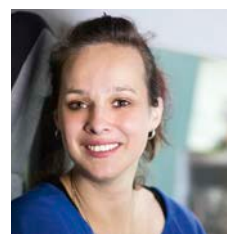
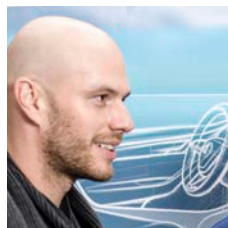


ŠKODA



2014

*Outstanding expertise and great passion.
A gift for improvisation and innovative strength.
Enthusiasm and motivation.
A focus on the essential and an eye for detail:
for close to 120 years now, it has
been people who have built our success.*

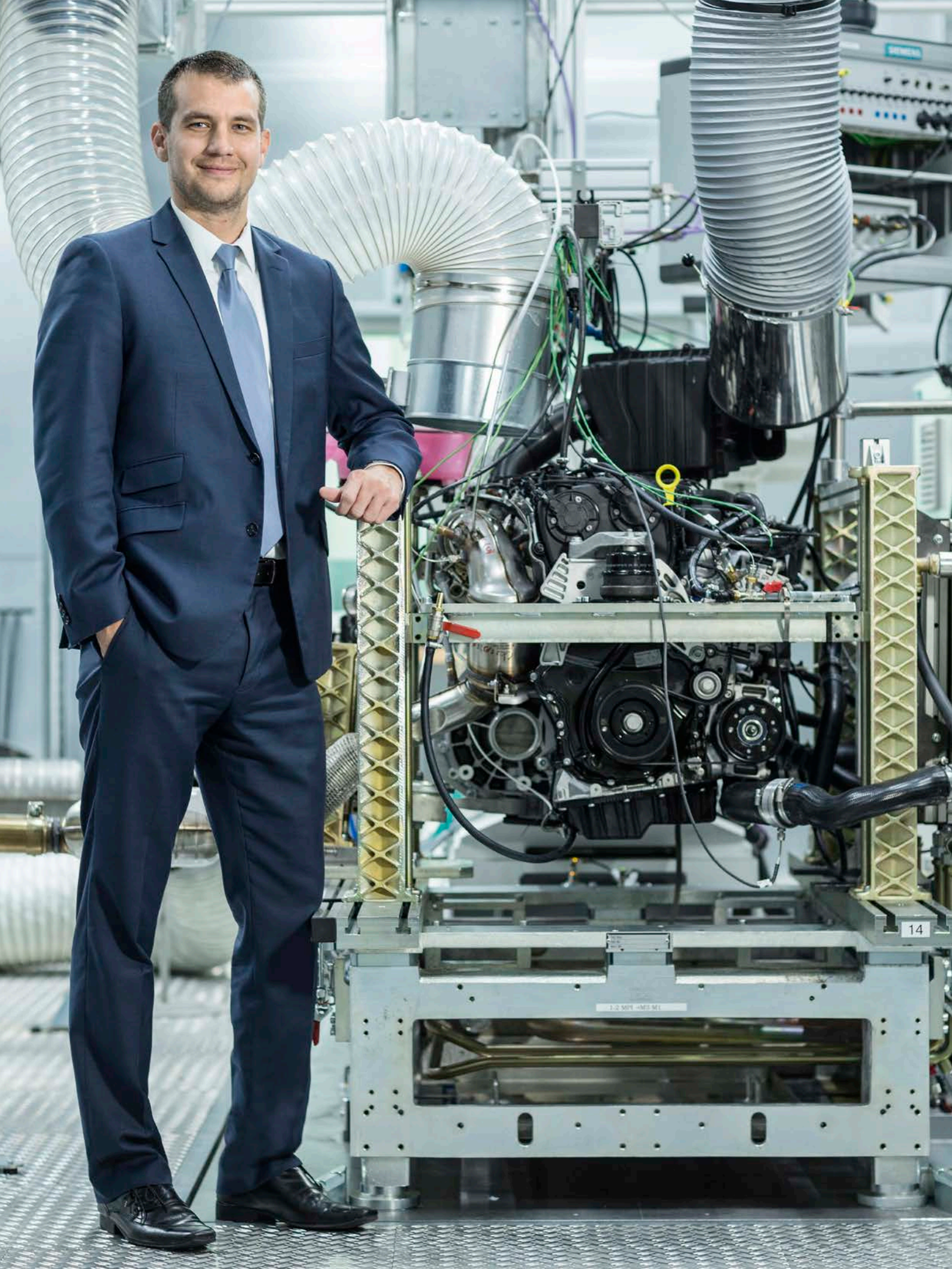
ŠKODA – Simply Emotions

“Product initiative, internationalization, soaring demand in many markets: All of these aspects increase the complexity in procurement. Our goal is to purchase top quality for our Company at the best price attainable. This can only be achieved by close supplier relations. I cannot imagine a more fascinating task.”

Zdenek Chudoba, Coordinator,
Procurement of Wiring Harnesses, Climatic Parts
and Panorama Roof Systems, Purchasing

ŠkodaAuto Nákup





“At our new engine test centre in Mladá Boleslav, we have access to state-of-the-art test technologies. The great expertise in drivetrain engineering is a tradition at ŠKODA. The new setup allows us to become a strong partner for engine development and testing within the Volkswagen Group. This is what I am fully committed to.”

Dipl. Ing. Ondřej Dostál, MBA, Head of Aggregate Testing,
Technical Development



“Every day, ŠKODA’s global success puts me in touch with interesting people from different countries. I find this fascinating and inspiring. My family and friends have a very favourable impression of the company I work for – this matters to me as well. I am part of the ŠKODA team with heart and soul.”

Jana Umáčená, Personal Assistant to the CEO,
Office of the Chairman of the Board of Management

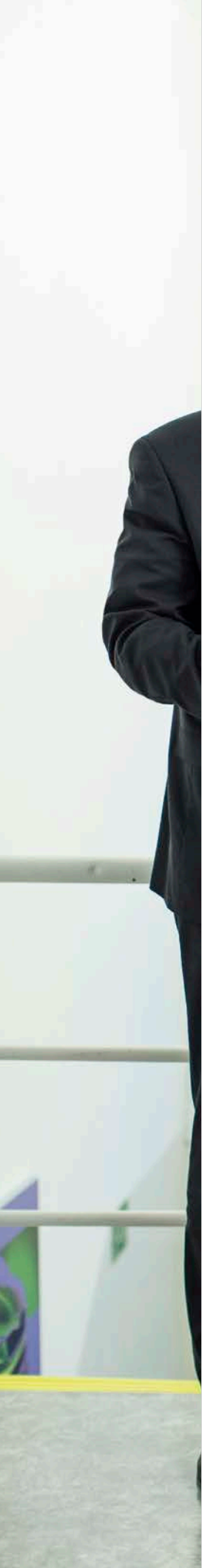




“To build and sell over one million cars – this means a considerable additional demand for workers at ŠKODA. In the short term, temporary workers provide relief; and many of them can be offered permanent employment. Being able to provide a solid career option to so many people is a task in which I take great pride.”

Peter Podprocký, MSc., Expert Coordinator, Temporary Employment, Human Resources





“In Logistics Planning, a part of our job is to bring together different people and their tasks in a constructive manner – with head and heart. Each day is full of surprises. Sometimes things change within a matter of five minutes. In these cases, we have to act quickly and also effectively – which can be a real challenge. I love this job!”

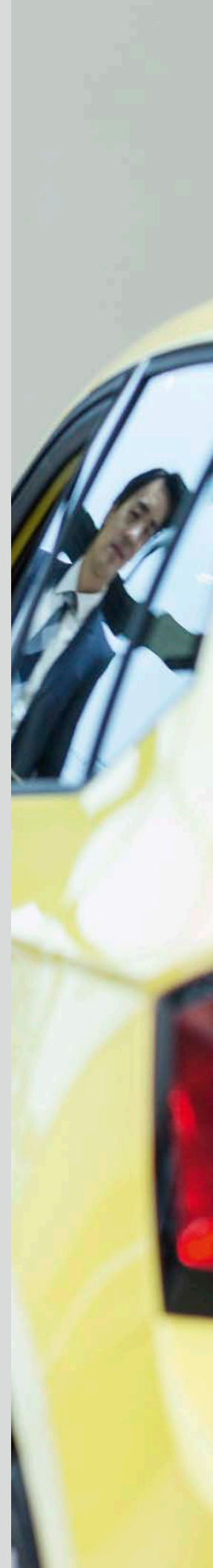
Lucie Heczková, Coordinator, Logistics Planning Vehicles,
Production





“I have been with ŠKODA for more than 20 years, and I would definitely say it’s the best employer in the Czech Republic. When I joined the Company, ŠKODA produced 200,000 vehicles per year and three model variants. By 2014, the Company had grown to one million vehicles and seven model series. At ŠKODA, every employee counts; and I am proud to be part of this success story.”

Květa Bartoničková Moličová, Project Coordinator,
Commercial Affairs



“ŠKODA is on the fast track, and the brand is developing extremely dynamically. We support this development by concisely steering the individual markets and by consistently implementing our global marketing. This is how we give people a way to truly experience the ŠKODA brand all around the world. The future belongs to ŠKODA, and I am delighted about having a part in shaping this future.”

Thanh Vu Tran, Head of International Marketing,
Sales and Marketing





Prof. Dr. h.c. Winfried Vahland
Chairman of the Board of Management

Ladies and Gentlemen,

2014 was a very successful year with new record results for ŠKODA. We continued our model initiative and, as a first in our company's almost 120-year history, we produced over one million vehicles and delivered them to customers worldwide – a new milestone for our brand. So 23 years after joining the Volkswagen Group, ŠKODA has secured a lasting spot in the volume segments of the international car markets. Sales and operating income reached a new record high as well.

The results achieved in 2014 attest the great strength of the ŠKODA brand and the high level of acceptance our cars enjoy. The most comprehensive model initiative in our corporate history is having more and more effect. Over the past four years, we have rejuvenated our product range and expanded it into new segments; at seven model series and over 40 model variants, we are now offering the most attractive ŠKODA portfolio of all time – ranging from our city runabout, the ŠKODA Citigo, to our flagship, the ŠKODA Superb.

We are going to keep up the momentum along our path. In 2014, we set the course: The ŠKODA design study VisionC was one of the stars of last year's Geneva Motor Show, giving an outlook of the new, modern and more emotional ŠKODA design language. The first series model to feature elements of this new design language, the new ŠKODA Fabia – our young and snappy small car – is popular with customers all around the world.

ŠKODA's ongoing success would not be possible without the vast expertise and untiring dedication of our close to 25,000 employees. The past years' unparalleled race to catch up with the competition has been a joint accomplishment of the entire Team ŠKODA. In all areas of the company – in development and sales, production and administration, design and motorsports – the people who work for ŠKODA share a passion for their brand and are willing to do what it takes to make it succeed.

Committed, highly skilled, with an exceptional team spirit, lots of emotion and enthusiasm for the automobile: These people are true believers. They are, as we say, true ŠKODIANS, people with 'green blood in their veins'. There is hardly another company whose employees are so emotionally attached to their company and brand. This is why this magazine focuses on our employees. Their emotions make all the difference. Simply Emotions.

Growth requires new models, and the unrivalled product highlight of the year is going to be launched very soon: the new ŠKODA Superb – the best ŠKODA of all time. Our new flagship heralds a new era for ŠKODA.

Our top model is a completely new development that revolutionizes the ŠKODA design. It also comes with the most spacious interior in the segment and the Volkswagen Group's innovative MQB technology. This model will help ŠKODA tap into new customer groups, expand market shares, and strengthen the brand's position in the global markets. We expect the new ŠKODA Superb to be popular with success-oriented private customers as well as business and fleet customers, thus underscoring our growth ambitions as much as pointing the way to the future of the brand.

As you can see, ŠKODA is stepping up its ambition, striving to place top-quality models at the top of their respective segments. ŠKODA's well-known brand values – such as functionality, spaciousness and excellent value for money – are strengthened further with the offer of improved performance data. ŠKODA aims at offering the best cars in the respective fields – cars that stand for the high value, rich tradition and future orientation of the brand while at the same time raising its popularity.

ŠKODA is on the right track. We have to deal with challenging markets and need to make up for the effects of various crises. Nevertheless, we have good reason to be confident: In close cooperation with Europe's leading automotive group, Volkswagen, with new models and a top team, we will continue to build on the success story of our brand in the future.

Yours



Prof. Dr. h.c. Winfried Vahland
Chairman of the Board of Management

ŠKODA AUTO Board of Management



Dr. Ing. Frank Welsch
Board Member for
Technical Development

Prof. Dr. h.c. Winfried Vahland
Chairman of the Board
of Management

Dieter Seemann
Board Member
for Purchasing



Dipl.-Ing. Michael Oeljeklaus
Board Member for
Production and Logistics

Dipl. Kfm. Winfried Krause
Board Member for
Commercial Affairs

Ing. Bohdan Wojnar
Board Member
for Human Resources

Werner Eichhorn
Board Member for
Sales and Marketing



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Thousands of Chinese lined the streets at the "Top City Classic Rally China" to see ŠKODA classic cars for the very first time.



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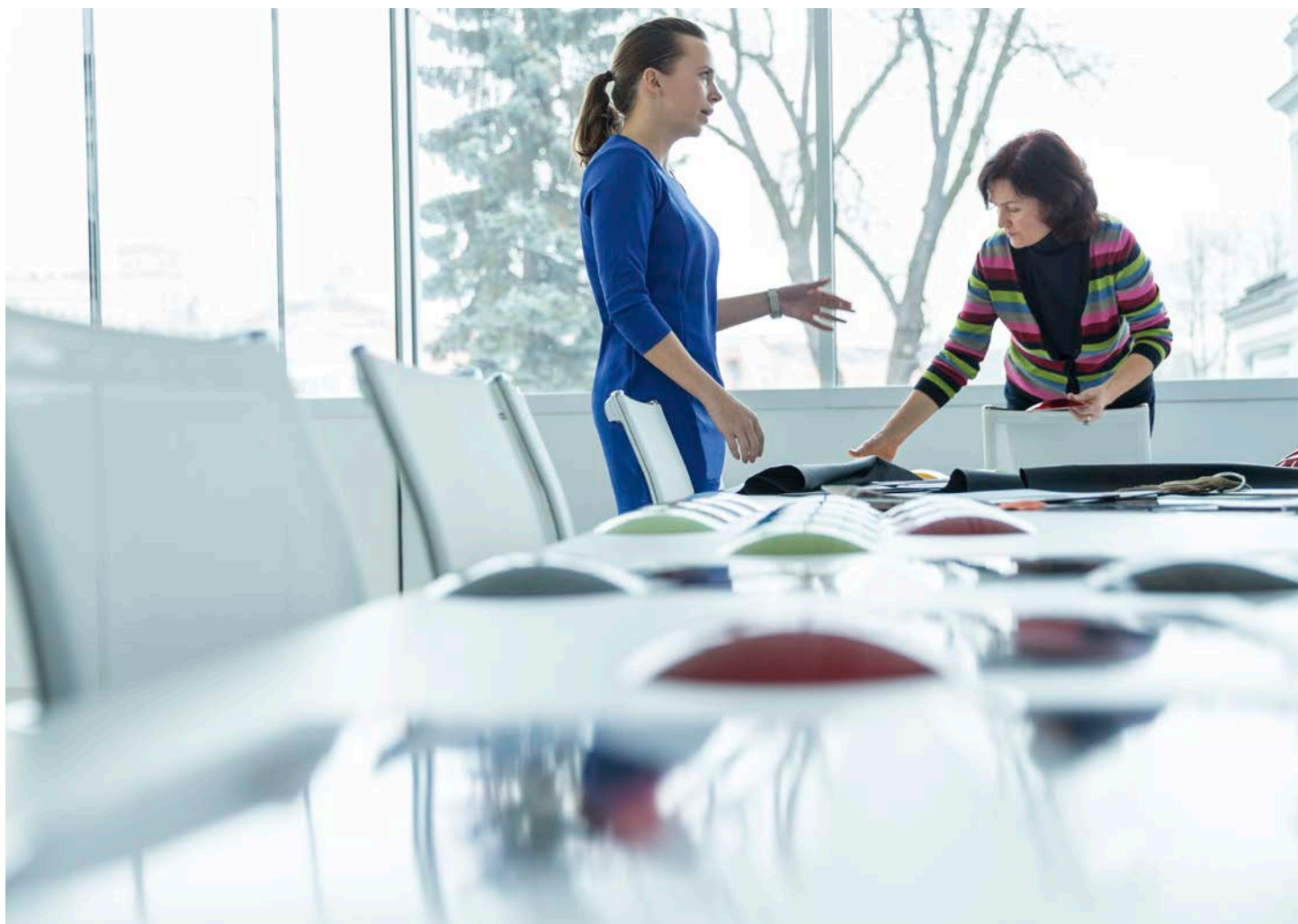


Making their car one of a kind is what many customers want, and ŠKODA is fully committed to making this wish come true. This is why the Company offers buyers a broad range of customization options for its new models. As much standardization as necessary, as much customization as possible: This requires great effort, but the results speak for themselves. Never before have ŠKODA cars been that unique by request.

A large photograph of a modern office interior. Two women are in a meeting room, looking at a large display board with various colored circular samples. The room has large windows, white walls, and modern white chairs with chrome bases. The text "Unique by request" is overlaid in the top left corner. A quote is on the right side.

Unique by request

Demanding and inspiring at the same time: The selection of the perfect range of customization options requires profound knowledge of a brand's DNA and a perfect sense of materials and colour combinations.

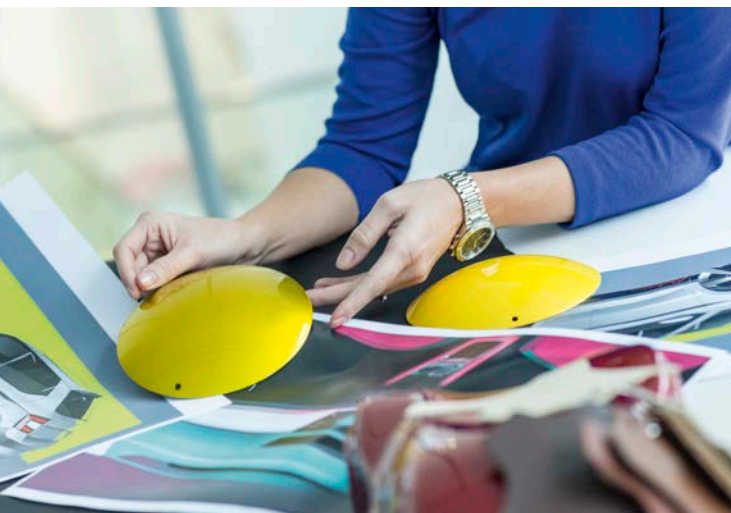


Unique by request



Give the customers a broad range of choices and help them create a truly unique car that reflects their own tastes and aspirations: ŠKODA's customization programme is designed specifically to meet the expectations of all customers notwithstanding their differing preferences.

“Customization is not an easy task, and we can only master it successfully if all of us pull together.”



Věra Vasická pushes the colour charts across the dark desk, holds two of them up against the light and compares them with a length of fabric: A dark-red exterior paint and black fabric seats with white piping – the effect is sporty but not flashy. That's something the customers of the ŠKODA brand should like.

The work of the seasoned exterior designer and her colleague, interior designer Kateřina Vránová, might look playful, but this impression is deceptive: The high pace at which new design options are developed is a true challenge, and it is followed by an intense debate: "First off, we talk about our designs with colleagues from our own department and coordinate things with the Head of Design, Jozef Kabaň, before asking people in other departments like Marketing or Sales for their opinions. The Board of Management has the final say. But if we have the right arguments, our suggestions usually get accepted," explains Věra Vasická.

The customization of cars is not only a matter of design, colour, quality or look and feel; it is also about the use of state-of-the-art technologies that meet the driver's individual wishes or requirements. This is emotion too: vehicle technology that provides optimum support to the driver. The assignment is clear: to offer the broadest possible range of technological and aesthetic equipment options to the potential buyer so that the car is the perfect fit for their personal taste and fully meets their individual demands.

To anticipate customer wishes, to put together consistent equipment packages without losing sight of the value for money – besides the creative aspect of the task, these basics have to be considered as well. Customization is a top priority on ŠKODA's agenda. At the same time, it is a challenge for the entire production process: From idea to implementation, numerous steps of production require close coordination; capacities have to be planned and provided. "It's not an easy task, and we can only master it successfully if all of us pull together," comments Kateřina Vránová.

More than just a brand

New vehicles for new markets and new target groups with new requirements – ŠKODA has changed completely over the past five years, says Kateřina Vránová. "We have become more dynamic, more fashionable and more focused on young people," explains the young woman who joined the company as a trainee ten years ago and made her way through Sales to Design, where she has been for six years now. She regards the current customization initiative as just another expression of ŠKODA's great dynamics. Where there used to be a choice of eight exterior colors, the brand now offers a great variety of different combinations. A range of previously two interior lines has grown to five – or even seven if you include the top equipment option, "Laurin & Klement".

The colourful world of ŠKODA: Colours like for example the flashy 'Sprint Yellow' showcase the potential of the ŠKODA brand for more daring and cutting-edge colour designs apart from the mainstream.

The two designers often find inspiration in fields other than the automotive industry; good sources are fashion shows in Paris or international art exhibitions. But everyday life also sparks plenty of ideas: "Everything can serve as an influence. Our job is our passion, so we may have a sudden inspiration even when we just go grocery or clothes shopping," Kateřina Vránová explains.

Some days we are 'wilder'

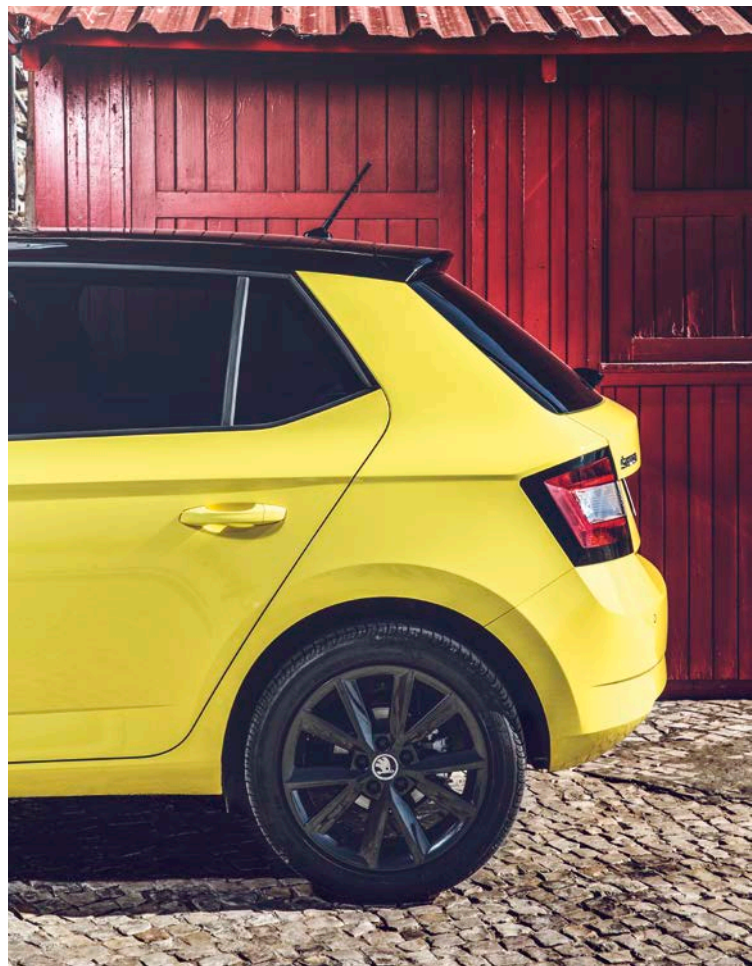
The development of colour combinations often depends on the designers' mood. "Some days we are 'wilder' than others and feel more like experimenting a bit," says Věra Vasická. Customization made by ŠKODA – this also means greater creative and emotional freedom for the team.

Nevertheless, the creatives must not lose sight of costs and feasibility. And no matter what has been created on the drawing board, ultimately, the colours have to look good on the car. "We run numerous tests to determine what works well, what might be a little over the top, and what is unobtrusive but still effective." Three years is the time period from the first ideas and drafts to their implementation. The ideas have to be evaluated for their feasibility first – in close cooperation with suppliers and specialists for fabrics, leathers, plastics and paints. After all, a look chosen today should still be a source of joy many years from now. The new ŠKODA Fabia comes with 125 potential colour combinations for the car body and the interior, as well as a wide range of different wheel rim designs, 17 'simply clever' details – some of them new developments – and tech customization options via MirrorLink™ and the Smart Gate technology. Its development was a best-case scenario for the two design experts: Never before did they have that much freedom for ideas and the respective possibilities to try them out.

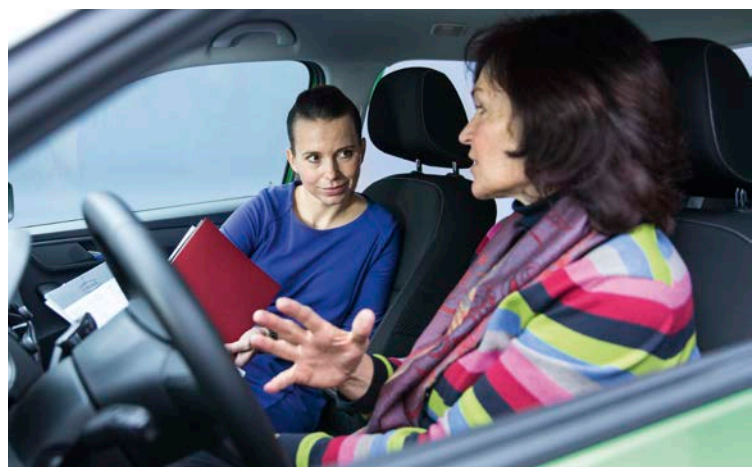
Colours as brand shapers

The designers are aware of the fact that the majority of all ŠKODA customers will continue to give preference to traditional vehicle colours, such as white, blue, silver or black. However, a larger offering of exterior and interior colours generally makes a brand more appealing to new target groups, creates emotions and thus desires. Plus, over time certain colours have turned into ŠKODA signature colours – which makes them a kind of brand shaper: 'Sprint Yellow' or 'Rally Green Metallic', for instance, play an important role also beyond actual sales.

To look modern without following every trend; to be timeless without appearing old-fashioned; to offer customization options without losing the typical ŠKODA appeal: The tasks are challenging, and the goal is clear. There have long been lots of rational reasons for ŠKODA; but surely by now, the heart is in it too. ●



Unique by request





*Customization made by ŠKODA
also means greater creative and
emotional freedom for the team.*

Create space for individuality



Brand expert **Sebastian Buggert**,
Head of Business Group of Rheingold GmbH, Cologne,
on 'Customization made by ŠKODA':

ŠKODA is trending: In our volatile and complex times, many people are looking for relief; they want to refocus on values that really count. All the bling-bling and useless knickknacks are out. What sells are brands and products that make sense to people. Many car buyers have enough of the hype created around the car; they don't want to live for a car but with a car. For these people, ŠKODA is a perfect match.

ŠKODA stands for substance over appearance and can be individualized to a large extent. What drivers find in ŠKODA is lots of space, in the car as well as in the brand. They can drive their cars as they please: as a reasonable family car, a snappy urban runabout or an understated powerhouse. ŠKODA creates space for the driver's individuality – and this is exactly in sync with our times.

Cars still move and touch us like no other product. But to make customers accept and buy cars, they have to be more than a sum of their parts. They have to form a holistic symbol that can represent the driver with their individual driving style, lifestyle and personality. I am convinced that drivers enter their proverbial alter ego when they get into their cars. Target group specific customization options allow automotive manufacturers to generate the best-possible fit of car and driver, in other words: the perfect balance between performance, status, integration, functionality and individuality. This is why I consider customization as one of the best possibilities in acquiring customers and increasing their loyalty.

With its broad range of customization options, ŠKODA meets its customers' expressed demand for personal space in the most appropriate manner. The ŠKODA customer prefers subtle differentiations. Specific wishes for customization are driven by an integrative attitude and not primarily by the desire to stand out from the crowd. Sportiness and emotional appeal are important primarily as they come together with functionality, quality and value, not as an end in itself.

So while ŠKODA customers mainly strive for integration on the outside, they want to express their individuality in the interior. Emotional appeal in the exterior without any gimmickry, but by emphasizing the minimalist and timeless elements of the ŠKODA design language; a stronger expression in the interior when it comes to both look and functionality – this is how I would describe the task. The application of state-of-the-art safety systems, high-value materials, smart details that make everyday life as a car owner easier, and advanced communication technologies are a must. ŠKODA drivers want to experience that their vehicle adjusts to their requirements – not the other way around.

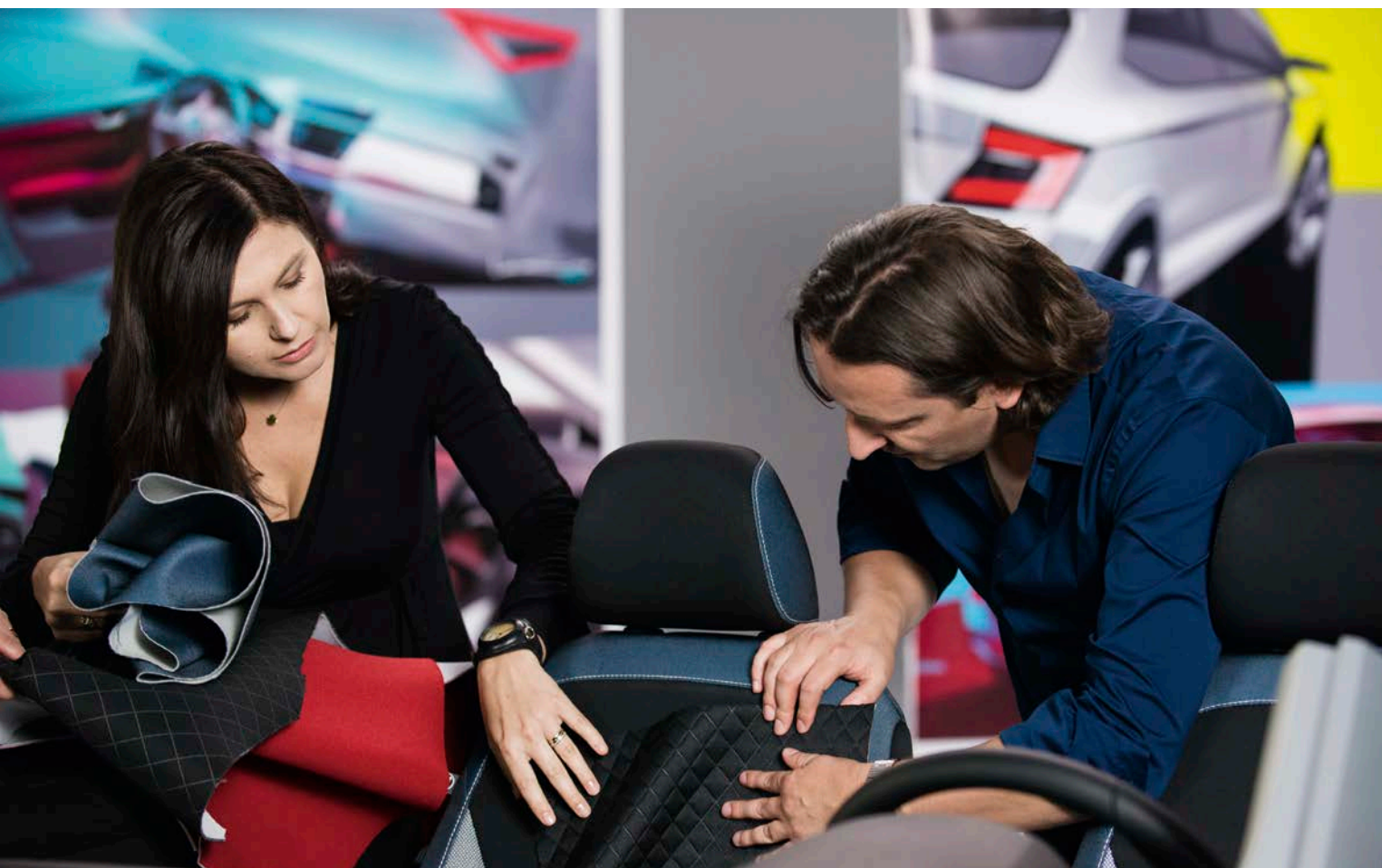


Head Designer Jozef Kabaň stands for the ŠKODA brand's new design language. Modern but not modernist, with concise lines and smooth surfaces but also a great emotional appeal. The seasoned car designer is very demanding when it comes to the drafts, which always involve some references to the traditional Bohemian craftsmanship. He is well aware of the close ties the brand has to its location at the heart of Europe and of the pride the brand inspires in the Czech Republic: "For the Czechs, ŠKODA is much more than a company."

Dressed for success



The first series model to feature the new ŠKODA design language which is going to shape all future models – the third-generation ŠKODA Fabia constitutes no less than just another key milestone for the ŠKODA brand. It is therefore vital that the new car is well received – after all, it is one of the pillars of the ŠKODA portfolio. But ŠKODA's Head Designer, Jozef Kabaň, keeps his cool. The seasoned designer knows the ŠKODA brand like no other. He knows how to create a new model that is attractive to regular customers and new target groups alike, thus ensuring its market success.





Dressed for success



Highly expressive, with concise lines and perfect proportions: The ŠKODA VisionC lays out the brand's new design language. At its presentation in March 2014, the design study received great attention and a positive response from the international media and the general public. The new ŠKODA Fabia is the first series model to feature the design attributes of the ŠKODA VisionC.

The look of the new ŠKODA Fabia is based on the ŠKODA VisionC design study, which outlined the key features of ŠKODA's future design language when it was presented at the 'Auto Salon' in Geneva in March 2014: highly expressive, with concise lines and perfect proportions. The response of the media and the public was unequivocally positive. "The idea is to combine the great functionality our brand is recognized for with a look and feel that induces positive emotions right at first sight," ŠKODA Head Designer Jozef Kabaň summarizes the underlying design strategy. It is a complex challenge, considering that the emotional appeal could not be achieved at the expense of the car's great practicality, a trademark of the ŠKODA brand's product range.

Drawing on the brand's own automobile tradition as an inspiration

Jozef Kabaň regards the new direction taken with the design also as a reminiscence of the brand's classic cars: Automobiles like the first



Expressing the main characteristics of the design study ŠKODA VisionC in the ŠKODA Fabia: "With these sharp edges and concise lines, we have created more contrast and a very strong interplay of light and shadow," ŠKODA Head Designer Jozef Kabaň explains some of the basic similarities between the design study ŠKODA VisionC and the series model ŠKODA Fabia.

ŠKODA Superb, built from 1934 onwards, or the ŠKODA Popular Monte Carlo, another 1930s model, were known for their great emotional appeal.

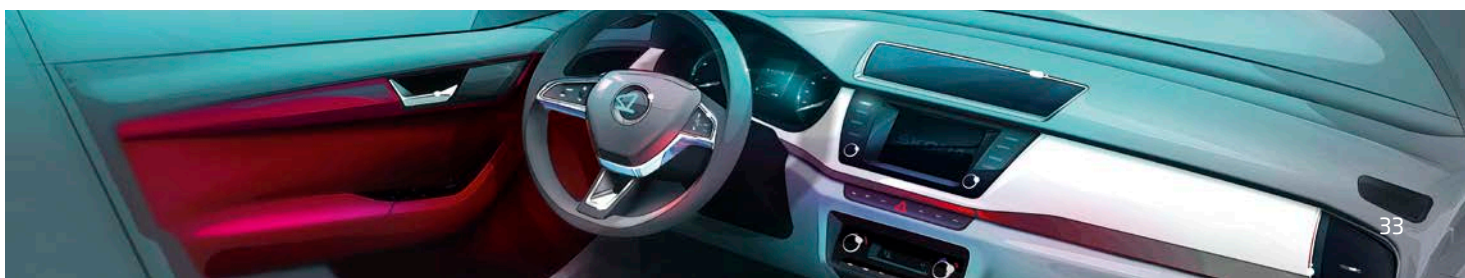
But there's another aspect that comes into play here: The appearance of ŠKODA's latest models deliberately represents the unique character of their country of origin, as well as the long-standing tradition of Czech craftsmanship. ŠKODA's success is not least due to the fact that the cars are perceived as products with typical Czech characteristics, argues Jozef Kabaň: 'That's something customers in Europe appreciate, and so do people in China or India.'

At no time in its eventful history has the Company had to leave the course laid out for itself. Consequently, ŠKODA can now draw directly on its rich automotive tradition. This is also true of the design – and a huge advantage, Jozef Kabaň emphasizes.

Apart from being firmly rooted in the heart of Europe, ŠKODA has long established itself as an international brand and has attracted car enthusiasts from around the globe; this fact was reflected in the



The team going over the details once more: With its three-dimensionally sculpted rear lights, the distinctly shaped engine hood and vehicle front, the new ŠKODA Fabia is an impressive combination of crystalline shapes and concise lines with highly precise, well-balanced and tight proportions.





Dressed for success

The design study ŠKODA VisionC was also the inspiration for the headlights and rear lights of the new ŠKODA Fabia: The shape of the lamps, reminiscent of cut crystal, pays homage to the craftsmanship of Bohemian glass artisans.

"A new car goes through hundreds of hands": The core team responsible for the design of the new ŠKODA Fabia sometimes comprised up to 70 members. On top of that, other departments at the Company and external service providers were involved in the project. At 20 different nationalities, the composition of the core team was impressive – and once again attested to the ŠKODA brand's great internationality.



The new ŠKODA Superb

The new ŠKODA Fabia has put ŠKODA's new design language on the road for the first time. The new flagship model, the ŠKODA Superb, is going to show the new look and feel as its best, with the new design conveying an unparalleled elegance that is based on sophisticated details: The unique look of the rear lights, for instance, optimizes the air flow and improves the model's aerodynamics. The elegant side line is visually supported by a shift of the gaps in the engine hood's sides to the level of the top V line. A unique combination of harmony and dynamics – this is the design of the new ŠKODA Superb.

composition of the design team for the ŠKODA Fabia: Team members included people from a variety of countries, such as Algeria, Australia, Finland, Sweden, the UK and Austria.

Four years leading up to the big moment

The process of designing the new ŠKODA Fabia took almost four years. Close teamwork was a top priority, with the number of people involved fluctuating considerably over the course of the project. At times, relevant other departments at the Company as well as external service providers were asked to get involved. 'A new car passes through hundreds of hands,' Jozef Kabaň comments.

After all, a design process is not only about giving a new model an attractive exterior – the interior has to be developed as well. Plus, experts from other areas – such as Purchasing, Toolmaking and Production – have to okay the feasibility of the solutions Design proposes; and last but not least, numerous safety aspects need to be considered.

But all these efforts are worth it in the end. From the tornado line to the wing line and on to the three-dimensionally sculpted rear lights – every little detail of the new model lives up to the high expectations.

Another highlight is scheduled for 2015: the world premiere of the new ŠKODA Superb, the ŠKODA flagship. In this model, the new

Everybody agrees that the new ŠKODA Superb is so far the best – and probably most attractive – ŠKODA of all time.

design language will fully come into its own. Everybody agrees that the new ŠKODA Superb is so far the best – and probably most attractive – ŠKODA of all time.

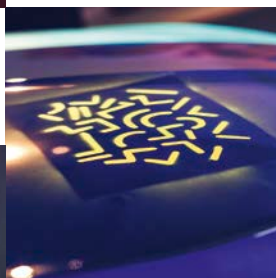
"Every time, it is such a fulfilling moment when we present our latest models to the public and people understand and like what we have done," says Jozef Kabaň. At these occasions, one-on-ones with the Head Designer are in high demand with experts and representatives of the global media. He zealously explains every little detail and shares his enthusiasm with his conversation partners. At the same time, he comes across as grateful – grateful for the opportunity to have a significant share in taking this highly dynamic ŠKODA brand to the next level, and grateful for the opportunity to work with a wonderful team, the prerequisite for excellent results: "You just can't design an entire car all by yourself."



Street Art on wheels

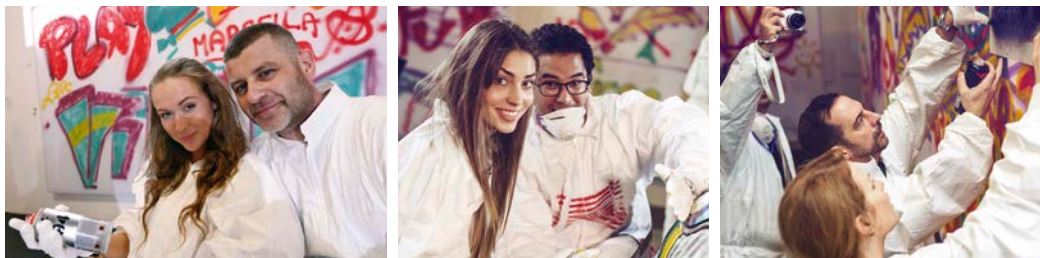


A unique art car that sends a clear message: The ŠKODA Fabia 'Street Art' perfectly represents the more youthful and emotional appeal so typical of all recent ŠKODA models.

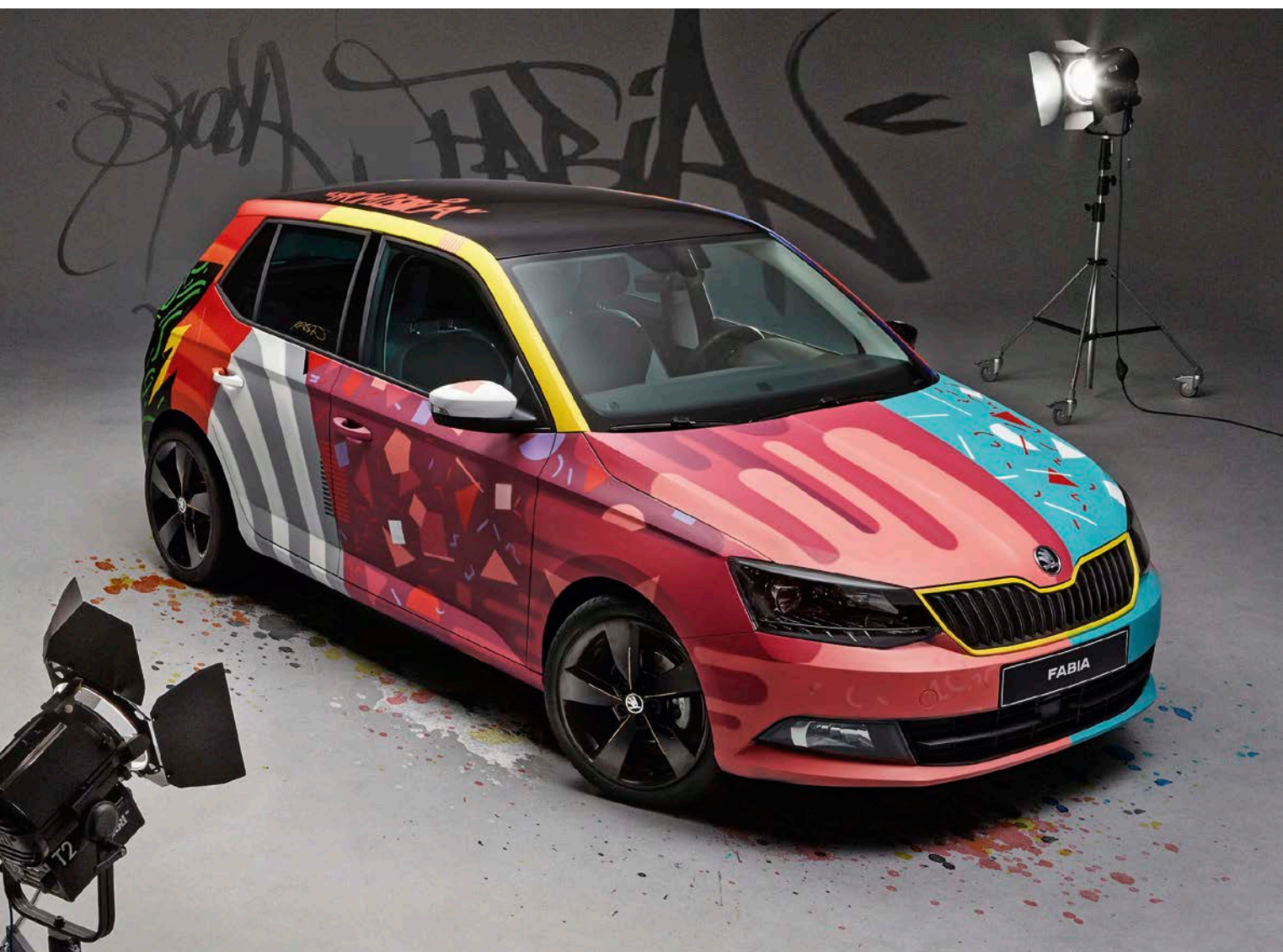


Renowned Portuguese graffiti artist Armando Gomes created the first-ever ŠKODA art car. The ŠKODA Fabia 'Street Art' car showcases the artist's own colourful interpretation of the new models' unique colour concept which allows a total of 125 colour combinations for the roof, A-pillars, wing mirror caps and wheels.

The art project was part of the new ŠKODA Fabia's international presentation to the press in Lisbon in October 2014. The ŠKODA Fabia 'Street Art' was created in several stages. Armando Gomes laid the groundwork by applying the lines and geometrical shapes to the body of the car. The surfaces were then sprayed in different colours. At this stage, the artist was supported by international lifestyle journalists who were present to familiarize themselves with the new ŠKODA Fabia and enjoyed participating in this unique art event. Armando Jorge Aires da Costa Gomes is regarded as one of the most significant graffiti artists in the world. The 31-year-old lives and works in Lisbon. He also works as a designer, illustrator and film producer.



Shared creativity:
Representatives of the
international media joined
Portuguese artist
Armando Gomes in creat-
ing the unique ŠKODA
Fabia 'Street Art' car.



The expression of an artist's personality and modern car design in perfect harmony: The ŠKODA Fabia 'Street Art' will go down in the annals of ŠKODA as the brand's first art car ever.

ŠKODA



“We are the gateway to the world of ŠKODA”



In many big cities around the globe, ŠKODA cars are omnipresent and a familiar part of the streetscape. But ŠKODA is also expanding its presence beyond the metropolitan areas, acquiring new customers among the population. A visit to one of the most modern ŠKODA dealerships in Germany.

If you ask Dominik Kuhlmann, the reasons for ŠKODA's success in rural areas are easy to define: an attractive and increasingly emotional model range, highly efficient dealerships and service centres, and the brand's great credibility. The young managing director of the Friedrich Hoffmann Car Dealership in Burgwald, which runs full ŠKODA operations with service and sales units, knows what he's talking about: He was a driving force behind the setup of the dealership from scratch over the past 18 months.

We are in the locality of Bottendorf, a part of the municipality of Burgwald: Extensive forests and a rolling hillside characterize the area that is famous for its excellent cured meats; most of the population works in the agricultural sector.

This place in Hessen, almost at the centre of Germany, has one of the newest and most modern ŠKODA dealerships in the country, which is the second biggest individual market for the brand, following China. Situated on a small hill, the dealership is visible from afar. From up close, the light-green ŠKODA logo and the bright but

The new ŠKODA showroom design is an invitation to everybody to spend as much time looking around and talking as needed to fully grasp the fascination of the ŠKODA brand and its latest models.

"May I help you with your decision?"
The ultimate aim is to make the customer feel at home.



Expanded showrooms to ensure the appropriate presentation of the growing model range and optimized customer orientation is at the heart of the CI/CD architecture of ŠKODA.





“The most important thing is to meet customers half-way, to invite them to visit us and get to know our products.”

warm illumination of the showroom are reflected on the rain-slicked asphalt of the car park. The first impression: appealing, modern and inviting.

Dominik Kuhlmann welcomes us. At 29, he is most likely one of the youngest managing directors of a German car dealership. But despite his youth, he has plenty of experience in the automotive business. As the fourth generation at the family-owned Friedrich Hoffmann Car Dealership, he shares the management with his uncle. “I guess you could say, cars are in my DNA,” he says, laughing.

The owner-managed company was founded back in 1923. At its four retail outlets, the Friedrich Hoffmann Car Dealership presents select brands of the Volkswagen Group. ŠKODA joined the ranks two years ago. The opening of the new branch was a personal dream of Dominik Kuhlmann come true: “I advocated the opening of this ŠKODA showroom because I am a big fan of the brand and absolutely convinced of its great potential. And the customer demand was there as well. That’s why I did everything I could to convince ŠKODA to partner up with us,” he explains with pride. More than 5,000 customer contact points in roughly 100 countries are part of ŠKODA’s global network; some 600 thereof are situated in Germany. The demanding pace at which ŠKODA drives its growth strategy poses particular challenges for the retail organization. The new, modern corporate design provides the framework. There’s plenty to do: expand the showrooms to ensure the appropriate presentation of the growing model range, step up repair shop capacities, optimize customer orientation, and – last but not least – implement the new corporate design requirements down to the smallest detail.

Providing the emotional framework

The ŠKODA dealership in Burgwald-Bottendorf celebrated its opening on 22 September 2013, following a construction period of 12 months. The new site fully meets the brand’s requirements concerning functionality and equipment of its retail outlets. “Our big advantage was that we could start from scratch and had more than enough space. There was no need to consider any existing buildings,” Dominik Kuhlmann explains while presenting the repair shop, the showroom and – giving us a glimpse behind the scenes – the ‘functional spaces’. The facility has a total constructed area of 1,600 m², the floor space – including sales offices, repair shop service counter and glass-clad showroom – comprises 3,600 m². Thanks to the bright tiled floor, the modern and minimalist furniture and the roof construction with its exposed roof racks that seems to float over the building, the overall appearance is very open, friendly and oriented towards the customer.

The aim is to make the customer feel at home right away; and Dominik Kuhlmann considers this a concept. Consequently, he wants his dealership to pick up and build on the greater emotional appeal of the brand’s new product strategy. After all, emotionally appealing products have to be presented in an emotionally appealing surroundings to have the greatest effect, he believes. Plus, “the most important thing is to meet customers half-way, to invite them to visit us and get to know our products. We are the customers’ gateway to the world of ŠKODA, and we are fully aware of the responsibility that comes with it,” Dominik Kuhlmann emphasizes. Success proves him right: Over the past 18 months, the dealership has built a solid presence in the region, generating continuous growth both in the diagnosis and service centre as well as in new car sales.

Exceeding customers' expectations

It is Friday afternoon; the atmosphere in the showroom is buzzing but relaxed. A family of four are eyeing up the ŠKODA Octavia Combi. While the kids try out the rear seat bench, the parents take turns behind the wheel before directing their attention to the trunk. A young woman has arrived with her toddler son. She is interested in the new ŠKODA Fabia, which occupies centre stage in the showroom. Presented here in 'Race Blue', its attractive design sends emotional signals as well. "Stylish," she says and takes her time checking out the entire vehicle while a female employee of the dealership watches her kid. "We score the most points when we manage to exceed customers' expectations a little," comments Dominik Kuhlmann, adding that "people know each other around here; they meet regularly in their clubs and at events and chat. A good reputation can go a long way here."

The diagnosis and service centre is quite busy as well. A white ŠKODA Yeti 'Monte Carlo' is next in line to be diagnosed. Work is also underway at two further car hoists: a brake test and a tire exchange.

At present, the headcount at the dealership stands at 23 and all of the employees are from the region; none of them has a commute of over 20 minutes. This is another element of the concept of consistent customer orientation: "Our staff has to come from around here and they have to speak our customers' language. This guarantees that people accept them and that they can work successfully," Dominik Kuhlmann sums it up.

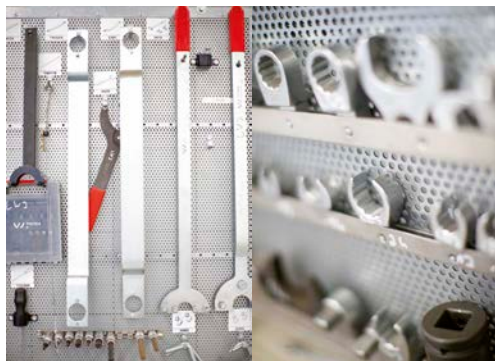
Designed for further growth

The young managing director has ambitious plans for the future: "Our company is designed for further growth, and we are convinced that we will manage to reach our targets, thanks to the active support from ŠKODA." He is extremely satisfied with the supporting activities offered by ŠKODA: "PR and marketing are top," he says, underscoring the importance of close ties between the brand and its retail outlets. The brand's dynamics and its great credibility make him particularly optimistic about the long-term prospects: "The design of ŠKODA's cars is getting more and more attractive; and the greater emotional appeal will help us tap into new target groups." On top of that, ŠKODA represents honesty and reliability – characteristics that perfectly match the value system of his customers, who would use the same attributes to describe themselves. "As I see it, it is this combination of dynamics and reliability that defines the great value of the ŠKODA brand. This is one of the main reasons why I see major development potential for our dealership," he concludes our conversation on a very positive note before sending us on our way.

By now, it's dark outside. The lights of the Friedrich Hoffmann Car Dealership shine brightly into the night. Today, the blue ŠKODA Fabia hasn't sold yet. But it is almost certain that it will be – tomorrow or next week, at the latest. The young woman is going to return with her husband before making a final decision. The future of ŠKODA lies right here – in places like Burgwald-Bottendorf, in the German heartland. ●

“The design of ŠKODA’s cars is getting more and more attractive; and the greater emotional appeal will help us tap into new target groups.”





ŠKODA customers' contact point worldwide: prepared to accompany their customers from day one.

It creates space for the evergrowing ŠKODA product portfolio and provides just the right setting to make the new cars look good: ŠKODA's new CI/CD architecture sets new standards around the globe.



“The global implementation of our new CI/CD architecture is being handled with greatest care and according to a precise schedule.”



Lars-Cassio Wesner,
Head of Business Development,
ŠKODA AUTO

At ŠKODA, we are giving it our all to modernize the appearance of our global retail and service partners. These efforts are directly connected to our Company's global growth strategy; to be precise, the modernization is part of the ŠKODA Distribution Strategy (SDS), which aims at optimizing all key processes at the point of sale as well as the customer support by our sales and service staff at the dealership. The brand's dynamics are expressed in the modern and – even more importantly – emotionally charged design of our new models, but they also have to be reflected in the retail outlets.

The introduction of our new ŠKODA CI/CD architecture at the point of sale primarily serves two purposes: First off, it allows us to meet our customers' expectations of the brand, which have become even more demanding due to our vehicles' new look and feel; and secondly, it helps us put these new and especially attractive vehicles in the right light. Both aspects are of major significance, not only for the time being, but also for the continuing positive development of the ŠKODA brand. We are now forming the cornerstone of our development in the years to come.

In many cases, the comprehensive rebranding and the new CI/CD of the architecture at the point of sale is about as far-reaching as a new building. We are not talking about some minor details here; this is about a completely new design concept which – as a consequence of our ambitious model initiative – often enough entails a necessary expansion of the showroom and repair shop capacities.

The global implementation of this CI/CD is being handled with greatest care and according to a precise schedule, with the 36 key markets taking top priority. We are primarily focussing on Europe – and China. But we are also very active in other important markets such as Russia.

The conversion of the dealerships is making good progress. So far, some 500 businesses around the world have adopted the new CI/CD – and we are continuing to work at a great pace.

The summer of 2015 is going to see the market launch of the new ŠKODA Superb. In many respects, this new model is a milestone for the ŠKODA brand; it is expected to establish the brand perception on a considerably higher level in the long term. The retail outlets do not only have to correspond to this ambition – they have to support it actively through their entire look and feel. We want our customers to feel, understand and share our passion for our brand's cars. This is why we have devised the new CI/CD architecture in the first place; this is why we are making a huge effort. The outstanding positive feedback we have received from both dealers and customers so far proves our approach right – and it drives us further: We are going to continue until every customer, even in the most remote corner of the world, understands one thing right upon entering one of our dealerships: "Simply ŠKODA. This is where I belong."




The completely new ŠKODA CI/CD was specifically designed to reflect and strengthen the brand's potential, highlight the great appeal of the new ŠKODA models at the point of sale and guarantee a consistent brand appearance worldwide.

Heavy metal

Foundry, forge, tool-making: These are core areas in automotive production, and they have a long-standing tradition at ŠKODA. But it is first of all the team that creates something out of the ordinary here – with emotion, expertise and a unique passion for precision and quality.

Fully automated crankcase production – it takes only a few process steps to turn a red-hot piece of steel into the heart of a drivetrain.



The red-hot
heart
of ŠKODA





Heavy metal



Faster and more precise than any human: Utmost precision as the ultimate requirement for everything fabricated here – which could not be achieved without the use of sophisticated machinery.

In Hall H2 at the ŠKODA plant in Mladá Boleslav, all senses immediately send one message: Automotive engineering is a lot about processing metal. There is the heat of the metal, the noise of the facilities, the smell of hot machine grease. Red-hot steel is forged in huge facilities. A forklift truck carrying a barrel of liquid aluminium passes by and dumps its load into a large funnel on top of a casting facility, as if it were water. Heavy metal rules – here where ŠKODA's foundry and forge are located.

Today, the production area originally established in 1963 – shortly before the start of production of the compact model, ŠKODA 1000 MB – is one of the most state-of-the-art facilities of its kind and part of the Volkswagen Group's Center of Excellence. "We are very proud of this distinction, because we stood our ground against fierce competition from within the Group," explains Jaroslav Müller who runs the foundry and forge.

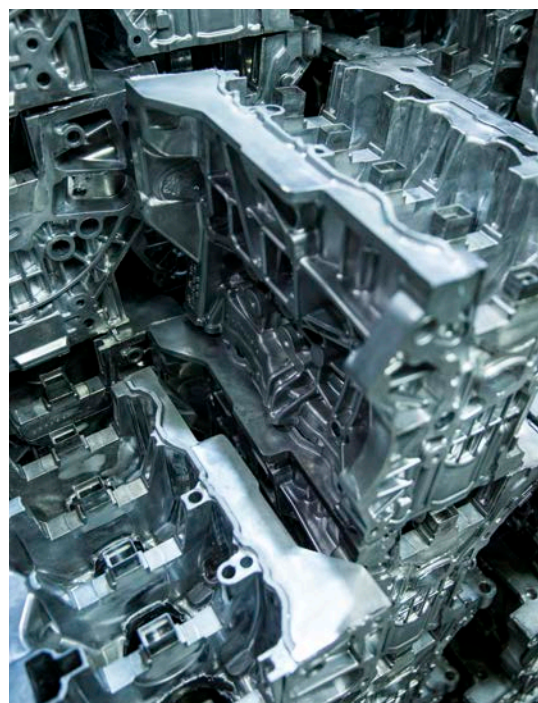
The 300 workers at Mladá Boleslav make about 1.7 million raw parts a year, amounting to a total weight of approx. 21,000 tons. Casting moulds from the aluminium foundry and forged pieces from Mladá Boleslav are applied not only at the ŠKODA production, but also at numerous national and international production sites of the VW Group. Besides the ŠKODA production, Group customers include the VW plant in Chemnitz, Germany, and the Audi plant in Győr, Hungary.

ŠKODA has a long tradition of making moulds and forgings for machines and gearbox units. Back in 1962, for instance, the company set new standards in terms of innovative engine and drive technologies with its production of the ŠKODA 1000 MB. Vladimír Barci, a foundry coordinator, tells the story: "ŠKODA was the first European automaker ever to apply aluminium die casting for the cylinder block production in engine development. And the same production process was used for the four-speed gearbox. What ŠKODA did here was to go back to a procedure that was originally developed in 1922 by the Czech engineer Josef Polák. As a result, production times could be reduced considerably."

Müller and his team are particularly proud of their fully automated crankcase production. Faster and more precise than any human possibly could, it takes the facility only a few process steps to turn a red-hot piece of steel into the heart of the drivetrains, which are applied in ŠKODA vehicles as well as in models of the Volkswagen, Audi and Seat brands. It is investments like this that safeguard the future viability of ŠKODA's foundry and forge. Plus, it sends a clear message also to the team – an important move considering the ongoing debate in the industry about in-house production depth and the procurement of parts from third-party manufacturers. "For years, ŠKODA has invested very consistently in our facilities. As a result, we are highly competitive within and beyond the Group. Another key aspect is that, due to our 50-year tradition, we have highly skilled workers who are true masters of their trade. This allows us to strengthen our good standing in the Volkswagen Group for the long term and to play an important role in a variety of future projects," Jaroslav Müller comments on his area's prospects.

“ŠKODA has invested very consistently in our facilities. As a result, we are now highly competitive within and beyond the Group.”

Jaroslav Müller, Head of Foundry and Forge



Where it all begins: One tends to forget that high-tech automobiles would not exist without the work in the foundry, forge and toolmaking. These specialists are the latest in a long line of proud workers at ŠKODA – and it shows.



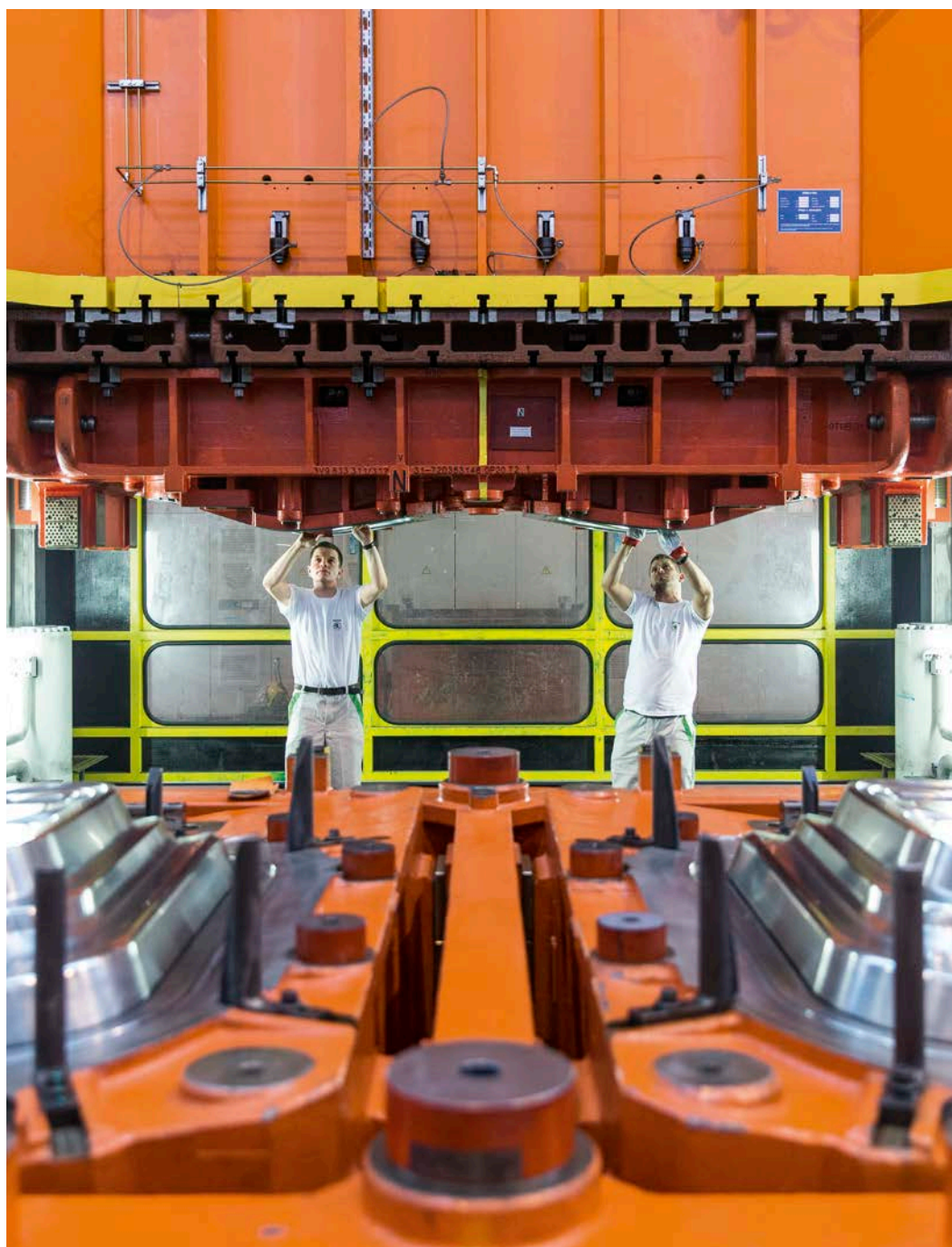
“Toolmaking bridges the gap between development and production. We help visions to become reality.”

Ing. Filip Koliáš, Head of Mould Construction

Heavy metal



Dwarfed by the machine: Before tons of weight are brought down to form the steel, workers have to make sure that not the tiniest speck of dust will spoil the result.



Further investment is earmarked for the facility: In the near future, two additional die casting facilities and four CNC machines are going to extend the production activities; they are scheduled to go on stream in the first quarter of 2016. In addition, Müller and his team have started to work on producing structural parts using the aluminium die casting process. After all, weight – and thus the lightweight material aluminium – is an increasingly important factor when it comes to meeting ŠKODA's ambitious carbon emission targets. The weight difference is dramatic as the specific weight of aluminium is only a third compared to steel.

People make all the difference

As it is a ŠKODA trademark, it is not surprising that, at the foundry and forge, it is once again the people who make all the difference. Müller: "All our workers here are ŠKODA guys with heart and soul. And only if these emotions come into play, you can create truly outstanding quality." It is hard work, due to the nature of the material. ŠKODA constantly invests in workplace safety and health protection; everything is completely up to date. However, temperatures of several hundred degrees Celsius, all the noise and the smashing force of the heavyweight forging hammers make it an exhausting work environment. Still, the workers put their heart and soul into their work, and some come from families that have worked here for generations. Such as Miroslav Vik, whose father used to work in the foundry as well. He himself has been working at the plant for over 20 years. Only the third generation – Vik's daughter – has other career plans, and the father seems a bit sad when he says that. Tradition always comes with passion, no doubt about that. Filip Koliáš, who is responsible for mould construction at ŠKODA's toolmaking facility, fully agrees. Only a few steps away from the foundry and forge, the atmosphere in this area is completely different. There is near silence, and the concentration and focus on precision are almost tangible. Koliáš explains: "Toolmaking bridges the gap between development and production. We help visions to become reality."

This is true for all areas, ranging from engine development to design. The first step is always the same: to ensure the technical feasibility of an idea. "There is good reason why we are involved from the first development steps on," says Koliáš. After all, it is important that the ideas of the engine developers can be implemented without a hitch in series production – that means, at the foundry and forge – later on. The questions to be answered are complex: Which casting method will be most suitable? What surface properties do we need? To which parameters do we need to adhere? How will the moulds and tools have to look? Koliáš and Müller cooperate closely as all moulds for the foundry actually come from the toolmaking unit in Mladá Boleslav. Engine blocks, gear parts and gearboxes: Again, it is always a matter of maximum precision. An inaccurate mould will lead to rejects, which can only be used as raw material for the next try, if at all. ▶

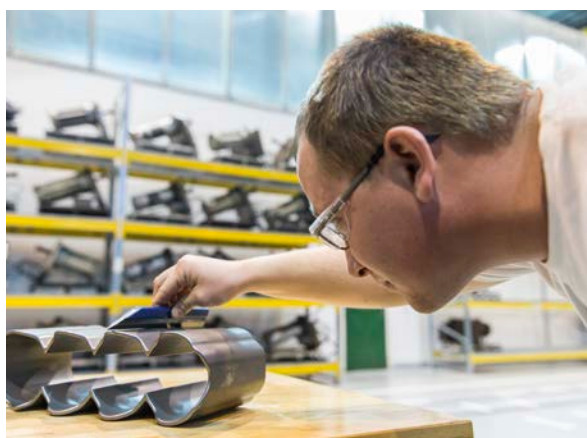


To secure ŠKODA standards for the future, the Company has installed an ambitious training programme for young people eager to carry on the tradition and expertise of toolmaking.





Heavy metal



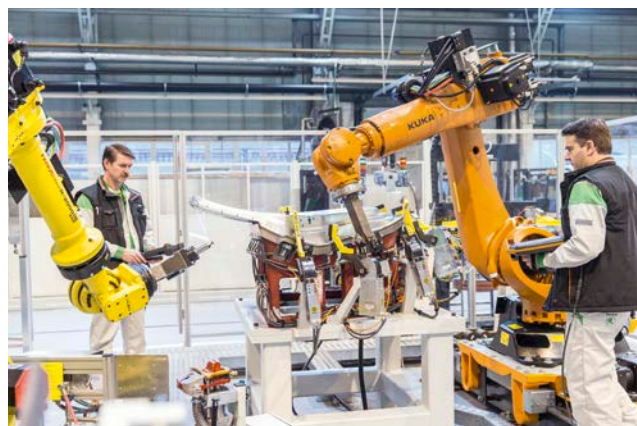
A good eye and a steady hand are prerequisites for working here, at a place where precision makes all the difference and carelessness is just not an option.

A joint passion for precision

The team around Head of Design Jozef Kabaň frequently discusses matters with their colleagues in toolmaking as well. "We work towards the same goal," Kabaň states. "Top design and top quality for the ŠKODA brand. And we share a passion for precision: We want everything we do to be perfect. And people sense that when they see our ŠKODA cars – cars with their own character, emotional and made with attention to the smallest detail, by people who are masters of their crafts."

From the outset, the designers coordinate their ideas with the toolmakers to check their feasibility. Concise lines, clear-cut edges, exact gap sizes – the elements that make a ŠKODA beautiful, that have an emotional appeal for the customers and inspire them, they all depend on the expertise of the toolmaking team. The toolmakers' expertise makes all the difference – from the tiniest special tool for assembly up to the pressing mould that weighs several tons and is applied to produce several thousands of car body parts a day, with tolerances of only a tenth of a millimetre. The Czech specialists even design entire production facilities: Later, when the body shop robots on the highly automated welding lines seem to come to life and start their routine of complex movements, it will be the result of several days of training, of programming carried out by the specialists in toolmaking. Another development based on the automotive core competence that has a 110-year tradition at ŠKODA.

The demands in toolmaking are unique, and so are the members of the team. Koliáš: "Toolmakers are different. We love precision and details – that's what we live and breathe for. People who can be satisfied with 99% don't belong here. We have trained most of our people ourselves, and many of them stay a long time, some even for their entire professional life. And quite a few pass their passion on to the next generation. We have a few father-son teams sharing a workstation, and there are a few guys who are the third generation of toolmakers in their family." Koliáš himself joined the toolmaking unit 13 years ago. Like many of his colleagues, he is a ŠKODA guy through and through: "The brand's global success, the model initiative with all these many launches over the next few years – this is also a major challenge for toolmaking. And what could be more motivating than such a challenge?"







ŠKODA



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Winning for the brand

For years, the ŠKODA Motorsport team has gone from victory to victory. In 2014, it once again wrote motorsports history. 2015, however, will be a transition year: The successful ŠKODA Fabia Super 2000 has resigned and is succeeded by the new ŠKODA Fabia R 5. It is the end of an era, but also the beginning of a new one. Motorsports is becoming a key tool in strengthening the emotional appeal of the ŠKODA brand and in tapping new markets and target groups – primarily in the Asia-Pacific region. Time for a fundamental evaluation of where we stand.



That's what winners look like: The ŠKODA teams celebrate the victory in the prestigious APRC, which gives the ŠKODA brand additional exposure in the important Asia-Pacific region.

Winning for the brand

The successful ŠKODA
Fabia Super 2000 in action:
After five outstanding
years, it is being replaced by
the ŠKODA Fabia R5 in 2015.

*2015 will be
a year to set
a new course,
a year of
transition.*





Another stellar season for ŠKODA Motorsport

2014 turned out to be another year of exceptional successes for ŠKODA Motorsport and private ŠKODA Fabia Super 2000 teams, both on rally tracks in Europe as well as Asia-Pacific.

- › In the FIA Asia-Pacific Rally Championship (APRC), ŠKODA managed to complete a hat-trick of back-to-back titles in the Manufacturer's and Driver's Championships following a perfect season, with six wins in six rallies.
- › Driver Jan Kopecký and his co-driver Pavel Dresler became the first duo ever to win the Driver's titles in the FIA European Championship (ERC) and the APRC in consecutive years.
- › Esapekka Lappi and Janne Ferm proved extremely successful, having become the third ŠKODA Motorsport crew (after Jan Kopecký and Juho Hänninen) to win the ERC for the third consecutive year.
- › Teams in a ŠKODA Fabia Super 2000 won five national rally championships (Belgium, Portugal, Austria, Slovakia, Jordan).



We meet Jan Kopecký and his co-driver Pavel Dresler in the ŠKODA Motorsport hall where they prepare for another busy day: The heart of the global rally activities of ŠKODA Motorsport beats right here, on the ŠKODA plant premises in Mladá Boleslav. This is where the team laid the foundation of the great accomplishments of the past seasons, which brought better and better rankings, new records, and ultimately, the sweeping successes on the rallytracks in the Asia-Pacific region.

Typically in January, the two rally drivers would be in Monte Carlo for the traditional opening of the racing season. But just like the entire team, they are facing a "transition year," as Head of ŠKODA Motorsport Michal Hrabánek puts it – a year to set a new course, a year to focus on the transition to the new car, the ŠKODA Fabia R 5. This means for Jan Kopecký and Pavel Dresler that they won't hit the rallytrack anytime soon. Not before mid-2015 are they going to start on select rallytracks and try to build on their previous successes with their new car.

The expectations are high: For the first time in the rally sports history, the two young Czechs won the driver championship of both the European Rally Championship (ERC) and the Asian-Pacific Rally Championship (APRC) in 2013 and 2014. Just recently, the International Automobile Federation (FIA) hosted a big ceremony in the capital of Qatar, Doha, where the drivers were honoured for their achievements. The shiny new trophies are now displayed in a glass cabinet right next to the kitchenette, among the many dozens of other trophies they have won in the past years. And they are planning to add more in the future. ●

Winning for the brand



Invincible ŠKODA Fabia Super 2000: Thousands of Chinese rally enthusiasts took the opportunity to see the already legendary ŠKODA rally car one last time. As in previous years, the Super 2000 was the start of yet another record-breaking rally season for ŠKODA – in the Asia-Pacific region and in other parts of the world.



Brand presence in the Asia-Pacific region as a strategic goal

In 2014, Michal Hrabánek made activities in the Asia-Pacific region one of the top priorities of the year. "Last year's successes in the APRC matter a lot to us for more than merely athletic reasons," he explains. "They are also of great significance when it comes to further market penetrations." As a brand, ŠKODA is already well established in China as well as in other Asian countries. The interest in car racing, however, in countries like China, India, New Zealand and Australia still lags behind the interest in many European countries or the Czech Republic, where up to 250,000 fans line the tracks in the annual Barum Rally. Nevertheless, the successful participation in these rallies is essential in order to increase ŠKODA's name recognition further. According to Michal Hrabánek, the upwards trend is clearly noticeable: "The audience along the rallytracks cheers for the teams; and thanks to our marketing activities, the Chinese are becoming more and more enthusiastic and are increasingly interested in getting to know our drivers at the numerous marketing events we stage around the rallies."

In China, specific technical regulations apply; these protect the local teams and are meant to keep costs on an acceptable level. Thanks to the close cooperation with VW Shanghai, ŠKODA has the opportunity to adapt key components on site in China. This gives the brand a major strategic edge over competing teams.

The successful Fabia Super 2000 project is virtually a symbol for the shift in power in motorsports: It started in 2009 in Monte Carlo, the Mecca of rally sports in the Principality of Monaco, and it ended in November 2014 in Longyou, China. "It is a given that we will continue to be active on the European tracks, but in the future, the Asia-Pacific region will gain importance and require greater attention," comments Hrabánek.

No time for sentimentalities

Jan Kopecký and Pavel Dresler are also concentrating on the new goals and not willing to waste any time on sentimentalities. The Fabia Super 2000 project is over and past. Now, the successful team is focussing on the test drives in the new ŠKODA Fabia R 5.

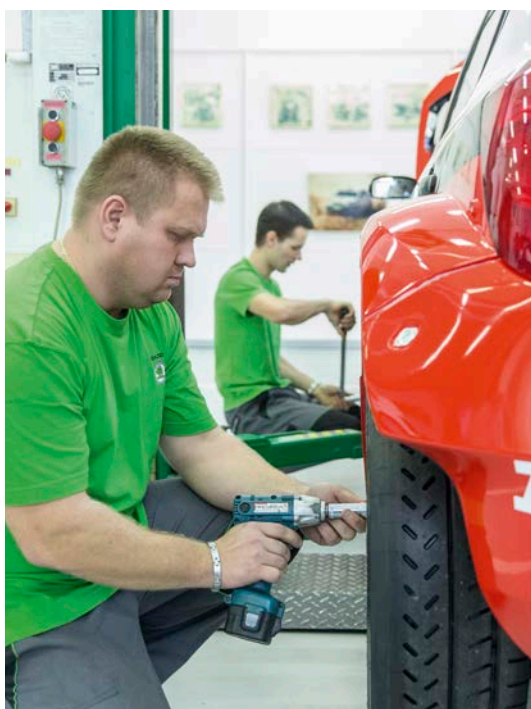
The high-performance rally car is scheduled to be presented to an affluent clientele on select rallytracks around the world starting in May. "We train a couple of hours almost every day in order to stay fit," the drivers say. They are looking forward to going back to competing with other teams again soon. But for the time being, the two drivers need to attune themselves to the new vehicle. The most striking difference from their perspective: The two-liter drivetrain they are used to has been succeeded by a 1.6-litre turbo engine with completely different performance characteristics and an unfamiliar five-speed transmission. "It's different from the S 2000, but absolutely easy to drive," comments Jan Kopecký, who is positive that they will manage to achieve good results in the first few rallies. ▶



**Posing in front of the impressive Shanghai skyline:
The successful ŠKODA teams proudly present
their trophies after another outstanding season.**

Winning for the brand

“The Super 2000 was made to look like a rally car all the way, the R 5 has a harmonious look and feel to it.”



It is the team that makes all the difference: Mechanics at work at the headquarters of ŠKODA Motorsport in Mladá Boleslav.

Focus on increasing the brand's emotional appeal and customer orientation

For the Head of ŠKODA Motorsport Michal Hrabánek, the R 5 is important also for an additional reason. Just like Jan Kopecký and Pavel Dresler, he is a motorsports enthusiast to the core. As the son and grandson of ŠKODA employees, he basically grew up with ŠKODA: He temped at the company when he was still in school, and he even wrote his master thesis on a ŠKODA topic.

Right now, he sees the R 5 as his opportunity and that of the motorsports division to make a significant contribution to tapping into new markets and target groups. Michal Hrabánek lists his goals with great determination: Firstly, to use the rally activities with the new cars to make the emotions of the ŠKODA brand tangible to wide target groups especially in the core markets. Secondly, to gain at least 20 to 30 private customers for the ŠKODA Fabia R 5 in 2015 alone. A realistic goal, he says; after all, the successful S 2000 project has demonstrated ŠKODA's outstanding expertise and skills in building reliable high-performance rally cars.

Wherever possible, his team strives to establish a connection between motorsports and the series products – for instance by way of media or dealer initiatives which are used to show the connection between racing and series cars. On top of that, there are autograph sessions with the drivers at the rally, a proven way to involve the audience and raise people's interest in the brand.

Motorsports – the heart of ŠKODA

We are in the large hall of ŠKODA Motorsport in Mladá Boleslav, right in front of the old ŠKODA Fabia Super 2000. Next to it, there's the new R 5. "You can see that the Super 2000 was made to look like a rally car all the way," Hrabánek points out. "The R 5, on the other hand, has a much more harmonious look and feel to it. Even the series cars of the new ŠKODA Fabia have this dynamic presence, so we didn't have to change that much in terms of visual appearance." Next is the photo shoot; Hrabánek takes off his tie and puts on the green and black jacket of the motorsports team. The manager turns into the motorsports fan, the strategic mind into the enthusiast. It is exactly this combination of professionalism and passion that is at the bottom of all the accomplishments of ŠKODA Motorsport, the heart of the ŠKODA brand.



The past and the future: Michal Hrabánek takes up position between the old Super 2000 (right) and the next generation, the R 5 (left).

ŠKODA Highlights 2014

Another extraordinary year in many respects – 2014 will go down in the history of ŠKODA as a year with landmark model ramp-ups, new motorsports successes and numerous awards highlighting the brand's awareness in core – as well as growth markets – especially in the Asia-Pacific region.

JANUARY 2014

ŠKODA Octavia and ŠKODA Superb voted 'Best Cars 2014' in 'Auto Motor Sport' readers' survey

Top ranks for the ŠKODA Octavia and ŠKODA Superb: More than 115,000 readers of the renowned German motoring magazine 'Auto Motor Sport' named the ŠKODA Octavia and ŠKODA Superb best cars of the year 2014 in their respective classes.





FEBRUARY 2014

Debut of the new ŠKODA Octavia Scout announced

ŠKODA officially announced the new ŠKODA Octavia Scout to celebrate its world premiere at the Geneva Motor Show. Powerful off-road look and innovative all-wheel drive technology in combination with strong traction, climbing, and start-up performance make the ŠKODA Octavia Scout an interesting alternative in the off-road cars segment.

MARCH 2014

Debut of ŠKODA VisionC at the Geneva Motor Show

A successful presentation of the ŠKODA VisionC design study at the Geneva Motor Show: The study sets the course of the future ŠKODA vehicle design – towards even greater emotions and dynamics, as well as light-weight construction, optimized aerodynamics and the application of state-of-the-art technology.



APRIL 2014

China premiere of three new ŠKODA models

The 'Auto China 2014' in Beijing provided the stage for the China premieres of the new ŠKODA Octavia as well as the ŠKODA Rapid Spaceback Xindong and the urban version of the ŠKODA Yeti. At a total of six models now, ŠKODA doubled its model portfolio produced in China.

ŠKODA Highlights 2014



MAY 2014

Two presidents on a visit to ŠKODA

On 7 May, Prof. Dr. h.c. Winfried Vahland welcomed German President Joachim Gauck and Czech President Miloš Zeman at the ŠKODA AUTO headquarters. On the agenda: various tours, get-togethers with students and apprentices, as well as a talk about the potential of German-Czech cooperation.

JUNE 2 014

Presentation of ŠKODA's largest bicycle portfolio ever

Back to the future: With a presentation of the new ŠKODA bicycles, ŠKODA brought to life the beginnings of the Company as an innovative bicycle manufacturer 120 years ago. ŠKODA's new portfolio comprises 14 high-quality bicycles that further underscore the strong affinity of the brand – the main sponsor of the Tour de France – to cycling.





reddot award 2014 winner



JULY 2014

ŠKODA Rapid Spaceback honoured with Red Dot Award

The jury of the internationally renowned Red Dot Design Award honoured the both modern and timeless design of the new ŠKODA Rapid Spaceback, another milestone in the development of ŠKODA's vehicle design. This recognition for the ŠKODA Rapid Spaceback brings the total of Red Dot Design Awards for the ŠKODA brand to seven.



AUGUST 2014

Visit of China's Deputy Prime Minister Zhang Gaoli to Mladá Boleslav with large delegation

China's Deputy Prime Minister Zhang Gaoli, China's Minister of Transport Yang Chuantang and a delegation of 65 members came to Mladá Boleslav to gather information about current developments and to discuss the brand's prospects on the Chinese market. ŠKODA entered the Chinese market in 2007 and has since generated steady growth in its most important individual market. All in all, ŠKODA delivered more than 1.2 million vehicles to Chinese customers in the past seven years.

ŠKODA Highlights 2014



SEPTEMBER 2014

Gold medal for logistics systems

The European Logistics Association (ELA) awarded the ŠKODA logistics system with a gold medal for its high quality and great efficiency. Together with the state-of-the-art parts centre, the modern logistics centre is the backbone of ŠKODA's growth strategy. The state-of-the-art equipment guarantees the reliable dispatch of up to 25,000 orders per day to all relevant global markets – not only for ŠKODA vehicles, but also for other brands of the Volkswagen Group.



OCTOBER 2014

ŠKODA Fabia world premiere in Paris

The new ŠKODA Fabia and the new ŠKODA Fabia Combi celebrated their acclaimed world premieres at the Paris Motor Show. Completely redesigned, the look of both versions of the ŠKODA Fabia is now more sporty and innovative than ever before. Numerous customization and colouring options add to the attractiveness of the car.



NOVEMBER 2014

Another record-breaking motorsports season

By winning the 'China Rally Longyou', ŠKODA Motorsport concluded the FIA Asia-Pacific Rally Championship (APRC) with a perfect track record of six wins in six races. The team Kopecký/Dresler became the first duo ever to win the Driver's titles in the FIA European Championship (ERC) and the APRC in consecutive years. The team Lappi/Ferm proved victorious in the ERC. In addition, private teams won five national rally championships in Belgium, Portugal, Austria, Slovakia and Jordan.

DECEMBER 2014

Production of ŠKODA's one-millionth car in 2014

On 12 December, the one-millionth ŠKODA of the year 2014 rolled off the assembly line in Mladá Boleslav. The anniversary vehicle was a ŠKODA Fabia 1.2 TSI/81 kW in 'Moon White'. This milestone marked a six-fold increase in ŠKODA deliveries from 1991. Prof. Dr. h.c. Winfried Vahland commented: "ŠKODA is going to grow further." To this end, the Company is investing further in its Czech and global production sites. The Company aims at delivering 1.5 million vehicles annually.



Unforgettable encounter:
European automobile tradition
presented in the streets of China
for the very first time – with the
legendary L&K 300 from 1923.

A leap back in time

September 2014, the first-ever
'Top City Classic Rally China' in
Beijing and Shanghai begins:
Thousands of excited Chinese car
enthusiasts line the streets. They
don't want to miss this amazing
premiere and the chance to see
ŠKODA showing its classic cars in
China for the very first time.





A leap back in time

A far way from home: The two ŠKODA classic cars in China served as impressive ambassadors for the successful Czech brand and its rich automobile tradition.



Since 2007, ŠKODA cars have been available in China, and for many years now, ŠKODA has been among the most successful brands in this important growth market. In 2014 alone, more than 281,400 ŠKODA vehicles were delivered to customers in China – just the right time to give the Chinese fans an opportunity to learn about the brand's rich tradition.

The 'Top City Classic Rally China', staged for the very first time last year, provided the perfect setting for the endeavour: On two consecutive weekends in September 2014, the two Chinese megacities of Beijing and Shanghai celebrated an extraordinary premiere – and thousands of Chinese car enthusiasts enjoyed their first encounter with two ŠKODA classics from eras that couldn't be any more different: a Laurin & Klement 300 from 1923, the oldest vehicle in the competition, and a ŠKODA Felicia from 1961.

Apart from the great visual appeal of the two ŠKODA classics, they also impressed the crowd with their reliability and performance. Both completed the two rally courses of 500 kilometres each, and the ŠKODA Felicia even finished second in the overall ranking.

ŠKODA Motorsport is very active in the Chinese rally scene, with the victory in the 2014 Asia-Pacific Rally Championship (APRC) as the highlight to date. However, participating in classic car events such as the 'Top City Classic Rally China' is a vital additional marketing instrument ŠKODA applies to expand its position in the Chinese market.

"That was a great ŠKODA Classic debut in China, and at the same time the perfect publicity for the brand," confirmed Andreas



Hafemann, President of ŠKODA China. "The crowd's enthusiasm for our classic cars demonstrates how interested people are in our history and how fascinated by our beautiful models."

ŠKODA is consistently pursuing its growth ambitions in China. After acquiring a sound standing in the Chinese market, ŠKODA is now ready to take things to the next level – and give Chinese customers a good sense of the brand's attractiveness through activities that convey the brand's great emotional appeal.

There is great news for ŠKODA fans in China: The 'Top City Classic Rally China' was just a beginning. The history and the treasure trove of one of the world's oldest automotive brands for sure still offers plenty to discover.

Useful links for further information



Information for media

<https://media.skoda-auto.com>



Annual Report Archive

[www.skoda-auto.com/en/company/investors/
annual-reports](http://www.skoda-auto.com/en/company/investors/annual-reports)



Highlights of ŠKODA Motorsport

News

www.skoda-auto.com/en/motorsport/news



ŠKODA Muzeum in Mladá Boleslav

Impressions of the new ŠKODA Muzeum

<http://museum.skoda-auto.com>



ŠKODA AUTO University Na Karmeli

<http://en.savs.cz>



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Tř. Václava Klementa 869
293 60 Mladá Boleslav
Czech Republic