

It is the spoken word that counts.

Dr. Oliver Blume (Chairman of the Board of Management of Dr. Ing. h.c. F. Porsche AG) – Part 1

There is no substitute.

There is nothing like it.

This is Porsche. This has been our claim for more than 75 years. And I can promise you one thing: it will stay that way. No matter how the world around us changes.

And with that, I'd like to extend you all a warm welcome.

We're going to talk a lot about change today. The world is becoming more and more digital, more networked – and at the same time, less stable. Framework conditions have changed rapidly. So have the needs of our customers – and the markets.

In this challenging environment, we achieved very solid results in 2024. At the same time, we have set an important new course for Porsche. More on that will follow in the coming weeks and months.

We have initiated a long-planned change to the Executive Board. Jochen Breckner has taken over Finance and IT and Matthias Becker Sales and Marketing. Jochen joins me here today. He will explain our figures in detail in a moment. And later, we will answer your questions together.

Three questions will guide us over the next 20 minutes: what has happened, what is happening and what will happen? We will look back at the past year. We will explain the current situation and the general conditions. And we will look at how we are reacting – and how we want to steer Porsche into the future.

2024 was the biggest year of product launches in Porsche history. We completely renewed four of our six model lines and launched them onto the market. If we count the Cayenne at the end of 2023, you could say it was five of them.

This means that we currently have what is probably the youngest and most attractive product portfolio that Porsche has ever offered. We have products that are enjoying excellent feedback from our customers and from media all over the world. This really is Porsche at its best!

Highly emotive combustion engines, cutting-edge hybrids and extremely high-performance electric drives: these three types of powertrain enable us to give our customers what they want. And all of them, always, have to be incredible to drive. Quality is our top priority. This means working on improvements every day. In an independent 2024 study by JD Power, we claimed several first places in our segment in the US – the sort of result that spurs us on. We have also made further progress in terms of damage claims per vehicle and achieved a record low in 2024, despite the many new product launches. Here, too, we are fighting for every detail.

Last year, we enjoyed more success on the world's race tracks than ever before. We clinched the drivers' title in the WEC and had wins across all classes in the American IMSA series. And in Formula E, Pascal Wehrlein won the drivers' world championship for the Porsche works team.

We want to build on that this year. And we certainly got off to a pretty successful start – with first and third in the 24 Hours of Daytona last month.

From strength on the race track to a robust position financially: We are able to react well and with flexibility to market fluctuations. In terms of our 2024 deliveries, we were only slightly behind the previous year's numbers. This was despite a significant decline in China and the fact that, as is always the case, the new models are only gradually being introduced in all their market derivatives.

With the exception of China, we've broken our own records in every region across the world. The balance between the regions has also improved once again – which makes us less dependent on individual markets.

Our financial figures reflect the high level of tension under which the entire automotive industry is operating. And, of course, we at Porsche have bigger ambitions in the long term. Which we are sticking to. At the same time, it was a hugely strong performance by the whole Porsche team to deliver such a robust result under the unusual current conditions.

I would go even further and say that this strong performance should be valued even more than in the many successful years of the past. In those years, we were operating in a much more stable environment. So I'd like to thank every single member of the team for demonstrating their fighting spirit. And for their great passion to get the best out of everything and everyone around them.

Let's briefly summarise the situation so far – and look ahead to the rest of 2025 and beyond.

In a generally unstable political and economic environment, we're facing three major challenges:

- The structural change in the Chinese market – which, at present, appears to be a long-term situation, with consequences for the sales of our cars,
- The slowed ramp-up of electromobility – with a need for action in our product strategy.
- And the tense situation in our supply chain – which impacts with consequences for the costs and availability of our products.

These effects have had a significant impact on our margin recently. We have been able to compensate for this, at least partially, with extensive countermeasures.

At the same time, at Porsche we are building on solid foundations.

- We have strong products and an almost completely renewed portfolio.
- We have a valuable brand with global appeal.
- We have a loyal customer base around the globe.
- And we are financially robust – something that we have earned over the years.

We are using all this to invest decisively in our future.

In doing so, we are relying on our proven and successful Porsche strategy. In order to modify it for the changing conditions, we have comprehensively adapted it over the past year. After all, only a strategy that is regularly and pragmatically developed can be successful in the long run. This enables us to meet the new situation in the markets with the greatest possible flexibility.

In particular, we've adjusted our product strategy across all segments. Although the ramp-up of electric mobility has slowed down in some regions, we still see e-mobility as *the* technology of the future. And we will make it a success in the long run.

As it currently stands, we are now looking at a much longer transition phase. As before, our product strategy includes a balanced range of all-electric, combustion-engined and hybrid sports cars. We are expanding and extending our portfolio for the last two, while systematically pursuing our electrification strategy.

In addition, we will continue to strengthen our brand core with an extensive expansion of our Exclusive Manufaktur and Sonderwunsch programme. We remain true to our focus on special models and limited editions. They have always had a great deal of global appeal.

For us, the number of cars we sell is not the be all and end all. Adding value wins over volume. Especially in the challenging environment in which we're operating.

This is motivating us to position our company even more robustly and to continue to lower our break-even point. This is resulting in our being even more independent of different scenarios when it comes to volume.

We are adapting our structures accordingly. We are reducing capacities and complexity. And in doing so, we are strengthening the exclusivity of our brand.

Jochen Breckner will now guide you through the numbers in detail.

Jochen, if you please.

**Dr. Jochen Breckner (Member of the Executive Board, Finance and IT,
Dr. Ing. h.c. F. Porsche AG)**

Thank you, Oliver. Like you've said before: there's nothing like Porsche.

It is unique.

That is why it is a great honour for me to stand here today, and to present the key figures of Porsche AG.

2024 was a challenging year. But, by working together, the team has proven once again that Porsche is highly profitable and financially robust – even in volatile times.

I'll start with deliveries. In 2024, Porsche set a new record in four out of five regions of the world: Europe, Germany, North America and the Overseas and Emerging markets.

Nevertheless, with 310,000 vehicles delivered, we were behind the previous year's figures overall. This was mainly due to the continuing challenging economic and market situation in China. I'll go into more detail on that shortly.

Our bestseller was the Cayenne – with more than 100,000 sold.

This was followed by the Macan with 83,000, and the 911 with 51,000.

What is particularly pleasing is that more and more Porsche customers are customising their Porsches. They are adding to their cars' standard equipment according to their personal wishes – or according to their dreams!

And we are, of course, very happy to fulfill these dreams.

You dream it, we build it.

Oliver will say more on this later.

Now, let's talk about the key financial figures.

Earnings in the 2024 financial year were impacted by a challenging environment, as Oliver has explained.

But Porsche was able to meet its adjusted July forecast for all the key numbers.

At 40.08 billion euros, Group sales revenue was only one per cent below the previous year's figure. This means that Porsche was able to almost compensate for the decline in sales figures

- through a higher proportion of individualisation
- and
- through improved price positioning of the newly launched products.

Group operating profit dropped to 5.64 billion euros. This result reflects our extensive product changeover in a challenging environment.

The Group's operating return on sales amounted to 14.1 per cent.

The net cashflow automotive amounted to 3.74 billion euros – almost at the level of the record year that was 2023. At 10.2 per cent, the net cashflow margin for automobiles was also in line with the range originally forecast.

Earnings per ordinary share amounted to 3.94 euros and earnings per preferred share to 3.95 euros. The Executive Board and Supervisory Board will propose a dividend payment of 2.1 billion euros to the Annual General Meeting of Porsche AG.

As in the previous year, this corresponds to a dividend of 2.30 euros per ordinary share and 2.31 euros per preferred share.

In short, Porsche is and will remain highly profitable and financially robust.

Our Road to 20 results programme has also contributed to this.

And in 2025, we will once again be intensifying the Road to 20.

We're shifting up a gear with it in order to further increase our future profitability.

In doing so, we will also continue to focus on our cost structure.

Based on this programme on the one hand – and the globally challenging circumstances on the other – we are aiming for a return of 15 to 17 per cent in the medium term.

In the long term, we are sticking to our fundamental ambition of aiming for a Group operating return on sales of more than 20 per cent.

After all, we can only secure our business model with high profitability.

For this reason, Porsche is spending a lot of money this year to make the company even more flexible, resilient and efficient.

We are investing an additional 800 million euros

- in our product portfolio,
- in software offerings and
- in battery activities.

In addition, we will

- expand the Sonderwunsch programme and Exclusive Manufaktur as well as
- adapting the way the company is organised

Oliver will go into the details of our exciting new product plans later.

I'll give you some data on our business planning: as you already know, we will be rescaling our cost structure to approximately 250,000 vehicles per year.

At this point, I would like to emphasise that we are talking about our cost structure – not sales targets.

In addition, Porsche has launched a comprehensive programme to restructure and rescale the company.

By 2029, the number of jobs is to be reduced by around 1,900 positions, which we plan to implement by leveraging demographic developments, natural fluctuation and restrictive hiring.

In addition, socially acceptable measures are being implemented on a voluntary basis, including a special programme for partial retirement and, in individual cases, termination agreements with severance payments.

Furthermore, the company is reducing the workforce by another 2,000 jobs through the expiration of fixed-term employment contracts.

In addition to these immediate measures, management and the Works Council will be negotiating an additional 'structural package' in the second half of this year. In doing so, we want to position the company even more efficiently and resiliently in the medium and long term.

But we are not only working on the cost side, but also on the strong Porsche brand.

Even in these volatile times, we're continuing to consciously invest in exclusive experiences for the Porsche community. There are many examples I could give, but two good ones are our new Porsche Experience Centers:

The tenth one is opening in Toronto in June, while the eleventh is being built in Singapore.

And we are tackling the challenges we face. In China, we are witnessing a structural change in demand. Here, we are sticking to our value over volume strategy. At the same time, we are actively optimising our dealer network. Our goal is to offer our customers a distinctive, Porsche-style omni-channel experience and to increase operational efficiency.

This brings me to the forecast for the 2025 financial year: in view of all our measures and the many global challenges, Porsche expects a Group operating return on sales of 10 to 12 per cent for 2025 as a whole. This forecast assumes sales revenue of around 39 to 40 billion euros.

As you can see, Porsche is deliberately embarking on a comprehensive recalibration. And I'm sure that this will enable us to strengthen the brand for the future – and to do so in a sustainable way.

Back to you, Oliver.

Dr. Oliver Blume (Chairman of the Board of Management of Dr. Ing. h.c. F. Porsche AG) – Part 2

Thank you very much, Jochen.

Porsche set the standard in electromobility at an early stage. In terms of both design and engineering. Of that there can be no doubt. We have inspired tens of thousands of customers all over the world. But, after a strong start-up phase, it has now become clear that we were a bit ahead of the market. The comprehensive, fast – and above all sustainable – ramp-up has not yet materialised.

We've taken this as an opportunity to revise our product planning in targeted areas. I'll give you a brief overview:

One focus of our work has been the further strengthening of our brand core with additional combustion-engined models. Our fans can look forward to new top derivatives of the 911. A version of our icon will also be recreating the iconic style of the 1970s. This limited-edition model from Porsche Exclusive Manufaktur is another collector's item springing from our Heritage Design Strategy.

As well as additional product-based approaches in the core two-door sportscar segment, we're expanding the 911 range with a model that will raise the bar even higher. We can predict our fans are going to be delighted.

When it comes to our four-door sports cars, we are extending the phase of offering different drive systems in parallel. We will continue to develop and sell both the Cayenne and Panamera as combustion-engined and hybrid models well into the 2030s. We are also considering expanding our portfolio. In the SUV segment, we are examining a new model line that could be launched towards the end of the decade – also in pure combustion-engine and hybrid forms.

This would be clearly differentiated from the Macan, which we will offer exclusively as an all-electric model in the future.

At the same time, Porsche's electric family will continue to grow as planned. We are convinced that electric drive systems offer the best and most efficient technology. Our focus in further development is on fast travel and fast charging. Here, we're combining best-in-class driving dynamics, charging efficiency and recuperative performance.

An important component of our balanced portfolio is the Cayenne – offered with all three drive systems. The fourth generation is on the starting blocks – completely redeveloped and redesigned. And without giving too much away: like the Taycan and Macan before it, the electric Cayenne will also be a true sports car that is going to set standards in its class.

In the medium term, our customers can also look forward to an all-electric sports car in the 718 segment. It's going to be even more dynamic, powerful and purist.

Of course, these adjustments to our product planning have an impact on the BEV ramp-up overall. Porsche had one of the most ambitious plans in the entire industry, with the goal of delivering more than 80 per cent all-electric sports cars in 2030. Our product strategy would still allow for this.

However, in view of market developments, this is no longer realistic. Our ramp-up will therefore adapt to market developments. But we remain ambitious.

In 2024, 27 per cent of the cars we delivered were electrified – just less than half of those were pure electric, the others were plug-in hybrids. We envisage that we will significantly increase this share with our portfolio over the next few years. In addition to the product range offered, the specific ramp-up depends to a large extent on the structural development of electromobility in the markets. Charging infrastructure, energy prices, incentive systems and regulatory conditions all have a significant impact.

In light of the changes in the framework and the dynamics behind them, we have revised our decarbonisation programme. I would like to emphasise that fighting climate change is important to us, and we continue to pursue the goal of making our contribution to the reduction of CO₂ emissions. However, it is also clear that sustainability is, and will remain, a shared task for industry, politics and consumers.

Regardless of drive system, the following applies at Porsche: we make the dreams and wishes of our customers come true – no matter how individual they wish to be.

Porsche already offers almost endless possibilities for personalisation. Our palette ranges from the selection of individual interior and exterior options through to complete one-offs.

Across all model lines, we now offer more than 1,000 Exclusive Manufaktur options. Between 2019 and 2023, we were able to double the average revenue per car with Exclusive Manufaktur options. And in 2024, it rose by another seven per cent.

In line with the wishes of our customers, we will significantly expand our capacity over the coming years. Both in terms of Exclusive Manufaktur options and through our Sonderwunsch programme.

When it comes to those Sonderwunsch special requests, we're planning to triple the number of projects for which we can cater. In addition, we're expanding our Sonderwunsch experience worldwide. Behind this is a tailor-made experience – when a car is delivered, for example. The historic Werk Eins here in Zuffenhausen will play a central role in this.

So, allow me to briefly sum it all up:

Porsche achieved a solid result in 2024, in a challenging environment.

[1] 5.64 billion euros operating profit, 14.1 per cent return.

[2] Net cashflow close to the level of the record year 2023.

[3] Dividend proposal also at the 2023 level.

We

[4] achieved record sales in four of our five global sales regions

[5] and renewed five of our six model lines.

[6] The proportion of electrified cars delivered was a strong 27 per cent – and that trend is clearly rising.

[7] The 2024 motorsport season was one of the best ever in Porsche's history.

[8] We have adapted and developed our corporate and product strategy to reflect the changed environment

[9] and we have two new members of the Board of Management.

[10] In the medium term, we are aiming for a return on sales of 15 to 17 per cent. And in the long term, we are sticking to our fundamental ambition of aiming for a Group operating return on sales of more than 20 per cent.

As Jochen said: we are deliberately using 2025 to further develop Porsche in a targeted manner. To recalibrate and re-scale – both in terms of our product planning, but also our company itself.

This costs more money in the short term – and at an already challenging time. We accept that. But we do it because we are convinced that it will set the right course for the long term. To further sharpen our brand. To make our products even more individual, even more exclusive and even more desirable.

There is no substitute.

There is nothing like it.

This is Porsche – and it's going to stay that way.

And now Jochen and I are looking forward to answering your questions.