



Annual Financial Statements of AUDI AG
at December 31, 2017
Balance Sheet, Income Statement, Notes to the Financial Statements

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AUDI AG FINANCIAL STATEMENTS

FOR THE FISCAL YEAR FROM
JANUARY 1 TO DECEMBER 31, 2017

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BALANCE SHEET OF AUDI AG

ASSETS <i>in EUR million</i>	Notes	Dec. 31, 2017	Dec. 31, 2016
Intangible assets	1	269	230
Property, plant and equipment	2	8,843	7,818
Long-term financial investments	3, 6	7,313	7,074
Fixed assets		16,425	15,122
Inventories	4	3,602	2,867
Receivables and other assets	5	12,547	12,017
Other securities	6	6,413	6,287
Cash on hand and balances with banks	7	184	150
Current assets		22,746	21,321
Deferred expenses	8	141	148
Balance sheet total		39,312	36,591

EQUITY AND LIABILITIES <i>in EUR million</i>	Notes	Dec. 31, 2017	Dec. 31, 2016
Subscribed capital	9	110	110
Capital reserve	10	12,175	11,716
Retained earnings	11	1,417	1,417
Equity		13,702	13,243
Special reserve with an equity portion	12	6	6
Provisions	13	16,317	16,500
Liabilities	14	8,624	6,272
Deferred income	15	663	570
Balance sheet total		39,312	36,591

INCOME STATEMENT OF AUDI AG

<i>EUR million</i>	Notes	2017	2016
Revenue	16	51,402	50,305
Cost of goods sold	17	-45,711	-45,115
Gross profit		5,691	5,190
Distribution costs	18	-3,725	-3,591
Administrative expenses		-361	-345
Other operating income	19	3,291	2,619
Other operating expenses	20	-1,860	-2,864
Result from participations	21	829	900
Net interest result	22	-295	-244
Depreciation of long-term investments and marketable securities	3	-13	-129
Profit before tax		3,557	1,536
Income tax expense	23	-1,151	-618
Profit after tax		2,406	918
Profit transferred under a profit transfer agreement	24	-2,406	-918
Net profit for the year		-	-

NOTES TO THE FINANCIAL STATEMENTS

DEVELOPMENT OF FIXED ASSETS IN THE 2017 FISCAL YEAR

EUR million	Gross carrying amounts				
	Costs Jan. 1, 2017	Additions	Transfers	Disposals	Costs Dec. 31, 2017
Concessions, industrial property rights and similar rights and assets, as well as licenses thereto	1,004	136	2	220	922
Intangible assets	1,004	136	2	220	922
Land, land rights and buildings, including buildings on third-party land	5,438	97	142	13	5,664
Plant and machinery	4,683	161	150	124	4,870
Other plant and office equipment	15,579	934	325	324	16,514
Advance payments and assets under construction	709	1,487	-619	5	1,572
Property, plant and equipment	26,409	2,679	-2	466	28,620
Investments in affiliated companies	6,378	52	-	-	6,430
Loans to affiliated companies	842	198	-	3	1,037
Participations	214	5	-	-	219
Other loans	0	-	-	0	0
Long-term financial investments	7,434	255	-	3	7,686
Total fixed assets	34,847	3,070	0	689	37,228

Adjustments						Carrying amounts	
Cumulative depreciation and amortization Jan. 1, 2017	Depreciation and amortization for current year	Transfers	Disposals	Reversal of impairment losses	Cumulative depreciation and amortization Dec. 31, 2017	Dec. 31, 2017	Dec. 31, 2016
774	98	-	219	-	653	269	230
774	98	-	219	-	653	269	230
2,508	150	0	5	-	2,653	3,011	2,930
3,590	374	0	120	-	3,844	1,026	1,093
12,493	1,098	0	311	-	13,280	3,234	3,086
-	-	-	-	-	-	1,572	709
18,591	1,622	0	436	-	19,777	8,843	7,818
360	13	-	-	-	373	6,057	6,018
-	-	-	-	-	-	1,037	842
-	-	-	-	-	-	219	214
-	-	-	-	-	-	0	0
360	13	-	-	-	373	7,313	7,074
19,725	1,733	0	655	-	20,803	16,425	15,122

GENERAL COMMENTS ON THE BALANCE SHEET AND INCOME STATEMENT

/ NOTES ON THE COMPANY

AUDI Aktiengesellschaft (AUDI AG) has its registered office in Ingolstadt, Germany, and is entered in the Commercial Register at the Local Court of Ingolstadt (HR B 1). As of the balance sheet date of December 31, 2017, AUDI AG takes the form of a large corporation as defined in Section 267 of the German Commercial Code (HGB).

/ ACCOUNTING PRINCIPLES

The Annual Financial Statements of AUDI AG have been prepared in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG), as amended.

For the sake of greater clarity and visibility, certain individual items in the Balance Sheet and Income Statement have been combined. These items are presented separately in the Notes to the Financial Statements.

The Income Statement has been prepared in accordance with the cost of sales method.

/ NOTES ON THE DIESEL ISSUE

In September 2015, the U.S. Environmental Protection Agency (EPA) publicly announced in a “Notice of Violation” that irregularities in relation to nitrogen oxide (NO_x) emissions had been discovered in emissions tests on certain vehicles of the Volkswagen Group with EA189 2.0 l diesel engines. In this context, Volkswagen announced that noticeable discrepancies between the figures achieved in testing and in actual road use had been identified in around 11 million vehicles worldwide with type EA189 diesel engines, including around 2.4 million Audi vehicles. In November 2015, the EPA issued a “Notice of Violation” alleging that irregularities had also been discovered in the software installed in U.S. vehicles with type V6 3.0 TDI engines. The matter affected around 113,000 vehicles in the United States and Canada, where the regulations on NO_x limits are stricter than in other parts of the world. The California Air Resources Board (CARB) – part of the Californian Environmental Protection Agency – announced its own investigations into this matter. Volkswagen AG holds internal development responsibility for the four-cylinder diesel engines within the Group and AUDI AG for the six-cylinder V6 3.0 TDI diesel engines.

The incumbent members of the Board of Management of AUDI AG at that time have declared that prior to their notification by the EPA in November 2015, they had no knowledge of the use of an unlawful “defeat device software” under U.S. law in the V6 3.0 TDI engines.

Also, the publications released by the reporting date as well as the continued investigations and interviews in connection with the diesel issue did not provide the Board of Management with any reliable findings or assessments regarding the facts which would lead to a different assessment of the associated risks.

Besides, there are no reliable findings or facts to the incumbent Board of Management of AUDI AG suggesting that the Annual Financial Statements for the 2017 fiscal year and previous years were materially incorrect. However, if new findings should come to light that indicate that individual members of the Board of Management at that time were aware of the diesel issue earlier, this could potentially have an effect on the Annual Financial Statements for the 2017 fiscal year and previous years.

Numerous court and governmental proceedings were subsequently initiated in the United States and the rest of the world in connection with the diesel issue. Having previously reached comprehensive settlements in North America in 2016, we succeeded in ending a majority of major court and governmental proceedings in the United States by concluding settlement agreements in the 2017 fiscal year. This includes, in particular, settlements with the U.S. Department of Justice (DoJ). Outside the United States, we also reached agreements with further authorities with regard to the implementation of technical measures.

In April 2017, the U.S. federal court in California granted final approval for the Third Partial Consent Decree settling civil claims and injunctive relief under the U.S. Clean Air Act related to vehicles with four-cylinder diesel engines and the V6 3.0 TDI diesel engines.

In May 2017, the same court granted final approval for the Second Partial Consent Decree resolving claims for injunctive relief under the U.S. Clean Air Act and California environmental, consumer protection and false advertising laws related to V6 3.0 TDI diesel engine vehicles.

Also in May, the same court granted final approval for the California Second Partial Consent Decree, the second 3.0 l Partial Stipulated Order with the U.S. Federal Trade Commission (FTC) and the class action settlement reached with private plaintiffs related to vehicles with V6 3.0 TDI diesel engines.

In July 2017, the U.S. federal court in the multidistrict litigation in California approved the Third California Partial Consent Decree resolving claims for California environmental penalties and refunds for both four-cylinder and V6 3.0 TDI diesel engine vehicles. An agreement in principle had been reached in January 2017. Also in July 2017, the California federal court granted the motion of the Plaintiffs' Steering Committee seeking attorneys' fees and costs in connection with the settlement on vehicles with V6 3.0 TDI engines.

In the United States and Canada, three generations of certain vehicles with four-cylinder diesel engines under the responsibility of Volkswagen and two generations of certain vehicles with V6 3.0 TDI engines are affected. For Generation 2 vehicles with V6 3.0 TDI engines, the EPA and CARB have approved repair solutions. For Generation 1 vehicles with V6 3.0 TDI engines, we have submitted proposed emissions modifications, and those proposals are under review by the EPA and CARB. Volkswagen is cooperating closely with EPA and CARB to receive approval for the remaining vehicles.

In December 2017, Volkswagen announced an agreement in principle on a proposed settlement with consumers in Canada in connection with V6 3.0 TDI diesel vehicles. The court preliminarily approved the settlement agreement in January 2018. The notice and opt-out period began on January 17, 2018. Dates for final approval hearings have been set for April 2018 in Quebec and Ontario.

In January 2018, Volkswagen also reached a civil resolution with the Canadian Commissioner of Competition to settle consumer protection matters in respect of V6 3.0 TDI diesel vehicles. In addition, criminal enforcement related investigations by the federal environmental regulator and quasi-

criminal enforcement related investigations by a provincial environmental regulatory in Canada relating to four-cylinder and V6 3.0 TDI diesel vehicles are ongoing.

During the first quarter of 2017, the German Federal Motor Transport Authority (Kraftfahrt-Bundesamt, KBA) issued the final outstanding official approvals needed for technical measures to convert Volkswagen Group vehicles fitted with four-cylinder diesel engines falling within its remit, including Audi models. The KBA ascertained for all clusters (groups of vehicles) that implementation of the technical measures would not bring about any adverse changes in fuel consumption figures, CO₂ emissions figures, engine power, maximum torque and noise emissions. Once the modifications have been made, the vehicles will thus also continue to comply with all legal requirements and applicable emission standards. The technical measures for all affected vehicles with type EA189 engines in the European Union were approved without exception and predominantly carried out.

For many months, AUDI AG has been intensively checking all diesel concepts for possible discrepancies and retrofit potentials. A systematic review process for all engine and gear variants has been underway since 2016. In this regard it has been working closely with the authorities – in particular the German Federal Ministry of Transport and the KBA – and reporting to them in detail.

On June 14, 2017, based on a technical error in the parametrization of the transmission software for a limited number of specific Audi A7/A8 models that AUDI AG itself discovered and reported to the KBA, the KBA issued an order with which a correction proposed by AUDI AG will be submitted. The technical error lies in the fact that, in the cases concerned, by way of exception a specific function that is standard in all other vehicle concepts is not implemented in actual road use. In Europe, this affects around 24,800 units of certain Audi A7/A8 models. The KBA has not categorized this error as an illegal defeat device.

On July 21, 2017, AUDI AG offered a software-based retrofit program for up to 850,000 vehicles with V6 and V8 TDI engines meeting the Euro 5 and Euro 6 emission standards in Europe and other markets except the USA and Canada. The measure will mainly serve to further improve the vehicles' emissions in real driving conditions in inner city areas beyond the legal requirements. Customers will not be charged for the new software.

The entire package is also offered for certain Volkswagen and Porsche models and comprises voluntary and, to a smaller extent, measures directed by authorities. These are measures taken within the scope of a recall, which were proposed by AUDI AG itself, reported to the KBA and taken up and ordered by the latter. The measures adopted and mandated by the KBA involved the recall of different diesel vehicles with a V6 or V8 engine meeting the EU6 emission standard, for which the KBA categorized certain emission strategies as an illegal defeat device. From July 2017 to January 2018, the measures proposed by AUDI AG have been adopted and mandated in various decisions by the KBA on vehicle models with V6 and V8 TDI engines. All models of the Audi brand currently offered already have a new-generation engine or were not the subject of KBA complaints.

The voluntary checks of the vehicles of the Audi brand with Euro 6 engines have almost been concluded. The investigations of vehicles with Euro 5 engines are already at an advanced stage and their conclusion is expected during the first quarter of 2018. In addition, Audi is responding to requests from the U.S. authorities for information regarding automatic transmissions in certain vehicles.

We currently assume that the overall cost of the software-based retrofit program including the part related to recalls will be manageable and have recognized corresponding balance-sheet risk provisions. Should additional measures become necessary as a result of the investigations by AUDI AG and the consultations with the KBA, AUDI AG will quickly implement these as part of the retrofit program in the interest of customers. Further field measures with financial consequences can therefore not be ruled out completely at this time.

Based on the facts of the diesel issue available to and assessed by the incumbent Board of Management of AUDI AG at the time of preparation of the financial statements, relating both to the four-cylinder diesel engines for which Volkswagen AG is accountable and to the V6 3.0 TDI diesel engines which are the responsibility of AUDI AG, it is the opinion of the Board of Management of AUDI AG that adequate risk provisioning has been made in the form of provisions for technical measures and legal risks in connection with the settlement agreements for the diesel issue in the United States. The

provisioning also covers diesel issues in Canada and sales measures in the markets affected by a freeze on sales. In addition, AUDI AG has concluded an agreement with Volkswagen AG on the V6 3.0 TDI diesel engine issue in the event that the U.S. authorities, U.S. courts and potential out-of-court settlements do not differentiate between the four-cylinder diesel engine issue for which Volkswagen AG is accountable and the V6 3.0 TDI diesel engine issue which is the responsibility of AUDI AG, and that joint and several liability thus arises. In that eventuality, costs for legal risks will be passed on to AUDI AG according to a causation-based cost allocation.

Furthermore, we are continuously monitoring the implementation of the settlement agreements in North America in connection with the diesel issue. The repurchase and retrofit programs to be implemented are both extensive and technically complex. Our provisions for these were likewise adjusted in the 2017 fiscal year on the basis of updated measurement assumptions. Special items in connection with the settlement agreements in North America with an effect on profit or loss came to EUR -387 (-1,632) million in the 2017 fiscal year. This figure takes account of expenditure and provisioning for legal risks as well as expenditure for technical measures. The prior-year figure in addition included sales-related measures in the markets affected by the suspension of sales, which were reported as special items in connection with the diesel issue. The official proceedings and consultations are ongoing. In addition, despite good progress the customer programs laid down in the settlement agreements have not yet been completed. The risk provisioning made to date in the form of provisions, especially for the diesel issue, are based on current knowledge and are therefore fundamentally subject to significant evaluation risks because of the large number of still-uncertain measurement inputs. Until the official proceedings and consultations as well as the customer programs have been concluded, we will therefore continue to monitor the measurement inputs in connection with the provisions created for the diesel issue as well as the development in the associated costs, and adjust them in line with more recent knowledge as necessary.

NOTES TO THE BALANCE SHEET

1 / INTANGIBLE ASSETS

Intangible assets comprise purchased development services, computer software and licenses to such rights and assets, as well as subsidies paid. Self-created intangible assets are not capitalized as assets.

// MEASUREMENT PRINCIPLES

Intangible assets are recognized at cost of purchase and amortized pro rata temporis over a period of five to eight years in accordance with their likely economically useful lives.

2 / PROPERTY, PLANT AND EQUIPMENT

EUR million	Dec. 31, 2017	Dec. 31, 2016
Land, land rights and buildings, including buildings on third-party land	3,011	2,930
Plant and machinery	1,026	1,093
Other plant and office equipment	3,234	3,086
Advance payments and assets under construction	1,572	709
Property, plant and equipment	8,843	7,818

// MEASUREMENT PRINCIPLES

Property, plant and equipment are measured at cost of purchase or cost of construction, less depreciation.

The costs of purchase include the purchase price, ancillary costs and cost reductions assignable to the individual asset. Property, plant and equipment paid for in foreign currency are translated at the mean spot exchange rates on the transaction date.

In the case of self-constructed fixed assets, the cost of construction includes both the directly attributable material and labor costs as well as the indirect material and labor costs, including pro rata depreciation. Interest on borrowed capital is not included.

Additions to movable fixed assets are depreciated on a straight-line basis.

Depreciation of depreciable assets is generally dated from the time of their acquisition or operational capability.

Our depreciation plan is based on the following estimates of economically useful lives:

	Useful life
Buildings (excluding plant fixtures)	25–33 years
Plant fixtures	8–30 years
Production machinery	5–14 years
Other plant and office equipment including special tools and fixtures	3–10 years

Variances by comparison with depreciation under commercial law resulting from the provisions on accelerated depreciation under Section 6b of the German Income Tax Act (EStG) (transfer of gains on disposal) are presented under special reserve with an equity portion and amortized in accordance with the applicable rules.

3 / LONG-TERM FINANCIAL INVESTMENTS

EUR million	Dec. 31, 2017	Dec. 31, 2016
Investments in affiliated companies	6,057	6,018
Loans to affiliated companies	1,037	842
Participations	219	214
Other loans	0	0
Long-term financial investments	7,313	7,074

The increase in investments in affiliated companies mainly relates to capital increases at foreign and domestic subsidiaries. This is countered by impairment losses to the lower fair value in the amount of EUR 13 (–) million in relation to a domestic company.

Investment securities, consisting of time credit and pension funds, are offset against the corresponding obligations. The carrying amounts and market values as of the balance sheet date are shown under Note 6.

// MEASUREMENT PRINCIPLES

Investments in affiliated companies, participations and investment securities are generally measured at cost of purchase. Where impairment losses are likely to be permanent, they are depreciated to the lower fair value as of the balance sheet date.

Non-interest-bearing and low-interest loans are measured at present value on the basis of an arm's length interest rate; other loans are measured at their nominal value.

Additions to investments in foreign currency are translated at the mean spot exchange rate on the day of the transaction.

The time credit and pension funds are special funds that are exclusively used to meet obligations relating to retirement benefits and other comparable long-term obligations. The funds, which are therefore protected from corporate creditors, are measured at fair value. The fair value of such assets corresponds to their market price. Due to the fair value measurement of the time credit and pension funds, changes in value are immediately recognized as income or expense. Time credit and pension funds are offset against the corresponding obligations and are explained in detail under Note 13.

4 / INVENTORIES

<i>EUR million</i>	Dec. 31, 2017	Dec. 31, 2016
Raw materials and supplies	312	268
Work in progress	959	672
Finished goods and products	2,259	1,927
Advance payments	72	0
Inventories	3,602	2,867

// MEASUREMENT PRINCIPLES

Raw materials and supplies are recognized at the lower of the amortized average cost of purchase or replacement value. Materials invoiced in foreign currencies are measured on the day of the transaction at the mean spot exchange rate. Other costs of purchase and purchase cost reductions are taken into account where assignable to individual assets.

Emission allowances acquired for consideration are measured at amortized cost in accordance with the strict lower of cost or market principle and are reported under finished goods

and merchandise. A pro memoria value is recognized for emission allowances that are not acquired for consideration. The current fair value is EUR 3 (2) million.

In the case of work in progress and finished goods, which are measured at cost of conversion, direct materials are also included on an average cost of purchase basis. The amounts presented also comprise direct labor costs, together with other costs which must be capitalized under tax law. Interest on borrowed capital is not included.

Company cars are included under finished goods and are measured according to their expected depreciation. The value derived from the market forms the lower limit.

Merchandise is measured at cost of purchase.

Provision has been made for all discernible storage and inventory risks by way of value adjustments. In this way, work in progress and finished goods, as well as merchandise, are measured loss-free insofar as the values derived from the sales market are lower than the amortized cost of purchase or cost of construction.

5 / RECEIVABLES AND OTHER ASSETS

<i>EUR million</i>	Dec. 31, 2017	Dec. 31, 2016
Trade receivables	1,215	1,323
<i>of which due in more than one year</i>	-	-
Receivables from affiliated companies	9,933	9,554
<i>of which trade receivables</i>	4,022	3,507
<i>of which from financial transactions</i>	5,060	5,234
Receivables from companies linked through participation	737	502
<i>of which trade receivables</i>	737	485
Other assets	662	638
<i>of which due in more than one year</i>	4	6
<i>of which in relation to affiliated companies</i>	232	308
<i>of which due in more than one year</i>	-	-
<i>of which in relation to companies linked through participation</i>	-	-
Receivables and other assets	12,547	12,017

// MEASUREMENT PRINCIPLES

Receivables and other assets are recognized at their nominal value or at cost of purchase. Provision is made for discernible non-recurring risks and general credit risks in the form of appropriate value adjustments.

Receivables in foreign currencies are translated using the mean spot exchange rate when recorded for the first time. Receivables with a remaining term of up to one year are measured using the mean spot exchange rate on the balance

sheet date. For receivables with a longer term, a lower price on the balance sheet date results in a lower recognized measurement of the receivable, while a higher price (measurement gain) has no effect.

Receivables and other assets with a maturity of more than one year are reported at their present value on the balance sheet date using an appropriate market interest rate for the period as a whole.

6 / OTHER SECURITIES

<i>EUR million</i>	Carrying amount	Fair value	Fair value less carrying amount	Dividend payment 2017	Daily surrender possible	Omitted write-down
Investment securities						
Time credit fund	269	269	–	11 ¹⁾	Yes	No
Pension fund	1,508	1,508	–	63 ¹⁾	Yes	No
Marketable securities						
Treasury fund	6,413	6,489	76	92 ²⁾	Yes	No
Total securities	8,190	8,266	76	–		

1) For the 2016 fiscal year

2) Of which EUR 19 million attributable to the 2016 fiscal year and EUR 73 million to the 2017 fiscal year.

The other marketable securities comprise one treasury fund.

Units or shares in investment funds must be reported together. In addition to the treasury fund, the reported item also includes the time credit and pension funds, which are allocated to long-term financial investments and offset against the corresponding time credit and pension obligations as of the balance sheet date.

The investment aim of the security funds is to generate a suitable rate of return over the term, with the risk being diversified appropriately. The following security classes are included: fixed-income securities, shares and other assets.

// MEASUREMENT PRINCIPLES

Other marketable securities are recognized at the lower of cost of purchase or fair value on the balance sheet date. Accounting measurement of the treasury fund was changed over from an item-by-item basis to a group basis in the fiscal year, in line with the policy applied in the Volkswagen Group. This resulted in a write-up in the amount of EUR 22 million.

7 / CASH ON HAND AND BALANCES WITH BANKS

Of the balances with banks, EUR 184 (150) million relates to balances with an affiliated company.

// MEASUREMENT PRINCIPLES

Cash on hand and balances with banks are recognized at their nominal value. Balances with banks in foreign currencies are translated at the mean spot exchange rate on the balance sheet date.

8 / DEFERRED EXPENSES

Deferred expenses relate to expenditure before the reporting date, provided that the expenses relate to a particular period after that date.

9 / SUBSCRIBED CAPITAL

As of December 31, 2017, the subscribed capital was unchanged at EUR 110,080,000. This capital is divided into 43,000,000 no-par bearer shares. The notional value of each share is EUR 2.56.

// MEASUREMENT PRINCIPLES

The subscribed capital is reported in the Balance Sheet at its nominal value.

10 / CAPITAL RESERVE

The capital reserve contains shareholder contributions from the issuance of shares in the Company, as well as cash injections by Volkswagen AG, Wolfsburg, from previous years. The increase in the capital reserve in the 2017 fiscal year amounts to EUR 459 (1,526) million as a result of the cash injection by Volkswagen AG.

11 / RETAINED EARNINGS

As of the balance sheet date, the statutory reserves totaled EUR 131 (131) thousand. Other retained earnings amounted to EUR 1,417 (1,417) million.

There has been no change in retained earnings as a result of the transfer of the entire profit for the 2017 fiscal year to Volkswagen AG, Wolfsburg.

12 / SPECIAL RESERVE WITH AN EQUITY PORTION

The capital gains transferred in accordance with Section 6b of the German Income Tax Act (EStG) are stated as EUR 6 (6) million as of the balance sheet date.

13 / PROVISIONS

<i>EUR million</i>	Dec. 31, 2017	Dec. 31, 2016
Provisions for pensions and similar obligations	3,095	2,931
Tax provisions	4	3
Other provisions	13,218	13,566
Provisions	16,317	16,500

Provisions for pensions and similar obligations are created on the basis of plans to provide retirement, disability and surviving dependent benefits. The benefit amounts are generally contingent on the length of service and the salary of the employee. Retirement benefit systems are based on defined benefit plans, with a distinction being made between those benefit systems financed through provisions and those that are financed externally.

Other provisions mainly relate to warranty claims coverage, distribution costs, workforce-related costs and legal risks arising from litigation and product liability. Provisions are also included in relation to purchasing and development activities.

The other provisions for warranty costs and legal risks also include amounts arising from the diesel issue. The provisions created in the year under review for the diesel issue in North America are explained in more detail in "Other particulars" under the note on "Expenses and income of exceptional significance."

In addition, AUDI AG has concluded an agreement with Volkswagen AG on the V6 3.0 TDI diesel engine issue in the event that the U.S. authorities, U.S. courts and potential out-of-court settlements do not differentiate between the four-cylinder diesel engine issue for which Volkswagen AG is accountable and the V6 3.0 TDI diesel engine issue which is the responsibility of AUDI AG, and that joint and several liability thus arises. In that eventuality, costs for legal risks will be passed on to AUDI AG according to a causation-based cost allocation.

// MEASUREMENT PRINCIPLES

Pension obligations are measured at the settlement value calculated on the basis of sound business judgment. The projected unit credit method is used for the actuarial measurement of defined benefit plans. This measures future obligations on the basis of the pro-rata benefit entitlements acquired as of the balance sheet date.

As well as the pensions and entitlements to pensions known at the balance sheet date, this method also takes account of anticipated pay and pension increases and any other valuation parameters.

The actuarial interest rate used is the discounting rate published by the German Bundesbank for December 2017 with a remaining term of 15 years. Provisions for pensions have been measured in the Financial Statements for the 2017 fiscal year on the basis of the average market interest rate over the past ten fiscal years.

Provisions for pensions are calculated on the basis of the following assumptions:

	Dec. 31, 2017	Dec. 31, 2016
Actuarial interest rate	3.68%	4.01%
Remuneration trend	3.70%	3.60%
Retirement benefit trend	1.50%	1.50%
Income from assets	1.80%	2.30%
Fluctuation	1.20%	1.10%
Accounting basis	2005 G Reference Tables	2005 G Reference Tables
Age limits	German Pension Insurance – Retirement Age Adjustment Act 2007	German Pension Insurance – Retirement Age Adjustment Act 2007

The settlement value of pension obligations not financed via a fund is EUR 3,066 (2,931) million as of the balance sheet date. The amount that would be recognized for provisions for retirement benefit obligations calculated using the average market interest rate for the past seven fiscal years exceeds the amount recognized in the balance sheet by EUR 451 (368) million.

The annual remuneration-linked contributions for unit-linked retirement benefits are invested in funds by Volkswagen Pension Trust e.V., Wolfsburg.

The fund units administered on a fiduciary basis fulfill the conditions required of cover assets and are therefore offset against the pension obligations. The cover assets are measured at their fair value. Given that the minimum defined benefit of EUR 1,537 (1,264) million exceeds the corresponding benefit obligation by EUR 29 (–) million, this amount is recognized as a provision in the Balance Sheet after offsetting plan assets against the obligation.

The cover assets of the pension fund performed as follows during the 2017 fiscal year:

<i>EUR million</i>	Dec. 31, 2017	Dec. 31, 2016
Settlement value of obligations = fair value of pension fund	1,537	1,378
Amortized cost of the pension fund including reinvestment	1,529	1,331

The settlement value of the obligations is EUR 1,537 (1,378) million as of the balance sheet date and is offset against the fair value of the pension fund. The amount that would be recognized for provisions for retirement benefit obligations calculated using the average market interest rate for the past seven fiscal years exceeds the amount recognized in the balance sheet by EUR 385 (155) million.

The following amounts were recognized in the Income Statement:

<i>EUR million</i>	Offset expenses and income from obligations financed via pension fund including fund assets	
	2017	2016
Financial result		
Interest income (performance of pension fund)	– 2	45
Interest expenses	27	45
Balance of income and expenses offset in the Income Statement	29	–

Retirement benefit expenses are included in the personnel costs for the functional areas. The interest expenses relating to the obligations and the income from the change in fair value of the pension fund assets are offset in the financial result. Expenses relating to changes in interest rates are also recorded in the financial result.

Liabilities from employees' time credits are secured by assets, which they are offset against. As of the balance sheet date, the fair value of the time credit fund was less than the cost of purchase.

The cover assets of the time credit fund performed as follows during the 2017 fiscal year:

<i>EUR million</i>	Dec. 31, 2017	Dec. 31, 2016
Settlement value of obligations = fair value of time credit fund	269	240
Amortized cost of the time credit fund including reinvestment	286	246

The settlement value of the obligations is EUR 269 (240) million as of the balance sheet date and is offset against the fair value of the time credit fund.

The following amounts were recognized in the Income Statement:

<i>EUR million</i>	Offset expenses and income from obligations financed via time credit fund including fund assets	
	2017	2016
Financial result		
Interest income (performance of time credit fund)	4	4
Interest expenses	4	4
Balance of income and expenses offset in the Income Statement	-	-

Other provisions are measured at the settlement value calculated on the basis of sound business judgment.

Provisions for long-service awards are discounted at a rate of 2.8 (3.2) percent, applying actuarial principles.

Pursuant to the transitional provisions of the German Accounting Law Modernization Act (BilMoG), the value of other provisions as of January 1, 2010, was not discounted. As of December 31, 2017, the non-recorded discounting amount on this old total was EUR 0 (2) million.

14 / LIABILITIES

<i>EUR million</i>	Dec. 31, 2017 Total	Remaining term up to 1 year	Remaining term more than 1 year	Dec. 31, 2016 Total	Remaining term up to 1 year	Remaining term more than 1 year
Advance payments received for orders from customers	128	128	-	85	62	23
Trade payables	2,057	2,057	-	1,380	1,380	-
Liabilities to affiliated companies	5,738	4,267	1,471	4,163	2,774	1,389
<i>of which trade payables</i>	983	983	-	1,209	1,209	-
<i>of which from profit transfer agreement</i>	2,406	2,406	-	918	918	-
Liabilities to companies linked through participation	116	116	-	97	97	-
<i>of which trade payables</i>	28	28	-	39	39	-
Other liabilities	585	476	109	547	445	102
<i>of which taxes</i>	98	98	-	88	88	-
<i>of which relating to social insurance</i>	82	49	33	75	44	31
Liabilities	8,624	7,044	1,580	6,272	4,758	1,514

The medium-term liabilities amount to EUR 1,438 (955) million. They include liabilities to affiliated companies amounting to EUR 1,329 (830) million. The other medium-term liabilities of EUR 109 (102) million relate to the payroll, amounting to EUR 76 (71) million and social security liabilities amounting to EUR 33 (31) million. Advance payments received on orders amounted to EUR - (23) million.

Liabilities with a remaining term of more than five years amount to EUR 142 (559) million. They include liabilities to affiliated companies amounting to EUR 142 (559) million.

Liabilities to employees from the partial retirement block model amounting to EUR 170 (142) million that are included in other liabilities are secured by assignment of the company car fleet as collateral security.

// MEASUREMENT PRINCIPLES

Liabilities are recognized at settlement values.

Current liabilities in foreign currencies with a remaining term of one year or less are measured at the mean spot exchange rate on the day of the transaction. If the price is higher on the balance sheet date, the long-term liabilities in foreign currencies are reported at the higher amount accordingly.

If the price is lower (measurement gain), it is not taken into account.

15 / DEFERRED INCOME

Deferred income includes revenue from multiple-element transactions which are offset at the reporting date by service obligations in future fiscal years.

NOTES TO THE INCOME STATEMENT**16 / REVENUE**

<i>EUR million</i>	2017	Proportion as a %	2016	Proportion as a %
Germany	14,597	28.4	14,381	28.6
Rest of Europe	16,042	31.2	16,318	32.4
North America	10,094	19.6	8,295	16.5
Asia-Pacific	9,892	19.3	10,560	21.0
South America	432	0.8	437	0.9
Africa	345	0.7	314	0.6
International	36,805	71.6	35,924	71.4
Revenue	51,402	100.0	50,305	100.0

Vehicle business accounted for 76 (77) percent of revenue. The vehicle export business accounts for a share of 75 (75) percent. The Audi A4 and Q5 car lines made the biggest contribution to revenue during the past fiscal year. High levels of demand for our new Audi A5 and Q2 models also had a positive impact on revenue.

Other revenue, comprising 24 (23) percent of total revenue, includes goods and services supplied to participations and sales to third parties.

17 / COSTS OF GOODS SOLD

Cost of goods sold includes the production costs of the products sold, as well as the purchase costs of merchandise sold. This item also comprises research and development costs, warranty costs and adjustments to the value of inventories.

18 / DISTRIBUTION COSTS

Distribution costs substantially comprise expenses for marketing and sales promotion, advertising, public relations activities and outward freight.

19 / OTHER OPERATING INCOME

<i>EUR million</i>	2017	2016
Dissolution of special reserve with an equity portion	0	0
Dissolution of provisions	1,489	702
Miscellaneous income	1,802	1,917
Other operating income	3,291	2,619

Other income primarily comprises income from foreign currency and commodity hedging transactions and from warranty recourses. Also included is income from the transferring of expenses relating to the diesel issue, based on existing agreements with Volkswagen AG, Wolfsburg. Income from foreign currency translation amounting to EUR 357 (269) million is also included.

20 / OTHER OPERATING EXPENSES

Other operating expenses largely comprise expenses for currency and commodity hedging transactions. Expenses resulting from foreign currency translation amount to EUR 526 (280) million.

21 / RESULT FROM PARTICIPATIONS

<i>EUR million</i>	2017	2016
Income from profit transfer agreements	400	420
Income from participations	443	481
<i>of which from affiliated companies</i>	66	70
Expenses from the transfer of losses	-14	-1
Result from participations	829	900

Income from profit transfer agreements – in particular with Audi Sport GmbH, Neckarsulm – and expenses from the transfer of losses – in particular from Autonomous Intelligent Driving GmbH, Munich – include taxes passed on which are contingent on profit.

Income from participations primarily comprises the distribution of profits of FAW-Volkswagen Automotive Company, Ltd., Changchun (China).

22 / NET INTEREST RESULT

<i>EUR million</i>	2017	2016
Other interest and similar income	166	101
<i>of which from affiliated companies</i>	56	32
Interest and similar expenses	-461	-345
<i>of which to affiliated companies</i>	-38	-61
Net interest result	-295	-244

The net interest result includes interest expenses totaling EUR 401 (266) million and income from discounting totaling EUR – (53) million.

23 / INCOME TAX EXPENSE

Income tax expense includes taxes passed on by Volkswagen AG, Wolfsburg, on the basis of the single-entity relationship between the two companies for tax purposes, along with taxes owed by AUDI AG.

Based on a profit and loss transfer agreement, deferred taxes are taken into account for Volkswagen AG, Wolfsburg, as parent company.

// OTHER TAXES

Other taxes, amounting to EUR 32 (32) million, are allocated to cost of goods sold, distribution costs and administrative expenses.

24 / PROFIT TRANSFERRED UNDER A PROFIT TRANSFER AGREEMENT

Pursuant to the profit transfer agreement, the amount of EUR 2,406 (918) million will be transferred to Volkswagen AG, Wolfsburg.

// NON-PERIODIC INCOME AND EXPENSES

Income not allocable to the current period amounts to EUR 1,622 (1,010) million and includes primarily the dissolution of provisions amounting to EUR 1,489 (702) million. This relates mainly to the areas of sales, warranty costs and litigation risks.

Expenses to be allocated to other fiscal years amount to EUR 1,014 (1,944) million and includes primarily non-periodic allocations to provisions totaling EUR 843 (1,879) million. This involves, among other things, risk provisioning in relation to the diesel issue in North America.

With regard to the non-periodic expenses in connection with the diesel issue in North America, please refer to the explanations concerning expenses and income of exceptional significance in the section on “Other particulars.”

Other income and expenses not allocable to the current period is mainly apportioned to other operating result.

OTHER PARTICULARS

/ COST OF MATERIALS

EUR million	2017	2016
Expenses for raw materials and supplies, as well as purchased goods	33,431	32,152
Expenses for purchased services	3,927	4,637
Cost of materials	37,358	36,789

/ PERSONNEL COSTS

EUR million	2017	2016
Wages and salaries	4,886	4,643
Social insurance and expenses for retirement benefits and support payments	824	807
<i>of which relating to retirement benefit plans</i>	<i>80</i>	<i>104</i>
Personnel costs	5,710	5,450

/ TOTAL AVERAGE NUMBER OF EMPLOYEES FOR THE YEAR

	2017	2016
Ingolstadt plant	42,498	42,412
Neckarsulm plant	15,995	15,655
Employees	58,493	58,067
Apprentices	2,470	2,390
Workforce¹⁾	60,963	60,457

1) Of these, 1,304 (1,003) were in the passive stage of partial retirement

/ DERIVATIVE FINANCIAL INSTRUMENTS

// NATURE AND EXTENT

AUDI AG is exposed to exchange rate fluctuations in view of its international business activities. These risks are limited by concluding appropriate hedges for matching amounts and maturities.

Commodities are subject to the risk of fluctuating prices given the volatile nature of the commodity markets. Commodity futures are used to limit these risks.

The total nominal volume of contracts for forward exchange contracts and commodity futures is EUR 29,650 (40,117) million. The nominal volumes of the cash flow hedges for hedging currency risks and commodity price risks represent the total of all buying and selling prices on which the transactions are based. The derivative financial instruments used exhibit a maximum hedging term of five years and are grouped into portfolios.

The following table shows the nominal volumes and fair values of derivative financial instruments not included in valuation units:

EUR million	Nominal volumes		Fair values	
	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2017	Dec. 31, 2016
Forward exchange contracts	508	741	-9	75
<i>of which positive fair values</i>			7	75
<i>of which negative fair values</i>			-16	-
Commodity futures	490	719	127	16
<i>of which positive fair values</i>			127	47
<i>of which negative fair values</i>			-	-31

Valuation units are formed for the remaining risk volume of forward exchange contracts totaling EUR 23,004 (33,785) million and foreign exchange options totaling EUR 4,483 (4,347) million. As of the balance sheet date, this resulted in positive fair values of EUR 1,570 (1,195) million for forward exchange contracts and of EUR 131 (74) million for foreign exchange options, as well as negative fair values of EUR 72 (1,475) million for forward exchange contracts and of EUR 15 (101) million for foreign exchange options. The forward exchange contracts and foreign exchange options included in valuation units serve to hedge against exchange rate risk of expected transactions in the amount of EUR 25,550 (35,807) million and pending transactions of EUR 1,937 (2,325) million.

Valuation units are also formed for foreign currency hedging transactions for the hedging of assets totaling EUR 1,165 (525) million. As of the balance sheet date, this results in positive fair values in the amount of EUR 46 (–) million and negative fair values in the amount of EUR 2 (23) million.

The transactions expected with a high degree of probability are planned sales and purchasing transactions. Based on the planned volumes of these transactions, hedging strategies are developed and the corresponding hedging transactions concluded.

The hedging relationship is constantly monitored and is sufficient insofar as underlying and hedging transactions are exposed to similar and opposite risks.

Other forward contracts also exist in relation to the hedging of residual value risks. Residual value risks arise from hedging agreements with sales partners, according to which any effects on profit are borne in part by AUDI AG within the

context of buyback obligations resulting from concluded leasing agreements. The nominal volume is EUR 5,034 (4,485) million with a fair value of EUR –567 (–216) million.

// MEASUREMENT METHODS

The fair values of foreign currency hedging transactions and commodity hedging transactions generally correspond to the market value or trading price. If no active market exists, fair value is determined using valuation techniques, such as by discounting the future cash flows at the market interest rate or by using recognized option pricing models.

For many forward exchange contracts used for hedging purposes, opposite transactions are grouped together to create measurement portfolios. Any impairments incurred as a result of the underlying transaction or impending losses are recognized in off-balance-sheet accounts with opposite effects resulting from the hedging transaction; only the remaining negative balance surpluses are recorded in the Income Statement (net hedge presentation method). The effectiveness of the valuation units is examined prospectively using the critical terms match method. The retrospective evaluation of the effectiveness of hedges involves a test in the form of the dollar offset method. All of the valuation units formed were fully effective.

The hedging of residual value risks is measured based on the residual value recommendations adopted by the residual value committee and on current dealer purchase values on the market at the time. Depending on how dealer purchase values develop at the time of measurement, opportunities or risks will arise for AUDI AG, with only the risks being reported in the form of provisions for impending losses under “Other provisions.”

// BALANCE SHEET ITEMS AND CARRYING AMOUNTS

Derivative financial instruments are included in the following balance sheet items:

<i>EUR million</i>		Carrying amounts	
Type	Balance sheet item	Dec. 31, 2017	Dec. 31, 2016
Impending losses from foreign exchange contracts	Liabilities to affiliated companies	22	49
Impending losses from commodity futures	Liabilities to affiliated companies	0	31

As a general rule, currency hedging transactions are performed by Volkswagen AG, Wolfsburg, on behalf of AUDI AG on the basis of an agency agreement.

There are also provisions of EUR 636 (252) million for negative market values from residual value risks. Non-recognized positive market values amount to EUR 69 (36) million.

Details of the hedged risks and the hedging strategy are provided in the Combined Management Report of the Audi Group and AUDI AG.

/ CONTINGENCIES

<i>EUR million</i>	Dec. 31, 2017	Dec. 31, 2016
Liabilities from sureties and similar contingencies	657	531
<i>of which to affiliated companies</i>	31	34
Furnishing of collateral for outside liabilities	85	62
<i>of which to affiliated companies</i>	85	62

In view of the current creditworthiness and previous payment behavior of the beneficiary, the possibility of utilizing the liabilities from sureties reported under contingencies is judged to be low. This also applies to the greater part of the collateral that is furnished for third-party liabilities.

There are no recognizable indicators suggesting that a different assessment would be required.

AUDI AG is involved in litigation in a number of countries regarding the four-cylinder TDI engines affected by the diesel issue. Based on the agreements in place, Volkswagen AG, Wolfsburg, is responsible for defending these cases and the ensuing consequences. As a result, no resource outflows that would justify the creation of provisions are anticipated. It is considered highly improbable that AUDI AG will be the subject of a joint liability claim with regard to the four-cylinder TDI issue.

AUDI AG made substantial progress in the 2017 fiscal year with regard to the diesel issue in terms of approvals for technical measures and reaching agreement with various authorities and interest groups. Despite the progress in dealing with the diesel issue, there is still ongoing litigation comprising class and mass actions as well as criminal and summary offense proceedings. Some of these cases are still at a very early stage. In a number of instances, the basis for claims is yet to be specified by the plaintiffs and/or there is insufficient information about the number of plaintiffs or amounts claimed. It is therefore not yet possible to quantify the potential financial impact. This is why an overall pro memoria value of EUR 1 is taken into account under liabilities from sureties and similar contingencies.

/ TRANSACTIONS NOT POSTED IN THE BALANCE SHEET

AUDI AG finances some of its trade receivables from foreign affiliated companies and some selected non-Group importers using genuine factoring via Volkswagen Group Services S.A./N.V., Brussels (Belgium), and Volkswagen Finance Belgium S.A., Brussels (Belgium).

Selected receivables from partners in the domestic sales organization are financed using genuine factoring through Volkswagen Bank GmbH, Braunschweig. The volume during the fiscal year was EUR 18 (22) billion. Liquid assets in this amount were received by the company. These transactions do not present any particular risks.

Buyback obligations exist from buyback transactions in the amount of EUR 1,178 (974) million. Of this, EUR 851 (611) million relate to affiliated companies.

/ OTHER FINANCIAL OBLIGATIONS

Other obligations not posted in the Balance Sheet arising from rental, leasing and other agreements spanning several years total EUR 476 (497) million. Of this, EUR 62 (66) million relates to affiliated companies. The total amount can be broken down into the following maturity dates: short-term EUR 158 (169) million, medium-term EUR 247 (234) million, and long-term EUR 71 (94) million. AUDI AG is liable on the basis of its participations in commercial partnerships.

Other financial obligations, particularly ordering commitments, are well within the bounds of standard business practice.

/ EXPENSES AND INCOME OF EXCEPTIONAL SIGNIFICANCE

The risk provisioning carried out during the 2017 fiscal year in connection with the diesel issue in North America, in the form of provisions for technical measures and legal risks total EUR 387 (1,632) million. Expenses were recorded in cost of goods sold in the amount of EUR 277 (424) million, in other operating expenses in the amount of EUR 110 (1,027) million and in distribution costs in the amount of EUR – (181) million.

/ AUDITOR'S FEES

Total audit fees of the Group auditor can be found in the Notes to the Consolidated Financial Statements under marginal number 48. In 2017, the majority of the auditor's fees was attributable to the audit of the Consolidated Financial Statements and the review of the Interim Consolidated Financial Statements of AUDI AG, as well as to the audit of the annual financial statements of German Group companies, and the reviews of the quarterly financial statements of AUDI AG. The extent of other assurance and tax advisory services performed by the auditor was insignificant. Other services performed by the auditor during the reporting year notably relate to consulting services in the areas of IT and process optimization as well as to the provision of training.

/ DETAILS RELATING TO THE SUPERVISORY BOARD AND BOARD OF MANAGEMENT

The members of the Board of Management and the Supervisory Board, together with details of their seats on other supervisory boards and regulatory bodies, are listed on pages 47 to 52.

The remuneration paid to members of the Board of Management for the 2017 fiscal year totaled EUR 23,166 (21,089) thousand. The remuneration comprises EUR 10,762 (4,474) thousand in the fixed and EUR 12,404 (16,615) thousand in the variable components. The variable components include expenses for bonuses totaling EUR 7,752 (11,199) thousand, and the long term incentive (LTI), amounting to EUR 4,652 (5,416) thousand.

Disclosure of the remuneration paid to each individual member of the Board of Management by name, pursuant to Section 285 No. 9a of the German Commercial Code (HGB) is included in the remuneration report which is part of the Combined Management Report of the Audi Group and AUDI AG. A total of EUR 24,262 (3,800) thousand was granted in connection with early departure from the Board of Management.

Under certain circumstances, members of the Board of Management are entitled to retirement benefits and a disability pension. As of December 31, 2017, provisions for pensions for current members of the Board of Management totaled EUR 22,080 (20,074) thousand. Payments to former members of the Board of Management or their surviving dependents amount to EUR 10,914 (6,744) thousand. The sum provisioned for pension obligations to former members of the Board of Management and their surviving dependents is EUR 75,551 (57,952) thousand.

The remuneration paid to the Supervisory Board of AUDI AG, pursuant to Section 285, No. 9a of the German Commercial Code (HGB), is EUR 1,207 (749) thousand, of which EUR 237 (231) thousand related to fixed components and EUR 970 (518) thousand to variable components.

The level of the variable remuneration components is based on the compensatory payment made for the 2017 fiscal year in accordance with the applicable provision in the Articles of Incorporation and Bylaws.

The actual payment of individual parts of the total remuneration, which will only be determined upon finalization of the compensatory payment, will be made in the 2018 fiscal year pursuant to Section 16 of the Articles of Incorporation and Bylaws.

The system of remuneration for the Supervisory Board and Board of Management is presented in the remuneration report, which forms part of the Combined Management Report of the Audi Group and AUDI AG.

/ REPORT ON POST BALANCE SHEET DATE EVENTS

There were no reportable events of material significance after December 31, 2017.

/ DECLARATION OF CONFORMITY

The Board of Management and Supervisory Board of AUDI AG submitted the declaration pursuant to Section 161 of the German Stock Corporation Act (AktG) relating to the German Corporate Governance Code on November 24, 2017, and subsequently made it permanently accessible on the Audi website at www.audi.com/cgk-declaration.

/ PARENT COMPANY

Around 99.55 percent of the share capital of AUDI AG is held by Volkswagen AG, Wolfsburg, with which a control and profit transfer agreement exists.

The Company is included in the Consolidated Financial Statements of Volkswagen AG, Wolfsburg, (smallest and largest group of consolidated companies). The Consolidated Financial Statements are available from the Company and are published in the Federal Gazette (Bundesanzeiger).

At 52.2 percent, Porsche Automobil Holding SE, Stuttgart, held the majority of the voting rights in Volkswagen AG as of the balance sheet date. The creation of rights of appointment for the State of Lower Saxony was resolved at the Extraordinary General Meeting of Volkswagen AG on December 3, 2009. As a result, Porsche Automobil Holding SE can no longer appoint the majority of the members of the Supervisory Board of Volkswagen AG for as long as the State of Lower Saxony holds at least 15 percent of Volkswagen AG's ordinary shares. However, Porsche Automobil Holding SE has the power to participate in the operating policy decisions of the Volkswagen Group.

// NOTES AND DISCLOSURES OF CHANGES TO THE OWNERSHIP OF VOTING RIGHTS IN AUDI AG PURSUANT TO THE GERMAN SECURITIES TRADING ACT (WPHG)¹⁾

// NOTIFICATION OF VOTING RIGHTS, NOVEMBER 10, 2017

1. Details of issuer

AUDI AG
Auto-Union-Straße 1
85045 Ingolstadt
Germany

2. Reason for notification

	Acquisition/disposal of shares with voting rights
	Acquisition/disposal of instruments
	Change of breakdown of voting rights
X	Other reason: Disposal of subsidiary

3. Details of person subject to the notification obligation

Name:	City and country of registered office:
Mr Hon.-Prof. Dr. techn. h.c. Dipl.-Ing. ETH Ferdinand Karl Piëch, Date of birth: 17 Apr 1937	

4. Names of shareholder(s)

holding directly 3% or more voting rights, if different from 3.

5. Date on which threshold was crossed or reached:

08 Nov 2017

6. Total positions

	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1 + 7.b.2)	total of both in % (7.a. + 7.b.)	total number of voting rights of issuer
Resulting situation	0.00 %	0.00 %	0.00 %	43000000
Previous notification	99.14 %	n/a %	n/a %	/

7. Notified details of the resulting situation

a. Voting rights attached to shares (Sec.s 21, 22 WpHG)

ISIN	absolute		in %	
	direct (Sec. 21 WpHG)	indirect (Sec. 22 WpHG)	direct (Sec. 21 WpHG)	indirect (Sec. 22 WpHG)
DE0006757008	0	0	0.00 %	0.00 %
Total	0		0.00 %	

1) For legal reasons, the voting rights notifications presented here correspond to the original wording of the voting rights notifications which we received.

b.1. Instruments according to Sec. 25 para. 1 No. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %
				%
				%
		Total		%

b.2. Instruments according to Sec. 25 para. 1 No. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
					%
					%
			Total		%

8. Information in relation to the person subject to the notification obligation

X	Person subject to the notification obligation is not controlled and does itself not control any other undertaking(s) holding directly or indirectly an interest in the (underlying) issuer (1.).
	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least held 3% or more)	% of voting rights through instruments (if at least held 5% or more)	Total of both (if at least held 5% or more)

9. In case of proxy voting according to Sec. 22 para. 3 WpHG

Date of general meeting:	
Holding position after general meeting:	% (equals voting rights)

10. Other explanatory remarks:

This voting rights notification is made with releasing effect also for Dipl.Ing. Dr. h.c. Ferdinand K. Piech GmbH, Salzburg, and Ferdinand Karl Alpha Privatstiftung, Salzburg. Due to the sale and transfer of the participation in Auto 2015 Beteiligungs GmbH by Dipl.Ing. Dr. h.c. Ferdinand K. Piech GmbH, Salzburg, voting rights in AUDI Aktiengesellschaft are also no longer attributed to Dipl.Ing. Dr. h.c. Ferdinand K. Piech GmbH, Salzburg, and Ferdinand Karl Alpha Privatstiftung, Salzburg.

// NOTIFICATION OF VOTING RIGHTS, JUNE 17, 2016**1. Details of issuer**

AUDI AG
 Auto-Union-Straße 1
 85045 Ingolstadt
 Germany

2. Reason for notification

	Acquisition/disposal of shares with voting rights
X	Acquisition/disposal of instruments
	Change of breakdown of voting rights
X	Other reason: Group announcement due to intragroup restructuring

3. Details of person subject to the notification obligation

Name:	City and country of registered office:
Dr. Wolfgang Porsche, Dr. Dr. Christian Porsche, Dipl.-Design. Stephanie Porsche-Schröder, Ferdinand Rudolf Wolfgang Porsche, Felix Alexander Porsche	

4. Names of shareholder(s)

holding directly 3% or more voting rights, if different from 3.
 VOLKSWAGEN AKTIENGESELLSCHAFT

5. Date on which threshold was crossed or reached

15 Jun 2016

6. Total positions

	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1 + 7.b.2)	total of both in % (7.a. + 7.b.)	total number of voting rights of issuer
Resulting situation	99.55 %	0.00 %	99.55 %	43000000
Previous notification	99.55 %	99.55 %	99.55 %	/

7. Notified details of the resulting situation**a. Voting rights attached to shares (Sec.s 21, 22 WpHG)**

ISIN	absolute		in %	
	direct (Sec. 21 WpHG)	indirect (Sec. 22 WpHG)	direct (Sec. 21 WpHG)	indirect (Sec. 22 WpHG)
DE0006757008	0	42807797	0 %	99.55 %
Total	42807797		99.55 %	

b.1. Instruments according to Sec. 25 para. 1 No. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %
				%
		Total		%

b.2. Instruments according to Sec. 25 para. 1 No. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
					%
			Total		%

8. Information in relation to the person subject to the notification obligation

	Person subject to the notification obligation is not controlled and does itself not control any other undertaking(s) holding directly or indirectly an interest in the (underlying) issuer (1.).
X	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least held 3% or more)	% of voting rights through instruments (if at least held 5% or more)	Total of both (if at least held 5% or more)
Dr. Wolfgang Porsche, Dr. Dr. Christian Porsche, Dipl.-Design. Stephanie Porsche-Schröder, Ferdinand Rudolf Wolfgang Porsche, Felix Alexander Porsche	%	%	%
Familie WP Holding GmbH	%	%	%
Dr. Wolfgang Porsche Holding GmbH	%	%	%
Ferdinand Alexander Porsche GmbH	%	%	%
Familie Porsche Beteiligung GmbH	%	%	%
Porsche Automobil Holding SE	%	%	%
VOLKSWAGEN AKTIENGESELLSCHAFT	99.55 %	%	99.55 %
Dr. Wolfgang Porsche, Dr. Dr. Christian Porsche, Dipl.-Design. Stephanie Porsche-Schröder, Ferdinand Rudolf Wolfgang Porsche, Felix Alexander Porsche	%	%	%
Ferdinand Porsche Familien- Privatstiftung	%	%	%
Ferdinand Porsche Familien- Holding GmbH	%	%	%
Ferdinand Alexander Porsche GmbH	%	%	%
Familie Porsche Beteiligung GmbH	%	%	%
Porsche Automobil Holding SE	%	%	%
VOLKSWAGEN AKTIENGESELLSCHAFT	99.55 %	%	99.55 %

9. In case of proxy voting according to Sec. 22 para. 3 WpHG

Date of general meeting:	
Holding position after general meeting:	% (equals voting rights)

// NOTIFICATION OF VOTING RIGHTS, JUNE 3, 2016**1. Details of issuer**

AUDI AG
 Auto-Union-Straße 1
 85045 Ingolstadt
 Germany

2. Reason for notification

	Acquisition/disposal of shares with voting rights
X	Acquisition/disposal of instruments
	Change of breakdown of voting rights
	Other reason:

3. Details of person subject to the notification obligation

Name:	City and country of registered office:
Mr. Dr. Wolfgang Porsche	

4. Names of shareholder(s)

holding directly 3% or more voting rights, if different from 3.
 VOLKSWAGEN AKTIENGESELLSCHAFT

5. Date on which threshold was crossed or reached

01 Jun 2016

6. Total positions

	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1 + 7.b.2)	total of both in % (7.a. + 7.b.)	total number of voting rights of issuer
Resulting situation	99.55 %	99.55 %	99.55 %	43000000
Previous notification	99.14 %	n/a %	0.00 %	/

7. Notified details of the resulting situation**a. Voting rights attached to shares (Sec.s 21, 22 WpHG)**

ISIN	absolute		in %	
	direct (Sec. 21 WpHG)	indirect (Sec. 22 WpHG)	direct (Sec. 21 WpHG)	indirect (Sec. 22 WpHG)
DE0006757008	0	42807797	0 %	99.55 %
Total	42807797		99.55 %	

b.1. Instruments according to Sec. 25 para. 1 No. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %
				%
		Total		%

b.2. Instruments according to Sec. 25 para. 1 No. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
Contribution Agreement	n/a	n/a	Physical	42807797	99.55 %
		Total		42807797	99.55 %

8. Information in relation to the person subject to the notification obligation

	Person subject to the notification obligation is not controlled and does itself not control any other undertaking(s) holding directly or indirectly an interest in the (underlying) issuer (1.).
X	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least held 3% or more)	% of voting rights through instruments (if at least held 5% or more)	Total of both (if at least held 5% or more)
Dr. Wolfgang Porsche	%	%	%
Familie WP Holding GmbH	%	99.55 %	99.55 %
Dr. Wolfgang Porsche	%	%	%
Dr. Wolfgang Porsche Holding GmbH	%	%	%
Ferdinand Alexander Porsche GmbH	%	%	%
Familie Porsche Beteiligung GmbH	%	%	%
Porsche Automobil Holding SE	%	%	%
VOLKSWAGEN AKTIENGESELLSCHAFT	99.55 %	%	99.55 %
Dr. Wolfgang Porsche	%	%	%
Ferdinand Porsche Familien-Privatstiftung	%	%	%
Ferdinand Porsche Familien-Holding GmbH	%	%	%
Ferdinand Alexander Porsche GmbH	%	%	%
Familie Porsche Beteiligung GmbH	%	%	%
Porsche Automobil Holding SE	%	%	%
VOLKSWAGEN AKTIENGESELLSCHAFT	99.55 %	%	99.55 %

9. In case of proxy voting according to Sec. 22 para. 3 WpHG

Date of general meeting:	
Holding position after general meeting:	% (equals voting rights)

// NOTIFICATION OF VOTING RIGHTS, JUNE 3, 2016**1. Details of issuer**

AUDI AG
 Auto-Union-Straße 1
 85045 Ingolstadt
 Germany

2. Reason for notification

	Acquisition/disposal of shares with voting rights
X	Acquisition/disposal of instruments
	Change of breakdown of voting rights
	Other reason:

3. Details of person subject to the notification obligation

Name:	City and country of registered office:
Dr. Dr. Christian Porsche, Dipl.-Design. Stephanie Porsche-Schroder, Ferdinand Rudolf Wolfgang Porsche, Felix Alexander Porsche	

4. Names of shareholder(s)

holding directly 3% or more voting rights, if different from 3.
 VOLKSWAGEN AKTIENGESELLSCHAFT

5. Date on which threshold was crossed or reached

01 Jun 2016

6. Total positions

	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1 + 7.b.2)	total of both in % (7.a. + 7.b.)	total number of voting rights of issuer
Resulting situation	99.55 %	99.55 %	99.55 %	43000000
Previous notification	99.55 %	n/a %	0.00 %	/

7. Notified details of the resulting situation

a. Voting rights attached to shares (Sec.s 21, 22 WpHG)

ISIN	absolute		in %	
	direct (Sec. 21 WpHG)	indirect (Sec. 22 WpHG)	direct (Sec. 21 WpHG)	indirect (Sec. 22 WpHG)
DE0006757008	0	42807797	0 %	99.55 %
Total	42807797		99.55 %	

b.1. Instruments according to Sec. 25 para. 1 No. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %
				%
		Total		%

b.2. Instruments according to Sec. 25 para. 1 No. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
Contribution Agreement	n/a	n/a	Physical	42807797	99.55 %
		Total		42807797	99.55 %

8. Information in relation to the person subject to the notification obligation

	Person subject to the notification obligation is not controlled and does itself not control any other undertaking(s) holding directly or indirectly an interest in the (underlying) issuer (1.).
X	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least held 3% or more)	% of voting rights through instruments (if at least held 5% or more)	Total of both (if at least held 5% or more)
Dr. Dr. Christian Porsche, Dipl.-Design. Stephanie Porsche-Schröder, Ferdinand Rudolf Wolfgang Porsche, Felix Alexander Porsche	%	%	%
Familie WP Holding GmbH	%	99.55 %	99.55 %
Dr. Dr. Christian Porsche, Dipl.-Design. Stephanie Porsche-Schröder, Ferdinand Rudolf Wolfgang Porsche, Felix Alexander Porsche	%	%	%
Dr. Wolfgang Porsche Holding GmbH	%	%	%
Ferdinand Alexander Porsche GmbH	%	%	%
Familie Porsche Beteiligung GmbH	%	%	%
Porsche Automobil Holding SE	%	%	%
VOLKSWAGEN AKTIENGESELLSCHAFT	99.55 %	%	99.55 %
Dr. Dr. Christian Porsche, Dipl.-Design. Stephanie Porsche-Schröder, Ferdinand Rudolf Wolfgang Porsche, Felix Alexander Porsche	%	%	%
Ferdinand Porsche Familien-Privatstiftung	%	%	%
Ferdinand Porsche Familien-Holding GmbH	%	%	%
Ferdinand Alexander Porsche GmbH	%	%	%
Familie Porsche Beteiligung GmbH	%	%	%
Porsche Automobil Holding SE	%	%	%
VOLKSWAGEN AKTIENGESELLSCHAFT	99.55 %	%	99.55 %

9. In case of proxy voting according to Sec. 22 para. 3 WpHG

Date of general meeting:	
Holding position after general meeting:	% (equals voting rights)

/ VOTING RIGHTS NOTIFICATIONS FROM PREVIOUS YEARS

// On August 04, 2015, Ferdinand Porsche Familien-Holding GmbH, Salzburg, Austria, has notified us in accordance with Article 21, Section 1 of the WpHG that its share of the voting rights in AUDI AG, Ingolstadt, Germany, exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights on July 31, 2015 and amounted to 99.55% of the voting rights (42,807,797 voting rights) at this date. Of this figure, 99.55% of the voting rights (42,807,797 voting rights) are attributable to Ferdinand Porsche Familien-Holding GmbH in accordance with Article 22, Section 1, Sentence 1 No. 1 of the WpHG.

The voting rights attributed to Ferdinand Porsche Familien-Holding GmbH are held via the following enterprises controlled by it, whose share of the voting rights in AUDI AG amounts to 3% or more in each case:

Hans-Peter Porsche GmbH, Grünwald; Ferdinand Alexander Porsche GmbH, Grünwald; Gerhard Porsche GmbH, Grünwald; Louise Kiesling GmbH, Grünwald; Familie Porsche Beteiligung GmbH, Grünwald; Porsche Automobil Holding SE, Stuttgart; VOLKSWAGEN AKTIENGESELLSCHAFT, Wolfsburg.

// On July 20, 2015, the following persons in each case have notified us in accordance with Article 21, Section 1 of the WpHG that their share of the voting rights in AUDI AG, Ingolstadt, Germany, exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights on July 14, 2015, and in each case amounted to 99.55% of the voting rights (42,807,797 voting rights) at this date:

Dr. Geraldine Porsche, Austria,
Diana Porsche, Austria,
Felix Alexander Porsche, Germany.

Of this figure, in each case 99.55% of the voting rights (42,807,797 voting rights) are attributable to each of the above-mentioned notifying persons in accordance with Article 22, Section 1, Sentence 1 No. 1 of the WpHG.

The voting rights attributed to the notifying persons in each case are held via the following enterprises controlled by the notifying persons, whose share of the voting rights in AUDI AG amounts to 3% or more in each case:

Ferdinand Porsche Familien-Privatstiftung, Salzburg; Familie Porsche Holding GmbH, Salzburg; Ing. Hans-Peter Porsche GmbH, Salzburg; Hans-Peter Porsche GmbH, Grünwald; Ferdinand Porsche Holding GmbH, Salzburg; Prof. Ferdinand Alexander Porsche GmbH, Salzburg; Ferdinand Alexander Porsche GmbH, Grünwald; Gerhard Anton Porsche GmbH, Salzburg; Gerhard Porsche GmbH, Grünwald; LK Holding GmbH, Salzburg; Louise Kiesling GmbH, Grünwald; Familie Porsche Beteiligung GmbH, Grünwald; Porsche Automobil Holding SE, Stuttgart; VOLKSWAGEN AKTIENGESELLSCHAFT, Wolfsburg.

// 1. On July 15, 2015, the following persons in each case have notified us in accordance with Article 21, Section 1 of the WpHG that their share of the voting rights in AUDI AG, Ingolstadt, Germany, exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights on July 14, 2015, and in each case amounted to 99.55% of the voting rights (42,807,797 voting rights) at this date:

Ms. Dipl.-Design. Stephanie Porsche-Schröder, Austria,
Mr. Dr. Dr. Christian Porsche, Austria,
Mr. Ferdinand Rudolf Wolfgang Porsche, Austria.

Of this figure, in each case 99.55% of the voting rights (42,807,797 voting rights) are attributable to each of the above mentioned notifying persons in accordance with Article 22, Section 1, Sentence 1 No. 1 of the WpHG. The voting rights attributed to the notifying persons in each case are held via the following enterprises controlled by the notifying persons, whose share of the voting rights in AUDI AG amounts to 3% or more in each case:

Dr. Wolfgang Porsche Holding GmbH, Salzburg; Wolfgang Porsche GmbH, Grünwald; Ferdinand Porsche Familien-Privatstiftung, Salzburg; Familie Porsche Holding GmbH, Salzburg; Ing. Hans-Peter Porsche GmbH, Salzburg; Hans-Peter Porsche GmbH, Grünwald; Ferdinand Porsche Holding GmbH, Salzburg; Prof. Ferdinand Alexander Porsche GmbH, Salzburg; Ferdinand Alexander Porsche GmbH, Grünwald; Gerhard Anton Porsche GmbH, Salzburg; Gerhard Porsche GmbH, Grünwald; LK Holding GmbH, Salzburg; Louise Kiesling GmbH, Grünwald; Familie Porsche Beteiligung GmbH, Grünwald; Porsche Automobil Holding SE, Stuttgart; VOLKSWAGEN AKTIENGESELLSCHAFT, Wolfsburg.

2. On July 15, 2015, Familie Porsche Privatstiftung, Salzburg, Austria, has notified us in accordance with Article 21,

Section 1 of the WpHG that its share of the voting rights in AUDI AG, Ingolstadt, Germany, fell below the thresholds of 75%, 50%, 30%, 25%, 20%, 15%, 10%, 5% and 3% of the voting rights on July 14, 2015, and amounted to 0% of the voting rights (0 voting rights) at this date.

3. On July 15, 2015, Ferdinand Porsche Privatstiftung, Salzburg, Austria, has notified us in accordance with Article 21, Section 1 of the WpHG that its share of the voting rights in AUDI AG, Ingolstadt, Germany, fell below the thresholds of 75%, 50%, 30%, 25%, 20%, 15%, 10%, 5% and 3% of the voting rights on July 14, 2015, and amounted to 0% of the voting rights (0 voting rights) at this date.
4. On July 15, 2015, Ferdinand Porsche Familien-Privatstiftung, Salzburg, Austria, has notified us in accordance with Article 21, Section 1 of the WpHG that its share of the voting rights in AUDI AG, Ingolstadt, Germany, exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights on July 14, 2015, and amounted to 99.55% of the voting rights (42,807,797 voting rights) at this date. Of this figure, 99.55% of the voting rights (42,807,797 voting rights) are attributable to Ferdinand Porsche Familien-Privatstiftung in accordance with Article 22, Section 1, Sentence 1 No. 1 of the WpHG.

The voting rights attributed to Ferdinand Porsche Familien-Privatstiftung are held via the following enterprises controlled by it, whose share of the voting rights in AUDI AG amounts to 3% or more in each case:

Familie Porsche Holding GmbH, Salzburg; Ing. Hans-Peter Porsche GmbH, Salzburg; Hans-Peter Porsche GmbH, Grünwald; Ferdinand Porsche Holding GmbH, Salzburg; Prof. Ferdinand Alexander Porsche GmbH, Salzburg; Ferdinand Alexander Porsche GmbH, Grünwald; Gerhard Anton Porsche GmbH, Salzburg; Gerhard Porsche GmbH, Grünwald; LK Holding GmbH, Salzburg; Louise Kiesling GmbH, Grünwald; Familie Porsche Beteiligung GmbH, Grünwald; Porsche Automobil Holding SE, Stuttgart; VOLKSWAGEN AKTIENGESellschaft, Wolfsburg.

- // On December 16, 2014, Porsche Wolfgang 1. Beteiligungsverwaltungs GmbH, Stuttgart, Germany, notified us in accordance with Article 21, Section 1 of the WpHG that its share of the voting rights in AUDI AG, Ingolstadt, Germany, fell below the thresholds of 75%, 50%, 30%, 25%, 20%, 15%, 10%, 5% and 3% of the voting rights on

December 15, 2014 and amounted to 0% of the voting rights (0 voting rights) at this date.

- // Dr. Wolfgang Porsche Holding GmbH, Salzburg, Austria, (the “notifying party”) notified AUDI AG, Ingolstadt, Germany, on December 17, 2014 with reference to its notification of changes in voting rights in accordance with Article 21, Section 1 of the WpHG from the same day and the exceeding of the voting rights threshold of 75%, in accordance with Article 27a, Section 1, Sentence 1 of the WpHG of the following:

“The exceeding of the voting rights threshold is due to the initial attribution of voting rights (Article 22, Section 1, No. 1 of the WpHG) held by a subsidiary of the notifying party and not because of a purchase of shares.

1. Aims underlying the acquisition of the voting rights (Article 27a, Section 1, Sentence 3 of the WpHG)

- a) The transaction underlying the attribution of the voting rights does not serve to generate a trading profit for the notifying party, nor is it designed to implement strategic objectives.

- b) The notifying party does not plan to acquire further voting rights within the next twelve months by means of a purchase or by any other means.

- c) The notifying party does not currently intend to exert an influence on the appointment or removal of members of the issuer’s administrative, managing and supervisory bodies.

- d) The notifying party does not intend to bring about a material change in the issuer’s capital structure, in particular as regards the ratio between equity financing and debt financing, and the dividend policy.

2. Source of the funds used (Article 27a, Section 1, Sentence 4 of the WpHG)

The voting rights were acquired solely by way of the attribution of voting rights (Article 22, Section 1, No. 1 of the WpHG). No equity funds or debt funds were used to finance the acquisition of the voting rights.”

- // On December 17, 2014, Dr. Wolfgang Porsche Holding GmbH, Salzburg, Austria, notified us in accordance with Article 21, Section 1 of the WpHG that its share of the voting

rights in AUDI AG, Ingolstadt, Germany, exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights on December 15, 2014 and amounted to 99.55% of the voting rights (42,807,797 voting rights) at this date. Of this figure, 99.55% of the voting rights (42,807,797 voting rights) are attributable to Dr. Wolfgang Porsche Holding GmbH in accordance with Article 22, Section 1, Sentence 1 No. 1 of the WpHG.

The voting rights attributed to Dr. Wolfgang Porsche Holding GmbH are held via the following enterprises controlled by it, whose share of the voting rights in AUDI AG amounts to 3% or more in each case: Wolfgang Porsche GmbH, Grünwald; Familie Porsche Beteiligung GmbH, Grünwald; Porsche Automobil Holding SE, Stuttgart; VOLKSWAGEN AKTIENGESELLSCHAFT, Wolfsburg.

// On December 04, 2013, Porsche Wolfgang 1. Beteiligungsverwaltungs GmbH, Stuttgart, Germany, notified us in accordance with Article 21, Section 1 of the WpHG that its share of the voting rights in AUDI AG, Ingolstadt, Germany, exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights on December 02, 2013 and amounted to 99.55% of the voting rights (42,807,797 voting rights) at this date. Of this figure, 99.55% of the voting rights (42,807,797 voting rights) are attributable to Porsche Wolfgang 1. Beteiligungsverwaltungs GmbH in accordance with Article 22, Section 1, Sentence 1 No. 1 of the WpHG.

The voting rights attributed to Porsche Wolfgang 1. Beteiligungsverwaltungs GmbH are held via the following enterprises controlled by it, whose share of the voting rights in AUDI AG amounts to 3% or more in each case: Porsche Wolfgang 1. Beteiligungs GmbH & Co. KG, Stuttgart; Wolfgang Porsche GmbH, Stuttgart; Familie Porsche Beteiligung GmbH, Grünwald; Porsche Automobil Holding SE, Stuttgart; VOLKSWAGEN AKTIENGESELLSCHAFT, Wolfsburg.

// Porsche Wolfgang 1. Beteiligungsverwaltungs GmbH, Stuttgart, Germany, (the “notifying party”) notified AUDI AG, Ingolstadt, Germany, on December 4, 2013 with reference to their notification of changes in voting rights in accordance with Article 21, Section 1 of the WpHG from the same day and the exceeding of the voting rights threshold of 75%, in accordance with Article 27a, Section 1, Sentence 1 of the WpHG of the following:

“The exceeding of the voting rights threshold is due to the initial attribution of voting rights (Article 22, Section 1, No. 1 of the WpHG) held by a subsidiary of the notifying party and not because of a purchase of shares.

1. Aims underlying the acquisition of the voting rights (Article 27a, Section 1, Sentence 3 of the WpHG)

- a) The transaction underlying the attribution of the voting rights does not serve to generate a trading profit for the notifying party, nor is it designed to implement strategic objectives.
- b) The notifying party does not plan to acquire further voting rights within the next twelve months by means of a purchase or by any other means.
- c) The notifying party does not currently intend to exert an influence on the appointment or removal of members of the issuer’s administrative, managing and supervisory bodies.
- d) The notifying party does not intend to bring about a material change in the issuer’s capital structure, in particular as regards the ratio between equity financing and debt financing, and the dividend policy.

2. Source of the funds used (Article 27a, Section 1, Sentence 4 of the WpHG)

The voting rights were acquired solely by way of the attribution of voting rights (Article 22, Section 1, No. 1 of the WpHG). No equity funds or debt funds were used to finance the acquisition of the voting rights.”

// Ahorner Alpha Beteiligungs GmbH, Grünwald, Germany, Ahorner Beta Beteiligungs GmbH, Grünwald, Germany, Louise Daxer-Piech GmbH, Salzburg, Austria, and Ahorner Holding GmbH, Salzburg, Austria, (the “notifying parties”) notified AUDI AG, Ingolstadt, Germany, on September 11, 2013 with reference to their notification of changes in voting rights in accordance with Article 21, Section 1 of the WpHG on September 11, 2013 and the exceeding of the voting rights threshold of 75%, in accordance with Article 27a, Section 1, Sentence 1 of the WpHG of the following:

“The exceeding of the voting rights threshold is due to the initial attribution of voting rights (Article 22, Section 1,

No. 1 of the WpHG) held by a subsidiary of the notifying party and not because of a purchase of shares.

1. Aims underlying the acquisition of the voting rights (Article 27a, Section 1, Sentence 3 of the WpHG)

- a) The transaction underlying the attribution of the voting rights does not serve to generate a trading profit for the notifying party, nor is it designed to implement strategic objectives.
- b) The notifying parties do not plan to acquire further voting rights within the next twelve months by means of a purchase or by any other means.
- c) The notifying parties do not currently intend to exert an influence on the appointment or removal of members of the issuer's administrative, managing and supervisory bodies.
- d) The notifying parties do not intend to bring about a material change in the issuer's capital structure, in particular as regards the ratio between equity financing and debt financing, and the dividend policy.

2. Source of the funds used (Article 27a, Section 1, Sentence 4 of the WpHG)

The voting rights were acquired solely by way of the attribution of voting rights (Article 22, Section 1, No. 1 of the WpHG). No equity funds or debt funds were used to finance the acquisition of the voting rights."

// On September 11, 2013, Ahorner Holding GmbH, Salzburg, Austria, has notified us in accordance with Article 21, Section 1 of the WpHG that its share of the voting rights in AUDI AG, Ingolstadt, Germany, exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights on September 11, 2013 and amounted to 99.55% of the voting rights (42,807,797 voting rights) at this date. Of this figure, 99.55% of the voting rights (42,807,797 voting rights) are attributable to Ahorner Holding GmbH in accordance with Article 22, Section 1, Sentence 1, No. 1 of the WpHG.

The voting rights attributed to Ahorner Holding GmbH are held via the following enterprises controlled by it, whose share of the voting rights in AUDI AG amounts to 3% or more in each case: Louise Daxer-Piech GmbH, Salzburg, Austria; Ahorner Beta Beteiligungs GmbH, Grünwald;

Ahorner Alpha Beteiligungs GmbH, Grünwald; Porsche Automobil Holding SE, Stuttgart; VOLKSWAGEN AKTIENGESELLSCHAFT, Wolfsburg.

// On September 11, 2013, Louise Daxer-Piech GmbH, Salzburg, Austria, has notified us in accordance with Article 21, Section 1 of the WpHG that its share of the voting rights in AUDI AG, Ingolstadt, Germany, exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights on September 11, 2013 and amounted to 99.55% of the voting rights (42,807,797 voting rights) at this date. Of this figure, 99.55% of the voting rights (42,807,797 voting rights) are attributable to Louise Daxer-Piech GmbH in accordance with Article 22, Section 1, Sentence 1, No. 1 of the WpHG.

The voting rights attributed to Louise Daxer-Piech GmbH are held via the following enterprises controlled by it, whose share of the voting rights in AUDI AG amounts to 3% or more in each case: Ahorner Beta Beteiligungs GmbH, Grünwald; Ahorner Alpha Beteiligungs GmbH, Grünwald; Porsche Automobil Holding SE, Stuttgart; VOLKSWAGEN AKTIENGESELLSCHAFT, Wolfsburg.

// On September 11, 2013, Ahorner Beta Beteiligungs GmbH, Grünwald, has notified us in accordance with Article 21, Section 1 of the WpHG that its share of the voting rights in AUDI AG, Ingolstadt, Germany, exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights on September 11, 2013 and amounted to 99.55% of the voting rights (42,807,797 voting rights) at this date. Of this figure, 99.55% of the voting rights (42,807,797 voting rights) are attributable to Ahorner Beta Beteiligungs GmbH in accordance with Article 22, Section 1, Sentence 1, No. 1 of the WpHG.

The voting rights attributed to Ahorner Beta Beteiligungs GmbH are held via the following enterprises controlled by it, whose share of the voting rights in AUDI AG amounts to 3% or more in each case: Ahorner Alpha Beteiligungs GmbH, Grünwald; Porsche Automobil Holding SE, Stuttgart; VOLKSWAGEN AKTIENGESELLSCHAFT, Wolfsburg.

// On September 11, 2013, Ahorner Alpha Beteiligungs GmbH, Grünwald, has notified us in accordance with Article 21, Section 1 of the WpHG that its share of the voting rights in AUDI AG, Ingolstadt, Germany, exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights on September 11, 2013 and amounted to 99.55% of the voting rights (42,807,797 voting rights)

at this date. Of this figure, 99.55% of the voting rights (42,807,797 voting rights) are attributable to Ahorner Alpha Beteiligungs GmbH in accordance with Article 22, Section 1, Sentence 1, No. 1 of the WpHG.

The voting rights attributed to Ahorner Alpha Beteiligungs GmbH are held via the following enterprises controlled by it, whose share of the voting rights in AUDI AG amounts to 3% or more in each case: Porsche Automobil Holding SE, Stuttgart; VOLKSWAGEN AKTIENGESELLSCHAFT, Wolfsburg.

// LK Holding GmbH, Salzburg, Austria, (the “notifying party”) notified AUDI AG, Ingolstadt, Germany, in accordance with Article 27a, Section 1 of the WpHG of the following on September 9, 2013 with reference to its notification of changes in voting rights in accordance with Article 21, Section 1 of the WpHG on August 12, 2013:

“On August 10, 2013, Louise Daxer-Piech GmbH, Grünwald, was separated by a spin-off to the notifying party, to which voting rights attached to shares of the issuer were attributable for the first time in accordance with Article 22 of the WpHG. Voting rights attached to shares of the issuer were acquired solely as the result of this spin-off by way of the attribution of voting rights attached to shares held by a subsidiary of the notifying party (Article 22, Section 1, No. 1 of the WpHG).

1. Aims underlying the acquisition of the voting rights (Article 27a, Section 1, Sentence 3 of the WpHG)

- a) The transaction underlying the attribution of the voting rights does not serve to generate a trading profit for the notifying party, nor is it designed to implement strategic objectives.
- b) The notifying party does not plan to acquire further voting rights within the next twelve months by means of a purchase or by any other means.
- c) The notifying party does not currently intend to exert an influence on the appointment or removal of members of the issuer’s administrative, managing and supervisory bodies.
- d) The notifying party does not intend to bring about a material change in the issuer’s capital structure, in particular as regards the ratio between equity financing and debt financing, and the dividend policy.

2. Source of the funds used (Article 27a, Section 1, Sentence 4 of the WpHG)

The voting rights were acquired solely as the result of the above-mentioned spin-off by way of the attribution of voting rights. No equity funds or debt funds were used to finance the acquisition of the voting rights.”

// On August 12, 2013, Louise Daxer-Piech GmbH, Salzburg, Austria, has notified us in accordance with Article 21, Section 1 of the WpHG that its share of the voting rights in AUDI AG, Ingolstadt, Germany, fell below the thresholds of 75%, 50%, 30%, 25%, 20%, 15%, 10%, 5% and 3% of the voting rights on August 10, 2013 and amounted to 0% of the voting rights (0 voting rights) at this date.

// On August 12, 2013, LK Holding GmbH, Salzburg, Austria, has notified us in accordance with Article 21, Section 1 of the WpHG that its share of the voting rights in AUDI AG, Ingolstadt, Germany, exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights on August 10, 2013 and amounted to 99.55% of the voting rights (42,807,797 voting rights) at this date.

Of this figure, 99.55% of the voting rights (42,807,797 voting rights) are attributable to LK Holding GmbH in accordance with Article 22, Section 1, Sentence 1 no. 1 of the WpHG.

The voting rights attributed to LK Holding GmbH are held via the following enterprises controlled by it, whose share of the voting rights in AUDI AG amounts to 3% or more in each case: VOLKSWAGEN AKTIENGESELLSCHAFT, Wolfsburg; Porsche Automobil Holding SE, Stuttgart; Familien Porsche-Kiesling Beteiligung GmbH, Grünwald; Louise Daxer-Piech GmbH, Grünwald.

// Porsche Wolfgang 1. Beteiligungs GmbH & Co. KG, Stuttgart, Germany, has notified us pursuant to Section 21, Para. 1 of German Securities Trading Law that its share of voting rights in AUDI Aktiengesellschaft exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 29, 2010 and on this day amounts to 99.55% of the voting rights (42,807,797 voting rights).

All aforementioned 42,807,797 voting rights are allocable to Porsche Wolfgang 1. Beteiligungs GmbH & Co. KG pursuant to Section 22, Para. 1, Sentence 1, No. 1 of German Securities Trading Law via the following con-

trolled companies, whose share of voting rights in AUDI Aktiengesellschaft is in each case 3% or more: Wolfgang Porsche GmbH, Grünwald; Familie Porsche Beteiligung GmbH, and each of Grünwald, Porsche Automobil Holding SE, Stuttgart, Volkswagen Aktiengesellschaft, Wolfsburg.

The voting rights were not acquired through the exercise of share purchase right granted by way of financial instruments in accordance with Section 25, Para. 1, Sentence 1 of German Securities Trading Law.

// 1. Porsche Automobil Holding SE, Stuttgart (Germany) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights). Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following company:

Volkswagen Aktiengesellschaft, Wolfsburg (Germany)

2. Mag. Josef Ahorner (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that his share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to him pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of his control of the following companies:

Ferdinand Porsche Privatstiftung, Salzburg (Austria), Ferdinand Porsche Holding GmbH, Salzburg (Austria), Louise Daxer-Piëch GmbH, Salzburg (Austria), Louise Daxer-Piech GmbH, Grünwald (Germany), Prof. Ferdinand Alexander Porsche GmbH, Salzburg (Austria), Ferdinand Alexander Porsche GmbH, Grünwald (Germany), Gerhard Anton Porsche GmbH, Salzburg (Austria), Gerhard Porsche GmbH, Grünwald (Germany), Familien Porsche-Daxer-Piech Beteiligung GmbH, Grünwald

(Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

3. Mag. Louise Kiesling (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that her share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of her control of the following companies:

Ferdinand Porsche Privatstiftung, Salzburg (Austria), Ferdinand Porsche Holding GmbH, Salzburg (Austria), Louise Daxer-Piëch GmbH, Salzburg (Austria), Louise Daxer-Piech GmbH, Grünwald (Germany), Prof. Ferdinand Alexander Porsche GmbH, Salzburg (Austria), Ferdinand Alexander Porsche GmbH, Grünwald (Germany), Gerhard Anton Porsche GmbH, Salzburg (Austria), Gerhard Porsche GmbH, Grünwald (Germany), Familien Porsche-Daxer-Piech Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

4. Prof. Ferdinand Alexander Porsche (Austria) has notified us pursuant to Section 21 Para 1 of German Securities Trading Law that his share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to him pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of his control of the following companies:

Ferdinand Porsche Privatstiftung, Salzburg (Austria), Ferdinand Porsche Holding GmbH, Salzburg (Austria), Louise Daxer-Piëch GmbH, Salzburg (Austria), Louise Daxer-Piech GmbH, Grünwald (Germany), Prof. Ferdinand Alexander Porsche GmbH, Salzburg (Austria), Ferdinand Alexander Porsche GmbH, Grünwald (Germany),

Gerhard Anton Porsche GmbH, Salzburg (Austria),
Gerhard Porsche GmbH, Grünwald (Germany), Familien
Porsche-Daxer-Piech Beteiligung GmbH, Grünwald
(Germany), Porsche Automobil Holding SE, Stuttgart
(Germany), Volkswagen AG, Wolfsburg (Germany)

5. Dr. Oliver Porsche (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that his share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to him pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of his control of the following companies:

Ferdinand Porsche Privatstiftung, Salzburg (Austria),
Ferdinand Porsche Holding GmbH, Salzburg (Austria),
Louise Daxer-Piëch GmbH, Salzburg (Austria), Louise
Daxer-Piech GmbH, Grünwald (Germany), Prof. Ferdinand
Alexander Porsche GmbH, Salzburg (Austria), Ferdinand
Alexander Porsche GmbH, Grünwald (Germany),
Gerhard Anton Porsche GmbH, Salzburg (Austria),
Gerhard Porsche GmbH, Grünwald (Germany), Familien
Porsche-Daxer-Piech Beteiligung GmbH, Grünwald
(Germany), Porsche Automobil Holding SE, Stuttgart
(Germany), Volkswagen AG, Wolfsburg (Germany)

6. Kai Alexander Porsche (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that his share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to him pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of his control of the following companies:

Ferdinand Porsche Privatstiftung, Salzburg (Austria),
Ferdinand Porsche Holding GmbH, Salzburg (Austria),
Louise Daxer-Piëch GmbH, Salzburg (Austria), Louise
Daxer-Piech GmbH, Grünwald (Germany), Prof. Ferdinand

Alexander Porsche GmbH, Salzburg (Austria), Ferdinand
Alexander Porsche GmbH, Grünwald (Germany),
Gerhard Anton Porsche GmbH, Salzburg (Austria),
Gerhard Porsche GmbH, Grünwald (Germany), Familien
Porsche-Daxer-Piech Beteiligung GmbH, Grünwald
(Germany), Porsche Automobil Holding SE, Stuttgart
(Germany), Volkswagen AG, Wolfsburg (Germany)

7. Mark Philipp Porsche (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that his share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to him pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of his control of the following companies:

Ferdinand Porsche Privatstiftung, Salzburg (Austria),
Ferdinand Porsche Holding GmbH, Salzburg (Austria),
Louise Daxer-Piëch GmbH, Salzburg (Austria), Louise
Daxer-Piech GmbH, Grünwald (Germany), Prof. Ferdinand
Alexander Porsche GmbH, Salzburg (Austria), Ferdinand
Alexander Porsche GmbH, Grünwald (Germany),
Gerhard Anton Porsche GmbH, Salzburg (Austria),
Gerhard Porsche GmbH, Grünwald (Germany), Familien
Porsche-Daxer-Piech Beteiligung GmbH, Grünwald
(Germany), Porsche Automobil Holding SE, Stuttgart
(Germany), Volkswagen AG, Wolfsburg (Germany)

8. Gerhard Anton Porsche (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that his share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to him pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of his control of the following companies:

Ferdinand Porsche Privatstiftung, Salzburg (Austria),
Ferdinand Porsche Holding GmbH, Salzburg (Austria),

Louise Daxer-Piëch GmbH, Salzburg (Austria), Louise Daxer-Piech GmbH, Grünwald (Germany), Prof. Ferdinand Alexander Porsche GmbH, Salzburg (Austria), Ferdinand Alexander Porsche GmbH, Grünwald (Germany), Gerhard Anton Porsche GmbH, Salzburg (Austria), Gerhard Porsche GmbH, Grünwald (Germany), Familien Porsche-Daxer-Piech Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

9. Ing. Hans-Peter Porsche (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that his share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to him pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of his control of the following companies:

Familie Porsche Privatstiftung, Salzburg (Austria), Familie Porsche Holding GmbH, Salzburg (Austria), Ing. Hans-Peter Porsche GmbH, Salzburg (Austria), Hans-Peter Porsche GmbH, Grünwald (Germany), Familie Porsche Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

10. Peter Daniell Porsche (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that his share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to him pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of his control of the following companies:

Familie Porsche Privatstiftung, Salzburg (Austria), Familie Porsche Holding GmbH, Salzburg (Austria), Ing. Hans-Peter Porsche GmbH, Salzburg (Austria), Hans-Peter Porsche GmbH, Grünwald (Germany),

Familie Porsche Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

11. Dr. Wolfgang Porsche (Germany) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that his share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to him pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of his control of the following companies:

Familie Porsche Privatstiftung, Salzburg (Austria), Familie Porsche Holding GmbH, Salzburg (Austria), Ing. Hans-Peter Porsche GmbH, Salzburg (Austria), Hans-Peter Porsche GmbH, Grünwald (Germany), Wolfgang Porsche GmbH, Grünwald (Germany), Familie Porsche Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

12. Ferdinand Porsche Privatstiftung, Salzburg (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Ferdinand Porsche Holding GmbH, Salzburg (Austria), Louise Daxer-Piëch GmbH, Salzburg (Austria), Louise Daxer-Piech GmbH, Grünwald (Germany), Prof. Ferdinand Alexander Porsche GmbH, Salzburg (Austria), Ferdinand Alexander Porsche GmbH, Grünwald (Germany), Gerhard Anton Porsche GmbH, Salzburg (Austria), Gerhard Porsche GmbH, Grünwald (Germany), Familien Porsche-Daxer-Piech Beteiligung GmbH, Grünwald

(Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

13. Familie Porsche Privatstiftung, Salzburg (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Familie Porsche Holding GmbH, Salzburg (Austria), Ing. Hans-Peter Porsche GmbH, Salzburg (Austria), Hans-Peter Porsche GmbH, Grünwald (Germany), Familie Porsche Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

14. Ferdinand Porsche Holding GmbH, Salzburg (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Louise Daxer-Piëch GmbH, Salzburg (Austria), Louise Daxer-Piech GmbH, Grünwald (Germany), Prof. Ferdinand Alexander Porsche GmbH, Salzburg (Austria), Ferdinand Alexander Porsche GmbH, Grünwald (Germany), Gerhard Anton Porsche GmbH, Salzburg (Austria), Gerhard Porsche GmbH, Grünwald (Germany), Familien Porsche-Daxer-Piech Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

15. Familie Porsche Holding GmbH, Salzburg (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Ing. Hans-Peter Porsche GmbH, Salzburg (Austria), Hans-Peter Porsche GmbH, Grünwald (Germany), Familie Porsche Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

16. Louise Daxer-Piëch GmbH, Salzburg (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Louise Daxer-Piech GmbH, Grünwald (Germany), Familien Porsche-Daxer-Piech Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

17. Louise Daxer-Piëch GmbH, Grünwald (Germany) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Familien Porsche-Daxer-Piech Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

18. Prof. Ferdinand Alexander Porsche GmbH, Salzburg (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Ferdinand Alexander Porsche GmbH, Grünwald (Germany), Familien Porsche-Daxer-Piech Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

19. Ferdinand Alexander Porsche GmbH, Grünwald (Germany) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Familien Porsche-Daxer-Piech Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE,

Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

20. Gerhard Anton Porsche GmbH, Salzburg (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Gerhard Porsche GmbH, Grünwald (Germany), Familien Porsche-Daxer-Piech Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

21. Gerhard Porsche GmbH, Grünwald (Germany) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Familien Porsche-Daxer-Piech Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

22. Ing. Hans-Peter Porsche GmbH, Salzburg (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Hans-Peter Porsche GmbH, Grünwald (Germany), Familie Porsche Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

23. Hans-Peter Porsche GmbH, Grünwald (Germany) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Familie Porsche Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

24. Wolfgang Porsche GmbH, Grünwald (Germany) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Familie Porsche Beteiligung GmbH, Grünwald (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

25. Familien Porsche-Daxer-Piech Beteiligung GmbH, Grünwald (Germany) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

26. Familie Porsche Beteiligung GmbH, Grünwald (Germany) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

27. Porsche Holding Gesellschaft m.b.H., Salzburg (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Porsche GmbH, Salzburg (Austria), Porsche GmbH, Stuttgart (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

28. Porsche GmbH, Salzburg (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Porsche GmbH, Stuttgart (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

29. Porsche GmbH, Stuttgart (Germany) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Porsche Automobil Holding SE, Stuttgart (Germany), Volkswagen AG, Wolfsburg (Germany)

30. Dr. Hans Michel Piëch (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that his share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to him pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of his control of the following companies:

Volkswagen AG, Wolfsburg (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Hans Michel Piëch GmbH, Grünwald (Germany), Dr. Hans Michel Piëch GmbH, Salzburg (Austria)

31. Dr. Hans Michel Piëch GmbH, Salzburg (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Volkswagen AG, Wolfsburg (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Hans Michel Piëch GmbH, Grünwald (Germany)

32. Hans Michel Piëch GmbH, Grünwald (Germany) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Volkswagen AG, Wolfsburg (Germany), Porsche Automobil Holding SE, Stuttgart (Germany)

33. Dipl.-Ing. Dr.h.c. Ferdinand Piëch (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that his share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to him pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of his control of the following companies:

Volkswagen AG, Wolfsburg (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Ferdinand Piëch GmbH, Grünwald (Germany), Dipl.-Ing. Dr.h.c. Ferdinand Piëch GmbH, Salzburg (Austria), Ferdinand Karl Alpha Privatstiftung, Vienna (Austria)

34. Dipl.-Ing. Dr.h.c. Ferdinand Piëch GmbH, Salzburg (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Volkswagen AG, Wolfsburg (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Ferdinand Piëch GmbH, Grünwald (Germany)

35. Ferdinand Piëch GmbH, Grünwald (Germany) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Volkswagen AG, Wolfsburg (Germany), Porsche Automobil Holding SE, Stuttgart (Germany)

36. Ferdinand Karl Alpha Privatstiftung, Vienna (Austria) has notified us pursuant to Section 21 Para. 1 of German Securities Trading Law that its share of voting rights in our company exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% on September 16, 2008 and today amounts to 99.14% (42,631,250 voting rights).

Of this voting rights the total of 42,631,250 voting rights are allocable to it pursuant to Section 22 Para. 1 Sentence 1 No. 1 of German Securities Trading Law.

Allocation is based on the fact of its control of the following companies:

Volkswagen AG, Wolfsburg (Germany), Porsche Automobil Holding SE, Stuttgart (Germany), Ferdinand Piëch GmbH, Grünwald (Germany), Dipl.-Ing. Dr.h.c. Ferdinand Piëch GmbH, Salzburg (Austria)

STATEMENT OF INTERESTS PURSUANT TO SECTIONS 285 AND 313 OF THE GERMAN COMMERCIAL CODE (HGB)

for AUDI AG and the Audi Group as well as for the purpose of presenting the entities included in consolidation as of December 31, 2017, pursuant to IFRS 12

Name and registered office of company		Exchange rate	Capital share held by AUDI AG in %		Equity	Profit ¹⁾		
	Currency	(1 euro =) as of Dec. 31, 2017	direct	indirect	Local currency (in thousands)	Local currency (in thousands)	Foot-note	Year
I. PARENT COMPANY								
AUDI AG, Ingolstadt	EUR							
II. SUBSIDIARIES								
A. Fully consolidated companies								
1. Germany								
Audi Electronics Venture GmbH, Gaimersheim	EUR		100.00		32,018	-	2)	2017
AUDI Immobilien GmbH & Co. KG, Ingolstadt	EUR		100.00		99,527	10,210		2017
Audi Sport GmbH, Neckarsulm	EUR		100.00		100	-	2)	2017
UI-S 5-Fonds, Frankfurt am Main	EUR		100.00		-	-	3)	2017
PSW automotive engineering GmbH, Gaimersheim	EUR		100.00		24,308	-6,872		2017
Ducati Motor Deutschland GmbH, Cologne	EUR			100.00	10,741	1,032		2016
2. International								
Audi Australia Pty. Ltd., Zetland	AUD	1.5329	100.00		143,143	9,873		2016
Audi Australia Retail Operations Pty. Ltd., Zetland	AUD	1.5329		100.00	601	-7,291		2016
Audi Brussels S.A./N.V., Brussels	EUR		100.00		585,744	13,900		2017
Audi Brussels Property S.A./N.V., Brussels	EUR			100.00	90,210	1,198		2017
Audi do Brasil Indústria e Comércio de Veículos Ltda., São Paulo	BRL	3.9707	100.00		75,216	-670,242		2016
Audi (China) Enterprise Management Co., Ltd., Beijing	CNY	7.8009	100.00		1,472,845	329,912		2016
Audi Hungaria Zrt., Győr	EUR		100.00		8,381,988	364,713		2017
Audi Japan K.K., Tokyo	JPY	134.8700	100.00		19,981,440	192,414		2016
Audi Japan Sales K.K., Tokyo	JPY	134.8700		100.00	8,351,012	-2,208,976		2016
Audi Luxemburg S.A., Strassen	EUR		100.00		685,849	-66		2016
Audi México S.A. de C.V., San José Chiapa	USD	1.1988	100.00		1,397,009	43,872	4)	2017
Audi Singapore Pte. Ltd., Singapore	SGD	1.6014	100.00		43,249	2,702		2016
Audi Tooling Barcelona, S.L., Martorell	EUR		100.00		46,654	1,659		2017
Audi Volkswagen Korea Ltd., Seoul	KRW	1,278.2200	100.00		192,272,816	471,959		2017
Audi Volkswagen Middle East FZE, Dubai	USD	1.1988	100.00		105,584	7,629		2017
Audi Volkswagen Taiwan Co., Ltd., Taipei	TWD	35.5391	100.00		2,721,465	185,197		2017

Name and registered office of company	Curren- cy	Exchange rate (1 euro =) as of Dec. 31, 2017	Capital share held by AUDI AG in %		Equity Local currency (in thousands)	Profit ¹⁾ Local currency (in thousands)	Foot- note	Year
			direct	indirect				
Automobili Lamborghini S.p.A., Sant'Agata Bolognese	EUR		100.00		2,410,957	25,645		2016
Ducati Motor Holding S.p.A., Bologna	EUR			100.00	677,582	22,995		2016
Ducati do Brasil Indústria e Comércio de Motocicletas Ltda., São Paulo	BRL	3.9707		100.00	25,269	-14,731		2016
Ducati Japan K.K., Tokyo	JPY	134.8700		100.00	310,247	-58,660		2016
Ducati Motor (Thailand) Co. Ltd., Amphur Pluakdaeng	THB	39.0553		100.00	922,784	149,351		2016
Ducati North America, Inc., Mountain View / CA	USD	1.1988		100.00	46,671	1,072		2016
Ducati Motors de Mexico S. de R.L. de C.V., Mexico City	MXN	23.6142		100.00	4,076	-1,948		2016
Ducati North Europe B.V., Zoeterwoude	EUR			100.00	4,246	544		2016
Ducati (Schweiz) AG, Feusisberg	CHF	1.1694		100.00	2,122	24		2016
Ducati U.K. Ltd., Towcester	GBP	0.8873		100.00	3,199	574		2016
Ducati West Europe S.A.S., Colombes	EUR			100.00	6,641	288		2016
Italdesign Giugiaro S.p.A., Moncalieri	EUR			100.00	56,637	-31,907		2016
Officine del Futuro S.p.A., Sant'Agata Bolognese	EUR			100.00	8,039	3,035		2016
Volkswagen Group Italia S.p.A., Verona	EUR			100.00	480,187	23,289		2016
Audi Canada Inc., Ajax / ON	CAD	1.5026	-	-	155,382	23,501	5)	2017
Audi of America, LLC, Herndon / VA	USD	1.1988	-	-	455,286	-111,499	4) 5)	2017
Automobili Lamborghini America, LLC, Herndon / VA	USD	1.1988	-	-	4,079	335	4) 5)	2017
B. Non-consolidated companies								
1. Germany								
Audi Business Innovation GmbH, Ingolstadt	EUR		100.00		1,300	-	2)	2016
Audi e-gas Betreibergesellschaft mbH, Ingolstadt	EUR			100.00	25	-	2)	2016
AUDI Immobilien Verwaltung GmbH, Ingolstadt	EUR		100.00		41,583	1,031		2016
Audi Neckarsulm Immobilien GmbH, Neckarsulm	EUR			100.00	128	58		2016
Audi Real Estate GmbH, Ingolstadt	EUR			100.00	-1,109	-337		2016
FC Ingolstadt 04 Stadionbetreiber GmbH, Ingolstadt	EUR			100.00	1,981	-	2)	2016
Audi Interaction GmbH, Potsdam	EUR		100.00		1,244	-	2)	2017
Audi Planung GmbH, Ingolstadt	EUR		100.00		793	-	2)	2016
Audi Sport Formel E GmbH, Neckarsulm	EUR			100.00	-	-	6)	2017
Audi Stiftung für Umwelt GmbH, Ingolstadt	EUR		100.00		5,013	3		2016
Auto Union GmbH, Ingolstadt	EUR		100.00		8,181	-	2)	2017
NSU GmbH, Neckarsulm	EUR			100.00	50	-	2)	2017
Autonomous Intelligent Driving GmbH, Munich	EUR		100.00		-	-	2) 6)	2017
quattro GmbH, Neckarsulm	EUR			100.00	25	-	2)	2017
csi Verwaltungs GmbH, Neckarsulm	EUR		49.01		7,786	3,052		2016
csi Entwicklungstechnik GmbH, Gaimersheim	EUR			100.00	2,465	1,155		2016
CSI Entwicklungstechnik GmbH, Munich	EUR			100.00	1,230	730		2016
csi entwicklungstechnik GmbH, Neckarsulm	EUR			100.00	3,889	2,061		2016
csi entwicklungstechnik GmbH, Sindelfingen	EUR			80.00	1,555	722		2016
csi Service GmbH, Neckarsulm	EUR			100.00	-	-	6)	2017
ALU-CAR GmbH, Winterberg	EUR			80.80	657	286		2016
Italdesign-Giugiaro Deutschland GmbH, Wolfsburg	EUR			100.00	993	235		2016
Automotive Safety Technologies GmbH, Gaimersheim	EUR			75.50	5,475	475		2016
TKI Automotive GmbH, Kösching	EUR			51.00	9,183	901		2016

Name and registered office of company		Exchange rate	Capital share held by AUDI AG in %		Equity	Profit ¹⁾		
	Currency	(1 euro =) as of Dec. 31, 2017	direct	indirect	Local currency (in thousands)	Local currency (in thousands)	Foot-note	Year
2. International								
Putt Estates (Pty) Ltd., Upington	ZAR	14.7572	100.00		118,256	4,931	7)	2017
Putt Real Estates (Pty) Ltd., Upington	ZAR	14.7572		100.00	36,517	170	7)	2017
Société Immobilière Audi S.A.R.L., Paris	EUR		100.00		29,598	52		2016
A4EX, LLC, Herndon / VA	USD	1.1988		100.00	19,700	-		2016
Audi Regional Office S.A. de C.V., Puebla	MXN	23.6142		100.00	1,886	1,801	8)	2016
Ducati Canada Inc., Saint John / NB	CAD	1.5026		100.00	- 633	566		2016
Ducati China Co., Ltd., Shanghai	CNY	7.8009		100.00	-	-	6)	2017
Ducati India Pvt. Ltd., New Delhi	INR	76.5670		100.00	- 211,488	- 125,018	7)	2017
Fondazione Ducati, Bologna	EUR			100.00	- 193	- 27		2016
Italdesign Giugiaro Barcelona S.L., Sant Just Desvern	EUR			100.00	6,315	112		2016
Silvercar, Inc., Austin / TX	USD	1.1988		100.00	5,871	- 17,960		2016
NIRA Dynamics AB, Linköping	SEK	9.8314		94.66	207,766	73,827		2016
III. ASSOCIATES AND JOINT VENTURES								
A. Associates and joint ventures accounted for using the equity method								
1. Germany								
2. International								
FAW-Volkswagen Automotive Co., Ltd., Changchun	CNY	7.8009	10.00		62,793,932	31,004,052		2016
Volkswagen Automatic Transmission (Tianjin) Co., Ltd., Tianjin	CNY	7.8009	43.28		3,619,203	- 82,117		2016
There Holding B.V., Rijswijk	EUR			33.33	2,195,257	361,627	4)	2017
B. Associates and joint ventures accounted for at cost								
1. Germany								
August Horch Museum Zwickau GmbH, Zwickau	EUR		50.00		1,108	36		2016
LGI Logistikzentrum im Güterverkehrszentrum Ingolstadt Betreibergesellschaft mbH, Ingolstadt	EUR		50.00		79,968	4,777		2016
Objekt Audi Zentrum Berlin-Charlottenburg Verwaltungsgesellschaft mbH, Berlin	EUR		50.00		76	2		2017
Objektgesellschaft Audi Zentrum Berlin-Charlottenburg mbH & Co. KG, Berlin	EUR		50.00		4,043	445		2017
GIF Gewerbe- und Industriepark Bad Friedrichshall GmbH, Bad Friedrichshall	EUR		30.00		6,260	437		2016
Fahr- und Sicherheitstraining FuS GmbH, Ingolstadt	EUR		27.45		54	1,266		2016
Digitales Gründerzentrum der Region Ingolstadt GmbH, Ingolstadt	EUR		25.00		86	- 14	8)	2016
VOLKSWAGEN AUDI China Dienstleistungen GmbH & Co. KG, Wolfsburg	EUR		25.00		36	- 4	8)	2016
VOLKSWAGEN AUDI China Dienstleistungen Beteiligungs GmbH, Wolfsburg	EUR		25.00		42	2	8)	2016
MOST Cooperation GbR, Karlsruhe	EUR		20.00		409	2		2016
PDB-Partnership for Dummy Technology and Biomechanics GbR, Gaimersheim	EUR		20.00		41	-	9) 10)	2016
Abgaszentrum der Automobilindustrie GbR, Weissach	EUR		12.50		- 13	0	9) 10)	2016
FC Bayern München AG, Munich	EUR		8.33		445,800	33,200	7)	2017
IGE Infrastruktur und Gewerbeimmobilien Entwicklungs GmbH & Co. KG, Ingolstadt	EUR			100.00	21,230	895		2016
IN-Campus GmbH, Ingolstadt	EUR			95.10	15,312	- 498		2016
e.solutions GmbH, Ingolstadt	EUR			49.00	23,013	14,739		2016
Elektronische Fahrwerksysteme GmbH, Gaimersheim	EUR			49.00	11,547	3,751		2016

Name and registered office of company	Cur- rency	Exchange rate (1 euro =) as of Dec. 31, 2017	Capital share held by AUDI AG in %		Equity Local currency (in thousands)	Profit ¹⁾ Local currency (in thousands)	Foot- note	Year
			direct	indirect				
Quartett mobile GmbH, Munich	EUR			49.00	1,157	486		2016
FC Ingolstadt 04 Fussball GmbH, Ingolstadt	EUR			19.94	24,756	13,524	7)	2017
2. International								
TTTech Computertechnik AG, Vienna	EUR		33.55		86,575	1,730		2016
Győr-Pér Repülőtér Kft., Pér	HUF	309.9850		46.10	1,704,841	1,257		2016
Model Master S.r.l., in Liquidation, Moncalieri	EUR			40.00	-12,500	-1,506		2014
Cubic Telecom Ltd., Dublin	EUR			22.24	-3,095	-14,918		2016
Drive.AI, Inc., Mountain View / CA	USD	1.1988		10.70	8,254	-4		2016
IV. PARTICIPATIONS								
1. Germany								
Pakt Zukunft Heilbronn-Franken gGmbH, Heilbronn	EUR		20.00		295	-70		2016
Volkswagen Konzernlogistik GmbH & Co. OHG, Wolfsburg	EUR		19.00		511	302,343		2016
GVZ Konsolidierungszentrum Betreibergesellschaft mbH, Ingolstadt	EUR		16.61		7,507	851		2016
Car2Car Communication Consortium, Braunschweig	EUR		5.56		480	142		2016
2. International								

1) Based on the individual financial statements in accordance with national laws; profit after tax

2) Profit and loss transfer agreement

3) Structured entities included in the Consolidated Financial Statements pursuant to IFRS 10 and 12

4) Figures pursuant to IFRS

5) AUDI AG exercises control pursuant to IFRS 10.B38.

6) Newly established/new acquisition, financial figures in part not yet available

7) Divergent fiscal year

8) Short fiscal year

9) AUDI AG is a general partner with unlimited liability.

10) Joint operation pursuant to IFRS 11

MANDATES OF THE BOARD OF MANAGEMENT

Status of all data: December 31, 2017

Prof. Rupert Stadler (54)

Chairman of the Board of Management

Mandates:

- FC Bayern München AG, Munich
(Vice Chairman)
- ♦ Porsche Holding Gesellschaft m.b.H., Salzburg, Austria

Wendelin Göbel (54)

Human Resources and Organization

Mandates:

- ♦ Volkswagen Pension Trust e.V., Wolfsburg
- ♦ Lebenshilfe Werkstätten der Region 10 GmbH, Ingolstadt

Peter Kössler (58)

Production and Logistics

Mandate:

- ♦ ERC Ingolstadt Eishockeyclub GmbH, Ingolstadt

Dr. Bernd Martens (51)

Procurement

Dr.-Ing. Peter Mertens (56)

Technical Development

Abraham Schot (56)

Marketing and Sales

Alexander Seitz (55)

Finance, IT and Integrity

Resigned from the Board of Management at the close of August 31, 2017:

- **Prof. h. c. Thomas Sigi (53)**
- **Axel Strotbek (53)**
- **Dr. Dietmar Voggenreiter (48)**
- **Prof. Dr.-Ing. Hubert Walzl (59)**

In connection with their duties of Group steering and governance within the Audi Group, the members of the Board of Management hold further supervisory board seats at Group companies and material participations.

- Membership of statutorily constituted domestic supervisory boards
- ♦ Membership of comparable domestic and foreign regulatory bodies

MANDATES OF THE SUPERVISORY BOARD

Status of all data: December 31, 2017

Matthias Müller (64)¹⁾

Chairman

Chairman of the Board of Management of Volkswagen AG, Wolfsburg

Member of the Board of Management of Porsche Automobil Holding SE, Stuttgart

Berthold Huber (67)

Vice Chairman

Mandates:

- Porsche Automobil Holding SE, Stuttgart,
until May 30, 2017

Mag. Josef Ahorner (57)

Businessman, Vienna, Austria

Mandates:

- ♦ Automobili Lamborghini S.p.A.,
Sant'Agata Bolognese, Italy
- ♦ Emarsys AG, Vienna, Austria (Chairman)

Senator h. c. Helmut Aurenz (80)

Owner of the ASB Group, Stuttgart

Mandates:

- ♦ Automobili Lamborghini S.p.A.,
Sant'Agata Bolognese, Italy
- ♦ Scania AB, Södertälje, Sweden

Rita Beck (47)

Vice Chairman of the Works Council of AUDI AG, Ingolstadt plant

Dr. rer. pol. h. c. Francisco Javier Garcia Sanz (60)¹⁾

Member of the Board of Management of Volkswagen AG, Wolfsburg

Mandates:

- Hochtief AG, Essen
- ♦ Criteria CaixaHolding S.A., Barcelona, Spain

Johann Horn (59)

Chief Executive of the Ingolstadt office of the IG Metall trade union

Mandates:

- EDAG Engineering GmbH, Wiesbaden (Vice Chairman)
- EDAG Engineering Holding GmbH, Munich (Vice Chairman)
- Treuhandverwaltung IGEMET GmbH, Frankfurt am Main (Vice Chairman)

Rolf Klotz (59)

Chairman of the Works Council of AUDI AG, Neckarsulm plant

Dr. Julia Kuhn-Piëch (36)

Property Manager, Salzburg, Austria

Mandates:

- MAN SE, Munich
- MAN Truck & Bus AG, Munich

Peter Mosch (45)

Chairman of the General Works Council of AUDI AG

Mandates:

- Audi Pensionskasse – Altersversorgung der AUTO UNION GmbH, VVaG, Ingolstadt
- Porsche Automobil Holding SE, Stuttgart,
until May 30, 2017
- Volkswagen AG, Wolfsburg

1) In connection with his/her duties of Group steering and governance within the Volkswagen Group, this member of the Supervisory Board holds further supervisory board seats at Group companies and material participations.

▪ Membership of statutorily constituted domestic supervisory boards

♦ Membership of comparable domestic and foreign regulatory bodies

Dr. jur. Hans Michel Piëch (75)

Attorney, Vienna, Austria

Mandates:

- Dr. Ing. h.c. F. Porsche AG, Stuttgart
- Porsche Automobil Holding SE, Stuttgart (Vice Chairman)
- Volkswagen AG, Wolfsburg
- ◆ Porsche Cars Great Britain Ltd., Reading, United Kingdom
- ◆ Porsche Cars North America Inc., Atlanta, USA
- ◆ Porsche Holding Gesellschaft m.b.H., Salzburg, Austria
- ◆ Porsche Ibérica S.A., Madrid, Spain
- ◆ Porsche Italia S.p.A., Padua, Italy
- ◆ Schmittenhöhebahn Aktiengesellschaft, Zell am See, Austria
- ◆ Volksoper Wien GmbH, Vienna, Austria

Dipl.-Wirtsch.-Ing. Hans Dieter Pötsch (66)

Chairman of the Supervisory Board of Volkswagen AG, Wolfsburg

Chairman of the Board of Management and Chief Financial Officer of Porsche Automobil Holding SE, Stuttgart

Mandates:

- Autostadt GmbH, Wolfsburg (Chairman)
- Bertelsmann Management SE, Gütersloh
- Bertelsmann SE & Co. KGaA, Gütersloh
- Dr. Ing. h.c. F. Porsche AG, Stuttgart
- Volkswagen AG, Wolfsburg (Chairman)
- ◆ Porsche Austria Gesellschaft m.b.H., Salzburg, Austria (Chairman)
- ◆ Porsche Holding Gesellschaft m.b.H., Salzburg, Austria (Chairman)
- ◆ Porsche Retail GmbH, Salzburg, Austria (Chairman)
- ◆ VfL Wolfsburg-Fußball GmbH, Wolfsburg (Vice Chairman)
- ◆ Volkswagen Truck & Bus GmbH, Braunschweig

Dr. jur. Ferdinand Oliver Porsche (56)

Member of the Board of Management of Familie Porsche AG Beteiligungsgesellschaft, Salzburg, Austria

Mandates:

- Dr. Ing. h.c. F. Porsche AG, Stuttgart
- Porsche Automobil Holding SE, Stuttgart
- Volkswagen AG, Wolfsburg
- ◆ Porsche Holding Gesellschaft m.b.H., Salzburg, Austria
- ◆ Porsche Lizenz- und Handelsgesellschaft mbH & Co. KG, Ludwigsburg
- ◆ Volkswagen Truck & Bus GmbH, Braunschweig

Dr. rer. comm. Wolfgang Porsche (74)

Chairman of the Supervisory Board of Porsche Automobil Holding SE, Stuttgart

Chairman of the Supervisory Board of Dr. Ing. h. c. F. Porsche AG, Stuttgart

Mandates:

- Dr. Ing. h.c. F. Porsche AG, Stuttgart (Chairman)
- Porsche Automobil Holding SE, Stuttgart (Chairman)
- Volkswagen AG, Wolfsburg
- ◆ Familie Porsche AG Beteiligungsgesellschaft, Salzburg, Austria (Chairman)
- ◆ Porsche Cars Great Britain Ltd., Reading, United Kingdom
- ◆ Porsche Cars North America Inc., Atlanta, USA
- ◆ Porsche Holding Gesellschaft m.b.H., Salzburg, Austria
- ◆ Porsche Ibérica S.A., Madrid, Spain
- ◆ Porsche Italia S.p.A., Padua, Italy
- ◆ Schmittenhöhebahn Aktiengesellschaft, Zell am See, Austria

Jörg Schlagbauer (40)

Vice Chairman of the Works Council of AUDI AG, Ingolstadt plant

Mandates:

- Audi BKK, Ingolstadt (Alternating Chairman)
- BKK Landesverband Bayern, Munich (Vice Chairman)
- Sparkasse Ingolstadt Eichstätt, Ingolstadt

Irene Schulz (53)

Executive Member of the Managing Board of the IG Metall trade union, Frankfurt am Main

Mandate:

- Osram Licht AG, Munich
- Osram GmbH, Munich

Helmut Späth (61)

Member of the Works Council of AUDI AG, Ingolstadt plant

Mandates:

- Audi BKK, Ingolstadt
- ♦ Volkswagen Pension Trust e.V., Wolfsburg

Stefanie Ulrich (52), since September 14, 2017

Personnel Management Neckarsulm, Neckarsulm plant

Mandates:

- Audi BKK, Ingolstadt
- Agentur für Arbeit, Heilbronn

Max Wäcker (63)

Vice Chairman of the Works Council of AUDI AG, Ingolstadt plant, until September 30, 2017

Mandate:

- Audi BKK, Ingolstadt

Hiltrud Dorothea Werner (51) ¹⁾, since February 16, 2017

Member of the Board of Management of Volkswagen AG, Wolfsburg

Resigned from the Supervisory Board with effect from January 31, 2017:

- **Dr. Christine Hohmann-Dennhardt (67)**

Resigned from the Supervisory Board with effect from August 31, 2017:

- **Peter Kössler (58)**

RESPONSIBILITY STATEMENT

“RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the Annual Financial Statements give a true and fair view of the net worth, financial position and financial performance of the Company, and the Management Report, which is combined with the Manage-

ment Report of the Audi Group, includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.”

Ingolstadt, February 12, 2018

The Board of Management



Prof. Rupert Stadler



Wendelin Göbel



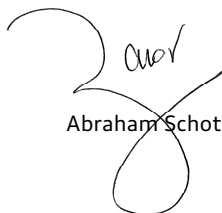
Peter Kössler



Dr. Bernd Martens



Dr.-Ing. Peter Mertens



Abraham Schot



Alexander Seitz

“INDEPENDENT AUDITOR’S REPORT

To AUDI Aktiengesellschaft, Ingolstadt

/ REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE MANAGEMENT REPORT

// AUDIT OPINIONS

We have audited the annual financial statements of AUDI Aktiengesellschaft, Ingolstadt, which comprise the balance sheet as at 31 December 2017, and the statement of profit and loss for the financial year from 1 January to 31 December 2017, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of AUDI Aktiengesellschaft, which is combined with the group management report, for the financial year from 1 January to 31 December 2017. We have not audited the content of those parts of the management report listed in the “Other Information” section of our auditor’s report in accordance with the German legal requirements.

In our opinion, on the basis of the knowledge obtained in the audit,

- > the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2017, and of its financial performance for the financial year from 1 January to 31 December 2017, in compliance with German Legally Required Accounting Principles, and
- > the accompanying management report as a whole provides an appropriate view of the Company’s position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of those parts of the management report listed in the “Other Information” section of our auditor’s report.

Pursuant to § [Article] 322 Abs. [paragraph] 3 Satz [sentence] 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

// BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the annual financial statements and of the management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as “EU Audit Regulation”) and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Annual Financial Statements and of the Management Report” section of our auditor’s report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

// EMPHASIS OF MATTER – DIESEL ISSUE

We draw attention to the information provided and statements made in section “Notes on the diesel issue” of the notes to the annual financial statements and in sections “Diesel issue” and “Litigation” of the management report with regard to the diesel issue including information about the underlying causes, the non-involvement of members of the board of management as well as the impact on these financial statements.

Based on the results of the various measures taken to investigate the issue presented so far, which underlie the annual financial statements and the management report, there is still no evidence that members of the Company's Board of Management were aware of the deliberate manipulation of engine management software until notified by the US Environmental Protection Agency (EPA) in fall 2015. Nevertheless, should as a result of the ongoing investigation new solid knowledge be obtained showing that members of the Board of Management were informed earlier about the diesel issue, this could eventually have an impact on the annual financial statements and on the management report for financial year 2017 and prior years.

The provisions for warranties and legal risks recorded so far are based on the presented state of knowledge. Due to the variety of the necessary technical solutions as well as the inevitable uncertainties associated with the current and expected litigation it cannot be excluded that a future assessment of the risks may be different.

// KEY AUDIT MATTERS IN THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2017. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

- ① Accounting treatment of risk provisions for the diesel issue
- ② Completeness and measurement of provisions for warranty obligations arising from sales
- ③ Financial instruments – hedge accounting

Our presentation of these key audit matters has been structured in each case as follows:

- ① Matter and issue
- ② Audit approach and findings
- ③ Reference to further information

Hereinafter we present the key audit matters:

① Accounting treatment of risk provisions for the diesel issue

- ① Companies of the Audi Group are involved in investigations by government authorities in numerous countries (in particular in Europe, the United States, Canada and South Korea) with respect to irregularities in the exhaust gas emissions from diesel engines in certain vehicles of the Audi Group. For the affected vehicles, partly different measures are being implemented in various countries. These include hardware and/or software solutions, vehicle repurchases or the early termination of leases and, in some cases, cash payments to vehicle owners. Furthermore, payments are being made as a result of criminal proceedings and civil law settlements with various parties. In addition, there are civil lawsuits pending from customers, dealers and holders of securities. Further direct and indirect effects concern in particular impairment of assets and customer-specific sales programs.

AUDI AG recognizes the expenses directly related to the diesel issue in its cost of sales as well as other expenses. The expenses incurred in financial year 2017 in regards to the diesel issue North America amount to EUR 387 million and relate to further reserves for field activities and repurchases as well as legal risks.

The reported provisions are exposed to considerable estimation risk due to the wide-ranging investigations and proceedings that are ongoing, the complexity of the various negotiations and pending approval procedures by authorities, and developments in market conditions. This matter was of particular significance for our audit due to the material amounts of the provisions as well as the scope of assumptions and discretion on the part of the executive directors.

- ② In order to audit the recognition and measurement of provisions for field activities and vehicle repurchases arising as a result of the diesel issue, we critically examined the processes put in place by the companies of the Audi Group to make substantive preparations to address the diesel issue, and assessed the progress made in implementing the technical solutions developed to remedy it.

We compared this knowledge with the technical and legal opinions of independent experts, as presented to us. We used an IT data analysis solution to examine the quantity structure underlying the field activities and repurchases. We assessed the inputs used to measure the repair solutions that have been defined to date or are still in development and the planned repurchases. We used this as a basis to evaluate the calculation of the provisions.

In order to audit the recognition and measurement of the provisions for legal risks and the disclosure of contingent liabilities for legal risks resulting from the diesel issue, we assessed both the available official documents such as those from the US Department of Justice, as well as in particular the work delivered and opinions prepared by experts commissioned by the Volkswagen Group. As part of a targeted selection of key procedures and supplemented by additional samples, we inspected the correspondence relating to the litigation and, in talks with officials from the affected companies and the lawyers involved, and including our own technical and legal experts, we discussed the assessments made.

Taking into consideration the information provided and statements made in the notes to the annual financial statements and in the management report with regard to the diesel issue including information about the underlying causes, the non-involvement of members of the Board of Management, as well as the impact on these financial statements, we believe that, overall, the assumptions and inputs underlying the calculation of the risk provisions for the diesel issue are appropriate to properly recognize and measure the provisions.

- ③ The Company's disclosures on the diesel issue are contained in the sections entitled "Diesel issue" in the notes to the financial statements and in the section "Diesel issue" and "Litigation" in the management report.

② Completeness and measurement of provisions for warranty obligations arising from sales

- ① In the annual financial statements of AUDI AG EUR 13,218 million are reported under the "Other provisions" balance sheet item which include provisions for obligations arising from sales. These obligations primarily relate to warranty claims arising from the sale of vehicles, motorcycles, components and genuine parts. Warranty claims are calculated on the basis of losses to date, estimated future losses and the policy on ex gratia arrangements. The discount rate used is a maturity-matched average market rate of interest over the last seven fiscal years, calculated based on the German Regulation on the Discounting of Provisions (Rückstellungsabzinsungsverordnung). In addition, assumptions must be made about the nature and extent of future warranty and ex gratia claims. These assumptions are based on qualified estimates.

From our point of view, this matter was of particular significance for our audit because the recognition and measurement of this material item is to a large extent based on estimates and assumptions made by the Company's executive directors.

- ② With the knowledge that estimated values result in an increased risk of accounting misstatements and that the measurement decisions made by the executive directors have a direct and significant effect on net profit/loss, we assessed the appropriateness of the carrying amounts, including by comparing these figures with historical data and using the measurement bases presented to us. We evaluated the entire calculations (including discounting) for the provisions using the applicable measurement inputs and assessed the planned timetable for utilizing the provisions.

In doing so, we were able to satisfy ourselves that the estimates applied and the assumptions made by the executive directors were sufficiently documented and supported to justify the recognition and measurement of the provisions for warranty obligations arising from sales.

- ③ The Company's disclosures on other provisions are contained in notes "Provisions" to the financial statements.

③ Financial instruments – hedge accounting

- ① AUDI AG uses a variety of derivative financial instruments to hedge against currency and commodity price risks arising from its ordinary business activities. The executive directors' hedging policy is documented in corresponding internal guidelines and serves as the basis for these transactions. Currency risk arises primarily from sales and procurement transactions and financing denominated in foreign currencies. The means of limiting this risk include entering into currency forwards and currency options.

Derivative financial instruments included in hedge accounting pursuant to § 254 HGB are recognized in application of the net hedge presentation method, under which offsetting changes in fair value from the hedged risk are not recognized. A provision for expected losses (other provision) is recognized for unrealized losses on the ineffective portion of a hedging relationship. By contrast, unrealized gains are not recognized. The positive fair values of the derivatives included in hedge accounting amounted to a total of EUR 1,747 million as of the balance sheet date, while the negative fair values amounted to a total of EUR 89 million.

From our point of view these matters were of particular significance for our audit due to the high complexity and number of transactions as well as the extensive accounting and disclosure requirements of § 254 and § 285 HGB as well as IDW AcP HFA 35.

- ② As a part of our audit and with the support of our internal specialists from Corporate Treasury Solutions, among other things we assessed the contractual and financial parameters and evaluated the accounting treatment, including the effects on profit or loss, of the various hedging relationships. Together with our specialists, we

also evaluated the Company's internal control system with regard to derivative financial instruments, including the internal activities to monitor compliance with the hedging policy. In addition, for the purpose of auditing the fair value measurement of the derivative financial instruments, we also assessed the methods of calculation employed on the basis of market data. In order to assess completeness we evaluated the internal control system, among other things. With regard to the expected cash flows and the assessment of the effectiveness of hedges, we essentially conducted a retrospective assessment of past hedging levels.

In doing so, we were able to satisfy ourselves that the estimates and assumptions made by the executive directors were substantiated and sufficiently documented.

- ③ The Company's disclosures on hedge accounting are contained in note "Financial instruments" to the financial statements.

// OTHER INFORMATION

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the management report, which we obtained prior to the date of our auditor's report:

- > the statement on corporate governance pursuant to § 289f HGB and § 315d HGB included in section "Corporate Governance Report" of the management report
- > the corporate governance report pursuant to No. 3.10 of the German Corporate Governance Code (section "Corporate Governance")

The financial report is expected to be made available to us after the date of the auditor's report.

Our audit opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- > is materially inconsistent with the annual financial statements, with the management report or our knowledge obtained in the audit, or
- > otherwise appears to be materially misstated.

// RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE ANNUAL FINANCIAL STATEMENTS AND THE MANAGEMENT REPORT

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future

development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

// AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to
- the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

/ OTHER LEGAL AND REGULATORY REQUIREMENTS

// FURTHER INFORMATION PURSUANT TO ARTICLE 10 OF THE EU AUDIT REGULATION

We were elected as auditor by the annual general meeting on 18 May 2017. We were engaged by the supervisory board on 18 May 2017. We have been the auditor of the AUDI Aktiengesellschaft, Ingolstadt, without interruption since the financial year 1970.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

/ GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Jürgen Schumann"

Munich, February 12, 2018

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Frank Hübner
Wirtschaftsprüfer
(German Public Auditor)

Jürgen Schumann
Wirtschaftsprüfer
(German Public Auditor)

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