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Check against delivery.

Ladies and gentlemen,
As you can see, Oliver Blume and I are very moved and saddened by all the suffering that innocent people are enduring just 1,500 kilometres from here.

We can be very pleased with the numbers from the past financial year. But while we should be proud of this success, we must also ask ourselves: what meaning figures on a balance sheet such as sales, profits and return on sales actually have when compared to core human rights such as health, security and peace?

Very little.

Nevertheless, I am here today to present our business figures to you in detail. To sum them up in one sentence: thanks to our very healthy cost structure, we achieved very strong results in 2021, of which we can be proud.

Despite all the challenges, we achieved a new sales revenue record in 2021. At 33.1 billion euros, we’ve beaten the previous record from the year before. This represents an increase of 4.4 billion euros, or 15 per cent.
However, the more important key figures for Porsche are profit and return on sales. Because they reflect the excellent earning power of our brand. They demonstrate our value-creating growth and the robustness of our successful business model – even under difficult conditions such as the semiconductor shortage, for example.

We improved the operating profit of the Porsche AG group by 27 per cent to 5.3 billion euros. That's more than 1.1 billion euros more than in 2020.

This amounts to a return on sales of 16.0 per cent. A figure that is the envy of our industry worldwide.

The automotive division was responsible for the lion's share of the Porsche AG Group's great earning power, with a 25 per cent increase in profit to 5.0 billion euros. In addition, net liquidity also increased in the vehicle business. At the balance sheet date, it stood at 5.0 billion euros – an improvement of 2.0 billion euros on the previous year.

The net cash flow in the automotive division developed very strongly, increasing by 67 per cent to 3.7 billion euros in 2021. This key figure also demonstrates that Porsche is excellently positioned.

Our core business is developing very positively: Demand for our exciting vehicles is stronger than ever before – outstripping the general trend in the global passenger car markets. Our attractive product portfolio won over customers worldwide: Porsche delivered more than 300,000 vehicles in 2021. Compared to the previous year, this represents a significant increase of 11 per cent. This, too, is a historic record for our company.

Our sales markets are well balanced worldwide: We sell around 30 per cent of our vehicles in Europe, around 30 per cent in America and around 30 per cent in China.

China remains our highest-volume single market. With almost 96,000 deliveries there, we recorded an eight per cent increase on our 2020 figure. This means that we
are outperforming the growth of the overall vehicle market there – as well as the growth of the premium segment.

Porsche grew strongly in North America as a whole, and in the United States in particular. In the US, the number of deliveries rose by 22 per cent to more than 70,000 units.

Very positive developments have also been seen in Europe. In Germany alone, Porsche increased its new vehicle deliveries by nine per cent to just under 29,000.

The Porsche model most in demand worldwide was the Macan, with more than 88,000 deliveries. The Cayenne followed in second place with 83,000 units. The highest increase was achieved by the Porsche Taycan, More than 41,000 examples of our first all-electric sports car were handed over to customers in 2021 – more than twice as many as in the previous year. This success clearly shows just how well-received our electrification strategy has been. We can say today that we have succeeded in transferring the core values of our long-established brand into the age of electromobility. And we are only at the beginning of our journey here, as Oliver Blume will explain later.

Our icon, the Porsche 911, also remains in high demand, with more than 38,000 delivered. Never before have we handed over so many examples of the 911 to customers in a single year. Deliveries of the Panamera have also grown – to 30,000. At a high level of 21,000 units, the 718 series remained largely stable.

In addition to our products, the high, sustainable profitability of Porsche is based on our strong operating cash flow and our very healthy cost structure. Our ambitious Profitability Programme 2025 is making great strides here. This started in 2018 and we now find ourselves at its halfway mark. It is already clear that it will be a complete success – in two respects. It will support our profits in the long term and significantly increase our innovative power: Aided by more than 3,000 solid proposals submitted by our employees so far. Many are already being implemented. This is what makes our profitability programme unique in the industry. It’s not just a cost-saving
programme, but also an innovation programme. We are taking a very close look at processes throughout the company, and making ourselves fit for the future. Pure cost-cutting would be short-sighted. We are developing new business ideas and increasing our sales.

This is all thanks to a highly motivated team in every department – teams that never rest on their laurels. And for this I would like to express my sincere thanks to all our employees. They have once again done a great job in 2021.

Our subsidiaries have played a significant role in the positive development of our profitability. First and foremost, Porsche Financial Services, which, in the past financial year, has made the largest contribution to Porsche AG group profits in its history. More on this later.

Our growing involvement beyond our core business is also already making a positive impression on our profits. To date, we have invested a total of 717 million euros in shareholdings, acquisitions and venture capital activities.

The most prominent example of this is our partnership with Mate Rimac and his emerging company. Porsche joined Rimac as a partner back in 2018. At the time, not many believed in this young, small company. We took a bold and decisive step. Since then, we have continuously expanded our involvement. In November 2021, this strategic investment chain reached a preliminary peak, when the Bugatti Rimac joint venture commenced operations. Its shareholders are the Rimac Group with 55 per cent and Porsche AG with 45 per cent. Porsche, Bugatti and Rimac have thereby opened an exciting new chapter in the history of the automotive industry. Oliver Blume and I represent Porsche AG on the Supervisory Board. And we are both looking forward to the continuation of this rapid success story!

In 2022, the Rimac Group will hire its 2,000th employee, and the construction of the pioneering Rimac Campus is set to be completed in 2023. The Rimac Group is also in the process of closing another financing round with a mid-triple-digit million figure – with a significantly increased company valuation.
With these positive figures, we can look to the future with a great deal of confidence. A year ago I was here predicting that Porsche would emerge even stronger from the coronavirus crisis. Today, I can proudly tell you that we didn’t overpromise. And that we are continuing to invest resolutely and sustainably in the future, despite all the challenges.

We are facing some very demanding months, both economically and politically. Yet we remain committed to our long-time strategic goal of securing a return on sales of at least 15 per cent over the long term. Our task force has already taken the first measures to support our earnings. In this way, we want to ensure that we can continue to meet our high earnings targets. How successful we are will also depend on external challenges beyond our influence. However, we have created the internal prerequisites: strategically, operationally and financially, Porsche is extremely well positioned.

**Part 2**

Ladies and gentlemen, in the second part of my speech I’d like to explain in more detail the strategy we’re using to make ourselves fit for the future: firstly, by resolutely digitalising everything we do.

Secondly, by opening up new innovations and business areas. I’ll use a few examples to explain exactly how we’re doing this.

The world around us is changing at a rapid pace. And Porsche is changing along with it. Because we have to. But above all, because we want to. Because pioneering spirit has always been part of our DNA. And because we see it as a great opportunity to actively shape the future of mobility.

Which is why, in addition to decarbonisation and electrification, we are also resolutely driving forward the digital transformation. With fresh ideas, innovative technology and new digital business models that are increasingly contributing to Group profits. A
clear strategy shows us the way. It helps us to stay on course for success during the transformation.

Over the past year, we’ve made considerable progress along this path. One focus was, and is, the massive expansion of our IT team – at Porsche AG and at our subsidiaries Porsche Digital, Porsche Engineering and MHP. This has enabled us to increase our IT and digitalisation capacities to more than 5,000 employees worldwide. Because in global competition, powerful software makes all the difference.

With our digitalisation strategy, we want:
firstly, to make the processes in the company even faster, leaner and more flexible.
Secondly, we want to offer our customers outstanding products that inspire them with excellent software and networking.
And thirdly, we want to drive forward the digitalisation of our customer interfaces.

To meet the specific requirements of Porsche and our customers in the digital transformation, we are taking a two-pronged approach. On the one hand, we are cooperating closely with the world's most successful high-tech companies. And on the other, we can rely on in-house, independent expertise and developments.
Together with our subsidiary MHP, for example, we are developing a business model called Industrial Cloud Solutions, or ICS for short. Here, we apply our leading production and logistics expertise to software. With ICS, customers from the industry increase their efficiency and thereby achieve sustainable, resource-saving production.

Porsche Digital develops premium digital solutions for our customers. An exciting example is currently being created in collaboration with our sales department: our own Porsche NFT platform. An NFT is a non-fungible token, a sort of distinctive digital asset. We intend to sell original Porsche NFTs on our platform. So you can look forward to highly emotive, Porsche-quality products. Because it also applies in the digital world: our greatest asset is our exclusive brand.
A key technology in the digital transformation is artificial intelligence. We are driving this topic forward on a broad front. In vehicle development, in production, but also in daily internal work processes, AI applications support us in automating routine tasks and in decision-making.

In short, with our digitalisation strategy, we are transferring the unique Porsche feeling from the physical world into the digital age – and into the virtual sphere. With courage and a pioneering spirit, as befits Porsche.

To stay ahead in the digital transformation, we want to attract the best talent for the rapidly growing Porsche IT team – with our exciting products, our agile teams, our open corporate culture and our international positioning.

My message to the most capable IT minds in the world is: if you dream of developing the coolest and smartest digital products around the world’s most legendary sports cars, then you’re welcome at Porsche and its subsidiaries.

I’m now talking to every highly motivated woman and man, anywhere in the world. Porsche Digital now has nine locations worldwide: in Palo Alto and Atlanta, in Barcelona, Zagreb and Tel Aviv, in Shanghai and Beijing, in Ludwigsburg and Berlin. We’re achieving two goals with this global presence.

Firstly: we can work closely with customers in the same corners of the world to develop tailored products that are in demand locally and are integrated into regional digital ecosystems.
Secondly: we can engage the best IT minds in a range of locations.

Mind you, this is not about extended workbenches. The local teams develop their products independently. Take Porsche Digital China, for example, where independent applications are developed to meet the special requirements of local customers – and with considerable success.
But we’ve also got successful subsidiaries that have been around a little longer. These include the Porsche Lifestyle Group with the Porsche Design brand. Founded in 1972 by Professor F.A. Porsche, Porsche Design is celebrating its 50th birthday this year with some unique limited-edition models.

Another example is Porsche Financial Services. Our financial services subsidiary further expanded its range of products and services in 2021. It now covers the entire mobility spectrum, from short-term rental and subscription offers to traditional leasing and financing. As a result, we now offer customers wishing to fulfil their dream of driving a Porsche with several attractive options from a single source.

Porsche Financial Services currently manages more than 300,000 leasing and financing contracts worldwide with a total volume of around 9.4 billion euros. In 2021, more than 40 per cent of all new Porsche vehicles worldwide were leased or financed through PFS. In China, this figure was more than 50 per cent, and this has significantly supported the strong growth of our brand there.

Let us now turn to our new business models. It is our intention to use them in the future to secure our success beyond our core business. Indeed, we’re going full speed ahead with this plan. The latest example is our commitment to the e-bike market.

We have added partners to strategically expand our international portfolio, and plan to develop a pioneering generation of Porsche e-bikes. We recently acquired 20 per cent of Fazua, with the option to increase our stake to 100 per cent. This innovative manufacturer of e-bike drive systems is a perfect match for Porsche: Fa-zua is Bavarian and basically means step on the gas! …

I’m convinced that we’re going to have a lot of fun in the emerging e-bike market, which is growing fast and offers great potential. I think we’re going to surprise you …

And we’re working on many other topics for the future: Oliver Blume has already mentioned one example. With our partner Customcells, we’ve founded the Cellforce
Group. Together we plan to develop and produce high-performance battery cells that will be ready for series production by 2024.

As you know, we’ve been active in the venture capital business since 2016. Our clear strategy here is that with our involvement in start-up companies, we want to strengthen our agility, our innovation and our future viability. And we want to tap into new business areas and target groups.

All this opens up new horizons for us and keeps our company young and powerful. For example, our venture capital unit Porsche Ventures has invested in the Chinese start-up iMaker. This company is China’s leading provider of digital ecosystems and virtual influencers. Behind me, you can see an example: Ayayi is a purely virtual influencer who inspires many young people in China.

This may seem like a dream from the future to some, but I’m convinced that that Porsche will do well to take a close look at the living environment of our customers of tomorrow. In doing so we’re breaking new ground and testing new limits. In view of the coming technological leaps forward it makes sense to think in entirely new dimensions. Looking to the future in this way, we are continuing along the traditional path of our company: Porsche has always been a thought leader and a pioneer.

Our entire venture capital portfolio currently comprises 48 investments, with a total financial investment of just under 250 million euros. As of 31 December 2021, our portfolio can report a net increase in value of approximately 75 million euros.

Let me summarise our future activities thus: we are broadly positioned – and focused. We are open to almost everything, and never lose sight of our Porsche Strategy 2030. We are therefore complementing and strengthening our successful core business, the goal of which will always be: to build the best and most desirable sports cars. And to do so with maximum efficiency.
I want to finish on a topic that is currently making headlines. You already know what I think about a possible IPO of Porsche AG. I very much welcome the decision to look into this prospect.

Because generally speaking, the capital market favours homogeneous, focused business units. Large corporations are often undervalued because the individual value of their units is never reflected 1:1 on the capital market. But the higher the rating of a company, the better the financing options and the scope for action. And in alliances with tech players, for example, it helps to be quick and flexible. Such alliances are becoming increasingly important.

We cannot say anything more specific at this time. Our owner, Volkswagen AG, has announced that it will provide information on the interim status of the reviews in late summer. Until then, we must all be patient. However, I fervently hope that, above all, the war in Ukraine will be over by then. Because peace is so much more important than any IPO.

The bottom line is that Porsche is in an excellent position. We are innovative and bold, lean and agile, profitable and financially strong. This is why we’re looking forward to what lies ahead.