

Corporate Communications

Jürgen De Graeve
Tel: +49 (0)841 89 34084
e-mail: juergen.degraeve@audi.de

Antje Bauer
Tel: +49 (0)841 89 36384
e-mail: antje.bauer@audi.de

May 7, 2008

119th Annual General Meeting of AUDI AG

Audi: Successful start to 2008

- **Vehicle sales in the first four months: up 1.7 percent**
- **Operating profit in the first quarter up 28.2 percent to € 514 million**
- **Audi Chairman Rupert Stadler: "We will continue to pursue our course of profitable growth."**
- **Axel Strotbek, Member of the Board of Management for Finance: "In the first quarter we have established a solid basis on which to realize our ambitious objectives for 2008."**

Ingolstadt – Following a very successful 2007, Audi is on course to achieve top figures once again in 2008. "We will continue to pursue our course of profitable growth," said Rupert Stadler, Chairman of the Board of Management of AUDI AG, today at the company's 119th Annual General Meeting in Ingolstadt. "We produce cars in such a customer-orientated and individualized way that they are like "made-to-measure" suits. In this sense we will deliver a million "made-to-measure" cars to customers in 2008. The new A4 Sedan and the new A4 Avant will play a major part in achieving this. And countless innovations will help us expand our "Vorsprung durch Technik" when it comes to efficiency."

High demand for Audi models

Audi is continuing its path for growth despite the change in the Audi A4 model: In the **month of April**, worldwide **vehicle sales** grew by 2.9 percent to 86,765 (84,323) units. The company therefore sold 338,033 (332,462) cars worldwide (up 1.7 percent) **in the first four months of the year.**



The strategic growth markets of Asia-Pacific and Eastern Europe showed particularly strong growth for Audi in **April**: With 12,819 cars sold, sales in the **Asia-Pacific** region went up by 18.2 percent compared with the same month last year. In **China** (including Hong Kong) alone, the company increased sales by 16.3 percent, to 10,028 cars. This means an increase of 22.7 percent in this important growth market for the first four months of this year. In **Eastern Europe**, Audi sold 3,804 cars (up 13.4 percent), an increase of 14.8 percent in the first four months.

Operating profit increased significantly

With € 514 million (€ 401 million), the company's **operating profit** grew by 28.2 percent compared with the previous year, despite unfavorable developments in currency exchange rates and weak overall markets in North America and Germany. "This positive development is primarily due to the improvement of the model and equipment mix, and it affirms our programs for continuous product optimization," announced Axel Strotbek, Member of the Board of Management for Finance and Organization of AUDI AG, to shareholders. "We have therefore established a sound basis on which to realize our ambitious objectives for 2008."

For comparison: sales grew worldwide by 1.3 percent in the first quarter to 251,268 (248,139)* cars. Never before in the company's history has AUDI AG sold so many cars in the first quarter of a year. The Audi Group's **sales revenue** in the first three months, at € 8,294 million (€ 8,679 million), is just slightly below the high level of the previous year, despite the impact of currency exchange rates.

Numerous new models being launched in 2008

In order to achieve the company's ambitious goals, Audi continues to consistently pursue its **product initiative** in 2008. "We plan to expand our model range substantially to 40 vehicles by 2015. We are investing some two billion euros in our products each year," Stadler said.

The brand with the four rings unveiled its newest addition at the Beijing Motor Show just held in April: the Audi Q5. This model strengthens the company's presence in the SUV segment. The Audi TTS and TT TDI – the world's first series-production sports car to feature a diesel engine – are currently being presented to trade press representatives. The Audi A3 Cabriolet and the new A4 Avant will be available for test-driving at German dealerships within the next few days.



"We will continue to focus very sharply on diesel technology," Stadler emphasized. "Our TDI will become the cleanest diesel engine in the world this year, thanks to its ultra low emission system. This reduces nitrogen oxide emissions by up to 90 percent. With this, we once again demonstrate that efficiency and sportiness are not mutually exclusive."

The company is aware that the automotive industry will continue to face a growing range of external challenges this year, Stadler said. These include rising prices for raw materials and the development of important trading currencies. And **protection of the climate** is also a factor. The German automotive industry has done its homework – with Audi at the forefront. Compared with 1990 levels, for example, Audi requires 36 percent less fuel to produce one kW of output, or 1.36 hp. Stadler assured that these developments will be promoted vigorously. Audi will achieve reductions during 2008 of up to 18 percent in various model lines with further innovative optimization of engines. The company is working towards reducing the CO₂ emissions of its range by some 20 percent by 2012.

New hires

In order to reinforce the brand's innovative capabilities and to secure Germany's future as a location for technology, Audi specifically targets high school and university students early on with a wide range of traineeship programs – and offers secure jobs. Audi will hire **800 university graduates** this year. Of the new employees, 70 percent will be deployed within Technical Development.

Significant increase in employee profit-sharing payment

Audi provides **45,000 secure jobs** in **Germany** alone. The success of the company is due above all to the outstanding performance of a highly motivated and qualified team of employees, Stadler said during today's Annual General Meeting. For the third time, Audi employees participated in the success of the company in the form of a profit-dependent element of their remuneration. During this month, the company distributes € 150 million (€ 81.5 million) to employees. Together with the **profit-sharing payment** that has been paid out in July for several years now, employees will receive an average of € 5,300 this year in performance-related compensation.

Audi continues to be dedicated to its German locations. "Because here, with the expertise of our employees, we are able to meet our high quality standards. And at the same time we can achieve increases in productivity of up to 10 percent per year," Stadler said.



With the takeover of full management responsibilities for the plant in Brussels last year, Audi secured the production capacity necessary for the Audi A1 at competitive conditions and covered capacity needs for production of the Audi A3.

Strong basis: 2007 was a record year for sales, revenue and profit

Audi has achieved record sales for the twelfth year in a row: In 2007, 964,151 cars were sold (905,188, up 5.7 percent). The Audi Group's **sales revenue** grew disproportionately by 7.9 percent to € 33.6 billion (€ 31.1 billion).

Profit before tax rose by 49.8 percent to a historic high for the company:

€ 2,915 million (€ 1,946 million). With an **operating profit** of € 2,705 million

(€ 2,015 million), the brand with the four rings recorded growth of 34.2 percent.

The **rate of return before tax** rose by 6.2 percent to 8.7 percent, and the **return on investment** grew by 4.4 percent to 18.6 percent.

- End-

* Prior-year figures are in parentheses

Photos and information can be obtained from www.audi-mediaservices.com

AUDI AG sold a total of 964,151 cars in 2007 and thus achieved its twelfth consecutive record year. With revenue of € 33,617 million and profit before tax of € 2,915 million, the company attained its best figures ever. Audi produces vehicles in Ingolstadt and Neckarsulm (Germany), Győr (Hungary), Changchun (China) and Brussels (Belgium). At the end of 2007, production of the Audi A6 started in Aurangabad, India. The company is active in more than 100 markets worldwide. AUDI AG's wholly owned subsidiaries include Automobili Lamborghini Holding S.p.A. in Sant'Agata Bolognese, Italy, and quattro GmbH in Neckarsulm. Audi employs about 54,000 people worldwide, including 45,000 in Germany. The brand with the four rings invests more than € 2 billion each year in order to sustain the company's technological lead embodied in its "Vorsprung durch Technik" slogan. Audi plans to significantly increase the number of models in its portfolio by 2015, from the 26 currently on offer to 40.