



Audi Investor Relations Conference Call

1-9/2020

October 30th, 2020 | 11:00 CEST



Disclaimer

The following presentations contain forward-looking statements and information on the business development of the Audi Group. These statements may be spoken or written and can be recognized by terms such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “will” or words with similar meaning. These statements are based on assumptions, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. These assumptions relate in particular to the development of the economies of individual countries and markets, the regulatory framework and the development of the automotive industry. Therefore the estimates given involve a degree of risk, and the actual developments may differ from those forecasts. The Audi Group currently faces additional risks and uncertainty related to pending claims and investigations in a number of jurisdictions in connection with findings of irregularities relating to exhaust emissions from diesel engines in certain Audi Group vehicles. The degree to which the Audi Group may be negatively affected by these ongoing claims and investigations remains uncertain. The recent outbreak of COVID-19 (commonly referred to as coronavirus) has negatively impacted and may continue to impact economic and social conditions in some of Audi's primary markets, including China and Europe, as public, private, and government entities implement containment and quarantine measures. The continued spread of COVID-19 may cause shortages of necessary materials and parts from suppliers directly or indirectly affected by the outbreak and may cause operational disruptions and interruptions at Audi's production facilities, leading to significant production downtimes. A negative development relating to ongoing claims or investigations, the continuation of COVID-19, an unexpected fall in demand or economic stagnation in our key sales markets, such as in Western Europe (and especially Germany) or in the USA, Brazil or China, and trade disputes among major trading partners will have a corresponding impact on the development of our business. The same applies in the event of a significant shift in current exchange rates in particular relative to the US dollar, sterling, yen, Brazilian real, Chinese renminbi and Czech koruna. If any of these or other risks occur, or if the assumptions underlying any of these statements prove incorrect, the actual results may significantly differ from those expressed or implied by such statements. We do not update forward-looking statements retrospectively. Such statements are valid on the date of publication and can be superseded. This information does not constitute an offer to exchange or sell or an offer to exchange or buy any securities.



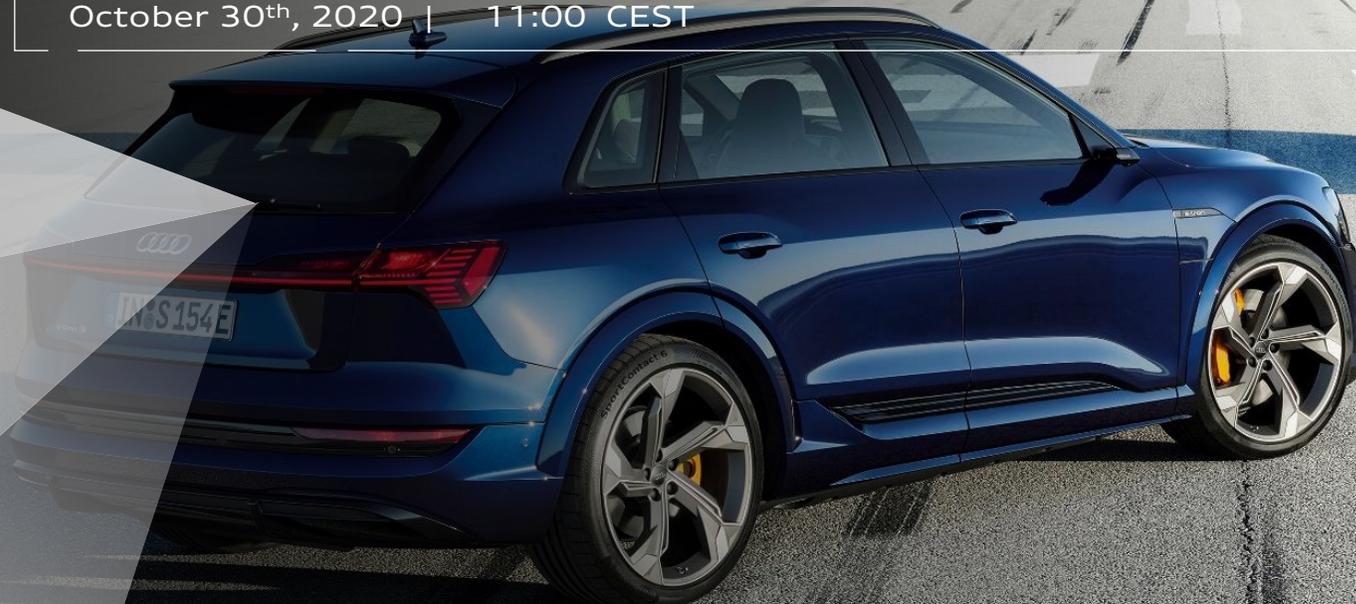
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Hildegard Wortmann

Member of the Board of Management
Sales and Marketing

October 30th, 2020 | 11:00 CEST

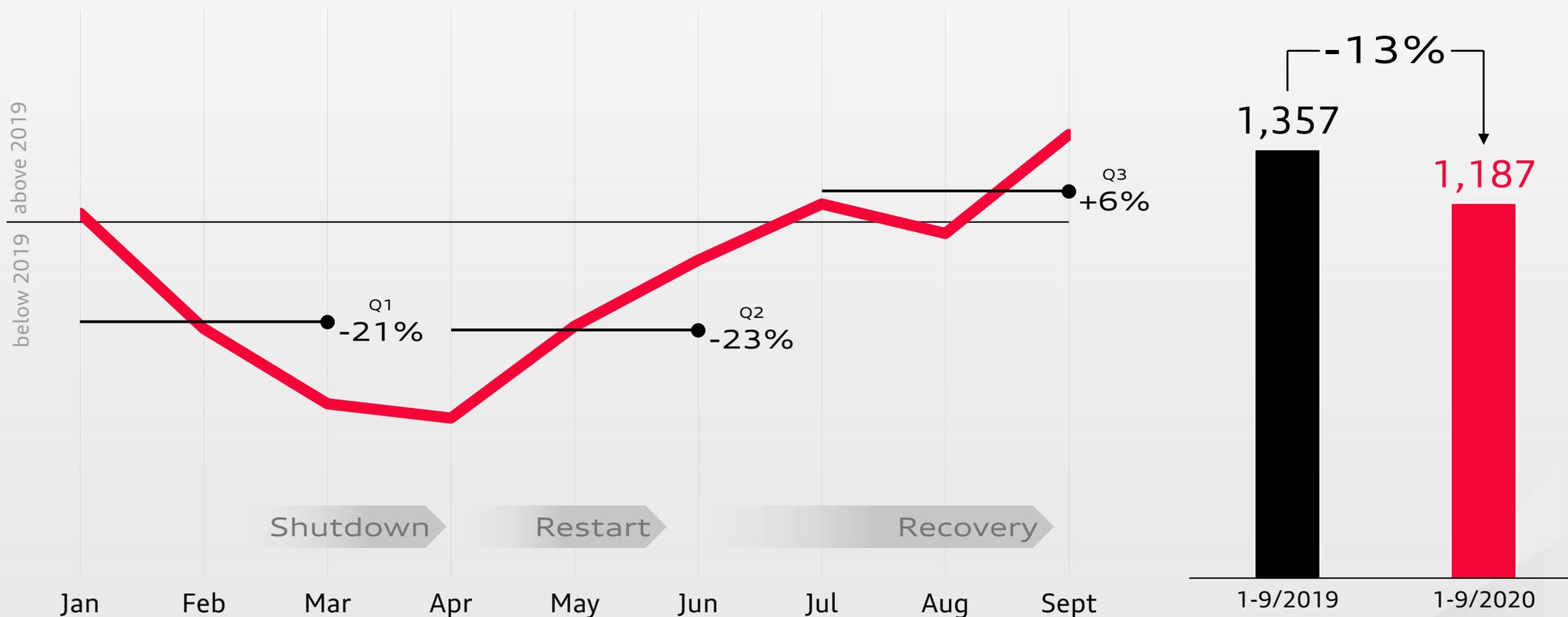


Audi e-tron S: Combined electric power consumption in kWh/100 km: 28.4-26.8 (WLTP); 28,2 (NEDC); Combined CO₂-Emissionen in g/km: 0
Audi e-tron S Sportback: Combined electric power consumption in kWh/100 km: 28.1-26.4 (WLTP); 27.6-27.5 (NEDC); Combined CO₂ emissions in g/km: 0
Information on fuel/power consumption and CO₂ emissions in ranges depending on the chosen equipment level of the car

After the Corona-induced low in April, continuous recovery followed with Q3/2020 sales above prior year figure – thanks to an effective crisis management.

Deliveries to customers

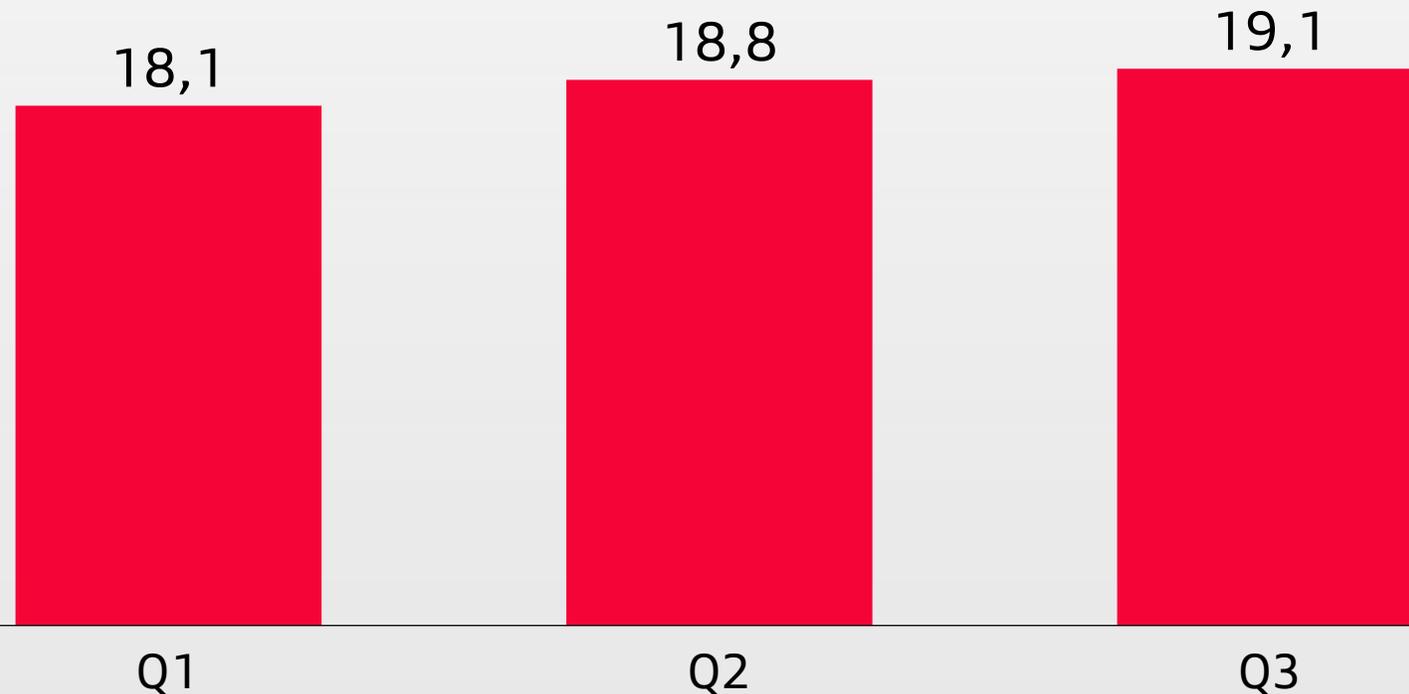
Audi Brand, in k units, 2020, monthly Δ to 2019



During the recovery of the economy Audi's measures proved effective resulting in growing premium market shares.

Audi Premium Market Share¹⁾

worldwide, 2020, quarterly

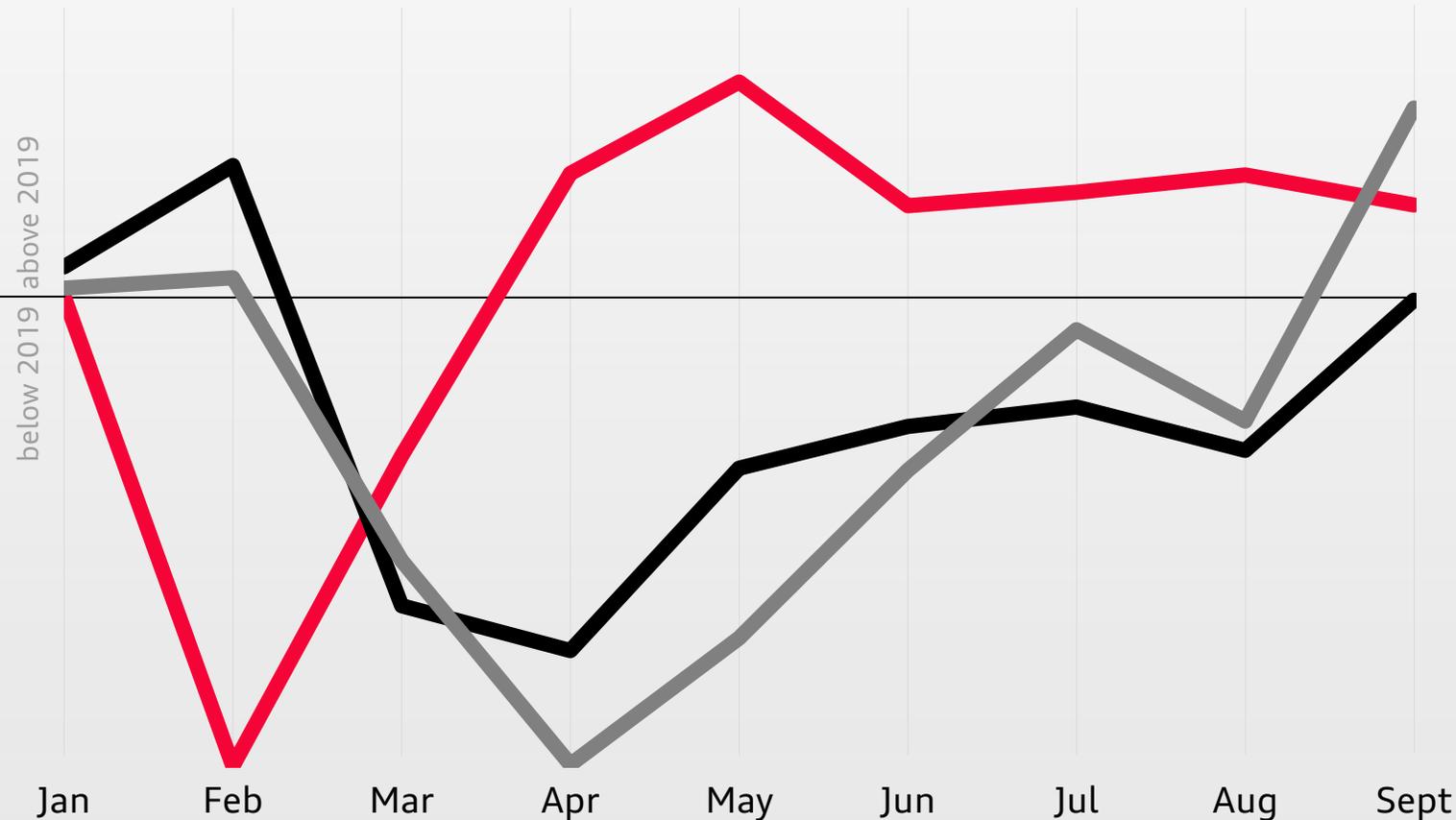


1) Figures on a quarterly basis; Source: MarketInsight / new registrations as of October 29th, 2020

All world regions have recovered since the lockdown: China with the fastest recovery followed by Europe – the US just hit previous year's level in September.

Deliveries to customers

Audi Brand, 2020, monthly/YTD Δ to 2019



YTD

China

incl. Hong Kong

+4%

Europe

-26%

USA

-22%

best selling
German BEV
 worldwide
 in 1-9/2020

>58k
units sold
 since market introduction



+96%
Deliveries to
customers
 1-9/2020 vs. 01-09/2019

Audi e-tron



Audi e-tron GT

concept



Audi e-tron GT

prototype



Audi e-tron GT

prototype



Audi e-tron GT

prototype



Q4 Sportback e-tron

concept



Q4 Sportback e-tron

concept



Q4 Sportback e-tron

concept



Q4 Sportback e-tron

concept

e-tron GT

SHAPING THE BRAND



Q4 e-tron

SCALING E-MOBILITY





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Dr. Arno Antlitz

Member of the Board of Management
Finance and Legal affairs

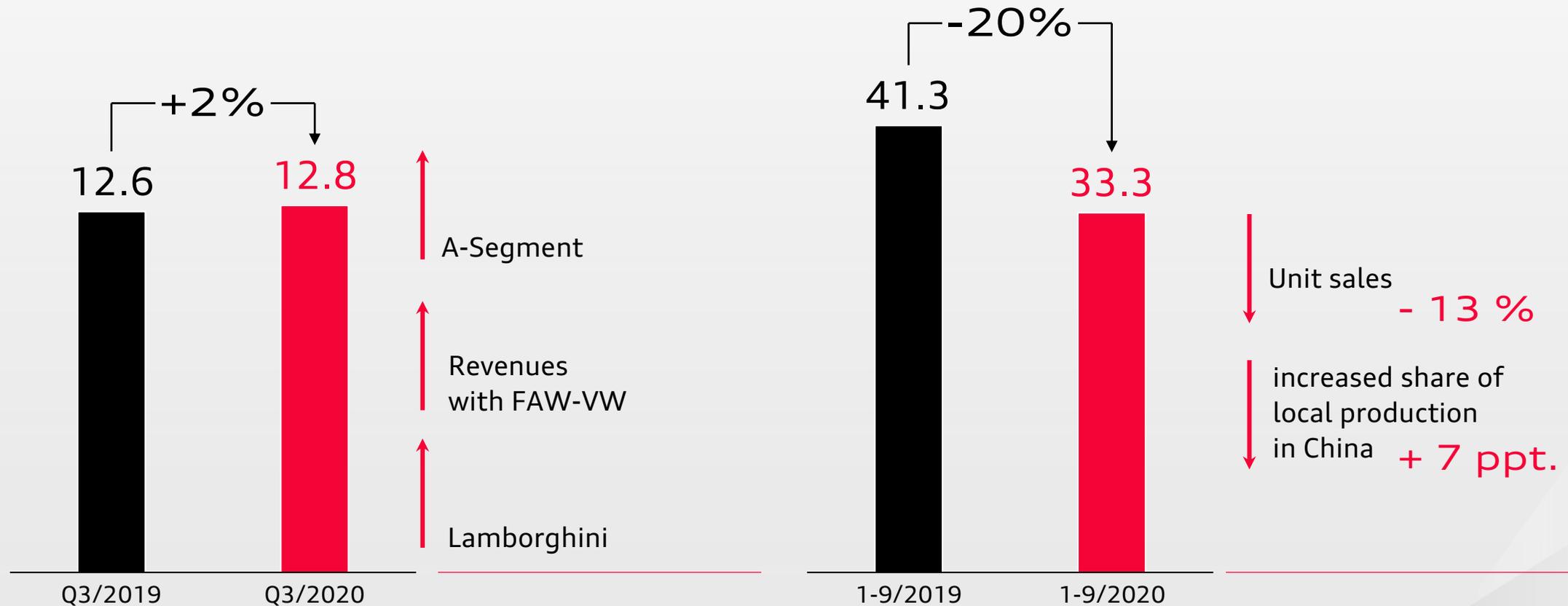
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Thanks to positive volume development Q3 revenues above prior year, contrary effect from changes in regional mix.

Revenues

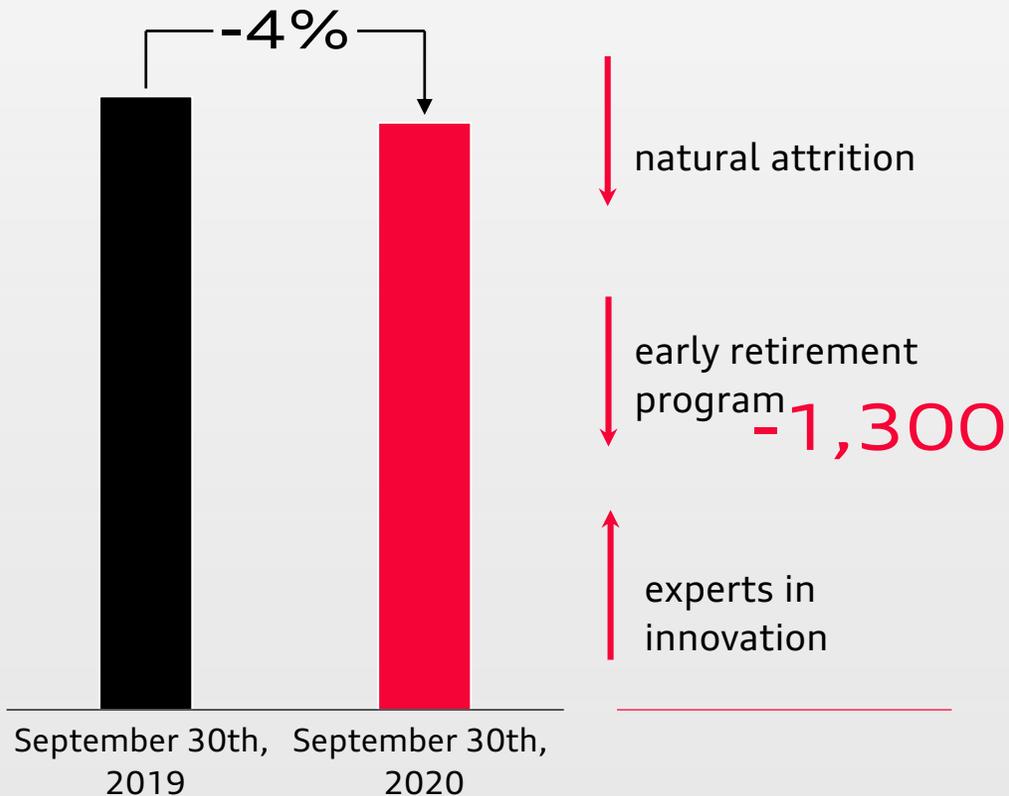
in €bn



ATP and Audi.Zukunft bear fruit: overall headcount reduction and fixed costs decline contribute to operating result.

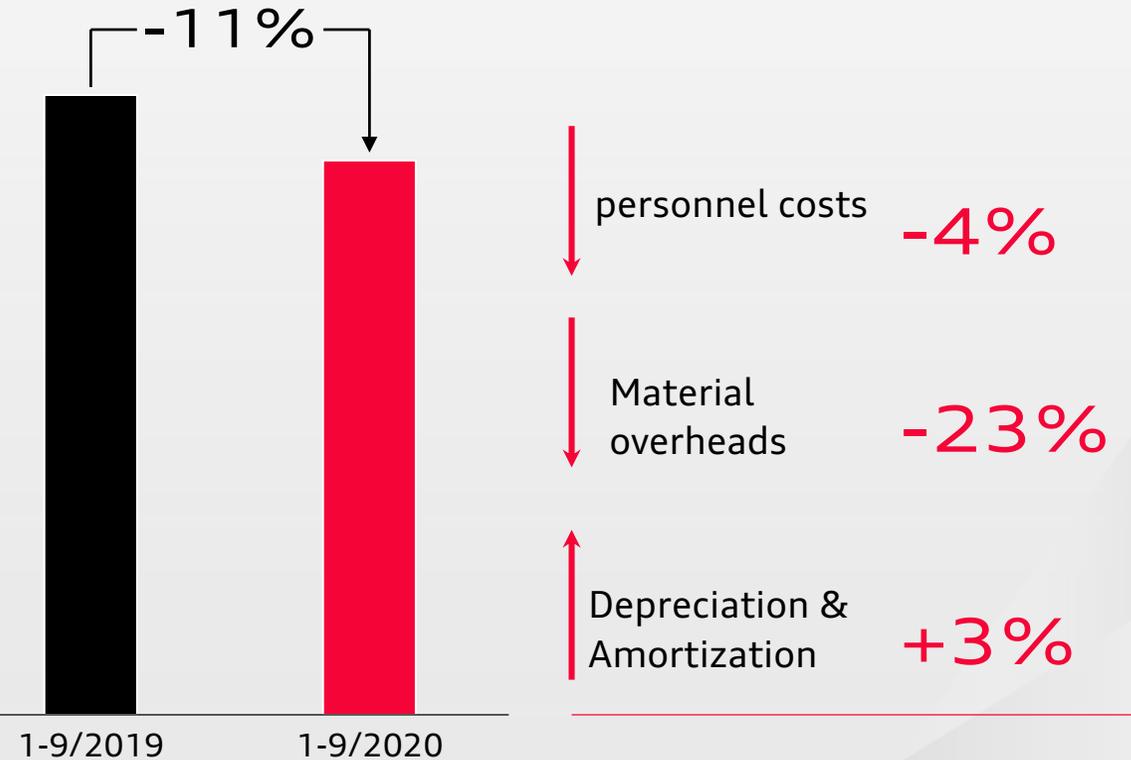
Headcount

Audi Group, in k employees, change in %



Fixed costs

in €bn, change in %

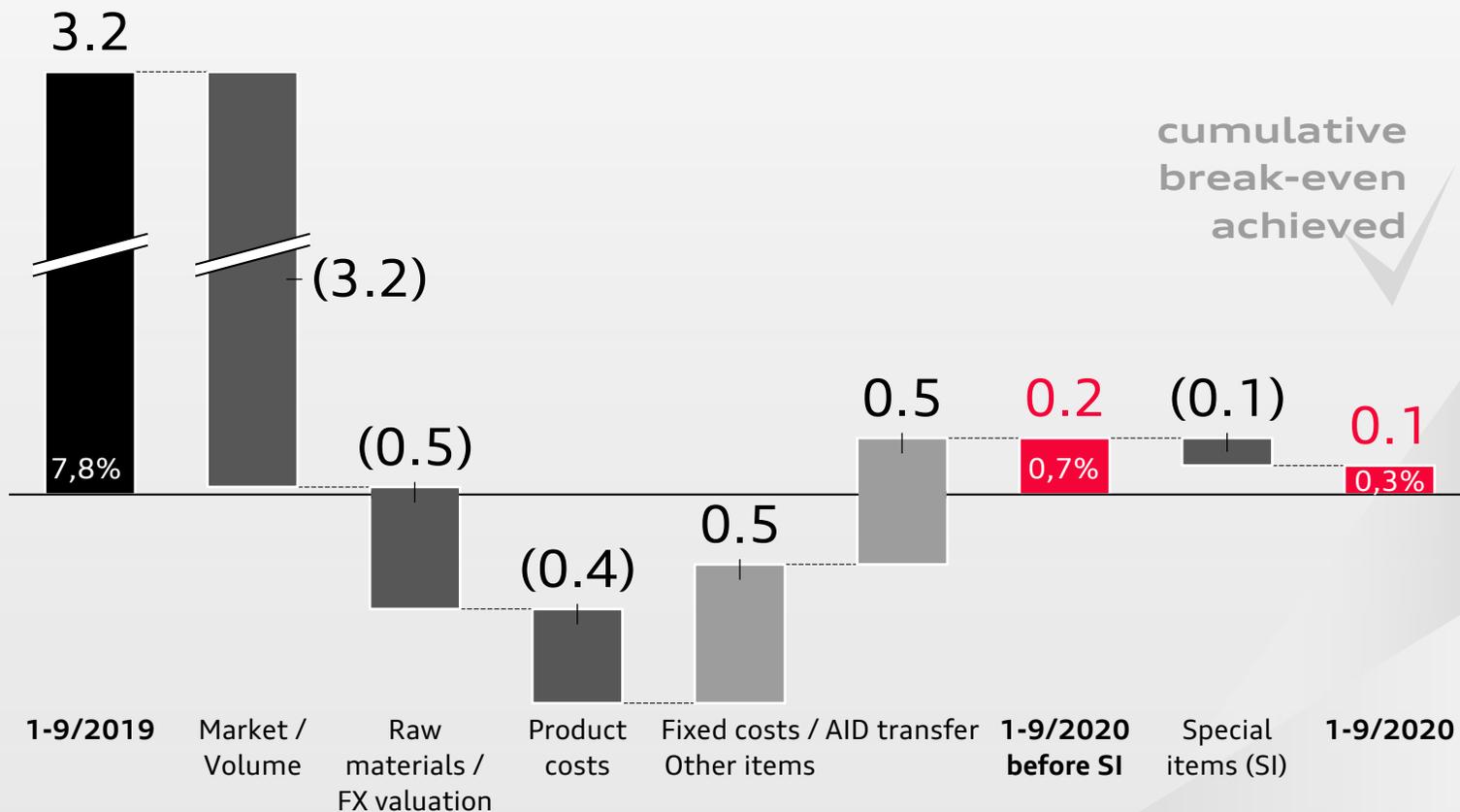
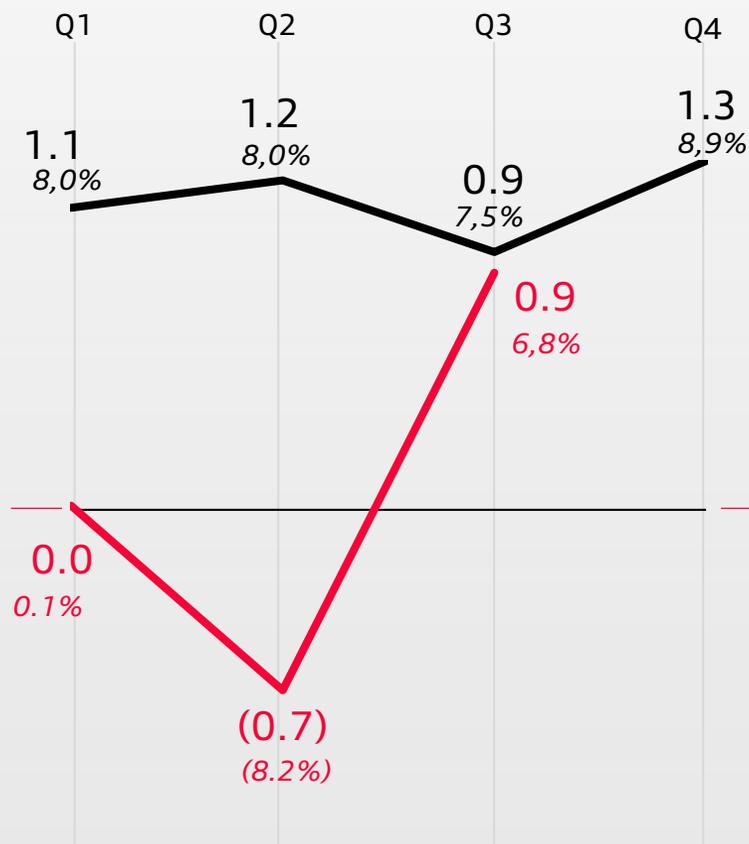


Decline in volumes still burdens operating profit. Thanks to Q3 sales recovery and continuous focus on cost discipline cumulative break-even achieved.

Operating Profit

in €bn, Operating Margin in %¹⁾

● 2019 ● 2020 before SI²⁾



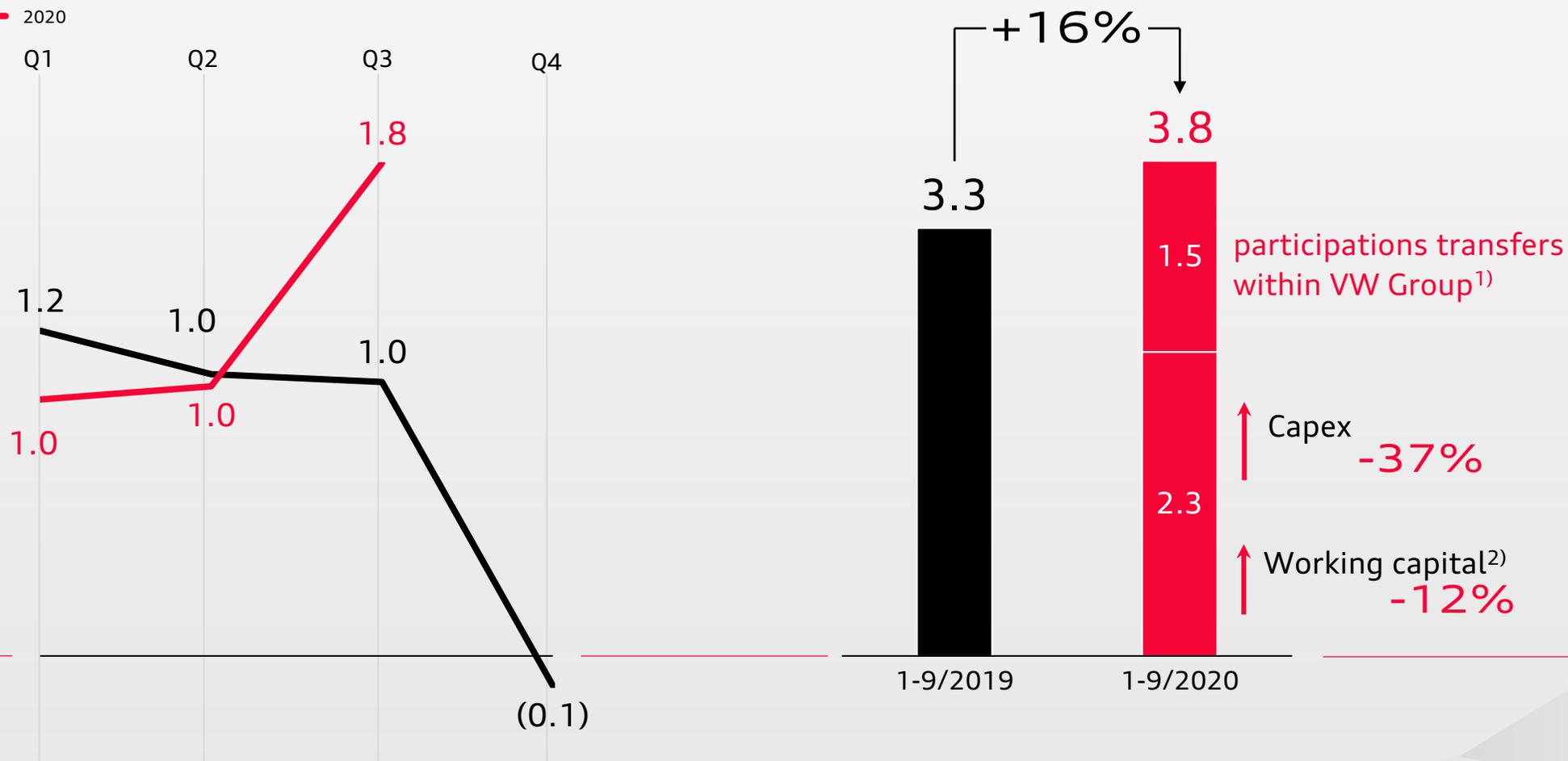
¹⁾ All figures are rounded off, which may lead to minor deviations when added up; ²⁾ before diesel-related special items

Net Cash flow supported by transfer of participations within Volkswagen Group as well as working capital and investment discipline.

Net Cash Flow

in €bn

• 2019 • 2020

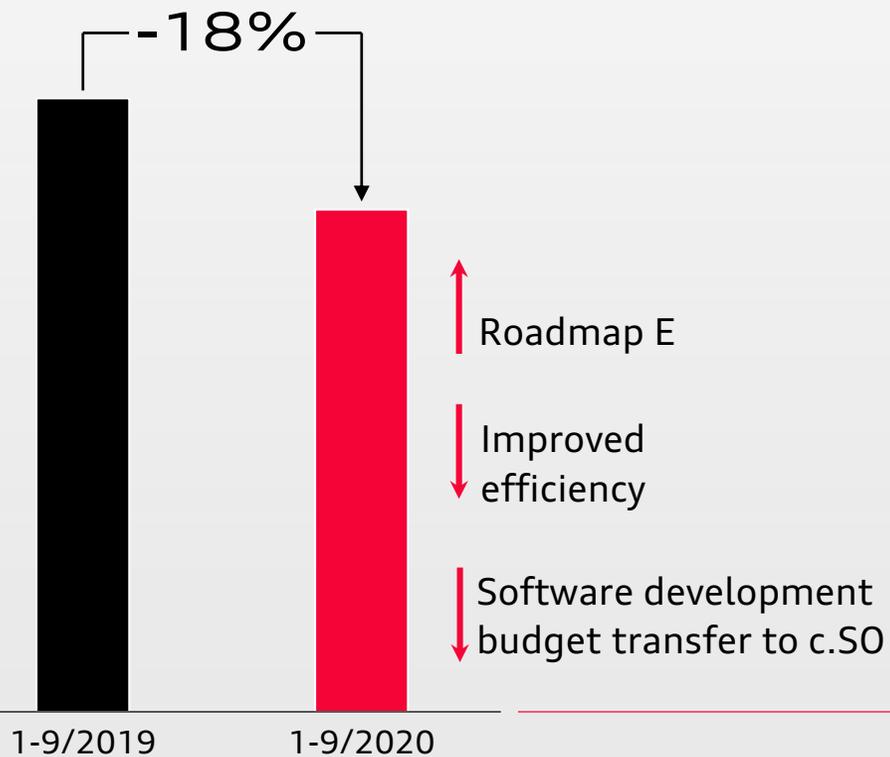


¹⁾ transfer of participations in Audi Electronics Venture GmbH, Autonomous Intelligent Driving GmbH, as well as transfer of 4% of economic value of FAW-Volkswagen Automotive Company, Ltd. ²⁾ Δ to September 30th, 2019

Focus and prioritization drive reduction in R&D and Capex – no compromises are made with regard to future product substance.

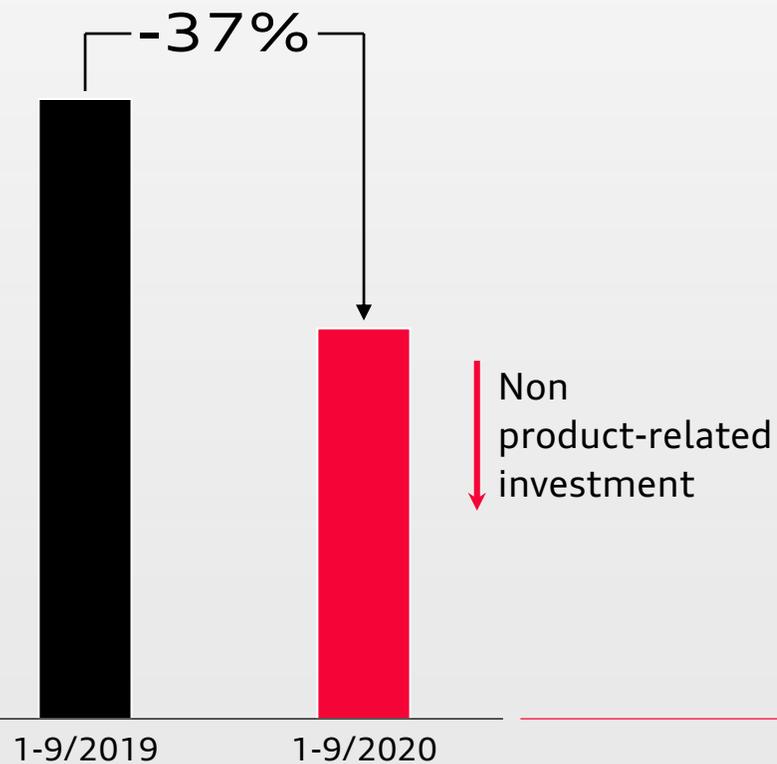
Cash R&D

in €bn



Capex

in €bn



FY 2020: Net Cash Flow at prior year level, Operating Profit significantly below prior year, but clearly positive – provided no major lockdowns due to Covid-19.



Deliveries to Customers

Audi brand, in k units

1,812

1,846

2018

2019

significantly below
prior year level

2020



Revenues

Audi Group, in €bn

53.6

55.7

2018¹⁾

2019

significantly below
prior year level

2020



Operating Profit²⁾

Audi Group, in €bn, RoS in %

4.7

4.5

8.8%

8.1%

2018¹⁾

2019

substantially below prior
year, but clearly positive

2020



Net Cash Flow

Audi Group, in €m

2,141

3,160

2018

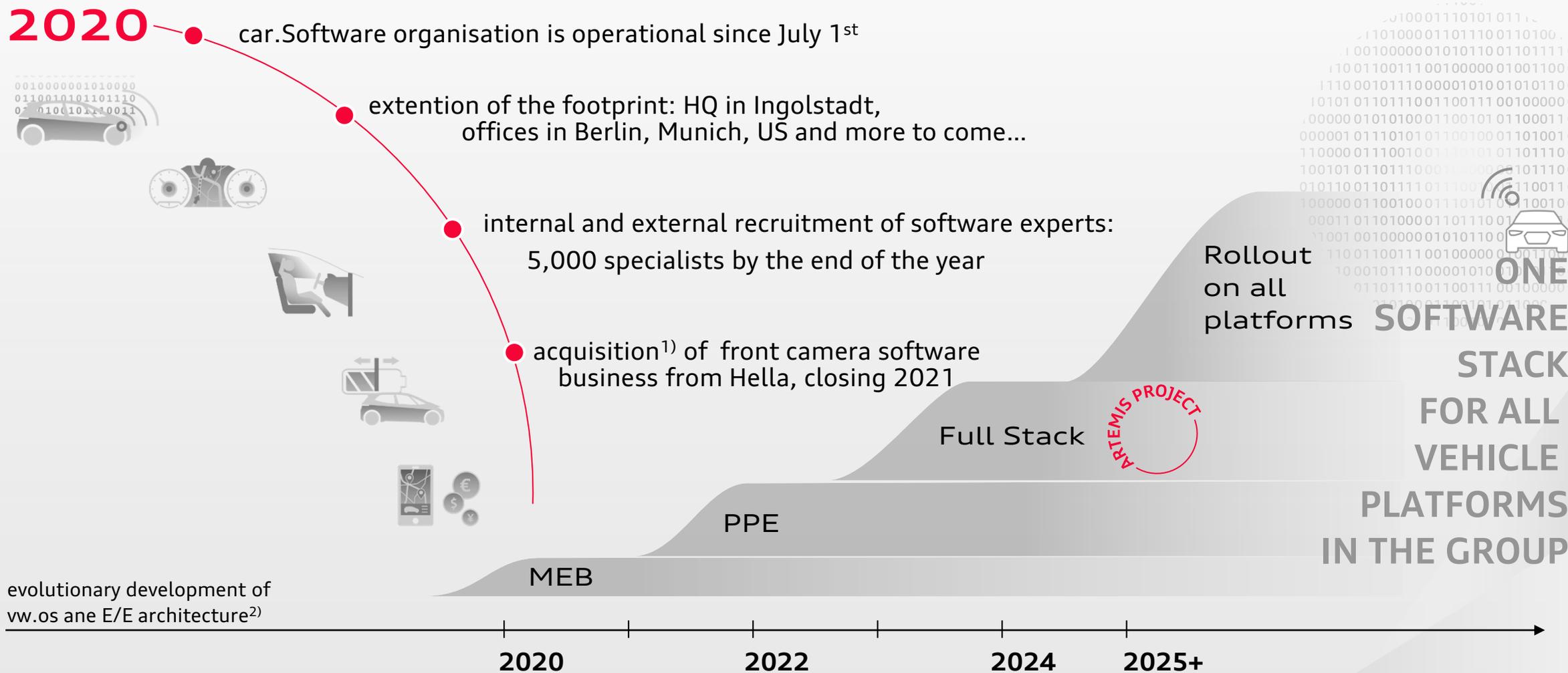
2019

at prior year level

2020

¹⁾ 2018 Sales and Return on Sales adjusted for deconsolidation of multi-brand national sales companies for comparability; ²⁾ before mainly diesel-related special items;

car.Software organisation has completed first steps building up expertise to increase the share of in-house software development.



¹⁾ subject to approval by the anti-trust authorities, closing H1 2021; ²⁾ illustrative timescale

2021 MEB-based Q4 e-tron will bring scale into the electrification roadmap, combining premium product substance with synergy advantages.

MLBevo



J1



MEB ~20m vehicles by 2029¹⁾



PPE ~6m vehicles by 2029¹⁾



D

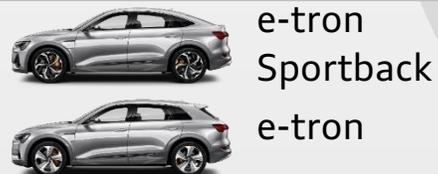
coming next year



more to come...



C



flat-floor sedan



B

more to come...

mid-size SUV



A

coming next year



SEGMENT

1) across all brands of the VW Group

CFO

Agenda

- product transformation
- synergies
- digitalization
- brand
- cost structure & efficiency
- integrity & values



Audi e-tron S: Combined electric power consumption in kWh/100 km: 28.4-26.8 (WLTP); 28,2 (NEDC); Combined CO2-Emissionen in g/km: 0
Information on fuel/power consumption and CO2 emissions in ranges depending on the chosen equipment level of the car.

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

We are currently still required by law to state the NEDC figures. In the case of new vehicles which have been type-approved according to the WLTP, the NEDC figures are derived from the WLTP data. It is possible to specify the WLTP figures voluntarily in addition until such time as this is required by law. In cases where the NEDC figures are specified as value ranges, these do not refer to a particular individual vehicle and do not constitute part of the sales offering.

They are intended exclusively as a means of comparison between different vehicle types. Additional equipment and accessories (e.g. add-on parts, different tyre formats, etc.) may change the relevant vehicle parameters, such as weight, rolling resistance and aerodynamics, and, in conjunction with weather and traffic conditions and individual driving style, may affect fuel consumption, electrical power consumption, CO₂ emissions and the performance figures for the vehicle.

For further information on the official fuel consumption and official specific CO₂ emissions of new cars, please refer to the "Guide to the fuel and energy consumption and CO₂ emissions of new cars", which is available free of charge at all points of sale and from Deutsche Automobil Treuhand GmbH, Hellmuth-Hirth-Str. 1, D-73760 Ostfildern or under www.dat.de.

Die angegebenen Verbrauchs- und Emissionswerte wurden nach den gesetzlich vorgeschriebenen Messverfahren ermittelt. Seit dem 1. September 2017 werden bestimmte Neuwagen bereits nach dem weltweit harmonisierten Prüfverfahren für Personenwagen und leichte Nutzfahrzeuge (Worldwide Harmonized Light Vehicles Test Procedure, WLTP), einem realistischeren Prüfverfahren zur Messung des Kraftstoffverbrauchs und der CO₂-Emissionen, typgenehmigt. Ab dem 1. September 2018 wird der WLTP schrittweise den neuen europäischen Fahrzyklus (NEFZ) ersetzen. Wegen der realistischeren Prüfbedingungen sind die nach dem WLTP gemessenen Kraftstoffverbrauchs- und CO₂-Emissionswerte in vielen Fällen höher als die nach dem NEFZ gemessenen. Dadurch können sich ab 1. September 2018 bei der Fahrzeugbesteuerung entsprechende Änderungen ergeben. Weitere Informationen zu den Unterschieden zwischen WLTP und NEFZ finden Sie unter www.audi.de/wltp.

Aktuell sind noch die NEFZ-Werte verpflichtend zu kommunizieren. Soweit es sich um Neuwagen handelt, die nach WLTP typgenehmigt sind, werden die NEFZ-Werte von den WLTP-Werten abgeleitet. Die zusätzliche Angabe der WLTP-Werte kann bis zu deren verpflichtender Verwendung freiwillig erfolgen. Soweit die NEFZ-Werte als Spannen angegeben werden, beziehen sie sich nicht auf ein einzelnes, individuelles Fahrzeug und sind nicht Bestandteil des Angebotes. Sie dienen allein Vergleichszwecken zwischen den verschiedenen Fahrzeugtypen. Zusatzausstattungen und Zubehör (Anbauteile, Reifenformat usw.) können relevante Fahrzeugparameter, wie z. B. Gewicht, Rollwiderstand und Aerodynamik verändern und neben Witterungs- und Verkehrsbedingungen sowie dem individuellen Fahrverhalten den Kraftstoffverbrauch, den Stromverbrauch, die CO₂-Emissionen und die Fahrleistungswerte eines Fahrzeugs beeinflussen.

Weitere Informationen zum offiziellen Kraftstoffverbrauch und den offiziellen spezifischen CO₂-Emissionen neuer Personenkraftwagen können dem „Leitfaden über den Kraftstoffverbrauch, die CO₂-Emissionen und den Stromverbrauch neuer Personenkraftwagen“ entnommen werden, der an allen Verkaufsstellen und bei der DAT Deutsche Automobil Treuhand GmbH, Hellmuth-Hirth-Str. 1, D-73760 Ostfildern oder unter www.dat.de unentgeltlich erhältlich ist.