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ŠKODA AUTO sets new records for vehicle deliveries and financial results in 2017

- › Deliveries reach a new high (+6.6%) with 1,200,500 vehicles
- › Sales revenue: ŠKODA AUTO sets new record at EUR 16.6 billion (+20.8%)
- › Operating profit increased by 34.6% to 1.6 billion euros
- › New record in the strongest single market: 325,000 deliveries in China
- › Growth continues: Best January and February of all time with 196,600 deliveries
- › Continuing the product campaign: 19 new models in the next two years
- › Most comprehensive investment program in company's history: ŠKODA AUTO is investing around two billion euros over next five years into developing alternative drive technologies and new mobility services

Mladá Boleslav, 21 March 2018 – 2017 was the most successful year in ŠKODA AUTO's history. The Czech carmaker set new records in both global vehicle deliveries and financial results. Deliveries increased by 6.6% to 1,200,500 vehicles compared to the previous year (2016: 1,126,500). ŠKODA AUTO achieved the most successful financial year in the company's history. In the same period, sales revenue also reached a new high increasing by 20.8% to 16.6 billion euros (2016: 13.7 billion euros). The traditional Czech brand recorded an operating profit of EUR 1.6 billion, an increase of 34.6% over the previous year (2016: EUR 1.2 billion). The company has set the course for further growth with its Strategy 2025 and the related model campaign. Over the next two years, ŠKODA AUTO will be launching a total of 19 new vehicles, including, in 2019, the series-production version of the ŠKODA VISION X study, which celebrated its world premiere at the Geneva Motor Show 2018.

"2017 has impressively demonstrated how well our broad and attractive model range has been received: 2017 was the most successful year in the company's history with more than 1.2 million vehicles delivered," says ŠKODA AUTO CEO Bernhard Maier. "I would like to thank all our customers around the world for their confidence in our products and loyalty to our brand. We are more motivated than ever to continue this course. Not only will we be bringing out 19 new models by the end of 2020 but we will also be launching the most comprehensive investment program in the company's history: Within the next five years, ŠKODA AUTO will invest around two billion euros into electromobility and new mobile services. We are actively implementing our Strategy 2025."

Klaus-Dieter Schürmann, ŠKODA AUTO Board Member for Finance and IT, adds: "In the 2017 financial year, we again increased the number of vehicles delivered and at the same time utilised a high level of capacity at our production sites. In combination with the attractive model mix and optimised product costs, we have continued to grow profitably. The record operating profit of 1.6 billion euros (+34.6%) increased disproportionately to sales revenue (+20.8%). This is mainly due to the successful implementation of our SUV strategy and our improved cost positions."

"Our employees are the most important pillar of this great success," says Bohdan Wojnar, ŠKODA AUTO Board Member for Human Resources, thanking the entire workforce on behalf of the Board of Directors. "With their great commitment and expertise, they have made this fantastic result possible. We will continue to educate and train our employees in the areas of electromobility,

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automation and robotisation, especially in the future, so they are perfectly prepared for the future developments in the automotive industry."

Best year in company's history

In fiscal year 2017, ŠKODA AUTO achieved record sales revenue and earnings. Sales revenue increased to 16.559 billion euros (2016: 13.705 billion euros), exceeding the previous record set in 2016 by 20.8%. Operating profit increased by 34.6% to EUR 1.611 billion (2016: EUR 1.197 billion), corresponding to 9.7% of sales revenue (2016: 8.7%).

Profit before tax increased by 33.9% to 1.570 billion euros (2016: 1.173 billion euros). After taxes, the profit for 2017 was 1.274 billion euros (2016: 0.951 billion euros), 34.0% above the previous year's result. Investments last year amounted to 733 million euros (2016: 548 million euros).

China remains the largest single market

ŠKODA AUTO delivered a record number of 1,200,500 vehicles to customers worldwide in 2017, representing an increase of 6.6% compared to 2016 (1,126,500 deliveries). China again led the ranking of the ten most successful markets for ŠKODA AUTO last year with 325,000 deliveries. This was followed by Germany (173,300), the Czech Republic (95,000), Great Britain (80,100), Poland (66,600), Russia (62,300), France (27,300), Turkey (25,000), Italy (24,700) and Austria (24,300).

ŠKODA AUTO got off to a strong start in 2018. In January and February, the Czech car manufacturer set new records and increased deliveries to customers by 12.4% to 196,600 units in the first two months (2017: 174,900 vehicles). In March, the Mladá Boleslav automobile manufacturer presented several new products at the Geneva International Motor Show. In addition to the world premiere of the ŠKODA VISION X study, the company unveiled the extensively revised ŠKODA FABIA. In addition, the ŠKODA KODIAQ L&K, the new top model of the popular SUV series, rolled into the spotlight.

Successful product portfolio

Currently offering seven car series, the CITIGO, FABIA, RAPID, OCTAVIA, KAROQ and KODIAQ and SUPERB, the brand has the most comprehensive product portfolio in its history. The ŠKODA OCTAVIA remained the most popular model in 2017, while sales of the flagship ŠKODA SUPERB continued to increase. A significant share of the company's sales record in 2017 could be attributed to the ŠKODA KODIAQ. The large SUV achieved around 100,000 deliveries in its first full sales year. The compact SUV KAROQ, only launched on the market last autumn, has already achieved 6500 units, with thousands more pre-ordered.

Starting in 2020, ŠKODA AUTO will produce battery-electric vehicles in Mladá Boleslav

In the future, the traditional Czech brand will be focusing entirely on electric mobility and will continue to promote the development of innovative drive technologies with the most extensive investment program in its history. Production of the ŠKODA CITIGO BEV, the brand's first all-electric model, will start in 2019. In the same year, the ŠKODA SUPERB PHEV, ŠKODA AUTO's first plug-in hybrid model will be running off the assembly line in Kvasiny. From 2019, ŠKODA AUTO will also be producing electrical components for other Group brands in Mladá Boleslav. The series production of the ŠKODA VISION E, a purely electrically powered model based on the Group Platform MEB (Modular Electrification Kit), will follow in 2020. Within the next two years, the

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manufacturer will be launching a total of 19 new models, including the series model of the urban crossover study VISION X presented at the Geneva Motor Show, which will be coming out next year. ŠKODA AUTO will have a total of ten electrified models on the market by 2025.

ŠKODA AUTO: Clear strategy until 2025

ŠKODA AUTO has defined the guidelines to respond to the far-reaching transformation of the automotive industry, in particular, the topics of electromobility, autonomous driving and connectivity in its Strategy 2025. Other key areas of action include digitising products and processes, conquering new markets and expanding the traditional automotive construction business to include a variety of mobility services. As part of Strategy 2025, ŠKODA AUTO is also working intensively on the further internationalisation of the company. The brand is currently active in 102 markets and plans to expand its presence to 120 countries. ŠKODA AUTO will be offering its products in Singapore later this year, and plans for the brand's launch on the South African market in 2019 are in preparation.

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ŠKODA AUTO in figures:

		2017	2016	change in %
Deliveries to customers	Thousand cars	1,201	1,126	+6.6
Deliveries excluding China	Thousand cars	876	809	+8.2
Production ¹	Thousand cars	1,232	1,152	+6.9
Production at ŠKODA plants ²	Thousand cars	870	776	+12.2
Sales ³	Thousand cars	940	814	+15.5
Employees ⁴	People	32,985	29,580	+11.5
Sales revenue	Million EUR	16,559	13,705	+20.8
Operating profit	Million EUR	1,611	1,197	+34.6
Return on Sales	%	9.7	8.7	-
Profit before tax	Million EUR	1,570	1,173	+33.9
Profit after tax	Million EUR	1,274	951	+34.0
Net cash flow	Million EUR	1,373	1,057	+29.9
Investments	Million EUR	733	548	+33.9

1) ŠKODA brand worldwide

2) Comprises production of the ŠKODA brand, without production in China, Slovakia, Russia or India, but does include other Group brands, such as SEAT, Audi and VW; Vehicle production without part/complete kits

3) Vehicle sales without part/complete kits

4) Number of employees without agency staff, but including trainees

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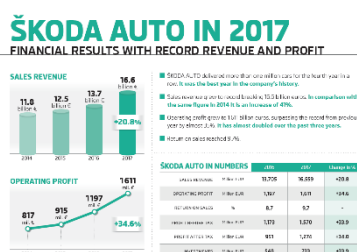


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Media images:



ŠKODA AUTO sets new records for vehicle deliveries and financial results in 2017

ŠKODA AUTO continues to break records: Both in global vehicle sales and financial results, the Czech automaker achieved new bests in 2017. Deliveries increased by 6.6% to 1,200,500 units compared to the previous year. In the same period, sales revenue increased by 20.8% to 16.6 billion euros, thus reaching a new high. The traditional Czech brand recorded an increase of 34.6% in operating profit, at 1.6 billion euros.

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source: ŠKODA AUTO

ŠKODA AUTO brand logo

Current brand logo of the car manufacturer ŠKODA AUTO since 2016.



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ŠKODA AUTO

- › is one of the longest-established vehicle manufacturers in the world. The company was founded in 1895 – during the pioneering days of the automobile. Today, the company's headquarters remain in Mladá Boleslav.
- › currently offers the following models in the range: CITIGO, FABIA, RAPID, OCTAVIA, KAROQ, KODIAQ and SUPERB.
- › in 2017 delivered more than 1 million vehicles to customers worldwide.
- › has belonged to Volkswagen Group since 1991. The Volkswagen Group is one of the most successful vehicle manufacturers in the world. ŠKODA, in association with the Group, independently manufactures and develops vehicles, as well as components, engines and gear transmissions.
- › operates at three locations in the Czech Republic, produces in China, Russia, Slovakia, Algeria and India mainly through Group partnerships, as well as in Ukraine and Kazakhstan through local partners.
- › employs over 35,000 people globally and is active in more than 100 markets.

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