a more realistic test procedure for measuring fuel consumption and CO2 emissions. Starting on September 1st 2018, the New European Driving Cycle (NEDC) will be replaced by the WLTP in stages. Owing to the more realistic test conditions, the fuel consumption and CO2 emissions measured according to the WLTP will, in many cases, be higher than those measured according to the NEDC. For further information on the differences between the WLTP and NEDC, please visit www.audi.de/wltp.

Fuel consumption and CO2 emissions data as well as the efficiency classes are dependent on the choice of wheels and tyres.