

ŠKODA



WINFRIED KRAUSE

BOARD MEMBER FOR COMMERCIAL AFFAIRS

SIMPLY CLEVER

ŠKODA



Financial highlights 2014

Over 1 m cars delivered to customers for the **first time** in a year as well as **record levels of turnover**.

Operating profit of € 817 m significantly above previous year and **also a record level**.

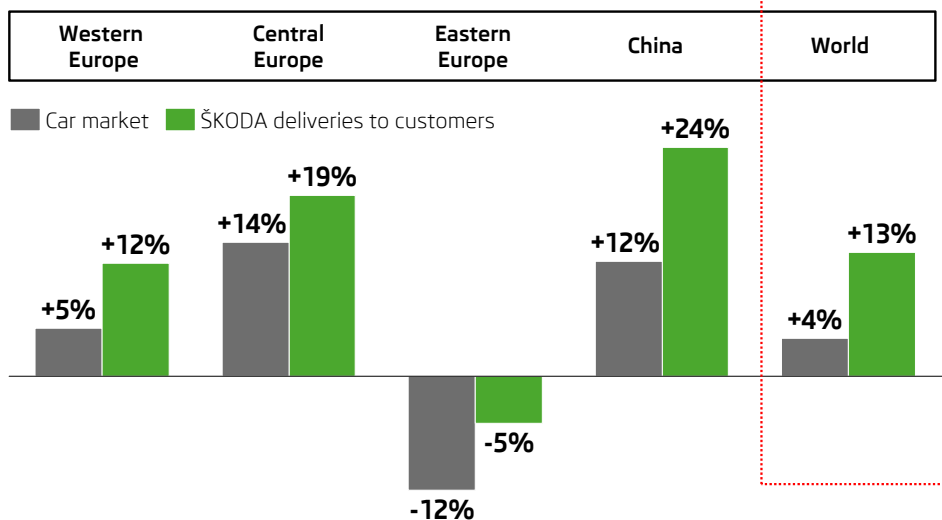
Further **high levels of investments and expenses** for the **successful continuation of product offensive**.

Financial strength further improved: **net cash flow** and **net liquidity** at **record levels**.



ŠKODA deliveries to customers vs. total car markets

Performance 2014 vs. 2013



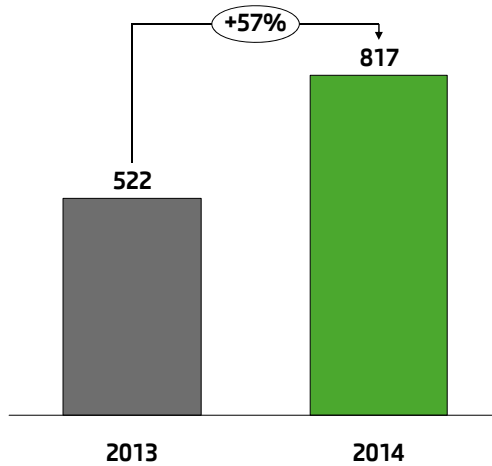
Key figures

€ million

'000 units

	2013	2014	Change in %
Deliveries to customers (incl. China)	921	1,037	+12.7
Deliveries to customers (excl. China)	694	756	+8.9
Sales revenue	10,324	11,758	+13.9
Operating profit	522	817	+56.5
Profit before tax	536	775	+44.6
ROI (in %)	11.6	18.3	+6.7*

* NOTE: Change in % corresponds to percentage points

**Operating profit**Reconciliation 2013 to 2014
€ million**Positive effects from**

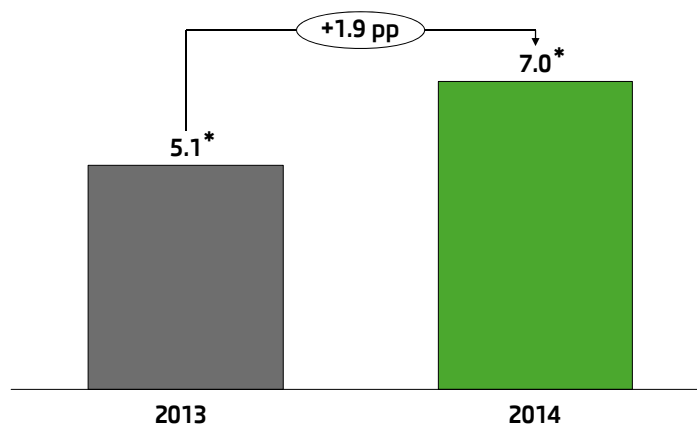
- Higher volume
- Better mixes (Octavia)
- Improved product costs

Negative effects from

- Higher depreciation
- Exchange rates (Russian rouble)

**Return on sales at a very good level**

in %



* as % of sales revenue



Profit and loss account

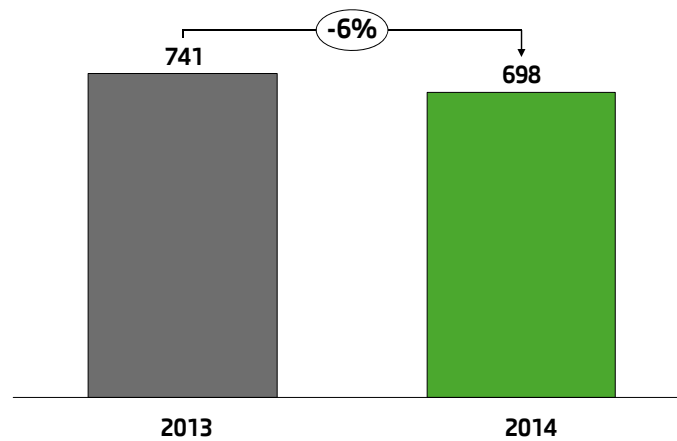
€ million

	2013	2014	Change in %
Operating profit	522	817	+56.5%
Financial result	14	-42	-
Profit before tax	536	775	+44.6%
Profit after tax	455	665	+46.0%



Investments in tangible assets remain high

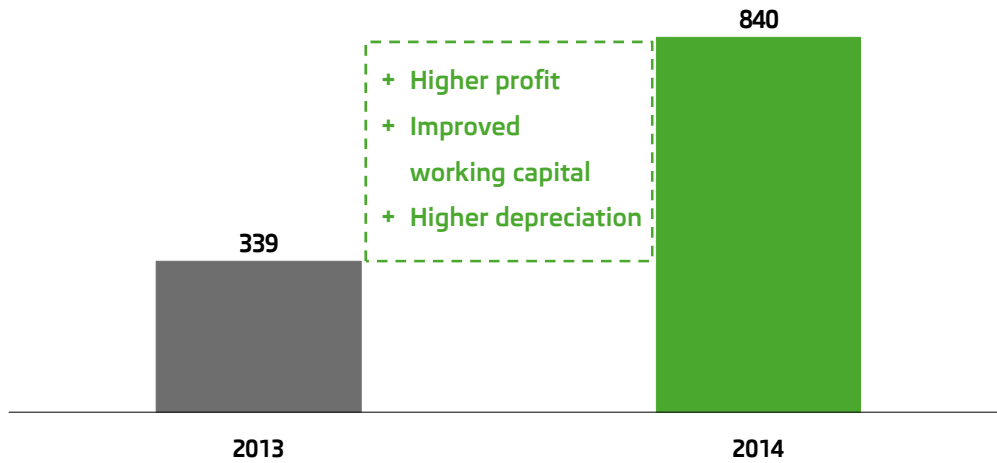
€ million





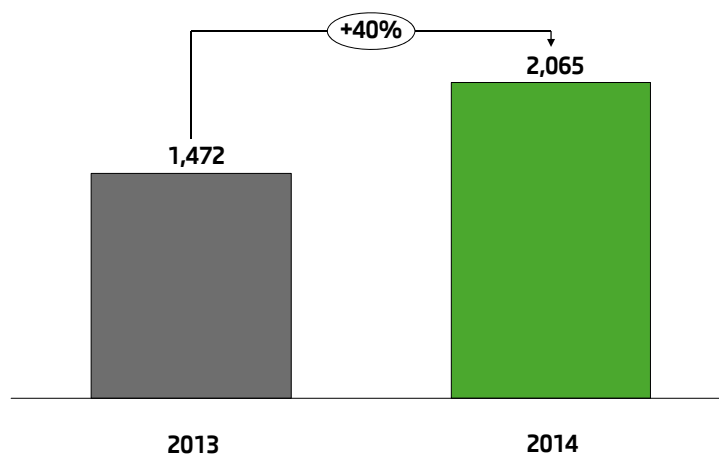
Net cash flow has increased significantly

€ million



Net liquidity at year end over 2 billion euros for the first time

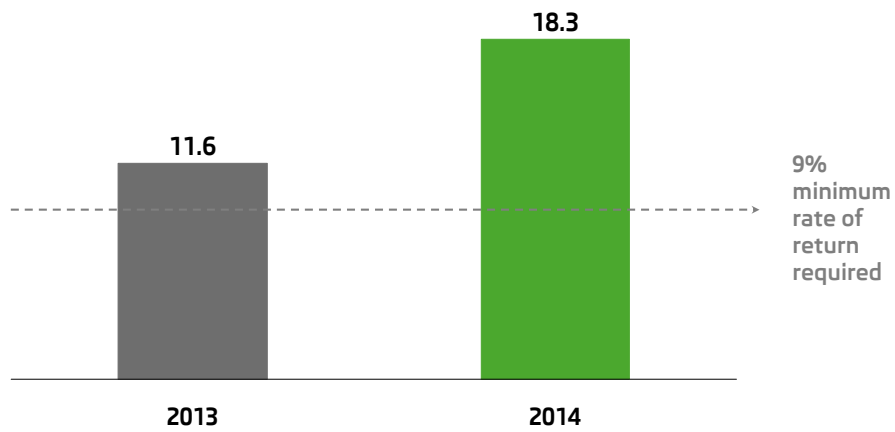
€ million



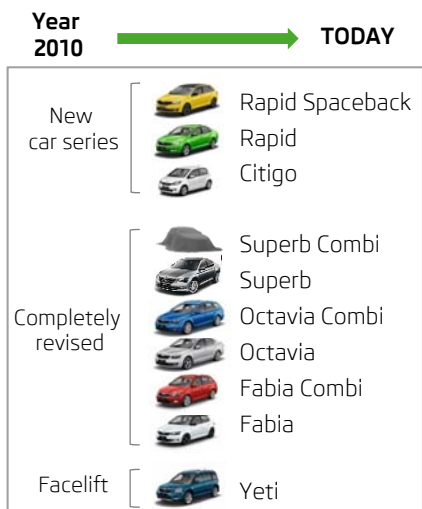


ROI after tax significantly improved

in %

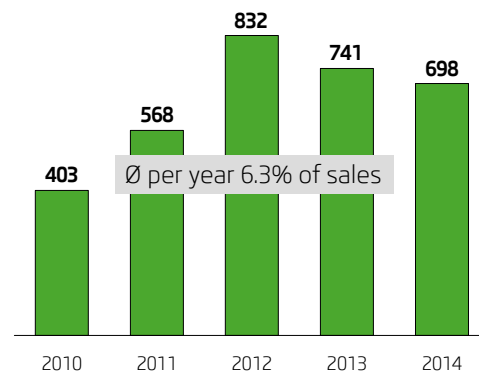


Development of model range and investments



€ million

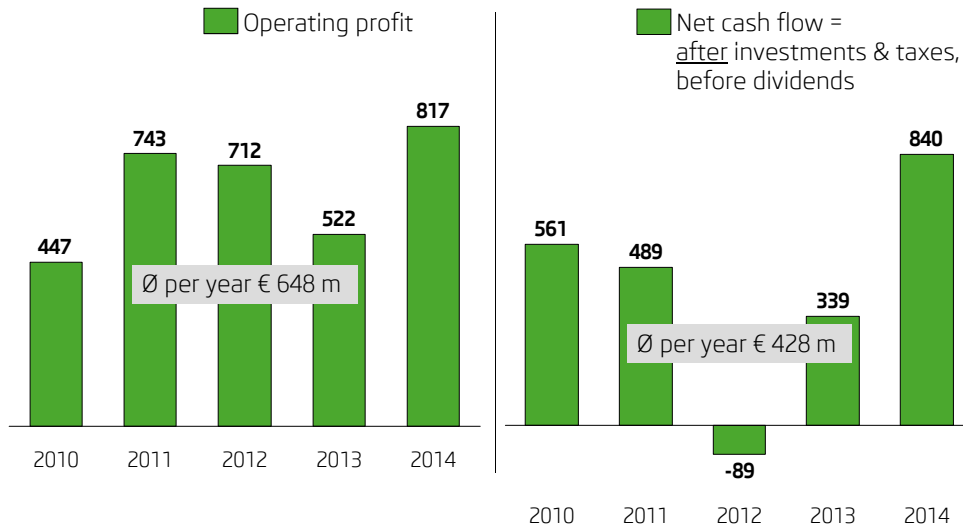
Investments in tangible assets





Development of operating profit and net cash flow

€ million



Summary

Excellent financial results in 2014 – further profitable growth

- › Significant increase in sales revenue to approx. € 11.8 billion due to higher volumes.
- › Operating profit at an all-time high of € 817 million despite partly unfavorable total markets in Eastern Europe and strong competition.

Financial strength significantly improved despite high investments

- › Investments of € 698 million primarily in new products.
- › Net cash flow of € 840 million significantly higher than previous year.
- › Net liquidity also at an all-time high with over € 2 billion at year end – excellent financial foundation for successful continuation of the model campaign.



Thank you.



Disclaimer

- › This presentation contains predictions and information on the ŠKODA brand's business development. These statements may be spoken or written and can be recognised 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 individual countries' economies, and in particular within the automotive industry, which we have made based on 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 forecasted.
- › Consequently, any unexpected drop 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, pound sterling, Chinese renminbi.
- › If any of these or other risks materialise, or if the assumptions underlying any of these statements prove to be incorrect, the actual results may differ significantly from those expressed or implied by such statements.
- › We do not update predictions retrospectively. Such statements are valid on the date of publication and can be superseded.