



ŠKODA
SIMPLY CLEVER

PRESS RELEASE

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ŠKODA AUTO's first-quarter results impacted by Covid-19 pandemic

- › The Covid-19 pandemic affected ŠKODA AUTO's business development in the first quarter of 2020
- › ŠKODA delivers 232,900 vehicles (-24.3%) to customers worldwide in the first quarter of 2020
- › Sales revenue in the first quarter of 2020 down 1.4% year-on-year
- › Operating profit falls by 25% year-on-year to 307 million euros; return on sales falls from 8.3 to 6.3%
- › Gradual ramp-up of production since 27 April; dealerships in Europe are also reopening
- › ŠKODA AUTO expects the greatest burden in the second quarter of 2020

Mladá Boleslav, 4 May 2020 – ŠKODA AUTO Group achieved sales revenues of 4.85 billion euros in the first quarter of 2020, 1.4% below the previous year's figure. Operating profit reached 307 million euros and thus remains at a solid level, as does the return on sales at 6.3%. However, comparing these figures to the record year of 2019 clearly shows that ŠKODA's overall business has been severely affected by the current economic situation and the necessary measures to prevent the further spread of the Covid-19 pandemic. A look at the deliveries demonstrates this: From January to March 2020, the Czech car manufacturer delivered 232,900 vehicles to customers worldwide, which is significantly lower than the previous year (first quarter of 2019: 307,600 vehicles; -24.3%). Nevertheless, the company continues to invest consistently in its future and is pursuing its transformation from a dedicated automaker to a 'Simply Clever Company for the Best Mobility Solutions'.

ŠKODA AUTO CEO Bernhard Maier says: "ŠKODA AUTO has achieved record results in recent years and still has sufficient liquidity. This is of great benefit to us in this extremely difficult situation. At present, nobody can accurately estimate how the covid-19 pandemic will affect global car sales in the coming months. One thing is clear: due to the production stop, more than 100,000 vehicles could not be manufactured at ŠKODA. Nevertheless, we are fighting for every car, because our order backlog is still high. Our company is strategically well-positioned, has an excellent foundation and an attractive, modern model portfolio. We are therefore sticking to our medium and long-term plans. We now need targeted government stimuli for the economy as a whole that will take effect quickly and across the board in order to safeguard jobs in the long term and restore confidence in society."

ŠKODA AUTO Board Member for Finance and IT Klaus-Dieter Schürmann emphasises: "We are also feeling the acute economic effects of the Covid-19 pandemic and the measures required to contain it. Collapsing sales volumes, declining sales revenue and negative exchange rate effects impacted our earnings. Securing liquidity is of central importance in the current situation. ŠKODA AUTO has therefore implemented comprehensive measures to effectively reduce costs and expenses in the short term. With regard to the further financial effects and risks of the Covid-19 pandemic, we must take a long-term view. We expect the greatest impact of the current crisis to be in the second quarter, followed by a gradual recovery in the third quarter and a possible return to the previous year's level in the fourth quarter."



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Alain Favey, ŠKODA AUTO Board Member for Sales and Marketing, explains: “The current situation poses enormous challenges for our entire sales organisation. From January to March, we recorded a worldwide decline of around 24% compared to the same period last year. In recent weeks, we have prepared a comprehensive package of measures for each market to support our dealers and importers. Our goal is to get back on track as quickly as possible after the gradual reopening of the dealerships.”

ŠKODA AUTO Group* – Quarterly comparison of key figures, January to March 2020/2019**:

		January – March		2020/2019 change in %
		2020	2019	
Deliveries to customers	Cars	232,900	307,600	-24.3
Deliveries to customers excl. China	Cars	203,900	243,300	-16.2
Production***	Cars	223,400	258,700	-13.6
Sales****	Cars	237,000	274,700	-13.7
Sales revenue	Million EUR	4,850	4,920	-1.4
Operating profit	Million EUR	307	410	-25.1
Return on sales	Per cent	6.3	8.3	
Investments in tangible assets	Million EUR	132	190	-30.5
Net cash flow	Million EUR	245	470	-48.2

* The ŠKODA AUTO Group comprises ŠKODA AUTO a.s., ŠKODA AUTO Slovensko s.r.o., ŠKODA AUTO Deutschland GmbH, SKODA AUTO Volkswagen India Private Ltd. and a share in the company OOO VOLKSWAGEN Group RUS.

** Percentage deviations are calculated from non-rounded figures.

*** Comprises production in the ŠKODA AUTO Group, excluding production at partner assembly plants in China, Slovakia, Russia and Germany, but including other Group brands such as SEAT, AUD and VW; vehicle production excluding part/complete kits.

**** Comprises ŠKODA AUTO Group sales to distribution companies, including other Group brands such as SEAT, AUDI, VW, PORSCHE and LAMBORGHINI; vehicle sales excluding part/complete kits.

Deliveries in the first quarter of 2020:

Between January and March, ŠKODA AUTO delivered 232,900 vehicles to customers worldwide (first quarter of 2019: 307,600 vehicles; -24.3%).

In **Western Europe**, ŠKODA recorded a total of 106,700 deliveries between January and March (first quarter of 2019: 137,900 vehicles; -22.6%). On its second-largest single market, Germany, the manufacturer delivered 35,800 vehicles to customers in the first three months of the year (first quarter of 2019: 48,000 vehicles; -25.4%). In Norway, ŠKODA achieved double-digit growth in the first quarter of the year contrary to the overall trend: Delivering 1,700 vehicles corresponds to an increase of 25.4% compared to last year (first quarter of 2019: 1,400 vehicles).



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In **Central Europe**, ŠKODA delivered 46,900 vehicles in the first quarter (first quarter of 2019: 52,300 vehicles; -10.2%). In the domestic market of the Czech Republic, deliveries in the first three months declined year-on-year to 21,300 vehicles (first quarter of 2019: 22,000; -3.3%). In Croatia, deliveries in this period rose to 1,500 vehicles, representing growth of 13.3% (first quarter of 2019: 1,300 vehicles).

In **Eastern Europe excluding Russia**, ŠKODA recorded 8,700 deliveries in the first quarter of the year (first quarter of 2019: 11,000 vehicles; -21.2%).

In **Russia**, the manufacturer increased its deliveries from January to March by 13.9% to 21,000 vehicles (first quarter of 2019: 18,400 vehicles).

In **China**, its largest single market worldwide, ŠKODA delivered 29,000 vehicles in the first quarter of the year (first quarter of 2019: 64,300 vehicles; -54.9%).

In **India**, the company recorded 3,100 deliveries between January and March (first quarter of 2019: 3,900 vehicles; -21.2%).

In **Turkey**, a total of 3,800 vehicles were delivered in the first quarter, representing an increase of 60.5% over the same period last year (first quarter of 2019: 2,300 vehicles).

ŠKODA deliveries to customers in the first quarter of 2020 (in units, rounded off, listed by model; +/- in per cent compared to previous year):

ŠKODA OCTAVIA (62,400; -32.5%)

ŠKODA KODIAQ (33,600; -5.8%)

ŠKODA KAROQ (30,200; -15.6%)

ŠKODA FABIA (27,300; -44.3%)

ŠKODA KAMIQ (25,500; +107.2%)

ŠKODA SUPERB (21,700; -23.3%)

ŠKODA SCALA (14,500; +3,572.8%)

ŠKODA RAPID (sold in China, Russia and India 14,200; -66.4%)

ŠKODA CITIGO (only sold in Europe: 3,400; -)

For more information:

Tomáš Kotera

Head of Corporate Communications

Tomas.Kotera@skoda-auto.cz

T +420 326 811 773

Simona Havlíková

Spokesperson for Sales, Finance and Business

simona.havlikova@skoda-auto.cz

T +420 326 811 771



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Infographic and logo:

ŠKODA AUTO IN THE FIRST QUARTER 2020

ŠKODA AUTO DELIVERED 232,900 CARS TO CUSTOMERS

In the first quarter of 2020, ŠKODA AUTO achieved 232,900 vehicles to its customers. This was for the current development of the global economic conditions, which has placed great demands on the automotive industry. The delivery volume fell by 24.3% compared to the same period of the previous year (first quarter of 2019: 307,600 vehicles; -24.3%).



ŠKODA AUTO GROUP'S KEY FIGURES FROM JANUARY TO MARCH 2020	2019	2020	% Change
DELIVERIES TO CUSTOMERS	328,800	232,900	-29.5%
PRODUCTION IN CZECH PLANTS	282,000	242,000	-14.2%
PRODUCTION IN CHINA	265,400	278,700	+5.0%
SALES IN RUSSIA	4,800	4,800	+0.0%
OPERATIONAL PROFIT	807	493	-39.1%
NET FINANCIAL RESULT	6.0	8.0	+33.3%
NET CASH FLOW	102	100	-2.0%

Infographic: ŠKODA AUTO's first-quarter results impacted by Covid-19 pandemic

ŠKODA's overall business has been severely affected by the current economic situation and the necessary measures to prevent the further spread of the Covid-19 pandemic. A look at the deliveries demonstrates this: From January to March 2020, the Czech car manufacturer delivered 232,900 vehicles to customers worldwide, which is significantly lower than the previous year (first quarter of 2019: 307,600 vehicles; -24.3%).

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- › is this year celebrating 125 years since the company was founded during the pioneering era of the automobile in 1895, making it one of the longest-established car manufacturers in the world.
- › currently offers its customers nine passenger-car series: the CITIGO, FABIA, RAPID, SCALA, OCTAVIA and SUPERB as well as the KAMIQ, KAROQ and KODIAQ.
- › delivered 1.24 million vehicles to customers around the world in 2019.
- › has belonged to Volkswagen Group since 1991. The Volkswagen Group is one of the most successful vehicle manufacturers in the world. In association with the Group, ŠKODA AUTO independently develops and manufactures vehicles, as well as components such as engines and transmissions.
- › operates at three locations in the Czech Republic; manufactures in China, Russia, Slovakia and India mainly through Group partnerships, as well as in Ukraine and Kazakhstan with local partners.
- › employs approximately 42,000 people globally and is active in more than 100 markets.
- › is pressing ahead with the transformation from a traditional car manufacturer to the 'Simply Clever company for the best mobility solutions' as part of the ŠKODA 2025 Strategy.