ŠKODA & Eastern Europe Capital Market Day 2013

Prof. Dr. h.c. Winfried Vahland
CEO of ŠKODA AUTO a.s.
7 June 2013
Disclaimer

• This presentation contains forward-looking statements and information on the business development of the Škoda brand. These statements may be spoken or written and can be recognized by terms such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates", "will" or words with similar meaning. These statements are based on assumptions relating to the development of the economies of individual countries, and in particular of the automotive industry, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. The estimates given involve a degree of risk, and the actual developments may differ from those forecast.

• Consequently, any unexpected fall in demand or economic stagnation in our key sales markets, such as in Western Europe (and especially Germany) or China, will have a corresponding impact on the development of our business. The same applies in the event of a significant shift in current exchange rates relative to the EURO, US dollar, sterling, Chinese renminbi.

• If any of these or other risks occur, or if the assumptions underlying any of these statements prove incorrect, the actual results may significantly differ from those expressed or implied by such statements.

• We do not update forward-looking statements retrospectively. Such statements are valid on the date of publication and can be superseded.
ŠKODA AUTO – one of the longest established car companies in the world
1895 - It all started with bicycles

- Mladá Boleslav – Václav Klement (left) and Václav Laurin began their production of bicycles under the name of Slavia
1905 – The first car from Mladá Boleslav: the Voiturette A
ŠKODA 860 (1932)
1939 to 1991 – an eventful history

› World War II and the planned economy meant serious cuts
› The ŠKODA 1000 MB, introduced in 1964, shaped the brand’s image over the years to come
Development of the ŠKODA product portfolio

1991

- Favorit
- Forman
- Pickup
- Felicia
- Felicia Combi
- Pickup, FUN, Vanplus

1995

- Citigo 3D
- Fabia
- Roomster
- Rapid
- Citigo 5D
- Fabia Combi
- Praktik
- Rapid*
- New Octavia
- Superb
- Yeti
- GreenLine Range
- Scout Range
- New Octavia Combi
- Superb Combi
- RS Range

2012/2013

* Only for India

Prof. Dr. h. c. Winfried Vahland, CEO, ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
New markets, new models, more deliveries – the ŠKODA growth strategy

Profitability and financial strength
Sales of > 1.5 m vehicles by 2018, concentrating on EU and RIC markets
Top employer with international talent pool
Strategic “spearhead” focused on price/value, practicality and spaciousness

> 1.5 million ŠKODA cars

2010
2018

Prof. Dr. h. c. Winfried Vahland, CEO, ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
Attractive model range

Seven model series for almost every customer’s needs and wishes
ŠKODA - deliveries to customers 2011/2012

Passenger vehicles by region, in '000 units

<table>
<thead>
<tr>
<th>Region</th>
<th>Jan - Dec 2011</th>
<th>Jan - Dec 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Europe</td>
<td>362</td>
<td>358</td>
</tr>
<tr>
<td>Central Europe</td>
<td>123</td>
<td>124</td>
</tr>
<tr>
<td>Eastern Europe (without Russia)</td>
<td>34</td>
<td>38</td>
</tr>
<tr>
<td>Russia</td>
<td>74</td>
<td>99</td>
</tr>
<tr>
<td>India</td>
<td>30</td>
<td>34</td>
</tr>
<tr>
<td>China</td>
<td>220</td>
<td>236</td>
</tr>
</tbody>
</table>

Deliveries to customers 2011: 879,000
Deliveries to customers 2012: 939,000
Growth over last year: +6.8%

Difference:

<table>
<thead>
<tr>
<th>Category</th>
<th>2012 vs. 2011</th>
<th>2011 vs. 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Market</td>
<td>-8.2%</td>
<td>-2.2%</td>
</tr>
<tr>
<td>ŠKODA Act.</td>
<td>-0.9%</td>
<td>+0.7%</td>
</tr>
</tbody>
</table>

Prof. Dr. h. c. Winfried Vahland, CEO; ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
ŠKODA – a financially strong company

**Turnover** (in € m)

- 2010: 8,692
- 2011: 10,266
- 2012: 10,438

**Operating Profit** (in € m)

- 2010: 447
- 2011: 743
- 2012: 712

**RoI After Taxes** (%)

- Minimum RoI 9%
- 2010: 13.2
- 2011: 21.1
- 2012: 17.3

**Net Liquidity** (in € m)

- 2010: 1,605
- 2011: 1,838
- 2012: 1,511
An overview of the expansion of the ŠKODA model range

2011
- Superb
- Yeti
- Octavia
- Roomster
- Fabia
- Citigo

2012
- Rapid
- Yeti
- Octavia
- Roomster
- Fabia
- Citigo

2013
- Rapid
- Yeti
- Octavia
- Roomster
- Fabia
- Citigo

New Models
- Spaceback
- New SUV

Current Models
- Rapid
- Yeti
- Octavia
- Roomster
- Fabia
- Citigo
The ŠKODA Citigo and ŠKODA Rapid

Modern city mobility to meet every demand

The new class of ŠKODA
The new ŠKODA Octavia

A class of its own: The third generation of the most successful model sets new standards
The new ŠKODA Octavia Combi

A class of its own: Mid-class qualities at family car prices
The ŠKODA Superb
New look for the top model
The ŠKODA Superb Combi
Superior space with a touch of luxury
ŠKODA focuses on growth markets
Market growth 2012 - 2018 (million units)

- **Total**
  - 2012: 79.5
  - 2015: 91.2
  - 2018: 101.9
  - +28%

- **Western Europe**
  - 2012: 13.2
  - 2015: 13.8
  - 2018: 15.1
  - +14%

- **Eastern Europe**
  - (incl. Russia)
  - 2012: 5.1
  - 2015: 5.6
  - 2018: 6.9
  - +35%

- **China**
  - (incl. HK)
  - 2012: 18.6
  - 2015: 24.8
  - 2018: 29.1
  - +56%

- **India**
  - 2012: 3.3
  - 2015: 4.3
  - 2018: 5.7
  - +73%

- **South America**
  - 2012: 5.8
  - 2015: 6.5
  - 2018: 7.6
  - +31%

---

1) Includes Central America and Caribbean
2) Includes Cyprus and Malta
3) Includes Central Europe and Turkey

Source: IHS Automotive (data status: June 2013), rounded forecast
Note: Market = Cars and LCVs

Prof. Dr. h. c. Winfried Vahland, CEO; ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
High employee commitment and support

Highest employee satisfaction
Opinion barometer

- Participation
- Employee Satisfaction Index

2008: 80%, 75%
2009: 86%, 77%
2011: 93%, 78%
2012: 95%, 80%

Reinforcing international presence
Number of expatriates

- Europe: 68
- Russia: 82
- China: 36
- India: 27
- Australia: 1

Responsibility for people and the region is effective

- Top employer
- 4x recruiting campaign
- Trendence graduate barometer
- Senior friendly employer
- Employer of the decade
- Czech top 100
- Investor of the past 20 years
ŠKODA focuses on growth markets

Developing the model range in China

Developing the model range in Russia

*) New Fabia in China in 2015

**) New Fabia in China in 2015
ŠKODA future investments – Mladá Boleslav
ŠKODA future investments – Vrchlabí
ŠKODA future investments – Česana

› Foundation stone for the new Powertrain Centre, September 2012

› More than € 34 m invested incl. 21 new engine & component test benches

› Currently the biggest ongoing development investment in the Czech Republic
ŠKODA Strategy

Green Future

Green Factory
Green Product
Green Retail
Green Logistics
Green Technologies
Green Dealerships
Producing where growth is
Efficient production is the backbone of the company’s further development
ŠKODA is well positioned

- The most comprehensive model campaign in our company’s history has got off to a successful start.
- We have a full model pipeline for the coming years.
- We have a clear growth strategy, showing tangible, positive results.
- We are a cornerstone of one of the most successful groups of vehicle brands in the world.
- The brand is excellently positioned within the Group and we are successful in the key growth markets.
- Target for 2018: Sell more than 1.5 million cars a year.
ŠKODA & Eastern Europe Capital Market Day 2013

Werner Eichhorn
Board Member for Sales & Marketing, ŠKODA AUTO a.s.
7 June 2013
ŠKODA – positioning within the Volkswagen Group

Positioning focus

› **Audi** – progressive prestige for the innovation seekers

› **Volkswagen** – mainstream mobility for the upmarket drivers

› **ŠKODA** – functional and roomy cars for the product-value focussed audience

› **SEAT** - sporty and stylish - for the young and young-in-mind driver
ŠKODA – precise brand positioning

ŠKODA Brand Values

› Superior value-for-money ratio
› Practical
› Above average space offer
› Family oriented
ŠKODA market development in Europe (without Russia)

Deliveries to customers
(in '000 units)

<table>
<thead>
<tr>
<th>Year</th>
<th>Deliveries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>454</td>
</tr>
<tr>
<td>2006</td>
<td>498</td>
</tr>
<tr>
<td>2007</td>
<td>537</td>
</tr>
<tr>
<td>2008</td>
<td>520</td>
</tr>
<tr>
<td>2009</td>
<td>493</td>
</tr>
<tr>
<td>2010</td>
<td>482</td>
</tr>
<tr>
<td>2011</td>
<td>519</td>
</tr>
<tr>
<td>2012</td>
<td>520</td>
</tr>
</tbody>
</table>

Development of the model range

Market share development:
2.82% 3.02% 3.16% 3.26% 3.27% 3.38% 3.69% 3.99%

Werner Eichhorn, Sales & Marketing; ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
ŠKODA deliveries to customers in Russia
(in '000 units)

<table>
<thead>
<tr>
<th>Year</th>
<th>Deliveries ('000 units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>8</td>
</tr>
<tr>
<td>2006</td>
<td>15</td>
</tr>
<tr>
<td>2007</td>
<td>28</td>
</tr>
<tr>
<td>2008</td>
<td>51</td>
</tr>
<tr>
<td>2009</td>
<td>33</td>
</tr>
<tr>
<td>2010</td>
<td>46</td>
</tr>
<tr>
<td>2011</td>
<td>74</td>
</tr>
<tr>
<td>2012</td>
<td>99</td>
</tr>
</tbody>
</table>

Market share development:
0.58% 0.88% 1.17% 1.88% 2.44% 2.60% 3.03% 3.64%

ŠKODA deliveries to customers in China
(in '000 units)

<table>
<thead>
<tr>
<th>Year</th>
<th>Deliveries ('000 units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>1</td>
</tr>
<tr>
<td>2006</td>
<td>1</td>
</tr>
<tr>
<td>2007</td>
<td>27</td>
</tr>
<tr>
<td>2008</td>
<td>59</td>
</tr>
<tr>
<td>2009</td>
<td>123</td>
</tr>
<tr>
<td>2010</td>
<td>181</td>
</tr>
<tr>
<td>2011</td>
<td>220</td>
</tr>
<tr>
<td>2012</td>
<td>236</td>
</tr>
</tbody>
</table>

Market share development:
0.04% 0.02% 0.54% 1.08% 1.44% 1.58% 1.78% 1.74%
Group synergies from applying the MQB toolkit strategy

Utilizing advantages from toolkit approach

- Standardized manufacturing processes worldwide
- Optimized design-proportions
- Joint approach to achieve future CO₂ targets
- Increased number of derivates allowing for increased customer focus
- Increased level of equipment to increase safety and comfort

Ensures economical synergies while allowing for essential differentiation


Market share 2000 vs. 2012 - Central Europe

ŠKODA #1

- Czech Republic: 34.1%
- Slovakia: 22.8%
- Poland: 13.4%

Record market share 2012

- Hungary: 11.6%
- Slovenia: 7.1%
Market share 2000 vs. 2012 - Western Europe

ŠKODA #2 and #3
- Austria: 6.6%
- Switzerland: 5.4%
- Finland: 7.8%

Record market share 2012
- Belgium: 3.6%
- Germany: 4.3%
- UK: 2.6%
- France: 1.2%
- Ireland: 6.4%
- Greece: 5.9%

1.47 %

3.04 %
New Record
Market share 2000 vs. 2012 - Russia

0.31%

3.64%
Market share 2000 vs. 2012 - China
>1.5 million cars - ŠKODA growth strategy 2018

- Sales of > 1.5 m vehicles by 2018, concentrating on EU and RIC markets
- Top employer with international talent pool
- Profitability and financial strength
- Strategic "spearhead" focused on price/value, practicality and spaciousness

Further strengthen market shares in existing markets

Focus on growth markets

Continue model offensive
ŠKODA & Eastern Europe Capital Market Day 2013

Winfried Krause
Board Member for Commercial Affairs (CFO), ŠKODA AUTO a.s.
7 June 2013
Agenda

- The successful history of the ŠKODA Group
- Development of relevant markets
- The current situation of the ŠKODA Group
- Importance of the ŠKODA growth strategy
The development of ŠKODA as a brand of the Volkswagen Group

Reasons for establishing Volkswagen Group business in the Czech Republic

- The Czech government was looking for a strategic partner to establish a joint venture
- Short and medium-term growth expectations of car markets in the CEE area
- Production of technologically advanced cars at a low-cost location
- High technical competence and excellent craftsmanship of ŠKODA employees

Development of Volkswagen Group Share in ŠKODA’s equity

[rounded]

<table>
<thead>
<tr>
<th>Year</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991</td>
<td>30 %</td>
</tr>
<tr>
<td>1994</td>
<td>60 %</td>
</tr>
<tr>
<td>1995</td>
<td>70 %</td>
</tr>
<tr>
<td>2000</td>
<td>100 %</td>
</tr>
</tbody>
</table>
The importance of ŠKODA in the Czech Republic

Almost 7% of the industry production of the Czech Republic in 2012 was generated by ŠKODA...

More than 7% of all exports of the Czech Republic in 2012 were done by ŠKODA...

Responsibility for the people and region is highly appreciated

- Top employer
- 4x recruiting campaign
- Trendence Graduate Barometer 2012
- Senior friendly employer
- Employer of the decade
- Czech top 100
- Investor of the last 20 years
The Czech Republic provides significant advantages for ŠKODA

- Qualified labour
- Country with long engineering tradition
- Good infrastructure
- Long tradition in the automotive industry
- Centre of Europe
- Relatively stable political and economical environment
- Cost advantages vs. other European countries
- Good network of suppliers

Advantages for ŠKODA in Czech Republic

Winfried Krause, CFO; ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
Deliveries to customers and sales revenue with steady growth - importance of China increased since 2009

<table>
<thead>
<tr>
<th>Year</th>
<th>Deliveries to Customers in China ['000 units, left scale]</th>
<th>Deliveries to Customers w/o China ['000 units, left scale]</th>
<th>Sales revenue [w/o China, in € m, right scale]</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>444</td>
<td>452</td>
<td>750</td>
</tr>
<tr>
<td>2003</td>
<td>450</td>
<td>449</td>
<td>500</td>
</tr>
<tr>
<td>2004</td>
<td>452</td>
<td>491</td>
<td>549</td>
</tr>
<tr>
<td>2005</td>
<td>492</td>
<td>550</td>
<td>630</td>
</tr>
<tr>
<td>2006</td>
<td>550</td>
<td>603</td>
<td>675</td>
</tr>
<tr>
<td>2007</td>
<td>630</td>
<td>615</td>
<td>684</td>
</tr>
<tr>
<td>2008</td>
<td>675</td>
<td>562</td>
<td>8,692</td>
</tr>
<tr>
<td>2009</td>
<td>684</td>
<td>582</td>
<td>763</td>
</tr>
<tr>
<td>2010</td>
<td>8,692</td>
<td>582</td>
<td>10,266</td>
</tr>
<tr>
<td>2011</td>
<td>10,266</td>
<td>659</td>
<td>939</td>
</tr>
<tr>
<td>2012</td>
<td>10,438</td>
<td>704</td>
<td>9,000</td>
</tr>
</tbody>
</table>

Winfried Krause, CFO; ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
Return on sales on a high level

- Operating result [in € m, left scale]
- Return on sales [% of sales revenue, right scale]

Winfried Krause, CFO; ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
Solid investments also in challenging times -
New products as the basis for a successful future

Winfried Krause, CFO; ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
Strong net liquidity forms a healthy basis for further investments

- Net liquidity [in € m]
- Net cash flow [in € m]

2002: -782
2003: -451
2004: -23
2005: 169
2006: 769
2007: 1,028
2008: 739
2009: 1,062
2010: 1,605
2011: 1,838
2012: 1,511

Winfried Krause, CFO; ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
Continuously high profitability despite significant investments

**Steady improvement of earnings quality**
- New cars with higher average revenues
- Higher production efficiency and stringent cost control

**Strict management of invested capital**
- Investment discipline
- Lower one-off expenditure
- Stringent working capital management

![Graph showing profitability over years](image-url)

Winfried Krause, CFO, ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
Main part of 2012 capex of €832 m invested into products and technologies

<table>
<thead>
<tr>
<th>Product</th>
<th>„Tooling/ Capacity/ Powertrains“</th>
<th>Non-Product/ Infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Octavia</td>
<td>Powertrains (e.g. engine EA 211)</td>
<td>Enlargement Service-Parts-Center</td>
</tr>
<tr>
<td>Rapid</td>
<td>Capacity etc.</td>
<td>Training Centrum</td>
</tr>
<tr>
<td>Spaceback</td>
<td></td>
<td>Tool Shop</td>
</tr>
<tr>
<td>Other products (Yeti FL, Superb FL, etc.)</td>
<td></td>
<td>Rationalization etc.</td>
</tr>
</tbody>
</table>

ca. 70%          ca. 15%          ca. 15%
Agenda

● The successful history of the ŠKODA Group

● Development of relevant markets

● The current situation of the ŠKODA Group

● Importance of the ŠKODA growth strategy
Car Markets:
Sharp market decline in Western Europe since 2007 - improved market shares!

[Definition: Austria, Italy, France, Switzerland, Netherlands, Belgium, UK, Ireland, Sweden, Norway, Denmark, Germany, Spain, Canary Islands, Greece, Finland, Portugal, Luxembourg, Iceland, Cyprus, Malta]
Car Markets:
Sharp decline also in Central Europe since 2007

[Definition: Czech Republic, Slovakia, Poland, Slovenia, Hungary, Croatia]
Car Markets:
Market shares in Eastern Europe (w/o Russia) on a high level

[Definition: Ukraine, Latvia, Lithuania, Estonia, Romania, Moldova, Serbia, Bosnia, Kazakhstan, Bulgaria, Belarus, Rest of South-East Europe, Rest of Middle Asia, Rest CIS]

ŠKODA market share [in %]

[in million cars]

<table>
<thead>
<tr>
<th>Year</th>
<th>Cumul. April 12</th>
<th>Cumul. April 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>0.17</td>
<td>0.17</td>
</tr>
<tr>
<td>2008</td>
<td>0.54</td>
<td>0.54</td>
</tr>
<tr>
<td>2009</td>
<td>0.48</td>
<td>0.48</td>
</tr>
<tr>
<td>2010</td>
<td>0.54</td>
<td>0.54</td>
</tr>
<tr>
<td>2011</td>
<td>0.59</td>
<td>0.59</td>
</tr>
<tr>
<td>2012</td>
<td>0.17</td>
<td>0.17</td>
</tr>
</tbody>
</table>

Winfried Krause, CFO; ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
Car Markets:
Russia - a market of growing importance for ŠKODA!

ŠKODA market share [in %]

[in million cars]

2007: 2.34 (1.2%)
2008: 2.68 (1.9%)
2009: 2.4 (1.35%)
2010: 1.75 (2.6%)
2011: 2.44 (3.0%)
2012: 2.72 (3.6%)

Cumul. April 12: 0.82
Cumul. April 13: 0.80

Winfried Krause, CFO; ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
Agenda

- The successful history of the ŠKODA Group
- Development of relevant markets
- The current situation of the ŠKODA Group
- Importance of the ŠKODA growth strategy
ŠKODA AUTO – Western Europe remains one of the most important areas!

(passenger cars)

Central/Eastern Europe: ca. 160,000

Western Europe: ca. 360,000

Russia: ca. 99,000

China: ca. 236,000

[Memo: China JV consolidated at Equity in the Financial Result of the Volkswagen Group]

India: ca. 34,000

All other: ca. 50,000
Slight increase in sales revenue in 2012 with strongly divergent regional development

<table>
<thead>
<tr>
<th>Region</th>
<th>2011</th>
<th>2012</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Europe</td>
<td>6,020</td>
<td>5,561</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Central Europe (incl. CZ)</td>
<td>1,768</td>
<td>1,697</td>
<td>-4.0%</td>
</tr>
<tr>
<td>Eastern Europe (incl. Russia)</td>
<td>671</td>
<td>993</td>
<td>+32.2%</td>
</tr>
<tr>
<td>Remaining markets</td>
<td>1,066</td>
<td>1,409</td>
<td>+32.2%</td>
</tr>
<tr>
<td>Total</td>
<td>10,266</td>
<td>10,438</td>
<td>+1.7%</td>
</tr>
</tbody>
</table>

Winfried Krause, CFO; ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
Strong financial performance in 2011 and 2012

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deliveries to customers (incl. China)</strong></td>
<td>879</td>
<td>939</td>
<td>6.8</td>
</tr>
<tr>
<td><strong>Deliveries to customers (excl. China)</strong></td>
<td>659</td>
<td>704</td>
<td>6.7</td>
</tr>
<tr>
<td><strong>Sales revenue</strong></td>
<td>10,266</td>
<td>10,438</td>
<td>1.7</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>743</td>
<td>712</td>
<td>-4.1</td>
</tr>
<tr>
<td><strong>Return on sales [% of sales revenue]</strong></td>
<td>7.2</td>
<td>6.8</td>
<td>-0.4*</td>
</tr>
</tbody>
</table>

* NOTE: Change in % corresponds to percentage points
Deviation analysis: Operating result 2011 vs. 2012

in € m

- Volumes
- Product costs

- Mix, Pricing
- Costs for new products
- Exchange rates

2011: 743
2012: 712

-4%
First quarter 2013 below 2012 due to weak markets and start of production of new Octavia

<table>
<thead>
<tr>
<th>in € m `000 units</th>
<th>Q1/ 2012</th>
<th>Q1/ 2013</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries to customers (incl. China)</td>
<td>243</td>
<td>220</td>
<td>-9.2</td>
</tr>
<tr>
<td>Deliveries to customers (excl. China)</td>
<td>184</td>
<td>163</td>
<td>-11.3</td>
</tr>
<tr>
<td>Sales revenue</td>
<td>2,916</td>
<td>2,414</td>
<td>-17.2</td>
</tr>
<tr>
<td>Operating profit</td>
<td>209</td>
<td>112</td>
<td>-46.4</td>
</tr>
<tr>
<td><strong>Return on sales [% of sales revenue]</strong></td>
<td>7.2</td>
<td>4.6</td>
<td>-2.6*</td>
</tr>
</tbody>
</table>

* NOTE: Change in % corresponds to percentage points
Sales revenue by region
Q1/ 2012 versus Q1/ 2013

in € m

<table>
<thead>
<tr>
<th>Region</th>
<th>Q1/ 2012</th>
<th>Q1/ 2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Europe</td>
<td>1,569</td>
<td>1,406</td>
<td>-10%</td>
</tr>
<tr>
<td>Central Europe (incl. CZ)</td>
<td>472</td>
<td>374</td>
<td>-21%</td>
</tr>
<tr>
<td>Eastern Europe (incl. Russia)</td>
<td>393</td>
<td>323</td>
<td>-18%</td>
</tr>
<tr>
<td>Remaining markets</td>
<td>482</td>
<td>311</td>
<td>-35%</td>
</tr>
<tr>
<td>Total</td>
<td>2,916</td>
<td>2,414</td>
<td>-17%</td>
</tr>
</tbody>
</table>

Winfried Krause, CFO; ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
Agenda

- The successful history of the ŠKODA Group
- Development of relevant markets
- The current situation of the ŠKODA Group
- Importance of the ŠKODA growth strategy
ŠKODA Growth Strategy - profitability and financial strength as a core element!

- Sales of > 1.5 m vehicles by 2018, concentrating on EU and RIC markets
- Top employer with international talent pool
- Strategic “spearhead” focused on price/value, practicality and spaciousness
- Profitability and financial strength

Winfried Krause, CFO, ŠKODA & Eastern Europe Capital Market Day, 7 June 2013
The product offensive is the key for our success – also for our financial targets!

- **Improving positioning** in a difficult economic environment

- **Entering new segments**
  
  (Citigo, Rapid, Spaceback, New SUV)
  
  > broader model portfolio

- **New design language** – “younger” portfolio

- **Improvement of the average transaction price**

- **Increase of “production efficiency”**
  
  > sustainable, profitable growth
Today, ŠKODA is in the middle of the company’s largest product offensive
Key Messages

Start of new Octavia limits the production capacity in the first half of 2013 -> second half of 2013 will see clear improvement.

Difficult situation on European Markets, in particular Western and Central Europe below prior year.

Higher overall deliveries expected in 2013.

Operating result in 2013 impacted by start-up of Octavia, Spaceback and Superb/Yeti Facelift production.

Our growth strategy is the right way to compete in the difficult market conditions.
Thank you.