

# M.M. Warburg Fieldtrip

June 3, 2016



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## Markets



## Financials

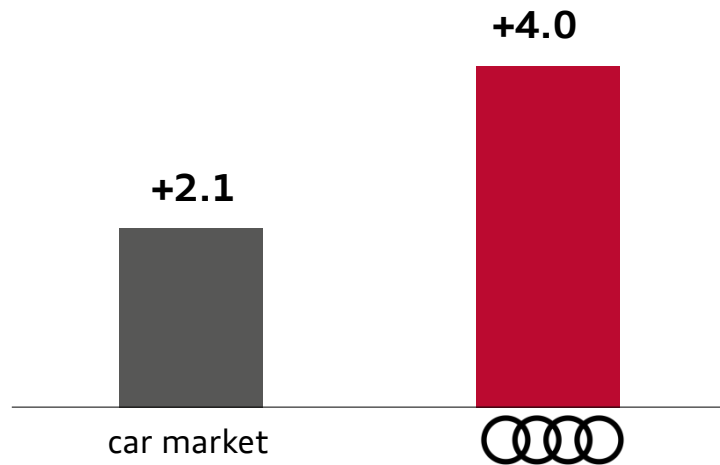


## Strategy



## Audi outperformed the overall car market – although we are in the midst of a far-reaching model initiative

### World car market and Audi deliveries Q1/2016 vs. Q1/2015 (percent)



### Audi will launch numerous new products

we plan to expand our  
product portfolio **by 2020** to  
different models

**20**

new or revised  
Audi models **in 2016**

**60**



→ the  $\emptyset$  portfolio age will substantially decrease

**Q3**  
**+9.2%**



**TT car line**  
**+38.7%**



**A4 Sedan**  
**+11.2%**



**A6 Avant**  
**+13.1%**



**Q7**  
**+89.0%**



drivers of increase in Audi deliveries in Q1/2016 vs. Q1/2015 (percent)



# Continuous growth based on our global strategy

Audi deliveries to customers

USA



+4.6%

40,098

Q1/2015

41,960

Q1/2016

Western Europe



+7.7%

195,238

Q1/2015

210,218

Q1/2016

China



+4.7%

133,315

Q1/2015

139,540

Q1/2016

World

+4.0%

438,171

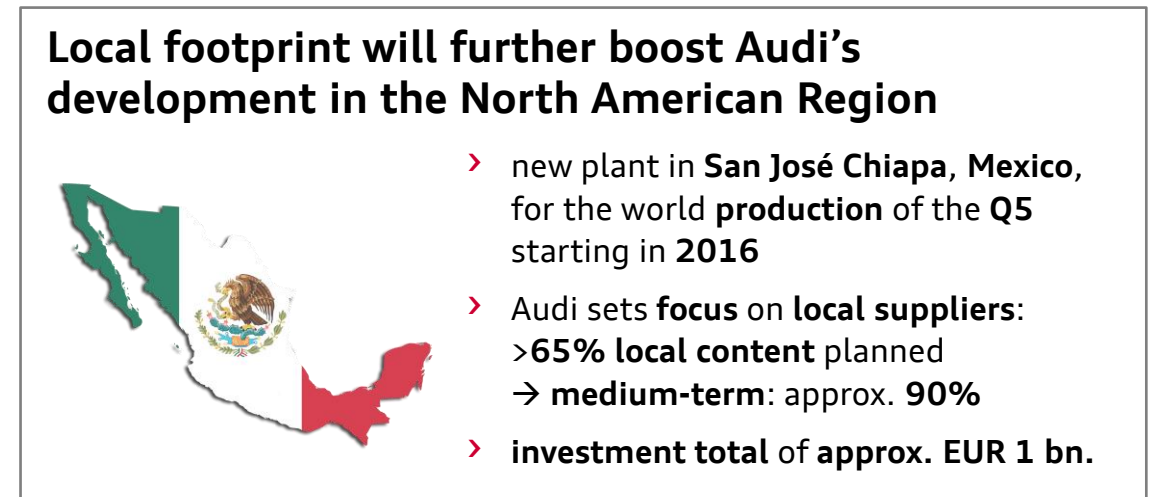
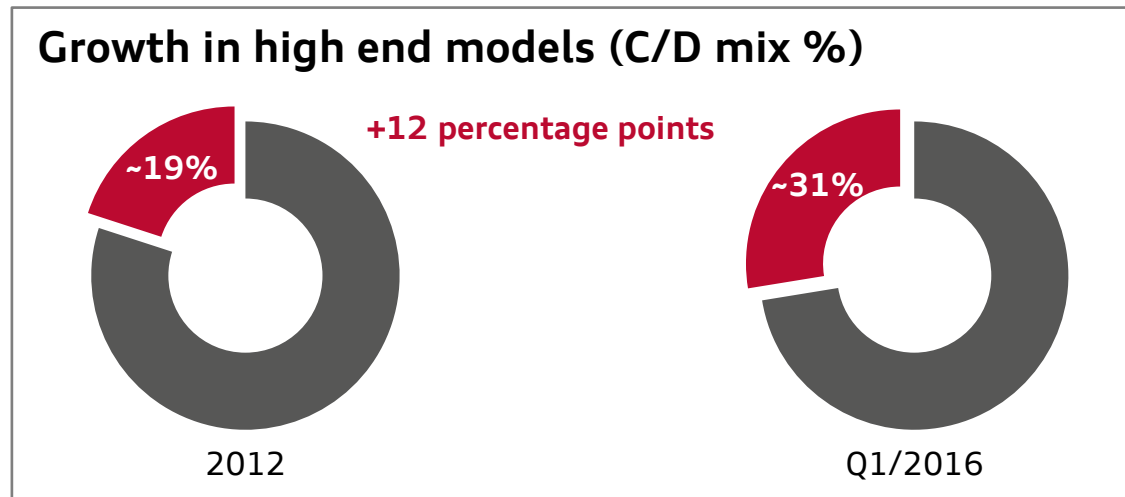
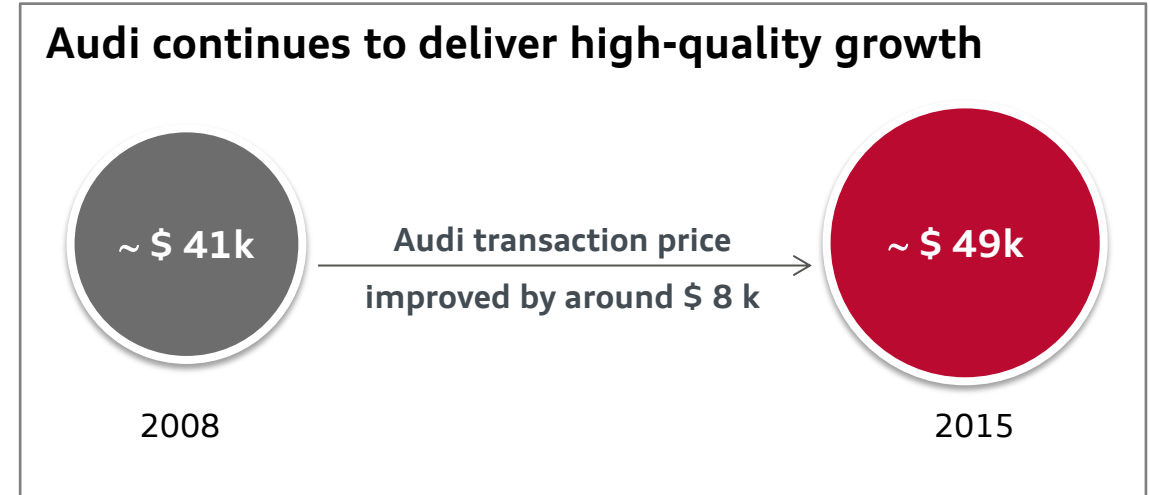
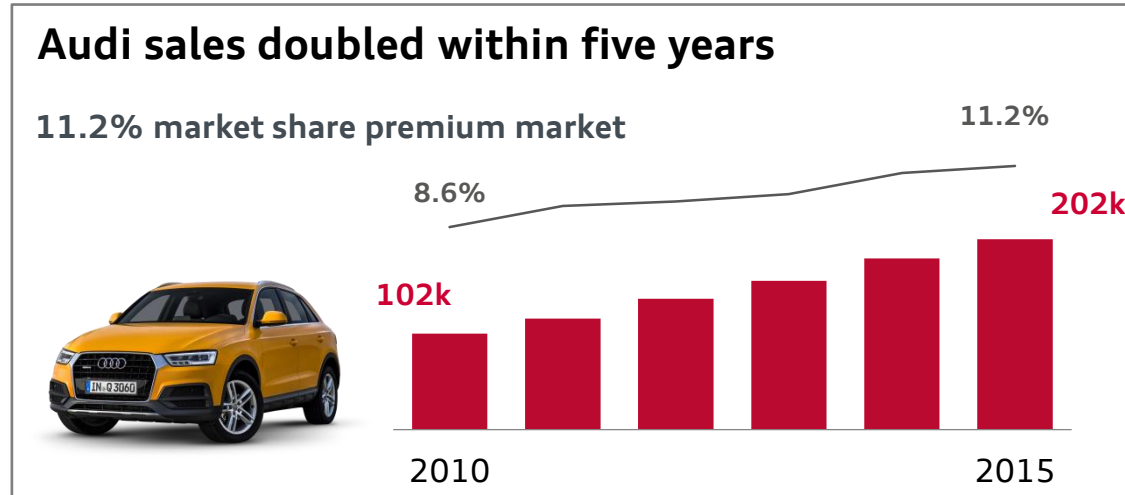
Q1/2015

455,754

Q1/2016



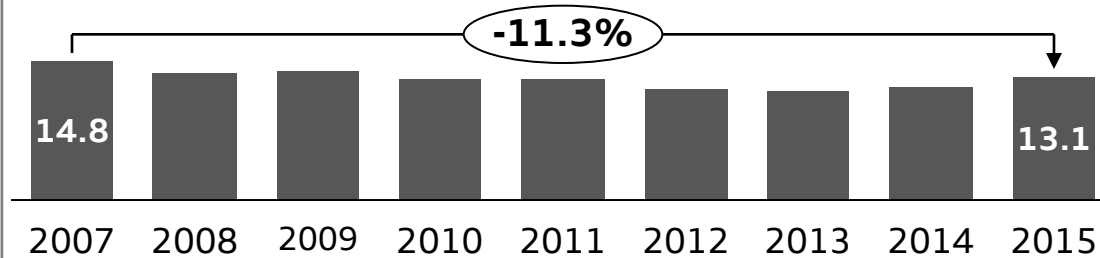
# Audi's U.S. success story as a benchmark for qualitative growth



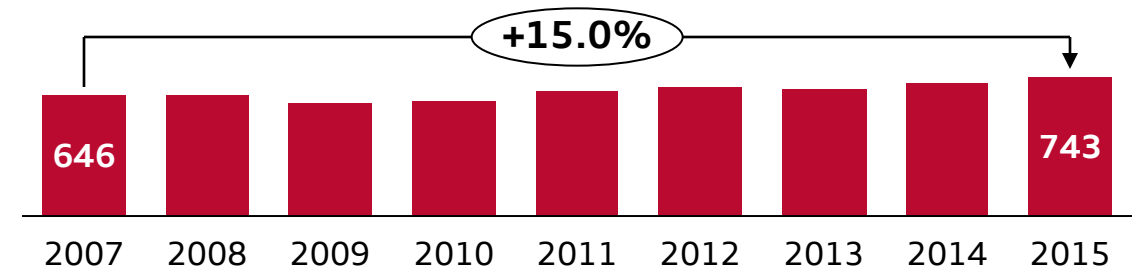
## Western Europe: Audi confirmed its premium leadership

**While the European overall market has lost 11% since 2007, Audi registrations rose by 15%**

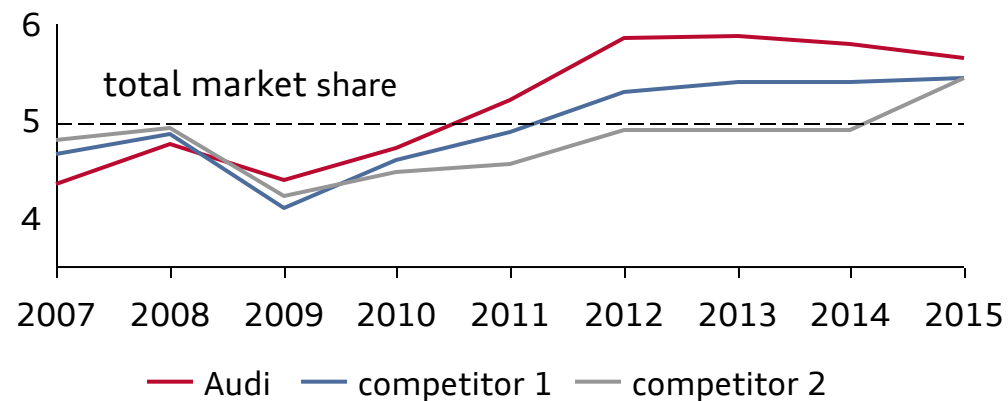
Western European overall market,  
registration of new passenger cars (in million)



Western Europe: Audi registrations (in thousand cars)



### Audi market leader in the premium segment



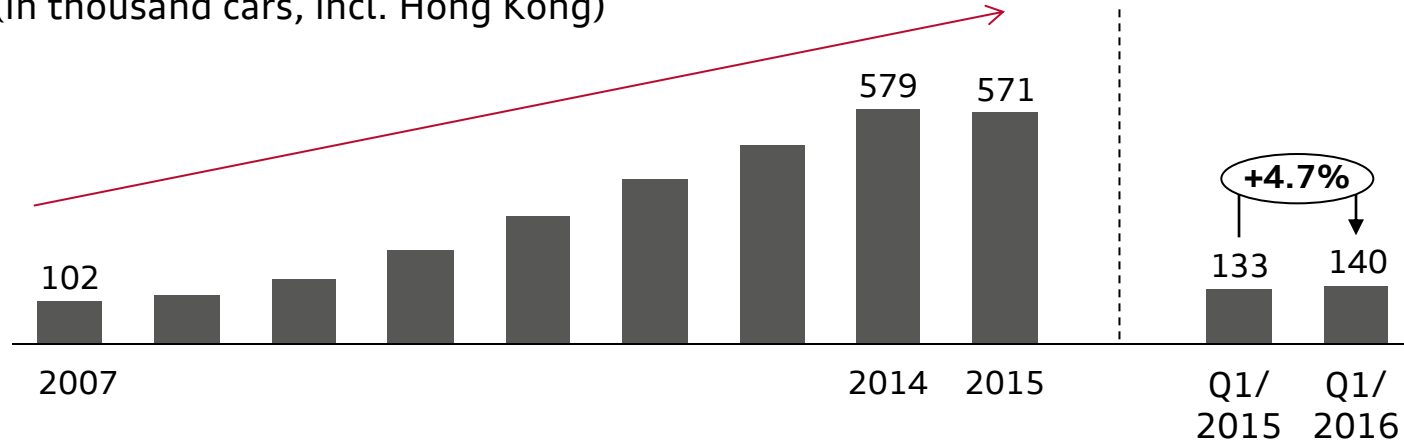
### Development Top 5 markets (Audi deliveries)

	Q1/2015	Q1/2016	Change
Germany	73,208	81,263	+11.0%
United Kingdom	45,781	47,735	+4.3%
France	14,609	15,445	+5.7%
Italy	12,596	14,784	+17.4%
Spain	12,322	14,012	+13.7%

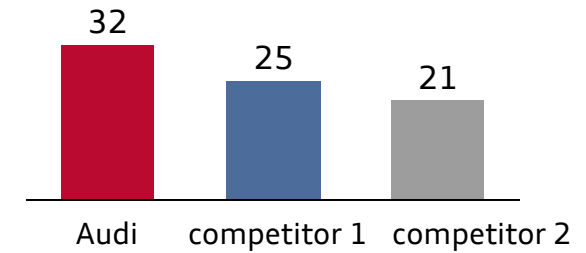


# China: Audi remains market leader in 2015 – from 2007 deliveries increased nearly six-fold

**Audi deliveries to customers in China**  
(in thousand cars, incl. Hong Kong)



**Premium market share**  
(in percent, competitor data estimated)



**Q1/2016: recovery in the Chinese premium market, stronger performance compared to the overall market**

**+8.8%\***  
overall market

**+16.3%\***  
premium market

**Models to further strengthen our business**

export

Q7

local

A4 L

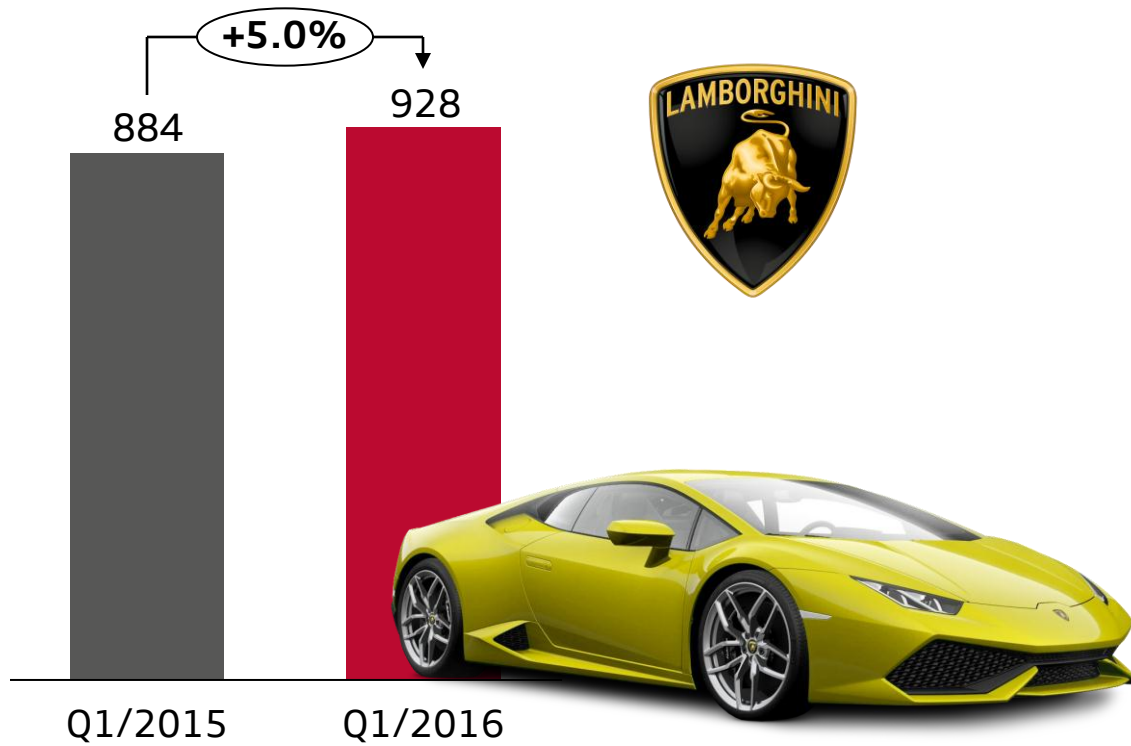
A6 L

\* without Hongkong

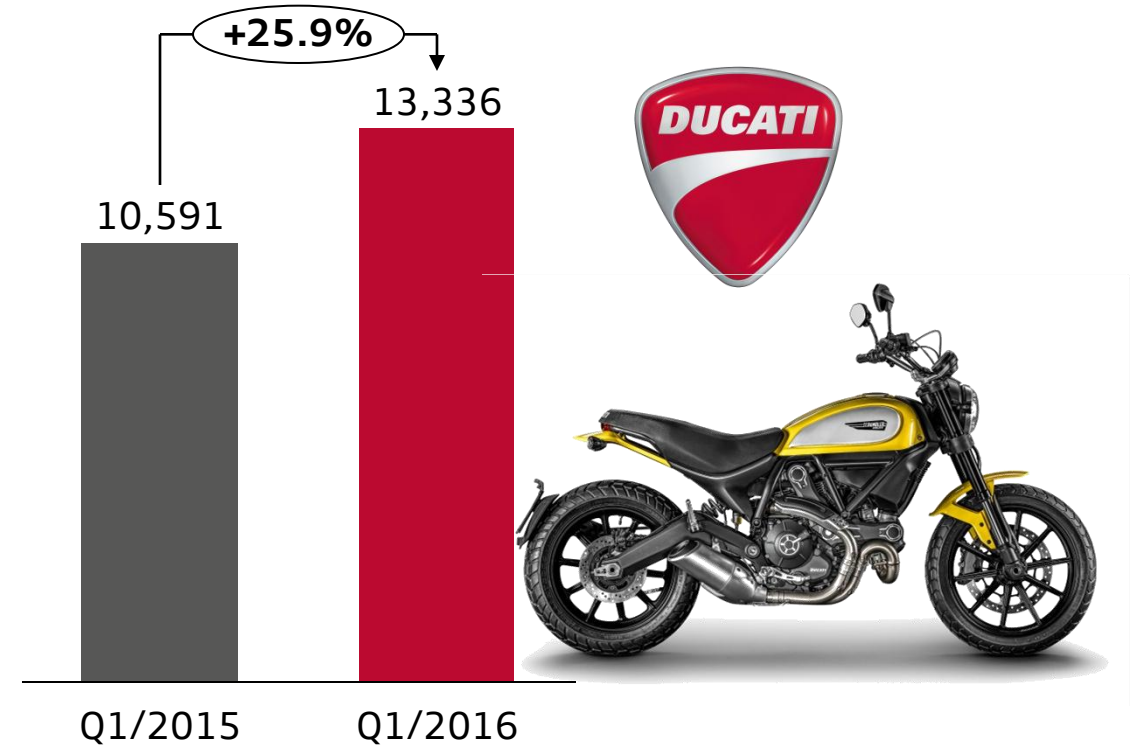


## Adding value to the Audi Group – strong business performance of Lamborghini and Ducati

### Lamborghini deliveries to customers



### Ducati deliveries to customers





## Markets



## Financials



## Strategy



## Audi Group – Key figures 2015

**1,826,627**

Production Audi brand

**1,803,246**

Deliveries to customers  
Audi brand

**58,420 EUR million**

Revenue

**4,836 EUR million**

Operating profit

**8.3%**

Operating return on sales

**Audi** 2015  
Annual Report

tomorrow.  
**now!**

Audi  
Vorsprung durch Technik



**19.4%**

Return on investment

**6.0%**

Ratio of capex

**1,627 EUR million**

Net cash flow

**16,420 EUR million**

Net liquidity (Dec. 31)

**82,838**

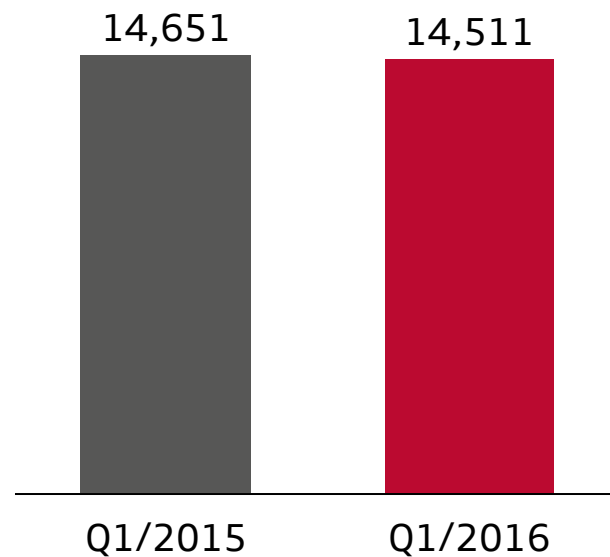
Workforce (average)



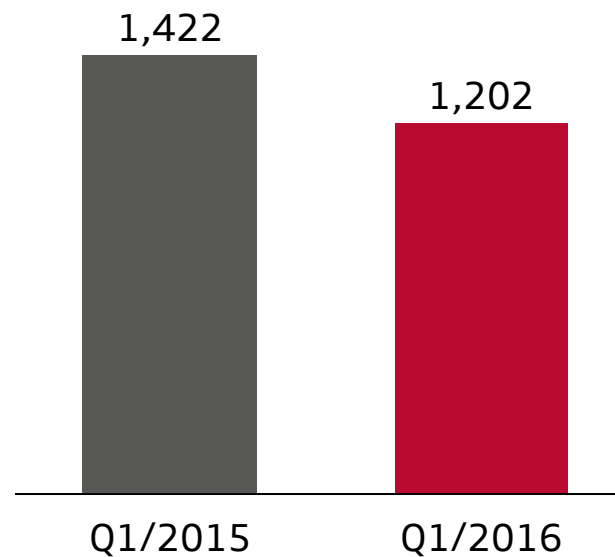
# Q1/2016: Audi Group achieved a sound financial performance

EUR million

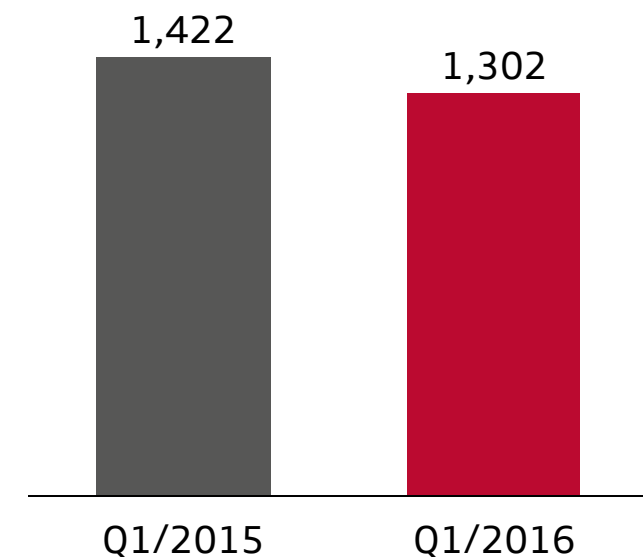
## Revenue



## Operating profit

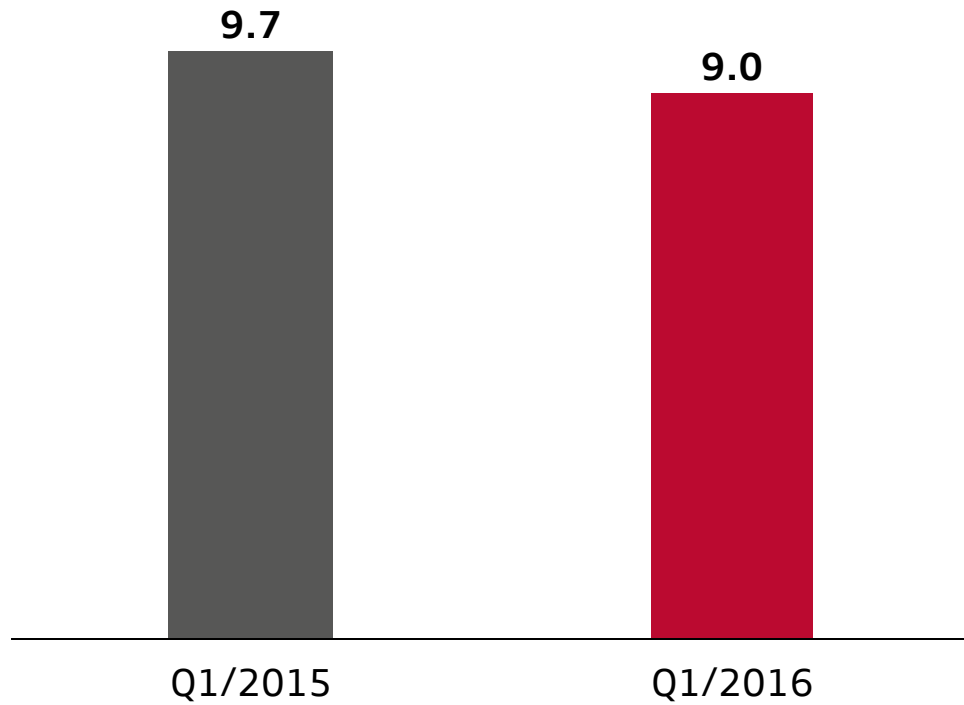


## Operating profit before special items

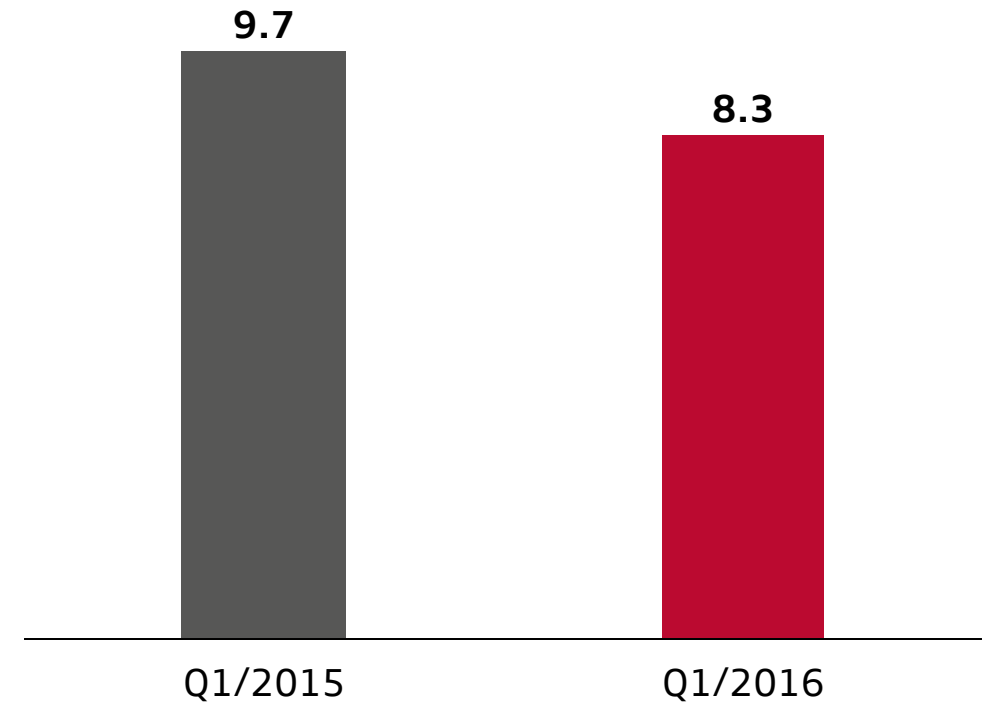


# Audi Group: Operating return on sales in percent

## Operating return on sales before special items



## Operating return on sales

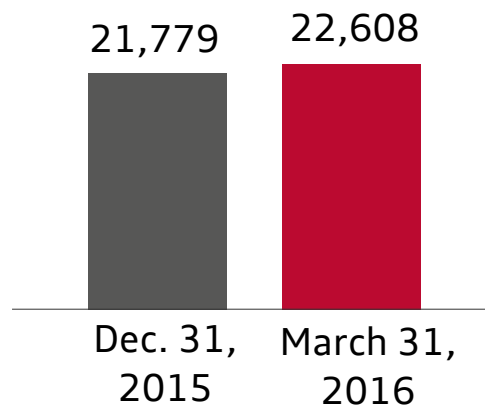




## Audi with strong ability to generate funds internally

### Equity

EUR million



### Equity ratio

March 31, 2016 vs. Dec. 31, 2015

**39.9%**  
(38.4%)

### Net cash flow

EUR million

**1,185**  
(876)

### Net liquidity

EUR million

**14,718**  
(14,238)



## Forecast 2016

Deliveries of cars of the Audi brand to customers	Revenue	Operating profit/ Operating return on sales
moderate increase	moderate increase	within the strategic target corridor of 8 to 10 percent

# Outlook

Return on investment (ROI)	Net cash flow	Ratio of capex*
between 16 and 18 percent and thus significantly above our minimum rate of return of 9 percent	between EUR 2.0 and 2.5 billion	within the strategic target corridor of 5.0 to 5.5 percent

\* investments in property, plant and equipment, investment property and other intangible assets (without capitalized development costs)



## Ongoing high investment to strengthen the brand position and for future growth

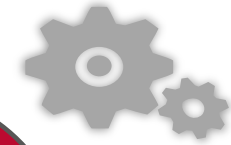
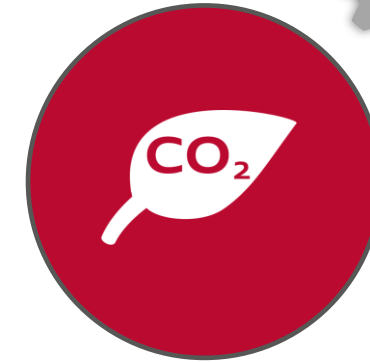
Complexity



Efficiency



Synergies



**Capital expenditure (capex\*):**

**> EUR 3 billion**

**2016**

## Markets



## Financials

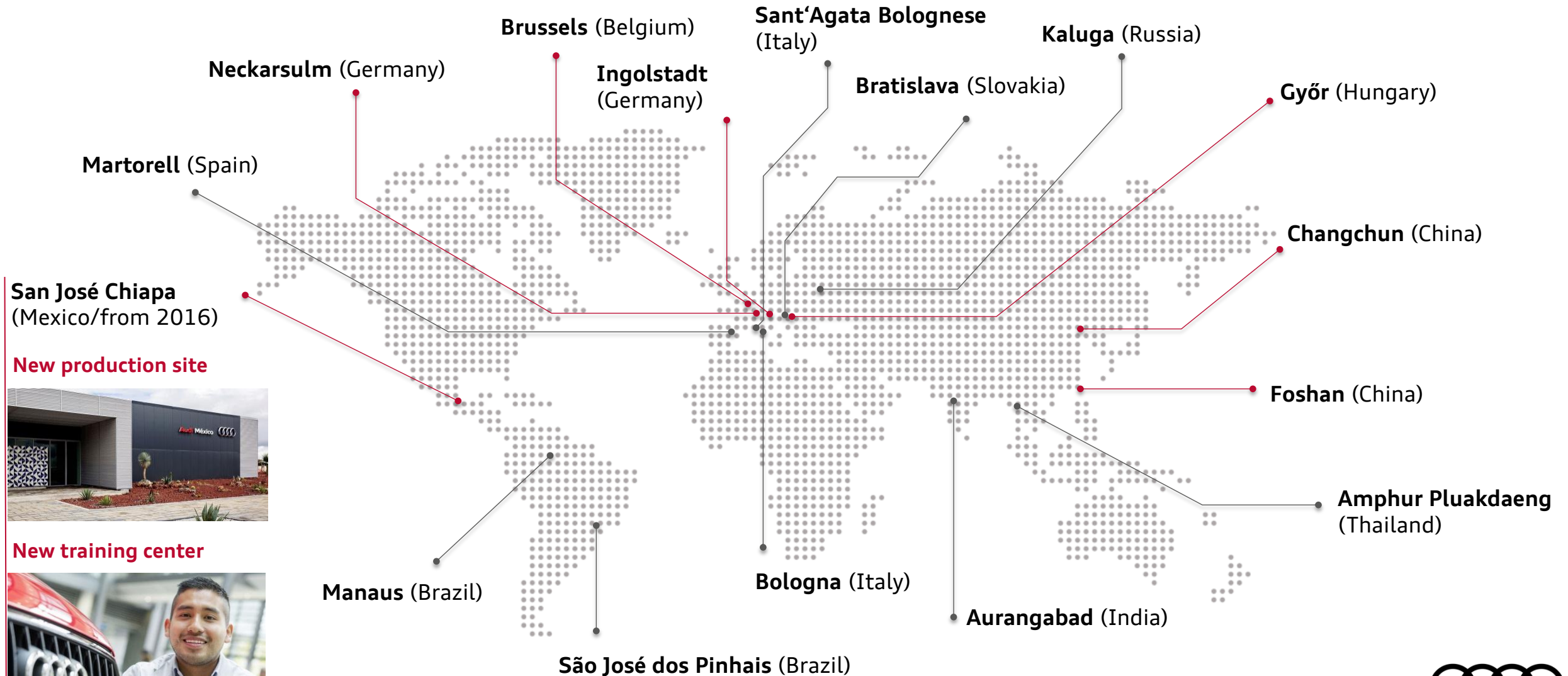


## Strategy





# Audi's global production network as a key element for our ambitious growth plans



**New production site**



**New training center**



## Products 2016: we will launch more than 20 new or revised models

Audi RS Q3 performance

Audi SQ7 TDI

Audi S4 Avant

Audi R8 Spyder

Audi A5 Coupé

Audi TT RS Roadster

Audi Q7 e-tron quattro

Audi Q2

Audi S5 Coupé

Audi TT RS Coupé

Audi A4 allroad quattro

Audi S4 Limousine

...

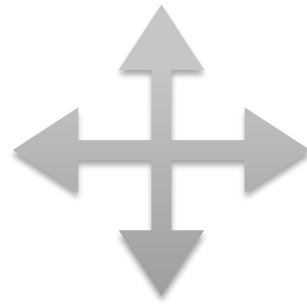


# Premium of the future – three strategic milestones for Audi 2025

## Digitalization



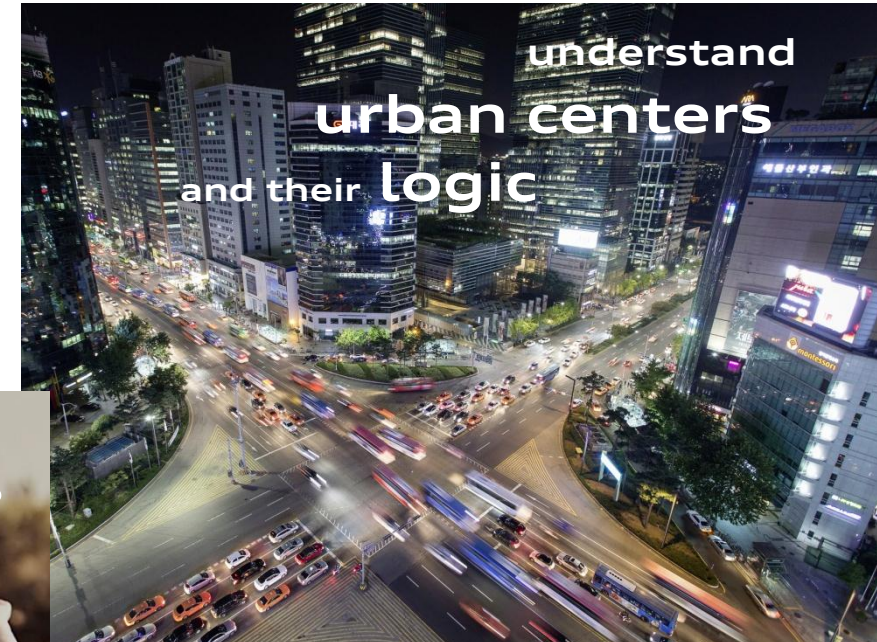
*VORSPRUNG ...*



## Sustainability

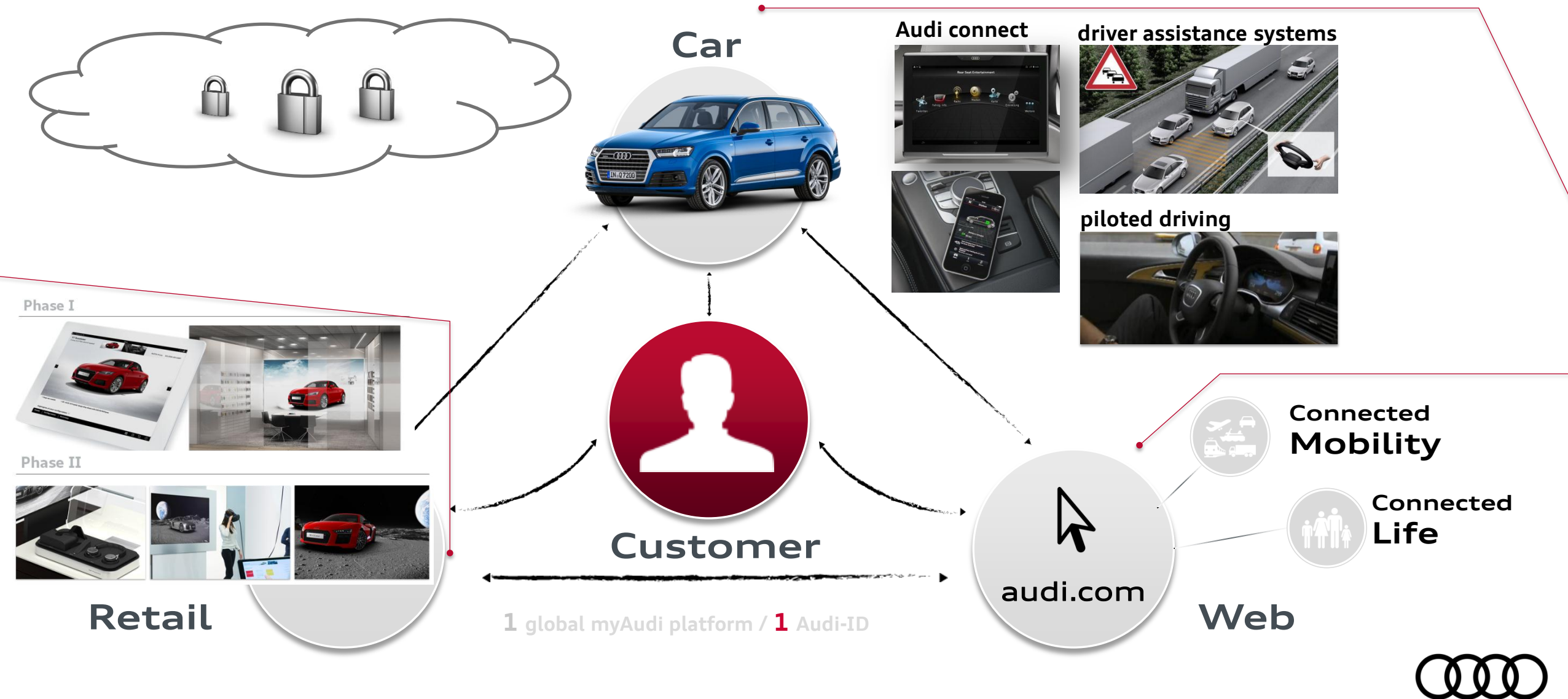


## Urbanization





# Audi evolves to a digital car company – 1 central digital platform





# Digital customer journey – the future will be connected

## Pre-purchasing phase



> customer ID

> innovative configuration



> virtual product experience



> online customer advisory service

> test drive booking online

## Purchasing phase

> digital offer & signature process

> up- & cross selling



> online vehicle purchase services

> online purchase

> customized marketing

> order tracking

## Period of ownership

> remote diagnosis

> purchase recommendation

> customer portal

> service tracker

> Audi connect



> customized services

> connected life



> connected mobility



> connected driving and parking



Big data  
& analytics

Digital channels  
to the  
customer

Connectivity  
& Services



# Sustainability – the future of mobility is emission-free



**Audi h-tron quattro concept:  
fuel cell technology with sporty performance**



**Audi e-tron quattro concept:  
electric driving pleasure with no compromises**

**power from gas:  
the new Audi A4 Avant g-tron**



# Urbanization – individual mobility will be connected with the city of the future

» Premium sharing: “An Audi – when I want and where I want”

## Audi **select**



Private leasing concept  
for more than  
one model

## Audi **shared fleet**



Company fleet with  
additional value for  
employees

## Audi **on demand**



Rental concept for  
desired Audi  
on demand





**Audi. Vorsprung**



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**Thank you**

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## Disclaimer

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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.

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