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Audi Group: Best result in corporate history

- Cross reference: Picture is available via epa european pressphoto agency and can be downloaded free of charge at: http://www.presseportal.de/pm/6730/audi_ag/?keygroup=bild -

- **A total of 1,092,411 Audi brand automobiles delivered during the 2010 fiscal year; €35.4 billion in revenue, €3.34 billion operating profit; operating return on sales of 9.4 percent**
- **Audi CEO Rupert Stadler: "Audi is growing profitably and across the board."**
- **Cash flow from operating activities significantly higher than previous year at €5,797 million (4,119 million)**
- **Highest employee profit-sharing payment in history: average of €6,513 for each pay-scale employee**
- **Outlook for 2011: more than 1.2 million deliveries of Audi brand automobiles planned**
- **Audi CFO Axel Strotbek: "We want to grow sustainably and are targeting an operating return on sales at the same high level as the previous year."**

Ingolstadt, March 8, 2011 – The Audi Group has concluded the 2010 fiscal year with a record result. "The operating profit of €3.34 billion shows how profitable Audi is. We are growing not only in China, but in many regions around the world. The Audi brand has outpaced the growth of the overall market, especially in the United States," said Rupert Stadler, Chairman of the Board of



Management of AUDI AG. "We've started the year off well and we're targeting more than 1.2 million deliveries to customers for the total year," Stadler said.



For Audi, 2010 was the best year for sales in the Company's history. Deliveries of Audi brand automobiles on worldwide markets rose last year by 15 percent to 1,092,411. Revenue rose during the 2010 financial year by a disproportionately high rate to €35,441 million (29,840 million)* – an increase of 18.8 percent.

The Audi Group significantly increased its operating profit by 108.2 percent to €3,340 million (1,604 million). The profit before tax, at €3,634 million (1,928 million) was 88.5 percent above that of the previous year. Profit after tax rose by 95.2 percent to €2,630 million (1,347 million).

The Company increased its operating return on sales to 9.4 percent (5.4 percent). Return on investment also reached a new peak, at 24.7 percent (11.5 percent).

Net liquidity increased by 25.5 percent to €13,383 million (10,665 million).

The successful performance of the Audi Group was particularly due to a multitude of new product launches in the past year: the new models range, among others, from the flagship A8 to the A7 Sportback and the Audi A1 – the first Audi premium car in the subcompact segment.

"These new record levels for all key financial indicators underscore the high competitiveness of the Audi brand," said Axel Strotbek, Board Member for Finance and Organization at AUDI AG.

"But we also continue to face major challenges such as the growing volatility of the most important currencies and increasing fluctuation in raw materials prices. We are safeguarded, however. For this reason, the Audi Group is well equipped to build upon the success of 2010," Strotbek said.

Record results for deliveries in more than 40 markets



In the past year Audi handed over 1,092,411 (949,729) automobiles to its customers worldwide. Sales thus rose 15.0 percent compared with the previous year. Deliveries in the Asia-Pacific sales region developed favorably. The brand with the four rings also grew in Western Europe (including Germany), and especially in the United States.

In Germany, in contrast to the significantly declining overall market, deliveries of Audi cars rose slightly to 229,157 (228,844, up 0.1 percent).

In Western Europe (including Germany) Audi outpaced the overall market with 611,905 deliveries to customers (588,309, up 4.0 percent) and confirmed its leadership in the premium segment. In the United Kingdom, the second-largest market in the region behind Germany, deliveries rose to 99,705 cars (90,513, up 10.2 percent). Deliveries in France climbed to 52,520 cars (48,010, up 9.4 percent).

In Italy, Audi sold 60,337 automobiles (57,204, up 5.5 percent).

With 227,938 deliveries (158,941, up 43.4 percent) the brand with the four rings remained the market leader in the premium segment in China (including Hong Kong) by a wide margin in 2010.

The market performance in India, where Audi started up CKD assembly operations in September 2007, was also very positive. Deliveries rose here by 81.1 percent to 3,003 (1,658) automobiles. Audi currently produces its A4, A6 and Q5 models at its Aurangabad site. The Ingolstadt-based company is systematically expanding the sales and dealer network in the region and will be increasing the number of dealers from the current 13 to 18 by the end of the year.

The brand with the four rings significantly outpaced the growth of the overall market in the United States, and with 101,629 deliveries (82,716, up 22.9 percent), achieved record earnings. The Company's market share of the premium market (Import High Group) grew to 8.6 (7.9) percent.



Deliveries of Lamborghini sports cars, at 1,302 (1,515) units, did not reach the level of the previous year. The decline can be attributed primarily to the end of production of the Murciélago model line in May of last year. The Company presented the successor to that model at the Geneva Auto Show. The Aventador will celebrate its market launch in a few months.

Production significantly increased in 2010

The Audi Group considerably expanded production in response to the high demand. In 2010, 1,150,018 cars (including Lamborghini) left the production halls, 23.4 percent more than during the previous year (932,260). Engine production saw an increase of more than 19 percent, to 1,648,193 (1,384,240) units.

New hires total 1,200; largest investment program in company history

The Audi Group plans to invest more than €11 billion between 2011 and 2015 – with about €9.5 billion going to the development of new products and to hybrid and electromobility. More than €5 billion will be invested in the Ingolstadt and Neckarsulm sites in Germany.

The Audi Group is also investing heavily in the expansion of its production capacities in other countries, which is required to achieve the targeted growth. By 2013 the site in Győr, Hungary, will be significantly enlarged. Up to now the site has produced engines as well as the Audi A3 Cabriolet, TT and TT Roadster. The Company is investing €900 million in enlarging the plant so that the A3 sedan can be produced there in the future. Starting in 2013 up to 125,000 cars will be produced at the site. But the course is being set for growth in Asia as well: The Company wants to further expand production capacities in China. The Company also began assembly of Audi models in Jakarta, Indonesia, in January.



Production of Audi's compact Q3 SUV began this year in Martorell, Spain. The car will soon celebrate its world debut.

Audi plans to continue the enlargement of its model range in the coming years at an unslowed pace. "Our attention remains particularly focused on the subject of sustainability. At Audi we believe this includes not only increasing the efficiency of our cars and the development of electric and hybrid models, but also the sustainable handling of resources," Stadler said. The brand with the four rings already offers 54 model and engine variants with CO₂ emissions below 140 g/km (225.31 g/mile) – of which 17 emit less than 120 g/km (193.12 g/mile).

Highest employee profit-sharing payment in company history

AUDI AG has shared the success of the 2010 fiscal year with its employees: each of the roughly 42,500 pay-scale employees at the German sites received a profit-sharing payment averaging €6,513. This corresponds to roughly one and a half times the average monthly wage and is the highest payment since this profit-sharing plan came into existence.



"Thanks to the dedication of the entire workforce, we have achieved a very successful business year," said Thomas Sigi, Member of the Board of Management of AUDI AG for Human Resources. "Through the employee profit-sharing plan, our employees receive an important acknowledgment of this outstanding performance." Comparable profit-sharing bonuses are also paid at the sites in Belgium and Hungary.

The number of employees at the Audi Group rose by an average for the year of 2.6 percent to 59,513 (58,011). At AUDI AG there were 44,299 (44,344) employees, of which 31,344 (31,409) were in Ingolstadt and 12,955 (12,935) in Neckarsulm.

Outlook for 2011: more than 1.2 million deliveries to customers; operating return on sales at the high level of the previous year

"The signs for 2011 are good, after a year which ended better than we expected back in January 2010. We expect continued growth in the overall economy this year, even if there is a slight weakening in comparison with the previous year," Stadler said. "Nonetheless, we have to remain alert, since the unpredictability of the financial and raw materials markets still carry a risk."

Audi has started off 2011 successfully, selling about 186,850 automobiles worldwide between January and February of this year – 21.6 percent more than during the same period of the previous year. The European markets have been exhibiting strong momentum; sales here grew by 17.5 percent to around 106,600 units (90,686). In the German domestic market alone, Audi delivered 32,290 cars to customers in the first two months of the year and thereby achieved a significant increase of 18.3 percent compared with the previous year (27,304).

Between January and February, 41,122 Chinese customers (31,906) chose Audi – 28.9 percent more than during the same period in 2010. The brand also continued to grow sharply in the United States. Deliveries here climbed by 22.3 percent to 15,565 (12,726) compared with the same period last year.





"We want to deliver more than 1.2 million Audi cars to customers worldwide during the current year, and thus build upon the success of the record year in 2010 without interruption," Stadler emphasized. "We are growing sustainably and are targeting an operating return on sales at the same high level as the previous year," Strotbek added.

* Prior-year figures in parentheses

- End -

The Audi Group sold around 1,092,400 cars of the Audi brand in 2010. The Company posted revenue of €29.8 billion and an operating profit of €1.6 billion in 2009. Audi produces vehicles in Ingolstadt and Neckarsulm (Germany), Győr (Hungary), Changchun (China) and Brussels (Belgium). Aurangabad in India saw the start of CKD production of the Audi A6 at the end of 2007, of the Audi A4 in early October 2008 and of the Audi Q5 in July 2010. Production of the new Audi A1 has been running at the Brussels plant since May 2010. The Company is active in more than 100 markets worldwide. AUDI AG's wholly owned subsidiaries include AUDI HUNGARIA MOTOR Kft., Automobili Lamborghini Holding S.p.A. in Sant'Agata Bolognese (Italy) and quattro GmbH in Neckarsulm. Audi currently employs around 60,000 people worldwide, including around 46,600 in Germany. Between 2011 and 2015 the brand with the four rings is planning to invest around €11.6 billion, mainly in new products, in order to sustain the Company's technological lead embodied in its "Vorsprung durch Technik" slogan. By 2015, Audi plans to increase the number of models in its portfolio to 42. AUDI AG will present the full results for the 2010 fiscal year at its Annual Press Conference on March 8, 2011.

Audi has long been fulfilling its social responsibility on many levels – with the aim of making the future worth living for generations to come. The basis for Audi's lasting success is therefore formed by environmental protection, the conservation of resources, international competitiveness and a forward-looking human resources policy. One example of AUDI AG's commitment to environmental issues is the newly established Audi Environmental Foundation.