Audi of America
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We do not update forward-looking statements retrospectively. Such statements are valid on the date of publication and can be superseded.
Audi Brand Identity

Sophisticated

Sporty

Progressive

Sophisticated
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<th>Sedan*</th>
<th>SUV</th>
<th>Coupe</th>
<th>Cabrio/Roadster</th>
<th>Hatchback</th>
<th>Wagon</th>
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*Sedan includes Sportback
Audi Sales Volume Growth in U.S. 2009-2013

90% Growth

46 Consecutive Months Record Sales

Source: Autodata (U.S. Market)
#2 Top Cross Shopped Premium Brand

Source: Strategic Vision NVES, 2013 Wave 3
Growth in High End Models (C/D Mix %)

Source: Autodata (U.S. Market)
Low Retail Incentive Spend per Vehicle

- **Audi:**
  - 2009: $4,970
  - 2010: $4,870
  - 2011: $3,390
  - 2012: $3,710
  - 2013: $2,600

- **BMW:**
  - 2009: $4,970
  - 2010: $3,800
  - 2011: $3,710
  - 2012: $3,800
  - 2013: $3,710

- **Mercedes:**
  - 2009: $4,970
  - 2010: $3,800
  - 2011: $4,970
  - 2012: $4,970
  - 2013: $3,800

Source: Autodata (U.S. Market)
Strong Residual Values

Source: Autodata (U.S. Market)
*Premium Competitive Set: BMW, Mercedes, Lexus, Land Rover, Volvo, Jaguar, Acura, Infiniti, Porsche, Saab, Mini
**Residual values based on 10,000 miles/year, 36 months
Audi customers...

**Are Younger**
- Audi: 54
- Premium: 56
- Tier 1: 58

**Are Better Educated**
- Audi: 95%
- Premium: 91%
- Tier 1: 90%

**Have Higher Income**
- Audi: $193K
- Premium: $165K
- Tier 1: $164K

**Own More Vehicles**
- Audi: 2.96
- Premium: 2.83
- Tier 1: 2.77

Source: Maritz NVCS, IHS Automotive (U.S. Market, 2013)

Premium Competitive Set: BMW, Mercedes, Lexus, Land Rover, Volvo, Jaguar, Acura, Infiniti, Porsche, Saab, Mini

Tier 1 Competitive Set: BMW, Mercedes, Lexus
Audi Sales Volume
Growth in U.S.
2009-2013

90% Consecutive Months
46 Record Sales

Growth in High End Models
Low Retail Incentive Spend
Increased Pricing Power
Healthy Lease Penetration
Strong Residual Values

Source: Autodata (U.S. Market)
How?

A Clear Understanding of the Market

Innovation Aligned with the Future

Committed Partners

Exciting Product

Marketing Excellence

Dedication to Customer Delight

Comprehensive Strategy
50% U.S. Premium Market Growth 2009-2013

Source: IHS Automotive (U.S. Market)
Premium share of U.S. Total Light Vehicle Market

Source: Autodata (U.S. Market)
The Core 4 Segments

74% of Premium Volume
2013

Source: IHS Automotive (U.S. Market, 2013)
The Core 4 Segments

72% of Premium Growth
2009-2013

Source: IHS Automotive (U.S. Market, 2009-2013)
Growth of Premium A segment

119% Volume Growth
2009-2013

Source: Autodata (U.S. Market, All Body styles)
Demographics of Premium Market Growth

From 2015-2024, 70% of $100K+ Household Growth

Source: Market Outlook, 2013 ($100K+ Households), 2015-2024
America’s Love Affair with Premium SUVs

Source: IHS Automotive (U.S. Market, 2003-2013)

* The unaccounted percentages came from the other bodystyles (ex. Coupe, Cabrio/Roadster, Wagon)

42% of Premium Volume

Source: IHS Automotive (U.S. Market, 2003-2013)
Tier 1 Brand Share of Premium Market

Source: IHS Automotive (U.S. Market, 2003-2013)
Regional Growth

From 2009-2013, Premium volumes grew annually by...

Western 27%
Central 13%
Eastern 26%
Southern 34%

Source: Polk (U.S. Market)
Comprehensive Strategy
Win trust of market

Strategy:
- Build Brand
- Capitalize on product quality

Actions:
- Invest in network and top priority markets
- Product portfolio
- Reduce incentives
- Strengthen residuals
Putting it in perspective

Closing the Gap 2006 2008

Acceleration 2012

Leadership 2020

Aspirational, Familiar Brand

Strategy:
- Expand customer base
- Leverage products
- Drive traffic
- Growth via conquest

Actions:
- Assertive marketing
- Strengthen organization
- Dealer partnerships
- Execute product portfolio
Putting it in perspective

Closing the Gap  |  Acceleration  |  Leadership

2006  |  2008  |  2012  |  2020

Audi of America

STRATEGY 1 2020
Strategy 2020

Audi: the number one premium brand

We inspire customer delight worldwide

We deliver the best market oriented product portfolio
We create the most innovative communications and progressive positioning
We are the most efficient & talented organization
We have the best dealers in the premium segment
We create fans

Sustainable improvement of financial result

sporty – progressive – sophisticated

passionate  spirited  humane / fair  responsible  success-oriented
Kundenbegeisterung is more than a word. It's our mission.

Simply translated it means "inspiring customer delight." But it's more than that. It's going above and beyond to create lifelong Audi fans.

Without you, it's just a word. With you, it's our mission.
Audi Progressive Retail
Significant Progress since 2009

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<th>2009</th>
<th>Today</th>
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<tr>
<td>SSI</td>
<td>26th</td>
<td>9th</td>
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<tr>
<td>CSI</td>
<td>12th</td>
<td>2nd</td>
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<td>Loyalty</td>
<td>40%</td>
<td>46%</td>
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Source: IHS Automotive (U.S. Market), JD Power

*Loyalty in Year 2014 is YTD*
Marketing Excellence
Leveraging Traditional and Digital Marketing

13.5M Views
20M Impressions
36M Impressions
Attention Lake Forest, IL
An Audi R8 GT has been sold in your town.
Slow traffic keep right.
Red Carpet Sponsorships
Exciting Products
2015+ Exciting new product refreshes and launches
2015+ Exciting new product refreshes and launches
Committed Partners
Nearly $1 Billion in U.S. Dealer Investments

45 new terminals through 2013
28 new terminals in 2014
23 new terminals in 2015

Currently 116 active projects
41% of Dealers
AoA is dedicated to becoming a top US employer with highly motivated, efficient and engaged individuals. AoA will achieve this goal by enhancing system support, reviewing core business processes to overcome bottlenecks, improving communications between employees and the dealer organization, and providing specific training to allow all professionals to reach their full potential.
$30B
Audi AG Investment through 2018

New Products
Facilities
Technologies
...And 5 MPH
Progressive Design
90% Audi Sales Volume Growth in U.S. 2009-2013

Consecutive Months Record Sales

Source: Autodata (U.S. Market)

Growth in High End Models
Low Retail Incentive Spend
Increased Pricing Power
Healthy Lease Penetration
Strong Residual Values
Audi is ready. Are you?