

Interim Financial Report June 2022

Volkswagen Financial Services N.V.

Amsterdam

This copy of the interim financial reporting of Volkswagen Financial Services N.V. as at 30 June 2022 is not presented in the ESEF-format as specified in the Regulatory Technical Standards on ESEF (Delegated Regulation (EU) 2019/815).

The ESEF interim financial reporting is available at:

<https://www.vwfs.com/en/investor-relations/volkswagen-financial-services-n-v-/half-yearly-financial-reports.html>

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Management Report

Volkswagen Financial Services N.V. ('FSNV' or 'the company'), founded in 1983, is one of the funding vehicles of Volkswagen Financial Services AG, Brunswick ('FSAG') and its subsidiaries. FSNV raises funds from the capital markets by issuing notes and lends the proceeds on to Group and Joint Venture companies.

Basis for the issuing activities are the Debt Issuance Programme (DIP) of EUR 35 billion that adheres to the European Prospectus Directive and a EUR 7.5 billion Multi Currency Commercial Paper Programme. All issues are guaranteed by the parent company FSAG. As per 30.06.2021 according to Moody's, FSAG's rating is set to P-2 (short term) and A3 (long term) with a stable outlook. Standard & Poor's assessed FSAG's creditworthiness as A-2 (short term) and BBB+ (long term) with a stable outlook.

Besides these programmes FSNV can utilize several uncommitted revolving credit facilities with international banks. This grants more flexibility in providing the FSAG group with small volumes and/or frequent tranches of funds if required.

In the first six months of 2022 the company placed under the DIP additional issues with a total EUR equivalent of 1.8 billion. The proceeds of these issues have been granted to the FSAG Group companies. No new issues were placed under the CP Programme.

The company redeemed DIP issues with a total EUR equivalent of 989 million.

The financing activities are carried out in different currencies and interest terms. To avoid currency and interest risks, the company concludes interest- and currency swaps. The main business risks of FSNV are interest rate risk, currency risk, liquidity risk and credit risk. The Supervisory Board has set limits to restrict those risks. FSNV uses adequate tools to assess and to monitor them.

European Union regulations transformed into Dutch Law require the presentation of half year balance sheet figures in comparison to year-end figures of the previous year. Income statement figures compare the half year result with the corresponding half year result of the previous year.

Net interest income in the first half of 2022 was EUR 7.7 million compared to EUR 8.3 million in the first half of 2021. Result after taxes added up to EUR 4.9 million in the first six months of 2022 (2021: EUR 5.5 million).

For the second half of 2022 we expect business volume and net interest result to be on a similar level as in the first half.

Compliance & Integrity

Acting with Integrity, Compliance and honesty is an essential prerequisite for the success of the Volkswagen Group. For this reason, compliance with national and international laws and regulations, internal rules and guidelines and voluntary commitments is among FSNV's most important principles. The focus of FSNV's compliance organization is on preventing corruption, breaches of trust and money laundering and thereby reducing the risk of unlawful actions. The Volkswagen Group's Code of Conduct is established throughout the Group, and thus also within FSNV. It is the main tool for reinforcing awareness of good conduct, ethical principles and an integrity culture among the employees and providing them assistance, as well as suitable contacts in case of uncertainty. Next to the Volkswagen Group Code of Conduct, other Group policies and guidelines on specific compliance issues have been implemented within FSNV. Where laws and regulations have been violated, the Volkswagen Group Whistleblower System is a suitable tool for taking appropriate actions where misconduct is proven.

The Management Board declares to the best of their knowledge:

1. the financial statements for the first half year 2022 give a true and fair view of the assets, the liabilities, the financial position and the results of the company; and
2. the management report gives a true and fair view of the company's situation as at the balance sheet date, the events that occurred during the first half year 2022 and the risks to which the company is exposed.

Amsterdam, 5 August 2022

Original has been signed by
Christopher R. Norrod, Managing Director

Financial statements

Balance sheet as of 30 June 2022

(Unaudited)

	30 June 2022		31 December 2021	
	EUR'000	EUR'000	EUR'000	EUR'000
<i>Assets</i>				
Fixed assets				
Financial fixed assets:				
Loans to Volkswagen Group companies	7,266,800		5,897,986	
Loans to affiliates of the Volkswagen Group	661,724		525,132	
Total fixed assets		7,928,524		6,423,118
Current assets				
Receivables due from Volkswagen Group companies	2,339,365		3,216,892	
Receivables due from affiliates of the Volkswagen Group	362,402		426,455	
Loans to external parties	500		500	
Other assets	59,050		37,544	
Prepaid and deferred charges	25,622		21,689	
Total current assets		2,786,939		3,703,080
Cash at banks and in hand		13,373		12,038
Total assets		10,728,836		10,138,236

<i>Liabilities</i>	30 June 2022		31 December 2021	
	EUR'000	EUR'000	EUR'000	EUR'000
<i>Shareholder's equity and liabilities</i>				
Shareholder's equity				
Issued and paid-up share capital	454		454	
Share premium reserve	1,115,000		1,115,000	
Retained earnings	15,568		10,680	
Total shareholder's equity		1,131,022		1,126,134
Long-term liabilities				
Bonds	6,771,904		5,371,421	
Liabilities to Volkswagen Group companies	863,348		863,348	
Total long-term liabilities		7,635,252		6,234,769
Current liabilities				
Bonds	1,248,194		2,014,123	
Liabilities to Volkswagen Group companies	589,865		675,260	
Other liabilities	98,667		69,597	
Deferred income	25,836		18,353	
Total current liabilities		1,962,562		2,777,333
Total shareholder's equity and liabilities		10,728,836		10,138,236

Income statement as of 30 June 2022

(Unaudited)

	30 June 2022		30 June 2021	
	EUR'000	EUR'000	EUR'000	EUR'000
Net financial income				
Interest income and similar income	107,870		96,461	
Interest expenses and similar expenses	(100,160)		(88,359)	
Other operating income	-		189	
Total net financial income		7,710		8,291
Expenses				
Other operating expenses	(43)		(10)	
General and administrative expenses	(1,191)		(1,104)	
Total expenses		(1,234)		(1,114)
Profit and (loss) before income taxes		6,476		7,177
Taxation on result on ordinary activities		(1,587)		(1,692)
Net profit and (loss) after taxation		4,889		5,485