

AUTOMOTIVE

Porsche enters DAX, sees 14pc rise in stock value

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Porsche gains "fast entry" into the DAX. Image credit: Porsche AG

By LUXURY DAILY NEWS SERVICE

German luxury automaker Porsche has entered the German stock index (DAX) after marking one of Europe's biggest-ever public offerings.

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The announcement comes just over 80 days after Porsche joined the Frankfurt Stock Exchange per Germany's Volkswagen Group, the parent company of Audi and Porsche. Included in both the MSCI and STOXX indexes, Porsche is now among the 40 highest-earning stocks in Germany.

"We're dedicated to trading in Frankfurt," said Lutz Meschke, deputy chairman of the executive board and member of the executive board for finance and IT of **Porsche AG**, in a statement.

"With our clear commitment, we're delighted to contribute to strengthening Germany's position as a financial center," he said. "We have many shareholders in Germany and will remain a German company.

"We will remain committed to Made in Germany' and Engineered in Germany'."

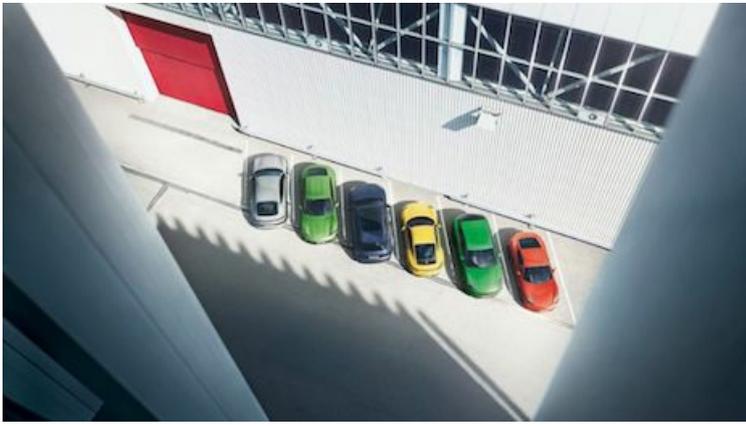
In stock

Porsche's use of DAX's "fast entry" policy is indicative of a fair amount of fiscal stability, one reflected by a subsequent rise in share value.

The aforementioned perk is given to companies with a substantial number of shares actually available for public trading.

The brand's total value within the stock market stood at 89.4 billion euros, or \$94.9 million, on the 16th of this month.

This total value comes after a 14 percent rise in the share price of the stock, reaching 94.58 euros, or \$100.39 after entering the market on September 29th via the Frankfurt Stock Exchange.



The automaker is targeting 38 to 39 billion euros, or \$38.8 to \$39.8 billion at current exchange, in revenue for the full year 2022. Image credit: Porsche

"Our share price has risen strongly since September despite global headwinds," Mr. Meschke said.

"We see the positive development of the share price as a validation of our hard work," he said. "The future is traded on the stock market.

"We're particularly pleased by the broad acceptance of Porsche shares."

Porsche reports an expected 17 to 18 percent return on its sales by the end of the year. Looking forward, the brand indicates a goal of a 20 percent return.

Before the stock market announcement, 170,000 private entities ordered Porsche stock. Over 30 percent of them asked for less than 10 units of share.

"Our investors are broadly diversified, and we have a sizeable share of retail investors," Mr. Meschke said.

"By going public, we've made Porsche tangible," he said. "Many of our retail shareholders do not own one of our products, but they can now be a part of the Porsche family."

Despite the worldwide recognition of the automaker's name, the company is only listed on the Frankfurt Stock Exchange so far.

"We're delighted and proud to have gained fast entry into Germany's top 40," said Oliver Blume, chairman of the executive board of Porsche AG, in a statement.

"Our fast entry into the DAX shows that investors around the world have confidence in our attractive business model and the potential of our company."