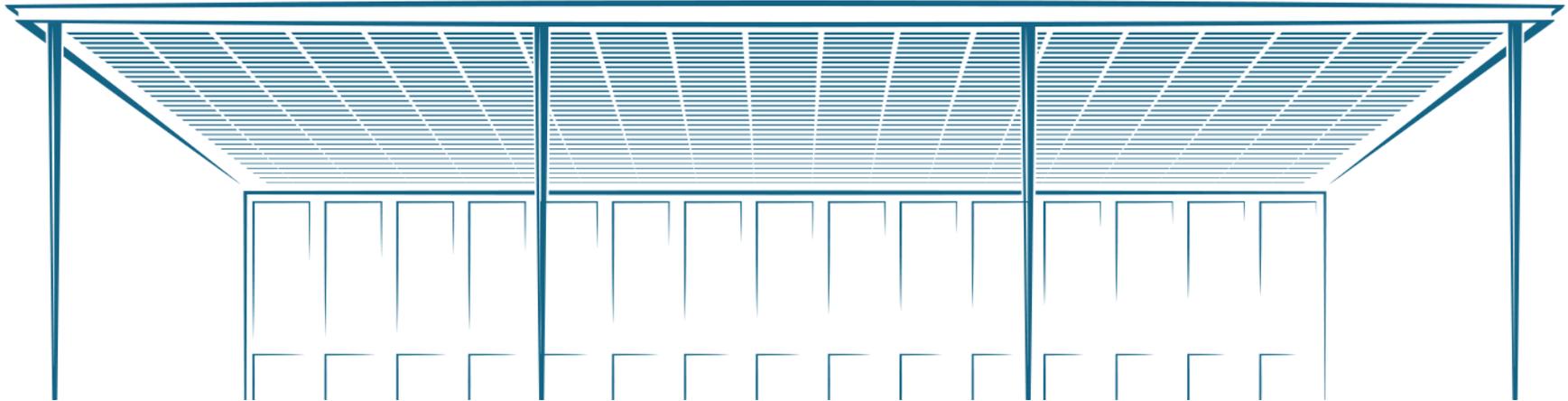


# VOLKSWAGEN FINANCIAL SERVICES

THE KEY TO MOBILITY

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## The Key to Mobility

Creating Value with Financial Services

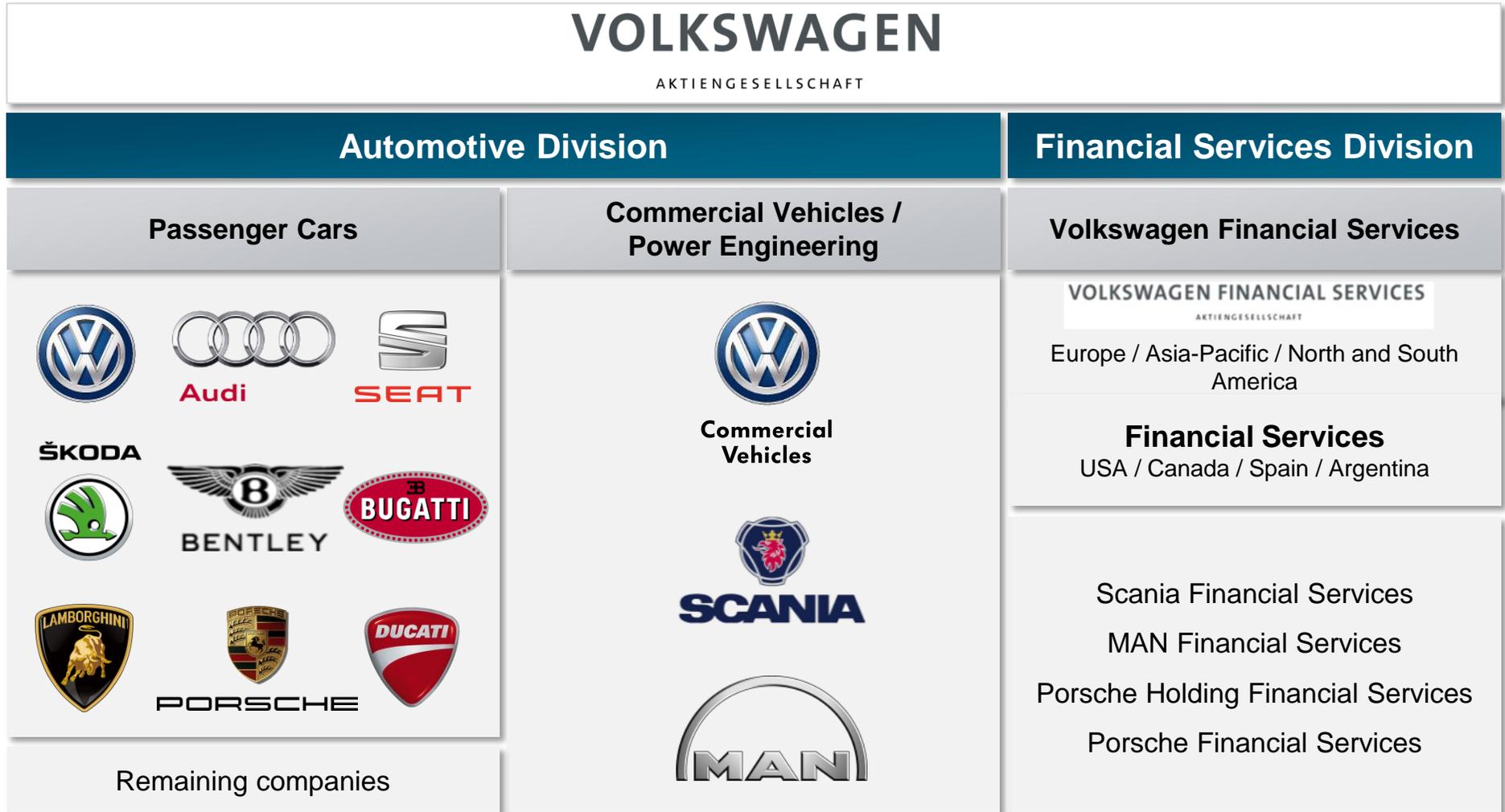
**Fixed Income Investor Update – Volkswagen Financial Services AG; December 2013**

**Bernd Bode**

Head of Group Treasury  
and Investor Relations

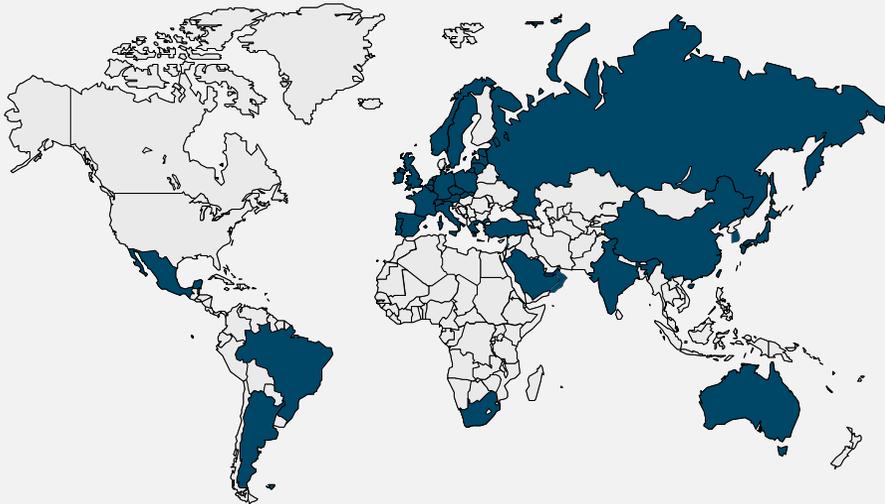
Volkswagen Financial Services

# Volkswagen Group – built on three strong pillars



# Volkswagen Financial Services AG (30 June 2013)

## Worldwide presence

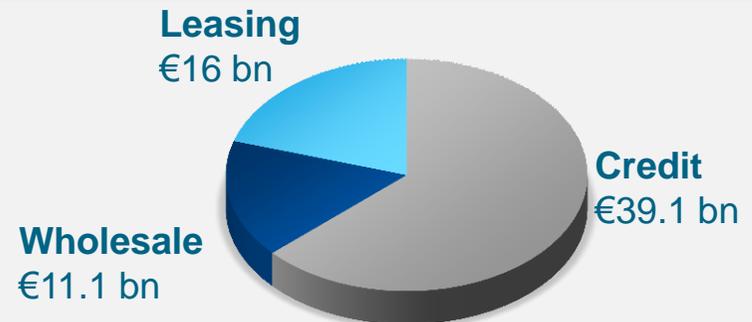


Volkswagen Financial Services conducts business in **40 countries**

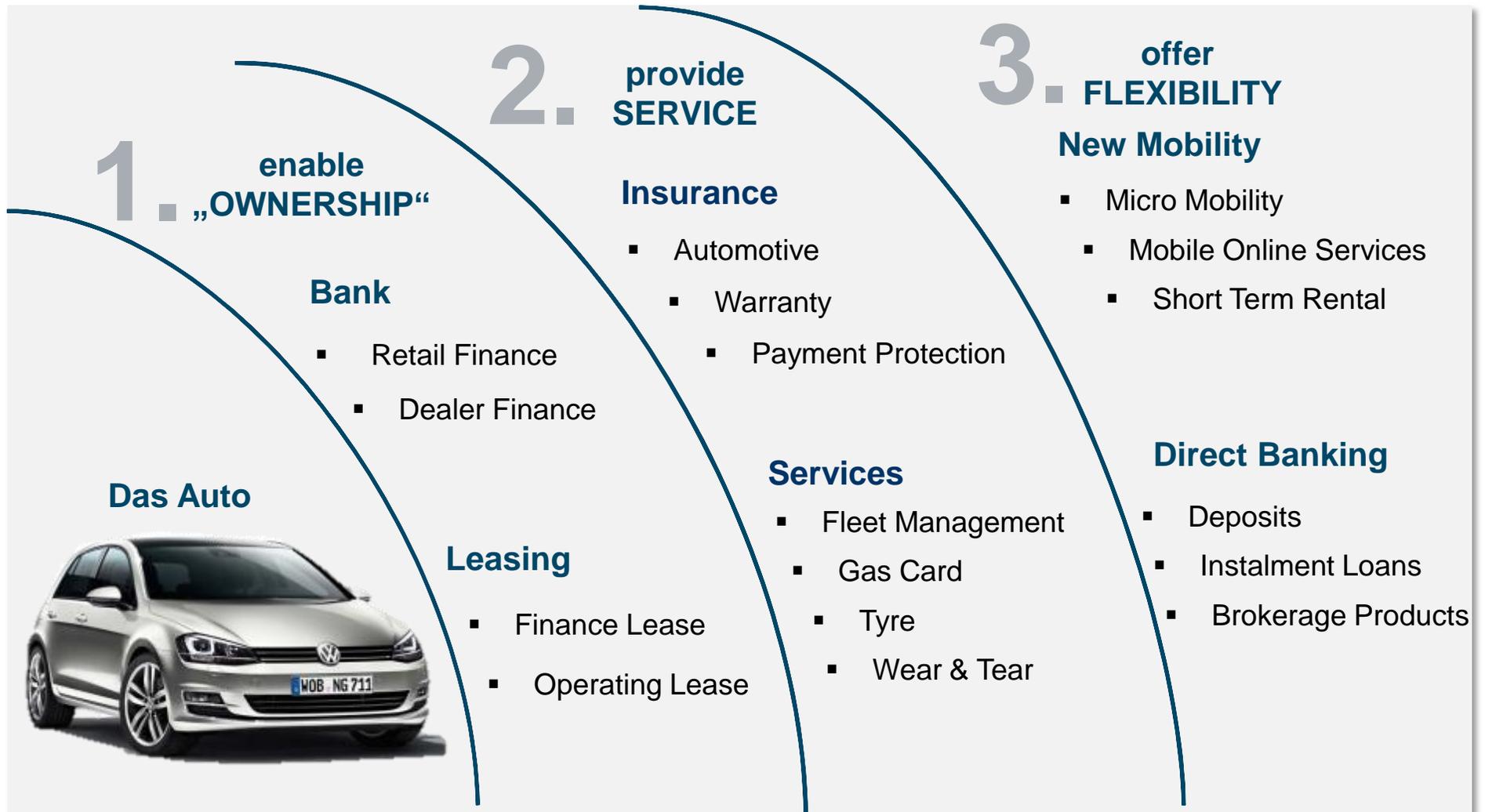
## Key company figures (Jan – Jun 2013)

Total assets	€ 87.6 bn
Equity	€ 8.5 bn
Customer deposits	€ 25.6 bn
Operating profit	€ 484 m
Employees	9,147
Contracts (units)	8.3 m

## Receivables

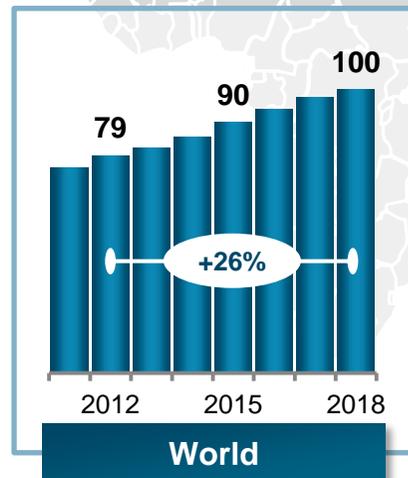
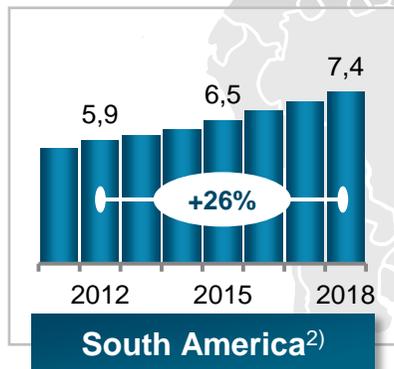
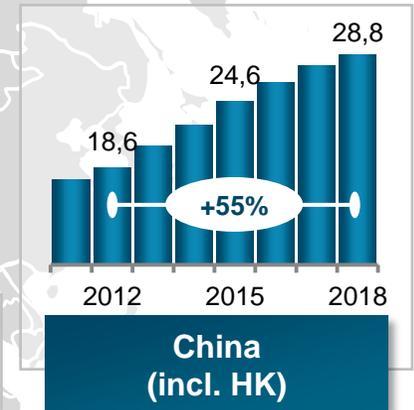


# A wide product range around the car



# Key sales markets offer substantial growth opportunities

Market growth 2012 – 2018 (million units)

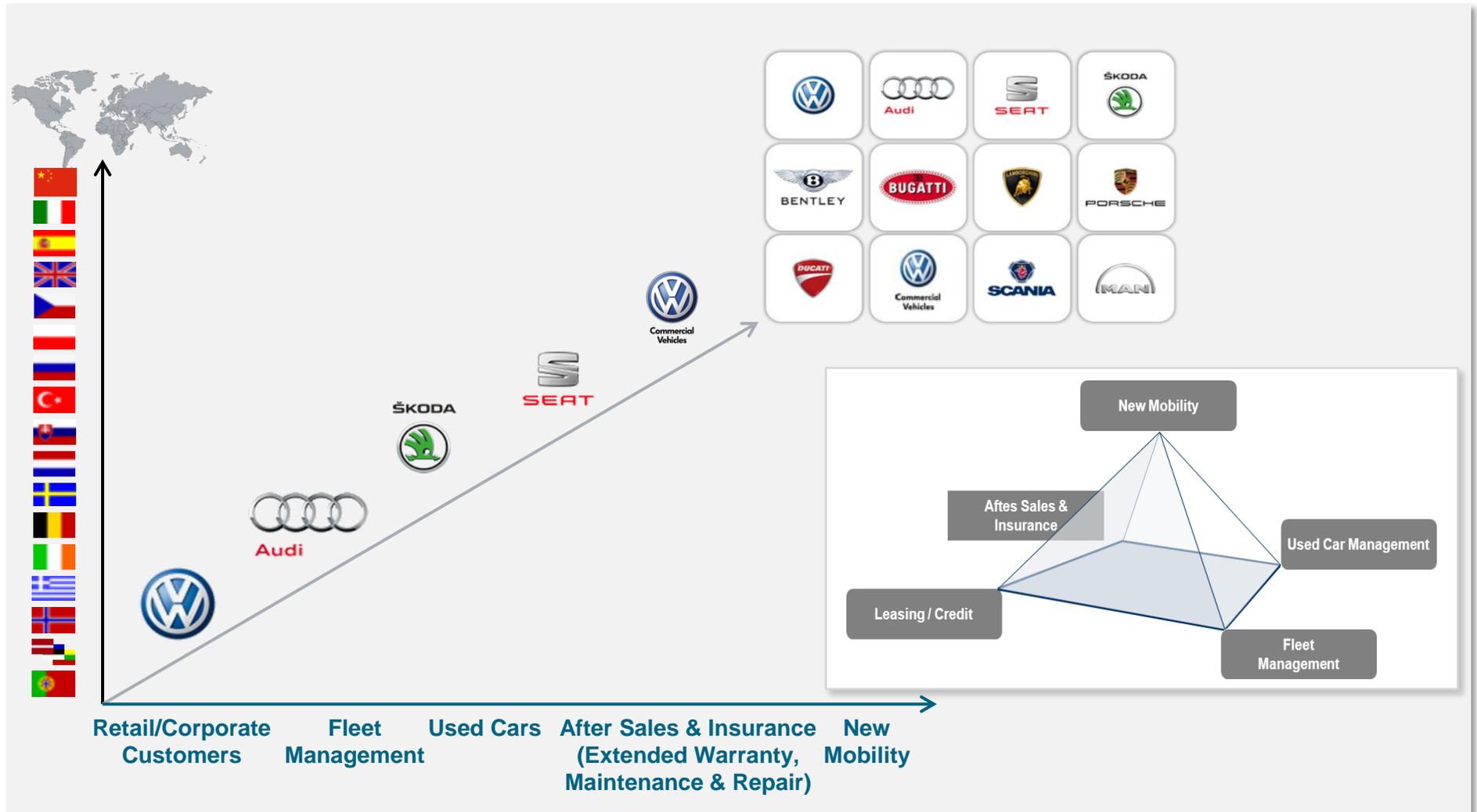


<sup>1)</sup> Includes Cyprus and Malta

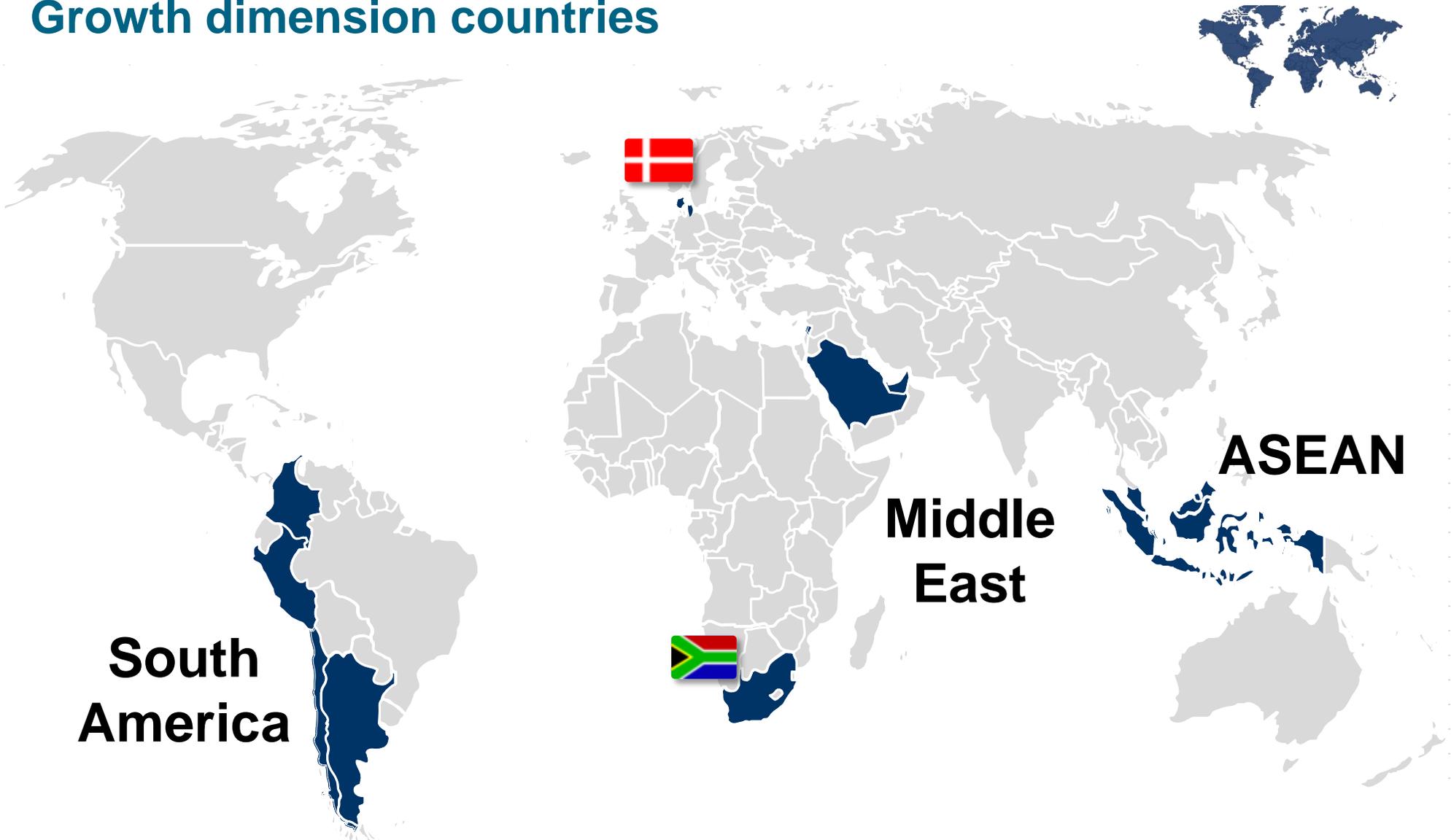
<sup>2)</sup> Includes Central America and Caribbean

Source: IHS Automotive (data status: October 2013), rounded  
Note: Market = Cars and LCVs

# Growth dimensions



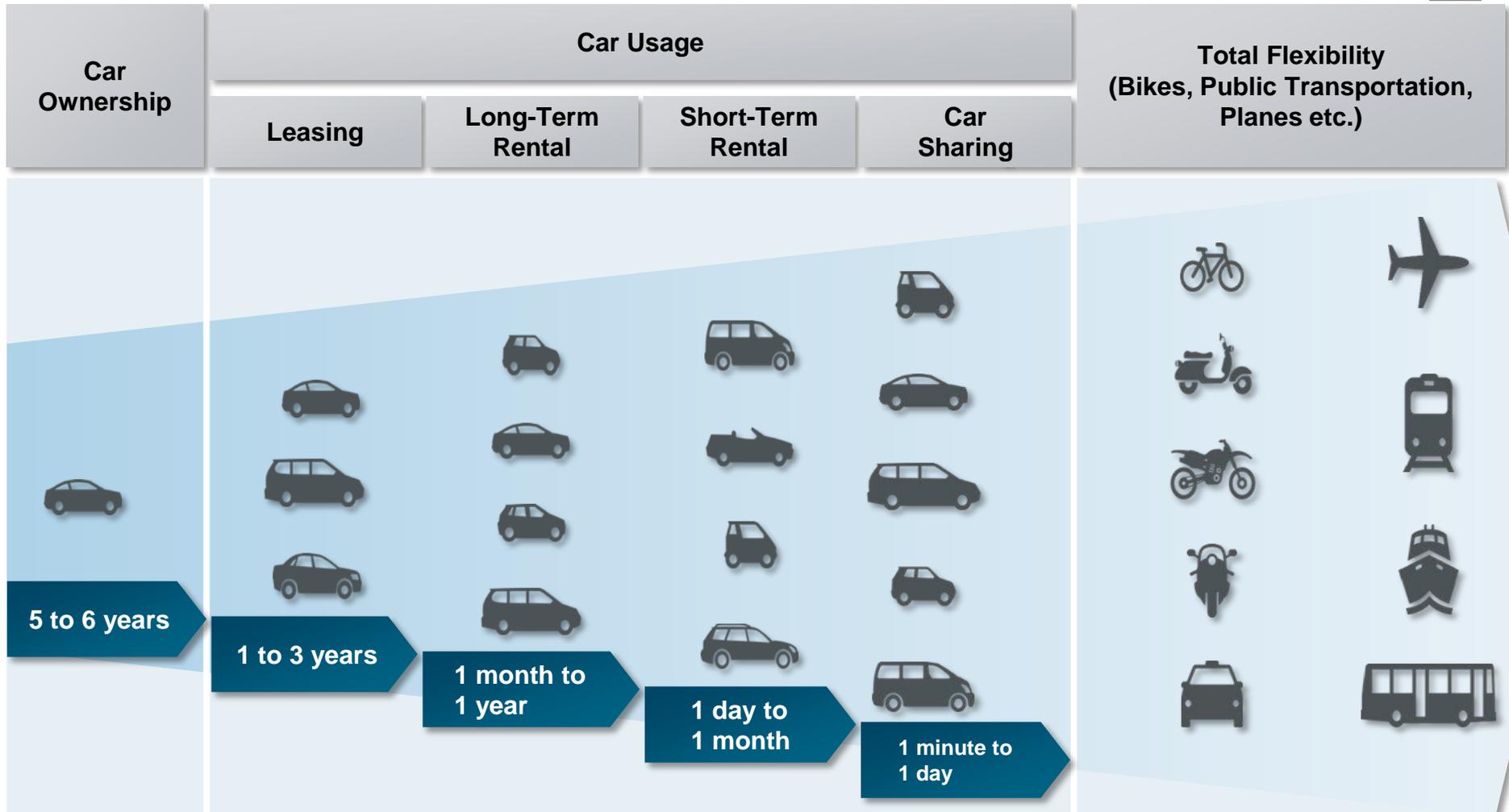
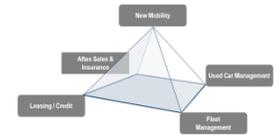
# Growth dimension countries



# Growth dimension brands



# Growth dimension product

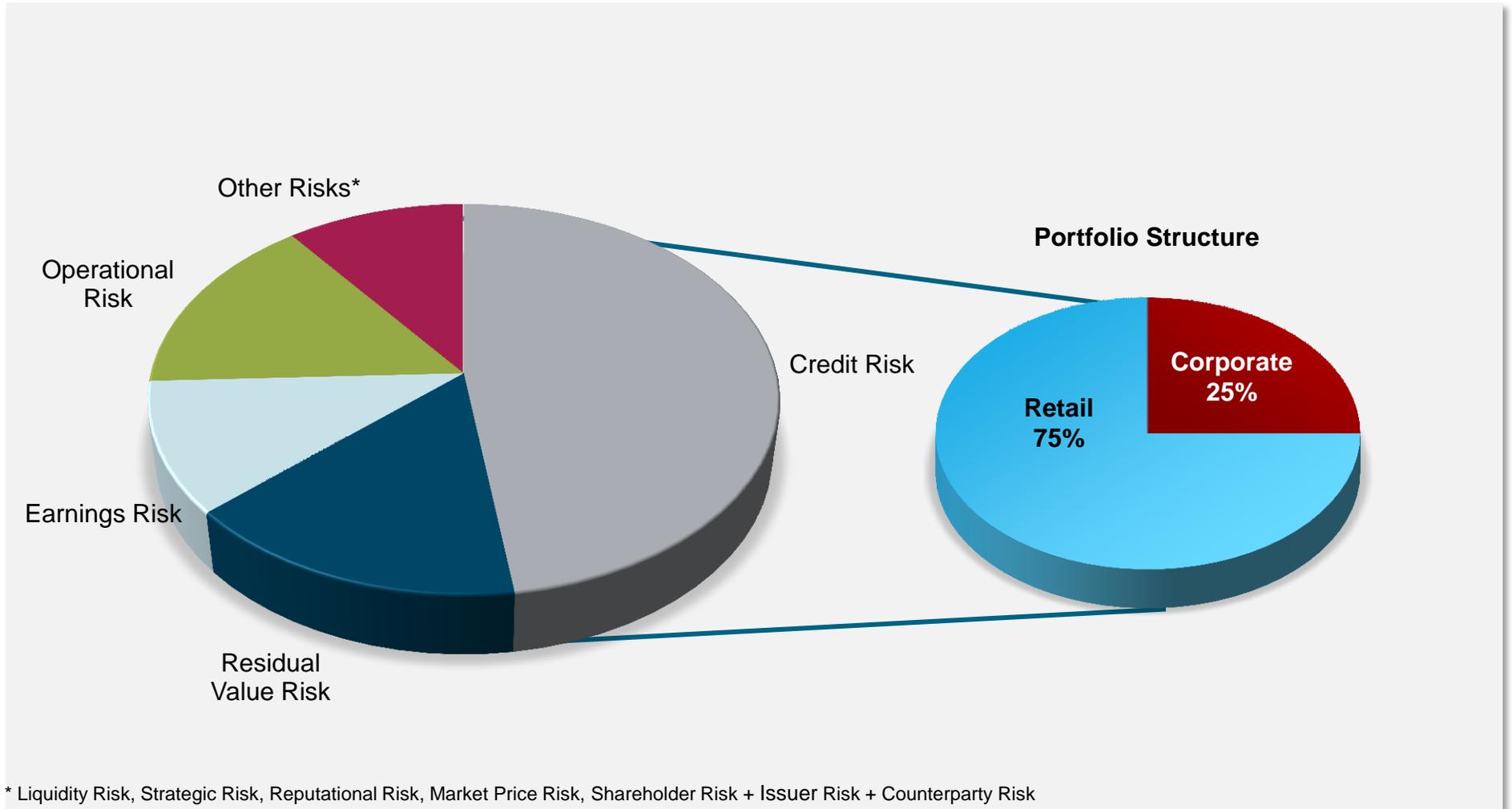


# Strong benefits for automotive through captive



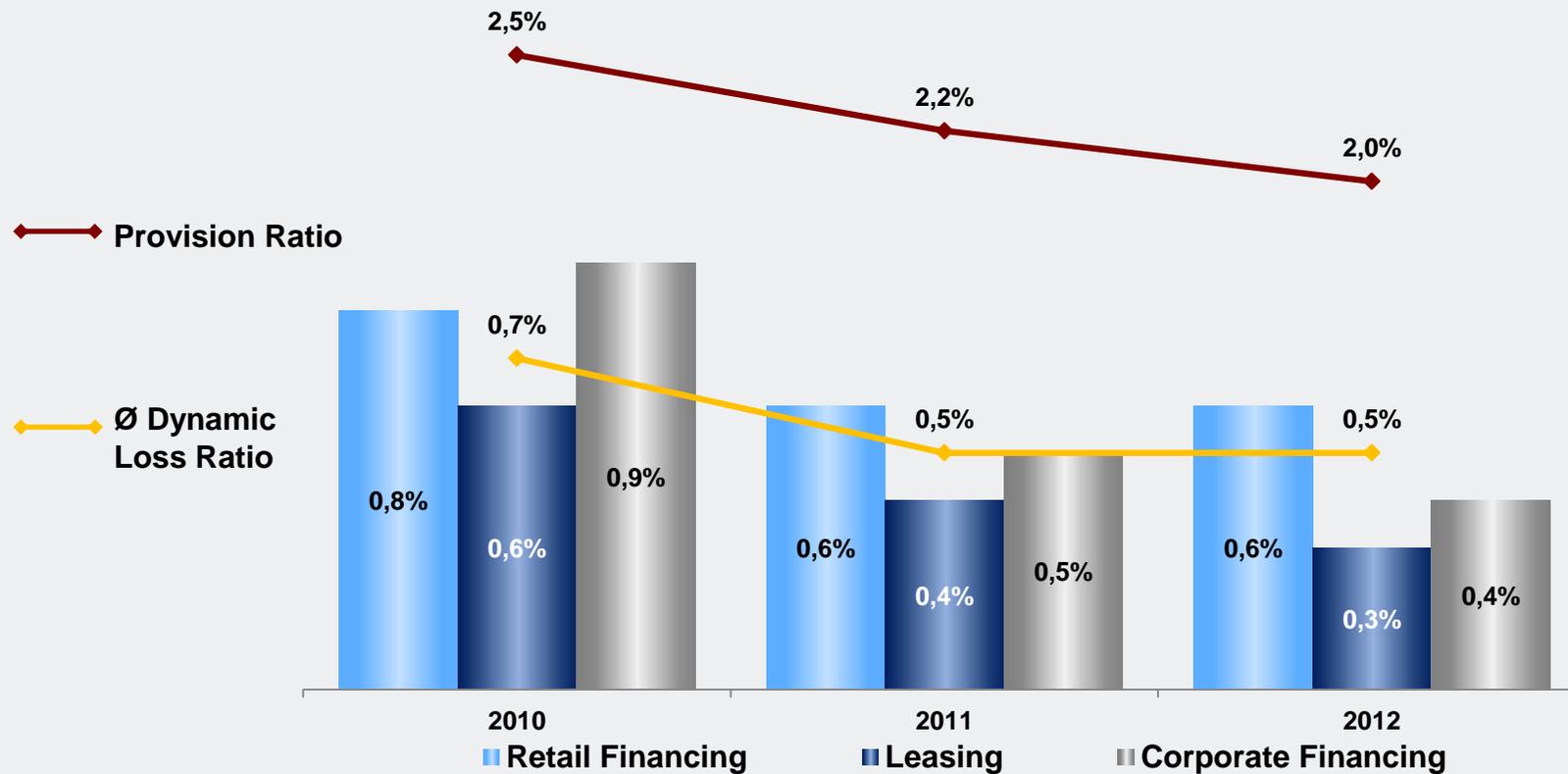
EU-5 markets

# Risk management

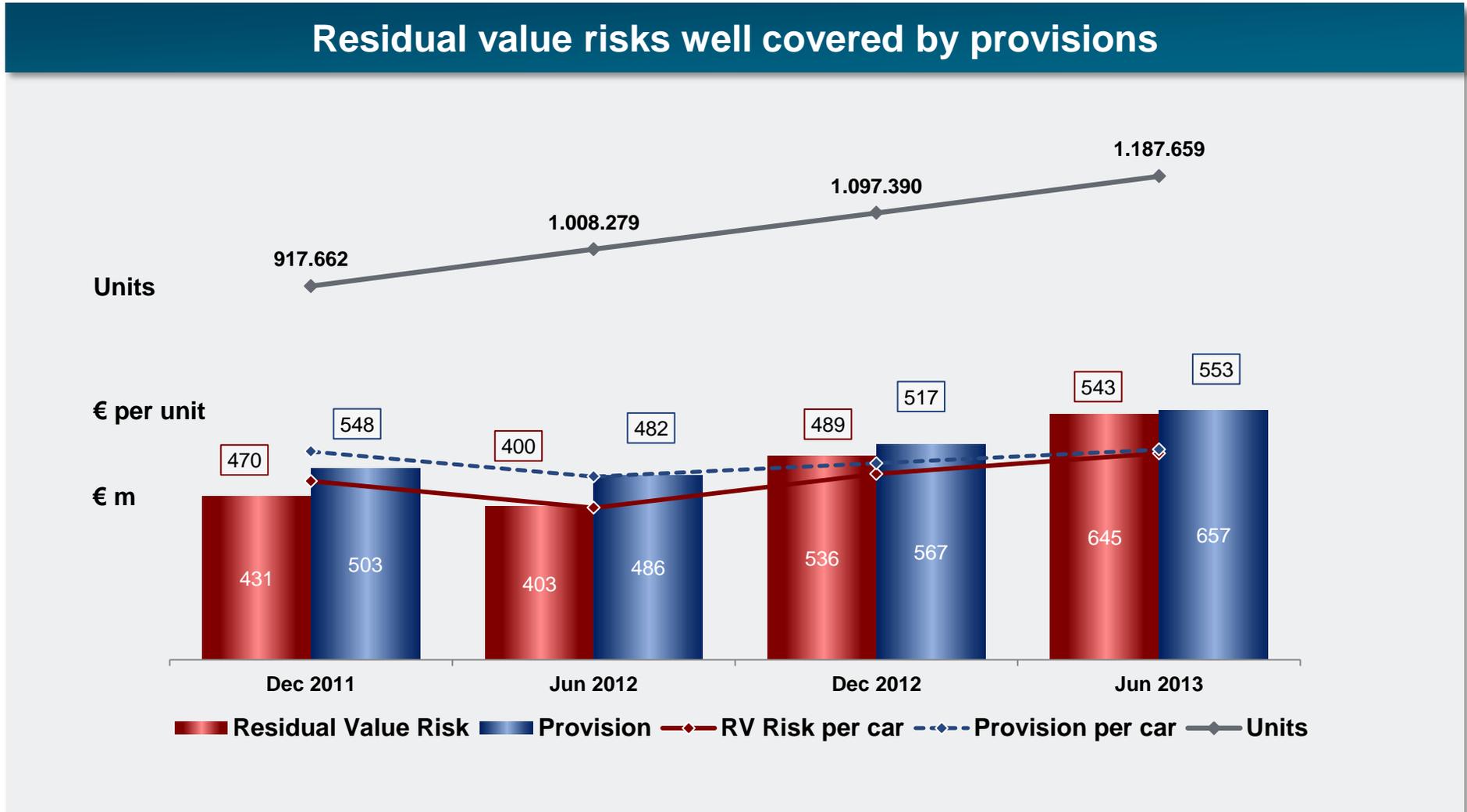


# VW Financial Services – Credit risks

Credit risk remains at low level despite challenging market environment



# VW Financial Services – Residual value



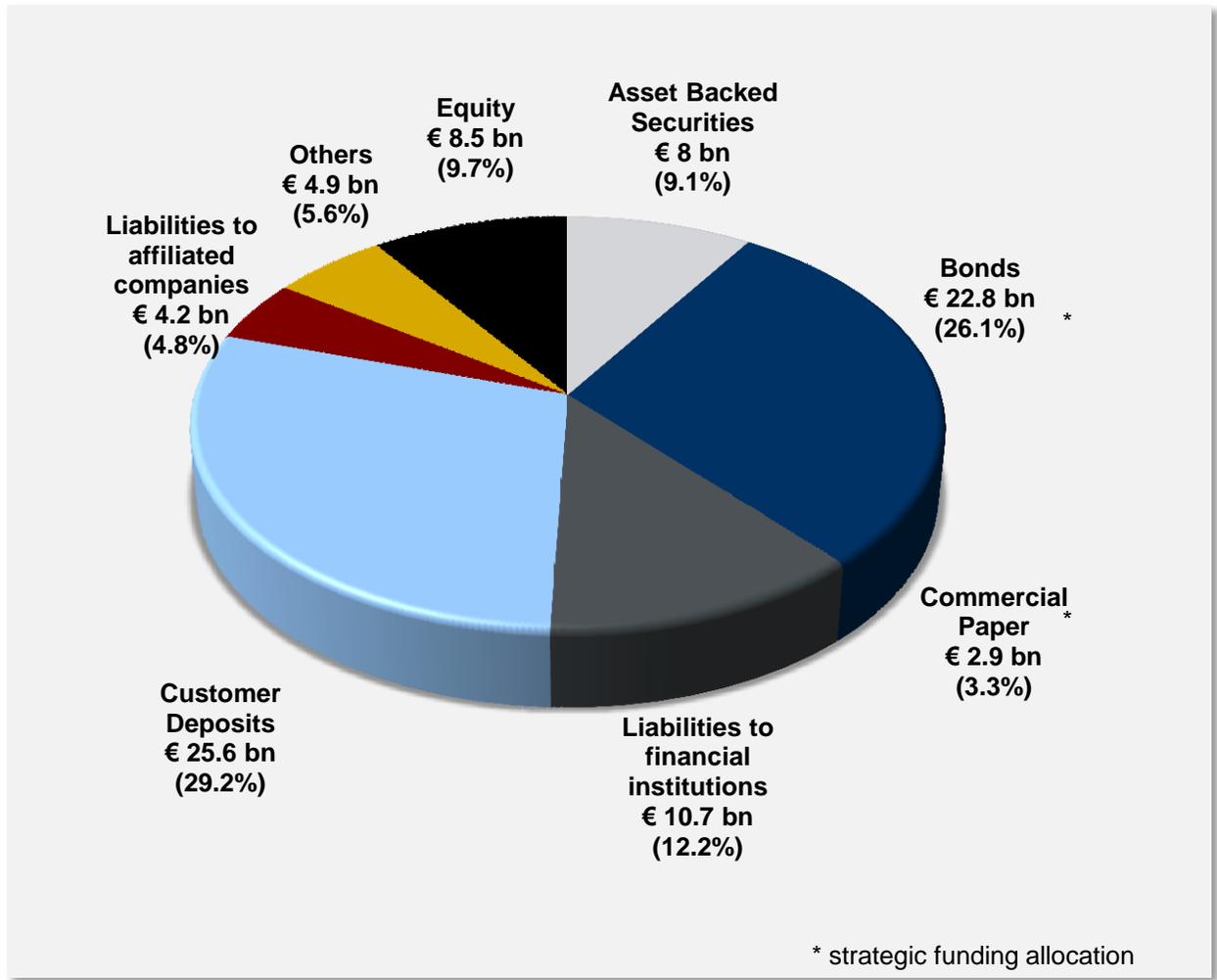
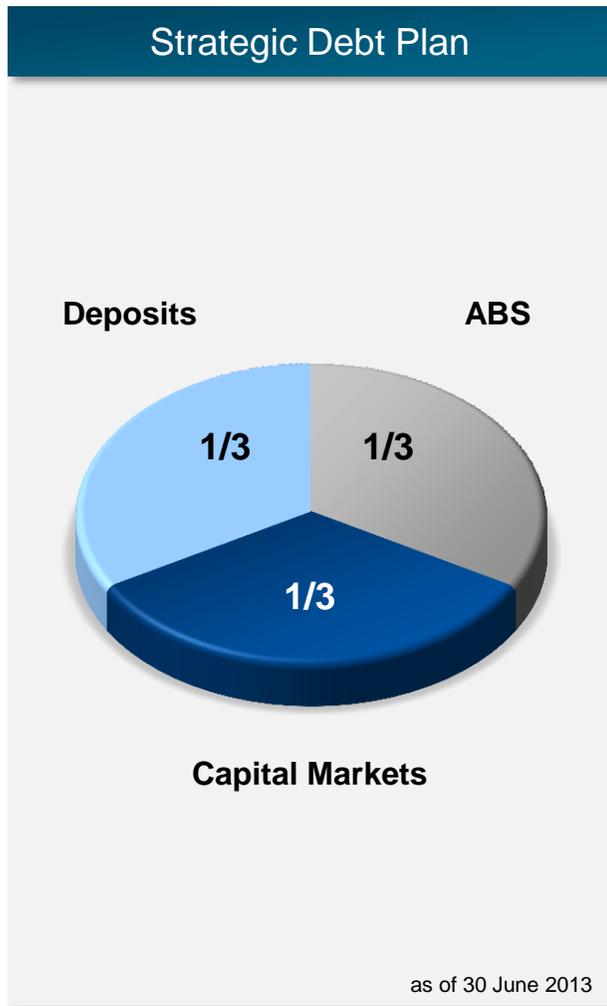
# Volkswagen Financial Services AG

Key data 2009 – H1 2013 (IFRS)

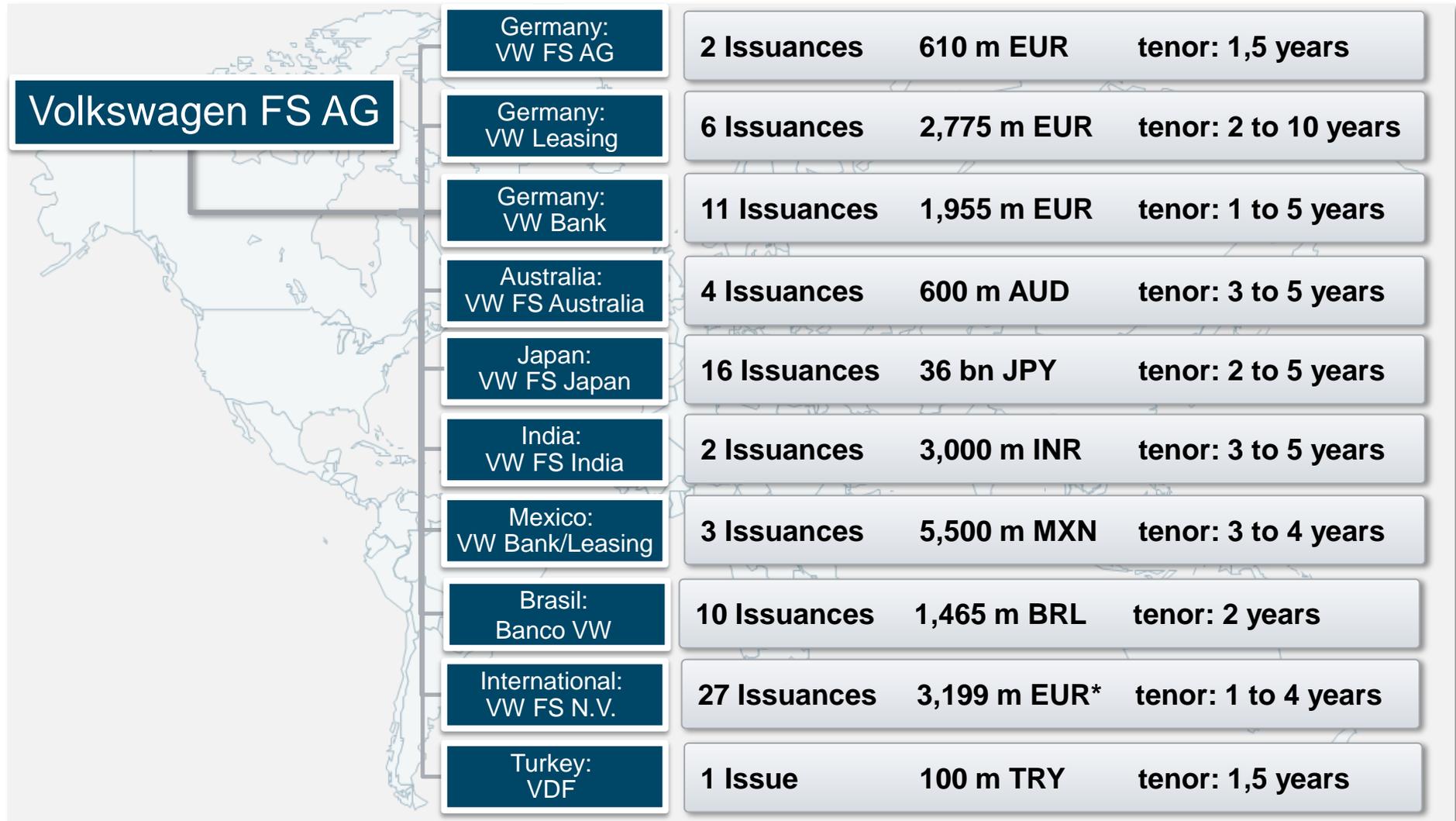
	2009	2010	2011	2012	H1 2013
Portfolio ('000)	6,028	6,144	6,852	7,977	8,331
Retail + Leasing receivables (€ mn)	40,538	44,148	47,513	53,439	55,097
Wholesale receivables (€ mn)	8,391	8,828	10,412	10,781	11,139
Customer deposits (€ mn)	19,532	20,129	23,795	24,889	25,584
Employees	6,775	6,797	7,322	8,770	9,147
IFRS profit before tax (€ mn)	554	870	933	993	551

# Funding structure Volkswagen Financial Services AG

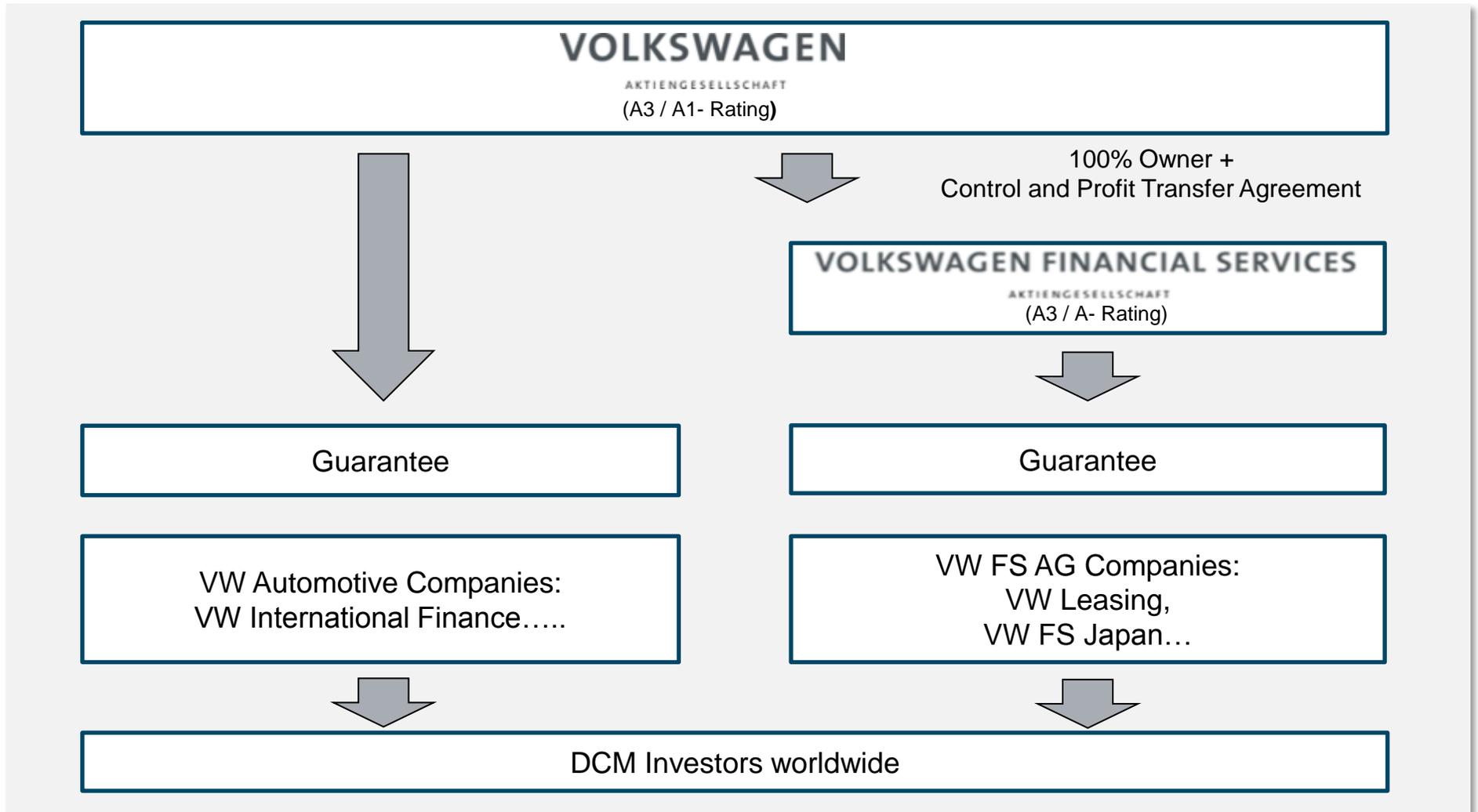
Total €87.6 bn



## DCM Activities in 2012 / 2013 worldwide



# DCM Strategy VW Automotive and VW Financial Services



## Security for Investors – Three Layer of Protection



1. Solvency and Creditworthiness of the Issuer  
(VW Leasing, VW FS, VW FS Japan, VW FS Australia, VW FS N.V.)

### Irrevocable and Unconditional Guarantee



2. Solvency and Creditworthiness of the Guarantor/ Offeror  
**(Volkswagen Financial Services AG)**  
S&P Rating: A- positive / Moody's: A3 positive

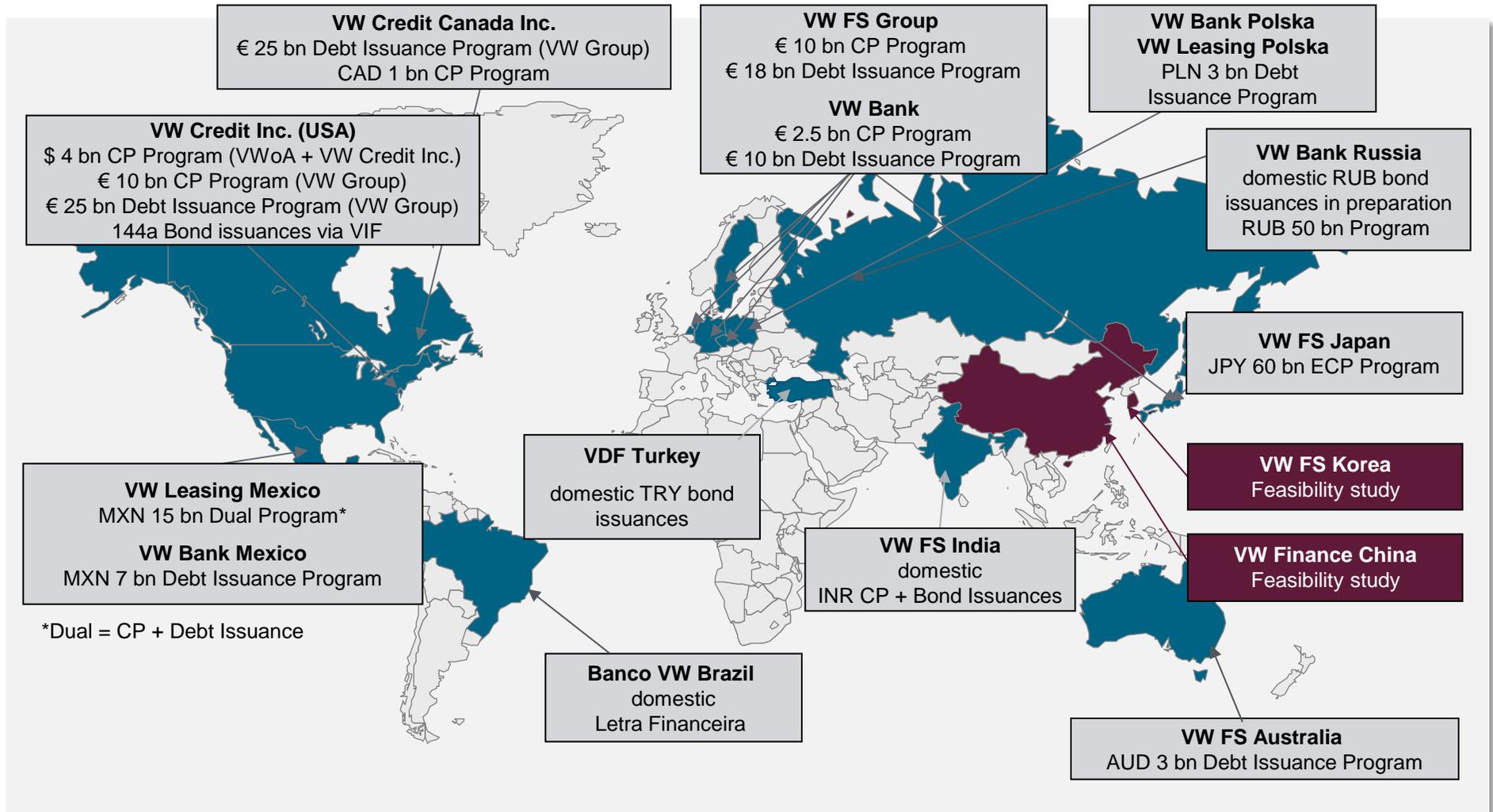
### Control & Profit / Loss Transfer Agreement



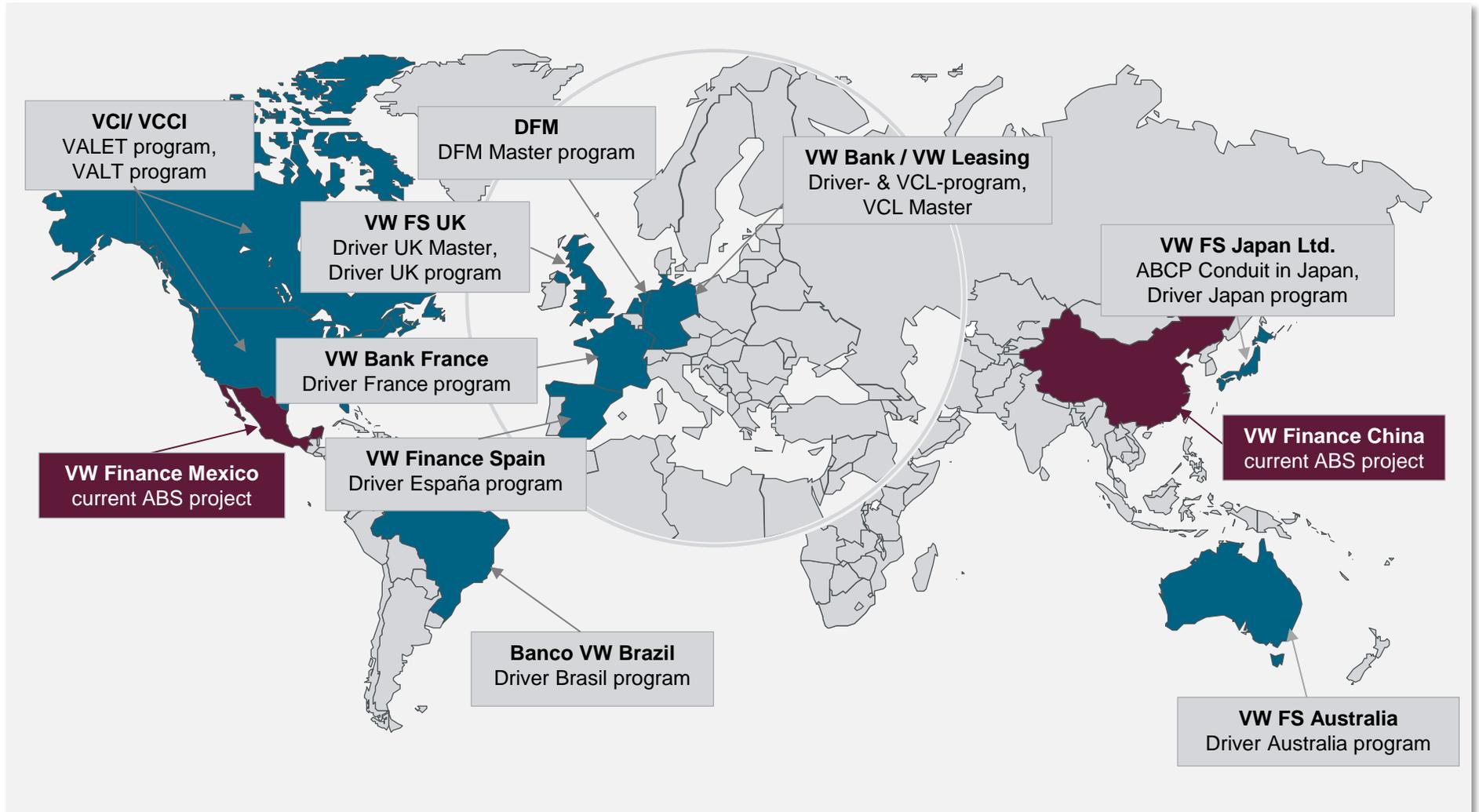
3. Solvency and Creditworthiness of Ultimate Parent  
**(Volkswagen AG)**  
S&P Rating: A- positive / Moody's: A3 positive

One Risk – One Price!

# VW Financial Services' worldwide capital market activities



# VW Financial Services' worldwide ABS activities



## Standard & Poor's Statements regarding VW FS AG

"RatingsDirect" July 31, 2013

*"We consider VW FS to be core to its ultimate parent VW AG and equalize our ratings on VW FS with those on VW AG."*

*"As a core entity of VW AG, any rating action on the parent - positive or negative - would translate in a similar action on VW FS."*

*"We consider VW FS' corporate strategy to be prudent, well-executed, and focused on its core business in which it has expertise."*

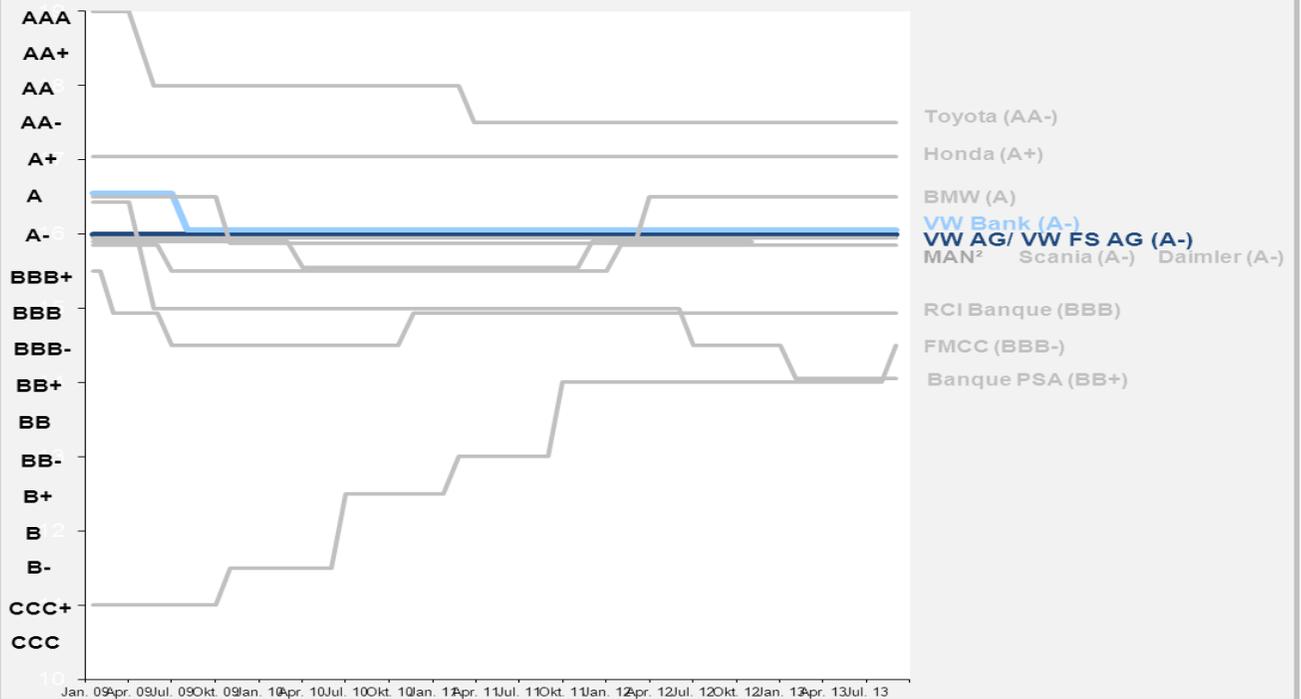
*"(...) positive outlook (...) mirrors that on its parent, Volkswagen AG (A-/Positive/A-2). It reflects our view that captive finance operations will remain integral to the VW group's overall corporate strategy."*

*"In our view, VW FS' earnings generated by moderate growth, steady margins and solid risk costs are relatively predictable and stable."*

# Rating History (09/30/2013)

	Moody's	S&P
Toyota	Aa3	AA-
Honda	A1	A+
BMW	A2	A
VW AG / VW FS AG	A3 <sup>1)</sup>	A- <sup>1)</sup>
VW Bank GmbH	A3 <sup>1)</sup>	A- <sup>1)</sup>
MAN	A3	-- <sup>2)</sup>
Scania	--	A-
Daimler	A3	A-
RCI Banque	Baa3	BBB
FMCC	Baa3	BBB-
Banque PSA	Ba1	BB+

Development of credit ratings (Standard & Poor's)



<sup>1)</sup> Outlook: positive    <sup>2)</sup> Rating withdrawn at company's request as of Dec. 2012

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

Data Source: Reuters

# VOLKSWAGEN FINANCIAL SERVICES

THE KEY TO MOBILITY

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**Thank you!**

## Contact



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Financial Services

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bernd.bode@vwfs.com

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

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## Disclaimer

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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. We do not update forward-looking statements retrospectively. Such statements are valid on the date of publication and can be superseded.**

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