



— Citi's Virtual Meeting

May 15th, 2020





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Dr. Arno Antlitz, CFO

May 15th, 2020





We face coronavirus pandemic with coordinated crisis management and safeguard our business.



Ensuring employee safety



Protecting liquidity



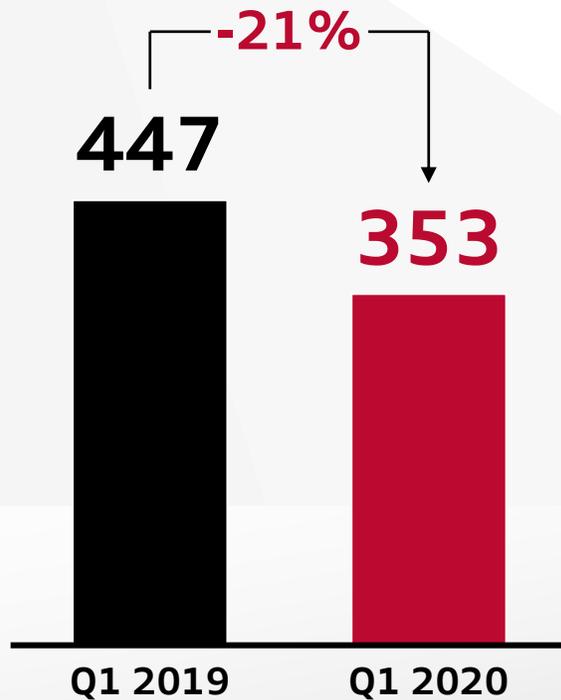
Maintaining core processes



Through managing the balance between sales and production we could avoid major increase in inventories.

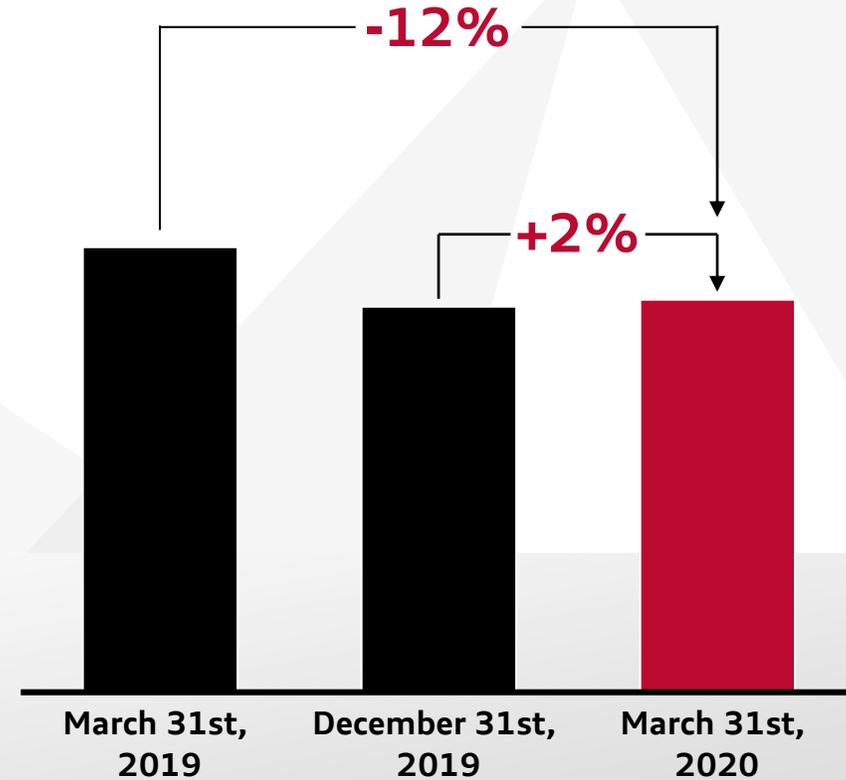
Deliveries

Audi brand in k units



Inventories

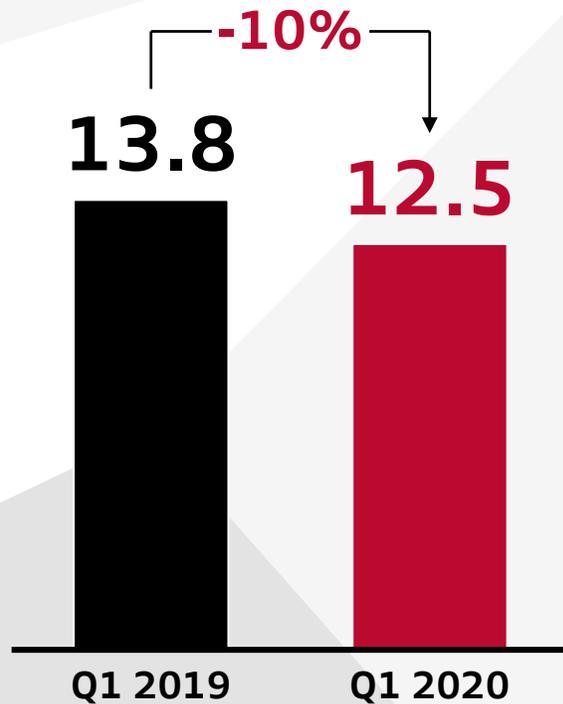
Audi brand in €bn





— Thanks to the Audi e-tron and the new Q3 family we could improve our mix, increased contribution from kits for local production in China.

Revenues in €bn



Q3

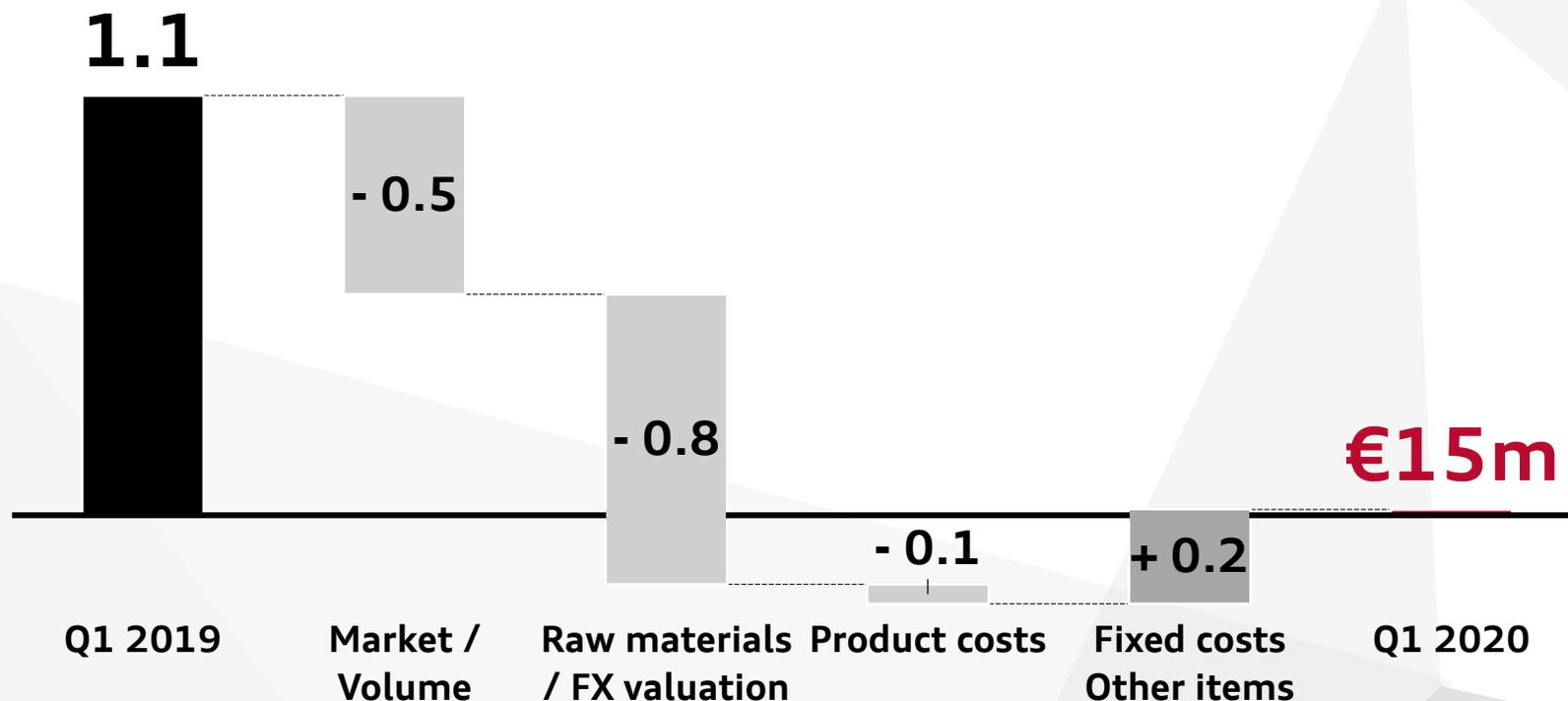




Q1 operating profit burdened by pandemic-induced sales decline and a raw material / currency valuation effect.

Operating profit

in €bn



ADJUSTED¹⁾ OPERATING PROFIT

~€0.5bn

Return on Sales > 4.0%

adjusted for negative fair values for commodity hedges and negative currency effect in Q1 2020

8.0% Return on Sales

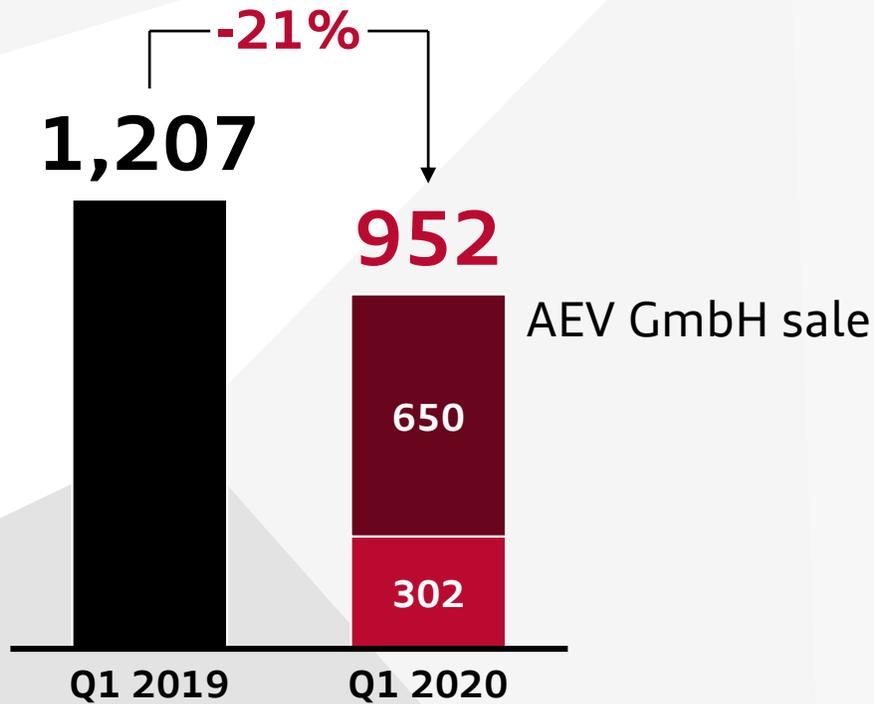
0.1% Return on Sales

1) pro forma value, adjusted for the €0.5bn fair value effect in Q1 2020

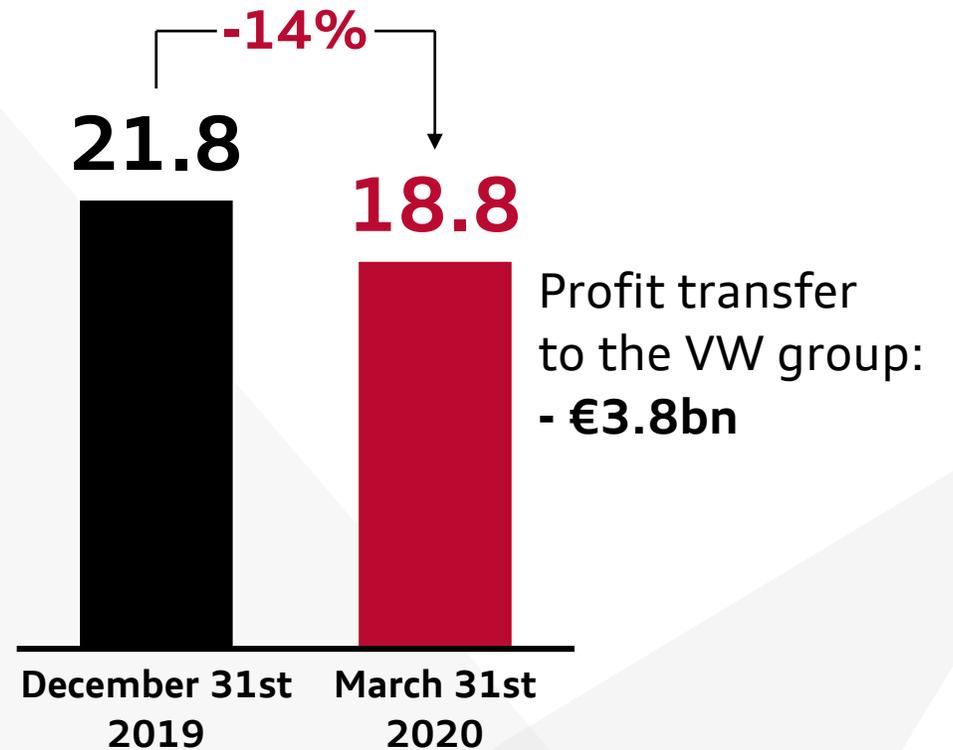


**Solid net cash flow despite challenging market development.
Strong liquidity base enables us to keep to our strategic commitments.**

Net Cash Flow in €m



Net Liquidity in €bn





With global automotive markets expected to decline by 15-20%, we have adjusted our full year guidance.

	<u>2020 guidance</u>	<u>FY 2019</u>
 Deliveries to customers Audi brand	significantly below prior year	1,845,573 units
 Revenue Audi Group	significantly below prior year	€55,680m
 Operating return on sales Audi Group	significantly below prior year	8.1%
 Net Cash Flow Audi Group	below prior year	€3,160m
 Return on investment Audi Group	below prior year and below 9% minimum rate of return	12.7%
 R&D ratio Audi Group	below prior year	7.9%
 Capex ratio Audi Group	on prior year level	4.9%



With solid structures and competitive product substance Audi shapes the transformation.





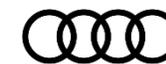
Audi e-tron Sportback 55 quattro: Combined electric power consumption in kWh/100 km (62.1 mi): 22.7 - 20.6 (NEFZ);
Combined CO₂ emissions in g/km: 0 Information on fuel/power consumption and CO₂ emissions in ranges depending on the chosen equipment level of the car.



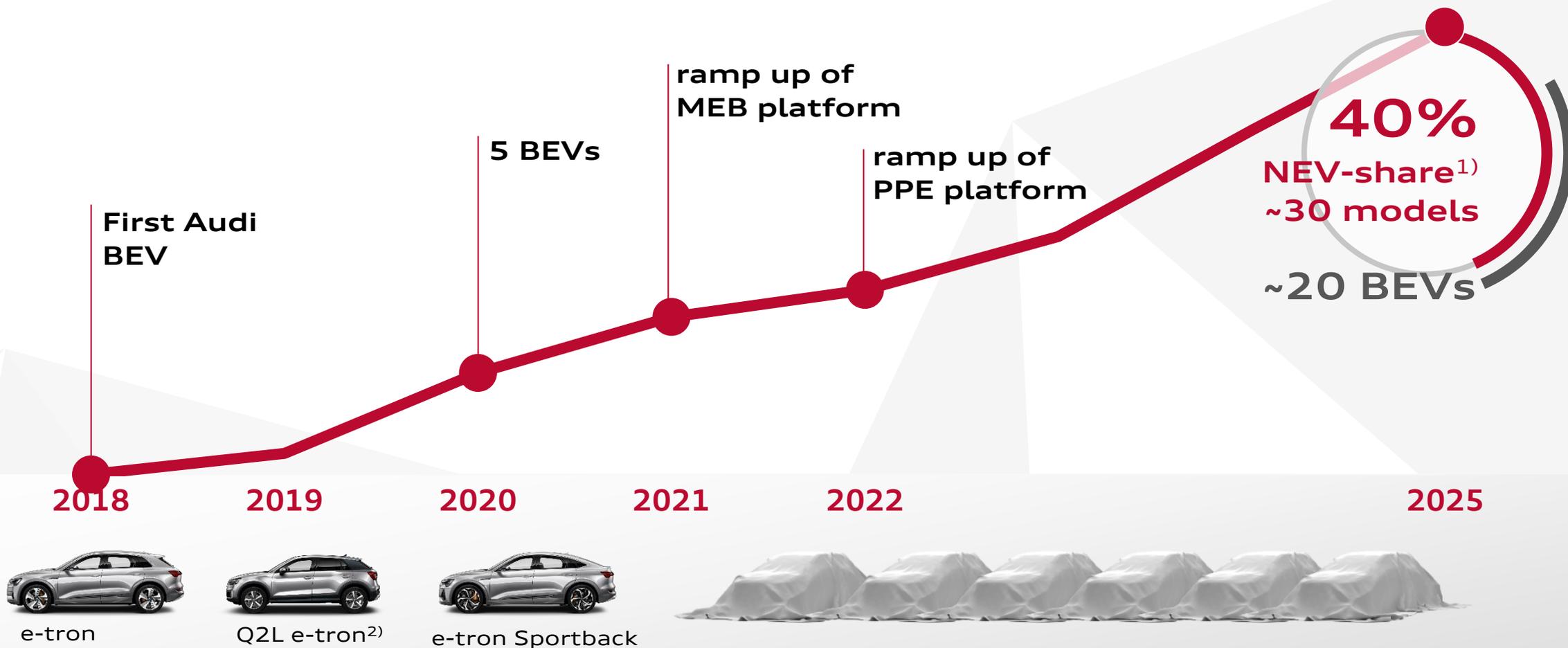
— Shaping premium e-mobility

Dr. Claus Hegner, Head of PPE model line

May 15th, 2020



Audi has an ambitious roadmap E: until 2025 NEV-share should increase to 40%, with around 20 fully electric models in the portfolio.



PHASE 1: ESTABLISHING

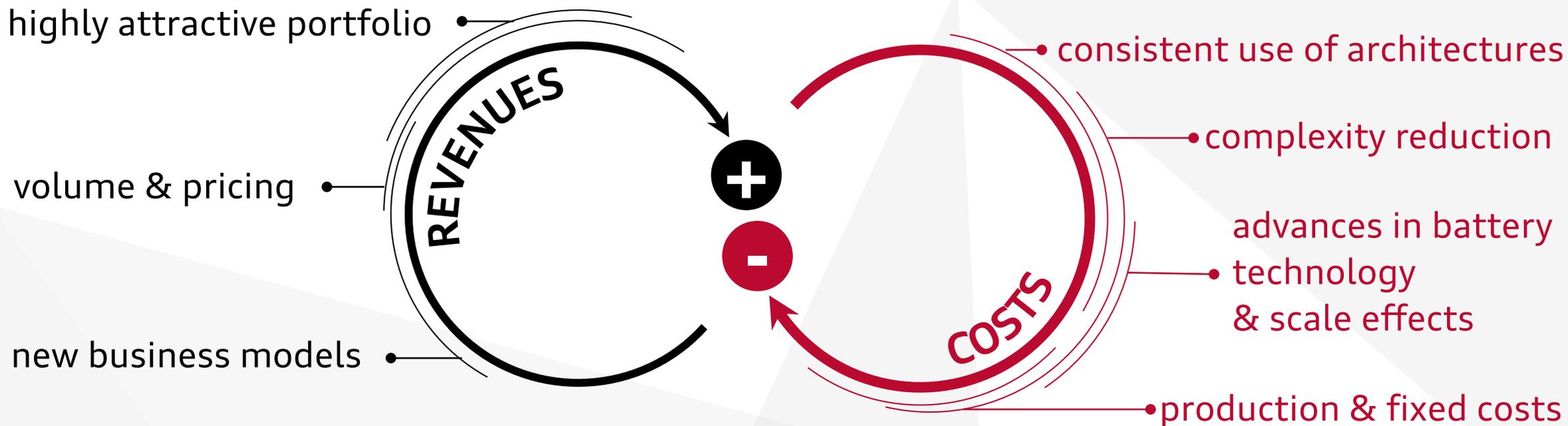
PHASE 2: SCALING

PHEV Push: ~10 PHEV models until 2022

1) NEV-share is defined as % of PHEVs & BEVs of the production. 2) China-only model. Audi e-tron: Power consumption combined*: 24.3–21.0 kWh/100km (NEFZ); 26.6–22.4 kWh/100km (WLTP) CO₂-emissions combined*: 0 g/km; Audi e-tron Sportback: Power consumption combined*: 23.9–20.6 kWh/100km (NEFZ); 26.3–21.6 kWh/100km (WLTP) CO₂-emissions combined*: 0 g/km

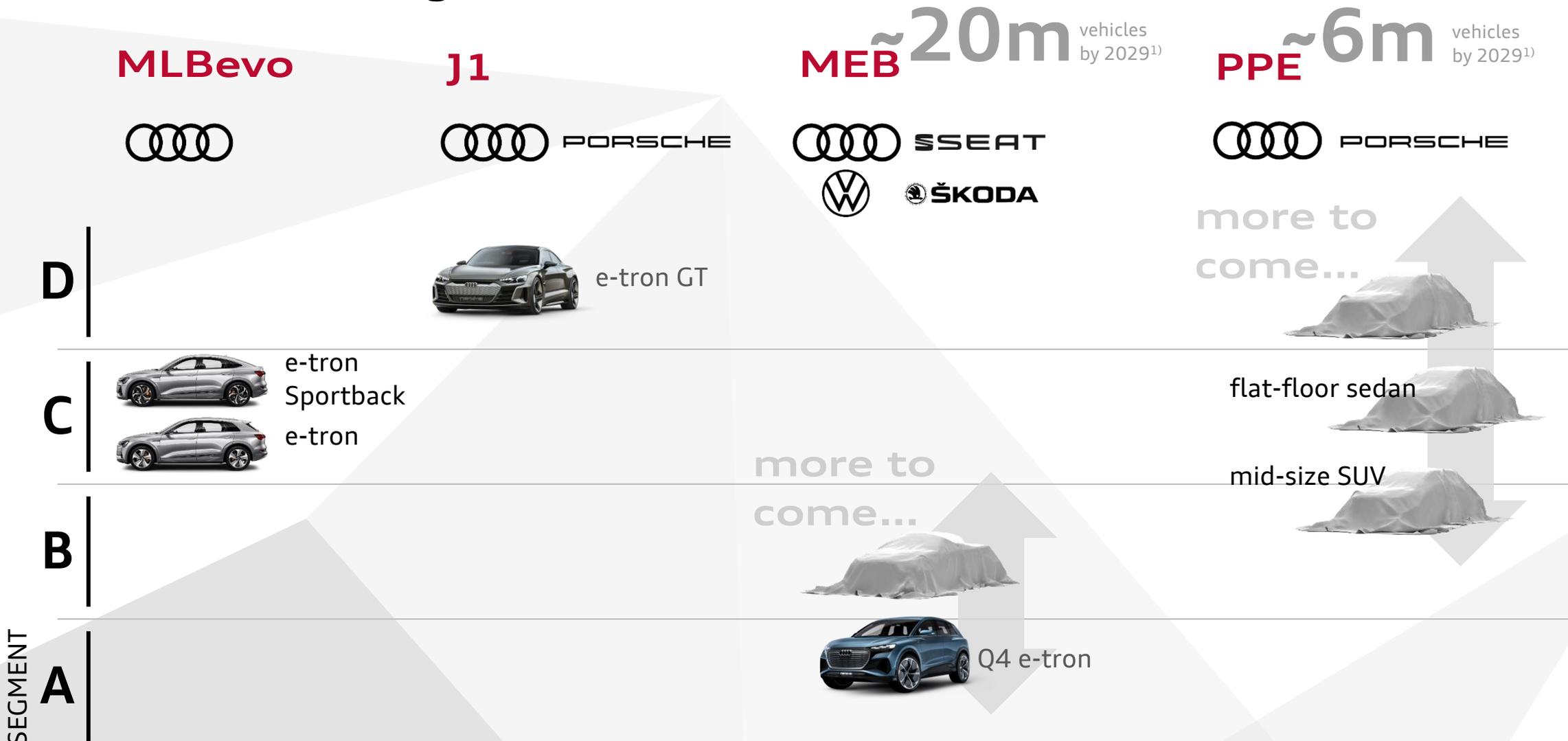


We address profitable e-mobility holistically, looking into every step of the value chain.

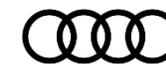




Shared platforms enable us to offer broad electric portfolio, covering all relevant customer segments.



Audi e-tron: Power consumption combined*: 24.3–21.0 kWh/100km (NEFZ); 26.6–22.4 kWh/100km (WLTP) CO₂-emissions combined*: 0 g/km;
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From the conceptual stage we focus on design-to-cost and aim for high share of carry-over-parts.

COP

~ 90%
entire vehicle



SYNERGIES IN CURRENT PORTFOLIO

SYNERGIES WITH SISTER BRANDS

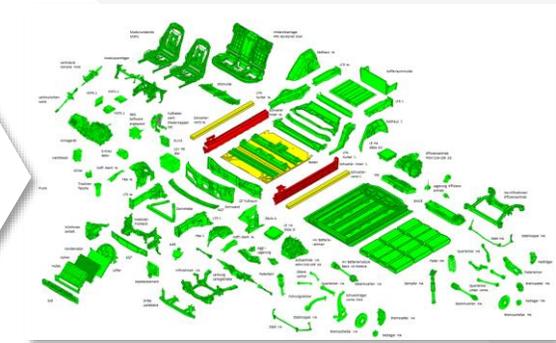
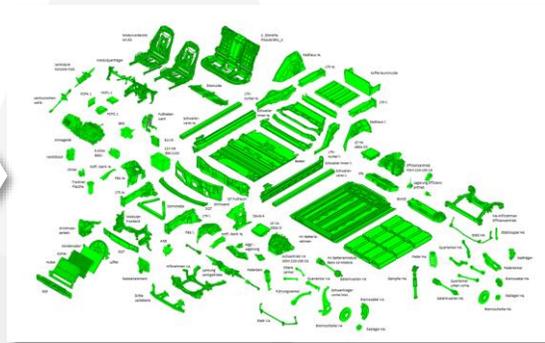
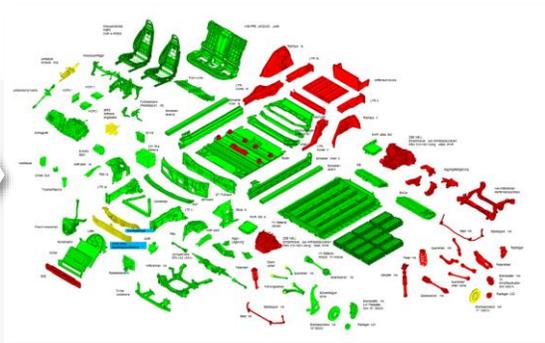
SYNERGIES FOR DERIVATIVES / FOLLOWING PROJECTS

Audi Mid Size SUV
(1st SUV on PPE)

Macan BEV

next Audi SUV Derivative

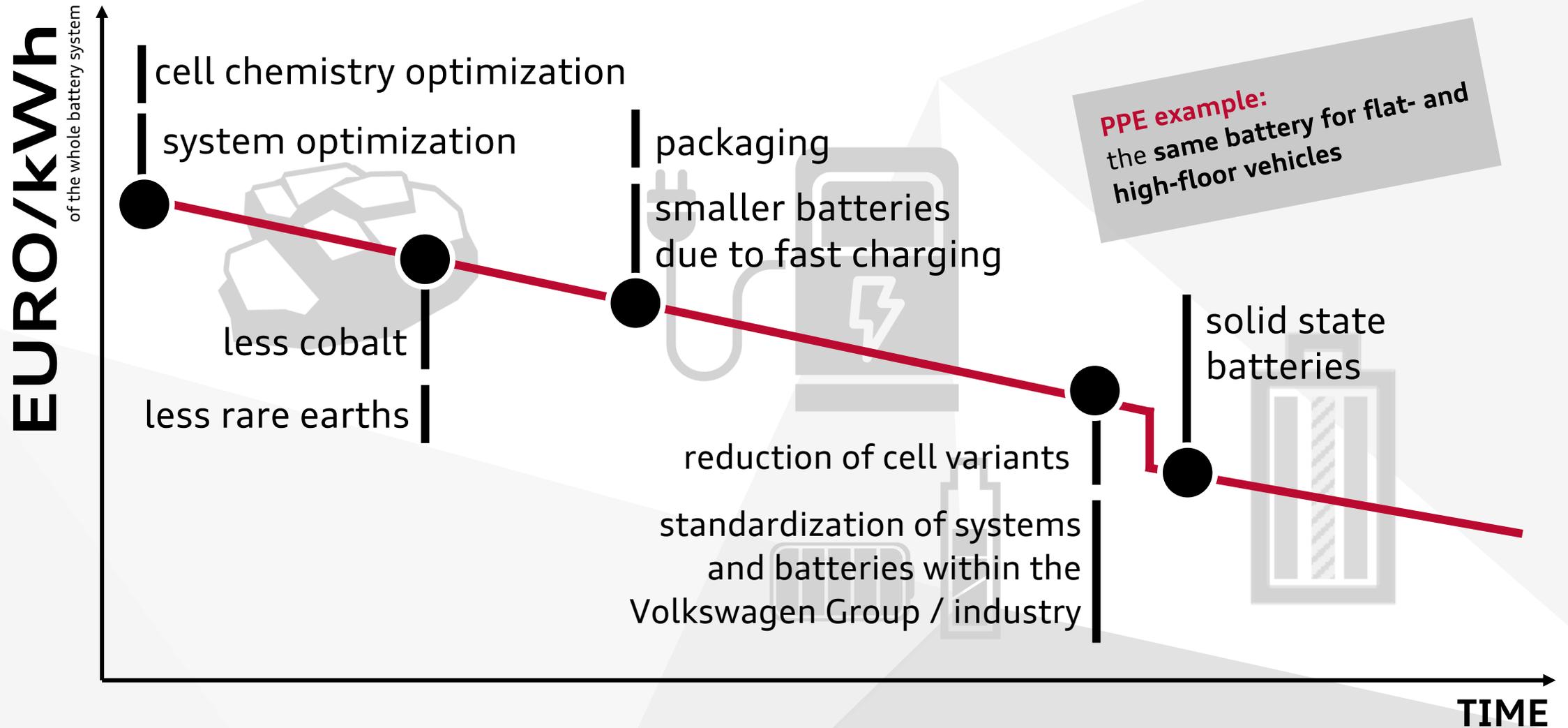
Audi Mid Size SUV
Long Wheel Base



Example: Platform



Reduction in battery costs is pivotal for achieving high BEV profitability.
With the PPE, we reduced complexity and improved battery costs.





Multi-brand factories reduce investment requirements, provide flexibility, as well as optimized processes and logistics networks.

MEB   **SEAT**



Zwickau

6 MODELS

Efficient plant allocation

Flexibility

Investment synergies

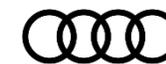
Productivity improvements

Speed up ramp up phase

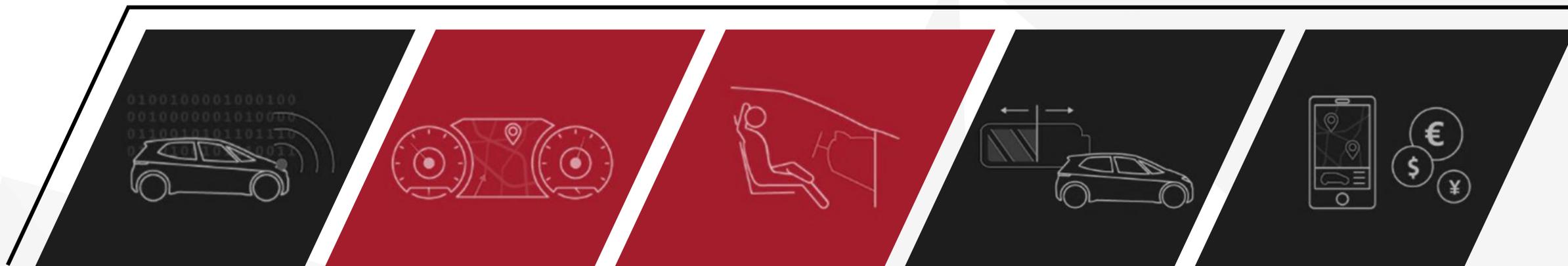
Exploiting benefits of reduced complexity

Infrastructure optimization

Optimized supplier structure



We use group synergies beyond hardware. Car.Software organization centralizes development of car software and digital ecosystems.



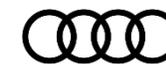
Connected Car & Device Platform

Intelligent Body & Cockpit

Automated Driving

Vehicle Motion & Energy

Digital Business & Mobility Services



**High-end PPE-based vehicles bring functionality to the next level.
Technological edge and high quality enable us to achieve premium pricing.**

