

# Interim Financial Report 2008

January 1 to June 30, 2008



# Audi Group Key Figures

		1-6/2008	1-6/2007	Change in %
<b>Production</b>	Cars	518,850	518,458	0.1
	Engines	1,024,515	1,015,040	0.9
<b>Vehicle sales</b>	Cars	640,676	638,492	0.3
Audi		516,211	508,842	1.4
Germany		122,404	127,112	- 3.7
Outside Germany		393,807	381,730	3.2
Lamborghini		1,309	1,238	5.7
Other Volkswagen Group brands		123,156	128,412	- 4.1
<b>Employees</b>	Average	56,991	52,707	8.1
<b>Revenue</b>	EUR million	17,387	17,378	0.1
<b>Profit from operating activities</b>	EUR million	1,299	1,014	28.1
<b>Profit before tax</b>	EUR million	1,372	1,105	24.2
<b>Profit after tax</b>	EUR million	930	679	37.0
<b>Rate of return before tax</b>	Percent	7.9	6.4	
<b>Capital investments</b>	EUR million	963	892	8.0
Development expenditure recognized as an intangible asset		308	217	41.9
<b>Depreciation and amortization</b>	EUR million	1,042	1,356	- 23.2
<b>Cash flow from operating activities</b>	EUR million	2,468	2,912	- 15.2

		30.06.2008	31.12.2007	
<b>Balance sheet total</b>	EUR million	24,827	22,578	10.0
<b>Equity ratio</b>	Percent	42.9	37.0	



*Dear Shareholders,  
Dear Readers,*

**T**hree fewer refueling stops and a perfect team effort – the essential ingredients of Audi's all-important lead in the Le Mans 24 Hours. Thanks to our diesel technology, we secured Audi's eighth victory in the toughest endurance race in the world, thus completing our second hat trick in a row. In another pioneering ecological achievement, our racing cars ran on second-generation biofuel made from plant residues and waste, meaning it has no impact on human food production.

### **Diesel technology takes Audi to its eighth win at Le Mans.**

Audi has written motor sport history at Le Mans, and many of our sporty models have sourced their technology directly from the world of motor racing. Our Audi R8 supercar illustrates this process especially vividly. We have been turning up the heat yet again in recent months with the Audi R8 TDI Le Mans study car. It features the first twelve-cylinder diesel engine in a high-performance road sports car. To judge by the

road reports published in the international media, this embodiment of sheer dynamism is causing quite a sensation.

The development effort that we have put into this model has rubbed off on our entire model range. Above all on the new TT 2.0 TDI quattro, the first Audi production sports car with a diesel engine. A successful blend of sportiness and efficiency, it achieves an average fuel consumption of 5.3 liters over 100 kilometers, while its CO<sub>2</sub> emissions measure 139 grams per kilometer.

### **Audi scores top marks for efficiency across its entire model range.**

Audi scores top marks for efficiency across its entire model range. The fuel efficiency of the updated Audi A3 shows an improvement of as much as 15 percent on the predecessor model, and in the case of the new Audi A4 it has improved by as much as 18 percent. On efficiency trials between Vienna and Basle involving eleven of the A4 2.0 TDI – our new entry-level turbodiesel with manual transmission – Auto Bild readers and Audi employees succeeded in covering a distance of almost 1,650 kilometers on just one tank of fuel. The fuel efficiency they achieved peaked at between 3.32 and 3.65 liters per 100 kilometers, with CO<sub>2</sub> emissions of between 88 and 97 grams.



The model initiative continues: the new Audi Q5.

Audi is systematically increasing its technical edge – or *Vorsprung durch Technik* – in this area. This will become very evident in the next few months as we launch what are currently the cleanest diesels in the world, starting with the Audi Q7. We will go into production with our seven-speed S tronic dual-clutch transmission, which handles gearshifts both sportily and efficiently. Our new model generation of the A6, in particular the A6 2.0 TDI e, boasts remarkably good fuel efficiency. Averaging just 5.3 liters of fuel per 100 kilometers, it will be among the best in its class.

We are intensively exploring alternative drive principles and have just sealed a partnership with Sanyo, one of the world's leading developers of rechargeable batteries. We will consequently launch a vehicle with exclusively electric drive

from 2012, first developing a hybrid by way of an interim concept. In my opinion, electric drive is the key to future mobility in cities.

Reason and passion are not in conflict at Audi. Each and every one of our cars embodies the principle of technology led by reason, with a design and allure that captivate the emotions. We are diversifying our model range in order to promote growth. For example, our youthful, dynamic A3 Cabriolet has injected fresh vitality into a thoroughly updated line. We have taken the wraps off the first S3 Sportback. And the new RS 6 Avant went on sale in the spring. This, the most powerful Audi ever built, already has a diehard following.

The appearance of a new-generation Audi A4 dominated events in the first half of the year. This was an important occasion for the entire company, because the A4 line ultimately accounts for approximately one third of our sales. In rejuvenating our highest-volume model, we have revolutionized not only this car's design and technology, but also our production approach in an effort to maintain capacity as we roll out our model initiative. These changes will further bolster sales of our vehicles in the second half of the year.

**Like its big brother, the Audi Q7, the Audi Q5 redefines the benchmark.**

A model with a very strong character, the Audi Q5 made its world debut at the Beijing Motor Show. Like its big brother, the Audi Q7, it redefines the benchmark with a coupé-inspired design that is extraordinary for an SUV, a variable space concept

**New-generation Audi A4 Avant: this successful model features revolutionized design and further improved technology. The new Audi A3 Cabriolet offers customers a thrilling, sporty open-air experience.**





1,650 km from Basle to Vienna and back again – the Audi A4 TDI completed the fuel-efficiency marathon on just one tank of fuel. This is equivalent to fuel consumption of considerably less than four liters per 100 kilometers.

and excellent handling characteristics. We are building this car in Ingolstadt, with production in China scheduled to start in 2010. This is yet further evidence of the constructive role we play within the FAW-Volkswagen joint venture, which recently celebrated its 20th anniversary. China has become our second home market, and we aim to sell 200,000 cars there in 2015 – double last year's total. We continue to grow unabated in China.

**Every day we endeavor to make Audi the most attractive premium manufacturer in the long-term future.**

Another strong region is Eastern Europe. In contrast, markets in other countries such as the U.S. have encountered turbulence. The real estate crisis, exorbitant fuel prices by U.S. standards

and the forthcoming presidential elections are unsettling consumers. Yet Audi has bucked the trend by increasing its market share. The overall situation is nevertheless becoming increasingly challenging, with sharply rising raw material prices, adverse exchange rates, the current carbon emissions debate and introduction of CO<sub>2</sub> taxes in Europe. We feel the direct impact of such factors in every single vehicle project.

And yet Audi is still holding firm. The figures published in this Interim Financial Report prove once again that our business operations are sustainable and profitable. Every day we fine-tune our processes to make them even better and more efficient. And every day we endeavor to make Audi the most attractive premium manufacturer in the long-term future.

*Kind regards*  
*R. Stadler*



# Interim Management Report of the Audi Group

from January 1 to June 30, 2008

## Business and underlying situation

### Weakening of global economic growth

There was a slowdown in global economic growth in the first half of 2008. As well as high energy and raw materials prices, the impact of the crisis on financial markets in particular adversely affected the economies of industrial nations. On the other hand, the emerging economies of Asia, South America and Central and Eastern Europe continued to expand virtually undiminished.

The U.S. economy weakened noticeably in the second quarter following robust performance in the first three months, with growth in personal consumption down sharply. At the same time, inflationary pressures increased.

The Chinese economy remained very dynamic during the period under review. The key factors behind this growth were investment and increased personal consumption. By contrast, the economy in Japan continued to cool down.

In Western Europe, the pace of expansion slowed down towards the mid-point of the year after robust economic growth in the first quarter of 2008. Private households saw their purchasing power eroded significantly by the sharp rise in energy and food prices. The economies of Central and Eastern Europe, and Russia in particular, remained dynamically buoyant.

The German economy proved very resilient in the first half of 2008, even if there were increasing signs of an economic slowdown towards the end of the reporting period.

### Muted growth in worldwide demand for automobiles

Worldwide demand for cars continued to rise in the first half of 2008, but less vigorously. The main sources of growth were Asian auto markets, most notably China, as well as Central and Eastern Europe and South America. On the other hand, demand for cars in the U.S., Japan and Western Europe was down.

There was a sharp slump in vehicle sales in the U.S. car market as a result of the financial crisis and escalating fuel prices. 7.4 million cars and light commercial vehicles were sold during the period under review, a drop of 10.1 percent on the previous year's figure.

The Chinese car market continued to profit from booming sales. The total number of units sold in the first six months of the year rose by 14.5 percent to 2.8 million cars. By contrast, new car registrations in Japan were down 0.6 percent on the prior-year level to 2.3 million units.

In the first half of 2008, several major Western European auto markets were going through a weak phase. Whereas new car registrations slipped by 1.6 percent in the UK, there was a significant drop in new registrations in Italy and Spain of 11.1 and 17.6 percent respectively. Only the French market grew, with registrations up 4.4 percent. Overall, registrations of new cars in Western Europe (excluding Germany) fell by 4.2 percent to 6.1 million passenger cars.

The countries of Central and Eastern Europe continued to enjoy dynamic growth. The car boom continues unabated in Russia. New registrations there reached almost 1.4 million units at the end of June, an improvement of 35.3 percent on the previous year.

In Germany, the car market in the first half of 2008 suffered from the sharp rise in fuel prices and protracted uncertainty among consumers as a result of repeated postponement of the road tax reform. New car registrations recovered somewhat from the low volume of the prior-year period. With 1.6 million newly registered vehicles, market growth reached 3.6 percent.



### Previous year's production record beaten yet again

Vehicle production by the Audi Group in the first six months of 2008 was dominated by the production starts of the new Audi A4 Sedan and new A4 Avant. Despite the model changeovers, the previous year's record figure was yet again beaten, with a production volume of 518,850 (518,458) vehicles.

Vehicle production	1-6/2008	1-6/2007
<b>Total, Audi brand</b>	<b>517,563</b>	<b>517,115</b>
of which:		
Audi A3	103,670	117,319
Audi A3 Cabriolet	9,544	45
Audi TT	23,086	32,062
Audi A4 / RS 4	182,399	162,903
Audi A4 Cabriolet / RS 4 Cabriolet	9,700	16,743
Audi A5	26,021	5,069
Audi Q5	303	54
Audi A6 / RS 6	106,446	119,342
Audi A6 allroad quattro	6,636	8,603
Audi Q7	34,112	42,325
Audi A8	12,446	11,133
Audi R8	3,200	1,517
of which:		
TDI	272,153	272,359
quattro	145,320	168,370
<b>Total, Lamborghini brand</b>	<b>1,287</b>	<b>1,343</b>
of which:		
Lamborghini Gallardo	937	1,052
Lamborghini Murciélago	350	291
<b>Total, Group</b>	<b>518,850</b>	<b>518,458</b>

At the Ingolstadt plant, the Audi Group built a total of 257,570 (281,974) vehicles of the Audi A3, A4, A5 and Audi Q5 car lines. March 2008 saw the completion of the millionth current A3, the second generation of which was launched in 2003.

The number of vehicles manufactured at the second German site in Neckarsulm rose by 16.3 percent to 167,049 (143,673). Alongside the Audi A6 models comprising Sedan, Avant and A6 allroad quattro, the RS 4, RS 6 Avant, A8 and the R8, the new A4 Sedan has been in production there since the end of 2007 on the basis of a "Production Turntable" with Ingolstadt to ensure greater production flexibility.

AUDI HUNGARIA MOTOR Kft., in Győr, Hungary, built 23,086 (32,062) of the Audi TT Coupé and TT Roadster as well as 9,544 (45) of the Audi A3 Cabriolet on behalf of AUDI AG.



Production output at AUDI BRUSSELS S.A./N.V., Belgium, during the period under review included 16,502 (293) of the A3 Sportback and, on behalf of Volkswagen AG, 28,962 (4,046) VW Polo models.

Vehicle manufacturing output at Automobili Lamborghini S.p.A. in Sant'Agata Bolognese, Italy, remained at a high level. A total of 1,287 (1,343) supercars of the Gallardo and Murcié-lago models left its production halls.

Engine production also continues to rise. In the first six months of 2008, the Audi Group manufactured 1,024,515 (1,015,040) engines, bettering the previous year's record figure by 0.9 percent.

Engine production	1–6/2008	1–6/2007
<b>Audi Group</b>	<b>1,024,515</b>	<b>1,015,040</b>
of which		
AUDI HUNGARIA MOTOR Kft.	1,023,228	1,013,697
Automobili Lamborghini S.p.A.	1,287	1,343

#### Vehicle sales continue to grow

Despite the model changeover in its highest-volume car line, the Audi A4, and a difficult underlying situation in many markets, the Audi brand achieved a new sales record of 516,211 (508,842) vehicles in the first half of the year. The growth of 1.4 percent reflects the sustained high appeal of the brand with the four rings.

In Germany, the impact of the model changeover for the Audi A4 was particularly high, above all for the popular A4 Avant, which only became available in the German market at the end of April. Despite the model changeover, however, vehicle sales were only 3.7 percent down on the prior-year figure at 122,404 (127,112).

The picture elsewhere in Western Europe was mixed. Overall, the Audi Group registered a slight downturn of 1.7 percent to 221,733 (225,513) units. Whereas Audi was unable to defy the exceptionally marked contraction of the overall markets in Italy and Spain, where its unit sales dropped by 5.3 and 4.4 percent, sales of the Audi brand in the UK and France rose by 4.4 and 3.1 percent respectively.

The Audi brand remained highly successful in the burgeoning car markets of Central and Eastern Europe. In Russia, the most important car market in the region, Audi improved its sales in the first six months of 2008 by 19.1 percent to 8,660 (7,272) vehicles.

Audi was able to assert itself in the U.S., where the car market as a whole experienced a sharp slump. Unit sales of 45,024 (45,711) were only down slightly on the prior-year figure.

Sales in the Asia-Pacific region continued to grow. The Audi Group was able to consolidate its lead in the premium segment in the Chinese car market (including Hong Kong). With substantial growth of 22.8 percent to 60,509 (49,267) vehicles, Audi sales even outstripped the high growth rate for the market as a whole. The sales volume in the slightly recessive Japanese car market reached 7,893 (7,527) vehicles, a rise of 4.9 percent. There was a



marked upward trend in demand for Audi vehicles in Australia, too, where sales rose by 33.6 percent to 5,103 (3,819) units.

Vehicle sales by market (Audi brand)	1-6/2008	1-6/2007
Germany	122,404	127,112
China (incl. Hong Kong)	60,509	49,267
UK	57,983	55,557
U.S.A.	45,024	45,711
Italy	30,461	32,160
Spain	30,348	31,732
France	27,993	27,162
Belgium	18,197	19,167
Russia	8,660	7,272
Austria	8,520	9,152
Netherlands	8,393	9,327
Switzerland	8,367	8,237
Sweden	8,196	9,071
Japan	7,893	7,527
Australia	5,103	3,819
Other	68,160	66,569
<b>Audi cars worldwide</b>	<b>516,211</b>	<b>508,842</b>

#### Successful model changeover for Audi A4

The Audi A3 continues to be very popular in 2008. Sales of this premium compact line in the first six months of the year of 120,167 (121,423) units almost matched the previous year's high figure. Following its market launch in the spring, 5,272 of the new Audi A3 Cabriolet were also delivered to customers.

Sales of the Audi TT Coupé and TT Roadster totaled 24,455 (27,543) in the period under review.

The model changeover for the highest-volume car line, the Audi A4, has so far been very successful. Although the Sedan was not yet available in all markets and the Avant only appeared in European markets successively from May, volume matched the previous year's level at 177,582 (177,933) units delivered.

The Audi A5, which was launched in 2007, was in high demand in the period under review. 26,800 (2,949) of this model were delivered to customers in the first half of the year.

Sales of the Audi A6 car line, comprising the A6 Sedan, A6 Avant and A6 allroad quattro, repeated the successes of previous years with sales of 118,525 (123,572), despite the model's advanced lifecycle.

In the premium sport utility vehicle segment, 33,732 (43,471) of the Audi Q7 were sold.

The systematic refinement of the Audi A8 last year noticeably stimulated demand in the period under review. With sales of the luxury-class sedan reaching 11,610 (11,223), the high prior-year level was bettered by 3.4 percent.

Since its market launch in the early part of 2007, the Audi R8 mid-engine sports car has become one of the most coveted vehicles in the sports car segment. 2,952 (727) units of Audi's sporty top model were delivered to customers in the year to June 2008.

The Italian sports car manufacturer Lamborghini also continues to enjoy success. Sales of 1,309 (1,238) of the supercar in the first half topped the previous year's record sales figure by 5.7 percent.

Vehicle sales by model	1–6/2008	1–6/2007
<b>Audi brand</b>	<b>516,211</b>	<b>508,842</b>
of which:		
Audi A3	114,895	121,423
Audi A3 Cabriolet	5,272	–
Audi TT	24,455	27,543
Audi A4 / RS 4	166,847	162,131
Audi A4 Cabriolet / RS 4 Cabriolet	10,735	15,802
Audi A5	26,800	2,949
Audi A6 / RS 6	111,640	115,256
Audi A6 allroad quattro	6,885	8,316
Audi Q7	33,732	43,471
Audi A8	11,610	11,223
Audi R8	2,952	727
<b>Lamborghini brand</b>	<b>1,309</b>	<b>1,238</b>
<b>Other Volkswagen Group brands</b>	<b>123,156</b>	<b>128,412</b>
<b>Audi Group</b>	<b>640,676</b>	<b>638,492</b>

#### Product initiative continues in first half of 2008

The Audi Group successfully continued its product initiative in the first half of 2008.

Two new models were added to the A3 car line – the A3 Cabriolet\* and the S3 Sportback\*. The A3 Cabriolet, which came onto the market at the start of the 2008 open-top driving season, is the first open-body version of this premium sports car in the compact class. The sporty top version, the Audi S3\*, is now also available as a five-door S3 Sportback.

Attractive models have also been added to the Audi TT car line: the Audi TTS\* and the Audi TT 2.0 TDI quattro\*. Both models, each of which is available in both Coupé and Roadster versions, have a distinctive character. The TTS is the sporty top model in the car line thanks to its 2.0-liter TFSI engine developing 200 kW (272 hp). The Audi TT 2.0 TDI quattro redefines the benchmark as the first production sports car of the Audi brand to be powered by a diesel engine. Sheer sportiness and compelling performance are combined here with the exceptional efficiency of the 125 kW (170 hp) TDI engine.

In the highest-volume car line, the Audi A4, the launch of the sedan at the end of last year was followed by the appearance of the A4 Avant\* from April 2008. The A4 Avant is available in nine different engine versions – four gasoline and five diesel – with performance ranging from 88 kW (120 hp) to 195 kW (265 hp) and an average improvement in fuel efficiency of over ten percent compared with the predecessor models.

The Audi RS 6 Avant\* unveiled in the early part of 2008 is the most powerful production model ever to have been built by AUDI AG. This high-performance model features a newly developed V10 engine, with FSI gasoline direct injection and twin turbochargers, that generates an output of 426 kW (580 hp), giving the RS 6 truly unique status within the field of competitors.

The Audi Q5\* made its debut in April 2008 at the Beijing Motor Show. The new model gives the Audi brand a stronger presence in the SUV segment. The Audi Q5 has all the dynamic performance of a sports sedan, and its very versatile interior makes it the ideal form of leisure and family transport. Equipped with high-performance, efficient engines, quattro permanent all-wheel drive and agile suspension, the Audi Q5 is a car for a multitude of tasks. Other optional highlights include the driving dynamics system Audi drive select and the seven-speed S tronic dual-clutch transmission, which paves the way for ultra-economical driving. With its low drag coefficient of 0.33, the SUV turns in one of the best aerodynamic performances in its class. The Audi Q5's market launch will take place in fall 2008.

\* Fuel consumption and emission figures at the end of the Interim Financial Report

## Awards for Audi vehicles

Once again, AUDI AG received a great many awards and prizes in the first half of 2008. In the reader poll held by the car magazine *auto motor und sport* (issue 4/2008, p. 130) – one of the most important performance indicators in the car industry – Audi repeated the successes of previous years. An impressive four Audi models were voted top of their categories, making Audi yet again the most successful brand. Alongside the two regular winners Audi A3 and Audi A6, which clinched the coveted title for the fourth and third time respectively, the success of the new Audi R8 sports car is particularly pleasing in that Audi succeeded in toppling a long-established competitor. The new Audi A4 Sedan\* celebrated a sensational debut, capturing the plaudits as “Best Car” in its category.

The new Audi A4 emerged from the comprehensive crash test conducted by the Euro NCAP consortium, which brings together international representatives of European transportation ministries, automobile clubs, insurance companies and consumer bodies, with the maximum rating of five stars. The results for adult occupant protection in a front and side impact and for child occupant and pedestrian protection consequently place the new Audi A4 among the safest vehicles in its category.

## Third successive TDI victory at Le Mans

2008 saw the Audi R10 TDI remain unbeaten following the 76th Le Mans 24 Hours. The diesel-engined racing car emerged as winner of the classic French endurance race for the third time. At the end of an unbelievably exciting race, dominated by adverse weather conditions and a strong field of competitors, Tom Kristensen (Denmark), Dindo Capello (Italy) and Allan McNish (Scotland) clinched victory with the Audi R10 TDI with starting number 2.

In front of a record number of 258,500 spectators, the Audi R10 TDI covered a total distance of 5,192 kilometers over 381 laps, recording an impressive average speed of more than 240 km/h. This success was yet again built on the reliability and efficiency of the Audi R10 TDI, which brought Audi its eighth win in ten outings at Le Mans thanks to the perfectly oiled teamwork of the drivers and pit crew.

## 1st place for Audi 2007 Annual Report

AUDI AG has set new standards not just with its vehicles, but also with the design of its Annual Report. The Audi 2007 Annual Report was voted the best annual report of 2007 by Forum Corporate Publishing e.V. in the renowned “BCP Best of Corporate Publishing Award 2008,” the biggest competition for corporate communications in Europe. Audi consequently came out on top at the very first attempt, from a field of 65 publications submitted by renowned international corporations.

The Audi Annual Report impressed the 100-member jury, comprising experts from the spheres of journalism, marketing, editorial design and corporate and financial communications, with its innovative overall concept based on a journalistic style and its coverage of a wide range of topics, from technology and design to sport and culture. The jury lauded this approach as a “shining example of the new world of annual reports.”

In addition to printed form, the 2007 Annual Report is available as an interactive online version with informative video podcasts and other multimedia content at [www.audi.com/annualreport](http://www.audi.com/annualreport).

## Workforce

The Audi Group employed a total of 57,483 (52,753) people as of June 30, 2008. A major factor in this 9.0 percent growth was the first-time consolidation of AUDI BRUSSELS S.A./N.V., with 2,117 employees. The AUDI AG workforce moreover grew by 1,700 employees, including a high proportion of qualified engineers, as a result of further corporate growth. To cover its growing need in particular for engineers as a result of the Audi product initiative, AUDI AG will have recruited a total of 800 academic graduates by the end of the year. At AUDI HUNGARIA MOTOR Kft., human resources growth of 7.3 percent was attributable to increased engine and vehicle production.

Workforce	June 30, 2008	June 30, 2007
<b>Audi Group</b>	<b>57,483</b>	<b>52,753</b>
of which:		
AUDI AG	46,140	44,440
Ingolstadt plant	32,819	31,185
Neckarsulm plant	13,321	13,255
AUDI BRUSSELS S.A./N.V.	2,117	–
AUDI HUNGARIA MOTOR Kft.	5,899	5,498
Lamborghini Group*	987	922
VOLKSWAGEN GROUP ITALIA S.P.A.	890	899

\* excluding VOLKSWAGEN GROUP ITALIA S.P.A. and VOLKSWAGEN GROUP FIRENZE S.P.A.

## Environment and sustainability

As a globally active enterprise, the Audi Group accepts responsibility for continually improving the environmental compatibility of its products and manufacturing sites as well as for the responsible use of natural resources. It strives always to keep sight of the bigger picture of all impact factors throughout the entire lifecycle of a vehicle. For the Audi Group, environmental protection starts the moment development work on a new model is kicked off, and extends through its actual manufacturing right up to the reprocessing of vehicles after scrapping.

The Audi Group is systematically striving to further improve fuel efficiency and emissions. By 2012, the Company plans to cut CO<sub>2</sub> emissions from Audi models by around 20 percent thanks to its modular efficiency platform. This covers all areas of the vehicle which harbor scope for enhancing fuel efficiency and reducing emissions: engine, transmission, body, auxiliaries, tires and, not least, driver assistance systems, which promote fuel-efficient driving.

TDI technology as one of the Company's core competences is an important component of Audi's strategy. Audi will already be going into production in the second half of 2008 with what is currently the cleanest diesel technology in the world. The new TDI engines with ultra low emission system combine the drivability and pulling power of modern TDI engines with excellent fuel efficiency and previously unrivaled low pollution emissions.

The potential of Audi TDI technology was demonstrated in two efficiency runs through Austria and Switzerland in June 2008. In a fleet of new Audi A4 2.0 TDI\* with an output of 88 kW (120 hp), 20 randomly chosen readers of the trade magazine *Auto Bild* and two members of AUDI AG per run completed a 1,650-kilometer circuit between Vienna and Basle on a single 65-liter tank of diesel fuel.

All pairs of drivers easily improved on the already exemplary official fuel consumption figure according to 93/116/EC for the 2.0-liter TDI engine of 5.1 liters per 100 kilometers, achieving in practice figures ranging from 3.32 to 3.65 liters per 100 kilometers. The most efficient team completed the circuit with an average fuel consumption of 3.32 liters of diesel fuel per 100 kilometers, at an average speed of 74.6 km/h. That equates to CO<sub>2</sub> emissions of 88 grams per kilometer. With these figures, it would even have been possible to cover a distance of over 2,000 kilometers on a single tank of fuel. This highlights the huge progress that Audi has made in the area of efficiency in recent years. The Company will continue to work towards further progress in this area.

The Audi Group is among the pioneers in the automotive industry for location-based environmental protection at its domestic and international sites. The principle of sustainable management forms an integral part of the Audi Group strategy. The aim is to act preemptively to avoid burdening the environment and to reduce consumption of resources by using cutting-edge technologies.

\* Fuel consumption and emission figures at the end of the Interim Financial Report





Having already succeeded in keeping its overall energy consumption stable in 2007 despite the higher production output, the Audi Group implemented further measures in the period under review in order to be able to repeat this feat for 2008 as a whole.

## Financial performance

The Audi Group posted revenue of EUR 17,387 (17,378) million in the first half of 2008, thus improving slightly on the prior-year figure. If the effect of exchange rate movements is eliminated, revenue would have been 2.8 percent higher.

The cost of sales was reduced in the period under review to EUR 14,852 (14,942) million, mainly thanks to improved processes and optimized material costs.

As a result, the Audi Group improved its gross profit year on year by 4.1 percent to EUR 2,535 (2,436) million and increased its gross margin to EUR 14.6 (14.0) percent.

Distribution costs grew by 14.7 percent to EUR 1,603 (1,398) million. A key factor influencing this development was the cost for the market launch of the new Audi A4 and other models. Administrative expenses amounted to EUR 143 (121) million.

The other operating result rose by EUR 413 million to EUR 510 (97) million, principally on account of income realized from currency and raw materials hedging transactions.

The Audi Group reported the best first-half operating result in the history of the Company, with a rise of 28.1 percent to EUR 1,299 (1,014) million, thus supplying renewed evidence of the Company's long-term profitability.

The financial result amounted to EUR 73 (91) million in the first half of 2008. Positive factors included the marked rise in interest income from investing the net liquidity, which has continued to rise, and higher income from the equity investment FAW-Volkswagen Automotive Company, Ltd., Changchun, China. Higher expenses from the measurement of derivative hedging instruments had an opposite effect.

The Audi Group thus increased its profit before tax for the first half of 2008 by 24.2 percent to EUR 1,372 (1,105) million, which in turn represents another all-time high. The return on revenue before tax rose to 7.9 percent, compared with 6.4 percent in the prior-year period.

## Net worth

The balance sheet total of the Audi Group rose to EUR 24,827 (22,578) million as of June 30, 2008, a rise of 10.0 percent compared with December 31, 2007.

Non-current assets rose to EUR 8,493 (8,325) million substantially as a result of the appreciation of non-current currency hedging instruments.

Current assets of EUR 16,334 (14,253) million showed a year-on-year rise of 14.6 percent. This change is attributable principally to higher cash and cash equivalents and the rise in receivables.

The major factors behind equity growth of 27.5 percent to EUR 10,653 (8,355) million were the higher profit after tax in the current fiscal year and an injection of capital amounting to EUR 706 million by Volkswagen AG. In addition, AUDI BRUSSELS S.A./N.V., Brussels,

Belgium, which belongs to Volkswagen AG, was consolidated for the first time, with management responsibility transferred by Volkswagen AG and its equity shown as minority interests.

The equity ratio consequently improved from 37.0 percent as of December 31, 2007, to 42.9 percent as of June 30, 2008.

Non-current liabilities edged up by 2.4 percent to EUR 5,394 (5,269) million. Current liabilities fell by 1.9 percent to EUR 8,780 (8,954) million.

## Financial position

The positive business performance of the Audi Group as of the half-way point through 2008 was also reflected in the Cash Flow Statement. The gross cash flow rose by EUR 311 million compared with the prior-year period to EUR 2,026 (1,715) million.

Investment activity amounting to EUR 939 (1,177) million was again financed in full from inflows from operating activities.

The net liquidity of the Audi Group improved by EUR 1,746 million as of June 30, 2008, to EUR 8,868 (7,122) million. This represents growth of 24.5 percent on the prior-year figure.

## Risk report

The risk reports within the Audi Group were updated for the preparation of its interim report. There were no significant changes in the Audi Group's risk situation compared with the risks outlined in the Management Report of the 2007 Annual Report. The Company therefore assumes that the reported risks will remain substantially unchanged in the second half of 2008.

On the basis of all known particulars and circumstances, there moreover exist no risks that can endanger the Audi Group's survival for the foreseeable future.

## Report on expected developments

### Anticipated development of the economic environment

The Audi Group anticipates a further weakening in the global economic growth in the second half of 2008. Alongside the continuing turbulence on financial markets, the problematic development in raw materials and energy prices will prove to be a burden. Growing inflationary tendencies will probably lead to a more restrictive monetary policy in many countries.

The economic development of the U.S. will remain subdued in the second half of the year. The economic climate in Western Europe is expected to become more clouded. By contrast, the emerging economies of Asia, South America and Central and Eastern Europe will continue to expand at above-average rates.

Worldwide car demand will continue to rise in 2008 despite a slowdown in growth. The sustained dynamic performance of Asian, Central and Eastern European and South American markets will more than compensate for the downturn in sales in North America, Japan and Western Europe.

For 2008 as a whole, the car market in the U.S. will be well down on the prior-year figure even if the decline in sales will probably be less marked in the second half of the year.

The Audi Group expects new car registrations in Western Europe (excluding Germany) to deteriorate further from the level midway through the year.

In Germany, high fuel prices and continuing uncertainty among consumers about the actual form CO<sub>2</sub>-based road tax might take will put a damper on any significant recovery in the car market. The volume of new registrations in 2008 will therefore probably show only a slight improvement on the previous year's low level.

## Anticipated development of the Audi Group

The Audi Group remains confronted by a difficult underlying situation in the second half of 2008. This stems in particular from the slowdown in the dynamism of the global economy, escalating raw materials prices, the effects of adverse exchange rates and, not least, recessive trends in key sales markets. Nevertheless, the successful business performance in the first six months serves to strengthen the conviction of the Audi Group's management that it will succeed in maintaining growth throughout the second half of fiscal 2008.

The Audi Group is planning to increase worldwide unit sales to the new record level of one million vehicles by the end of the year. It intends to achieve this target by continuing to rejuvenate and expand its product portfolio in the second half of the year. Most notably, the new model generation of the car line that is the volume mainstay, the Audi A4, will be available in all important markets by then. The market launch of the Audi Q5 will then start towards the end of 2008, further strengthening the position of the brand with the four rings in the SUV segment. The product upgrades of the Audi A3 and Audi A6 will provide an extra boost to growth.

In the second half of 2008, the Audi Group's revenue will continue to be impaired by still unfavorable exchange rate factors. Thanks to the Audi Group's high profitability, which has been enhanced by further product cost optimizations and qualitative growth, the Audi Group expects key earnings data for 2008 as a whole to show a renewed improvement on the previous year.

The cash flow from operating activities in 2008 will reach a high level once again. In particular, capital investment in products and technical innovations will rise even further as the Audi model initiative unfurls. As in previous years, this investment volume will be financed entirely from the Company's own resources.

The workforce of the Audi Group will end the year on approximately the level midway through 2008.

Overall, the Audi Group anticipates no substantial changes to the opportunities and risks compared with the situation portrayed in the Management Report of the 2007 Annual Report.

## Disclaimer

The Management Report contains forward-looking statements about anticipated developments. These statements are based on current assessments and are by their very nature subject to risks and uncertainties. Actual developments may differ from those predicted in these statements.

# Income Statement of the Audi Group

from January 1 to June 30, 2008

EUR million	1–6/2008	1–6/2007
Revenue	17,387	17,378
Cost of sales	– 14,852	– 14,942
<b>Gross profit</b>	<b>2,535</b>	<b>2,436</b>
Distribution costs	– 1,603	– 1,398
Administrative expenses	– 143	– 121
Other operating income	724	449
Other operating expenses	– 214	– 352
<b>Profit from operating activities</b>	<b>1,299</b>	<b>1,014</b>
Result from investments accounted for using the equity method	26	8
Other financial results	47	83
<b>Financial result</b>	<b>73</b>	<b>91</b>
<b>Profit before tax</b>	<b>1,372</b>	<b>1,105</b>
Income tax expense	– 442	– 426
<b>Profit after tax</b>	<b>930</b>	<b>679</b>
of which profit share of minority interests	23	11
of which profit share of AUDI AG shareholders	907	668

EUR	1–6/2008	1–6/2007
Earnings per share	21.08	15.52
Diluted earnings per share	21.08	15.52



# Balance Sheet of the Audi Group

as of June 30, 2008

ASSETS in EUR million	June 30, 2008	December 31, 2007
<b>NON-CURRENT ASSETS</b>	<b>8,493</b>	<b>8,325</b>
Intangible assets	2,018	2,022
Property, plant and equipment	5,297	5,178
Investment property	9	9
Long-term investments and other financial assets	1,169	1,116
<b>CURRENT ASSETS</b>	<b>16,334</b>	<b>14,253</b>
Inventories	3,023	2,661
Receivables and other assets	4,265	3,519
of which trade receivables	2,356	2,149
Securities	1,325	1,333
Cash and cash equivalents	7,721	6,740
<b>BALANCE SHEET TOTAL</b>	<b>24,827</b>	<b>22,578</b>

EQUITY AND LIABILITIES in EUR million	June 30, 2008	December 31, 2007
<b>EQUITY</b>	<b>10,653</b>	<b>8,355</b>
AUDI AG shareholders' interests	10,300	8,312
Minority interests	353	43
<b>LIABILITIES</b>	<b>14,174</b>	<b>14,223</b>
<b>Non-current liabilities</b>	<b>5,394</b>	<b>5,269</b>
Provisions for pensions	1,772	1,957
Other provisions	2,513	2,427
Other liabilities	1,109	885
<b>Current liabilities</b>	<b>8,780</b>	<b>8,954</b>
Trade payables	3,675	2,794
Other provisions	2,420	2,245
Other liabilities	2,685	3,915
<b>BALANCE SHEET TOTAL</b>	<b>24,827</b>	<b>22,578</b>

## Cash Flow Statement of the Audi Group

from January 1 to June 30, 2008

EUR million	1–6/2008	1–6/2007
Profit before profit transfer and taxation	1,372	1,105
Income tax payments	– 512	– 719
Depreciation and amortization	1,042	1,356
Change in provisions for pensions	20	18
Other non-cash expenses and income	104	– 45
<b>Gross cash flow</b>	<b>2,026</b>	<b>1,715</b>
Change in inventories	– 345	– 139
Change in receivables	– 572	– 419
Change in liabilities	1,121	1,261
Change in other provisions	238	494
<b>Change in working capital</b>	<b>442</b>	<b>1,197</b>
<b>Cash flow from operating activities</b>	<b>2,468</b>	<b>2,912</b>
<b>Cash flow from investing activities</b>	<b>– 939</b>	<b>– 1,177</b>
of which investments in property, plant and equipment	– 647	– 654
of which change in securities and loans	50	– 274
<b>Cash flow from financing activities</b>	<b>– 784</b>	<b>– 432</b>
Cash flows from changes in exchange rates and to the scope of consolidation	236	0
<b>Change in cash and cash equivalents</b>	<b>981</b>	<b>1,303</b>
Cash and cash equivalents at start of period	6,740	4,884
<b>Cash and cash equivalents at end of period</b>	<b>7,721</b>	<b>6,187</b>

EUR million	June 30, 2008	June 30, 2007
Cash and cash equivalents	7,721	6,187
Securities and credit extended	1,615	1,547
<b>Gross liquidity</b>	<b>9,336</b>	<b>7,734</b>
Credit outstanding	– 468	– 612
<b>Net liquidity</b>	<b>8,868</b>	<b>7,122</b>

From 2008, the cash flow from investing activities also includes the change in loans that was previously reported under financing activities.

For ease of comparison, the corresponding prior-year figure for cash flow from investing activities has been increased by EUR – 80 million to EUR – 1,177 million. The corresponding prior-year figure for the change in securities and loans is EUR – 274 million. The cash flow from financing activities therefore fell correspondingly by EUR + 80 million to EUR – 432 million.

The cash flow from financing activities includes the profit transfer to Volkswagen AG for fiscal 2007 amounting to EUR – 1,412 million, on the basis of its profit transfer agreement with AUDI AG.

## Statement of Changes in Equity

for the Audi Group from January 1 to June 30, 2008

EUR million	1-6/2008	1-6/2007
Securities available for sale		
Fair value changes recognized directly in equity without affecting income	- 28	17
Included in the Income Statement	- 9	- 18
Cash flow hedges		
Fair value changes recognized directly in equity without affecting income	706	199
Included in the Income Statement	- 341	- 103
Currency translation differences	- 5	- 1
Deferred tax items directly recognized in equity	- 159	- 88
Actuarial gains and losses from provisions for pensions	210	134
Income and expenditure after tax included directly in equity from investments accounted for using the equity method	- 1	-
<b>Income and expenditure included directly in equity</b>	<b>373</b>	<b>140</b>
Profit after tax	930	679
<b>Total income and expense recognized in the fiscal year</b>	<b>1,303</b>	<b>819</b>
Attributable to AUDI AG shareholders	1,282	808
Attributable to minority interests	21	11

# Notes to the Consolidated Financial Statements

## of the Audi Group from January 1 to June 30, 2008

### General Information

#### Accounting principles

AUDI AG prepares its Consolidated Financial Statements on the basis of the International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). All pronouncements of the International Accounting Standards Board (IASB) whose application is mandatory have been observed. The prior-year figures have been calculated according to the same principles. The Interim Financial Report as of June 30, 2008 takes account of the bases of IAS 34 (Interim Financial Reporting). The interpretations IFRIC 12 (Service Concession Arrangements) and IFRIC 14 (IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction) were applied for the first time in the current fiscal year.

The abbreviated presentation of the Consolidated Financial Statements for the first half of 2008 fundamentally uses the same accounting policies as the Consolidated Financial Statements for the 2007 fiscal year. A detailed description of those methods was published in the 2007 Annual Report. The latter document is also available on the Internet at [www.audi.com/annualreport](http://www.audi.com/annualreport).

For this Interim Financial Report, a discount rate of 6.25 percent was applied to provisions for pensions in Germany. The increased interest rate was the main factor behind the actuarial gains of EUR 210 million reported with no effect on income in the period under review.

#### The Group

The Consolidated Financial Statements include AUDI AG as well as all major domestic and foreign companies where AUDI AG directly or indirectly has scope for determining the financial and business policy in such a way as to benefit from the activities of these subsidiaries.

The following companies have in addition been included in the Consolidated Financial Statements as fully consolidated companies since December 31, 2007: AUDI BRUSSELS S.A./N.V., Brussels, Belgium, which is to be consolidated on the basis of the transfer of management responsibility by Volkswagen AG as of January 1, 2008, in accordance with the criteria of IAS 27.13, Sentence 2 (b), and Audi Zentrum Hamburg GmbH, Hamburg, which was established at the end of 2007. No effects of relevance to earnings arose between the dates of establishment and consolidation.

The predecessor method was applied for the initial consolidation of AUDI BRUSSELS S.A./N.V., Brussels, Belgium, because the transfer of management responsibility constituted a common control transaction. Under this method, the assets and liabilities of the acquiree are measured at the gross carrying amounts of the previous parent company.

#### Principal influences of changes to the Group on the opening balance sheet for 2008

EUR million	AUDI BRUSSELS S.A./N.V.	Audi Zentrum Hamburg GmbH
Non-current assets	207	9
Current assets	362	29
of which inventories	39	26
Equity	289	–
Non-current liabilities	43	0
Current liabilities	237	38
<b>BALANCE SHEET TOTAL</b>	<b>569</b>	<b>38</b>



## Notes to the Consolidated Financial Statements

### 1 Revenue

The composition of the revenue of the Group is as follows:

EUR million	1-6/2008	1-6/2007
Total revenue from vehicles	15,047	15,187
Other sales	2,340	2,191
<b>Total revenue</b>	<b>17,387</b>	<b>17,378</b>

### 2 Cost of sales

The cost of sales amounting to EUR 14,852 (14,942) million shows the costs incurred in generating revenue. The cost of sales included EUR 92 (393) million in impairment losses on intangible assets and property, plant and equipment. The impairment losses were calculated on the basis of updated impairment tests, with particular account being given to the exchange rate of the euro as well as to market risks.

### 3 Other operating income and expenses

The other operating result of EUR 510 (97) million substantially comprises income and expenses from the settlement of foreign currency hedges and from rebilling.

### 4 Earnings per share

Basic earnings per share are calculated by dividing the share of profit due to AUDI AG shareholders by the weighted average number of shares in circulation during the fiscal year.

In Audi's case, the diluted earnings per share are the same as the basic earnings per share, since there were no potential shares in AUDI AG in existence at either June 30, 2007, or June 30, 2008.

	1-6/2008	1-6/2007
Profit share of AUDI AG shareholders (EUR million)	907	668
Weighted average number of shares (basic and diluted totals are identical)	43,000,000	43,000,000
<b>Earnings per share in EUR</b>	<b>21.08</b>	<b>15.52</b>

## 5 Changes in equity

EUR million	Issued capital	Capital reserve
<b>Position as of Jan. 1, 2007</b>	<b>110</b>	<b>483</b>
Currency adjustments	–	–
Consolidated earnings	–	–
Changes in measurement not affecting income	–	–
Result from securities	–	–
Result from settled cash flow hedges	–	–
Deferred tax items directly recognized in equity	–	–
Capital contributions	–	428
Inclusion of minority interests	–	–
<b>Position as of June 30, 2007</b>	<b>110</b>	<b>911</b>
<b>Position as of Jan. 1, 2008</b>	<b>110</b>	<b>911</b>
Currency adjustments	–	–
Consolidated earnings	–	–
Changes in measurement not affecting income	–	–
Result from securities	–	–
Result from settled cash flow hedges	–	–
Deferred tax items directly recognized in equity	–	–
Capital contributions	–	706
Difference from change in consolidated companies	–	–
<b>Position as of June 30, 2008</b>	<b>110</b>	<b>1,617</b>

## Retained earnings

## Equity

Legal reserve and other retained earnings	Currency exchange reserve	Reserve for cash flow hedges	Reserve for market-price measurement of securities	Provisions for pensions and similar obligations	Equity method accounting after tax	AUDI AG share-holders' interests	Minority interests	Total
6,682	- 29	197	- 1	- 177	-	7,265	-	7,265
- 1	-	-	-	-	-	- 1	-	- 1
668	-	-	-	-	-	668	11	679
-	-	199	17	134	-	350	-	350
-	-	-	- 18	-	-	- 18	-	- 18
-	-	- 103	-	-	-	- 103	-	- 103
-	-	- 37	-	- 51	-	- 88	-	- 88
-	-	-	-	-	-	428	-	428
-	-	-	-	-	-	-	5	5
7,349	- 29	256	- 2	- 94	-	8,501	16	8,517
6,917	- 11	592	- 13	- 166	- 28	8,312	43	8,355
- 1	- 2	-	-	-	- 1	- 4	- 2	- 6
907	-	-	-	-	-	907	23	930
-	-	706	- 28	210	-	888	-	888
-	-	-	- 9	-	-	- 9	-	- 9
-	-	- 341	-	-	-	- 341	-	- 341
-	-	- 108	11	- 62	-	- 159	-	- 159
-	-	-	-	-	-	706	-	706
-	-	-	-	-	-	-	289	289
7,823	- 13	849	- 39	- 18	- 29	10,300	353	10,653

The minority interests in the equity relate to Volkswagen AG, Wolfsburg, VOLKSWAGEN GROUP OF AMERICA, Inc., Herndon, U.S.A., and Volkswagen Group Canada Inc., Ajax, Canada. As these companies respectively hold 100 percent of the shares of the following subsidiaries, the earnings of these companies are respectively attributable to them:

Subsidiary	Shareholder
AUDI BRUSSELS S.A./N.V., Brussels, Belgium	Volkswagen AG, Wolfsburg, Germany
Audi of America, LLC, Herndon, U.S.A.	VOLKSWAGEN GROUP OF AMERICA, INC., Herndon, U.S.A.
Audi Canada Inc., Ajax, Canada	Volkswagen Group Canada Inc., Ajax, Canada

## 6 Contingencies

There are no significant changes in contingent liabilities compared with the position as of December 31, 2007.

## 7 Related party disclosures

EUR million	1-6/2008	1-6/2007	1-6/2008	1-6/2007
	Goods and services supplied		Goods and services received	
Volkswagen AG	2,475	2,197	2,514	2,568
Consolidated Volkswagen AG subsidiaries not belonging to the Audi Group	4,528	4,525	1,711	1,845
Non-consolidated subsidiaries of Volkswagen AG	231	170	38	8
Joint ventures and other associates of Volkswagen AG	725	669	7	3
Other related parties*	493	–	6	1

\* Principally Porsche companies which are included in the Interim Report for 2008 for the first time

## Segment reporting

The Audi Group comprises primarily only the “Cars” segment.

The secondary segment reporting structure is based on the arrangement for internal group steering and reporting. The Audi Group is structured into the segments of Germany, Rest of Europe and Rest of World on the basis of the regional locations of its assets.

EUR million	1-6/2008	1-6/2007	1-6/2008	1-6/2007	1-6/2008	1-6/2007	1-6/2008	1-6/2007
	External revenue		Internal revenue		Total revenue		Profit before tax	
Germany	10,821	10,804	2,714	2,990	13,535	13,794	1,055	948
Rest of Europe	4,440	4,318	2,063	1,902	6,503	6,220	340	159
Rest of World	2,126	2,256	2	–	2,128	2,256	35	21
Consolidation measures	–	–	– 4,779	– 4,892	– 4,779	– 4,892	– 58	– 23
<b>Audi Group</b>	<b>17,387</b>	<b>17,378</b>	<b>–</b>	<b>–</b>	<b>17,387</b>	<b>17,378</b>	<b>1,372</b>	<b>1,105</b>

## German Corporate Governance Code

The current declarations by the Board of Management and Supervisory Board of AUDI AG pursuant to Section 161 of the German Stock Corporation Act on the German Corporate Governance Code can be accessed on the website [www.audi.com/cgk-declaration](http://www.audi.com/cgk-declaration).

## Events occurring after the first-half reporting date

No events which must be reported pursuant to IAS 10 (Events After the Balance Sheet Date) occurred after June 30, 2008.

# Responsibility Statement

## “Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the shortened Interim Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Interim Group Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year.”

Ingolstadt, July 25, 2008

The Board of Management



Rupert Stadler



Axel Strotbek



Ulf Berkenhagen



Michael Dick



Frank Dreves



Peter Schwarzenbauer



Dr. Werner Widuckel

# Review Report

## "Review Report

To the AUDI AG

We have reviewed the condensed consolidated interim financial statements - comprising the condensed balance sheet, condensed income statement, condensed cash flow statement, condensed statement of recognised income and expense and selected explanatory notes - and the interim group management report of Audi AG, Ingolstadt, for the period from January 1 to June 30, 2008 which are part of the half-year financial report pursuant to § (Article) 37w WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports."

Munich, July 25, 2008  
PricewaterhouseCoopers  
Aktiengesellschaft  
Wirtschaftsprüfungsgesellschaft

Franz Wagner  
Wirtschaftsprüfer  
(German Public Auditor)

Petra Justenhoven  
Wirtschaftsprüferin  
(German Public Auditor)



# Fuel consumption and emission figures

As at: July 2008 (all data apply to features of the German market)

Model	Power output (kW)	Transmission	Fuel	Fuel consumption (l/100 km)			CO <sub>2</sub> emissions (g/km)
				urban	extra urban	combined	
<b>Audi A3</b>							
Audi S3 2.0 TFSI	195	6-speed	Super Plus	11.8	6.6	8.5	199
Audi S3 Sportback 2.0 TFSI	195	6-speed	Super Plus	11.8	6.7	8.5	201
<b>Audi TT Coupé</b>							
Audi TT Coupé 2.0 TDI quattro	125	6-speed	Diesel	7.0	4.3	5.3	139
Audi TTS Coupé 2.0 TFSI quattro	200	6-speed	Super Plus	10.9	6.3	8.0	188
Audi TTS Coupé 2.0 TFSI quattro	200	S tronic, 6-speed	Super Plus	11.0	6.1	7.9	191
<b>Audi TT Roadster</b>							
Audi TT Roadster 2.0 TDI quattro	125	6-speed	Diesel	7.2	4.5	5.5	144
Audi TTS Roadster 2.0 TFSI quattro	200	6-speed	Super Plus	11.0	6.5	8.2	190
Audi TTS Roadster 2.0 TFSI quattro	200	S tronic, 6-speed	Super Plus	11.3	6.2	8.0	194
<b>Audi A4 Sedan</b>							
Audi A4 1.8 TFSI	88	6-speed	Premium	9.9	5.5	7.1	169
Audi A4 1.8 TFSI	118	6-speed	Premium	9.6	5.7	7.1	169
Audi A4 1.8 TFSI	118	multitronic, CVT	Premium	9.4	5.9	7.2	169
Audi A4 2.0 TFSI	132	6-speed	Premium	9.0	5.2	6.6	154
Audi A4 2.0 TFSI	132	multitronic, CVT	Premium	9.7	5.6	7.1	167
Audi A4 2.0 TFSI	155	6-speed	Premium	9.0	5.2	6.6	154
Audi A4 2.0 TFSI quattro	155	6-speed	Premium	10.0	5.9	7.4	173
Audi A4 3.2 FSI quattro	195	6-speed	Premium	13.0	6.6	8.9	213
Audi A4 3.2 FSI quattro	195	tiptronic, 6-speed	Premium	13.0	6.7	9.0	215
Audi A4 2.0 TDI	88	6-speed	Diesel	6.7	4.1	5.1	134
Audi A4 2.0 TDI	105	6-speed	Diesel	6.9	4.4	5.3	139
Audi A4 2.0 TDI	105	multitronic, CVT	Diesel	7.8	4.7	5.8	154
Audi A4 2.0 TDI	125	6-speed	Diesel	7.0	4.4	5.3	140
Audi A4 2.7 TDI	140	6-speed	Diesel	8.1	4.8	6.0	159
Audi A4 2.7 TDI	140	multitronic, CVT	Diesel	7.8	5.5	6.4	167
Audi A4 3.0 TDI quattro	176	6-speed	Diesel	8.8	5.3	6.6	172
Audi A4 3.0 TDI quattro	176	tiptronic, 6-speed	Diesel	8.6	5.9	6.8	182
<b>Audi A4 Avant</b>							
Audi A4 Avant 1.8 TFSI	118	6-speed	Premium	9.6	5.8	7.2	170
Audi A4 Avant 1.8 TFSI	118	multitronic, CVT	Premium	9.6	6.1	7.4	175
Audi A4 Avant 2.0 TFSI	132	6-speed	Premium	9.1	5.4	6.8	160
Audi A4 Avant 2.0 TFSI	132	multitronic, CVT	Premium	9.7	5.9	7.3	172
Audi A4 Avant 2.0 TFSI	155	6-speed	Premium	9.1	5.4	6.8	160
Audi A4 Avant 2.0 TFSI quattro	155	6-speed	Premium	10.1	6.1	7.6	177
Audi A4 Avant 3.2 FSI quattro	195	6-speed	Premium	13.0	6.8	9.1	216
Audi A4 Avant 3.2 FSI quattro	195	tiptronic, 6-speed	Premium	13.1	6.9	9.2	219
Audi A4 Avant 2.0 TDI	88	6-speed	Diesel	6.8	4.5	5.3	140
Audi A4 Avant 2.0 TDI	105	6-speed	Diesel	7.0	4.5	5.4	143
Audi A4 Avant 2.0 TDI	105	multitronic, CVT	Diesel	7.5	5.2	6.0	159
Audi A4 Avant 2.0 TDI	125	6-speed	Diesel	7.2	4.7	5.6	149
Audi A4 Avant 2.7 TDI	140	6-speed	Diesel	7.8	5.2	6.2	164
Audi A4 Avant 2.7 TDI	140	multitronic, CVT	Diesel	7.7	5.8	6.5	170
Audi A4 Avant 3.0 TDI quattro	176	6-speed	Diesel	8.9	5.6	6.8	179
Audi A4 Avant 3.0 TDI quattro	176	tiptronic, 6-speed	Diesel	8.9	6.2	7.2	189
<b>Audi Q5</b>							
Audi Q5 2.0 TFSI quattro	155	S tronic, 6-speed	Premium	10.4	7.3	8.5	197
Audi Q5 2.0 TDI quattro	125	6-speed	Diesel	8.2	5.8	6.7	175
Audi Q5 3.0 TDI quattro	176	S tronic, 6-speed	Diesel	9.2	6.6	7.5	199
<b>Audi RS 6 Avant</b>							
Audi RS 6 Avant 5.0 TFSI quattro	426	tiptronic, 6-speed	Premium	20.4	10.3	14.0	333

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