



Interim Financial Report 2010

January 1 to June 30, 2010

Audi Group Key Figures

		1-6/2010	1-6/2009	Change in %
Production	Cars	567,658	432,051	31.4
	Engines	877,074	662,018	32.5
Deliveries to customers ¹⁾	Cars	666,642	570,214	16.9
Audi brand ¹⁾		554,939	465,804	19.1
Germany		108,113	113,882	-5.1
Outside Germany ¹⁾		446,826	351,922	27.0
Lamborghini brand		674	825	-18.3
Other Volkswagen Group brands		111,029	103,585	7.2
Workforce ¹⁾	Average	58,182	57,913	0.5
Revenue	EUR million	17,565	14,527	20.9
Operating profit	EUR million	1,331	823	61.6
Profit before tax	EUR million	1,414	994	42.2
Profit after tax	EUR million	994	697	42.6
Operating return on sales	Percent	7.6	5.7	
Return on sales before tax	Percent	8.0	6.8	
Total capital investments	EUR million	788	863	-8.7
Capitalized development costs		314	297	5.6
Depreciation and amortization	EUR million	1,153	850	35.7
Cash flow from operating activities	EUR million	2,617	2,215	18.1
		June 30, 2010	Dec. 31, 2009	
Balance sheet total	EUR million	28,820	26,550	8.5
Equity ratio	Percent	37.5	40.0	

1) The prior-year figure has been slightly adjusted.

Note: All figures are rounded off, which may lead to minor deviations when added up.

FOREWORD



Rupert Stadler,
Chairman of the Board of Management

*Dear Readers,
Dear Shareholders,*

Success with substance. That is Audi's creed – and one that we wholeheartedly stand by. It also explains why we are now in a stronger position than ever compared with the competition. Audi is among the front-runners in the automotive premier league.

The global economy is still experiencing a phase of fragility. Though auto markets are recovering, the various individual regions give a very mixed picture. Asia and North America will be the drivers of growth, while here in Western Europe we are experiencing falling sales now that government economic stimulus programs have come to an end.

Audi again seized its opportunities in the first half of 2010. We increased our deliveries by a double-digit rate in many regions of the world, often outperforming the market as a whole, and we achieved the best first-half figure ever in the history of our Company. For the period January through June, the sales figures were up by more than 19 percent on the previous year, to nearly 555,000 units. That

pattern is also reflected in our earnings data: we improved in all parameters compared with the prior-year period, the operating profit is EUR 1,331 million and the operating return on sales 7.6 percent. We expect deliveries for the full year to improve – quite substantially – on the tally of 1 million from our record-breaking year of 2008, and also bring in a considerable profit.

We have asserted our market lead in Western Europe. Strong sales are also helping us to improve on our market position in the United States. That trend will continue because we know that U.S. dealers regard Audi as the premium brand with the biggest potential – and they are prepared to invest correspondingly in exclusive dealer premises. China has overtaken Germany as the largest sales market; we are seeing growth rates in excess of 60 percent there, and remain the clear leader in the premium segment. Growth is equally strong in a whole number of smaller markets.



Audi claimed its ninth win
in the fastest race in Le Mans history.

Audi is systematically paving the way for further growth by investing substantially in new products and future technologies: We are talking of a sum in excess of EUR 5.5 billion for the period 2010 through 2012. Some 80 percent of that amount will be channeled directly into new products, the optimization of conventional drive systems, drive technologies of the future, and lightweight construction.

“The A1, too, is an Audi through and through, every inch of it progressive, sporty and sophisticated, the first genuine premium model in its segment.”

Rupert Stadler

We currently have the most extensive product range of any premium brand. The bandwidth encompasses everything from the successfully launched new version of our flagship model, the A8, to the new A1, which will give us fresh impetus in the second half of the year. These two models should not be regarded as opposite poles: The A1, too, is an Audi through and through, every inch of it progressive, sporty and sophisticated, the first genuine premium model in its segment. The A1 has a pivotal role in our growth strategy because it will help us to attract a large number of new, young customers to the brand. And yet another new model will help to fuel enthusiasm for the brand: the A7 Sportback. The five-door luxury-class coupe made its world debut at the end of July. It closes the gap between the A6 and A8, and also brings together two worlds: It is highly practical – and also our new design icon, with direct lineage to the Audi TT and A5 Coupé.

A feature common to the A1, A7 and A8 is that they redeem our brand pledge of “Vorsprung durch Technik” time and time again.

A case in point was the recent Le Mans 24 Hours, the toughest endurance race in the world: This June saw us celebrate our ninth win there, with a clean sweep of the honors. That success, too, is based on extremely reliable and efficient technology, an outstanding strategy, level-headedness and an exceptional team performance. Qualities that come standard at Audi.

The gradual optimization of conventional drive systems is of prime importance – even if public opinion may often beg to differ. Yet it will take quite a few years before electric cars feature on our roads in any significant numbers. The most effective course of action for the time being is therefore to keep cutting the emissions from combustion-engined cars.

With every new generation of engines, we hugely advance the cause of efficiency. The TT Coupé with 2.0 TFSI* uses around 15 percent less fuel than its predecessor, the new engine generation in the Q7 has yielded improvements as high as 19 percent*, and the RS 5 is all of 30 percent* more efficient than the RS 4. Our modular efficiency platform allows us to prime the entire automobile for economy. For example with automatic start-stop, new thermo-management, braking energy recovery and, most critically, lightweight construction.

Meanwhile we are making headway with the electrified driveline. We will be unveiling the Q5 hybrid at the end of 2010 and bringing it onto the market at the start of 2011. We showcased the near-series A8 hybrid and the A1 e-tron concept car at Geneva in March. The A8 hybrid achieves the excellent performance of a large six-cylinder model but its fuel economy is an average of just 6.2 liters of fuel per 100 kilometers (144 grams of CO₂/km). The A1 e-tron with electric

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

drive and Wankel engine acting as a range extender covers 100 kilometers on a mere 1.9 liters of gasoline on average (45 grams of CO₂/km). And finally, our e-tron electric sports car will be going into small-scale production in 2012. This model will serve as our gateway to future mobility, and we will be adopting e-tron as our brand name for electric mobility.

Our innovation strategy received a resounding endorsement at the start of June in the Michelin Challenge Bibendum 2010, the world-renowned forum for sustainable mobility. In an eco rally at this event Audi fended off 80 other challengers to clinch overall victory with an A5 lightweight prototype. And the Audi e-tron received an award for the best design. Yet further proof that Audi embodies "Vorsprung durch Technik" and a passion for cars – values on which we plan to build our future.

"Audi will become the number one premium brand. To achieve that goal we have refined our corporate strategy in a spirit of evolution and elaborated on our Strategy 2020 with a clear statement of our mission ..."

Rupert Stadler

But premium means more than simply the best products. Premium also means providing outstanding service and a unique brand experience. Here again, Audi will strike a different course in order to distinguish itself from the competition and create emotional added value. The objective is clear: to make Audi the number one premium brand. To achieve that goal we have refined our corporate strategy in a spirit of evolution, and elaborated on our Strategy 2020 with a clear statement of our mission: "We delight customers worldwide" – through innovative and emotional products, a thoroughly customer-focused organization and the best brand experience, which also includes the best individual service.

This year, Audi is celebrating 30 years of quattro. There could scarcely be a more apt symbol of the strength of our Company and brand: Audi driving across even seemingly impassable terrain with outstanding grip and reliable cornering performance, purposefully working its way to the top.

Kind regards
R. Stadler



"Vorsprung durch Technik" redefined: the Audi A7.

Interim Management Report of the Audi Group

from January 1 to June 30, 2010

BUSINESS AND UNDERLYING SITUATION

GLOBAL ECONOMY

The first half of 2010 saw the world economy recover faster than expected from the global economic crisis. The continuing expansionist monetary policy and extensive economic stimulus programs in many countries were major factors in that development. The epicenter of world economic growth was in emerging Asian countries.

Economic development in Western Europe regained a mild upward trend following the sharp slump in the prior-year period. Particularly the sovereign debt crisis in several EU countries weighed heavily on the economic climate.

In Germany, the moderate recovery in economic activity gained momentum towards the mid-way point of 2010. Exports, which rose on the back of the upturn in the global economy, provided an important impetus. By contrast, consumer spending weakened.

After the deep recession of the previous year, the economy in most Central and Eastern European countries likewise entered a recovery phase.

In the United States, the upswing that started in summer 2009 continued through to the middle of 2010. As the financial and real estate crisis ebbed, consumer spending once again made a greater contribution to growth. Nevertheless, the economic recovery only brought about a slight fall in the high unemployment rates.

The Chinese economy yielded sustained high growth underpinned by rising exports and also, increasingly, by domestic demand. In Japan, the economy recovered not least thanks to the surge in exports.

CAR MARKETS

Prompted by the upturn in the world economy, global demand for cars showed an upward trend once more in the first half of 2010. Asian car markets in particular expanded vigorously, while the sales volume in the United States and most Western European countries showed a healthy recovery compared with the low level in the previous, crisis-hit year.

The market development in Western European countries outside Germany was again dominated by the impact of government incentives during the period under review. While such measures continued to produce high growth in new car registrations mainly in the first quarter of 2010, the momentum of major car markets noticeably dwindled as these programs came to an end in the second quarter. Overall, registrations of new cars in Western Europe (excluding Germany) rose by 13.8 percent to a total of 5.6 million vehicles.

On the other hand the ending of the environmental bonus in Germany in September 2009 meant that demand in the first half of 2010 was down a substantial 28.7 percent on the record level of the previous year, to just under 1.5 million passenger cars.

The car market in Central and Eastern European countries was as weak as in the previous year. Many car markets experienced a double-digit decline in new registrations. In Russia, the auto market reached a volume of 0.7 million units in the first half, putting it merely on a par with the previous year's low level, despite the positive impact of a scrappage bonus.

Car sales in the United States bounced back from the low level of the first half of 2009 thanks to an improved economic situation. Sales of passenger cars and light commercial vehicles during the period under review reached 5.6 million units, representing 16.7 percent growth.

The epicenter of growth in global demand for automobiles was once again the Asia-Pacific region. Especially the Chinese car market enjoyed steep growth of 45.6 percent to 5.3 million vehicles, though it has softened somewhat lately. After a protracted period of decline, the Japanese car market developed positively. The volume of new registrations there recovered thanks to tax breaks and an environmental bonus, and the 23.2 percent rise in sales to 2.3 million passenger cars was a welcome change from the prior-year period's sharp contraction.



Audi R8 GT*

PRODUCTION AT RECORD LEVEL

Thanks to the positive market development and a large number of new products, the Audi Group boosted vehicle production in the first half of 2010 to a new production record of 567,658 (432,051) automobiles.

VEHICLE PRODUCTION BY MODEL

	1-6/2010	1-6/2009
Audi A1	1,407	30
Audi A3	20,765	21,196
Audi A3 Sportback	84,080	73,116
Audi A3 Cabriolet	8,538	5,754
Audi TT Coupé	9,625	8,542
Audi TT Roadster	3,330	2,885
Audi A4 Sedan	96,914	77,194
Audi A4 Avant	59,704	54,683
Audi A4 allroad quattro	5,459	4,052
Audi A4 Cabriolet	-	2,409
Audi A5 Sportback	24,931	142
Audi A5 Coupé	21,051	27,870
Audi A5 Cabriolet	12,692	7,136
Audi Q5	74,219	48,904
Audi A6 Sedan	88,032	58,623
Audi A6 Avant	20,183	21,201
Audi A6 allroad quattro	3,063	2,174
Audi A7	294	81
Audi Q7	21,611	10,173
Audi A8	9,535	3,991
Audi R8 Coupé	732	1,212
Audi R8 Spyder	828	35
Total, Audi brand	566,993	431,403
Lamborghini Gallardo	523	477
Lamborghini Murciélago	142	171
Total, Lamborghini brand	665	648
Total, Group	567,658	432,051

The Audi Group built a total of 333,066 (260,491) vehicles at the Ingolstadt plant. The high production volume can be ascribed to both the sharp rise in demand for the A4, A5 and Q5 car lines, and to continuing healthy demand for the models in the A3 car line.

The number of vehicles built at Neckarsulm through to June likewise rose sharply to 172,414 (129,343) units. The major production events there were the model changeover of the Audi A8 and the production start of the Audi R8 Spyder*.

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

At Győr (Hungary), AUDI HUNGARIA MOTOR Kft. built a total of 21,493 (17,181) vehicles in the first six months of the year. This figure comprised 12,955 (11,427) models of the TT car line and 8,538 (5,754) of the A3 Cabriolet* built on behalf of AUDI AG.

Vehicle manufacturing operations at AUDI BRUSSELS S.A./N.V. in the first half were dominated by the production start of the Audi A1. The Audi Group provisionally expects to build around 50,000 of this model in its launch year. Along with the start of production of the Audi A1, the A3 Sportback* ceased to be built at the Belgian plant; 17,002 (11,776) of the latter model were built there in the period under review up until that point.

A total of 665 (648) units of the Gallardo and Murciélago supercars were built at Automobili Lamborghini S.p.A. in Sant'Agata Bolognese (Italy).

Engine production, too, increased substantially in the first half of 2010. The Audi Group manufactured 877,074 (662,018) engines, easily bettering the previous year's figure by 32.5 percent.

ENGINE PRODUCTION

	1-6/2010	1-6/2009
AUDI HUNGARIA MOTOR Kft.	876,932	661,847
Automobili Lamborghini S.p.A.	142	171
Audi Group	877,074	662,018

DELIVERIES SET NEW RECORD

The Audi Group delivered 666,642 (570,214) vehicles to customers worldwide in the first half of 2010. The core brand Audi in particular achieved notable growth of 19.1 percent to the record total of 554,939 (465,804) cars.

The Audi brand successfully held its ground in the home market Germany, which had suffered a sharp dip after the expiry of the government environmental bonus, and succeeded in delivering 108,113 (113,882) vehicles.

The Company again asserted its market lead in Western Europe by increasing its deliveries in Western European export markets by 12.5 percent to 211,338 (187,831) vehicles. Particularly in the important UK export market, the Audi brand bolstered deliveries by 21.5 percent to 56,737 (46,684) cars. Deliveries were likewise well up on the prior-year figure in Spain, at 23,531 (20,037) units.

The Audi brand also put in a very successful performance in the U.S. market in the first six months of the year, increasing its deliveries by 28.0 percent to 48,440 (37,845) vehicles.

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



Developments in the Asia-Pacific region, too, continued to make very good progress. The Company managed to sell substantially more cars there than in the previous year, with the delivery total of 135,300 (86,282) representing growth of 56.8 percent. The key driver was the Chinese market (incl. Hong Kong), where the Audi brand upped its deliveries to customers by more than 64 percent to 109,887 (66,866) vehicles.

Along with higher overall market demand, a major factor in the rise in deliveries is the Audi brand's attractive product range.

The additions of the A5 Cabriolet*, A5 Sportback* and S5 Sportback* models, for example, have more than doubled deliveries of the A5 car line to 62,553 (30,678) vehicles.

A large number of customers chose an Audi Q5* in the first six months of 2010. Total deliveries of this premium SUV were up almost 50 percent on the prior-year period at 68,575 (45,889) cars.

Demand for the Audi A6, too, remained very healthy. Despite its advanced life-cycle, deliveries climbed by 13.5 percent to 108,040 (95,229) vehicles.

In addition, the launch of the new Audi A8 noticeably boosted demand in the first half. With 7,137 (5,921) of this sedan delivered, the prior-year total was bettered by more than 20 percent. With its market launch still to come in certain key sales markets such as the United States and China, it affords further potential for the latter part of the year.

DELIVERIES TO CUSTOMERS BY MODEL ¹⁾

	1-6/2010	1-6/2009
Audi A3	20,660	23,679
Audi A3 Sportback	83,746	75,192
Audi A3 Cabriolet	7,576	7,909
Audi TT Coupé	10,134	10,759
Audi TT Roadster	3,358	3,826
Audi A4 Sedan	95,243	80,294
Audi A4 Avant	59,575	60,469
Audi A4 allroad quattro	5,834	1,811
Audi A4 Cabriolet	158	5,218
Audi A5 Sportback	26,985	101
Audi A5 Coupé	22,391	26,878
Audi A5 Cabriolet	13,177	3,699
Audi Q5	68,575	45,889
Audi A6 Sedan	85,248	70,004
Audi A6 Avant	19,790	22,154
Audi A6 allroad quattro	3,002	3,071
Audi Q7	19,905	17,333
Audi A8	7,137	5,921
Audi R8 Coupé	1,089	1,553
Audi R8 Spyder	474	44
Internal vehicles before launch	882	-
Total, Audi brand	554,939	465,804
Lamborghini Gallardo	481	658
Lamborghini Murciélago	193	167
Total, Lamborghini brand	674	825
Other Volkswagen Group brands	111,029	103,585
Total, Group	666,642	570,214

1) The prior-year figures have been slightly adjusted.

ADDITIONS TO THE PRODUCT RANGE

The Audi brand pressed ahead with its model initiative in the first half of 2010.

The S5 Sportback* has now complemented the A5 car line since the start of the year. The sporty top model is equipped with a powerful 3.0-liter TFSI engine developing 245 kW (333 hp), a 7-speed S tronic dual-clutch transmission and quattro permanent all-wheel drive. It achieves impressively good fuel economy for its performance category in averaging 9.4 liters per 100 kilometers, equivalent to CO₂ emissions of 219 g/km.

Another remarkable addition to the Audi product range is the R8 Spyder 5.2 FSI quattro*. The supercar combines breathtaking dynamism with the invigorating experience of open-top driving; like the Coupé, it is outfitted with a 386 kW (525 hp) V10 mid-engine with gasoline direct injection. Various innovative technologies such as the light aluminum body using the Audi Space Frame principle (ASF) and all-LED headlights reflect the high technological standards of the brand with the four rings. The model range also features a V8 engine with 4.2-liter displacement that is now used in the R8 Spyder as well as the R8 Coupé.* And in launching the Audi R8 GT* in May, the Audi brand has brought out a top version of the high-performance sports car that is even lighter, more powerful and faster than the R8 5.2 FSI quattro*. Its weight has been reduced to 1,525 kilograms through the use of such innovative lightweight materials as carbon fiber and magnesium. The 412 kW (560 hp) engine accelerates the vehicle from 0 to 100 km/h in 3.6 seconds. The exclusive series is limited to 333 units, each one of them marked with an individual number.

The newly launched Audi A8, too, boasts high-caliber comfort and sportiness, as well as advanced technologies. Alongside its ASF construction principle and all-LED headlights, the night vision assistant and the safety system Audi pre sense now put in their first appearance. And Multi Media Interface (MMI) navigation plus has been reengineered, with an optional touchpad making it even easier and more convenient to operate. The A8 is available in a choice of four high-performance engine versions, which achieve outstanding fuel economy thanks to intelligent efficiency technologies. For instance the 3.0 TDI quattro developing 184 kW (250 hp) averages just 6.6 liters of diesel fuel per 100 kilometers, equivalent to CO₂ emissions of 174 g/km.* The long-wheelbase A8* version that will go on sale in the fall has a 130 millimeter longer wheelbase, translating into a substantially more comfortable and spacious rear compartment. The Audi RS 5* launched in June is a high-performance model that is dynamic, powerful and elegant. The hand-built 4.2-liter FSI engine accelerates the 331 kW (450 hp) coupe from 0 to 100 km/h in 4.6 seconds. The standard-fit 7-speed S tronic dual-clutch transmission and a newly developed inter-axle differential in the quattro driveline distribute the engine's power among all four wheels.

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

Audi A8



Since the early part of the summer, customers have been able to buy the improved A3 models whose premium character has been made even more explicit both inside and out thanks to various new details. The Company also took the wraps off the improved versions of the Audi TT Coupé and Roadster during the period under review.*

The engines for the Audi Q7 were in addition replaced by three new, more efficient six-cylinder engines. The 3.0-liter TDI engine with an output of 176 kW (240 hp) uses an average of only 7.4 liters of diesel fuel per 100 kilometers, emitting 195 grams of CO₂/km.*

Finally, May saw the start of advance sales of the Audi A1 across Europe. The dynamic premium model is aimed mainly at a young target group; its compact dimensions and modern efficiency technologies make it very suitable for city driving. Other virtues of the A1 are its sporty design, wide range of customization options and a high-class range of infotainment options. At its market launch in late summer 2010, the A1 will be available in two attractive engine versions – a 1.4-liter TFSI and a 1.6-liter TDI engine. A 1.2-liter TFSI engine will then follow shortly afterwards.*

The Company also presented three technical studies showcasing alternative drive concepts (cf. “Ecological responsibility,” p. 11 f.) during the first half of 2010, in the shape of the A8 hybrid, the Audi e-tron Detroit show car, and the A1 e-tron.

AN ARRAY OF AWARDS

AUDI AG was again the proud recipient of numerous national and international awards during the first six months of 2010.

The brand with the four rings maintained the successful record of recent years in the renowned reader poll “The Best Cars of 2010” sponsored by the trade publication *auto motor und sport* (issue 4/2010, p. 132 ff.). The models Audi A4, Audi Q5 and R8 Spyder* all came top of their respective categories. The Audi A3, Audi A6 and Audi R8 Coupé* rounded off an outstanding set of results with second places.

The ranks of award-winning models also included the Audi A4 with quattro drive and the new Audi A8, earning the accolade of “4WD Car of the Year” in their respective categories (*Auto Bild*, issue 15/2010, p. 15) as well as the Audi R8 5.2 FSI quattro*, which was named “World Performance Car 2010” (“World Car Awards,” April 1, 2010).

In capturing the ADAC “Yellow Angel” award, Audi was voted the best brand for the third year in a row (*ADAC Motorwelt*, issue 2/2010, p. 26 ff.). On top of this, Audi was voted the brand with the best-looking cars in winning the “Design Trophy 2010” reader poll held by the motoring magazine *Auto Zeitung* (issue 8/2010, p. 82).

AUDI AG’s success during the period under review was rounded off by an array of other awards in the fields of design, safety, technology and customer satisfaction.

Audi RS 5*



TRIPLE WIN AT LE MANS

Audi Sport Team Joest captured the top three spots in the 78th 24 Hours of Le Mans. Following on from 2000, 2002 and 2004, this was the fourth 1-2-3 win for the Audi brand in this legendary endurance race. The three Audi R15 TDI cars completed the entire race without any technical problems and clocked up the impressive record distance of 5,410 kilometers. Thanks to a ninth win in total in France's classic endurance race, the Audi brand pulled equal with its fellow contender Ferrari in the roll of honor and now trails only Porsche.

WORKFORCE

In the first half of 2010 the Audi Group saw a slight increase in its workforce, mainly due to the increased group of consolidated companies, to an average of 58,182 (57,913) employees. AUDI AG continues to invest systematically in human resources, training and advancement in 2010. A total of around 350 experts and juniors will be recruited this year to safeguard the Company's future growth and competitiveness. In the fall, 782 young people will also embark on training at AUDI AG at the Ingolstadt and Neckarsulm sites – 100 posts were created for apprentices to mark the centennial of the Audi brand in 2009. The growth areas of electric mobility, battery technology and power electronics will continue to be prioritized in the Company's recruitment.

Within its Strategy 2020, the Audi Group has set itself the goal of being the most attractive employer. AUDI AG already occupies top spot in the renowned employer rankings compiled by the consultants trendence and Universum. The Company retained its title as most attractive employer among engineering students in early 2010; this year, AUDI AG also emerged as winner in the category for economics students in both studies ("trendence Graduates Barometer 2010 – Business and Engineering Edition," May 21, 2010; "The Universum German Student Survey," May 3, 2010).

WORKFORCE

Average	1-6/2010	1-6/2009
Domestic companies	45,713	45,469
of which:		
AUDI AG	44,261	44,417
Ingolstadt plant	31,355	31,482
Neckarsulm plant	12,906	12,935
Foreign companies	10,170	10,250
of which:		
AUDI BRUSSELS S.A./N.V.	2,149	2,150
AUDI HUNGARIA MOTOR Kft.	5,690	5,649
Lamborghini Group	799	1,012
VOLKSWAGEN GROUP ITALIA S.P.A.	882	907
Employees	55,882	55,719
Apprentices	2,007	1,905
Employees of Audi Group companies	57,889	57,624
Staff employed from other Volkswagen Group companies not belonging to the Audi Group ¹⁾	293	290
Workforce ¹⁾	58,182	57,913

1) The prior-year figures have been slightly adjusted.



Audi A1

ECOLOGICAL RESPONSIBILITY

Accepting environmental responsibility is a vital part of sustainable management. The Audi Group therefore promotes a conscientious approach to the environment through far-reaching product and location-based measures, and incorporates ecological aspects right the way along the value chain through its Integrated Product Policy (IPP).

As a car manufacturer, the Company has in particular been working for several years on steadily reducing fuel consumption and vehicle emissions, demonstrating that there is no inherent contradiction between sportiness and efficiency. Its developers are increasingly making use of the various elements that constitute the modular efficiency platform, such as the recuperation system, the start-stop system and lightweight construction technology. The target for 2012 is to reduce the average consumption of the Audi model range by 20 percent, measured against the base year of 2007.

As well as developing efficient combustion engines, the Audi Group is working intensively on concepts for future mobility. AUDI AG is actively involved in the “National Platform for Electric Mobility” initiative launched in May 2010, through which Germany’s politicians have set themselves the objective of making the country a lead market for electric mobility. 2011 will see the Company bring out the Q5 hybrid, the Audi brand’s first full hybrid.

Three vehicle studies with alternative drive concepts were also unveiled in the first half of 2010. The A8 hybrid is scheduled for launch from 2012 and is outfitted with a 2.0-liter TFSI engine and an electric motor. A key trait of this model, as a full hybrid, is that it can drive either exclusively on the combustion engine or electric motor, or use the combined power of both units. Furthermore, the Audi brand has added two show cars to the e-tron family: The Audi e-tron Detroit show car is equipped with all-electric drive in the form of two electric motors on the rear axle. The A1 e-tron study, intended mainly for city driving, again has electric drive but also a Wankel engine. This range extender can recharge the battery, to increase its operating range for instance on out-of-town trips. In the “e-car award” created by the motoring magazine AUTO TEST in June 2010, the Audi A1 e-tron was voted winner by over 36,000 readers; the Audi e-tron exhibited at the Detroit Motor Show came fourth in the same competition (Auto Bild, issue 23/2010, p. 19).

As one of the pioneers of location-based environmental protection, the Audi Group furthermore strives to preserve resources, in particular by reducing energy consumption, noise, waste water and solid waste. AUDI AG has set itself the goal of reducing location-based and company-specific CO₂ emissions by 30 percent by 2020, against the base year of 1990. It has successfully been implementing technical solutions such as the use of waste heat and a modern combined heat, power and refrigeration plant for many years. As part of its quest for ever better solutions, renewable energy sources are also being trialed – photovoltaic modules have already been installed on an area of roof measuring more than 11,000 m² at the Ingolstadt plant, and plans to use wind power and biogas for power generation are also in the pipeline. In April, the Company moreover concluded an agreement with the “DESERTEC Industrial Initiative” with the goal of climate-friendly energy generation in the deserts of North Africa and the Middle East. As an Associate Partner, AUDI AG will primarily be involved in creating the necessary infrastructure and the appropriate general parameters.

Regular internal reviews and external auditing are carried out to keep track of the results of these ongoing efforts. In early 2010, for instance, DEKRA inspectors confirmed the Ingolstadt plant to be implementing an exemplary standard of environmental management system. As well as the European requirements EMAS III and the international standard DIN EN ISO 14001, this system meets the requirements of the new European standard DIN EN 16001, which sets particularly ambitious targets for gradual, systematic reductions in energy consumption.

FINANCIAL PERFORMANCE INDICATORS

FINANCIAL PERFORMANCE

The Audi Group posted revenue of EUR 17,565 (14,527) million in the first half of 2010, easily bettering the prior-year figure. The rise is substantially attributable to the positive development in vehicle deliveries.

The cost of sales increased rather more slowly than revenue to EUR 14,872 (12,396) million. The Audi Group thus posted a gross profit of EUR 2,694 (2,131) million for the first six months and improved the gross margin to 15.3 (14.7) percent.

Distribution costs edged up to EUR 1,580 (1,549) million in the period under review, while administrative expenses reached EUR 157 (140) million. The other operating result was slightly down on the previous year's level at EUR 375 (382) million.

The Audi Group posted a healthy increase of 61.6 percent in the operating profit in the first half to EUR 1,331 (823) million, yet again demonstrating the Company's sustained profitability. The operating return on sales improved to 7.6 (5.7) percent.

The fall in the financial result to EUR 83 (171) million stems mainly from lower net interest due to poorer market interest rates and also the measurement of raw materials hedging transactions.

The Audi Group achieved a positive profit before tax of EUR 1,414 (994) million for the period under review. The return on sales before tax thus improved to 8.0 percent, compared with 6.8 percent in the prior-year period.

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

Audi S5 Sportback*



NET WORTH

The balance sheet total of the Audi Group at June 30, 2010 rose to EUR 28,820 (26,550) million compared with the position at December 31, 2009.

Within this total, non-current assets increased only slightly to EUR 9,767 (9,637) million. The rise in current assets to EUR 19,053 (16,913) million is mainly attributable to the business-related growth in inventories and trade receivables. Time deposits with an investment horizon of more than three months also went up.

Equity of EUR 10,822 (10,632) million was on a par with the 2009 year-end position; the equity ratio fell to 37.5 (40.0) percent.

Non-current liabilities rose to EUR 7,809 (6,425) million mainly due to higher other liabilities as well as provisions for pensions and other provisions. Current liabilities likewise increased – principally as a result of higher trade payables – to EUR 10,189 (9,493) million.

FINANCIAL POSITION

The cash flow from operating activities rose by EUR 402 million in the first half of 2010 to EUR 2,617 (2,215) million.

Excluding the change in cash deposits in the form of securities and loans, the cash used in investing activities reached EUR 750 (844) million. Research and development spending of EUR 1,313 (1,193) million meant that the Audi Group has stepped up its commitment to the development of new products and technologies. As in previous years, the Company managed to finance its investing activities entirely from operating activities and also generated a surplus of EUR 1,867 (1,371) million.

The Audi Group thus improved its net liquidity by EUR 1,135 million compared with the end of 2009, to EUR 11,800 (10,665) million.

Audi R8 Spyder*



RISKS AND OUTLOOK

RISK REPORT

The risk statements for the Audi Group were updated at the end of the first half. There were no significant changes to the Audi Group's risk situation compared with the risks outlined in the Management Report that forms part of the 2009 Annual Report. The company therefore assumes that the risks portrayed will remain substantially unchanged for the remainder of 2010. Moreover, on the basis of all known particulars and circumstances, for the foreseeable future there exist no risks that can endanger the Audi Group's continued existence as a going concern.

REPORT ON EXPECTED DEVELOPMENTS

Anticipated development of the economic environment

The Audi Group expects to see a slight slowdown in the worldwide economic recovery in the second half of 2010. The moderate economic development of many industrial countries will rather lose momentum, because along with the expiry of government stimulus programs the priority is increasingly shifting towards consolidating public finances. On the other hand, emerging countries in Asia and South America will continue to enjoy vigorous growth. Economic growth in Western Europe will remain weak until the end of 2010, even though the German economy will continue to recover mainly thanks to the improved level of exports. The upward trend in the business cycle is also expected to continue in most Central and Eastern European countries, after the previous year's recession.

The Audi Group expects the robust growth that the United States has enjoyed up to now to slow down in the second half. Consumer spending in particular will become more restrained over the next few months as a result of the tense situation on the labor market.

The Chinese economy will remain the main driver of global economic buoyancy and will continue to deliver above-average growth rates in the second half of 2010.

The Audi Group anticipates that 2010 will see worldwide demand for cars recover from the previous year's sharp slump. With the exception of the European passenger car market, all sales regions worldwide will once again post higher unit sales.

A negative performance is expected in Western European export markets in the second half of 2010. The main factor behind this development is the expiry of government sales incentives, which is likely to lead to a slight fall in new car registrations over the year as a whole.

Until the end of the year the German car market will continue to be dominated by the after-effects of the government environmental bonus, which generated an exceptionally high volume of new registrations in 2009. Demand this year will remain weak and, as expected, cause the car market for 2010 as a whole to shrink considerably.

Markets in Central and Eastern Europe will likewise continue to perform weakly until the end of the year. Only the Russian car market will achieve slight growth thanks to the introduction of a scrappage bonus.

The Audi Group believes that the U.S. auto market will experience a slight fall in the previously strong level of demand in the second half of 2010. The stable upward trend will nevertheless be sustained.

China will remain the growth hotspot of the global car market in the latter part of 2010. The Audi Group anticipates that there will be continuing strong growth in the car market there over the coming months.

Anticipated development of the Audi Group

The growth in worldwide demand for premium vehicles and the successful business performance of the first six months strengthen the Audi Group management in its conviction that its growth can be maintained in the second half of the year.

The Audi Group is thus making plans for market-beating growth in deliveries by the core brand Audi in 2010, to substantially more than one million vehicles. This successful development is based not only on the recovery in demand, but in particular on the fresh, attractive product range, which has been systematically expanded in recent months. As well as the models already on the market, the Company expects the launches of the Audi A1 and Audi A7 models and the arrival of the new Audi A8 in additional sales markets to provide added impetus in the second half of 2010.

The Audi Group continues to target qualitative growth as the basis for sustained corporate success. The management is also planning a further substantial improvement in the key financial performance indicators. On top of higher revenue, numerous measures to increase productivity and processes will take the operating profit and operating return on sales well beyond the prior-year levels.

In order to maintain growth, the Audi Group will also continue to invest in new products and pioneering technologies. The Company is set to invest over EUR 5.5 billion in property, plant and equipment for the period 2010 through 2012. As usual, investment is to be financed entirely from the Company's own resources. The surplus remaining after capital investments will further boost the net liquidity of the Audi Group at year-end compared with the previous year.

The size of the workforce over the full year will rise thanks to corporate growth in the second half.

For 2010 as a whole, the Audi Group believes there will be no substantial changes to the opportunities for future development as presented in the Management Report of the 2009 Annual Report.

DISCLAIMER

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

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

Audi A8 LWB*



Consolidated Financial Statements of the Audi Group at June 30, 2010

Income Statement of the Audi Group

EUR million	1-6/2010	1-6/2009
Revenue	17,565	14,527
Cost of sales	-14,872	-12,396
Gross profit	2,694	2,131
Distribution costs	-1,580	-1,549
Administrative expenses	-157	-140
Other operating income	649	764
Other operating expenses	-274	-382
Operating profit	1,331	823
Result from investments accounted for using the equity method	91	45
Financing costs	-189	-140
Other financial results	181	266
Financial result	83	171
Profit before tax	1,414	994
Income tax expense	-420	-297
Profit after tax	994	697
of which profit share of AUDI AG stockholders	978	671
of which profit share of minority interests	16	26
EUR	1-6/2010	1-6/2009
Earnings per share	22.75	15.59
Diluted earnings per share	22.75	15.59

Statement of Recognized Income and Expense of the Audi Group

EUR million	1-6/2010	1-6/2009
Profit after tax	994	697
Foreign currency translation differences		
Changes recognized directly in equity without affecting income	38	3
Included in the Income Statement	-	-
Actuarial gains and losses	-213	-88
Cash flow hedges		
Fair value changes recognized directly in equity without affecting income	-1,647	41
Included in the Income Statement	-34	-332
Available-for-sale financial assets (securities)		
Fair value changes recognized directly in equity without affecting income	4	7
Included in the Income Statement	-3	4
Deferred taxes netted directly against equity	556	108
Investments accounted for using the equity method after tax	17	3
Other result after tax	-1,282	-254
Overall result	-288	444
Attributable to AUDI AG stockholders	-319	419
Attributable to minority interests	31	25

Within the overall result for the first half of 2010, an amount of EUR -1,647 million is attributable to changes in the market value of the effective portions of cash flow hedge relationships, largely as a result of changes in the euro's external value at June 30, 2010.

Nevertheless, thanks to the effectiveness of the hedges these negative fair value changes to the cash flow hedges are offset by corresponding profit potential of an almost equal amount from the underlying transactions (vehicle revenue, purchases of materials). This profit potential is not yet taken into account at June 30, 2010. It is only included in the statement of recognized income and expense in future periods – at the time of fulfillment of the underlying transactions

TAX EFFECTS IN RELATION TO INCOME AND EXPENSE RECOGNIZED DIRECTLY IN EQUITY

EUR million	1-6/2010			1-6/2009		
	Profit before tax	Taxes	Profit after tax	Profit before tax	Taxes	Profit after tax
Foreign currency translation differences	38	-	38	3	-	3
Actuarial gains and losses	-213	60	-152	-88	26	-62
Cash flow hedges	-1,681	496	-1,185	-291	86	-205
Available-for-sale financial assets (securities)	1	0	1	11	-3	8
Investments accounted for using the equity method after tax	17	-	17	3	-	3
Other result	-1,838	556	-1,282	-362	108	-254

Balance Sheet of the Audi Group

ASSETS in EUR million	June 30, 2010	Dec. 31, 2009
Non-current assets	9,767	9,637
Intangible assets	2,059	2,171
Property, plant and equipment	5,496	5,795
Investment property	13	12
Long-term investments	350	318
Other financial assets	1,849	1,340
Current assets	19,053	16,913
Inventories	2,870	2,568
Receivables and other assets	12,282	7,068
of which trade receivables	3,097	2,281
Securities	917	821
Cash and cash equivalents	2,985	6,455
Balance sheet total	28,820	26,550
LIABILITIES in EUR million	June 30, 2010	Dec. 31, 2009
Equity	10,822	10,632
AUDI AG stockholders' interests	10,704	10,221
Minority interests	118	411
Liabilities	17,998	15,918
Non-current liabilities	7,809	6,425
Provisions for pensions	2,334	2,098
Other provisions	3,196	2,979
Other liabilities	2,280	1,348
Current liabilities	10,189	9,493
Trade payables	3,870	3,114
Other liabilities	3,560	3,877
Other provisions	2,759	2,502
Balance sheet total	28,820	26,550

Statement of Changes in Equity of the Audi Group

EUR million	Issued capital	Capital reserve	Retained earnings						Equity		
			Legal reserve and other retained earnings	Currency exchange reserve	Reserve for cash flow hedges	Reserve for remeasurement to fair value of securities	Actuarial gains and losses	Investments accounted for using the equity method	AUDI AG stockholders' interests	Minority interests	Total
Position as of Jan. 1, 2009	110	1,617	7,865	-6	538	-24	-129	-11	9,960	368	10,328
Capital increase	-	308	-	-	-	-	-	-	308	-	308
Dividend payment	-	-	-	-	-	-	-	-	-	-	-
Overall result	-	-	671	4	-205	8	-62	3	418	25	444
Other changes	-	-	-	-	-	-	-	-	-	-	-
Position as of June 30, 2009	110	1,924	8,536	-3	333	-16	-190	-8	10,686	393	11,079
Position as of Jan. 1, 2010	110	1,924	7,993	3	413	-4	-206	-11	10,221	411	10,632
Capital increase	-	586	-	-	-	-	-	-	586	-	586
Dividend payment	-	-	-	-	-	-	-	-	-	-	-
Overall result	-	-	978	23	-1,185	1	-152	17	-319	31	-288
Capital transactions producing a change of participating interests	-	-	208	-	-	-	-9	-	199	-324	-125
Other changes	-	-	16	-	-	-	-	-	16	0	16
Position as of June 30, 2010	110	2,510	9,195	25	-773	-3	-367	5	10,704	118	10,822

The capital transactions producing a change of participating interests relate exclusively to the acquisition of all shares in AUDI BRUSSELS S.A./N.V. (Brussels, Belgium) on June 1, 2010. The equity remaining after deduction of the purchase price was reclassified as AUDI AG stockholders' interests. The other changes result from the first-time consolidation of subsidiaries already established or acquired in previous years.

Cash Flow Statement of the Audi Group

from January 1 to June 30

EUR million	1-6/2010	1-6/2009
Profit before profit transfer and income taxes	1,414	994
Income tax payments	-363	-95
Depreciation and amortization	1,153	850
Change in provisions for pensions	23	22
Other non-cash expenses and income	41	-35
Gross cash flow	2,268	1,736
Change in inventories	-161	627
Change in receivables	-812	-223
Change in liabilities	959	38
Change in other provisions	364	36
Change in working capital	349	479
Cash flow from operating activities	2,617	2,215
Cash flow from investing activities	-5,595	-3,142
of which investments in property, plant and equipment	-423	-531
of which additions of capitalized development costs	-314	-297
of which change in securities and loans	-4,844	-2,298
Cash flow from financing activities	-615	-1,140
Change in cash and cash equivalents due to exchange rate changes	122	-2
Change in cash and cash equivalents	-3,471	-2,069
Cash and cash equivalents at beginning of period	6,455	4,833
Cash and cash equivalents at end of period	2,985	2,764

EUR million	June 30, 2010	June 30, 2009
Cash and cash equivalents	2,985	2,764
Securities and loans extended	9,642	7,440
Gross liquidity	12,626	10,204
Credit outstanding	-826	-475
Net liquidity	11,800	9,729

The cash flow from financing activities substantially comprises the profit transfer to Volkswagen AG (Wolfsburg, Germany) for fiscal 2009 amounting to EUR 1,172 million, on the basis of its profit transfer agreement with AUDI AG.

Notes

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 were calculated according to the same principles. The Interim Financial Report as of June 30, 2010 takes account of the stipulations of IAS 34 (Interim Financial Reporting).

For the first half of 2010, all standards whose application is mandatory from January 1, 2010 have been observed.

The revised IAS 27/IFRS 3 result in a change to the presentation of future business combinations. Changes in the participating interests of already fully consolidated subsidiaries that do not result in a loss of control continue to be booked directly against equity.

The other accounting standards to be applied for the first time in the 2010 fiscal year have no material effect on the presentation of the net worth, financial position and financial performance of the Audi Group.

For this Interim Financial Report, a discount rate of 4.8 percent was applied to provisions for pensions in Germany.

Income tax expense for the interim reporting period is, in keeping with IAS 34 (Interim Financial Reporting), determined on the basis of the weighted average annual tax rate that is expected for the entire fiscal year.

The condensed presentation of the Consolidated Financial Statements for the first half of 2010 otherwise fundamentally uses the same accounting policies as the Consolidated Financial Statements for the 2009 fiscal year. A detailed description of those methods is published in the 2009 Annual Report. The latter document is also available on the Internet at www.audi.com/annualreport.

All individual amounts stated are rounded commercially; this may produce marginal discrepancies when they are totaled.

GROUP OF CONSOLIDATED COMPANIES

The Consolidated Financial Statements include AUDI AG as well as all principal 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 been consolidated since December 31, 2009: Audi (China) Enterprise Management Co. Ltd. (Beijing, China), established 2009; Audi Zentrum Leipzig GmbH (Leipzig, Germany), established 2008; Audi Zentrum Stuttgart GmbH (Stuttgart, Germany), acquired 2007; and Automobili Lamborghini America, LLC (Wilmington, Delaware, United States), to be consolidated in order to satisfy the requirements of IAS 27.13, Sentence 2 (c). The first-time inclusion of these subsidiaries had no material effect, either individually or combined, on the presentation of the situation of the Company.

As at June 1, 2010, 100 percent of the shares in AUDI BRUSSELS S.A./N.V. (Brussels, Belgium), which had already previously been consolidated within the Audi Group in accordance with IAS 27.13, Sentence 2 (c), were acquired from Volkswagen AG (Wolfsburg, Germany).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Revenue

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

EUR million	1-6/2010	1-6/2009
Total revenue from vehicles	15,203	12,537
Other car business	2,362	1,990
Revenue	17,565	14,527

Vehicle revenue includes proceeds of the Audi Group from the sale of vehicles of the Audi and Lamborghini brands as well as of other brands of the Volkswagen Group.

Revenue from other car business primarily comprises proceeds from the sale of engines and genuine parts and, in 2009, proceeds amounting to EUR 302 million from the contract manufacture of VW Polo vehicles at AUDI BRUSSELS S.A./N.V. (Brussels, Belgium).

2 Cost of sales

The cost of sales amounting to EUR 14,872 (12,396) million shows the costs incurred in generating revenue. This includes EUR 299 (6) million in impairment losses on intangible assets and property, plant and equipment. The impairment losses were recorded on the basis of updated impairment tests and took particular account of market risks.

3 Other operating income and expenses

The other operating result of EUR 375 (382) 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 stockholders by the weighted average number of shares in circulation during the fiscal year.

At AUDI AG the diluted earnings per share are the same as the basic earnings per share, as there were no potential shares in existence at either June 30, 2010 or June 30, 2009.

	1-6/2010	1-6/2009
Profit share of AUDI AG stockholders (EUR million)	978	671
Weighted average number of shares (basic and diluted totals are identical)	43,000,000	43,000,000
Earnings per share in EUR	22.75	15.59

5 Contingencies

There are no significant changes in contingent liabilities compared with the position at December 31, 2009.

6 Related party disclosures

EUR million	1-6/2010	1-6/2009	1-6/2010	1-6/2009
	Goods and services supplied		Goods and services received	
Volkswagen AG	1,820	2,098	2,527	2,027
Consolidated subsidiaries of Volkswagen AG not belonging to the Audi Group	3,824	2,778	1,228	909
Non-consolidated subsidiaries of Volkswagen AG	273	209	55	52
Joint ventures and other associated companies of Volkswagen AG	1,324	753	40	12
Porsche companies	401	398	21	8

Receivables from related parties at June 30, 2010 amounted to EUR 13,132 million; EUR 12,233 million were posted at December 31, 2009. Liabilities increased in the period under review from EUR 4,090 million to EUR 4,418 million.

SEGMENT REPORTING

The operating segments for entrepreneurial activities mirror those used for internal corporate steering. The products of the Audi Group focus on premium-segment cars. Consequently, both the internal reporting procedures and coordinating, steering and decision-making processes at general Board of Management level treat the Audi Group as a single entrepreneurial unit. The primary performance and control indicator for the Board of Management is "operating profit" at Group level. The Group itself and operating profit are not broken down further by segment as defined by IFRS 8. In view of the single-segment structure of the Audi Group, neither are there any revenues with other segments.

The revenue for the segment represented by the Audi Group and the definition and composition of operating profit are presented in the Consolidated Income Statement on page 16 of the Interim Financial Report.

In the first half of 2010, the Audi Group increased its operating profit to EUR 1,331 (823) million.

The sales revenues by region pursuant to IFRS 8.33 have been determined on the basis of the country of origin of external customers.

	1-6/2010		1-6/2009	
	EUR million	%	EUR million	%
Germany	4,135	23.5	4,705	32.4
Rest of Europe	7,761	44.2	6,474	44.6
Asia-Pacific	3,474	19.8	1,821	12.5
North America	1,854	10.6	1,347	9.3
Africa	171	1.0	108	0.7
South America	171	1.0	72	0.5
Total	17,565	100.0	14,527	100.0

GERMAN CORPORATE GOVERNANCE CODE

The current declarations on the German Corporate Governance Code by the Board of Management and Supervisory Board of AUDI AG pursuant to Section 161 of the German Stock Corporation Act are permanently available on the Internet at www.audi.com/cgk-declaration.

EVENTS OCCURRING AFTER THE FIRST-HALF REPORTING DATE

Effective July 27, 2010 Automobili Lamborghini Holding S.p.A. (Sant'Agata Bolognese, Italy), a subsidiary of AUDI AG, acquired a 90.1 percent stake in Italdesign Giugiaro S.p.A. (Turin, Italy), a renowned service provider of design and automotive development services. The remaining shares in Italdesign Giugiaro S.p.A. stay in the possession of the present owner family Giugiaro. The acquisition of the shares has no significant impact on the net worth, financial position and financial performance of the Audi Group.


Responsibility Statement

“Responsibility Statement

We assure that, to the best of our knowledge and based on the accounting standards to be applied for interim financial reporting, the condensed Consolidated Interim Financial Statements provide a true and fair view of the net worth, financial position and financial performance of the Group and that the Group Interim Management Report presents business progress including the business results and the position of the Group in such a way that it provides a true and fair view, as well as describing the principal opportunities and risks of the Group’s anticipated development in the remainder of the fiscal year.”

Ingolstadt, July 27, 2010

The Board of Management



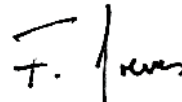
Rupert Stadler



Ulf Berkenhagen



Michael Dick



Frank Dreves



Peter Schwarzenbauer



Axel Strotbek



Dr. Werner Widuckel

Review Report

“Review Report

To AUDI AG

We have reviewed the condensed consolidated interim financial statements – comprising the income statement, statement of recognized income and expense, condensed balance sheet, condensed statement of changes in equity, condensed cash flow statement and selected explanatory notes – and the interim group management report of AUDI AG, Ingolstadt, for the period from January 1 to June 30, 2010 which are part of the interim 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 reasonable 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 27, 2010

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Franz Wagner
Wirtschaftsprüfer
(German Public Auditor)

Klaus Schuster
Wirtschaftsprüfer
(German Public Auditor)

Fuel Consumption and Emission Figures

As of: July 2010 (all data apply to features of the German market)

Model	Power output (kW)	Transmission	Fuel	Fuel consumption (l/100 km)			CO ₂ emissions (g/km)
				urban	extra urban	combined	
Audi A1							
A1 1.2 TFSI	63	5-speed	Premium	6.2	4.4	5.1	118
A1 1.4 TFSI	90	6-speed	Premium	6.8	4.4	5.3	124
A1 1.4 TFSI 119 g CO ₂ /km	90	S tronic, 7-speed	Premium	6.5	4.4	5.2	119
A1 1.4 TFSI	90	S tronic, 7-speed	Premium	6.5	4.6	5.3	122
A1 1.6 TDI	77	5-speed	Diesel	4.7	3.5	3.9	103
Audi A3 Sportback							
A3 Sportback 1.2 TFSI	77	6-speed	Premium	6.7	4.7	5.5	127
A3 Sportback 1.2 TFSI	77	S tronic, 7-speed	Premium	6.5	4.6	5.3	123
A3 Sportback 1.4 TFSI	92	6-speed	Premium	7.3	4.9	5.8	134
A3 Sportback 1.4 TFSI	92	S tronic, 7-speed	Premium	6.6	4.8	5.5	127
A3 Sportback 1.6	75	5-speed	Premium	9.5	5.4	6.9	164
A3 Sportback 1.6	75	S tronic, 7-speed	Premium	9.4	5.1	6.7	159
A3 Sportback 1.8 TFSI	118	6-speed	Premium	8.7	5.3	6.6	153
A3 Sportback 1.8 TFSI	118	S tronic, 7-speed	Premium	8.5	5.2	6.5	149
A3 Sportback 1.8 TFSI quattro	118	6-speed	Premium	9.8	6.1	7.4	173
A3 Sportback 2.0 TFSI	147	6-speed	Premium	9.9	5.6	7.2	168
A3 Sportback 2.0 TFSI	147	S tronic, 6-speed	Premium	9.9	5.8	7.3	168
A3 Sportback 2.0 TFSI quattro	147	S tronic, 6-speed	Premium	10.0	6.2	7.6	176
A3 Sportback 1.6 TDI	66	5-speed	Diesel	5.3	3.9	4.4	116
A3 Sportback 1.6 TDI 102 g CO ₂ /km	77	5-speed	Diesel	4.8	3.4	3.9	102
A3 Sportback 1.6 TDI	77	5-speed	Diesel	5.1	3.8	4.2	112
A3 Sportback 1.6 TDI	77	S tronic, 7-speed	Diesel	4.9	3.9	4.3	112
A3 Sportback 2.0 TDI	103	6-speed	Diesel	5.5	3.8	4.4	115
A3 Sportback 2.0 TDI	103	S tronic, 6-speed	Diesel	5.8	4.4	4.9	129
A3 Sportback 2.0 TDI quattro	103	6-speed	Diesel	6.3	4.2	5.0	129
A3 Sportback 2.0 TDI	125	6-speed	Diesel	5.7	4.2	4.7	123
A3 Sportback 2.0 TDI	125	S tronic, 6-speed	Diesel	5.6	4.6	5.0	130
A3 Sportback 2.0 TDI quattro	125	6-speed	Diesel	6.1	4.6	5.2	135
S3 Sportback 2.0 TFSI quattro	195	6-speed	Super Plus	11.8	6.7	8.5	199
S3 Sportback 2.0 TFSI quattro	195	S tronic, 6-speed	Super Plus	11.2	6.8	8.4	195
Audi A3 Cabriolet							
A3 Cabriolet 1.2 TFSI	77	6-speed	Premium	7.0	5.0	5.7	132
A3 Cabriolet 1.6	75	5-speed	Premium	9.6	5.5	7.0	167
A3 Cabriolet 1.8 TFSI	118	6-speed	Premium	8.9	5.5	6.7	156
A3 Cabriolet 1.8 TFSI	118	S tronic, 7-speed	Premium	8.7	5.4	6.6	154
A3 Cabriolet 2.0 TFSI	147	6-speed	Premium	10.0	5.6	7.2	169
A3 Cabriolet 2.0 TFSI	147	S tronic, 6-speed	Premium	9.9	5.9	7.4	171
A3 Cabriolet 1.6 TDI	77	5-speed	Diesel	5.2	3.9	4.3	114
A3 Cabriolet 2.0 TDI	103	6-speed	Diesel	5.7	3.9	4.6	119
A3 Cabriolet 2.0 TDI	103	S tronic, 6-speed	Diesel	6.0	4.6	5.1	134
Audi TT Coupé							
TT Coupé 1.8 TFSI	118	6-speed	Premium	8.5	5.2	6.4	149
TT Coupé 2.0 TFSI	155	6-speed	Premium	8.9	5.2	6.6	154
TT Coupé 2.0 TFSI	155	S tronic, 6-speed	Premium	9.9	5.4	7.1	164
TT Coupé 2.0 TFSI quattro	155	S tronic, 6-speed	Premium	9.9	5.7	7.2	169
TT Coupé 2.0 TDI quattro	125	6-speed	Diesel	7.0	4.3	5.3	139
TTS Coupé 2.0 TFSI quattro	200	6-speed	Super Plus	10.8	6.2	7.9	184
TTS Coupé 2.0 TFSI quattro	200	S tronic, 6-speed	Super Plus	10.6	6.0	7.7	179
Audi TT Roadster							
TT Roadster 1.8 TFSI	118	6-speed	Premium	8.6	5.3	6.5	152
TT Roadster 2.0 TFSI	155	6-speed	Premium	9.0	5.4	6.7	156
TT Roadster 2.0 TFSI	155	S tronic, 6-speed	Premium	10.0	5.6	7.2	168
TT Roadster 2.0 TFSI quattro	155	S tronic, 6-speed	Premium	10.2	5.7	7.4	172
TT Roadster 2.0 TDI quattro	125	6-speed	Diesel	7.2	4.5	5.5	144
TTS Roadster 2.0 TFSI quattro	200	6-speed	Super Plus	10.9	6.4	8.1	189
TTS Roadster 2.0 TFSI quattro	200	S tronic, 6-speed	Super Plus	10.8	6.2	7.9	184
Audi A5 Sportback							
A5 Sportback 1.8 TFSI	118	6-speed	Premium	9.6	5.8	7.2	169
A5 Sportback 1.8 TFSI	118	multitronic, CVT	Premium	9.4	5.9	7.2	169
A5 Sportback 2.0 TFSI	132	6-speed	Premium	8.4	5.4	6.5	152
A5 Sportback 2.0 TFSI	132	multitronic, CVT	Premium	9.5	5.8	7.2	169
A5 Sportback 2.0 TFSI	155	6-speed	Premium	8.4	5.4	6.5	152
A5 Sportback 2.0 TFSI	155	multitronic, CVT	Premium	9.5	5.8	7.2	169
A5 Sportback 2.0 TFSI quattro	155	6-speed	Premium	9.8	5.9	7.3	172

Model	Power output (kW)	Transmission	Fuel	Fuel consumption (l/100 km)			CO ₂ emissions (g/km)
				urban	extra urban	combined	
A5 Sportback 2.0 TFSI quattro	155	S tronic, 7-speed	Premium	9.4	6.4	7.5	175
A5 Sportback 3.2 FSI quattro	195	S tronic, 7-speed	Premium	13.5	6.8	9.3	216
A5 Sportback 2.0 TDI	105	6-speed	Diesel	6.4	4.5	5.2	135
A5 Sportback 2.0 TDI	105	multitronic, CVT	Diesel	7.5	4.8	5.8	152
A5 Sportback 2.0 TDI	125	6-speed	Diesel	6.5	4.5	5.2	137
A5 Sportback 2.0 TDI quattro	125	6-speed	Diesel	7.0	4.8	5.6	147
A5 Sportback 2.7 TDI	140	6-speed	Diesel	8.1	4.8	6.0	159
A5 Sportback 2.7 TDI	140	multitronic, CVT	Diesel	8.0	5.6	6.5	169
A5 Sportback 3.0 TDI quattro	176	6-speed	Diesel	8.9	5.4	6.7	176
A5 Sportback 3.0 TDI quattro	176	S tronic, 7-speed	Diesel	8.3	5.7	6.6	174
S5 Sportback 3.0 TFSI quattro	245	S tronic, 7-speed	Premium	13.5	7.0	9.4	219
Audi A5 Cabriolet							
A5 Cabriolet 1.8 TFSI	118	6-speed	Premium	10.0	5.9	7.4	172
A5 Cabriolet 1.8 TFSI	118	multitronic, CVT	Premium	9.5	6.4	7.5	174
A5 Cabriolet 2.0 TFSI	132	multitronic, CVT	Premium	9.9	6.0	7.4	174
A5 Cabriolet 2.0 TFSI	155	6-speed	Premium	9.1	5.4	6.8	159
A5 Cabriolet 2.0 TFSI	155	multitronic, CVT	Premium	9.9	6.0	7.4	174
A5 Cabriolet 2.0 TFSI quattro	155	S tronic, 7-speed	Premium	9.5	6.6	7.7	179
A5 Cabriolet 3.2 FSI	195	multitronic, CVT	Premium	12.1	6.5	8.6	199
A5 Cabriolet 3.2 FSI quattro	195	S tronic, 7-speed	Premium	13.8	7.0	9.5	219
A5 Cabriolet 2.0 TDI	125	6-speed	Diesel	6.7	4.7	5.5	144
A5 Cabriolet 2.7 TDI	140	6-speed	Diesel	8.1	5.2	6.2	164
A5 Cabriolet 2.7 TDI	140	multitronic, CVT	Diesel	7.7	5.8	6.5	169
A5 Cabriolet 3.0 TDI quattro	176	S tronic, 7-speed	Diesel	8.5	5.8	6.8	179
S5 Cabriolet 3.0 TFSI quattro	245	S tronic, 7-speed	Premium	13.8	7.3	9.7	224
Audi RS 5							
RS 5 4.2 FSI quattro	331	S tronic, 7-speed	Super Plus	14.9	8.5	10.8	252
Audi Q5							
Q5 2.0 TFSI quattro	132	6-speed	Premium	10.3	6.8	8.1	188
Q5 2.0 TFSI quattro	155	6-speed	Premium	10.3	6.8	8.1	188
Q5 2.0 TFSI quattro	155	S tronic, 7-speed	Premium	10.5	7.5	8.6	199
Q5 3.2 FSI quattro	199	S tronic, 7-speed	Premium	12.3	7.6	9.3	218
Q5 2.0 TDI quattro	105	6-speed	Diesel	7.2	5.6	6.2	162
Q5 2.0 TDI quattro	125	6-speed	Diesel	7.3	5.6	6.2	163
Q5 2.0 TDI quattro	125	S tronic, 7-speed	Diesel	8.2	6.0	6.8	179
Q5 3.0 TDI quattro	176	S tronic, 7-speed	Diesel	9.2	6.6	7.5	199
Audi Q7							
Q7 3.0 TFSI quattro	200	tiptronic, 8-speed	Premium	14.4	8.5	10.7	249
Q7 3.0 TFSI quattro	245	tiptronic, 8-speed	Premium	14.4	8.5	10.7	249
Q7 3.0 TDI quattro	176	tiptronic, 8-speed	Diesel	8.6	6.7	7.4	195
Q7 3.0 TDI clean diesel quattro	176	tiptronic, 8-speed	Diesel	10.9	6.9	8.4	219
Q7 4.2 TDI quattro	250	tiptronic, 8-speed	Diesel	12.0	7.6	9.2	242
Q7 6.0 TDI quattro	368	tiptronic, 6-speed	Diesel	14.8	9.3	11.3	298
Audi A8							
A8 3.0 TFSI quattro	213	tiptronic, 8-speed	Premium	12.9	6.9	9.1	213
A8 4.2 FSI quattro	273	tiptronic, 8-speed	Premium	13.3	7.2	9.5	219
A8 3.0 TDI quattro	184	tiptronic, 8-speed	Diesel	8.0	5.8	6.6	174
A8 4.2 TDI quattro	258	tiptronic, 8-speed	Diesel	10.2	6.1	7.6	199
Audi A8 LWB							
A8 3.0 TFSI quattro LWB	213	tiptronic, 8-speed	Premium	13.1	7.1	9.3	217
A8 4.2 FSI quattro LWB	273	tiptronic, 8-speed	Premium	13.6	7.4	9.7	224
A8 3.0 TDI quattro LWB	184	tiptronic, 8-speed	Diesel	8.0	5.8	6.6	176
A8 4.2 TDI quattro LWB	258	tiptronic, 8-speed	Diesel	10.3	6.2	7.8	204
12-cylinder Audi A8 LWB							
A8 W12 quattro LWB	368	tiptronic, 8-speed	Premium	18.2	9.0	12.4	290
Audi R8							
R8 4.2 FSI quattro	316	6-speed	Super Plus	21.3	10.0	14.2	332
R8 4.2 FSI quattro	316	R tronic, 6-speed	Super Plus	20.1	9.4	13.3	310
R8 5.2 FSI quattro	386	6-speed	Super Plus	22.2	10.6	14.9	346
R8 5.2 FSI quattro	386	R tronic, 6-speed	Super Plus	21.1	9.9	13.9	326
R8 GT 5.2 FSI quattro	412	R tronic, 6-speed	Super Plus	21.0	9.9	13.9	323
Audi R8 Spyder							
R8 Spyder 4.2 FSI quattro	316	6-speed	Super Plus	21.3	10.3	14.4	337
R8 Spyder 4.2 FSI quattro	316	R tronic, 6-speed	Super Plus	20.1	9.6	13.5	315
R8 Spyder 5.2 FSI quattro	386	6-speed	Super Plus	22.2	10.7	14.9	349
R8 Spyder 5.2 FSI quattro	386	R tronic, 6-speed	Super Plus	20.9	9.9	13.9	332

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