Prof. Dr. h.c. WINFRIED VAHLAND
CHAIRMAN OF THE BOARD
Geneva Motorshow 2013
New markets, new models, higher sales – ŠKODA AUTO’s growth strategy

- Profitability and financial strength
- Sales > 1.5 million vehicles until 2018, focus on EU and RIC-markets
- Strategic “spearhead” focused on price/value, practicality and roominess
- Top employer with global talent pool

> 1.5 mill. ŠKODA

2018
ŠKODA – Highlights 2012

› In 2012, we sold 939,200 cars, almost seven per cent more cars than the year before – eighth consecutive sales record

› Growth in almost all sales regions, outperforming the market almost everywhere and thus gaining market share in many markets

› Internationalization pushed forward, expanding production capacities and deepening cooperation with strategic partners in growth markets

› 2012 revenues amounted to over 10.4 billion euros, a new record

› Investments plus 46 per cent compared to 2011; operating profit was 712 million euros, almost on a par with 2011

› We have invested massively in production and important projects – both at home and abroad; again in 2012, 2 out of 3 ŠKODA cars were made here in Europe; including Russia nearly 3 out of 4 ŠKODA cars are made in Europe

› Currently, over 26,000 fixed-contract employees from 40 nations work for our brand
World markets 2011/2012
Passenger cars by regions

66.75 mill. units in 2012, + 7.5 %

- Western Europe: 12.794 mill. units, -8.2%

- Central Europe: 664,200 units, -2.2%
  - Act. 2011: 649,800
  - Act. 2012: 664,200

- Eastern Europe w/o. Russia: 573,400 units, +7.5%
  - Act. 2011: 616,500
  - Act. 2012: 573,400

- Russia: 2.443 mill. units, +11.4%

- India: 2.287 mill. units, +11.1%

- China: 13.537 mill. units, +9.3%

ŠKODA Deliveries to Customers 2011/2012
Passenger cars by regions

939,202 units in 2012
+ 6.8 % vs. 2011

Western Europe
-0.9%
361,777 358,439

Central Europe
+0.7%
123,156 124,012

Eastern Europe w/o. Russia
+10.6%
34,349 37,995

Russia
+33.7%
74,074 99,062

India
+14.2%
30,005 34,265

China
+7.1%
220,089 235,674

Current ŠKODA model range
ŠKODA Octavia
ŠKODA Fabia
ŠKODA Superb
ŠKODA Yeti
ŠKODA Roomster
ŠKODA Citigo
ŠKODA Rapid
Investments ŠKODA AUTO Group 2011 vs. 2012
(excluding capitalised development expenses)

[million €]

2011  2012
568    832

+46%

Prof. Dr. h. c. Winfried Vahland, Chairman of the Board of Management ŠKODA AUTO, Annual Press Conference March 20, 2013
ŠKODA in Mladá Boleslav
ŠKODA in Kvasiny
ŠKODA in Vrchlabí
Further ŠKODA Investments 2012 – Česana

 › Ground breaking for new powertrain test center in September 2012

 › More than 34 million Euro invested in facilities, 21 new engine and component testing rigs

 › One of the biggest investments in development in the Czech Republic
Further ŠKODA Investments 2012 – Parts-, Lean-, IT Data Center

- **Parts Center** expanded to more than 100,000 m² with fully-automated 40-metre-high storage bays
- 24,000 orders from around the world handled per day
- one of the highest buildings in Mladá Boleslav

- Opening of the new **Lean Center** as largest training center of ŠKODA AUTO in Czech Republic
- Employees learn how to make processes simpler, more efficient and more environmentally-compatible

- **New IT Data Center** provides seven Group production sites, 106 importers, and 330 dealers in Czech Republic and Slovakia
- almost 2,500 data storage and data processing servers
- 30 per cent more energy efficient than the old IT center
Further ŠKODA Investments 2012 – New ŠKODA Muzeum
China and Russia – ŠKODA focusing on growth markets

**Russia**

**Model range development**

- **Existing models:** Superb, Yeti, Octavia, Roomster, Fabia
- **New models:** Superb, Yeti, Octavia, Roomster, Fabia

**Dealer network development (sales points)**

- 2008: 68
- 2009: 83
- 2010: 102
- 2011: 121
- 2012: 129
- 2013: 141

**China**

**Model range development**

- **Existing models:** Superb, Yeti, Octavia, Roomster, Fabia
- **New models:** Rapid, Yeti, Octavia

**Dealer network development (sales points)**

- 2008: 201
- 2009: 235
- 2010: 305
- 2011: 390
- 2012: 442
- 2013: 495
ŠKODA deliveries in 2013 so far

- Model offensive gaining speed in first months of 2013
- Capacity restrictions due to ramp up of Octavia production
- Not all model variants available yet
- Impact by negative situation in some European markets
- Market share development in February on the level of 2012
ŠKODA Growth Strategy

› At least 1.5 million ŠKODA cars sold per year by 2018

› Biggest model offensive in the ŠKODA history

› Complete renewal of the ŠKODA model range till 2015

› Launch of a new or renewed model every 6 months on average

› Increase of global demand for individual mobility and cars

› China and Russia – key pillars of the growth
ŠKODA focusing on growth markets

Global car market growth forecast
Market growth shift to emerging markets

European car market growth forecast 2010-2015:
- Europe: 14 million in 2010, 15 million in 2015 (0% growth)
- Rest of the World: 23 million in 2010, 2015 (50% growth)

RIC market growth forecast 2010-2015:
- 2010: 0.76 million
- 2012: 0.94 million
- 2015: >1.0 million

Regional structure of ŠKODA sales
Increasing focus on RIC markets

- 2010: Europe 33%, RIC 40%, Rest of the World 4%
- 2012: Europe 33%, RIC 55%, Rest of the World 5%
- 2015: Europe 33%, RIC 50%, Rest of the World 5%
New ŠKODA Octavia Combi
ŠKODA Outlook model range expansion

Sales > 1.5 million vehicles until 2018, focus on EU and RIC-markets

Top employer with global talent pool

Profitability and financial strength

Strategic “spearhead” focused on price/value, practicality and roominess

New models

Existing models

2011

2012

2013

2014/15/16
New ŠKODA Octavia GreenLine and Octavia CNG

- GreenLine version to come in mid 2013; gas version (CNG) launch at the end of the year
- GreenLine = 3.3 liters Diesel/100km, 87 gr CO₂/km for; Octavia CNG = 3.6 kg CNG/100km, 98 gr CO₂/km
- most fuel efficient ŠKODA Octavia cars ever
ŠKODA GreenFuture Strategy
Conclusion

› Growth strategy continues and shows positive results
› Our strategic goal is clear: at least 1.5 million ŠKODA cars sold per year by 2018
› Biggest model offensive in brand history continues
› ŠKODA is part of an excellent and fast growing group
› We are a strong team with highly capable employees
› Our Brand is well positioned in the right markets
Thank you.
Disclaimer

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