



Corporate Communications

Andrea Baldus
Spokeswoman Finance and Legal Affairs
Phone: +49 841 89 41427
E-mail: andrea.baldus@audi.de
www.audi-mediacyber.com

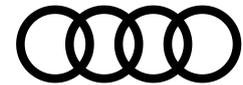
On track: Audi Group achieves breakeven thanks to strong third quarter

- **Strong third quarter: deliveries and revenue up year-on-year, operating profit clearly positive**
- **First nine months: 1.2 million Audi brand vehicles delivered, revenue of €33.3 billion, operating profit before special items of €221 million and operating return on sales before special items of 0.7 percent**
- **Net cash flow of €3.8 billion significantly above high prior-year figure despite corona crisis, partially due to one-time effects**
- **CFO Arno Antlitz: “In the corona crisis, Audi is proving its resilience and thus maintaining its financial scope to continue investing in future fields such as electrification and digitalization.”**

Ingolstadt, October 30, 2020 – A noticeable recovery in the markets and a stabilization of business operations: After a very challenging first half of the year against the backdrop of the corona pandemic, the Audi Group is now catching up operationally and financially. Deliveries and revenue in the third quarter were both higher than in the prior-year period and operating profit is clearly positive. On a cumulative basis, the company has achieved breakeven in terms of operating profit and confirmed its ability to generate cash.

“In an economically difficult environment, we succeeded in lifting our operating business in the third quarter close to the level of recent years again. Audi is thus proving its resilience in the corona crisis and is maintaining its financial scope to continue investing in future fields such as electrification and digitalization,” says Arno Antlitz, Member of the Audi Board of Management for Finance and Legal Affairs.

Thanks to a sharp rise in demand since the middle of the year, the **Audi brand’s cumulative deliveries** of 1,187,190 vehicles in the first nine months (1,357,102) developed significantly better than the overall market, which contracted by 20.2 percent. Deliveries in China actually rose by 4.4 percent. Against the backdrop of the economic recovery in key markets, the company delivered approximately 30,000 or 6.4 percent more vehicles in the third quarter than in the prior-year period. Demand for Audi models in China rose significantly by 17.8 percent in the third quarter; deliveries in Europe remained at the previous year’s level, while sales in the US market rose from a still-low level.



Due to the negative impact of the corona pandemic on markets and sales, **revenue** amounted to €33,264 million in the first nine months of the year (€41,332 million). Positive factors were the good sales performance of individual models such as the all-electric Audi e-tron and, against the backdrop of strong business in China, higher revenue from the supply of parts kits for local production. The positive market trend in the third quarter is also reflected by a 1.7 percent increase in revenue compared with the same quarter of the previous year to €12,788 million (€12,571 million).

With an **operating profit** of €114 million for the first nine months (€3,239 million), the Audi Group clearly exceeded the breakeven point following the pandemic-related losses in the first half of the year. The **operating return on sales** was 0.3 percent (7.8 percent). Adjusted for special items of minus €108 million related to the diesel issue, operating profit amounted to €221 million and the adjusted operating return on sales was 0.7 percent. In the successful third quarter, the company posted an operating profit of €864 million (€938 million) and an operating return on sales of 6.8 percent (7.5 percent).

The Audi Group's **financial result** increased significantly to €1,089 million (€429 million) due to the sale of HERE shares to new partners at THERE Holding B.V. Rijwijk (Netherlands) and the disposal of a subsidiary within the Volkswagen Group. Financial result also reflects higher net interest income and the strong business in China. **Profit before taxes** of €1,117 million in the third quarter was above the previous year's figure (€1,088 million) and was €1,202 million in the first nine months (€3,668 million).

Despite lower earnings due to the pandemic, the Audi Group generated a **net cash flow** of €3,783 million, above the high level of the prior-year period (€3,271 million). In addition to the targeted reduction of inventories, particularly in the second quarter, and cash inflows from the sale of investments, strict cost discipline and significant savings on non-vehicle-related investments also contributed to the net cash flow. Antlitz: "We take future-oriented decisions on where to invest and what to leave out. We are not cutting back at all on strategically important projects, on our product portfolio and especially on our electric roadmap."

The Audi Group is now cautiously optimistic about the rest of the year, but it is hardly possible to estimate the impact of the second wave of the corona pandemic reliably. Subject to this development, the company expects the positive delivery trend to continue in the fourth quarter. Audi deliveries and Audi Group revenue in the full year are likely to be significantly below the respective prior-year figures. Operating profit is expected to be substantially lower than in 2019, but clearly positive. The Audi Group is now forecasting a net cash flow at the previous year's level.

[Link to video statement CFO Arno Antlitz](#)

[Link to Third Quarter Report. January 1 to September 30. 2020](#)

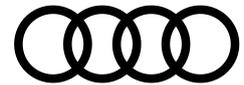


Selected key figures for the Audi Group

	Jan - Sep 2020	Jan - Sep. 2019
Car deliveries Audi brand	1,187,190	1,357,102
Revenue Audi Group in EUR million	33,264	41,332
Operating profit Audi Group in EUR million	114	3,239
Operating return on sales Audi Group in percent	0.3	7.8
Operating profit before special items Audi Group in EUR million	221	3,239
Operating return on sales before special items Audi Group in percent	0.7	7.8
Net cash flow Audi Group in EUR million	3,783	3,271

Audi brand deliveries to customers

	Jan - Sep 2020	Jan - Sep 2019	Difference year on year
World	1,187,190	1,357,102	-12.5 %
Europe	440,832	595,132	-25.9 %
- Germany	153,196	215,515	-28.9 %
- UK	80,477	113,336	-29.0 %
- France	30,478	42,346	-28.0 %
- Italy	35,053	47,811	-26.7 %
- Spain	27,032	39,589	-31.7 %
USA	124,103	158,471	-21.7 %
Mexico	6,451	8,895	-27.5 %
Brazil	4,482	5,796	-22.7 %
Mainland China and Hong Kong	512,891	491,040	+4.4 %



The Audi Group, with its brands Audi, Ducati and Lamborghini, is one of the most successful manufacturers of automobiles and motorcycles in the premium segment. It is present in more than 100 markets worldwide and produces at 16 locations in 11 countries. 100 percent subsidiaries of AUDI AG include Audi Sport GmbH (Neckarsulm), Automobili Lamborghini S.p.A. (Sant'Agata Bolognese, Italy) and Ducati Motor Holding S.p.A. (Bologna, Italy).

In 2019, the Audi Group delivered to customers about 1.845 million automobiles of the Audi brand, 8,205 sports cars of the Lamborghini brand and 53,183 motorcycles of the Ducati brand. In the 2019 fiscal year, AUDI AG achieved total revenue of €55.7 billion and an operating profit before special items of €4.5 billion. At present, approximately 90,000 people work for the company all over the world, 60,000 of them in Germany. Audi focuses on sustainable products and technologies for the future of mobility.
