

ŠKODA Press Conference at Geneva International Motor Show 2018

Geneva, 6 March 2018

Speech by Mr. Bernhard Maier

ŠKODA AUTO CEO

- The spoken word prevails -

Speech manuscript for Bernhard Maier

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Mesdames et Messieurs,

Ladies and Gentlemen,

Bienvenue and a warm welcome here at the ŠKODA stand!

Today it's the place to be at the Geneva Motor Show for our brand new urban crossover – the ŠKODA VISION X! We successfully started our SUV offensive with the KODIAQ and the KAROQ. Now we do the next consecutive step and enter a new sub-segment. In other words: The VISION X will be right here – already as a production model – as early as next year! And as always with our concept cars: The exterior design follows the principle 'what you see is what you get', while with the interior design and with the drivetrain we are looking a little bit further into the future. Apart from the design: what makes this concept car a true ŠKODA?

Ladies and gentlemen,

The answer is quite simple: it's the overall innovative future-oriented package – as always for ŠKODA. In addition to that: the VISION X embodies par excellence what makes our products and the brand so strong in these days. One really strong reason why people buy and love our cars is the smart understatement. This is a kind of a quintessence of all our brand and product values: The great value-for-money, the ingenious room concept, a lot of simply clever ideas and – since a couple of years – the expressive and distinctive design.

The VISION X offers all that – and even more. For example connectivity: Since many years our cars have state-of-the-art solutions – just think about Smart Link: ŠKODA was one of the

very first brands having this service equipped in all their models. Now we make the next step forward and offer best-in-class 24/7 connectivity. And on top of that: With the VISION X we introduce four new digital services developed in our DigiLab.

Another really important additional highlight is of course the exceptional drivetrain: We are combining an efficient 1.5-litre G-TEC natural gas engine with a mild-hybrid system that uses low-voltage technology and an electric rear axle. For better traction in all situations and pure electric drive for smaller distances. The advantage: this combination is suitable for everyday use, it is environmentally friendly and, most importantly, it's affordable.

Ladies and Gentlemen,

With all these technologies the VISION X contributes perfectly to our Strategy 2025. To push these core future topics forward, we are launching the biggest investment program in the history of ŠKODA: Over the next five years, we are going to invest a total of around two billion euros in alternative drive technologies and new mobility services. You see: We mean business! Our plans are ambitious: Already next year we launch our first plug-in hybrid. In the same year we introduce the eCITIGO, our affordable electric car which is perfect for the city! A huge milestone in company's history follows then in 2020: The VISION E – a truly distinguished SUV based on the MEB platform of the Group with a range of more than 500 km. And there's a lot more to come: By 2025, we will have a total of 10 electrified models in our range. What drives us in particular at ŠKODA, is that our e-cars are made in the company's heartland – the Czech Republic!

Another important part of our product offensive you can see here on our stand: The new FABIA with its new design and of course plenty of new 'Simply Clever' features. And our bestselling SUV, the KODIAQ, now in the top trim level 'Laurin & Klement'. When it comes to comfort and elegance, this car leaves nothing to be desired.

Ladies and Gentlemen,

In addition to new products, ŠKODA is focussing on another topic: digitalization. It's far more than about mobility services. This applies to all our processes within our company in all business areas. And of course some of the ideas you can enjoy directly in your car. A prime example for this is the Smart Parking App – displayed for the very first time here in the VISION X. We are already in the real testing phase in the Czech Republic. The next milestone

is the future rollout in other markets as well. This app is simply clever: It does not only find the next available parking space for you, but also the best mode of transport for the famous first or last mile, may be this the bus, train or – in case of the VISION X – the e-longboard for the sporty ones among us. Frankly spoken and with a twinkle in the eye: This could be a future option!

For us, these services are not gimmicks. This is real added value for our customers because they make their mobile lives easier and more enjoyable. We are developing them not only in our DigiLab in Prague but also in Tel Aviv, which is the start-up stronghold beyond Silicon Valley. Right there we founded a new joint venture to connect us even better in Israel and to get access to the most promising start-up ideas in this area.

This is exactly the way, how we make huge steps on our road to 2025. Our vision remains: “ŠKODA is the ‘Simply Clever’ company for the best mobility solutions.” We are working on this with plenty of passion and great team spirit. And that is what you can judge us on!

By the way, this target does not mean that in the future we will let our core business slide – namely building great cars. The past year has impressively shown how well our most modern product range is being received: with more than 1.2 million cars delivered, 2017 was the most successful year in the history of the company. At this point, I would like to thank our esteemed customers all over the world for their trust in our products and loyalty to our brand! Believe me: we are motivated from head to toe to continue along this path with great verve!

Ladies and Gentlemen, to sum it up: we are intensively pushing forward ŠKODA:

- Firstly, with more models: By the end of 2020, we bring a total of 19 new models to our customers.
- Secondly, with more ‘E’: E-mobility made by ŠKODA is affordable, but also emotional, efficient and easy to use. We are launching 10 electrified models by 2025 and invest around 2 billion euros over the next five years.
- And thirdly, with more digitalization: We are currently testing around 40 ideas in our digital unit. Our goal is crystal clear: to develop even more and even faster digital ‘Simply Clever’ ideas and to establish mobility services as a new business segment.

These are only three examples how we are driving forward the execution of our Strategy 2025 at full speed.

Ladies and Gentlemen, dear Guests,

Every good product starts with a great idea. We never spent such a huge amount of money – most of it is linked to R&D: The team led by our Board Member for Technical Development, Christian Strube, is contributing substantially to this. This is why he is exactly the right man to explain now the VISION X's technology to you. Christian, please – the stage is yours!

[...]

Ladies and Gentlemen,

The VISION X is the next logical step in our product offensive. And there are many more to come – stay tuned! We now wish you all an exciting Motor Show and an enjoyable time with us at the ŠKODA stand! Thank you very much being our guests!
