

# VOLKSWAGEN LEASING

G M B H

HALF-YEARLY FINANCIAL REPORT

JANUARY – JUNE

*2025*

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# Key Figures

## VOLKSWAGEN LEASING GMBH

€ million	June 30, 2025	Dec. 31, 2024
Total assets	63,723	60,656
Loans to and receivables from customers attributable to		
Dealer financing	0	0
Leasing business	22,258	22,360
Lease assets	34,569	31,760
Equity	10,288	10,013

€ million	H1 2025	H1 2024
Operating profit	517	213
Profit before tax	516	213

Percent	June 30, 2025	Dec. 31, 2024
Equity ratio <sup>1</sup>	16.1	16.5

<sup>1</sup> Equity divided by total assets.

in thousand vehicles	H1 2025	H1 2024	H1 2023	H1 2022	H1 2021
New contracts	427	399	361	296	361
Current contracts	2,157	2,014	1,932	1,833	1,792

All figures shown in the report are rounded, so minor discrepancies may arise when amounts are added together. The comparative figures from the previous fiscal year are shown in parentheses directly after the figures for the current fiscal year.

# Report on Economic Position

## OVERALL ASSESSMENT OF THE COURSE OF BUSINESS AND THE GROUP'S POSITION

In the first half of 2025, VW Leasing benefited, on the one hand, from a phase of moderate economic recovery and lower interest rates for funding, while, on the other, uncertainties from ongoing and new geopolitical tensions and volatile energy prices weighed on economic conditions. Nevertheless, in what is an overall more positive market environment compared with the previous year, VW Leasing expects to generate an operating result exceeding that of the previous year.

At 2,157 thousand units, the volume of existing contracts was noticeably higher than the 2,014 units as of June 30, 2024 (of which MAN FS branch, Munich: 35 thousand units).

The number of new contracts followed a positive trend. In the first half of 2025, the share of leased vehicles in the Volkswagen Group's deliveries (penetration) for Volkswagen Leasing GmbH in the German market was 63.8 % and therefore noticeably up on the prior-year level (first half of 2024: 60.5 %).

The credit risk exposure of Volkswagen Leasing GmbH increased further compared with December 2024. The increase is mainly due to the retail portfolio and the strong demand for our products in Germany. The portfolio quality of the credit risk remained stable.

The residual value portfolio of Volkswagen Leasing GmbH continued to grow compared to the end of the previous fiscal year. At the same time, residual value risks increased slightly, which is reflected in the risk provisioning and was mainly attributable to the normalization of the sales results and the lower residual values of first-generation electric vehicles. The individual developments continue to be closely monitored.

## GENERAL ECONOMIC DEVELOPMENT

The global economy as a whole remained on a growth path in the first half of 2025, showing momentum on a par with the year before. In comparison, the group of emerging markets recorded a somewhat stronger increase in the growth rate, while growth in the advanced economies tapered off slightly overall. Geopolitical uncertainty, particularly precipitated by US trade policy, dampened sentiment among market participants and counteracted the effects of declining inflation rates in many countries and a loosening of monetary policy.

The economy in Western Europe exhibited positive growth overall in the first half of this year, at a higher level than the prior year. Development in Northern and Southern Europe was largely similar. In response to declining inflation rates, the European Central Bank continued its key interest rate cuts it had begun in June 2024 in several steps.

Germany recorded slightly positive economic growth in the reporting period with performance that was therefore somewhat better than in the prior-year comparative period. Compared with the same period of the prior year, the seasonally adjusted unemployment figures rose further on average. After reaching historically high levels in late 2022, monthly inflation rates have since fallen broadly in step with the eurozone average.

### TRENDS IN THE MARKETS FOR FINANCIAL SERVICES

The volume of the European passenger car market was down slightly year-on-year in the reporting period. Unit sales of financial services products exceeded the figure for the previous year. A positive trend was also recorded for unit sales of after-sales products such as servicing, maintenance and spare parts agreements.

New vehicle registrations in Germany were slightly lower than in the same period of the previous year in the period January to June 2025. However, the number of new contracts in the financial services business continued to expand. This trend is attributable to the leasing business with individual customers; the corresponding business with fleet customers and new vehicle financing remained on a level with the previous year. New vehicle penetration exceeded both the previous year's figure and expectations, while the used vehicle business also performed positively. The number of new contracts for services remained at the previous year's level in the reporting period. New insurance contracts declined as a result of non-recurring factors affecting individual products.

### TRENDS IN THE MARKETS FOR PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES

From January to June 2025, the volume of the global passenger car market was up slightly on the prior-year figure, with varying performance in the individual regions. While market volumes in Western Europe and Central and Eastern Europe fell, North America, South America, Asia-Pacific, Africa and the Middle East developed favorably. The market for all-electric vehicles (BEVs) increased strongly compared with the prior-year period, with its share of the underlying market volume rising to 14.6 (12.0) %.

The global volume of new registrations of light commercial vehicles between January and June 2025 was in the range of the previous year.

In Western Europe, the number of new passenger car registrations declined in the first half of 2025 and was in the same range as in the previous year. The performance of the large individual passenger car markets in this region was mixed. While the United Kingdom grew slightly and Spain significantly, the market volume in France declined noticeably and in Italy slightly.

The volume of new registrations for light commercial vehicles in Western Europe was significantly lower in the reporting period than for the same period of the previous year.

The number of new passenger car registrations in Germany from January to June 2025 was down slightly on the prior-year level, though demand for all-electric vehicles and plug-in hybrids rose. However, demand for vehicles with conventional drives was weaker. Production in Germany increased to 2.2 million vehicles (+ 4.1 %) in the first six months of 2025, with passenger car exports rising to 1.7 million units (+ 3.3 %).

The number of light commercial vehicles sold in Germany in the first two quarters of 2025 was significantly lower than the figure for the same period in 2024.

### CHANGES IN THE VOLKSWAGEN LEASING GMBH GROUP

There were no changes in the reporting period.

## FINANCIAL PERFORMANCE

The following disclosures on the financial performance of the Volkswagen Leasing GmbH Group relate to changes compared with the corresponding prior-year period.

In the first half of 2025, leasing income rose by €1,042 million to €9,252 million. Depreciation, impairment losses and other expenses from leasing transactions amounted to €7,774 million, a rise of €773 million compared with the prior-year period. Interest expense fell to €795 million, compared with €960 million in the prior-year period.

Net income from service contracts rose to €147 million (previous year: €108 million). The net fee and commission result improved to €-6 million (previous year: €-10 million). The net loss on financial instruments measured at fair value decreased to €6 million (previous year: €45 million). Net other operating income decreased to €62 million (previous year: €145 million).

The operating result of the Volkswagen Leasing GmbH Group rose to €517 million (previous year: €213 million).

## NET ASSETS AND FINANCIAL POSITION

The following disclosures on net assets and financial position of the Volkswagen Leasing GmbH Group relate to the changes compared with the balance sheet date of December 31, 2024.

### Lending business

Loans to and receivables from customers declined from €23.6 billion to €23.4 billion. Conversely, lease assets grew from €31.8 billion to €34.6 billion.

The volume of current contracts increased compared with the reporting date of December 31, 2024, from 2,085 thousand units to 2,157 thousand units. Of this total, 145 thousand contracts were attributable to the Italian branch in Milan and 35 thousand contracts to the MAN FS branch, Munich. The increase in the portfolio was the net effect of the addition of 427 thousand new units and the disposal of 355 thousand vehicles in the first six months of 2025.

The Company is funded largely by issuing bonds and through loans from affiliated companies. As of the end of June 2025, the volume of bonds issued amounted to €25.3 billion (December 31, 2024: €26.3 billion). Loans from affiliated companies amounted to €21.1 billion as of June 30, 2025 compared with €17.8 billion as of December 31, 2024.

As of June 30, 2025, the volume of future lease receivables sold amounted to €6.8 billion (December 31, 2024: €6.3 billion). The volume of future lease residual values sold amounted to €14.5 billion as of June 30, 2025 (December 31, 2024: €14.5 billion).

This package of measures ensured that Volkswagen Leasing GmbH had adequate liquidity at all times during the first six months of 2025.

## KEY FIGURES BY SEGMENT AS OF JUNE 30, 2025

in thousands	Retail	Wholesale	Sum	Reconciliation	Group
<b>Current contracts</b>	<b>2,431</b>	<b>3,183</b>	<b>5,614</b>	–	<b>5,614</b>
Leasing business	1,063	1,094	2,157	–	2,157
Service	1,368	2,089	3,457	–	3,457
<b>New contracts</b>	<b>473</b>	<b>675</b>	<b>1,148</b>	–	<b>1,148</b>
Leasing business	215	212	427	–	427
Service	258	463	721	–	721
€ million					
Loans to and receivables from customers attributable to					
Dealer financing	0	0	0	–	0
Leasing business	10,968	11,290	22,258	–	22,258
Lease assets	17,034	17,535	34,569	–	34,569
Investment <sup>1</sup>	3,929	3,878	7,807	–	7,807
Operating result	214	343	557	–40	517

1 Corresponds to additions to lease assets classified as noncurrent assets.

### Deposit business and borrowings

The significant liability items were liabilities to customers in the amount of €16.4 billion (+ 19.2 %) and commercial paper issued in the amount of €25.4 billion (– 3.8 %).

### Equity

The subscribed capital remained unchanged at €76 million in the reporting period. Equity in accordance with IFRSs was €10.3 (December 31, 2024: 10.0) billion. This resulted in an equity ratio of 16.1 % based on total assets of €63.7 billion.

# Report on Opportunities and Risks

## REPORT ON OPPORTUNITIES

### Macroeconomic opportunities

Geopolitical tensions in particular weigh on the overall economic situation. Should these factors ease, this may have a positive effect on growth and consumer sentiment, and in turn give rise to opportunities for Volkswagen Leasing GmbH – especially if actual economic performance is more favorable than forecast.

### Strategic opportunities

Volkswagen Leasing GmbH continues to focus on digitalization and process optimization respond to changing customer needs, increasing awareness of sustainability and tighter regulation. The emphasis here is on the development of sustainable mobility and service products as well as on continuously optimizing the customer experience. Particular growth opportunities may arise in the area of electromobility and by offering products and services throughout the entire vehicle and customer lifecycle.

## RISK REPORT

There were no material changes in the reporting period compared with the information provided in the report on opportunities and risks in the 2024 Annual Report.



# Report on Expected Developments

Our planning is based on the assumption that global economic output will grow overall in 2025 at a slightly slower pace than in 2024. Declining inflation in major economic regions and the resulting easing of monetary policy are expected to boost consumer demand. We continue to believe that risks will arise from increasing fragmentation of the global economy and protectionist tendencies, turbulence in the financial markets and structural deficits in individual countries. In addition, continuing geopolitical tensions and conflicts are weighing on growth prospects; risks are associated in particular with the Russia-Ukraine conflict, the confrontations in the Middle East, as well as the uncertainties regarding the political orientation of the USA and the corresponding measures that the new US administration is planning or has already implemented. We assume that both the advanced economies and the emerging markets will record somewhat weaker momentum on average than that of the previous reporting year.

The trend in the automotive industry closely follows global economic developments. We assume that competition in the international automotive markets will intensify further. Crisis-related disruption to the global supply chain and the resulting impact on vehicle availability may weigh on the volume of new registrations. Moreover, sudden new or intensified geopolitical tension and conflicts could lead in particular to rising prices for materials and declining availability of energy.

We predict that trends in the markets for passenger cars in the individual regions will be mixed but predominantly positive in 2025. Overall, the global volume of new car sales is expected to be on a level with that recorded in the prior year. For 2025, we also anticipate that the volume of new passenger car registrations in Western Europe will be on a level with the previous year. In the German passenger car market, we expect the volume of new registrations in 2025 to be similar to the prior-year level.

Trends in the markets for light commercial vehicles in the individual regions will be mixed; on the whole, we expect the sales volume for 2025 to be similar to the previous year's figure.

We assume that automotive financial services will prove highly important to global vehicle sales in 2025 in synergy with the development of the vehicle markets.

For fiscal year 2025, the Management Board of Volkswagen Leasing GmbH expects a considerable improvement in the operating result compared to the previous year. This forecast is based on the assumption of increased cooperation with the Group brands and extensive cost optimizations through our efficiency program. The anticipated path of risk costs and funding costs will have a significant impact on earnings performance. In addition, continuing stability in the used vehicle market is giving rise to a considerable increase in marketing results for used vehicles compared with the previous year.

Deliveries of new vehicles and the volume of contracts were up on the prior-year figure in the first half of 2025. Based on expected deliveries of new vehicles to customers and a penetration rate of Volkswagen Leasing GmbH in the German market on the previous year's level, a slight rise in the number of new contracts is predicted for the fiscal year.

This annual report contains forward-looking statements on the future business development of Volkswagen Financial Leasing GmbH. These statements are based on assumptions relating to changes in the economic, political and legal environment in individual countries, economic regions and markets, in particular for financial services and the automotive industry; these assumptions have been made on the basis of the information available and Volkswagen Leasing GmbH currently considers them to be realistic. The estimates given entail a degree of risk, and actual developments may differ from those forecast. If material parameters relating to the most important sales markets vary from the assumptions, or material changes arise from the commodity and energy prices or supply of parts relevant to the Volkswagen Group, the performance of the business will be affected accordingly. In addition, expected business performance may vary if the key performance indicators and risks and opportunities presented in the 2024 Annual Report turn out to be different from current expectations, or additional risks and opportunities or other factors emerge that affect the development of the business. No obligation is assumed to update any forward-looking statements made in this report, except as required by law.

# Interim Consolidated Financial Statements (Condensed)

# Income Statement

of the Volkswagen Leasing GmbH Group

€ million	Note	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024	Change in percent
Interest income from lending transactions and marketable securities		48	125	–61.9
Income from leasing transactions		9,252	8,210	12.7
Depreciation, impairment losses and other expenses from leasing transactions		–7,774	–7,002	11.0
Net income from leasing transactions	1	1,478	1,208	22.3
Interest expense		–795	–960	–17.2
Income from service contracts		1,103	961	14.9
Expenses from service contracts		–956	–852	12.2
Net income from service contracts		147	108	36.0
Provision for credit risks		–96	–31	X
Fee and commission income		2	27	–90.9
Fee and commission expenses		–8	–38	–77.9
Net fee and commission result		–6	–10	–43.9
Net gain or loss on hedges		–3	–16	–83.4
Net gain/loss on financial instruments measured at fair value		–6	–45	–87.1
General and administrative expenses	2	–312	–310	0.7
Other operating income		338	350	–3.5
Other operating expenses		–276	–205	34.5
Net other operating income/expenses		62	145	–57.4
<b>Operating result</b>		<b>517</b>	<b>213</b>	<b>X</b>
Other financial gains or losses		–1	–0	X
<b>Profit before tax</b>		<b>516</b>	<b>213</b>	<b>X</b>
Income tax expense		–159	–67	X
<b>Profit after tax</b>		<b>357</b>	<b>146</b>	<b>X</b>
Profit after tax attributable to Volkswagen Bank GmbH (previous year: Volkswagen Financial Services AG)		357	146	X
German GAAP profit/loss attributable to Volkswagen Bank GmbH in the event of loss absorption/profit transfer.		89	312	–71.4

# Statement of Comprehensive Income

of the Volkswagen Leasing GmbH Group

€ million	Jan. 1 – Jun. 30, 2025	Jan. 1 – Jun. 30, 2024
<b>Profit after tax</b>	<b>357</b>	<b>146</b>
Hedging transactions	–	–
Fair value changes recognized in other comprehensive income (OCI I)	–0	1
Cash flow hedges (OCI I), before tax	–0	1
Deferred taxes relating to cash flow hedges (OCI I)	0	–0
Cash flow hedges (OCI I), net of tax	–0	–
Fair value valuation of debt instruments that may be reclassified to profit or loss	–	–
Fair value changes recognized in other comprehensive income	10	–2
Fair value valuation of debt instruments that may be reclassified to profit or loss, net of tax	10	–2
Deferred taxes relating to fair value valuation of debt instruments that may be reclassified to profit and loss	–3	1
Fair value valuation of debt instruments that may be reclassified to profit or loss, net of tax	–	–1
<b>Items that may be reclassified to profit or loss</b>	<b>–0</b>	<b>–1</b>
Other comprehensive income, before tax	10	–2
Deferred taxes relating to other comprehensive income	–3	–
<b>Other comprehensive income, net of tax</b>	<b>7</b>	<b>–1</b>
<b>Total comprehensive income</b>	<b>364</b>	<b>145</b>
Profit after tax attributable to Volkswagen Bank GmbH (previous year: Volkswagen Financial Services AG)	364	145

# Balance Sheet

## of the Volkswagen Leasing GmbH Group

€ million	Note	June 30, 2025	Dec. 31, 2024	Change in percent
<b>Assets</b>				
Loans to and receivables from banks		2,698	2,548	5.9
Loans to and receivables from customers attributable to				
Dealer financing		0	0	–28.8
Leasing business		22,258	22,360	–0.5
Other loans and receivables		1,133	1,232	–8.0
Total loans to and receivables from customers		23,392	23,592	–0.8
Change in Fair Value from Portfolio Fair Value Hedges		44	67	–34.5
Derivative financial instruments		175	154	13.6
Marketable securities		489	147	X
Property and equipment		4	3	27.9
Lease assets	3	34,569	31,760	8.8
Investment property		16	17	–2.9
Deferred tax assets		248	314	–20.8
Current tax assets		46	29	59.3
Other assets		2,041	2,024	0.8
<b>Total</b>		<b>63,723</b>	<b>60,656</b>	<b>5.1</b>

€ million	Note	June 30, 2025	31.12.2024	Change in percent
<b>Equity and Liabilities</b>				
Liabilities to banks		8,487	7,242	17.2
Liabilities to customers		16,440	13,795	19.2
Notes, commercial paper issued		25,440	26,433	–3.8
Derivative financial instruments		336	368	–8.8
Provisions for pensions and other post-employment benefits		54	52	3.5
Other provisions		115	114	0.9
Deferred tax liabilities		1,147	1,017	12.7
Current tax liabilities		–	136	–100.0
Other liabilities		1,288	1,306	–1.4
Subordinated capital		129	180	–28.2
Equity		10,288	10,013	2.7
Subscribed capital		76	76	–
Capital reserves		3,361	3,361	–
Retained earnings		6,843	6,575	4.1
Other reserves		8	1	X
<b>Total</b>		<b>63,723</b>	<b>60,656</b>	<b>5.1</b>

# Statement of Changes in Equity

## of the Volkswagen Leasing GmbH Group

€ million	Subscribed capital	Capital reserves	Retained earnings	OTHER RESERVES		TOTAL EQUITY
				Cash flow hedges (OCI I)	Debt instruments	
<b>As of Jan. 1, 2024</b>	<b>76</b>	<b>3,361</b>	<b>6,431</b>	<b>0</b>	<b>2</b>	<b>9,870</b>
Profit after tax	–	–	146	–	–	146
Other comprehensive income, net of tax	–	–	–0	0	–1	–1
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>146</b>	<b>0</b>	<b>–1</b>	<b>145</b>
Other changes <sup>1</sup>	–	–	–312	–	–	–312
<b>As of June 30, 2024</b>	<b>76</b>	<b>3,361</b>	<b>6,265</b>	<b>1</b>	<b>–</b>	<b>9,702</b>
<b>As of Jan. 1, 2025</b>	<b>76</b>	<b>3,361</b>	<b>6,575</b>	<b>–0</b>	<b>1</b>	<b>10,013</b>
Profit after tax	–	–	357	–	–	357
Other comprehensive income, net of tax	–	–	–	–0	7	7
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>357</b>	<b>–0</b>	<b>7</b>	<b>364</b>
Other changes <sup>1</sup>	–	–	–89	–	–	–89
<b>As of June 30, 2025</b>	<b>76</b>	<b>3,361</b>	<b>6,843</b>	<b>–1</b>	<b>9</b>	<b>10,288</b>

<sup>1</sup> The figures represent the HGB loss adjustment by Volkswagen Financial Services Overseas AG (previous year) or the HGB profit transfer to Volkswagen Bank GmbH (current year).

# Cash Flow Statement

## of the Volkswagen Leasing GmbH Group

€ million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
<b>Profit before tax</b>	<b>516</b>	<b>213</b>
Depreciation, amortization, impairment losses and reversals of impairment losses	2,360	2,244
Change in provisions	3	–36
Change in other noncash items	–56	26
Loss on disposal of financial assets and items of property and equipment	–0	–0
Net interest expense and dividend income	150	135
Other adjustments	–0	–0
Change in loans to and receivables from banks	–0	–416
Change in loans to and receivables from customers	166	1,738
Change in lease assets	–5,107	–3,476
Change in other assets related to operating activities	–20	379
Change in liabilities to banks	1,246	0
Change in liabilities to customers	2,572	–1,186
Change in notes, commercial paper issued	–990	88
Change in other liabilities related to operating activities	–18	–94
Interest received	645	825
Dividends received	–	–
Interest paid	–795	–960
Income taxes paid	–121	54
<b>Cash flows from operating activities</b>	<b>550</b>	<b>–467</b>
Proceeds from disposal of investment property	0	6
Acquisition of investment property	–	–0
Proceeds from disposal of other assets	–	0
Acquisition of other assets	–2	–0
Change in investments in marketable securities	–329	–
<b>Cash flows from investing activities</b>	<b>–330</b>	<b>6</b>
Distribution to Volkswagen Bank GmbH	–19	–
Loss assumed by Volkswagen Financial Services AG	–	479
Change in cash funds attributable to subordinated capital <sup>1</sup>	–51	–16
Repayment of liabilities arising from leases	–1	–1
<b>Cash flows from financing activities</b>	<b>–71</b>	<b>461</b>
<b>Cash and cash equivalents at end of prior period</b>	<b>2,548</b>	<b>–</b>
Cash flows from operating activities	550	–467
Cash flows from investing activities	–330	6
Cash flows from financing activities	–71	461
Change in provision for credit risk on cash	0	–
<b>Cash and cash equivalents at end of period</b>	<b>2,697</b>	<b>–</b>
See note (7) for disclosures on the cash flow statement.		

# Notes to the Interim Consolidated Financial Statements

of Volkswagen Leasing GmbH as of June 30, 2025

## General information

Volkswagen Leasing GmbH is a limited liability company (Gesellschaft mit beschränkter Haftung, GmbH) under German law. It has its registered office at Gifhorner Strasse, Braunschweig, Germany, and is registered in the Braunschweig commercial register (HRB 1858).

Volkswagen Bank GmbH, Braunschweig, is the sole shareholder of Volkswagen Leasing GmbH. The parent company of the shareholder, Volkswagen Bank GmbH, is Volkswagen Financial Services AG. The ultimate parent company of Volkswagen Leasing GmbH is Volkswagen AG, Wolfsburg. Volkswagen Bank GmbH and Volkswagen Leasing GmbH have entered into a control and profit-and-loss transfer agreement.

## Basis of presentation

Volkswagen Leasing GmbH prepared its consolidated financial statements for the year ended December 31, 2024 in accordance with the IFRS Accounting Standards (IFRSs), as adopted by the European Union (EU), and the interpretations issued by the International Financial Reporting Standards Interpretations Committee (IFRS IC) and also in accordance with the additional disclosures required by German commercial law under section 315a(1) of the *Handelsgesetzbuch* (HGB – German Commercial Code). These interim consolidated financial statements for the period ended June 30, 2025 have therefore also been prepared in accordance with IAS 34 and represent a condensed version compared with the full consolidated financial statements. These interim financial statements have not been reviewed by an auditor.

Unless otherwise stated, amounts are shown in millions of euros (€ million). All amounts shown are rounded, so minor discrepancies may arise when amounts are added together.

## Accounting policies

Volkswagen Leasing GmbH has implemented all financial reporting standards adopted by the EU the application of which is mandatory as of January 1, 2025.

The discount rate applied to German pension provisions reported in these interim consolidated financial statements was 4.0 % (December 31, 2024: 3.4 %). The increase in the discount rate led to a decrease of the pension provisions, the associated deferred taxes and the actuarial losses on pension provisions recognized in equity under retained earnings.

Otherwise, the same consolidation methods and accounting policies as those applied in the 2024 Consolidated Financial Statements have generally been used in the preparation of the interim consolidated financial statements and the calculation of the prior-year comparative figures. A detailed description of these methods and policies has been published in the notes to the consolidated financial statements in the 2024 Annual Report.

In addition, the effects of new standards have been described in detail under “New and Revised IFRSs Not Applied”. The 2024 Consolidated Financial Statements can also be accessed on the internet at <https://www.vwfs.com/arvwleasing24>.



## Basis of consolidation

In addition to Volkswagen Leasing GmbH, the consolidated financial statements cover all international subsidiaries taking the form of structured entities that are controlled directly or indirectly by Volkswagen Leasing GmbH. This is the case if Volkswagen Leasing GmbH has direct or indirect power over the entity, is exposed to or has rights to positive or negative variable returns from its involvement with the entity, and has the ability to use its power to influence those returns.

The composition of the Volkswagen Leasing GmbH Group is as follows:

- > Volkswagen Leasing GmbH, Braunschweig
- > VCL Multi-Compartment S.A., Luxembourg
- > VCL Master S.A., Luxembourg
- > VCL Master Residual Value S.A., Luxembourg
- > Trucknology S.A., Luxembourg

## Disclosures on the Interim Consolidated Financial Statements

### 1. Net income from leasing transactions

The breakdown of net income from leasing transactions is as follows:

€ million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Leasing income from operating leases	3,149	2,780
Interest income from finance leases	598	550
Gains from the disposal of used ex-lease vehicles	5,208	4,435
Net interest income/expense from finance lease hedging derivatives	–1	150
Miscellaneous income from leasing transactions	298	295
<b>Income from leasing transactions</b>	<b>9,252</b>	<b>8,210</b>
Lease assets depreciation and impairment losses	–2,324	–2,269
Expenses from the disposal of used ex-lease vehicles	–5,140	–4,481
Miscellaneous expenses from leasing transactions	–310	–249
<b>Depreciation, impairment losses and other expenses from leasing transactions</b>	<b>–7,774</b>	<b>–7,002</b>
<b>Total</b>	<b>1,478</b>	<b>1,208</b>

### 2. General and administrative expenses

The breakdown of general and administrative expenses is shown in the following table:

€ million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Personnel expenses	–121	–3
Non-staff operating expenses	–187	–306
Advertising, public relations and sales promotion expenses	–2	–0
Depreciation of and impairment losses on property and equipment, amortization of and impairment losses on intangible assets	–1	–0
Other taxes	–1	–0
Income from the reversal of provisions and accrued liabilities	0	–0
<b>Total</b>	<b>–312</b>	<b>–310</b>

### 3. Assets leased out

€ million	Net carrying amount as of January 1, 2025	Additions	Disposals/other changes <sup>1</sup>	Depr./amort./ impairment	Net carrying amount as of June 30, 2025
Property and equipment	3	2	0	1	4
Lease assets	31,760	10,380	5,247	2,323	34,569

<sup>1</sup> The other changes include reversal of impairments

## 4. Classes of financial instruments

Financial instruments are divided into the following classes in the Volkswagen Leasing GmbH Group:

- > Measured at amortized cost
- > Measured at fair value
- > Derivative financial instruments designated as hedges
- > Not allocated to any measurement category

The following table shows a reconciliation of the relevant balance sheet items to the classes of financial instruments:

€ million	CLASS OF FINANCIAL INSTRUMENTS											
	BALANCE SHEET ITEM		MEASURED AT AMORTIZED COST		MEASURED AT FAIR VALUE		DERIVATIVE FINANCIAL INSTRUMENTS DESIGNATED AS HEDGES		NOT ALLOCATED TO ANY MEASUREMENT CATEGORY		NOT ALLOCATED TO ANY CLASS OF FINANCIAL INSTRUMENTS	
	June 30, 2025	Dec. 31, 2024	June 30, 2025	Dec. 31, 2024	June 30, 2025	Dec. 31, 2024	June 30, 2025	Dec. 31, 2024	June 30, 2025	Dec. 31, 2024	June 30, 2025	Dec. 31, 2024
<b>Assets</b>												
Cash reserve	0	–	0	–	–	–	–	–	–	–	–	–
Loans to and receivables												
from banks	2,698	2,548	2,698	2,548	–	–	–	–	–	–	–	–
Loans to and receivables												
from customers	23,392	23,592	1,133	1,232	–	–	–	–	22,258	22,360	–	–
Value adjustment on portfolio fair value hedges	44	67	–	–	–	–	–	–	44	67	–	–
Derivative financial instruments	175	154	–	–	90	73	85	81	–	–	–	–
Marketable securities	489	147	–	–	489	147	–	–	–	–	–	–
Current tax assets	46	29	20	–	–	–	–	–	–	–	26	29
Other assets	2,041	2,024	492	504	–	–	–	–	–	–	1,549	1,520
<b>Total</b>	<b>28,885</b>	<b>28,562</b>	<b>4,343</b>	<b>4,284</b>	<b>579</b>	<b>220</b>	<b>85</b>	<b>81</b>	<b>22,303</b>	<b>22,428</b>	<b>1,575</b>	<b>1,549</b>
<b>Equity and liabilities</b>												
Liabilities to banks	8,487	7,242	8,487	7,242	–	–	–	–	–	–	–	–
Liabilities to customers	16,440	13,795	14,532	12,063	–	–	–	–	7	8	1,901	1,725
Notes, commercial paper issued	25,440	26,433	25,440	26,433	–	–	–	–	–	–	–	–
Derivative financial instruments	336	368	–	–	76	53	259	315	–	–	–	–
Current tax liabilities	–	136	–	121	–	–	–	–	–	–	–	15
Other liabilities	1,288	1,306	49	9	–	–	–	–	–	–	1,239	1,298
Subordinated capital	129	180	129	180	–	–	–	–	–	–	–	–
<b>Total</b>	<b>52,120</b>	<b>49,460</b>	<b>48,637</b>	<b>46,047</b>	<b>76</b>	<b>53</b>	<b>259</b>	<b>315</b>	<b>7</b>	<b>8</b>	<b>3,140</b>	<b>3,037</b>

## 5. Fair value disclosures

The principles and methods of fair value measurement have generally remained unchanged compared with those applied in the previous year. Detailed disclosures on the measurement principles and methods can be found in the 2024 Annual Report.

For the purposes of fair value measurement and the associated disclosures, fair values are classified using a three-level measurement hierarchy. Classification to the individual levels is dictated by the extent to which the main inputs used in determining the fair value are or are not observable in the market.

Level 1 is used to report the fair value of financial instruments such as marketable securities for which a quoted price is directly observable in an active market.

Level 2 fair values are measured on the basis of inputs observable in the markets, such as exchange rates or yield curves, using market-based valuation techniques. Fair values measured in this way include those for derivatives.

Level 3 fair values are measured using valuation techniques incorporating at least one input that is not directly observable in an active market.

The fair values of loans to and receivables from customers are allocated to Level 3 because these fair values are measured using inputs that are not observable in active markets.

There was no need to reclassify instruments to different hierarchy levels in the interim reporting period and in the prior-year comparative period.

The following table shows the allocation of financial instruments measured at fair value and derivative financial instruments designated as hedges to the three-level fair value hierarchy by class:

€ million	LEVEL 1		LEVEL 2		LEVEL 3	
	June 30, 2025	Dec. 31, 2024	June 30, 2025	Dec. 31, 2024	June 30, 2025	Dec. 31, 2024
<b>Assets</b>						
Measured at fair value						
Derivative financial instruments	–	–	90	73	–	–
Marketable securities	489	147	–	–	–	–
Derivative financial instruments designated as hedges	–	–	85	81	–	–
<b>Total</b>	<b>489</b>	<b>147</b>	<b>175</b>	<b>154</b>	<b>–</b>	<b>–</b>
<b>Equity and liabilities</b>						
Measured at fair value						
Derivative financial instruments	–	–	76	–	–	–
Derivative financial instruments designated as hedges	–	–	259	–	–	–
<b>Total</b>	<b>–</b>	<b>–</b>	<b>336</b>	<b>–</b>	<b>–</b>	<b>–</b>

The table below shows the fair values of the financial instruments:

€ million	FAIR VALUE		CARRYING AMOUNT		DIFFERENCE	
	June 30, 2025	Dec. 31, 2024	June 30, 2025	Dec. 31, 2024	June 30, 2025	Dec. 31, 2024
<b>Assets</b>						
Measured at fair value						
Derivative financial instruments	90	73	90	73	–	–
Marketable securities	489	147	489	147	–	–
Measured at amortized cost						
Cash reserve	0	0	0	0	–	–
Loans to and receivables from banks	2,698	2,548	2,698	2,548	–	–
Loans to and receivables from customers	1,128	1,232	1,133	1,232	–5	–0
Current tax assets	20	–	20	–	–	–
Other assets	492	504	492	504	–	–
Derivative financial instruments designated as hedges	85	81	85	81	–	–
Not allocated to any measurement category						
Loans to and receivables from customers	22,392	22,428	22,258	22,360	134	67
Value adjustment on portfolio fair value hedges	–	–	44	67	–44	–67
<b>Equity and liabilities</b>						
Measured at fair value						
Derivative financial instruments	76	53	76	53	–	–
Measured at amortized cost						
Liabilities to banks	8,565	7,306	8,487	7,242	78	64
Liabilities to customers	14,682	12,220	14,532	12,063	150	158
Notes, commercial paper issued	25,761	26,775	25,440	26,433	321	342
Current tax liabilities	–	121	–	121	–	–
Other liabilities	48	9	49	9	–0	–0
Subordinated capital	131	182	129	180	2	3
Derivative financial instruments designated as hedges	259	315	259	315	–	–

## Segment Reporting

### 6. Segment reporting

The presentation of reportable segments follows the system used for internal management and reporting purposes in the Volkswagen Leasing GmbH Group. As the primary key performance indicator, the operating result is reported to the chief operating decision-makers. The information made available to management for management purposes is based on the same accounting policies as those used for external financial reporting.

Internal management distinguishes between retail customers and wholesale customers.

Individual customers include retail customers and individual business customers. Individual business customers are business operators who have not concluded a delivery agreement with the Volkswagen Group for the purchase of new vehicles. Retail customers are customers who have a right to withdraw from a contract.

Within the fleet customers group, a distinction is made between corporate fleet customers and special buyers. Corporate fleet customers are companies that purchase at least five Group vehicles per year via a delivery agreement and have at least 15 corresponding vehicles in their contract portfolio. Special buyers include, for example, churches, care services and people with a disability.

In accordance with IFRS 8, non-current assets are reported exclusive of financial instruments, deferred tax assets, and post-employment benefits.

## BREAKDOWN BY CUSTOMER CATEGORY FOR THE FIRST HALF OF 2025:

€ million	Retail	Fleet	Segments total	Other	Group
Interest income from lending transactions and marketable securities	–	–	–	48	48
Income from leasing transactions	4,260	5,007	9,267	–15	9,252
of which reversals of impairment losses in accordance with IAS 36	5	21	25	–0	25
Depreciation, impairment losses and other expenses from leasing transactions	–3,588	–4,213	–7,801	27	–7,774
of which impairment losses in accordance with IAS 36	–67	–108	–175	1	–175
Net income from leasing transactions	672	793	1,466	12	1,478
Interest expense	–372	–423	–795	–	–795
Income from service contracts	231	873	1,103	–	1,103
of which time-related income	213	621	834	–	834
of which period-related income	18	252	269	–	269
Expenses from service contracts	–188	–768	–956	–	–956
Net income from service contracts	43	104	147	–	147
Provision for credit risks	–47	–39	–86	–10	–96
Fee and commission income	–	2	2	–	2
Fee and commission expenses	–0	–8	–8	–1	–8
Net fee and commission income	–0	–5	–5	–1	–6
Net gain or loss on hedges	–	–	–	–3	–3
Net gain/loss on financial instruments measured at fair value	–	–	–	–6	–6
General and administrative expenses	–92	–114	–206	–106	–312
Other operating income	12	291	302	35	338
Other operating expenses	–2	–266	–268	–8	–276
Net other operating income/expenses	10	24	34	28	62
<b>Operating result</b>	<b>214</b>	<b>341</b>	<b>554</b>	<b>–38</b>	<b>517</b>



## BREAKDOWN BY CUSTOMER CATEGORY FOR THE FIRST HALF OF 2024:

€ million	Retail	Fleet	Segments total	Other	Group
Interest income from lending transactions and marketable securities	–	–	–	125	125
Income from leasing transactions	4,012	4,043	8,055	155	8,210
of which reversals of impairment losses in accordance with IAS 36	4	40	44	0	44
Depreciation, impairment losses and other expenses from leasing transactions	–3,469	–3,579	–7,048	47	–7,002
of which impairment losses in accordance with IAS 36	–147	–154	–301	2	–299
Net income from leasing transactions	543	464	1,007	202	1,208
Interest expense	–475	–486	–960	–	–960
Income from service contracts	218	743	961	–	961
of which time-related income	201	543	744	–	744
of which period-related income	17	200	217	–	217
Expenses from service contracts	–184	–668	–852	–	–852
Net income from service contracts	34	75	109	–	108
Provision for credit risks	–2	–34	–36	5	–31
Fee and commission income	27	–	27	–	27
Fee and commission expenses	–33	–4	–37	–1	–38
Net fee and commission income	–6	–4	–10	–1	–10
Net gain or loss on hedges	–	–	–	–16	–16
Net gain/loss on financial instruments measured at fair value	–	–	–	–45	–45
General and administrative expenses	–92	–138	–230	–80	–310
Other operating income	12	211	223	127	350
Other operating expenses	–2	–196	–198	–7	–205
Net other operating income/expenses	10	15	25	120	145
<b>Operating result</b>	<b>12</b>	<b>–108</b>	<b>–95</b>	<b>310</b>	<b>213</b>

The reported impairment losses and reversals of impairment losses in accordance with IAS 36 related to lease assets.

The breakdown of noncurrent assets in accordance with IFRS 8 and of the additions to noncurrent lease assets by customer category is shown in the following tables:

€ million	JAN. 1 – JUNE 30, 2025	
	Retail	Fleet
Noncurrent assets	15,464	15,919
Additions to lease assets classified as noncurrent assets	3,929	3,878

€ million	JAN. 1 – JUNE 30, 2024	
	Retail	Fleet
Noncurrent assets	12,581	14,606
Additions to lease assets classified as noncurrent assets	3,373	3,395

Investment recognized under other assets was of minor significance.

## Other Disclosures

### 7. Cash flow statement

The Volkswagen Leasing GmbH Group's cash flow statement documents changes in cash and cash equivalents attributable to cash flows from operating, investing and financing activities. Cash and cash equivalents comprises cash and cash equivalents in the "Loans to and receivables from banks" balance sheet item.

### 8. Off-balance-sheet liabilities

#### OTHER FINANCIAL OBLIGATIONS

	DUE	DUE	DUE	TOTAL
€ million	by June 30, 2026	July 1 2026 – June 30, 2030	From July 1, 2030	June 30, 2025
Obligations from				
Long-term leasing and rental contracts	–	–	–	–
Miscellaneous financial obligations	99	28	–	128

	DUE	DUE	DUE	TOTAL
€ million	2025	2026 - 2029	From 2030	Dec. 31, 2024
Obligations from				
Long-term leasing and rental contracts	1	–	–	1
Miscellaneous financial obligations	75	32	–	107

### 9. Related party disclosures

Related parties as defined by IAS 24 are natural persons and entities over which Volkswagen Leasing GmbH can exercise significant influence, or which can exercise significant influence over Volkswagen Leasing GmbH, or that are under the influence of another related party of Volkswagen Leasing GmbH.

Volkswagen Bank GmbH, Braunschweig, is the sole shareholder of Volkswagen Leasing GmbH. The parent company of the shareholder, Volkswagen Bank GmbH, is Volkswagen Financial Services AG. The ultimate parent company is Volkswagen AG, Wolfsburg. Porsche Automobil Holding SE, Stuttgart, held the majority of the voting rights in Volkswagen AG as of the reporting date. The extraordinary General Meeting of Volkswagen AG held on December 3, 2009 approved the creation of rights of appointment for the State of Lower Saxony. As a result, Porsche SE cannot elect all of the shareholder representatives to the Supervisory Board of Volkswagen AG via the annual general meeting for as long as the State of Lower Saxony holds at least 15 % of Volkswagen AG's ordinary shares. However, Porsche SE has the power to participate in the operating policy decisions of the Volkswagen Group and is therefore deemed to be a related party as defined by IAS 24. According to a notification dated January 2, 2025, the State of Lower Saxony and Hannoversche Beteiligungsgesellschaft Niedersachsen mbH, Hanover, held 20.00 % of the

voting rights of Volkswagen AG on December 31, 2024 and thus exercise an indirect significant influence over the Volkswagen Leasing GmbH Group. As mentioned above, the General Meeting of Volkswagen AG on December 3, 2009 also resolved that the State of Lower Saxony may appoint two members of the Supervisory Board (right of appointment). The sole shareholder, Volkswagen Bank GmbH, and Volkswagen Leasing GmbH have entered into a control and profit-and-loss transfer agreement.

Volkswagen Bank GmbH and other related parties in Volkswagen AG's group of consolidated entities provide Volkswagen Leasing GmbH with funding on an arm's-length basis. As part of funding transactions, Volkswagen AG and other related parties in Volkswagen AG's group of consolidated entities sold vehicles to Volkswagen Leasing GmbH on an arm's-length basis. These transactions are presented in the "Goods and services received" column.

The "Goods and services provided" column primarily contains income from the marketing of ex-lease vehicles via companies of the Volkswagen Group.

The two tables below show the transactions with related parties:

€ million	INTEREST INCOME H1		INTEREST EXPENSES H1		GOODS AND SERVICES PROVIDED H1		GOODS AND SERVICES RECEIVED H1	
	2025	2024	2025	2024	2025	2024	2025	2024
Supervisory Board	–	–	–	–	–	–	–	–
Management Board	–	–	–	–	–	–	–	–
Volkswagen Bank GmbH	37	26	–152	–	–	–	24	57
Volkswagen Financial Services AG	–	35	–116	–133	7	–	105	51
Volkswagen AG	–	49	–	–19	502	–	6,668	2,837
Porsche SE	–	–	–	–	–	–	–	–
Other related parties in the consolidated entities	–	28	–84	–157	4,631	–	3,117	1,118

€ million	LOANS TO AND RECEIVABLES FROM		VALUATION ALLOWANCES ON IMPAIRED LOANS AND RECEIVABLES		OF WHICH ADDITIONS IN CURRENT YEAR		LIABILITIES TO	
	June 30, 2025	Jan. 31, 2024	June 30, 2025	Jan. 31, 2024	June 30, 2025	Jan. 31, 2024	June 30, 2025	Jan. 31, 2024
Supervisory Board	–	–	–	–	–	–	–	–
Management Board	–	–	–	–	–	–	–	–
Volkswagen Bank GmbH	2,656	2,478	–	–	–	–	8,877	7,884
Volkswagen Financial Services AG	–	7	–	–	–	–	9,519	6,473
Volkswagen AG	308	388	–	–	–	–	865	483
Porsche SE	–	–	–	–	–	–	–	–
Other related parties in the consolidated entities	1,285	1,536	–	–	–	–	4,734	4,021

The “Other related parties in the group of consolidated entities” line includes, in addition to sister entities, joint ventures and associates that are related parties in Volkswagen AG’s group of consolidated entities but do not directly belong to Volkswagen Leasing GmbH. The relationships with the Supervisory Board and the Management Board comprise relationships with the relevant groups of people.

Volkswagen Leasing GmbH did not receive any capital contributions from VW FS AG in the first half of 2025. In the previous year, Volkswagen Leasing GmbH had received contributions in kind by way of positive differences between compensation payments received and personnel provisions acquired from the higher-level shareholder, Volkswagen Financial Services AG, and from the shareholder, Volkswagen Bank GmbH.

Individual members of the Management Board and Audit Committee of Volkswagen Leasing GmbH are also members of management and supervisory boards of other entities in the Volkswagen Group with which Volkswagen Leasing GmbH sometimes conducts transactions in the normal course of business. All transactions with these related parties are conducted on an arm’s-length basis.

## 10. Governing bodies of Volkswagen Leasing GmbH

Management Board

**MANUELA VOIGT**

Chief Executive Officer

Management, German Market

**HENDRIK EGGERS (UNTIL MARCH 31, 2025)**

Back Office, Volkswagen Leasing GmbH

**OLIVER ROES (SINCE APRIL 1, 2025)**

Back Office, Volkswagen Leasing GmbH

**VERENA ROTH**

Sales, German Market

Supervisory Board:

**ANTHONY BANDMANN**

Member of the Board of Management of Volkswagen Financial Services AG

Sales and Marketing

Europe region (incl. Germany)

**CHRISTIAN LÖBKE**

Member of the Management Board of Volkswagen Bank GmbH

Risk Management

**SARAH AMELING-ZAFFIRO**

Deputy Chair of the Joint Works Council of

Volkswagen Financial Services AG and Volkswagen Bank GmbH

**BJÖRN SCHÖNE**

Member of the Joint Works Council of

Volkswagen Financial Services AG and Volkswagen Bank GmbH

Committee:

**AUDIT COMMITTEE**

Christian Löbke

Anthony Bandmann

Björn Schöne

## 11. Events after the reporting date

On July 11, 2025, the Federal Council approved a gradual reduction in the current rate of corporate income tax from 15 % to 10 %, starting in fiscal year 2028. We are expecting this to result in a gain from the reversal of deferred tax liabilities.

Braunschweig, July 21, 2025

Volkswagen Leasing GmbH  
The Management Board

# Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim reporting, the condensed interim consolidated financial statements in accordance with generally accepted accounting principles give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group over the rest of the fiscal year.

Braunschweig, July 21, 2025

Volkswagen Leasing GmbH  
The Management Board



Manuela Voigt



Oliver Roes



Verena Roth

# Human Resources Report

As of June 30, 2025 Volkswagen Leasing GmbH had 1,922 (December 31, 2024: 1,926) employees in Germany.

The Italian Leasing branches had 97 (December 31, 2024: 87) employees as of June 30, 2025.



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**INVESTOR RELATIONS**

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This Half-Yearly Financial Report is also available in German at <https://www.vwfs.com/hjfbleasing25>.