



Corporate Communications

Oliver Scharfenberg

Spokesman Finance and IT

Telephone: +49 841 89 35430

E-mail: oliver.scharfenberg@audi.de

www.audi-mediacycenter.com

Audi Group posts robust first-quarter results

- **First-quarter results influenced by currency effects, high advance expenditure and special reporting items**
- **CFO Axel Strotbek: “We achieved an operating return on sales within our strategic target corridor in a challenging quarter”**
- **Audi to maintain its high level of advance expenditure for products, technologies and manufacturing structures**

Ingolstadt, June 1, 2016 – The Audi Group has reported a successful first quarter of 2016 despite challenging conditions. In the first three months of this year, it generated revenue of €14,511 million. Operating profit for the period amounts to €1,202 million and includes negative special items totaling €100 million. The operating return on sales of 8.3 percent is within the strategic target corridor of eight to ten percent despite the special items.

From January through March, the premium manufacturer delivered 455,754 automobiles of the Audi brand to its customers, which is four percent more than in the first quarter of last year (Q1 2015: 438,171). Revenue of €14,511 million was one percent lower than in the prior-year period (Q1 2015: €14,651 million), primarily due to disadvantageous exchange-rate effects and intense competition in some markets.

Operating profit of €1,202 million (Q1 2015: €1,422 million) includes negative special items in connection with potentially defective Takata airbags. Audi is cooperating with the US National Highway Traffic Safety Administration (NHTSA) in order to clarify the extent to which additional Audi automobiles might have to be recalled in the United States. Audi recognized a provision of €100 million for that eventuality in the first quarter. Excluding special items, the Audi Group achieved operating profit of €1,302 million (Q1 2015: €1,422 million) and an operating return on sales of 9.0 percent (Q1 2015: 9.7 percent).

“Besides exchange-rate movements and special items, operating profit also reflects our high advance expenditure,” stated Axel Strotbek, Board of Management Member for Finance and IT at AUDI AG. “Nonetheless, our operating return on sales is within



our strategic target corridor of eight to ten percent.” This year, Audi is setting the course for its future in many important fields: With the Q2, the brand is launching a completely new model, it is putting its plant in Mexico into operation and is launching its successful Q7 and A4 models in important foreign markets. The Audi Group plans capital expenditure of more than €3 billion this year.

The Audi Group’s profit before tax for the first quarter of 2016 amounts to €959 million (Q1 2015: €1,497 million) and its return on sales before tax is 6.6 percent (Q1 2015: 10.2 percent). The change compared with the prior-year period is primarily due to market-related valuation effects from currency-hedging transactions.

The Audi Group’s targets for the full year continue to apply. For 2016, a moderate increase in deliveries of Audi vehicles is anticipated. Depending on economic conditions and exchange-rate developments, the premium manufacturer also expects moderate revenue growth.

Audi anticipates a continuation of intense competition in some key markets. Another factor is the technological shift in the automotive industry towards alternative drive concepts and increased digitization. Nonetheless, Audi once again aims for an operating return on sales within its strategic target corridor of eight to ten percent.

“We make sure we achieve our profitability targets by means of consistent cost management. This gives us the financial scope for our path of investment and innovation,” stated Strotbek. With the coming generation of the A8, Audi is putting piloted driving on the market for the first time. And in 2018, the brand will launch its first fully electric car in a large series.

– End –

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 twelve countries. In the second half of 2016, Audi will start production of the Q5 in San José Chiapa (Mexico). 100-percent subsidiaries of AUDI AG include quattro GmbH (Neckarsulm), Automobili Lamborghini S.p.A. (Sant’Agata Bolognese, Italy) and Ducati Motor Holding S.p.A. (Bologna, Italy).

In 2015, the Audi Group delivered to customers approximately 1.8 million automobiles of the Audi brand, 3,245 sports cars of the Lamborghini brand and about 54,800 motorcycles of the Ducati brand. In the 2014 financial year, the Audi Group achieved total revenue of €53.8 billion and an operating profit of €5.15 billion. At present, approximately 85,000 people work for the company all over the world, about 60,000 of them in Germany. Audi focuses on new products and sustainable technologies for the future of mobility.