Europe, how are you? –

Analysis of the current state of the European Automotive industry

› SEMICON EUROPA, Munich
2025

Berlin, May 07, 2025

Porsche Consulting

The Detroit scenario

RISE AND FALL OF THE US AUTOMOTIVE INDUSTRY

DETROIT RANKING

From High to Low

1950 to 2024

WEALTH

1 » 92

GDP rank among mayor US cities

SIZE

1.9m » 0.7m

Declining city population

CRIME

5 » 37

Homicides in 100.000 population

Source: ACEA

Europe, how are you?

AUTOMOTIVE CLUSTERS ARE SHAPING THE INDUSTRY

ECONOMIC

Driver of Wealth

2024

EMPLOYMENT

6.8 %

of EU employment

FISCAL INCOME

$ 384 bn

fiscal income from motor vehicles

INNOVATION

33 %

of total EU R&D spendings

Source: ACEA


Grand Blvd E
Concord


FIAT

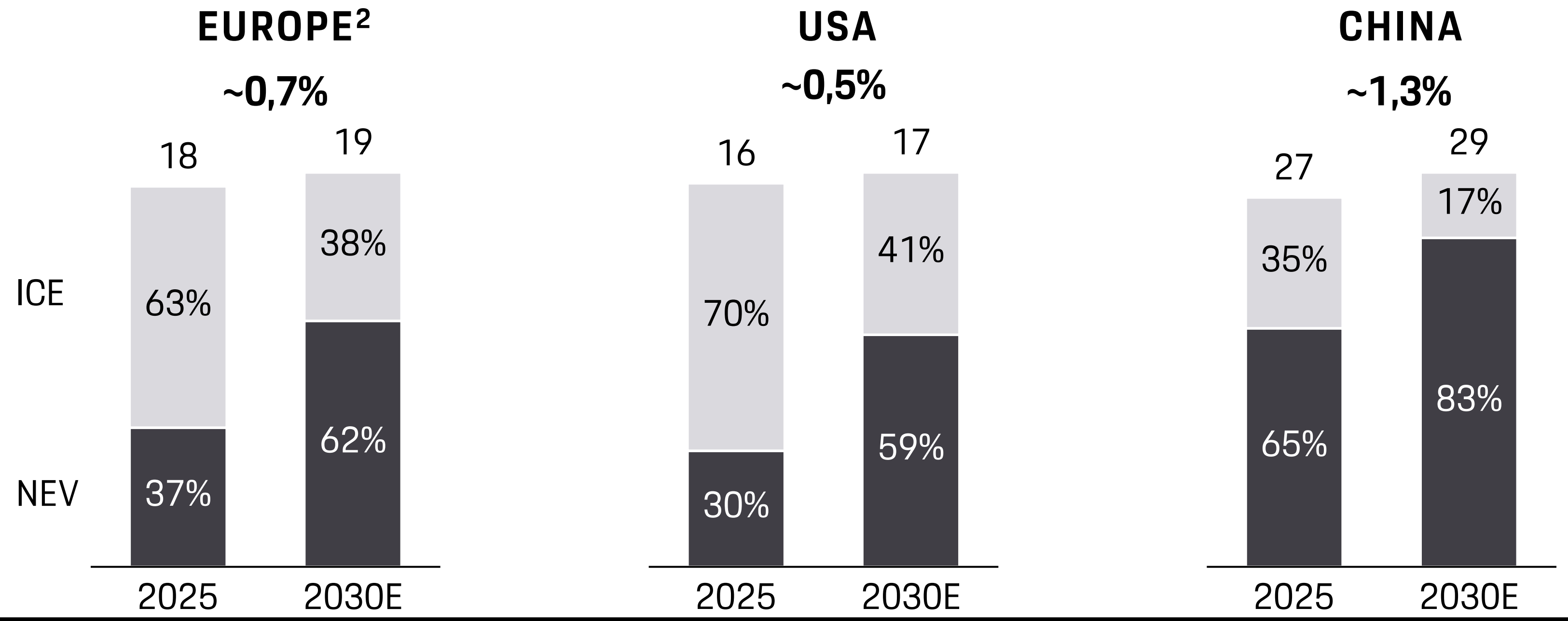
The market doesn't lie

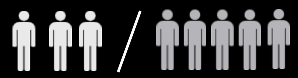
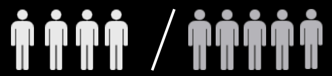
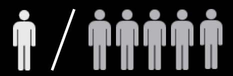
MARKET DEVELOPMENT AND OEM PERFORMANCE

AUTOMOTIVE MARKET-DEVELOPMENT | WORLD

2020 -2030[1]

Market Volume (million units)
CAGR
NEV
ICE



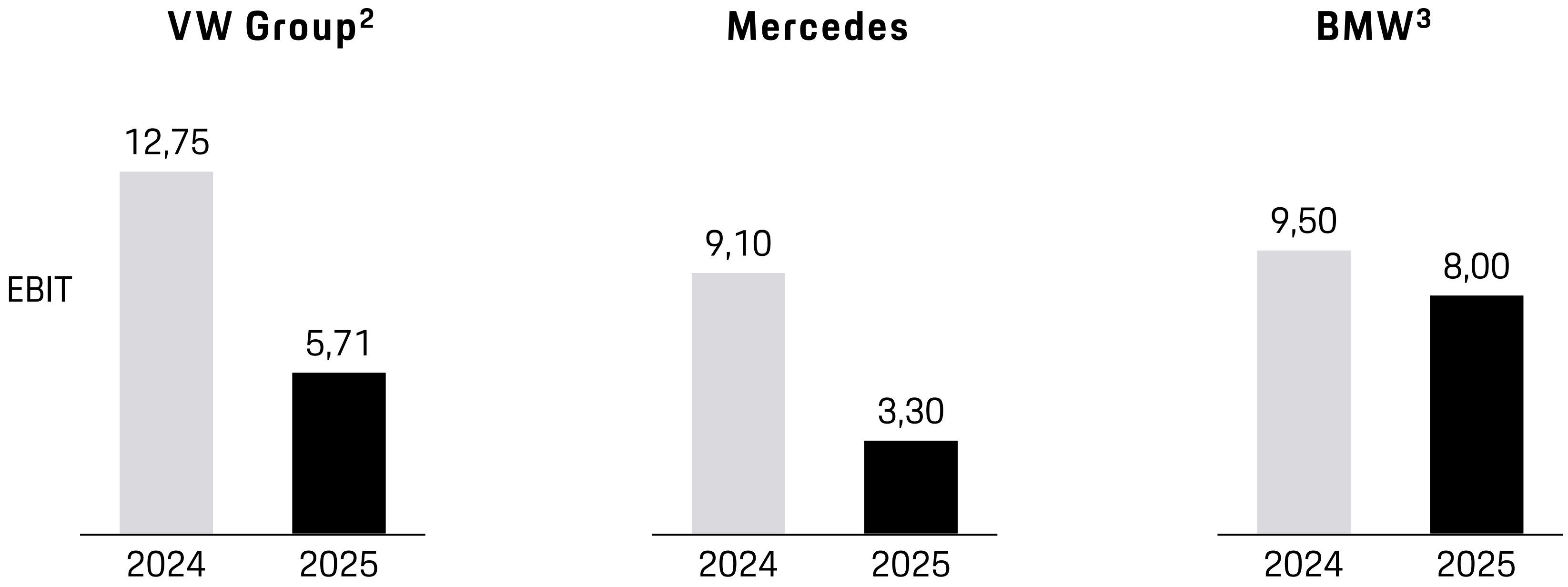
	EUROPE	USA	CHINA
MARKET-SHARE 2025	**21%**	**18%**	**30%**
MARKET-GROWTH 2020 – 2025 (CAGR)	**1,9%**	**1,9%**	**2,5%**
CAR-OWNERSHIP 2024 (approx.)			

1 2025 based on targets as of 05/25 | 2 Continental Europe incl. e.g. EU, UK, CH, TR, RU
Source: IHS, Porsche Consulting

EBIT PERFORMANCE FOR SELECTED BRANDS

2024 -2025[1]

EBIT .
Q1-Q3 kumm.
(bn EUR)



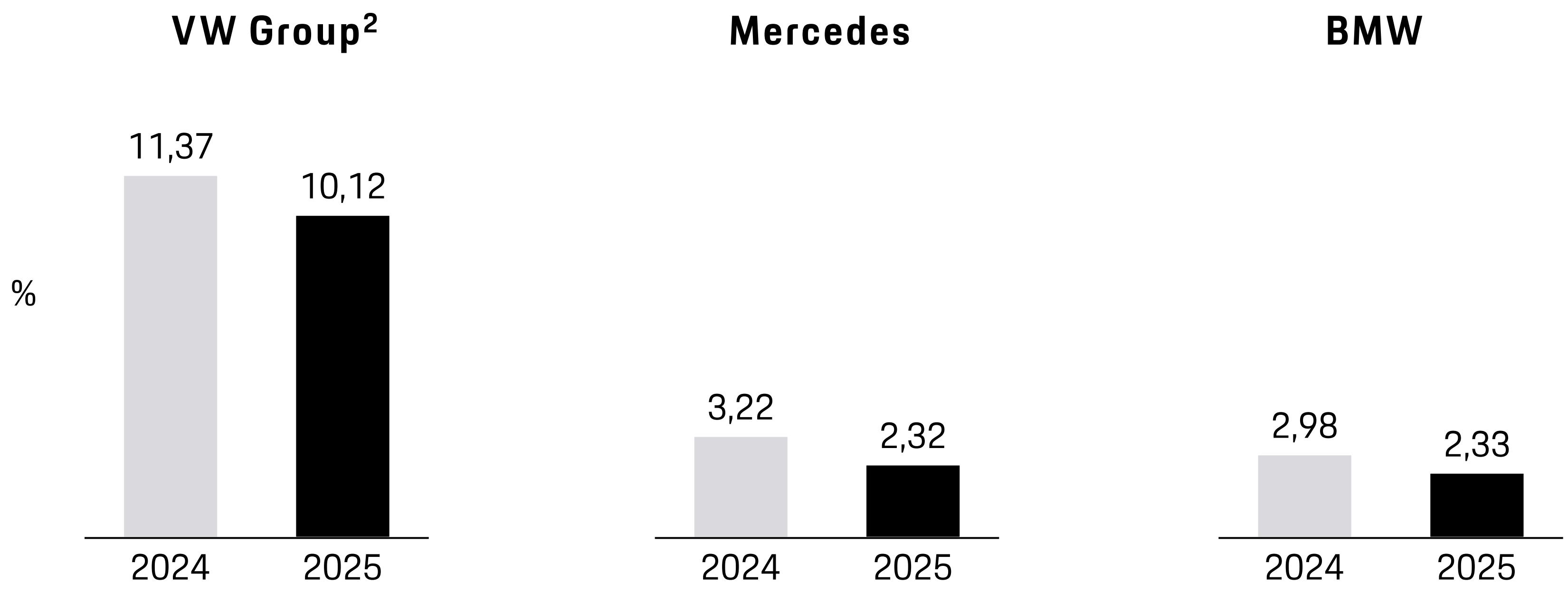
EBIT DECLINE 2025 (YTD)	-55%	-63%	-16%

1 based on published quarterly reports - Q1 to Q3 viewed cumulatively 2 VW Group 3 BMW Group
Source: Porsche Consulting, Capital IQ

AUTOMOTIVE MARKET SHARE CHINA FOR EUROPEAN OEM

2024 -2025[1]

Market Share
(%)



MARKET SHARE CHINA DECLINE 2025 (YTD)	VW Group	Mercedes	BMW
	-11%	-28%	-22%

1 based on published quarterly reports - Q1 to Q3 viewed cumulatively 2 VW Group
Source: Porsche Consulting, MarkLines

Tech bets, pulse check and future outlook

as of 2015

C

CONNECTED

Every new vehicle will be connected by 2025

C

A

AUTONOMOUS

15 % of new cars sales in 2030 will be fully autonomous

A

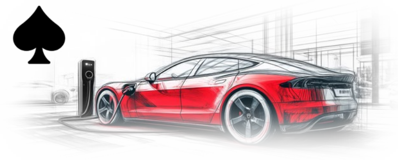
S

SHARED

30 % business growth per year over the next decade

S

E



ELECTRIFIED

15 % of new car sales will be electric globally by 2025

E

INVESTMENT HYPOTHESIS

Connected Car

Porsche Consulting

THE PROMISE

Every new car to be connected by

2025

PULSE CHECK

Focus shifted from connected to SDV, **however,** the monetarization promise not yet happened

Tier-x model will collapse and be replaced by the software driven organization

"Software-defined" will lead to convergence of "Connected" and "Autonomous Driving"

PROJECTION

INVESTMENT HYPOTHESIS

Autonomous Driving

Porsche Consulting

THE PROMISE

15%

of new cars sales in 2030
will be fully autonomous

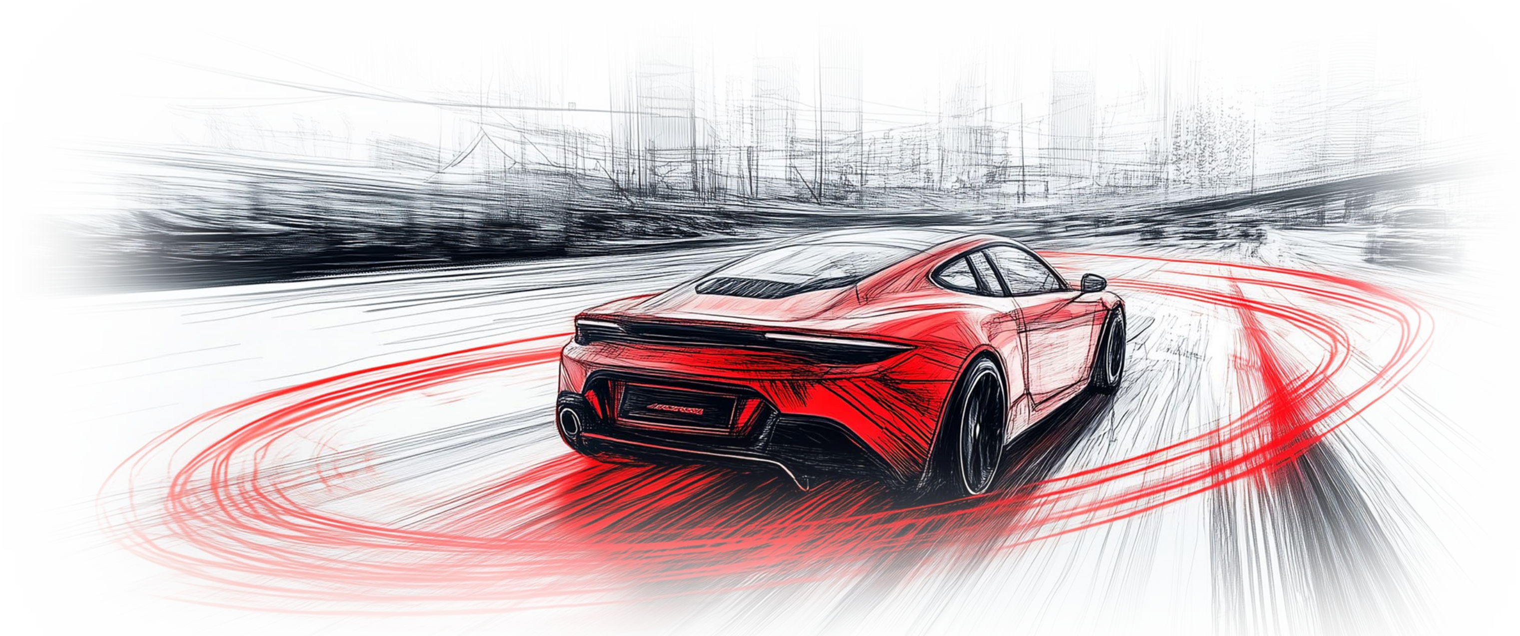
New registrations with accelerating installation rate of L2+ capabilities of >50%, **however,**
fully autonomous is still a niche

PULSE CHECK

PROJECTION

L4/L5 business case will be driven by minus
30%-40% TCO and safety rather than customer excitement

Regulation – not technology - will be
slow and regional and further reduces market ramp-up speed



INVESTMENT HYPOTHESIS

Shared Mobility

Porsche Consulting

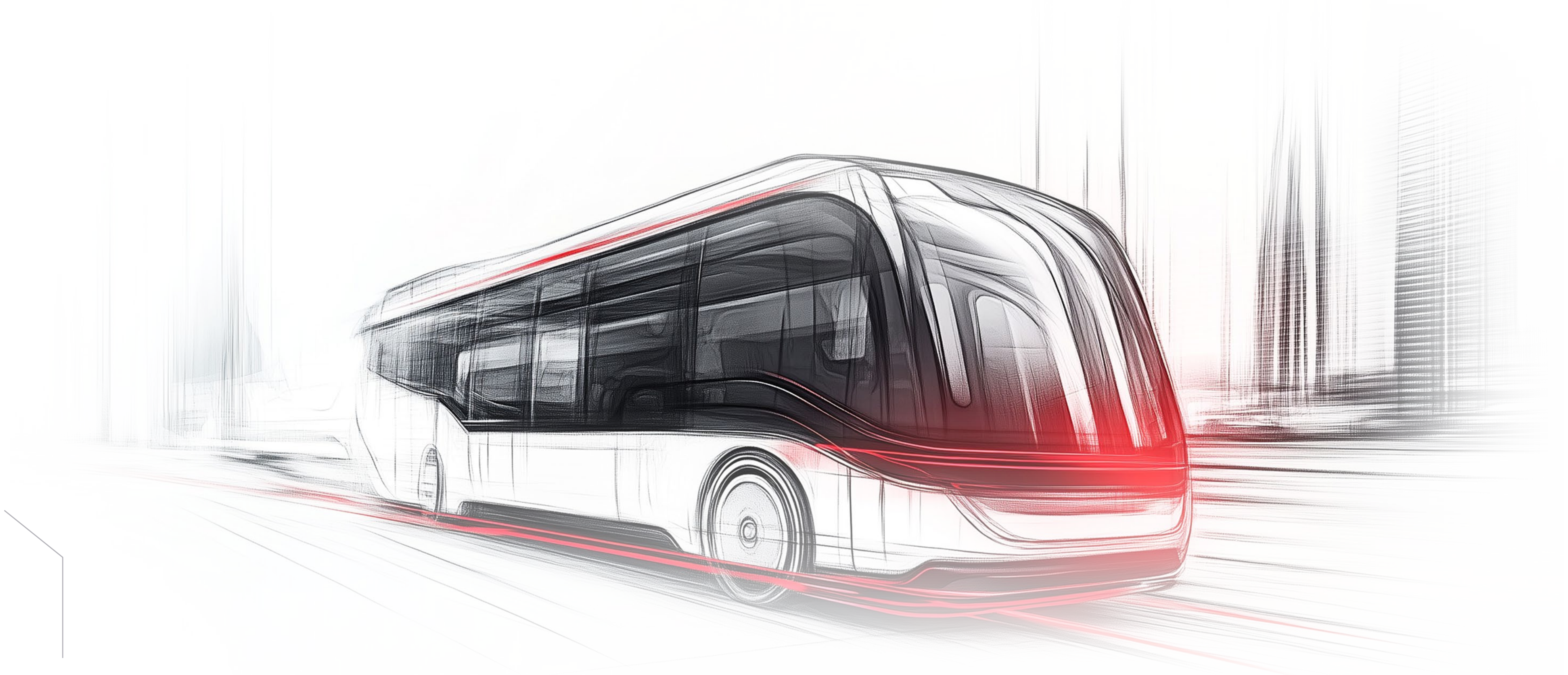
30%

growth per year over the next decade

THE PROMISE

PULSE CHECK

Shared mobility far behind expectations leads to new focus and consolidation of services in the Automotive industry



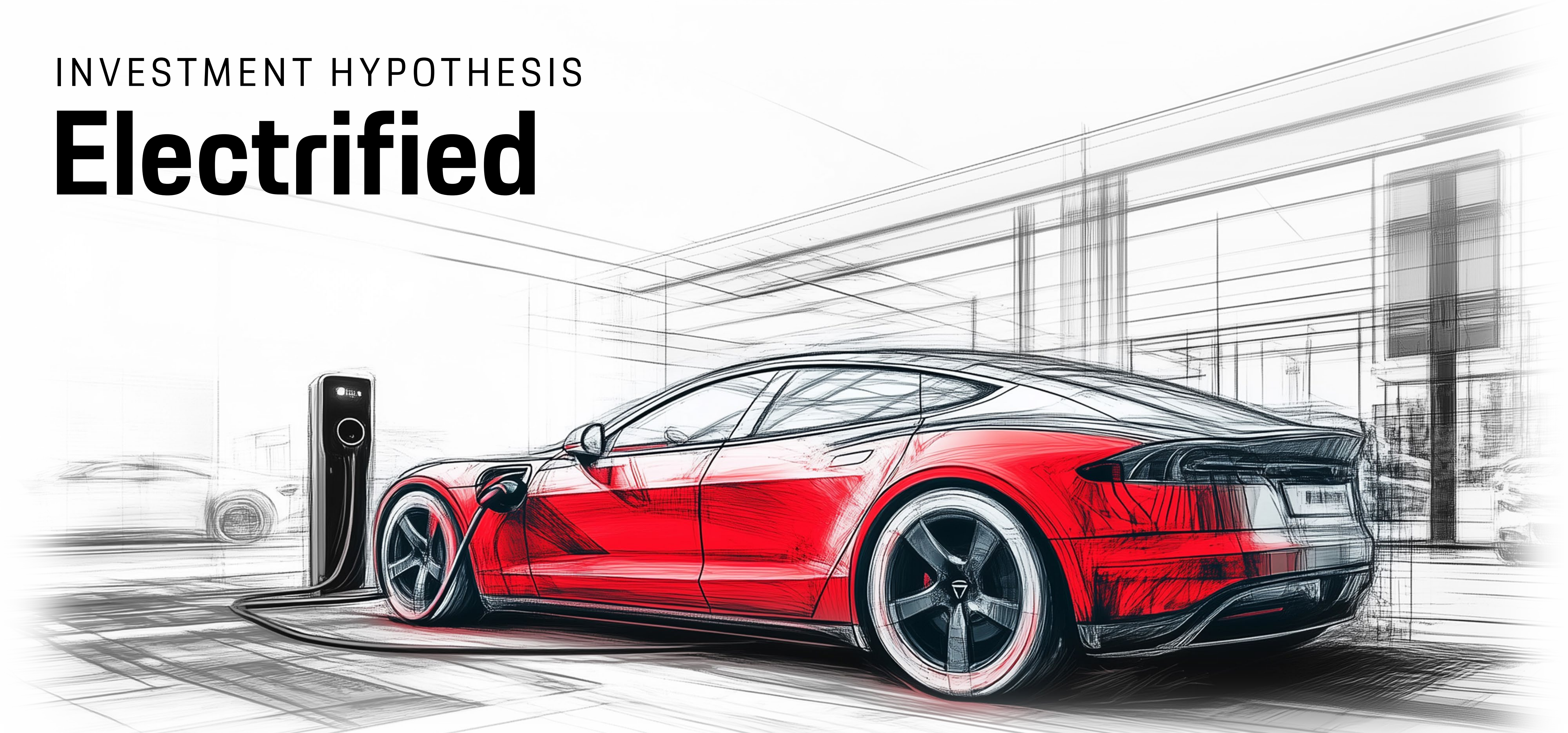
PROJECTION

Strong convergence with the AD road map and integration in the urban smart mobility eco system

Car-sharing will stay a niche-market

INVESTMENT HYPOTHESIS

Electrified



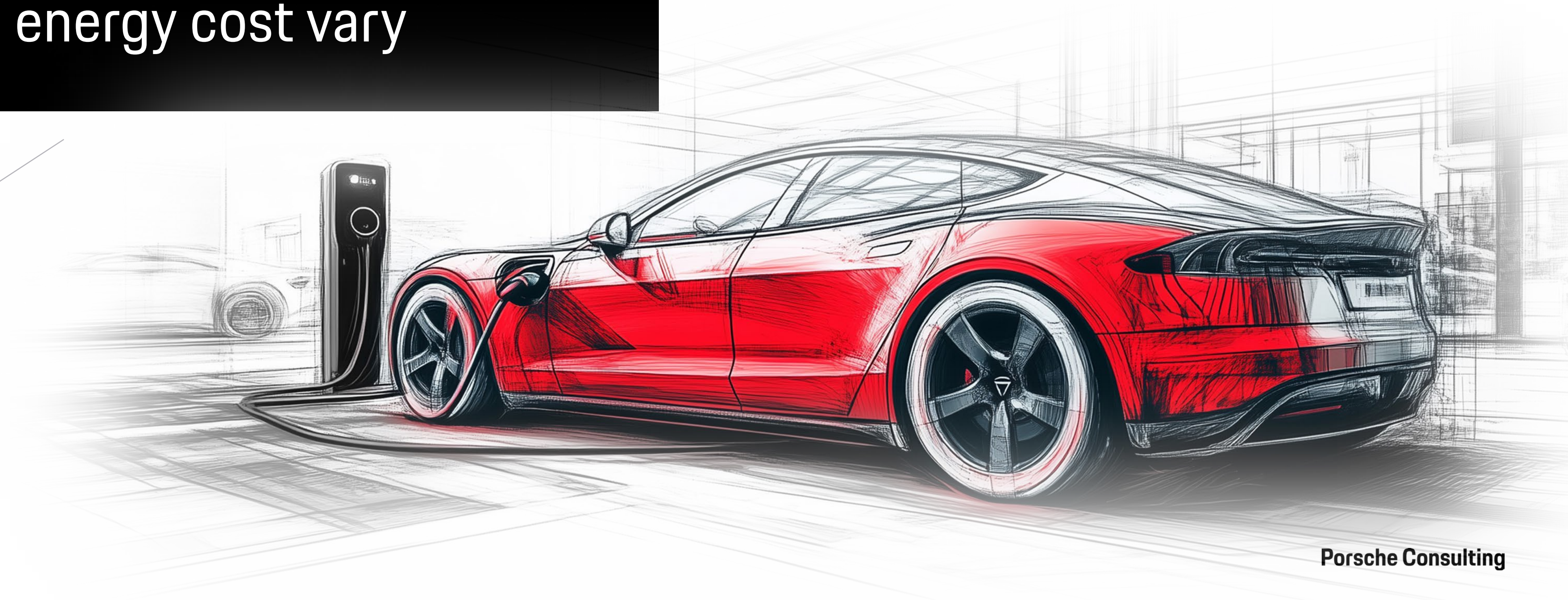
THE PROMISE

15 %

of new car sales will be electric globally by 2025

In 2024 BEV-share globally is at almost 15 %, **however,**
the market stays regionally fragmented, the availability of charging infrastructure is scattered and energy cost vary

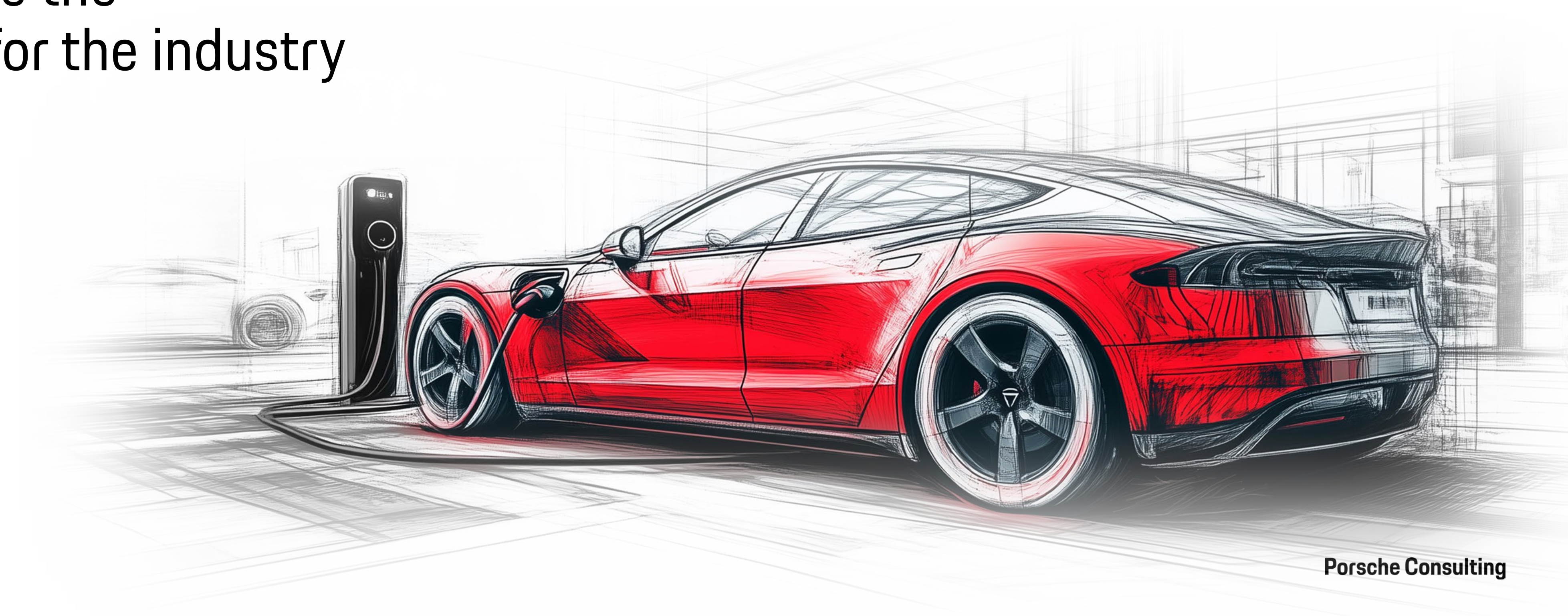
PULSE CHECK



Multitude of powertrain systems will prevail over the next decade but regional dynamics may diverge

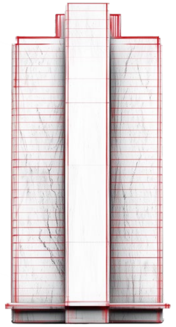
PROJECTION

Politic will forge the frame for the industry



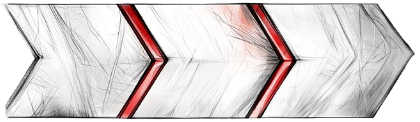
Lets discuss the way forward

PRODUCT & CUSTOMER



ORGANIZATION

LEGISLATION & REGULATION



VALUE CHAIN

MINDSET

Thank you!

Porsche Consulting Study Link:

Europe, How Are You? | Porsche Consulting

- SEMICON EUROPA, Munich 2025

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