



**ŠKODA**  
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## ŠKODA AUTO Group achieves a clearly positive operating profit in 2020 despite COVID-19 pandemic

- › More than one million vehicles delivered worldwide for the seventh time in a row
- › ŠKODA AUTO Group\* sales revenue exceeds 17 billion euros in 2020 financial year
- › Strong operating profit of 756 million euros in a challenging environment
- › Return on sales at a solid level of 4.4%
- › Around 2.5 billion euros to be invested in cutting-edge technologies over next five years
- › NEXT LEVEL EFFICIENCY programme launched to increase efficiency
- › Latest annual report available on the [ŠKODA Storyboard](#)

Mladá Boleslav, 24 March 2021 – ŠKODA AUTO closed the 2020 financial year having delivered more than one million vehicles to customers worldwide for the seventh consecutive year – despite the 39-day production shutdown at its Czech plants and widespread sales channel closures in Europe during the first wave of the pandemic in spring 2020. The ŠKODA AUTO Group's\* sales revenue totalled 17.1 billion euros (2019: 19.8 billion euros; -13.8%). Operating profit amounted to 756 million euros (2019: 1,660 million euros; -54.5%) despite the restricted business activity. The return on sales stands at a solid 4.4%. Fixed costs were reduced by more than 550 million euros in 2020. The ŠKODA AUTO Group is taking the next steps with its NEXT LEVEL EFFICIENCY programme, freeing up funds for the company's transformation and future viability.

The widespread restrictions due to the COVID-19 pandemic placed a heavy burden on the ŠKODA AUTO Group's production and sales, particularly in the first half of the 2020 financial year. The assembly lines at the Czech plants came to a standstill for 39 days, and at times, numerous international sales channels were closed. The Czech car manufacturer responded effectively with rapid cost reductions and restart programmes. Worldwide deliveries to customers increased significantly to 578,100 vehicles from July to December compared to the first half of the year (January to June 2020: 426,700 vehicles).

ŠKODA AUTO CEO Thomas Schäfer emphasises: "The ŠKODA team has demonstrated tremendous resilience and flexibility under extremely challenging conditions. I would like to thank all Škodians for their outstanding commitment. Thanks to this great teamwork, we managed to deliver more than one million vehicles to our customers worldwide for the seventh year in a row. In Europe, we were even able to increase our market share to 5.4%, further strengthening our position as one of the leading brands in the volume segment. With the launch of the new-generation OCTAVIA, we have systematically modernised our model portfolio and continued our e-mobility campaign with the world premiere of the ENYAQ iV. Over the next five years, we will be investing around 2.5 billion euros in future technologies to successfully guide the company through the transformation process."

Klaus-Dieter Schürmann, ŠKODA AUTO Board Member for Finance and IT adds: "Our strict cost and cash management paid off in the past financial year. The measures introduced at short notice took effect quickly. Compared to the previous year, we reduced our fixed costs by more than 550 million euros. This enabled us to achieve a solid operating profit and a positive net cash flow in this difficult business environment. With the NEXT LEVEL EFFICIENCY programme now



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underway, we are laying the foundation for financing our ongoing transformation and achieving sustainable profitability. Our goal is to make the ŠKODA AUTO Group fit for the future and to further reduce costs and expenses throughout the organisation.”

## Large-scale investments in the future viability of the ŠKODA AUTO Group

Over the next five years, the ŠKODA AUTO Group will be investing around 2.5 billion euros in cutting-edge technologies. 1.4 billion euros alone will be spent on the further development of electromobility, and the car manufacturer will be spending around 650 million euros on digitalisation activities. The company is spending 350 million euros on modernising its plants and production facilities in order to sustain profitable growth. The goal is to acquire additional expertise in the areas of e-mobility, software and digitalisation to safeguard jobs and continue to offer customers state-of-the-art products and mobility solutions.

## NEXT LEVEL EFFICIENCY program frees up money for investments

With its NEXT LEVEL EFFICIENCY programme, the ŠKODA AUTO Group is adopting targeted measures to significantly and permanently reduce costs and expenses in all areas of the company and free up financial resources for investments. The company will be systematically streamlining its processes, reducing internal bureaucracy, and sharpening its customer focus.

## ŠKODA AUTO Group\* – Key figures from January to December 2020\*\*

		2020	2019	change in %
Deliveries to customers	cars	1,004,800	1,242,800	-19.1%
Deliveries to customers excl. China	cars	831,800	960,700	-13.4%
Production***	cars	807,700	1,016,100	-20.5%
Sales****	cars	849,200	1,061,600	-20.0%
Sales revenue	million EUR	17,081	19,806	-13.8%
Operating profit	million EUR	756	1,660	-54.5%
Return on sales	%	4.4	8.4	
Investments in tangible assets	million EUR	850	1,325	-35.8%
Net cash flow	million EUR	213	1,246	-82.9%

\* 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, VW and AUDI; vehicle production excluding part/complete kits.

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



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## Further information:

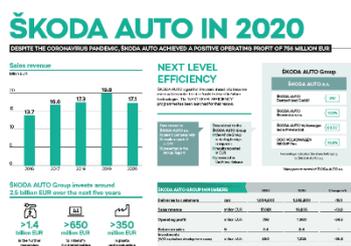
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## Media images:



## Infographic: ŠKODA AUTO Group achieves a clearly operating profit in 2020 despite COVID-19 pandemic

The ŠKODA AUTO Group's\* operating profit reached a solid level of 756 million euros in 2020 despite the coronavirus pandemic.

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Source: ŠKODA AUTO



## ŠKODA AUTO Group achieves a clearly operating profit in 2020 despite COVID-19 pandemic

The ŠKODA AUTO Group\* generated sales revenue of 17.1 billion euros in the 2020 financial year, with a return on sales of 4.4%. Over the next five years, the company will be investing around 2.5 billion euros in cutting-edge technologies.

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Source: ŠKODA AUTO

## ŠKODA AUTO

- › is focusing on three priorities with its 'NEXT LEVEL ŠKODA' program for the future: expanding the model portfolio towards entry-level segments, exploring new markets for further growth in the volume segment and making tangible progress in sustainability and diversity.
- › currently offers its customers ten passenger-car series: the CITIGO<sup>®</sup> iV, FABIA, RAPID, SCALA, OCTAVIA and SUPERB as well as the KAMIQ, KAROQ, KODIAQ and ENYAQ iV.
- › delivered over one million vehicles to customers around the world in 2020.
- › has belonged to the Volkswagen Group for 30 years. 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, 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 with a local partner.
- › employs approximately 42,000 people globally and is active in more than 100 markets.