

**Porsche Automobil Holding SE: Non-cash effective, expected impairment of the at-equity carrying amounts of the investments in Volkswagen AG and Porsche AG; withdrawal of earnings forecast**

PORSCHE SE



**Non-cash impairment risk of the at-equity carrying amounts of the investments in Volkswagen AG and Dr. Ing. h.c. F. Porsche AG is expected to lead to an accounting loss in the consolidated financial statements of Porsche Automobil Holding SE;**

**Withdrawal of the earnings forecast;**

**Non-cash impairment risk of the investment in Dr. Ing. h.c. F. Porsche AG in the annual financial statements of Porsche Automobil Holding SE is expected to lead to an impairment loss**

Porsche Automobil Holding SE (Porsche SE) is obliged to carry out impairment tests in accordance with the applicable accounting standards. For the impairment tests of the carrying amounts of its investments in Volkswagen AG, Wolfsburg, and Dr. Ing. h.c. F. Porsche AG (Porsche AG), Stuttgart, Porsche SE has so far relied in particular on corporate planning data of these investments.

Today, Volkswagen AG has informed Porsche SE that the current planning of Volkswagen AG and Porsche AG is no longer expected to be concluded by 31 December 2024. Consequently, as of now, Porsche SE cannot rely on the results of a current approved plan of Volkswagen AG and Porsche AG for accounting purposes.

Against this background, the Management Board of Porsche SE will use for the impairment tests on the carrying amounts of the investments in Volkswagen AG and Porsche AG in particular external analyst expectations. On this basis, the Management Board of Porsche SE currently assumes that the impairment tests to be carried out as of 31 December 2024 on the carrying amounts of the investments in Volkswagen AG and Porsche AG in the consolidated balance sheet of Porsche SE as of 31 December 2024 are likely to result in impairment losses.

As a result, the Management Board expects that the group result after tax of Porsche SE for the 2024 financial year will be significantly negative. In light of the expected impairment losses, Porsche SE is therefore withdrawing its current forecast for group result after tax in the range of 2.4 billion euros to 4.4 billion euros for the 2024 financial year.

At this point in time, due to among other things the market environment with further increasing uncertainties, lower demand than originally expected on various markets and increasing geopolitical tensions and protectionist tendencies, the effects of the impairment tests as of 31 December 2024 on the carrying amounts of the investments to be recognized at Porsche SE can only be roughly estimated on the basis of preliminary valuation models.

For the time being, Porsche SE assumes an impairment of the carrying amount of the investment in Volkswagen AG in the expected range from minus 7 billion euros to minus 20 billion euros and of the carrying amount of the investment in Porsche AG in the expected range from minus 1 billion euros to minus 2 billion euros in the consolidated balance sheet of Porsche SE. Therefore, Porsche SE expects that the values in use for the investments in Volkswagen AG and Porsche AG will continue to be significantly higher than their respective stock market values.

A finalization of the impairment tests of Porsche SE can only take place after 31 December 2024, at the earliest when the market parameters and balance sheet data of the investments as of 31 December 2024 and the forecasts of the investments in

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