

# VOLKSWAGEN FINANCIAL SERVICES

AKTIENGESELLSCHAFT

HALF-YEARLY FINANCIAL REPORT

JANUARY – JUNE

*2025*

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# Key Figures

## VOLKSWAGEN FINANCIAL SERVICES AG

| € million   | June 30, 2025 | Dec. 31, 2024 |
|---|---------------|---------------|
| Total assets  | 195,960       | 192,297       |
| Loans to and receivables from customers attributable to |               |               |
| Retail financing  | 31,760        | 30,678        |
| Dealer financing  | 19,506        | 18,912        |
| Leasing business  | 53,404        | 53,274        |
| Lease assets  | 51,353        | 46,779        |
| Deposits received in the direct banking business        | 63,547        | 55,941        |
| Equity  | 32,139        | 31,535        |

| € million         | H1 2025 | H1 2024 |
|-------------------|---------|---------|
| Operating result  | 1,343   | 1       |
| Profit before tax | 1,413   | 1       |
| Profit after tax  | 967     | 1       |

| Percent                   | June 30, 2025 | Dec. 31, 2024 |
|---------------------------|---------------|---------------|
| Equity ratio <sup>1</sup> | 16.4          | 16.4          |

1 Equity divided by total assets

| Percent   | March 31, 2025 <sup>2</sup> | Dec. 31, 2024 <sup>3</sup> |
|---|-----------------------------|----------------------------|
| Common Equity Tier 1 capital ratio <sup>1</sup> | 17.0                        | 18.2                       |
| Tier 1 capital ratio <sup>1</sup>               | 17.0                        | 18.2                       |
| Total capital ratio <sup>1</sup>                | 18.6                        | 19.8                       |

1 Regulatory ratio in accordance with Article 92(1) of the CRR for the Volkswagen Bank GmbH Group.

2 The regulatory capital ratios as of March 31, 2024 are shown here. The capital ratios as of June 30, 2024 are calculated by the required deadline of August 12, 2024 in accordance with banking supervisory requirements.

3 The regulatory capital ratios presented in the Pillar 3 Disclosure Report for the period ended December 31, 2024 are shown here. The capital ratios were updated on May 28, 2025 after the Annual Report for the period ended December 31, 2024 was published.

| Headcount     | June 30, 2025 | Dec. 31, 2024 |
|---------------|---------------|---------------|
| Employees     | 10,329        | 10,340        |
| Germany       | 6,325         | 6,387         |
| International | 4,004         | 3,953         |

| RATING (AS OF JUNE 30)           | STANDARD & POOR'S |           |         | MOODY'S INVESTORS SERVICE |           |          | FITCH RATINGS LIMITED |           |          |
|----------------------------------|-------------------|-----------|---------|---------------------------|-----------|----------|-----------------------|-----------|----------|
|                                  | Short-term        | Long-term | Outlook | Short-term                | Long-term | Outlook  | Short-term            | Long-term | Outlook  |
| Volkswagen Financial Services AG | A-2               | BBB+      | stable  | P-2                       | Baa1      | stable   | F1                    | A-        | negative |
| Volkswagen Bank GmbH             | A-2               | BBB+      | stable  | P-1                       | A1        | negative | F1                    | A         | negative |

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

Implementation of the restructuring program as of July 1, 2024 and the resulting first-time preparation of consolidated financial statements as of December 31, 2024 have led to significant changes in the key performance indicators and the items of the income statement and balance sheet. This means it is not possible to compare the figures with those of the income statement for the first half of 2024 and therefore to assess the business performance compared with the previous year.

New business (new contracts) in Europe amounted to 3.4 million in the first half of 2024.

The business volume of Volkswagen Financial Services AG in the first half of fiscal year 2025 was slightly above the level recorded at the end of 2024.

The share of financed and leased new vehicles in the Group's deliveries to customers in Europe (penetration) stood at 55.8 (53.4) % at the end of the first half of the year.

The money and capital market rates relevant for funding decreased further in the first half of 2025. Risk premiums (spreads) eased slightly overall, but were volatile during the first half of the year due to the current discussions in the entire automotive sector.

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

The residual value portfolio of Volkswagen Financial Services AG 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.

The operating result for the first half of fiscal year 2025 amounted to €1,343 million.

The Board of Management of Volkswagen Financial Services AG considers the course of business so far in 2025 to have been positive, despite the general market environment.

## 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.

The economies in Central and Eastern Europe recorded an overall growth in the first six months of 2025 that was lower than in the prior-year period.

#### **TRENDS IN THE MARKETS FOR FINANCIAL SERVICES**

Demand for automotive financial services was at a high level in the first half of 2025.

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 in the period January to June 2025 were slightly lower than in the same period of the previous year. 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 down on the figure for the same period in 2024.

In the Central and Eastern Europe region, there was a significant contraction in the volume of the passenger car market in the reporting period. Positive movement was recorded in the number of vehicles sold in Poland and the Czech Republic, the major markets of Central Europe.

From January to June 2025, the market volume of light commercial vehicles in Central and Eastern Europe was significantly below the prior-year level.

## SIGNIFICANT CHANGES IN EQUITY INVESTMENTS

Effective January 3, 2025, Volkswagen Pon Financial Services B.V., a 60 % subsidiary of Volkswagen Financial Services AG with registered office in Amersfoort, Netherlands, acquired a 100 % interest in Autolease Midden Nederland B.V., with registered office in Tiel, Netherlands.

Additionally, Volkswagen Pon Financial Services B.V. formed Autolease Europe B.V., with registered office in 's-Hertogenbosch, Netherlands, effective March 11, 2025, and acquired a leasing portfolio effective May 1, 2025.

The formation and the acquisition are designed to expand the leasing business in the Netherlands.

Effective February 3, 2025, Volkswagen Bank GmbH, with registered office in Braunschweig, Germany, sold its entire interest in VOLKSWAGEN Finančné služby Slovensko s.r.o., with registered office in Bratislava, Slovakia, to Porsche Bank AG and Porsche Versicherung AG, with registered offices in Salzburg, Austria.

Moreover, effective February 3, 2025, Volkswagen-Versicherungsdienst GmbH, with registered office in Braunschweig, Germany, sold its entire interest in Volkswagen-Versicherungsdienst GmbH, with registered office in Vienna, Austria, to Porsche Bank AG, with registered office in Salzburg, Austria.

The objective of the project was a strategic realignment of the markets between Porsche Bank AG and Volkswagen Financial Services AG.

Effective April 1, 2025, Volkswagen Financial Services AG sold its 25.1 % interest in J.P. Morgan Mobility Payment Solutions S.A., with registered office in Luxembourg, to the majority shareholder J.P. Morgan International Finance Limited, with registered office in Delaware, USA.

The sale took place as part of the streamlining of Volkswagen Financial Services AG's equity investment portfolio.

There were no other significant changes in equity investments.

## FINANCIAL PERFORMANCE

Due to the restructuring implemented in the previous year, it is not possible to provide a meaningful analysis of the differences compared with the prior-year figures. As the current Volkswagen Financial Services AG was non-operational until June 30, 2024, the financial performance for the prior-year period does not contain any operating business. Consequently, we are not providing a comparison with the prior-year period financial performance, but only explaining financial performance in the reporting period.

The course of business was positive for the Volkswagen Financial Services AG Group in the first half of 2025 despite the general market environment.

The operating result for the first half of the year 2025 amounted to €1,343 million. Including the share of profits and losses of equity-accounted investments and the net gain or loss on miscellaneous financial assets of other financial investments and the other financial result, consolidated profit before tax amounted to €1,413 million.

Income from lending transactions and marketable securities amounted to €1,768 million. Net income from leasing transactions stood at €3,193 million. With interest rates in the European market falling slightly, interest expenses amounted to €2,427 million. Net income from service contracts was €173 million. Net income from insurance business amounted to €49 million. The net addition to the provision for credit risks amounted to €326 million. Net fee and commission income amounted to €150 million. The net loss on financial instruments measured at fair value amounted to €60 million. General and administrative expenses amounted to €1,248 million and largely contain personnel and non-staff operating expenses.

The other operating result was €94 million. The share of profits and losses of equity-accounted joint ventures amounted to €73 million. On the basis of these figures, together with the other income and expense components, the Volkswagen Financial Services AG Group generated profit after tax of €967 million.

## NET ASSETS AND FINANCIAL POSITION

Unless otherwise stated, the disclosures on net assets and financial position relate to the changes compared with the balance sheet date of December 31, 2024.

### Lending business

The total assets of Volkswagen Financial Services AG rose by €3.7 billion to €196.0 billion.

At €173.4 billion in total, loans to and receivables from customers and lease assets – which make up the core business of the Volkswagen Financial Services AG Group – accounted for approximately 88 % of the Group's total assets.

The volume of retail financing lending increased by €1.1 billion to €31.8 billion (+ 3.5 %).

The number of new contracts was 405 thousand. The number of current contracts decreased to 2,171 thousand (– 0.6 %).

The lending volume in dealer financing – which comprises loans to and receivables from Group dealers in connection with financing for inventory vehicles, as well as working capital and investment loans – increased to €19.5 billion (+ 3.1 %).

Receivables from leasing transactions were on a level with the previous year at €53.4 billion (+ 0.2 %). Lease assets recorded growth of €4.6 billion to €51.4 billion (+ 9.8 %).

A total of 901 thousand new leases were entered into in the reporting period. The number of leased vehicles as of June 30, 2025, was 4,502 thousand, a year-on-year increase of 4.1 %.

The number of service and insurance contracts as of June 30, 2025 was 11,561 thousand. The new business volume amounted to 2,091 thousand contracts.

The German companies continued to account for the highest business volumes with 37.2 % of all current contracts.

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

|   | Germany          | United Kingdom   | France           | Sweden         | Italy            | Spain            | Other companies <sup>1</sup> | VW FS AG Group    |
|---|------------------|------------------|------------------|----------------|------------------|------------------|------------------------------|-------------------|
| <b>Current contracts</b>                                | <b>6,775,080</b> | <b>2,595,363</b> | <b>1,621,262</b> | <b>590,656</b> | <b>1,943,088</b> | <b>1,347,562</b> | <b>3,361,059</b>             | <b>18,234,070</b> |
| Retail financing  | 923,412          | 16,142           | 134,099          | 71,375         | 376,734          | 309,850          | 339,064                      | 2,170,676         |
| of which: consolidated                                  | 934,883          | 16,142           | 134,099          | 71,375         | 376,734          | 309,850          | 149,404                      | 1,992,487         |
| Leasing business  | 1,932,590        | 1,021,740        | 433,189          | 111,514        | 192,526          | 96,133           | 714,669                      | 4,502,361         |
| of which: consolidated                                  | 1,932,590        | 1,021,740        | 433,189          | 111,514        | 192,526          | 96,133           | 356,390                      | 4,144,082         |
| Service/insurance                                       | 3,919,078        | 1,557,481        | 1,053,974        | 407,767        | 1,373,828        | 941,579          | 2,307,326                    | 11,561,033        |
| of which: consolidated                                  | 3,919,078        | 1,557,481        | 1,053,974        | 250,097        | 1,373,828        | 941,579          | 1,137,008                    | 10,233,045        |
| <b>New contracts</b>                                    | <b>1,192,251</b> | <b>603,723</b>   | <b>323,413</b>   | <b>113,271</b> | <b>381,251</b>   | <b>185,721</b>   | <b>597,639</b>               | <b>3,397,269</b>  |
| Retail financing  | 143,614          | 15,204           | 31,106           | 16,296         | 73,057           | 46,131           | 79,620                       | 405,028           |
| of which: consolidated                                  | 145,709          | 15,204           | 31,106           | 16,296         | 73,057           | 46,131           | 39,099                       | 366,602           |
| Leasing business  | 398,610          | 206,920          | 77,496           | 21,877         | 44,193           | 18,085           | 134,234                      | 901,415           |
| of which: consolidated                                  | 398,610          | 206,920          | 77,496           | 21,877         | 44,193           | 18,085           | 75,585                       | 842,766           |
| Service/insurance                                       | 650,027          | 381,599          | 214,811          | 75,098         | 264,001          | 121,505          | 383,785                      | 2,090,826         |
| of which: consolidated                                  | 650,027          | 381,599          | 214,811          | 43,501         | 264,001          | 121,505          | 210,656                      | 1,886,100         |
| € million   |                  |                  |                  |                |                  |                  |                              |                   |
| Loans to and receivables from customers attributable to |                  |                  |                  |                |                  |                  |                              |                   |
| Retail financing  | 16,596           | 225              | 798              | 1,062          | 6,447            | 4,735            | 1,896                        | 31,760            |
| Dealer financing  | 7,674            | 3,008            | 2,436            | 39             | 1,430            | 984              | 3,936                        | 19,506            |
| Leasing business  | 22,168           | 20,015           | 3,877            | 1,311          | 1,400            | 173              | 4,461                        | 53,404            |
| Lease assets  | 31,084           | 4,751            | 5,330            | 1,858          | 3,478            | 2,016            | 2,836                        | 51,353            |
| Investment <sup>2</sup>                                 | 6,969            | 1,267            | 1,465            | 464            | 838              | 410              | 700                          | 12,112            |
| Operating result  | 934              | 159              | -8               | 54             | 111              | 73               | 18                           | 1,343             |
| Percent   |                  |                  |                  |                |                  |                  |                              |                   |
| Penetration <sup>3</sup>                                | 69.0             | 50.5             | 60.2             | 53.4           | 64.0             | 37.1             | 41.2                         | 55.8              |
| of which: consolidated                                  | 69.0             | 50.5             | 60.2             | 53.4           | 64.0             | 37.1             | 45.7                         | 52.5              |

1 The other companies include the markets of Greece, Ireland, Poland, Portugal and the Czech Republic, as well as the markets of Belgium, Denmark, Luxembourg, the Netherlands, Norway and Switzerland in terms of the number of contracts and the penetration rate.

They also include the Volkswagen Financial Services AG holding company, the holding and financing companies in Belgium and the Netherlands, Volkswagen Insurance Brokers GmbH, Volkswagen Versicherung AG, Volim Volkswagen Immobilien Vermietgesellschaft für VW-/Audi-Händlerbetriebe mbH, EURO-Leasing GmbH, Euro-Leasing A/S and consolidation effects.

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

3 Ratio of new contracts for new Group vehicles under retail financing and leasing business to deliveries of Group vehicles

### Deposit business and borrowings

Significant liability items were liabilities to banks in the amount of €5.8 billion (+ 0.9 %), liabilities to customers amounting to €88.9 billion (+ 7.5 %) and notes and commercial paper issued amounting to €59.0 billion (- 4.5 %). The increase in liabilities to customers is attributable in particular to the expansion of direct bank deposits, which had a volume of €63.5 billion (previous year: €55.9 billion).

### Equity

The subscribed capital remained unchanged at €250 million in the reporting period. Equity in accordance with the IFRSs was €32.1 (31.5) billion. This resulted in an equity ratio of 16.4 % based on total assets of €196.0 billion.



# Report on Opportunities and Risks

## REPORT ON OPPORTUNITIES

### Macroeconomic opportunities

In a challenging market environment, the Board of Management of Volkswagen Financial Services AG anticipates that the number of deliveries to customers by the Volkswagen Group in 2025 will be on a level with the previous year. Volkswagen Financial Services AG supports sales of vehicles by supplying financial services products.

The macroeconomic environment could create opportunities for Volkswagen Financial Services AG if inflation takes a more positive path than anticipated, for example, or if geopolitical tensions ease and economic growth proves stronger as a result. The digital transformation of the business is being systematically driven forward. Changing customer needs are thus being addressed and the competitive position of Volkswagen Financial Services AG reinforced.

### Strategic opportunities

In addition to maintaining its international focus by tapping into new markets, Volkswagen Financial Services AG believes that developing innovative products that are tailored to customers' changing mobility requirements offers additional opportunities. Growth areas such as mobility products and service offerings are being systematically developed and expanded. Further opportunities may be created by launching established products in new markets.

Volkswagen Financial Services AG expects to be presented with opportunities arising from the digitalization of its business. The aim is to make all key products also available online and to expand the used vehicle business. This will create opportunities to tap into new customer groups, develop new sales channels and open up new ways to boost efficiency and increase revenue.

By expanding digital sales channels, the Company is promoting direct sales to complement its dealership business. Changing customer needs are thus addressed and the competitive position of Volkswagen Financial Services AG reinforced.

## 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. Sales of passenger cars in 2025 are expected to significantly exceed the prior-year figures overall in markets in Central and Eastern Europe – subject to the further development of the Russia-Ukraine conflict.

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.

The penetration rate will probably be on a level with the previous year. The number of new contracts is expected to rise very sharply, and the volume of business is expected to be slightly above the previous year. In this context, the portfolio of contracts at year-end will be slightly above the previous year's level. In light of the current business performance, the operating result in fiscal year 2025 is expected to rise very sharply overall year-on-year.

The forecast earnings performance and capital adequacy in 2025 are expected to result in a return on equity that is slightly up on the previous year. We are expecting the overhead ratio in 2025 to be on a level with the previous year.

This annual report contains forward-looking statements on the future business development of Volkswagen Financial Services AG Group. 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 the Volkswagen Financial Services AG Group 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 exchange rates, 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.

# Income Statement

## of the Volkswagen Financial Services AG Group

| € million   | Note | Jan. 1 – June 30,<br>2025 | Jan. 1 – June 30,<br>2024 | Change in percent |
|---|------|---------------------------|---------------------------|-------------------|
| Interest income from lending transactions and marketable securities                                   |      | 1,768                     | 1                         | X                 |
| Income from leasing transactions  |      | 15,501                    | –                         | X                 |
| Depreciation, impairment losses and other expenses from leasing transactions                          |      | –12,308                   | –                         | X                 |
| Net income from leasing transactions  | 1    | 3,193                     | –                         | X                 |
| Interest expense  |      | –2,427                    | –                         | X                 |
| Income from service contracts   |      | 1,586                     | –                         | X                 |
| Expenses from service contracts   |      | –1,413                    | –                         | X                 |
| Net income from service contracts   | 2    | 173                       | –                         | X                 |
| Income from insurance transactions  |      | 159                       | –                         | X                 |
| Expenses from insurance transactions  |      | –110                      | –                         | X                 |
| Net income from insurance business  |      | 49                        | –                         | X                 |
| Provision for credit risks  |      | –326                      | 0                         | X                 |
| Fee and commission income   |      | 262                       | –                         | X                 |
| Fee and commission expenses   |      | –112                      | 0                         | X                 |
| Net fee and commission income   |      | 150                       | 0                         | X                 |
| Net gain or loss on hedges  |      | –22                       | –                         | X                 |
| Net gain/loss on financial instruments measured at fair value   |      | –60                       | –                         | X                 |
| General and administrative expenses   | 3    | –1,248                    | 0                         | X                 |
| Other operating income  |      | 611                       | 0                         | X                 |
| Other operating expenses  |      | –518                      | –                         | X                 |
| Net other operating income/expenses   |      | 94                        | 0                         | X                 |
| <b>Operating result</b>   |      | <b>1,343</b>              | <b>1</b>                  | <b>X</b>          |
| Share of profits and losses of equity-accounted investments   |      | 73                        | –                         | X                 |
| Net gain/loss on miscellaneous financial assets   |      | 3                         | –                         | X                 |
| Other financial gains or losses   |      | –6                        | –                         | X                 |
| <b>Profit before tax</b>  |      | <b>1,413</b>              | <b>1</b>                  | <b>X</b>          |
| Income tax expense  |      | –446                      | 0                         | X                 |
| <b>Profit after tax</b>   |      | <b>967</b>                | <b>1</b>                  | <b>X</b>          |
| Profit after tax attributable to Volkswagen AG  |      | 967                       | 1                         | X                 |
| German GAAP profit/loss attributable to Volkswagen AG in the event of loss absorption/profit transfer |      | 366                       | –                         | X                 |

# Statement of Comprehensive Income

of the Volkswagen Financial Services AG Group

| € million   | Jan. 1 – June 30, 2025 | Jan. 1 – June 30, 2024 |
|---|------------------------|------------------------|
| <b>Profit after tax</b>   | <b>967</b>             | <b>1</b>               |
| Pension plan remeasurements recognized in other comprehensive income  | –                      | –                      |
| Pension plan remeasurements recognized in other comprehensive income, before tax  | 92                     | –                      |
| Deferred taxes relating to pension plan remeasurements recognized in other comprehensive income                                 | –28                    | –                      |
| Pension plan remeasurements recognized in other comprehensive income, net of tax  | 64                     | –                      |
| Fair value valuation of equity instruments that will not be reclassified to profit or loss, net of tax                          | 0                      | –                      |
| Share of other comprehensive income of equity-accounted investments that will not be reclassified to profit or loss, net of tax | 0                      | –                      |
| <b>Items that will not be reclassified to profit or loss</b>  | <b>64</b>              | <b>–</b>               |
| Exchange differences on translating foreign operations  | –                      | –                      |
| Gains/losses on currency translation recognized in other comprehensive income   | –93                    | –                      |
| Transferred to profit or loss   | –                      | –                      |
| Exchange differences on translating foreign operations, before tax  | –93                    | –                      |
| Deferred taxes relating to exchange differences on translating foreign operations   | –                      | –                      |
| Exchange differences on translating foreign operations, net of tax  | –93                    | –                      |
| Hedging transactions  | –                      | –                      |
| Fair value changes recognized in other comprehensive income (OCI I)   | 64                     | –                      |
| Transferred to profit or loss (OCI I)   | –69                    | –                      |
| Cash flow hedges (OCI I), before tax  | –5                     | –                      |
| Deferred taxes relating to cash flow hedges (OCI I)   | 0                      | –                      |
| Cash flow hedges (OCI I), net of tax  | –5                     | –                      |
| Fair value changes recognized in other comprehensive income (OCI II)  | –                      | –                      |
| Transferred to profit or loss (OCI II)  | –                      | –                      |
| Cash flow hedges (OCI II), before tax   | –                      | –                      |
| Deferred taxes relating to cash flow hedges (OCI II)  | –                      | –                      |
| Cash flow hedges (OCI II), net of tax   | –                      | –                      |
| Fair value valuation of debt instruments that may be reclassified to profit or loss   | –                      | –                      |
| Fair value changes recognized in other comprehensive income   | 58                     | –                      |
| Transferred to profit or loss   | –5                     | –                      |
| Fair value valuation of debt instruments that may be reclassified to profit or loss, before tax                                 | 52                     | –                      |
| Deferred taxes relating to fair value valuation of debt instruments that may be reclassified to profit and loss                 | –16                    | –                      |
| Fair value valuation of debt instruments that may be reclassified to profit or loss, net of tax                                 | 36                     | –                      |
| Share of other comprehensive income of equity-accounted investments that may be reclassified to profit or loss, net of tax      | 0                      | –                      |
| <b>Items that may be reclassified to profit or loss</b>   | <b>–61</b>             | <b>–</b>               |
| Other comprehensive income, before tax  | 46                     | –                      |
| Deferred taxes relating to other comprehensive income   | –43                    | –                      |
| <b>Other comprehensive income, net of tax</b>   | <b>3</b>               | <b>–</b>               |
| <b>Total comprehensive income</b>   | <b>970</b>             | <b>1</b>               |
| Total comprehensive income attributable to Volkswagen AG  | 970                    | 1                      |

# Balance Sheet

## of the Volkswagen Financial Services AG Group

| € million   | Note | June 30, 2025  | Dec. 31, 2024  | Change in percent |
|---|------|----------------|----------------|-------------------|
| <b>Assets</b>   |      |                |                |                   |
| Cash reserve  |      | 9,919          | 12,444         | -20.3             |
| Loans to and receivables from banks                     |      | 845            | 962            | -12.2             |
| Loans to and receivables from customers attributable to |      |                |                |                   |
| Retail financing  |      | 31,760         | 30,678         | 3.5               |
| Dealer financing  |      | 19,506         | 18,912         | 3.1               |
| Leasing business  |      | 53,404         | 53,274         | 0.2               |
| Other loans and receivables                             |      | 17,370         | 17,627         | -1.5              |
| Total loans to and receivables from customers           |      | 122,039        | 120,491        | 1.3               |
| Value adjustment on portfolio fair value hedges         |      | 128            | 113            | 13.3              |
| Derivative financial instruments                        |      | 571            | 531            | 7.5               |
| Marketable securities                                   |      | 3,781          | 3,561          | 6.2               |
| Equity-accounted investments                            |      | 1,286          | 1,263          | 1.8               |
| Miscellaneous financial assets                          |      | 175            | 150            | 16.7              |
| Intangible assets                                       | 4    | 130            | 139            | -6.5              |
| Property and equipment                                  | 4    | 361            | 373            | -3.2              |
| Lease assets  | 4    | 51,353         | 46,779         | 9.8               |
| Investment property                                     |      | 4              | 8              | -50.0             |
| Deferred tax assets                                     |      | 1,252          | 1,240          | 1.0               |
| Current tax assets                                      |      | 112            | 95             | 17.9              |
| Other assets  |      | 4,005          | 4,098          | -2.3              |
| Assets held for sale (IFRS 5)                           |      | –              | 49             | X                 |
| <b>Total</b>  |      | <b>195,960</b> | <b>192,297</b> | <b>1.9</b>        |

| € million  | Note | June 30, 2025  | Dec. 31, 2024  | Change in percent |
|--|------|----------------|----------------|-------------------|
| <b>Equity and Liabilities</b>                              |      |                |                |                   |
| Liabilities to banks                                       |      | 5,798          | 5,748          | 0.9               |
| Liabilities to customers                                   |      | 88,936         | 82,711         | 7.5               |
| Notes, commercial paper issued                             |      | 58,962         | 61,735         | -4.5              |
| Derivative financial instruments                           |      | 1,076          | 1,164          | -7.6              |
| Provisions for pensions and other post-employment benefits |      | 305            | 365            | -16.4             |
| Underwriting provisions and other provisions               |      | 966            | 939            | 2.9               |
| Deferred tax liabilities                                   |      | 2,172          | 2,038          | 6.6               |
| Current tax liabilities                                    |      | 356            | 751            | -52.6             |
| Other liabilities  |      | 2,505          | 2,565          | -2.3              |
| Subordinated capital                                       |      | 2,745          | 2,745          | –                 |
| Equity   |      | 32,139         | 31,535         | 1.9               |
| Subscribed capital   |      | 250            | 250            | –                 |
| Capital reserves   |      | 16,713         | 16,713         | –                 |
| Retained earnings  |      | 15,406         | 14,741         | 4.5               |
| Other reserves   |      | -231           | -169           | 36.7              |
| <b>Total</b>   |      | <b>195,960</b> | <b>192,297</b> | <b>1.9</b>        |

# Statement of Changes in Equity

of the Volkswagen Financial Services AG Group

| € million                              | OTHER RESERVES     |                  |                   |                      |                          |                                 |                             |                              | Total equity |
|--|--------------------|------------------|-------------------|----------------------|--------------------------|---------------------------------|-----------------------------|------------------------------|--------------|
|  | Subscribed capital | Capital reserves | Retained earnings | Currency translation | Hedging transactions     |                                 | Equity and debt instruments | Equity-accounted investments |              |
|  |                    |                  |                   |                      | Cash flow hedges (OCI I) | Deferred hedging costs (OCI II) |                             |                              |              |
| Balance as of Jan. 1, 2024             | 0                  | –                | –                 | –                    | –                        | –                               | –                           | –                            | 0            |
| Profit after tax                       | –                  | –                | 1                 | –                    | –                        | –                               | –                           | –                            | 1            |
| Other comprehensive income, net of tax | –                  | –                | –                 | –                    | –                        | –                               | –                           | –                            | –            |
| Total comprehensive income             | –                  | –                | 1                 | –                    | –                        | –                               | –                           | –                            | 1            |
| Capital increases <sup>2</sup>         | –                  | 527              | –                 | –                    | –                        | –                               | –                           | –                            | 527          |
| Other changes <sup>1</sup>             | –                  | –                | –1                | –                    | –                        | –                               | –                           | –                            | –1           |
| As of June 30, 2024                    | 0                  | 527              | –                 | –                    | –                        | –                               | –                           | –                            | 527          |
| As of Jan. 1, 2025                     | 250                | 16,713           | 14,741            | –38                  | 15                       | –                               | –84                         | –62                          | 31,535       |
| Profit after tax                       | –                  | –                | 967               | –                    | –                        | –                               | –                           | –                            | 967          |
| Other comprehensive income, net of tax | –                  | –                | 64                | –93                  | –5                       | –                               | 36                          | 0                            | 3            |
| Total comprehensive income             | –                  | –                | 1,031             | –93                  | –5                       | –                               | 36                          | 0                            | 970          |
| Capital increases                      | –                  | –                | –                 | –                    | –                        | –                               | –                           | –                            | –            |
| Other changes <sup>1</sup>             | –                  | –                | –366              | –                    | –                        | –                               | –                           | –                            | –366         |
| As of June 30, 2025                    | 250                | 16,713           | 15,406            | –131                 | 10                       | –                               | –48                         | –62                          | 32,139       |

1 Includes German GAAP (HGB) profit/loss attributable to Volkswagen AG in the event of loss absorption/profit transfer.

2 The capital increases in the prior-year comparative period comprised both a cash contribution of €249,750,000 to increase the Company's share capital, which was completed upon its entry in the register on July 1, 2024, and a cash contribution of €277,000,000 to the Company's capital reserves. As registration of the cash contribution of €249,750,000 had not yet been completed as of June 30, 2024, this amount is not yet recognized as subscribed capital, but is instead reported as part of the capital reserves.

# Cash Flow Statement

of the Volkswagen Financial Services AG Group

| € million  | Jan. 1 – June 30, 2025 | Jan. 1 – June 30, 2024 |
|--|------------------------|------------------------|
| <b>Profit before tax</b>   | <b>1,413</b>           | <b>1</b>               |
| Depreciation, amortization, impairment losses and reversals of impairment losses | 3,627                  | 0                      |
| Change in provisions   | -33                    | 0                      |
| Change in other noncash items  | 140                    | -                      |
| Loss on disposal of financial assets and items of property and equipment         | -2                     | -                      |
| Net interest expense and dividend income   | -1,049                 | -1                     |
| Other adjustments  | 0                      | 0                      |
| Change in loans to and receivables from banks                                    | -3                     | 0                      |
| Change in loans to and receivables from customers                                | -2,365                 | -528                   |
| Change in lease assets   | -8,082                 | -                      |
| Change in other assets related to operating activities                           | 108                    | 0                      |
| Change in liabilities to banks   | 46                     | -                      |
| Change in liabilities to customers   | 6,885                  | 0                      |
| Change in notes, commercial paper issued   | -2,520                 | -                      |
| Change in other liabilities related to operating activities                      | -55                    | -                      |
| Interest received  | 3,473                  | 1                      |
| Dividends received   | 3                      | -                      |
| Interest paid  | -2,426                 | -                      |
| Income taxes paid  | -782                   | 0                      |
| <b>Cash flows from operating activities</b>                                      | <b>-1,626</b>          | <b>-527</b>            |
| Proceeds from disposal of investment property                                    | 4                      | -                      |
| Acquisition of investment property   | -                      | -                      |
| Proceeds from disposal of subsidiaries, joint ventures and associates            | 51                     | -                      |
| Acquisition of subsidiaries, joint ventures and associates                       | -31                    | -                      |
| Proceeds from disposal of other assets   | 5                      | -                      |
| Acquisition of other assets  | -17                    | -                      |
| Change in investments in marketable securities                                   | -152                   | -                      |
| <b>Cash flows from investing activities</b>                                      | <b>-140</b>            | <b>-</b>               |
| Proceeds from changes in capital   | -                      | 527                    |
| Distribution to Volkswagen AG  | -898                   | -                      |
| Profit transferred to/loss assumed by Volkswagen AG                              | -                      | 0                      |
| Change in cash funds attributable to subordinated capital                        | -                      | -                      |
| Repayment of liabilities arising from leases                                     | -6                     | -                      |
| <b>Cash flows from financing activities</b>                                      | <b>-904</b>            | <b>527</b>             |
| <b>Cash and cash equivalents at end of prior period</b>                          | <b>13,417</b>          | <b>-</b>               |
| Changes in basis of consolidation  | -                      | -                      |
| Cash flows from operating activities   | -1,626                 | -527                   |
| Cash flows from investing activities   | -140                   | -                      |
| Cash flows from financing activities   | -904                   | 527                    |
| Effect of exchange rate changes  | -3                     | -                      |
| Changes of provision for credit risk on cash                                     | -                      | -                      |
| <b>Cash and cash equivalents at end of period</b>                                | <b>10,744</b>          | <b>-</b>               |

# Notes to the Interim Consolidated Financial Statements

of the Volkswagen Financial Services AG Group as of June 30, 2025

## General information

Volkswagen Financial Services Aktiengesellschaft (VW FS AG, which still operated under the name Volkswagen Financial Services Europe AG until June 30, 2024), has the legal form of an Aktiengesellschaft (German stock corporation). It has its registered office at Gifhorner Strasse, Braunschweig, and is registered in the Braunschweig commercial register (HRB 210842).

Volkswagen AG, Wolfsburg, is the sole shareholder of the parent company VW FS AG. Volkswagen AG and VW FS AG have entered into a control and profit-and-loss transfer agreement.

## Basis of presentation

VW FS AG 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

VW FS AG has applied all financial reporting standards adopted by the EU which are subject to mandatory application starting January 1, 2025.

The discount rate applied to German pension provisions reported in these interim consolidated financial statements was 4.00 % (December 31, 2024: 3.45 %). 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 was published in the notes to the consolidated financial statements in the 2024 Annual Report.

In addition, the effects of new standards were described in detail under “New and Revised IFRSs Not Applied”. The 2024 Consolidated Financial Statements can be accessed online at [www.vwfs.com/arvwfsag24](http://www.vwfs.com/arvwfsag24).



## Basis of consolidation

In addition to VW FS AG, the consolidated financial statements cover all significant German and non-German subsidiaries, including structured entities, controlled directly or indirectly by VW FS AG. This is the case if VW FS AG has power over potential subsidiaries directly or indirectly from voting rights or similar rights, is exposed, or has rights to, positive or negative variable returns from its involvement with the potential subsidiaries, and has the ability to use its power to influence those returns.

The following changes occurred in the basis of consolidation during the reporting period, including IFRS 5 disclosures:

The interest in the joint venture VOLKSWAGEN Finančné služby Slovensko s.r.o., Bratislava, which was classified as assets held for sale in accordance with IFRS 5 in the previous year, was sold to Porsche Bank AG, Salzburg, and Porsche Versicherungs AG, Salzburg, on February 3, 2025. At the same time, the interest in unconsolidated associate Volkswagen-Versicherungsdienst GmbH, Vienna, classified as held for sale, was sold to Porsche Bank AG, Salzburg. The 58 % interest in VOLKSWAGEN Finančné služby Slovensko s.r.o. was sold at its carrying amount of €25.0 million, meaning that no disposal gain or loss was recognized. The sale of the 15 % interest in Volkswagen-Versicherungsdienst GmbH generated a gain of €2 million, which is reported under “Net gain or loss on miscellaneous financial assets” in the income statement.

The 25.1 % interest in unconsolidated associate J.P. Morgan Mobility Payments Solutions S.A., Strassen, was also classified as an asset held for sale in the previous year and was sold to the majority shareholder, J.P. MORGAN INTERNATIONAL FINANCE LIMITED, in the first half of the year. The interest was sold at its carrying amount of €19.3 million, meaning that the transaction did not result in any disposal gain or loss.

As part of a restructuring within the Volkswagen Group, the 100 % interest in unconsolidated subsidiary LOGPAY Transport Services GmbH, Eschborn, and its five similarly unconsolidated subsidiaries in Slovakia, the Czech Republic, Spain and Italy was transferred at no consideration by LOGPAY Financial Services GmbH, Eschborn, to Volkswagen Group Charging GmbH, Berlin, a company of the Volkswagen Group, and subsequently transferred to Elli Mobility GmbH. The new company now brings together all charging and fueling services within the Volkswagen Group.

Volkswagen Financial Services DS (UK) Limited, Milton Keynes, was formed as a wholly owned subsidiary of Volkswagen Financial Services (UK) Ltd., Milton Keynes. For reasons of materiality, the entity is not consolidated.

The previously unconsolidated subsidiary Mobility Trader Spain, S.L., Barcelona, ceased operating and was dissolved.

Effective February 25, 2025, the 1 % interest in OOO Volkswagen Bank RUS, Moscow, was sold to external investors.

These changes in the composition of the VW FS AG Group did not have any material impact on the net assets, financial position or financial performance of the Group.

## 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,<br>2025 | Jan. 1 – June 30,<br>2024 |
|---|---------------------------|---------------------------|
| Leasing income from operating leases  | 4,698                     | –                         |
| Interest income from finance leases   | 1,667                     | –                         |
| Gains from the disposal of used ex-lease vehicles                                   | 8,583                     | –                         |
| Net interest income/expense from finance lease hedging derivatives                  | 38                        | –                         |
| Miscellaneous income from leasing transactions                                      | 515                       | –                         |
| <b>Income from leasing transactions</b>   | <b>15,501</b>             | <b>–</b>                  |
| Lease assets depreciation and impairment losses                                     | –3,475                    | –                         |
| Expenses from the disposal of used ex-lease vehicles                                | –8,410                    | –                         |
| Miscellaneous expenses from leasing transactions                                    | –423                      | –                         |
| <b>Depreciation, impairment losses and other expenses from leasing transactions</b> | <b>–12,308</b>            | <b>–</b>                  |
| <b>Total</b>  | <b>3,193</b>              | <b>–</b>                  |

### 2. Net income from service contracts

Of the total income recognized for service contracts in the first six months, €1,195 million (prior-year comparative period: €– million) related to service contracts for which revenue must be recognized at a point in time and €391 million (prior-year comparative period: €– million) related to service contracts for which revenue must be recognized over time.

### 3. 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 in general and administrative expenses   | –546                   | –                      |
| Non-staff operating expenses  | –634                   | 0                      |
| Advertising, public relations and sales promotion expenses  | –31                    | –                      |
| Depreciation of and impairment losses on property and equipment, amortization of and impairment losses on intangible assets | –37                    | –                      |
| Other taxes   | –11                    | –                      |
| Income from the reversal of provisions and accrued liabilities  | 11                     | –                      |
| <b>Total</b>  | <b>–1,248</b>          | <b>0</b>               |

#### 4. Changes in selected assets

The following table presents changes in selected assets:

| € million              | Net carrying<br>amount as of<br>January 1, 2025 | Basis of<br>consolidation<br>additions/<br>changes | Disposals/other<br>changes <sup>1</sup> | Depr./amort./<br>impairment | Net carrying<br>amount as of<br>June 30, 2025 |
|------------------------|---|--|---|-----------------------------|---|
| Intangible assets      | 139   | 8  | 1                                       | 16                          | 130   |
| Property and equipment | 373   | 21   | 14                                      | 19                          | 361   |
| Lease assets           | 46,779  | 15,910   | 7,862                                   | 3,475                       | 51,353  |

<sup>1</sup> The other changes include reversals of impairment losses in the amount of €35 million.

#### 5. Classes of financial instruments

Financial instruments are divided into the following classes in the VW FS AG Group:

- > Measured at fair value
- > Measured at amortized cost
- > Derivative financial instruments designated as hedges
- > Not allocated to any measurement category
- > Credit commitments and financial guarantees (off-balance-sheet)

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                                    | 9,919                          | 12,444         | 9,919                      | 12,444         | –                      | –             | –   | –             | –   | –             | –   | –             |
| Loans to and receivables from banks             | 845                            | 962            | 845                        | 962            | –                      | –             | –   | –             | –   | –             | –   | –             |
| Loans to and receivables from customers         | 122,039                        | 120,491        | 68,635                     | 67,209         | –                      | 8             | –   | –             | 53,404                                    | 53,274        | 0   | 0             |
| Value adjustment on portfolio fair value hedges | 128                            | 113            | –2                         | 15             | –                      | –             | –   | –             | 129                                       | 97            | –   | –             |
| Derivative financial instruments                | 571                            | 531            | –                          | –              | 242                    | 190           | 329   | 341           | –   | –             | –   | –             |
| Marketable securities                           | 3,781                          | 3,561          | –                          | –              | 3,781                  | 3,561         | –   | –             | –   | –             | –   | –             |
| Equity-accounted investments                    | 1,286                          | 1,263          | –                          | –              | –                      | –             | –   | –             | –   | –             | 1,286   | 1,263         |
| Miscellaneous financial assets                  | 175                            | 150            | –                          | –              | 0                      | 0             | –   | –             | –   | –             | 175   | 150           |
| Current tax assets                              | 112                            | 95             | 1                          | 1              | –                      | –             | –   | –             | –   | –             | 111   | 94            |
| Other assets                                    | 4,005                          | 4,098          | 1,266                      | 1,250          | –                      | –             | –   | –             | –   | –             | 2,739   | 2,848         |
| Assets held for sale (IFRS 5)                   | –                              | 49             | –                          | –              | –                      | –             | –   | –             | –   | –             | –   | 49            |
| <b>Total</b>                                    | <b>142,861</b>                 | <b>143,757</b> | <b>80,664</b>              | <b>81,881</b>  | <b>4,023</b>           | <b>3,759</b>  | <b>329</b>  | <b>341</b>    | <b>53,533</b>                             | <b>53,372</b> | <b>4,311</b>  | <b>4,404</b>  |
| <b>Equity and liabilities</b>                   |                                |                |                            |                |                        |               |   |               |   |               |   |               |
| Liabilities to banks                            | 5,798                          | 5,748          | 5,798                      | 5,748          | –                      | –             | –   | –             | –   | –             | –   | –             |
| Liabilities to customers                        | 88,936                         | 82,711         | 86,254                     | 80,236         | –                      | –             | –   | –             | 67  | 70            | 2,615   | 2,404         |
| Notes, commercial paper issued                  | 58,962                         | 61,735         | 58,962                     | 61,735         | –                      | –             | –   | –             | –   | –             | –   | –             |
| Derivative financial instruments                | 1,076                          | 1,164          | –                          | –              | 342                    | 246           | 734   | 918           | –   | –             | –   | –             |
| Current tax liabilities                         | 356                            | 751            | 236                        | 613            | –                      | –             | –   | –             | –   | –             | 120   | 138           |
| Other liabilities                               | 2,505                          | 2,565          | 290                        | 269            | –                      | –             | –   | –             | –   | –             | 2,215   | 2,295         |
| Subordinated capital                            | 2,745                          | 2,745          | 2,745                      | 2,745          | –                      | –             | –   | –             | –   | –             | –   | –             |
| <b>Total</b>                                    | <b>160,378</b>                 | <b>157,419</b> | <b>154,285</b>             | <b>151,347</b> | <b>342</b>             | <b>246</b>    | <b>734</b>  | <b>918</b>    | <b>67</b>                                 | <b>70</b>     | <b>4,950</b>  | <b>4,838</b>  |

The “(Off-balance-sheet) Credit commitments and financial guarantees” class contains obligations under irrevocable credit commitments and financial guarantees amounting to €11,337 million (December 31, 2024: €11,406 million).

## 6. 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. Equity investments measured at fair value through other comprehensive income and using inputs that are not observable in the market are also reported under Level 3. The main inputs used to measure these equity investments are strategic planning and cost of equity rates.

Level 3 also includes the fair values of separately recognized derivatives in connection with early termination rights embedded in finance leases. Inputs for determining the fair value of derivatives in connection with the risk of early termination are forecasts and estimates of used vehicle residual values for the models concerned, and yield curves.

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                                |               |               |               |               |               |               |
| Loans to and receivables from banks                   | –             | –             | –             | –             | –             | –             |
| Loans to and receivables from customers               | –             | –             | –             | –             | –             | 8             |
| Derivative financial instruments                      | –             | –             | 242           | 190           | –             | –             |
| Marketable securities                                 | 3,666         | 3,448         | 115           | 113           | –             | –             |
| Miscellaneous financial assets                        | –             | –             | –             | –             | 0             | 0             |
| Derivative financial instruments designated as hedges | –             | –             | 329           | 341           | –             | –             |
| <b>Total</b>  | <b>3,666</b>  | <b>3,448</b>  | <b>686</b>    | <b>644</b>    | <b>0</b>      | <b>8</b>      |
| <b>Equity and liabilities</b>                         |               |               |               |               |               |               |
| Measured at fair value                                |               |               |               |               |               |               |
| Derivative financial instruments                      | –             | –             | 256           | 156           | 86            | 90            |
| Derivative financial instruments designated as hedges | –             | –             | 734           | 918           | –             | –             |
| <b>Total</b>  | <b>–</b>      | <b>–</b>      | <b>990</b>    | <b>1,073</b>  | <b>86</b>     | <b>90</b>     |

The following table shows the changes in receivables from customers and equity investments measured at fair value and allocated to Level 3:

| € million   | 2025     | 2024     |
|---|----------|----------|
| <b>Balance as of Jan. 1</b>                               | <b>8</b> | <b>–</b> |
| Foreign exchange differences                              | –        | –        |
| Changes in basis of consolidation                         | –        | –        |
| Portfolio changes   | –        | –        |
| Measured at fair value through profit or loss             | –8       | –        |
| Measured at fair value through other comprehensive income | –        | –        |
| <b>Balance as of June 30</b>                              | <b>0</b> | <b>–</b> |

The remeasurements of receivables recognized in profit or loss amounting to €– 8 million (previous year: €– million) are reported under “Net gain or loss on financial instruments measured at fair value”. Of the remeasurements recognized in profit or loss, a net loss of €8 million (previous year: €– million) was attributable to receivables as of the reporting date.

The risk variables relevant to the fair value of the loans to and receivables from customers are risk-adjusted interest rates. A sensitivity analysis is used to quantify the impact from changes in risk adjusted interest rates on profit or loss after tax. As of June 30, 2025, a change to risk adjusted interest rates of 100 basis points in either direction would not have had an impact on profit or loss after tax.

The risk variables relevant to the fair value of the equity investment are the growth rate within strategic planning and the cost of equity. If a 10 % change were applied to the financial performance (which takes into account the relevant risk variables) of the equity investment measured at fair value through other comprehensive income, there would be no material change to equity.

The following table shows the changes in derivative financial instruments measured at fair value and allocated to Level 3:

| € million   | 2025      | 2024     |
|---|-----------|----------|
| <b>Balance as of Jan. 1</b>                               | <b>90</b> | <b>–</b> |
| Foreign exchange differences                              | –3        | –        |
| Changes in basis of consolidation                         | –         | –        |
| Portfolio changes   | –         | –        |
| Measured at fair value through profit or loss             | –2        | –        |
| Measured at fair value through other comprehensive income | –         | –        |
| <b>Balance as of June 30</b>                              | <b>86</b> | <b>–</b> |

The remeasurements recognized in profit or loss amounting to €– 2 million (previous year: €– million) are reported under “Net gain or loss on financial instruments measured at fair value”. Of the remeasurements recognized in profit or loss, a net gain of €– 2 million (previous year: €– million) was attributable to derivative financial instruments held as of the reporting date.

Early termination rights can arise from country-specific consumer protection legislation, under which customers may have the right to return used vehicles for which a lease has been signed. The impact on earnings arising from market-related fluctuations in residual values and interest rates is borne by the VW FS AG Group.

The market prices of used vehicles are the main risk variable applied to the fair value of derivatives recognized in connection with the risk of early termination. A sensitivity analysis is used to quantify the impact of changes in used vehicle prices on profit or loss after tax. If the used vehicle prices of the vehicles included in the derivatives in connection with the risk of early termination had been 10 % higher as of the reporting date, profit after tax would have been €25 million (previous year: €– million) higher. If the used vehicle prices of the vehicles included in the derivatives in connection with the risk of early termination had been 10 % lower as of the reporting date, profit after tax would have been €27 million (previous year: €– million) lower.

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                                |               |               |                 |               |               |               |
| Loans to and receivables from banks                   | –             | –             | –               | –             | –             | –             |
| Loans to and receivables from customers               | –             | 8             | –               | 8             | –             | –             |
| Derivative financial instruments                      | 242           | 190           | 242             | 190           | –             | –             |
| Marketable securities                                 | 3,781         | 3,561         | 3,781           | 3,561         | –             | –             |
| Miscellaneous financial assets                        | 0             | 0             | 0               | 0             | –             | –             |
| Measured at amortized cost                            |               |               |                 |               |               |               |
| Cash reserve  | 9,919         | 12,444        | 9,919           | 12,444        | –             | –             |
| Loans to and receivables from banks                   | 844           | 961           | 845             | 962           | 0             | –1            |
| Loans to and receivables from customers               | 69,370        | 67,986        | 68,635          | 67,209        | 735           | 778           |
| Change in fair value from portfolio fair value hedges | –             | –             | –2              | 15            | 2             | –15           |
| Current tax assets                                    | 1             | 1             | 1               | 1             | –             | –             |
| Other assets  | 1,266         | 1,250         | 1,266           | 1,250         | –             | –             |
| Derivative financial instruments designated as hedges | 329           | 341           | 329             | 341           | –             | –             |
| Not allocated to any measurement category             |               |               |                 |               |               |               |
| Loans to and receivables from customers               | 54,229        | 53,839        | 53,404          | 53,274        | 825           | 565           |
| Change in fair value from portfolio fair value hedges | –             | –             | 129             | 97            | –129          | –97           |
| <b>Equity and liabilities</b>                         |               |               |                 |               |               |               |
| Measured at fair value                                |               |               |                 |               |               |               |
| Derivative financial instruments                      | 342           | 246           | 342             | 246           | –             | –             |
| Measured at amortized cost                            |               |               |                 |               |               |               |
| Liabilities to banks                                  | 5,839         | 5,773         | 5,798           | 5,748         | 41            | 25            |
| Liabilities to customers                              | 86,399        | 80,313        | 86,254          | 80,236        | 145           | 77            |
| Notes, commercial paper issued                        | 59,424        | 62,195        | 58,962          | 61,735        | 462           | 460           |
| Current tax liabilities                               | 236           | 613           | 236             | 613           | –             | –             |
| Other liabilities                                     | 290           | 269           | 290             | 269           | 0             | 0             |
| Subordinated capital                                  | 1,992         | 1,950         | 2,745           | 2,745         | –753          | –795          |
| Derivative financial instruments designated as hedges | 734           | 918           | 734             | 918           | –             | –             |

The fair value of irrevocable credit commitments is affected by changes in the credit quality of the borrower and in the market conditions for the relevant credit product between the commitment date and the measurement date. Because of the short period between commitment and drawdown and the variable interest rate tied to the market interest rate, market conditions only have a very minor impact. The fair value of irrevocable credit commitments was therefore largely determined by the change in the credit quality of the borrower, which was established as part of the process for calculating expected credit losses from irrevocable credit commitments and reported in the balance sheet as a liability in the amount of €46 million (previous year: €51 million) under Other liabilities. The fair value of financial guarantees also largely reflects the amount of expected credit losses and was reported in the balance sheet as a liability in the amount of €3 million (previous year: €3 million) under Other liabilities.



## Segment Reporting

### 7. Segment reporting

The presentation of reportable segments follows the system used for internal management and reporting purposes in the VW FS AG 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 applies a market-based geographical breakdown. Foreign branches of German subsidiaries are allocated to the markets in which they are based. The geographical markets of Germany, France, Italy, Spain, Sweden and the United Kingdom, are the segments that are subject to reporting requirements under IFRS 8. Subsidiaries in the VW FS AG Group are aggregated within these segments. In line with internal reporting practice, the German market is composed of companies in Germany, Austria and Denmark. All other companies that can be allocated to geographical markets are brought together under "Other segments".

Companies that are not allocated to any geographical market are reported in the reconciliation. The reconciliation also includes the VW FS AG holding company, the holding and financing companies in the Netherlands and Belgium, Volim Volkswagen Immobilien Vermietgesellschaft für VW-/Audi-Händlerbetriebe mbH, Volkswagen Insurance Brokers GmbH, Volkswagen Versicherung AG, EURO-Leasing GmbH and Euro-Leasing A/S. In the internal reporting structure, this presentation ensures that there is a separation between market activities on one side and typical holding company or financing functions, industry business, primary insurance business and reinsurance business on the other side. The reconciliation reflects additional consolidation effects between the segments.

All business transactions between the segments – where such transactions take place – are conducted on an arm's-length basis.

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

## BREAKDOWN BY GEOGRAPHICAL MARKET FOR THE FIRST HALF OF 2025:

| € million   | JAN. 1 – JUNE 30, 2025 |                |           |            |           |           |                |                |                | Group        |
|---|------------------------|----------------|-----------|------------|-----------|-----------|----------------|----------------|----------------|--------------|
|   | Germany                | United Kingdom | France    | Italy      | Spain     | Sweden    | Other segments | Segments total | Reconciliation |              |
| Interest income from lending transactions and marketable securities in respect of third parties | 865                    | 113            | 81        | 249        | 168       | 27        | 156            | 1,660          | 109            | 1,768        |
| Intersegment interest income from lending transactions and marketable securities                | 585                    | –              | 2         | 2          | –         | –         | –              | 588            | –588           | –            |
| Income from leasing transactions with third parties   | 9,570                  | 1,676          | 1,103     | 760        | 396       | 1,154     | 845            | 15,504         | –4             | 15,501       |
| of which reversal of impairment losses in accordance with IAS 36                                | 16                     | –              | –         | 16         | –         | 1         | 3              | 35             | –              | 35           |
| Intersegment income from leasing transactions   | 14                     | –              | –         | –          | –         | –         | –              | 14             | –14            | –            |
| Depreciation, impairment losses and other expenses from leasing transactions                    | –8,024                 | –794           | –889      | –674       | –334      | –1,047    | –568           | –12,330        | 22             | –12,308      |
| of which impairment losses in accordance with IAS 36  | –136                   | –18            | –97       | –42        | –14       | –1        | –23            | –332           | –              | –332         |
| Net income from leasing transactions  | 1,434                  | 883            | 214       | 86         | 62        | 107       | 277            | 3,063          | 130            | 3,193        |
| Interest expense  | –1,504                 | –664           | –184      | –179       | –108      | –53       | –269           | –2,962         | 535            | –2,427       |
| Income from service contracts with third parties  | 789                    | 164            | 64        | 313        | 110       | –         | 145            | 1,587          | –1             | 1,586        |
| of which over-time income   | 60                     | –              | –         | 209        | 50        | –         | 71             | 390            | –              | 391          |
| of which at a point in time income  | 729                    | 164            | 64        | 104        | 60        | –         | 74             | 1,196          | –1             | 1,195        |
| Intersegment income from service contracts  | –                      | –              | –         | –          | –         | –         | –              | –              | –              | –            |
| Expenses from service contracts   | –642                   | –155           | –70       | –314       | –96       | –         | –137           | –1,414         | 1              | –1,413       |
| Net income from service contracts   | 147                    | 9              | –6        | –          | 14        | –         | 8              | 173            | –              | 173          |
| Income from insurance business with third parties   | –                      | –              | –         | –          | –         | –         | –              | –              | 159            | 159          |
| Intersegment income from insurance business   | –                      | –              | –         | –          | –         | –         | –              | –              | –              | –            |
| Expenses from insurance business  | –                      | –              | –         | –          | –         | –         | –              | –              | –110           | –110         |
| Net income from insurance business  | –                      | –              | –         | –          | –         | –         | –              | –              | 49             | 49           |
| Provision for credit risks  | –160                   | –30            | –71       | –25        | –7        | 3         | –37            | –327           | 1              | –326         |
| Fee and commission income from third parties  | 67                     | 2              | 21        | 55         | 31        | 7         | 44             | 226            | 37             | 262          |
| Intersegment fee and commission income  | –                      | –              | –         | –          | –         | –         | –              | –              | –              | –            |
| Fee and commission expenses   | –57                    | –              | –12       | –27        | –12       | –1        | –4             | –114           | 1              | –112         |
| Net fee and commission income   | 7                      | 2              | 9         | 27         | 19        | 6         | 40             | 110            | 40             | 150          |
| General and administrative expenses   | –561                   | –112           | –71       | –68        | –52       | –38       | –125           | –1,027         | –221           | –1,248       |
| Other amortization, depreciation and impairment losses  | –1                     | –1             | –1        | –1         | –1        | –         | –8             | –12            | –25            | –37          |
| <b>Operating result</b>   | <b>934</b>             | <b>159</b>     | <b>–8</b> | <b>111</b> | <b>73</b> | <b>54</b> | <b>71</b>      | <b>1,394</b>   | <b>–52</b>     | <b>1,343</b> |

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

Information on the main products (lending and leasing business) can be taken directly from the income statement.

The breakdown of non-current assets in accordance with IFRS 8 and of the additions to non-current lease assets by geographical market is shown in the following table:

| € million   | JAN. 1 – JUNE 30, 2025 |                |        |       |       |        |
|---|------------------------|----------------|--------|-------|-------|--------|
|   | Germany                | United Kingdom | France | Italy | Spain | Sweden |
| Noncurrent Assets   | 28,199                 | 4,844          | 5,335  | 3,654 | 1,819 | 1,605  |
| Additions to lease assets classified as noncurrent assets | 6,969                  | 1,267          | 1,465  | 838   | 410   | 464    |

Investment recognized under other assets was of minor significance.

The following table shows the reconciliation to group income, operating result and profit before tax.

| Mio. €  | Jan. 1 – June 30, 2025 |
|---|------------------------|
| <b>Segment income</b>                                       | <b>18,976</b>          |
| Other companies   | 752                    |
| Consolidation   | –452                   |
| <b>Group income</b>   | <b>19,275</b>          |
|   | –                      |
| <b>Segment profit or loss (operating result)</b>            | <b>1,394</b>           |
| Other companies   | –54                    |
| Contribution to operating profit by included companies      | –                      |
| Consolidation between segments                              | 2                      |
| <b>Operating result</b>                                     | <b>1,343</b>           |
| Share of profits and losses of equity-accounted investments | 73                     |
| Net gain or loss on miscellaneous financial assets          | 3                      |
| Other financial gains or losses                             | –6                     |
| <b>Profit before tax</b>                                    | <b>1,413</b>           |

The designations “Segment revenue” and “Group revenue” in the reconciliation were changed to “Segment income” and “Group income”, respectively. The change to the designation “income” commonly used by financial services providers for gross income from ordinary activities is intended to enhance clarity and consistency of the terms used in the financial statements. As before, group income comprises all income items from the breakdown by geographical markets and hence includes interest income from lending transactions and marketable securities, income from leasing transactions, income from service contracts, income from insurance transactions and fee and commission income.

## Other Disclosures

### 8. Cash flow statement

The VW FS AG 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 include the entire "Cash reserve" balance sheet item, which consists of cash-in-hand and balances held with Deutsche Bundesbank and foreign central banks, as well as cash and cash equivalents reported in the balance sheet under loans to and receivables from banks, as well as loans to and receivables from customers attributable to other receivables. Cash equivalents from cash pooling with a non-bank entity in the Volkswagen Group are included in the loans to and receivables from customers attributable to other receivables.

The changes in the balance sheet items used to determine the changes in the cash flow statement cannot be derived directly from the balance sheet because effects from the changes in the basis of consolidation have no impact on cash and are eliminated.

### 9. Contingent assets and off-balance-sheet liabilities

#### CONTINGENT ASSETS

An Earn-Out agreement with a term until December 31, 2027 that was entered into in connection with the sale of a former associate results in potential payment claims of up to €10 million, whose actual existence must still be confirmed by future events that are beyond the Group's control. The Group recognizes the potential claims as contingent assets as the conditions for recognizing an asset have not yet been satisfied.

#### CONTINGENT LIABILITIES

Potential obligations that may arise from the outcome of ongoing appeal proceedings regarding the structure of commission agreements in the UK financing sector are recognized as contingent liabilities. Due to the uncertainty regarding the potential consequences and the large number of unknown valuation variables, it is not feasible to estimate any potential financial impact. The conditions for recognizing a provision in accordance with IAS 37 are not satisfied in this case.

VW FS AG, as a legal entity participating in the spin-off of the European operation of Volkswagen Financial Overseas AG (operating at that time under the name Volkswagen Financial Services AG), is liable as a joint and several debtor in accordance with section 133 (1) sentence 1 of the *Umwandlungsgesetz* (UmwG – German Transformation Act) for the liabilities incurred by the transferring legal entity, Volkswagen Financial Services Overseas AG, up to the effective date of the spin-off on July 1, 2024. The liabilities incurred by Volkswagen Financial Services Overseas AG prior to July 1, 2024 and transferred to VW FS AG with the European operations by way of the spin-off are recognized in the balance sheet of the VW FS AG Group and are not included for the purposes of determining contingent liabilities. The liabilities incurred by Volkswagen Financial Services Overseas AG prior to July 1, 2024 and remaining with Volkswagen Financial Services Overseas AG as of the reporting date result in contingent liabilities of €7 million (December 31, 2024: €23 million) under the joint and several liability.

There are additional contingent liabilities of €10 million (December 31, 2024: €12 million) from surety agreements that do not satisfy the conditions for recognizing a provision in accordance with IAS 37.

## OTHER FINANCIAL OBLIGATIONS

|   | DUE              | DUE                             | DUE               | TOTAL         |
|---|------------------|---------------------------------|-------------------|---------------|
| € million                                   | by June 30, 2026 | July 1, 2026 –<br>June 30, 2030 | From July 1, 2030 | June 30, 2025 |
| Purchase commitments in respect of          |                  |                                 |                   |               |
| Property and equipment                      | 1                | –                               | –                 | 1             |
| Intangible assets                           | 3                | –                               | –                 | 3             |
| Investment property                         | –                | –                               | –                 | –             |
| Obligations from                            |                  |                                 |                   |               |
| Irrevocable credit commitments to customers | 10,928           | 241                             | –                 | 11,168        |
| Long-term leasing and rental contracts      | 14               | 8                               | –                 | 21            |
| Miscellaneous financial obligations         | 216              | 44                              | 1                 | 261           |

|   | DUE    | DUE         | DUE       | TOTAL         |
|---|--------|-------------|-----------|---------------|
| € million                                   | 2025   | 2026 - 2029 | From 2030 | Dec. 31, 2024 |
| Purchase commitments in respect of          |        |             |           |               |
| Property and equipment                      | 0      | –           | –         | 0             |
| Intangible assets                           | 2      | –           | –         | 2             |
| Investment property                         | –      | –           | –         | –             |
| Obligations from                            |        |             |           |               |
| Irrevocable credit commitments to customers | 11,194 | –           | –         | 11,194        |
| Long-term leasing and rental contracts      | 19     | 7           | –         | 26            |
| Miscellaneous financial obligations         | 215    | 53          | –         | 269           |

In the case of irrevocable credit commitments, the Company expects the customers to draw down the facilities concerned.

## 10. Related party disclosures

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

Volkswagen AG, Wolfsburg, is the sole shareholder of VW FS AG. 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 VW FS AG 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 AG, and VW FS AG have entered into a control and profit-and-loss transfer agreement.

Volkswagen AG and other related parties in Volkswagen AG's group of consolidated entities provide the entities in the VW FS AG Group 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 entities in the VW FS AG Group on an arm's-length basis. These transactions are presented in the "Goods and services received" column. Volkswagen AG and its subsidiaries have also furnished collateral for the benefit of VW FS AG within the scope of the operating business.

The "Goods and services provided" column primarily contains income from leasing transactions.

The business transactions with unconsolidated subsidiaries, joint ventures and associates of VW FS AG relate mainly to the provision of funding and services. These transactions are always conducted on an arm's-length basis, e.g., when using the cost plus method for the provision of services.

The two tables below show the transactions with related parties. In these tables, the exchange rates used are the closing rate for asset and liability items, and the weighted average rates for the year for income statement items.

| € million  | INTEREST INCOME<br>H1 |      | INTEREST EXPENSES<br>H1 |      | GOODS AND SERVICES<br>PROVIDED<br>H1 |      | GOODS AND SERVICES<br>RECIEVED<br>H1 |      |
|--|-----------------------|------|-------------------------|------|--------------------------------------|------|--------------------------------------|------|
|  | 2025                  | 2024 | 2025                    | 2024 | 2025                                 | 2024 | 2025                                 | 2024 |
|  |                       |      |                         |      |                                      |      |                                      |      |
| Supervisory Board                                  | 0                     | –    | 0                       | –    | –                                    | –    | –                                    | –    |
| Board of Management                                | 0                     | –    | 0                       | –    | –                                    | –    | –                                    | –    |
| Volkswagen AG                                      | 19                    | –    | –66                     | –    | 745                                  | –    | 6,764                                | –    |
| Porsche SE   | –                     | –    | –                       | –    | 0                                    | –    | –                                    | –    |
| Other related parties in the consolidated entities | 97                    | 1    | –375                    | –    | 3,040                                | –    | 5,221                                | –    |
| Non-consolidated subsidiaries                      | 4                     | –    | –1                      | –    | 8                                    | –    | 3                                    | –    |
| Joint ventures                                     | 212                   | –    | 0                       | –    | 54                                   | –    | 3                                    | –    |
| Associated companies                               | –                     | –    | –                       | –    | –                                    | –    | 2                                    | –    |

| € million  | LOANS TO AND<br>RECEIVABLES FROM |               | VALUATION<br>ALLOWANCES ON<br>IMPAIRED LOANS AND<br>RECEIVABLES |               | OF WHICH ADDITIONS<br>IN CURRENT YEAR |               | LIABILITIES TO |               |
|--|----------------------------------|---------------|---|---------------|---------------------------------------|---------------|----------------|---------------|
|  | June 30, 2025                    | Dec. 31, 2024 | June 30, 2025   | Dec. 31, 2024 | June 30, 2025                         | Dec. 31, 2024 | June 30, 2025  | Dec. 31, 2024 |
|  |                                  |               |   |               |                                       |               |                |               |
| Supervisory Board                                  | 0                                | 0             | –   | –             | –                                     | –             | 4              | 3             |
| Board of Management                                | 0                                | 0             | –   | –             | –                                     | –             | 14             | 12            |
| Volkswagen AG                                      | 357                              | 425           | –   | –             | –                                     | –             | 8,373          | 8,788         |
| Porsche SE   | 0                                | 0             | –   | –             | –                                     | –             | –              | –             |
| Other related parties in the consolidated entities | 4,848                            | 6,450         | –   | –             | –                                     | –             | 15,163         | 16,758        |
| Non-consolidated subsidiaries                      | 115                              | 189           | –   | –             | –                                     | –             | 130            | 146           |
| Joint ventures                                     | 12,877                           | 11,827        | –   | –             | –                                     | –             | 251            | 354           |
| Associated companies                               | –                                | 2             | –   | –             | –                                     | –             | 1              | 4             |

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 VW FS AG. The relationships with the Supervisory Board and the Management Board comprise relationships with the relevant groups of people at VW FS AG and the Group parent company Volkswagen AG. As in the prior year, relationships with pension plans and the State of Lower Saxony were of lesser significance.

VW FS AG did not receive any capital contributions from Volkswagen AG in the first half of 2025. VW FS AG received a capital payment of €527 million from Volkswagen AG in the first half of 2024. However, VW FS AG and its subsidiaries provided capital contributions of €31 million (previous year: €– million) to related parties.

Members of the Management Board and Supervisory Board of VW FS AG are also members of management and supervisory boards of other entities in the Volkswagen Group with which VW FS AG sometimes conducts transactions in the normal course of business. All transactions with these related parties are conducted on an arm’s-length basis.

In the first half of 2025, standard short-term bank loans amounting to an average total of €737 million (December 31, 2024: €757 million) were granted to related parties as part of dealer financing.

## 11. Governing bodies of Volkswagen Financial Services AG

The members of the Board of Management are as follows:

**DR. CHRISTIAN DAHLHEIM**

Chair of the Board of Management  
Corporate Management  
Human Resources and Organization

**ANTHONY BANDMANN**

Sales and Marketing  
Europe region (incl. Germany)

**DR. INGRUN-ULLA BARTÖLKE**

Finance and Procurement

**FRANK FIEDLER**

Risk, Tax and Legal

**DR. ALENA KRETZBERG**

IT Processes, Operations



The members of the Supervisory Board of Volkswagen Financial Services AG are as follows:

**DR. ARNO ANTLITZ**

Chair

Member of the Board of Management of  
Volkswagen AG  
Finance and Operating Business

**DR. HANS PETER SCHÜTZINGER**

Deputy Chair

Chief Executive Officer  
of Porsche Holding GmbH Salzburg

**ANDREAS KRAUß**

Deputy Chair

Chair of the Joint Works Council  
of Volkswagen Financial Services AG, Volkswagen  
Financial Services Overseas AG, Volkswagen Bank  
GmbH, Volkswagen Leasing GmbH, Vehicle Trad-  
ing International GmbH, Volkswagen Insurance  
Brokers GmbH and Volkswagen Versicherung AG

**GARNET ALPS**

Principal Representative of IG Metall Braun-  
schweig

**SARAH AMELING-ZAFFIRO**

Deputy Chair of the Joint Works Council of  
Volkswagen Financial Services AG, Volkswagen Fi-  
nancial Services Overseas AG, Volkswagen Bank  
GmbH, Volkswagen Leasing GmbH, Vehicle Trad-  
ing International GmbH, Volkswagen Insurance  
Brokers GmbH and Volkswagen Versicherung AG

**PHILIPP LAUCKS (UNTIL JANUARY 31, 2025)**

Chair of the Management Board of Fondsdepot  
Bank GmbH

**JÜRGEN MAHNKOPF**

Deputy Chair of the General and Group Works  
Council of Volkswagen AG

**LIESBETH RIGTER**

Leadership Consultant at Soul Team NL VOF

**JÜRGEN RITTERSBERGER**

Member of the Board of Management of AUDI AG  
Finance, Legal Affairs and IT

**SABINE SCHMITTROTH**

Managing partner of sajós GmbH

**HOLGER SIEDENTOPF**

Chair of the Board of Management of the Man-  
agement Association of Volkswagen Financial  
Services AG and Volkswagen Financial Services  
Overseas AG

**MIRCO THIEL**

Managing Director of the Joint Works Council of  
Volkswagen Financial Services AG, Volkswagen  
Financial Services Overseas AG, Volkswagen  
Bank GmbH, Volkswagen Leasing GmbH, Vehi-  
cle Trading International GmbH, Volkswagen In-  
surance Brokers GmbH and Volkswagen Versi-  
cherung AG

The composition of the committees of the Supervisory Board of Volkswagen Financial Services AG was as follows:

**MEMBERS OF THE AUDIT COMMITTEE**

Philip Laucks (Chair) (until January 31, 2025)  
Sarah Ameling-Zaffiro  
Dr. Hans Peter Schützinger  
Mirco Thiel

**MEMBERS OF THE RISK COMMITTEE**

Liesbeth Rigter (Chair)  
Sabine Schmittroth  
Dr. Hans Peter Schützinger  
Mirco Thiel

**MEMBERS OF THE NOMINATION COMMITTEE**

Dr. Arno Antlitz (Chair)  
Andreas Krauß  
Philipp Laucks (until January 31, 2025)  
Liesbeth Rigter (since January 29, 2025)

**MEMBERS OF THE CREDIT COMMITTEE**

Dr. Arno Antlitz (Chair)  
Liesbeth Rigter  
Holger Siedentopf

**MEMBERS OF THE REMUNERATION COMMITTEE**

Sabine Schmittroth (Chair)  
Dr. Arno Antlitz  
Andreas Krauß  
Jürgen Rittersberger

**MEMBERS OF THE SPECIAL CREDIT COMMITTEE**

Sabine Schmittroth (Chair)  
Liesbeth Rigter  
Philipp Laucks (until January 31, 2025)

## 12. Events after the balance sheet date

On July 11, 2025, the Federal Council approved a gradual reduction in the current rate of corporate income tax from 15.0 % to 10.0 %, starting in fiscal year 2028. This is expected to result in a gain from the reversal of deferred tax liabilities.

Nina Babic has been appointed to the Supervisory Board of VW FS AG effective August 1, 2025.

Other than these measures, there were no significant events after June 30, 2025.

Braunschweig, July 21, 2025

Volkswagen Financial Services AG  
The Board of Management

# 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 Financial Services AG  
The Board of Management



Dr. Christian Dahlheim



Anthony Bandmann



Dr. Ingrun Bartölke



Frank Fiedler



Dr. Alena Kretzberg

# Human Resources Report

As of June 30, 2025, Volkswagen Financial Services AG had 9,942 active employees worldwide. In addition to the active workforce, Volkswagen Financial Services AG had 139 vocational trainees and 248 employees who had reached the passive phase of their partial retirement agreements. The total number of employees at Volkswagen Financial Services AG was therefore 10,329 as of June 30, 2025. Currently, 6,325 people are employed in Germany.

**PUBLISHED BY**

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This Half-Yearly Financial Report is also available in German at <https://www.vwfs.com/hjfbvwfsag25>.