Audi Expansion in the United States

Jared Berry & Tariq Khan

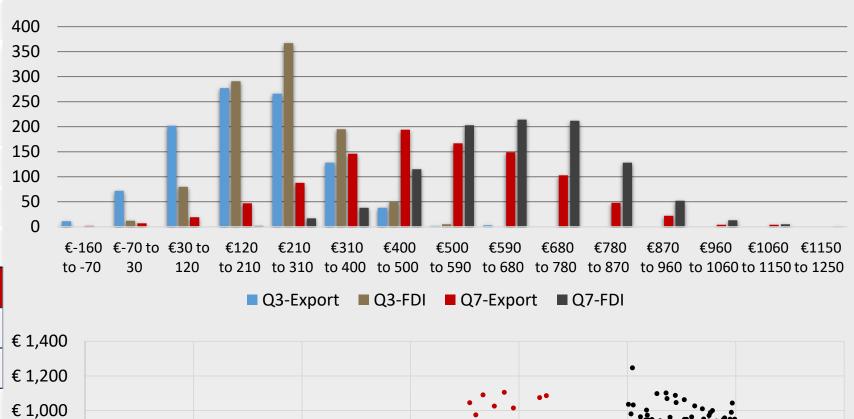


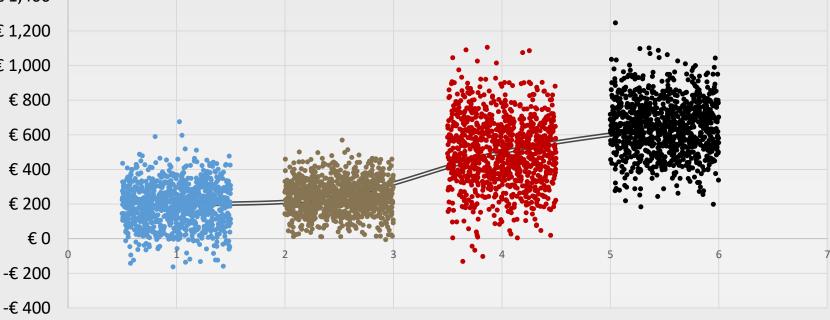
Light Trucks for Audi are Attractive

Table 1. Audi SUVs are in high demand

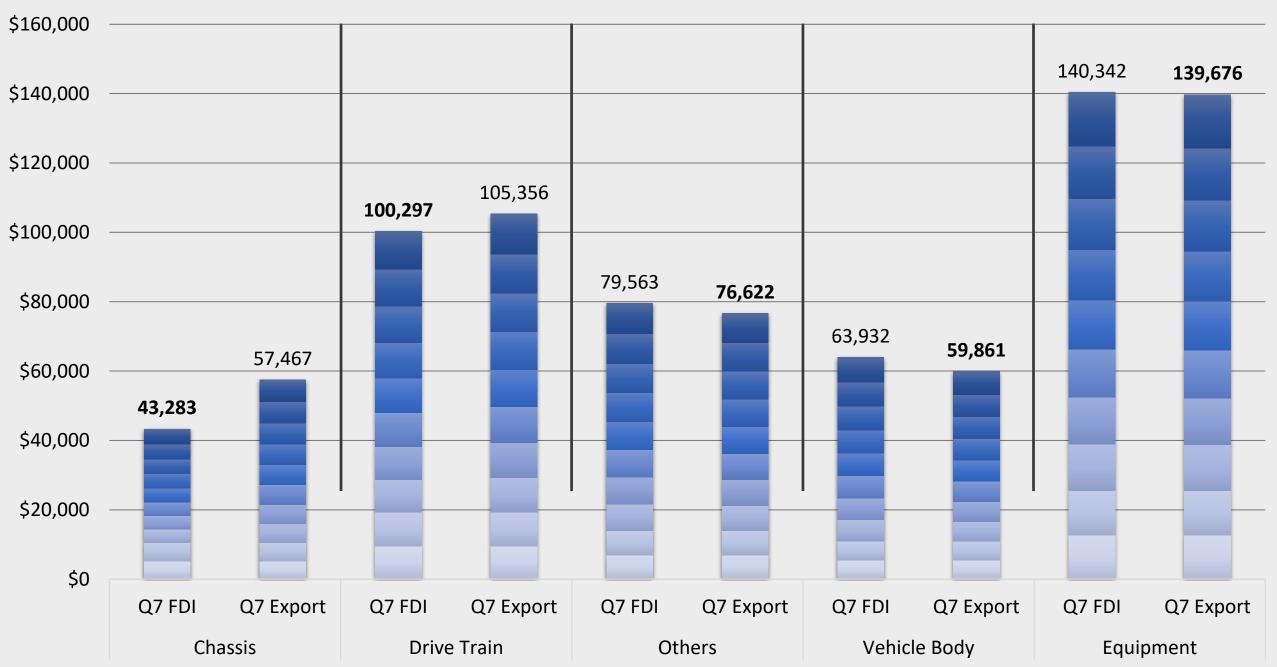
Make	YTD Sales 2017/16 (%Change)	
Hyundai	31.0	
Nissan	25.8	
Mitsubishi	21.7	
Audi	19.4	
BMW	18.4	
Porsche	17.8	-
Honda	14.4	:
GM	8.3	
Mercedes	4.0	
Ford	3.3	
Toyota	1.9	
Volvo	-30.5	
Source: WSJ M	larket Data Centre: Auto Sales	

NPV of Audi US Operations (€ Millions)

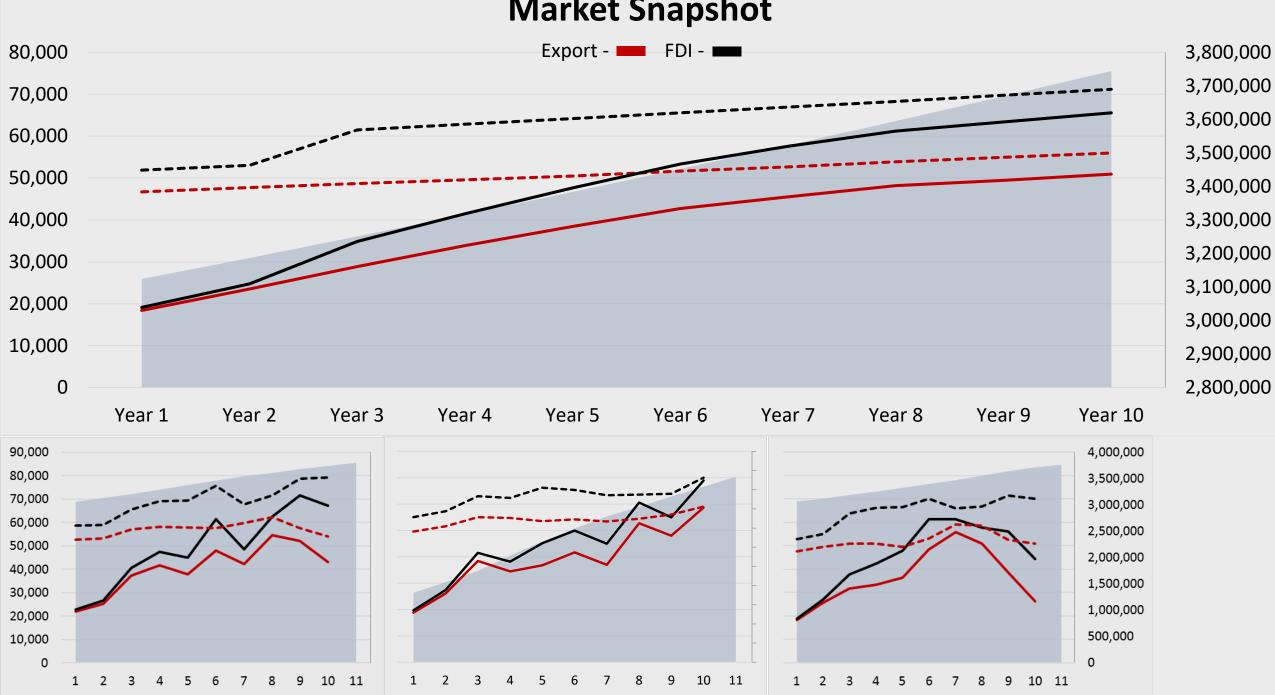




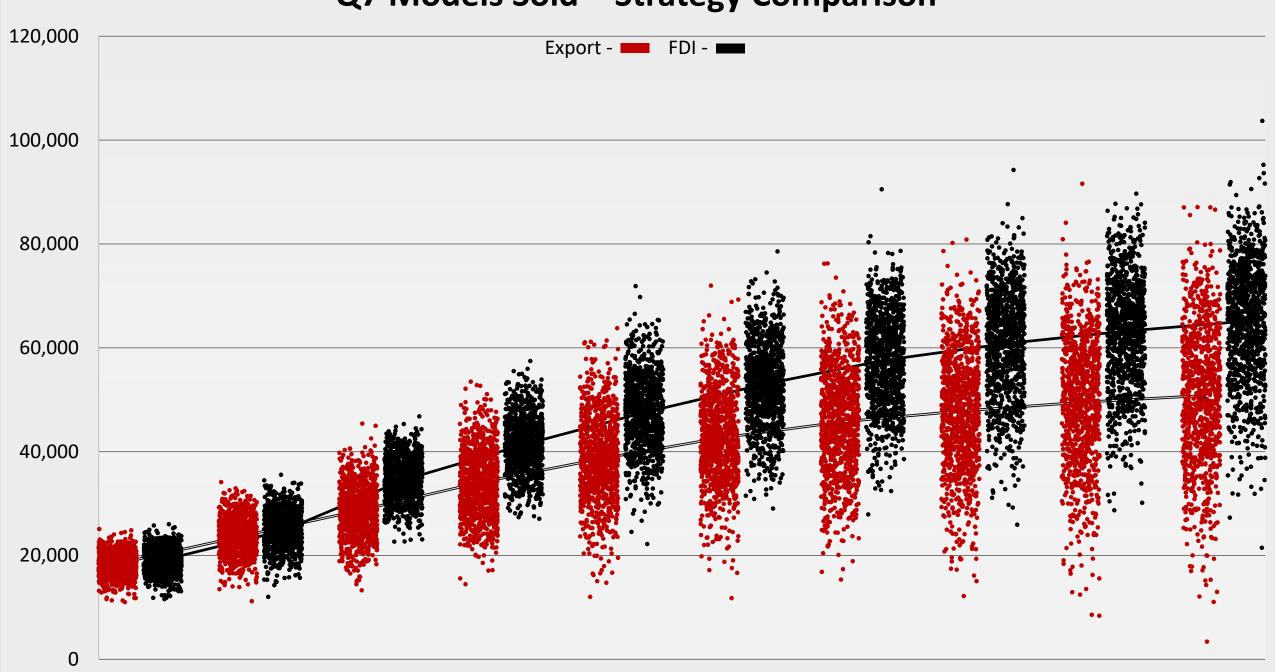
Cost of Components per Unit – 10 Year Cumulation (\$ USD)



Market Snapshot



Q7 Models Sold – Strategy Comparison



Q7: NPV Sensitivity to Markup € 1,500 € 1,000 € 500 Willions 0 € 0 -€ 500 -€ 1,000 10% 20% Markup 30% Markup 40% Markup i Markup -€ 1,500 Export - I FDI -

Q7: Year Built Sensitivity

