

VOLKSWAGEN FINANCIAL SERVICES

AKTIENGESELLSCHAFT



Volkswagen Financial Services AG – The Key to Mobility

Fixed Income Investor Update – June 2012

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Volkswagen Financial Services

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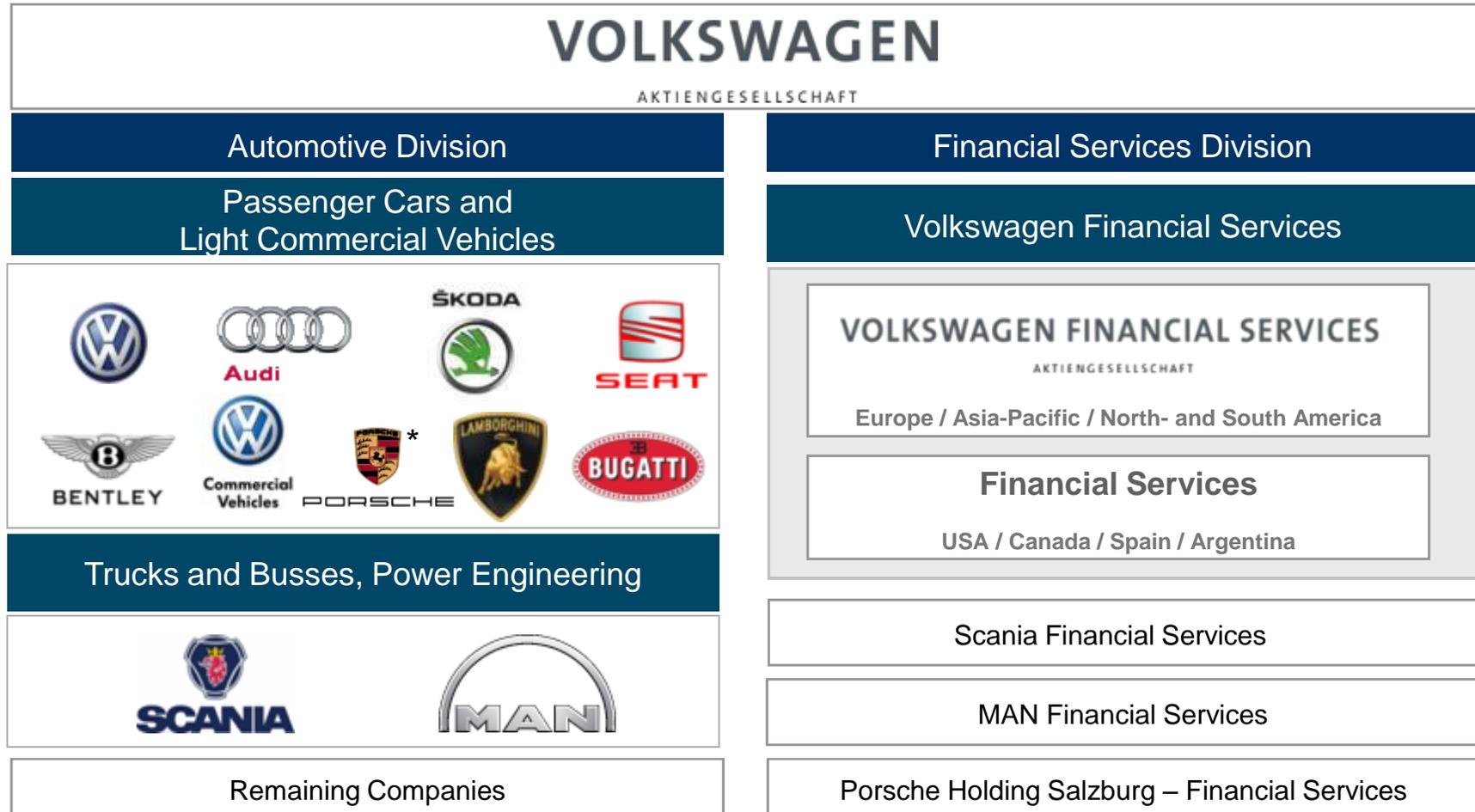
Investor Relations

Volkswagen Financial Services AG

Agenda

- Volkswagen Financial Services – Company Overview
- Preparing for the Future – Implementing our Strategy WIR2018
- Management of Risks
- Funding Strategy – Volkswagen Financial Services AG
- Financial Figures
- Outlook 2012

Volkswagen Group Structure – Two Strong Divisions



* 49.9% stake in Porsche Zwischenholding GmbH since 7 December 2009

A wide range of products around the car

1.

„Ownership“

Bank

- Retail Finance
- Dealer Finance

Leasing

- Finance Lease
- Operating Lease

2.

SERVICES

Insurance

- Automotive
- Warranty
- Payment Protection

Services

- Fleet Management
- Gas Card
- Tyre
- Wear & Tear

3.

FLEXIBILITY

New Mobility

- Micro Mobility
- Mobile Online Services
- Short Term Rental

Direct Banking

- Deposits
- Instalment Loans
- Brokerage Products

Das Auto



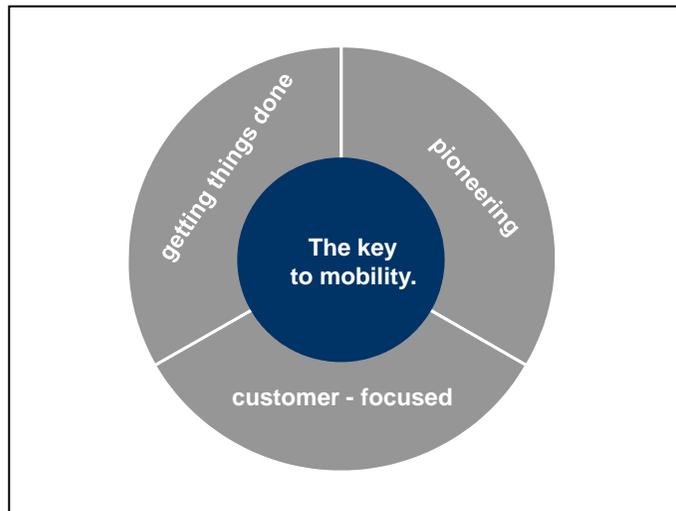
Volkswagen Financial Services: Strategy WIR2018

VISION

VOLKSWAGEN FINANCIAL SERVICES
AKTIENGESELLSCHAFT

The best automotive financial services group in the world.

BRAND GUIDELINE



STRATEGIC GOALS

Customers

- To be the most attractive supporter of sales for the brands
- To be the quality leader in business with customers and dealers

Employees

- We are a top team !

Profitability

- 20% ROE¹⁾ with 50% CIR

Volume

- Comprehensive support for the Volkswagen Group Brands
 - To cover at least every 2nd new car from the Volkswagen Group with one or more FS products
 - To become market leader for financial services products for young used cars of the Volkswagen Group

¹⁾ excl. LeasePlan, factoring, employee leasing; based on the necessary capital to run the business (today 8%)

Volkswagen Financial Services Supports Launch of up!: Integrated Concept for Financial Services

Monthly rate incl.



Benefit Customer

- Cost Transparency (“All In One”)
- Affordability
- Facilitating sales process

Benefit Brand Volkswagen

- Secure Profitability per Customer
- Secure Volume Targets
- Increase Customer Satisfaction

Risk Profile of Volkswagen Financial Services AG

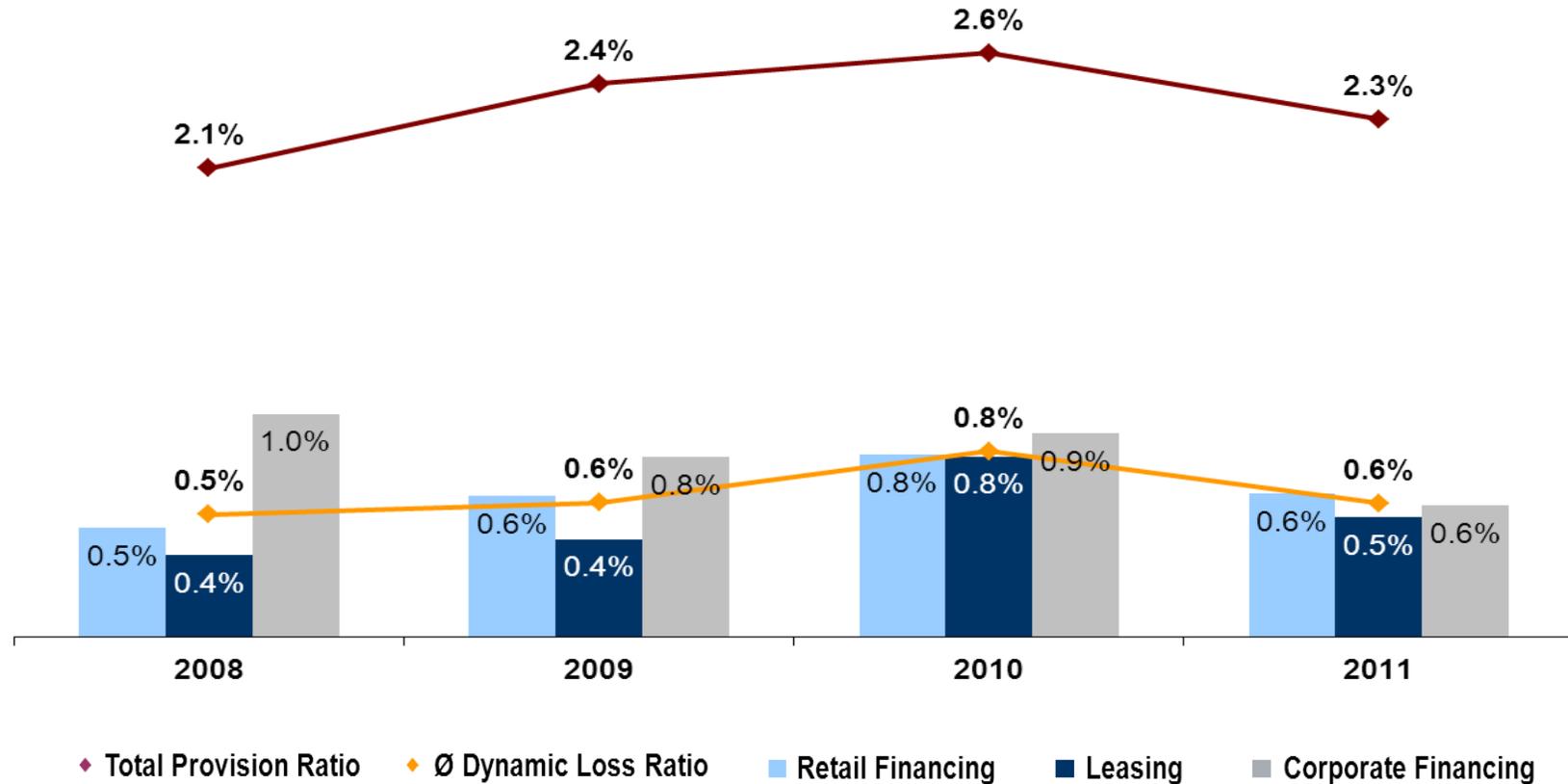


Credit Risk is the predominant risk type whereof the major share is originated from well diversified retail business with a low risk profile

* Liquidity Risk, Strategic Risk, Reputational Risk

as of 12/31/2011

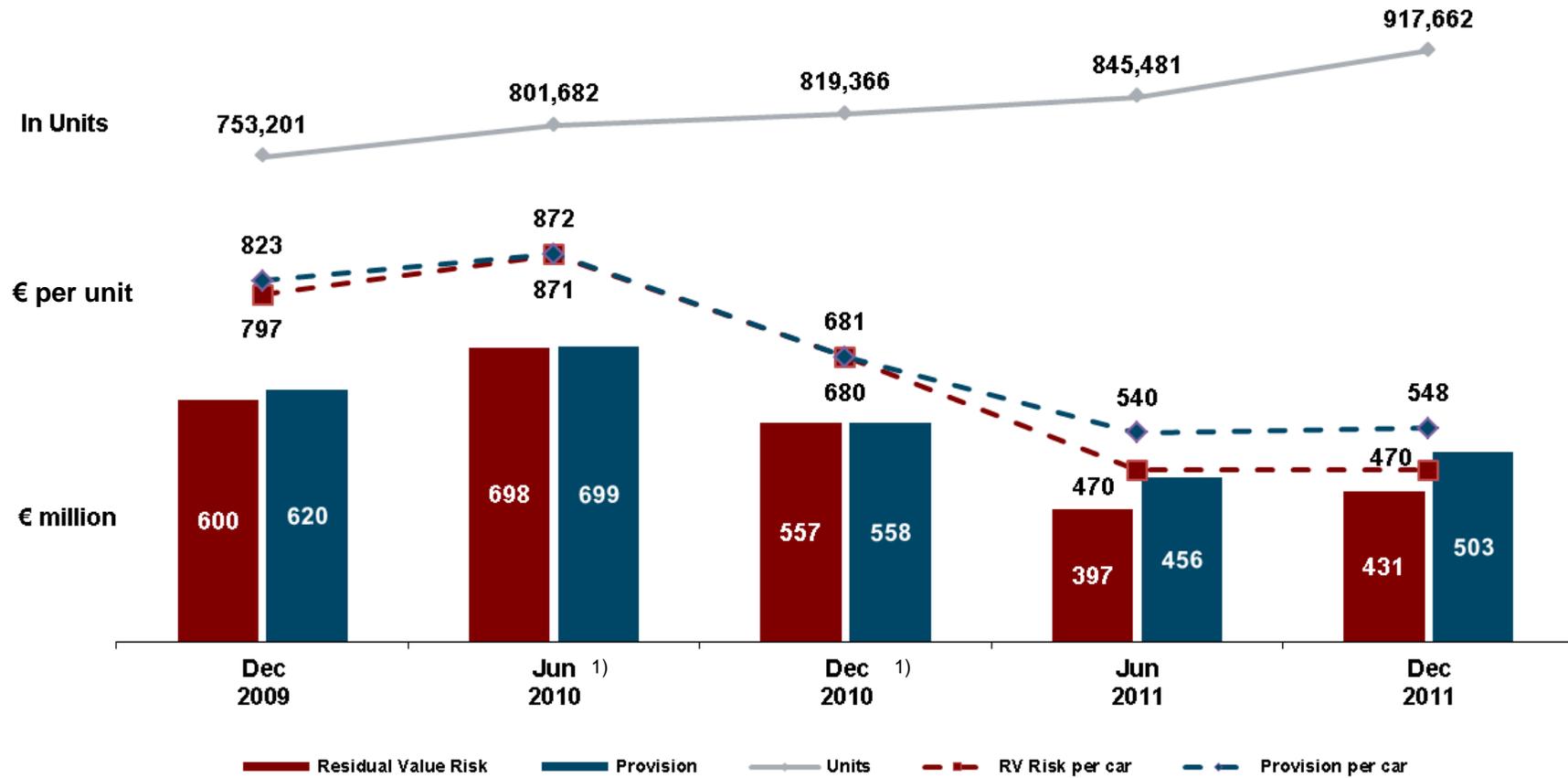
Total Provision and Dynamic Loss Ratio – VW FS AG



The credit risk losses are under control and completely covered by provisions

Residual Value Risk

December 2009 - December 2011

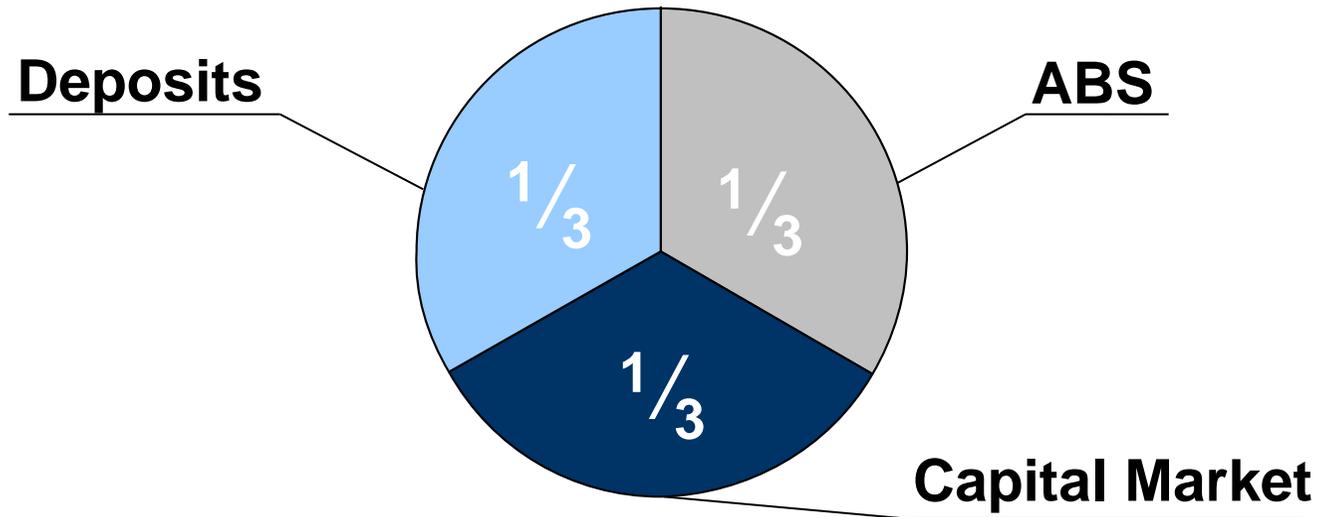


1) Re-calculation of EL in UK (harmonisation to FS standards)

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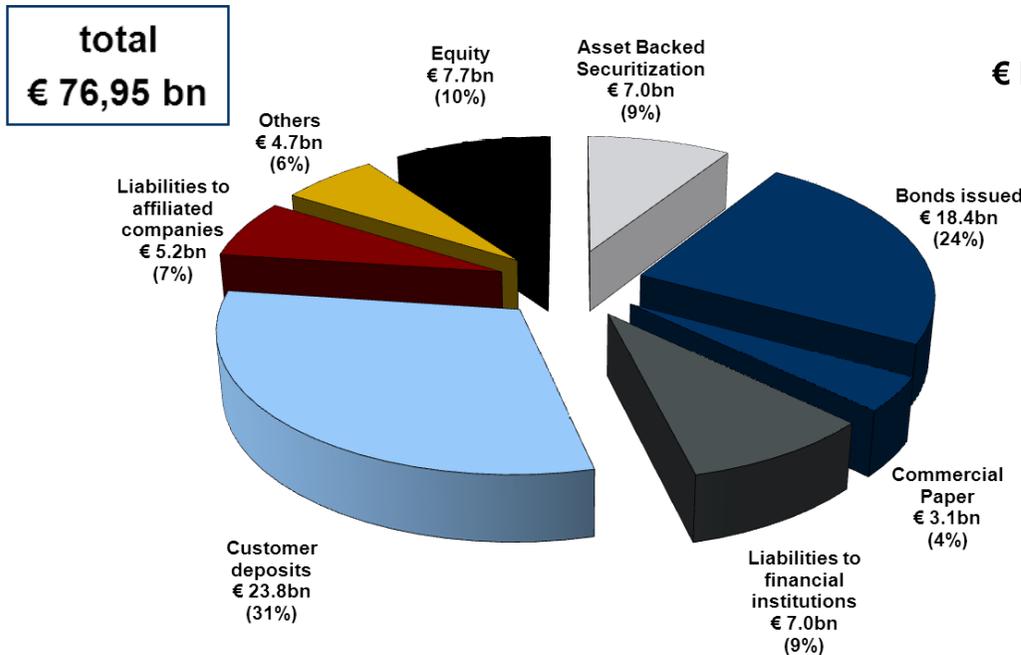
Refinancing Strategy



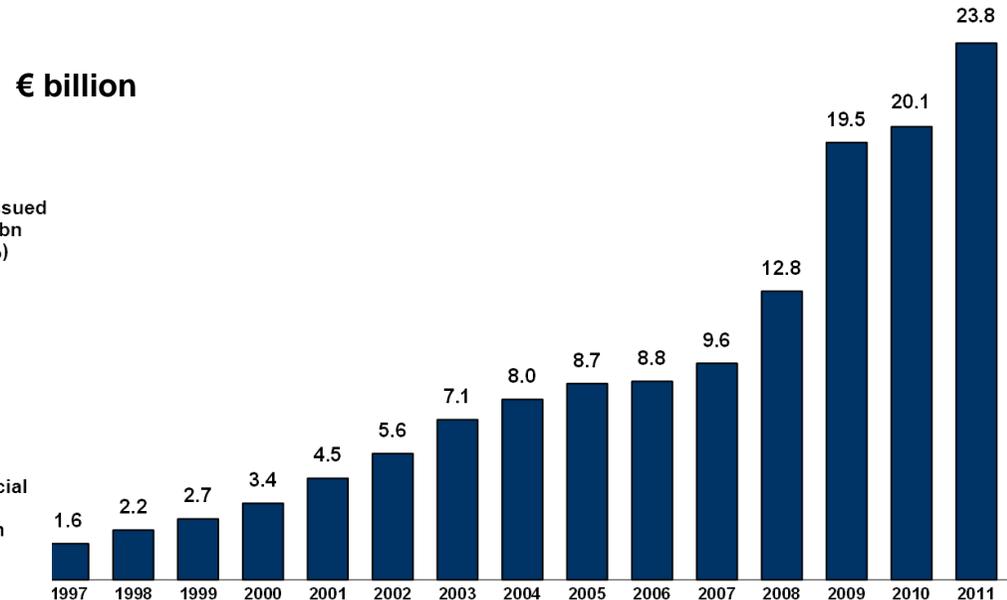
Focus on three fundamental funding sources

Volkswagen Financial Services AG: successful, diversified and automotive-independent funding structure

Funding

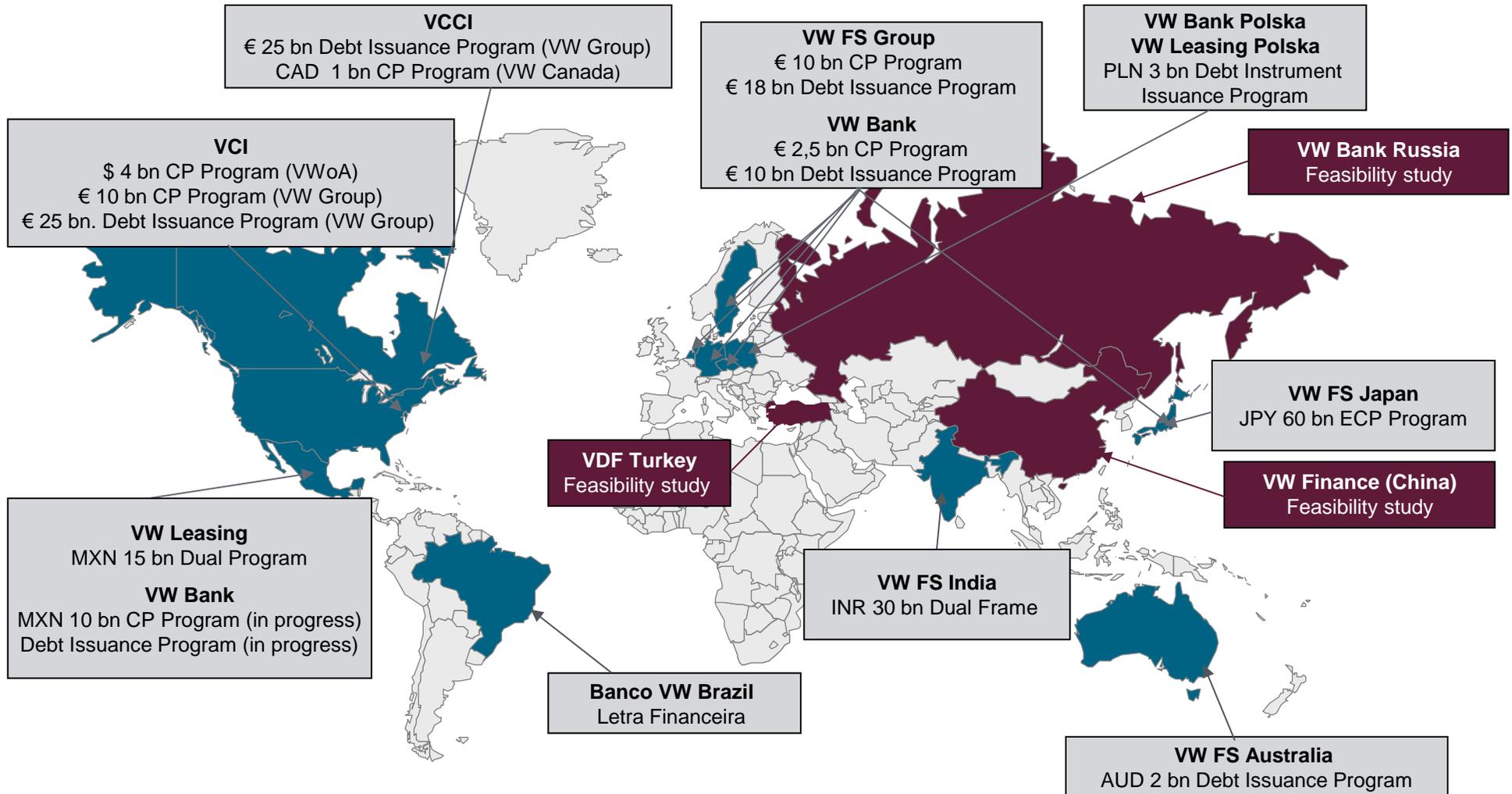


Deposits



As of 31.12.2011

VW Financial Services Worldwide Capital Market Activities



Security for Investors – Three Layer of Protection



1. Solvability and Creditworthiness of the Issuer
(Affiliated Company of Volkswagen Financial Services AG)

Irrevocable and Unconditional Guarantee + Letter of Comfort



2. Solvability and Creditworthiness of the Guarantor
(Volkswagen Financial Services AG) S&P Rating: A- stable

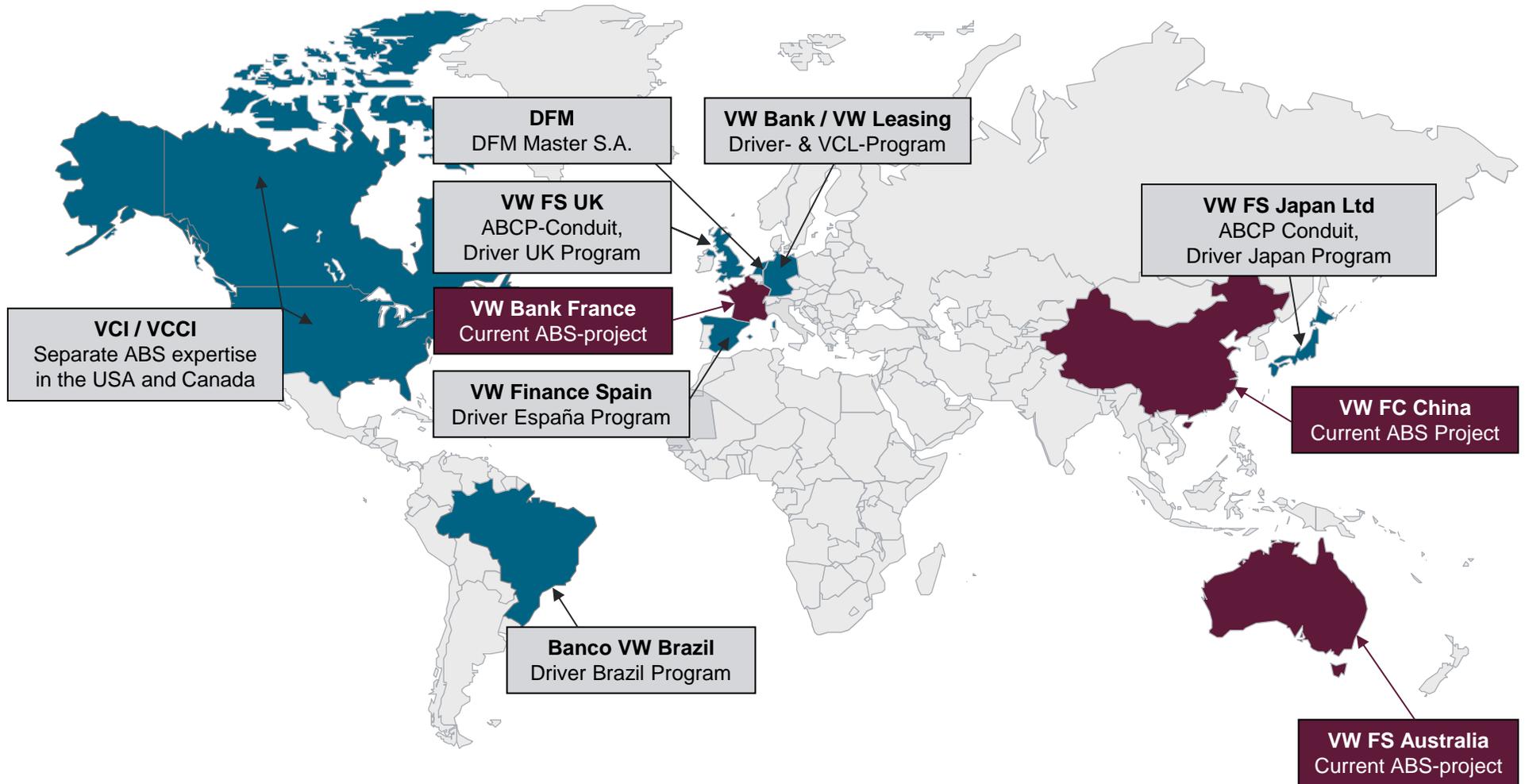
Control & Profit + Loss Transfer Agreement



3. Solvability and Creditworthiness of
the Volkswagen AG S&P Rating: A- stable

One Risk – One Price!

VW Financial Services Worldwide ABS Activities



Two Strong Brands in the Automobile Securitisation Market



- Securitisation Program of VW FS AG
- Car loans originated by Volkswagen Bank
- Program running since 2004
- Currently 12 public transactions placed in the market
- Volume of public transactions since '04: € 9.8 bn



- Securitisation Program of VW FS AG
- Car leases originated by Volkswagen Leasing
- Program running since 1996
- Currently 15 public transaction placed in the market
- Total volume of public transactions since '96: € 11.4 bn

- Highly granular risk profile
- International roll out (2008 in UK, 2011 in Spain, 2012 in Japan, planned for Brazil, France, and Australia)
- Stable and diversified investor base

Recent Public CM and ABS Deals

Capital Market

- VW Leasing GmbH: 11/11 € 750mn due 11/14
- VW Leasing GmbH: 11/11 € 750mn due 05/18
- VW Bank GmbH: 04/11 € 500mn due 04/14
- VW Bank GmbH: 04/11 € 500mn due 10/12
- VW Leasing Mexico S.A. de C.V.: 04/11 MXN 2,0bn due 04/14
- Banco Volkswagen Brazil: 06/12 BRL 300mn due 06/14
- VWFS Australia: 02/12 AUD 150mn due 01/14
- VW FS NV, Netherlands: 05/12 GBP 250mn due 10/15

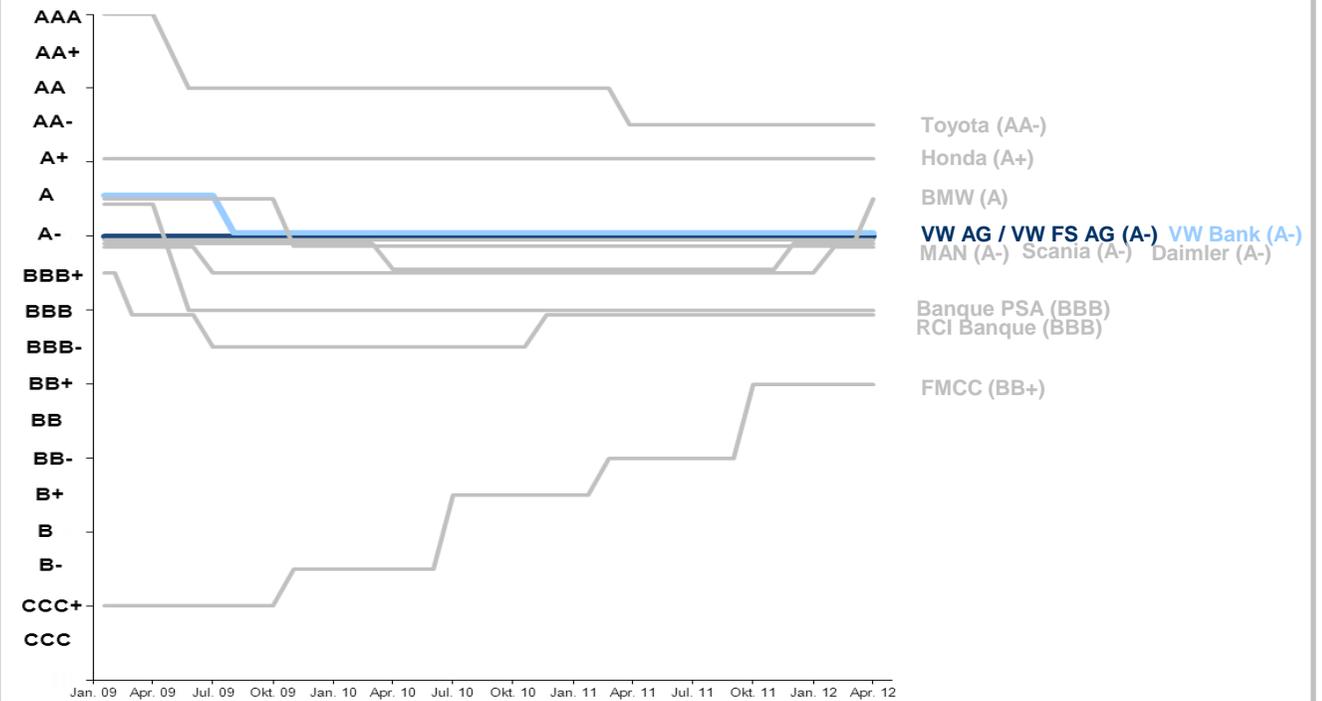
Asset-Backed Securities

- VCL 15, Germany: € 1bn (March 2012)
- Driver Nine, Germany: € 714.4m (May 2011)
- DFM Master, Netherlands: € 293.5m (May 2011)
- Driver España One, Spain: € 628.9m (May 2011)

Rating History (04/30/2012)

	Moody's	S&P
Toyota	Aa3	AA-
Honda	A1	A+
BMW	A2	A
VW AG / VW FS AG	A3	A-
VW Bank GmbH	A3	A-
MAN	A3	A-
Scania	--	A-
Daimler	A3	A-
Banque PSA	Baa1	BBB
RCI Banque	Baa2	BBB
FMCC	Ba1	BB+

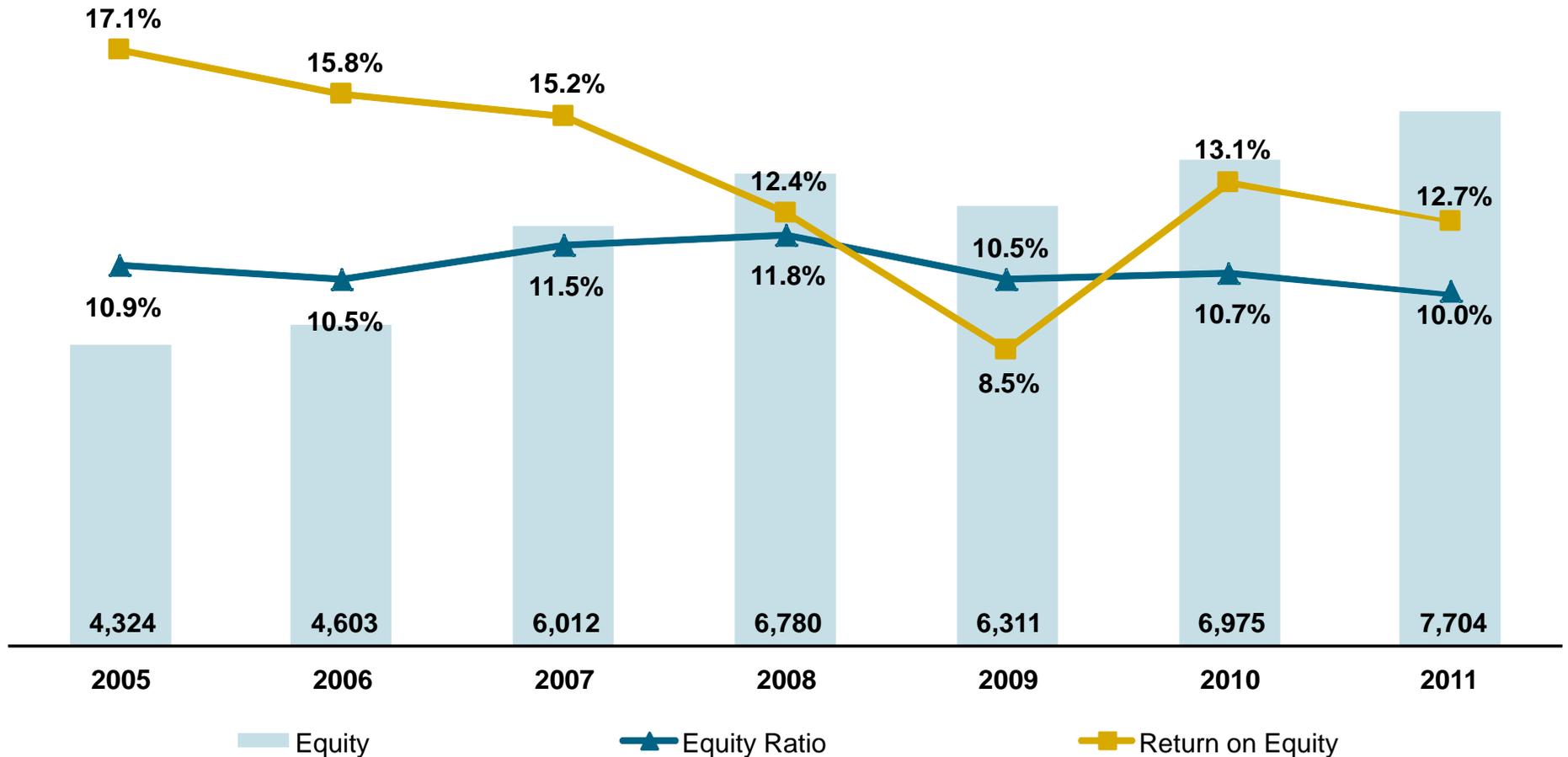
Development of credit ratings (Standard & Poor's)



Volkswagen Financial Services AG has a solid and stable rating history.

Data Source: Reuters

Volkswagen Financial Services AG: Financial Figures (IFRS)



ROE (based on the avg. equity of the referred year): $PbT / ((\text{Equity current year} + \text{Equity previous year}) / 2)$

Volkswagen Financial Services AG: Outlook 2012

- Volumes are expected to Stabilise in Saturated Markets with Growth Opportunities in Growth Markets
- Refinancing Costs on low levels
- Highly Uncertain Economic Environment might have impact on Risk Costs
- Earnings in 2012 are expected to be at the level of 2011



Thank you for your attention!

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Annual Report of Volkswagen Financial Services AG:
<http://www.vwfsag.com/annualreport>



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Consequently, any unexpected fall in demand or economic stagnation in our key sales markets, such as in Western Europe (and especially Germany) or in the USA, Brazil or China, will have a corresponding impact on the development of our business. The same applies in the event of a significant shift in current exchange rates relative to the US dollar, sterling, yen, Brazilian real, Chinese renminbi and Czech koruna.

If any of these or other risks occur, or if the assumptions underlying any of these statements prove incorrect, the actual results may significantly differ from those expressed or implied by such statements.

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