The Key to Mobility
Creating Value with Financial Services
Investor Update – Volkswagen Financial Services AG
Volkswagen Group – Leveraging the strength of the three pillars

<table>
<thead>
<tr>
<th>Automotive Division</th>
<th>Financial Services Division</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Passenger Cars</strong></td>
<td><strong>Volkswagen Financial Services</strong></td>
</tr>
<tr>
<td>🏎️ Volkswagen</td>
<td>Financial Services</td>
</tr>
<tr>
<td>🎁 Audi</td>
<td>USA / Canada / Spain / Argentina</td>
</tr>
<tr>
<td>🇪🇸 SEAT</td>
<td>Scania Financial Services</td>
</tr>
<tr>
<td>🇩🇪 ŠKODA</td>
<td>Porsche Holding Financial Services</td>
</tr>
<tr>
<td>🇬🇧 BENTLEY</td>
<td>Porsche Financial Services</td>
</tr>
<tr>
<td>🇮🇹 BUGATTI</td>
<td></td>
</tr>
<tr>
<td>🇩🇪 PORSCHE</td>
<td></td>
</tr>
<tr>
<td>Remaining companies</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Volkswagen Financial Services conducts business in 51 countries

**Worldwide presence**

**Key company figures**

- Total assets: €137.4 bn
- Equity: €15.2 bn
- Customer deposits: €26.2 bn
- Operating profit: €1.7 bn
- Employees: 12,821
- Contracts (units): 12.4 m

**Receivables**

- Credit: 63.8%
- Leasing: 20.2%
- Wholesale: 16.0%
Contract portfolio Volkswagen Financial Services

Continuous portfolio expansion

- Credit: 5,560
- Leasing: 2,274
- Insurance/Services: 4,549
- Total: 12,383

- 38% Germany
- 31% Europe (excl. Germany)
- 16% North America
- 9% Asia Pacific
- 6% South America

Contracts in ‘000 units:
- 2008: 6,632
- 2010: 7,482
- 2012: 9,640
- 2014: 12,383

VW FS AG | BB / DB | June 2015 | Investor Presentation
Growth dimensions
MAN Finance Initial Success – Foundation for Growth

Initial success

MAN | Financial Services

Penetration

- 2013: 27%
- 2014: 43%

Foundation for growth

- Product-portfolio/TCO
- Global expansion
- GO50
Risk management

- **Credit Risk**
  - Risk of loss through defaults in customer transactions
  - Portfolio Structure:
    - Retail 75% / Corporate 25%
  - Assessment of creditworthiness of customers with scoring (in retail business) and rating systems (corporate).

- **Residual Value**
  - Residual values are monitored closely
  - Regular adjustment to the current market situation for new business
  - Completely covered by provisions and equity according to IAS 36.

* Shareholder Risk + Issuer Risk + Counterparty Risk + lump sum for non-quantified Risk: Liquidity Risk, Strategic Risk, Reputational Risk
VW Financial Services – Credit risks

Credit risk remains at low level despite challenging market environment

- Provision Ratio
- Ø Dynamic Loss Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Retail Financing</th>
<th>Leasing</th>
<th>Corporate Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>0.6%</td>
<td>0.4%</td>
<td>0.6%</td>
</tr>
<tr>
<td>2012</td>
<td>0.5%</td>
<td>0.6%</td>
<td>0.6%</td>
</tr>
<tr>
<td>2013</td>
<td>0.5%</td>
<td>0.4%</td>
<td>0.4%</td>
</tr>
<tr>
<td>2014</td>
<td>0.4%</td>
<td>0.4%</td>
<td>0.4%</td>
</tr>
</tbody>
</table>
VW Financial Services – Residual value

Residual value risks well covered by provisions

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,204,342</td>
<td>1,279,833</td>
<td>1,410,842</td>
<td>1,538,292</td>
<td>1,687,373</td>
</tr>
<tr>
<td>€ m</td>
<td>465</td>
<td>541</td>
<td>496</td>
<td>541</td>
<td>778</td>
</tr>
<tr>
<td></td>
<td>556</td>
<td>596</td>
<td>608</td>
<td>684</td>
<td>917</td>
</tr>
</tbody>
</table>

- Provision per car in €
- RV Risk per car in €

* retroactive inclusion of contracts from employee/staff car leasing and long-term rentals
Growth of Volkswagen Automotive leads to Growth of Financial Services

Volkswagen Group delivers to Customers

<table>
<thead>
<tr>
<th>Year</th>
<th>Units (in million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>6.2</td>
</tr>
<tr>
<td>2010</td>
<td>7.2 (+63%)</td>
</tr>
<tr>
<td>2012</td>
<td>9.3</td>
</tr>
<tr>
<td>2014</td>
<td>10.1</td>
</tr>
</tbody>
</table>

Volkswagen FS development of Balance Sheet

<table>
<thead>
<tr>
<th>Year</th>
<th>Balance (in € billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>68.6</td>
</tr>
<tr>
<td>2010</td>
<td>83.7 (+99%)</td>
</tr>
<tr>
<td>2012</td>
<td>111.1</td>
</tr>
<tr>
<td>2014</td>
<td>137.4</td>
</tr>
</tbody>
</table>

Diversified Funding Strategy ensures Liquidity for Growth

- Development of local diversified funding sources is essential for a sustainable growth path
- Standardised programs increase brand recognition for investors and ensure attractive pricings
**Funding structure Volkswagen Financial Services**

Total € 137.4 bn

**Strategic Funding Sources**

- **ABS**
- **Deposits**
- **Capital Markets**

- **Equity** € 15.2 bn (11%)
- **Asset Backed Securitization** € 21.1 bn (15.3%)
- **Bonds issued** € 33.6 bn (24.5%)
- **Commercial Paper** € 4.2 bn (3%)
- **Liabilities to affiliated companies** € 15 bn (11%)
- **Liabilities to financial institutions** € 12.9 bn (9.4%)
- **Customer Deposits** € 26.2 bn (19.1%)
- **Others** € 9.2 bn (6.7%)
- **Others** € 9.2 bn (6.7%)

* strategic funding allocation

as of 31 December 2014

Volkswagen Financial Services

The Key to Mobility

VW FS AG | BB / DB | June 2015 | Investor Presentation
Volkswagen Financial Services’ Worldwide Capital Market Activities

- **VW Credit Canada Inc.**
  - €30 bn Debt Issuance Program (VW Group)
  - CAD 1 bn CP Program

- **VW Credit Inc. (USA)**
  - $4 bn CP Program (VWoA + VW Credit Inc.)
  - €10 bn CP Program (VW Group)
  - €30 bn Debt Issuance Program (VW Group)
  - 144a Bond Issuances via VWGoAF

- **VW Leasing Mexico**
  - MXN 20 bn Dual Program*

- **VW Bank Mexico**
  - MXN 7 bn Debt Issuance Program

- **VW Bank Russia**
  - Domestic KRW Bond Issuances

- **VW Bank Polska**
  - PLN 3 bn Debt Issuance Program

- **VW Bank Canada**
  - Domestic CAD 3 bn Bond Program

- **VW Bank Australia**
  - AUD 3 bn Debt Issuance Program

- **VW FS Group**
  - €10 bn CP Program
  - €25 bn Debt Issuance Program

- **VW FS India**
  - INR CP + Bond Issuances

- **VW FS Australia**
  - AUD 25 bn Debt Issuance Program

- **VW FS Korea**
  - Domestic KRW Bond Issuances

- **VW FS Japan**
  - JPY 60 bn ECP Program

- **VW Finance (China)**
  - Domestic INR CP + Bond Issuances

- **VW FS Group**
  - Domestic TRY Bond Issuances

- **VDF Turkey**
  - Domestic TRY Bond Issuances

- **VW FS Indonesia**
  - Domestic INR CP + Bond Issuances

- **VW Credit Inc. (USA)**
  - $4 bn CP Program (VWoA + VW Credit Inc.)
  - €20 bn CP Program (VW Group)
  - €30 bn Debt Issuance Program (VW Group)
  - 144a Bond Issuances via VWGoAF

- **VW Leasing Mexico**
  - MXN 20 bn Dual Program*

- **VW Bank Mexico**
  - MXN 7 bn Debt Issuance Program

- **VW FS Group**
  - €10 bn CP Program
  - €25 bn Debt Issuance Program

- **VW Bank**
  - €2.5 bn CP Program
  - €10 bn Debt Issuance Program

- **VW Finance (China)**
  - Domestic INR CP + Bond Issuances

- **VW FS Group**
  - Domestic TRY Bond Issuances

- **VW FS Group**
  - Domestic INR CP + Bond Issuances

- **VW Bank**
  - €2.5 bn CP Program
  - €10 bn Debt Issuance Program

*Dual = CP + Debt Issuance
DCM Activities (2014 + Q1 2015)

Volkswagen FS AG

Germany: VW Leasing
- 3 Issuances 2,750 m EUR  tenor: 3.5 to 10 years

Germany: VW Bank
- 11 Issuances 2,625 m EUR  tenor: 1 to 5 years

Russia: VW Bank RUS
- 3 Issuances 15,000 m RUB  tenor: 5 years

Australia: VW FS Australia
- 2 Issuances 400 m AUD  tenor: 4 and 5 years

Japan: VW FS Japan
- 10 Issuances 31,000 m JPY  tenor: 3 to 5 years

India: VW FS India
- 3 Issuances 8,000 m INR  tenor: 2 to 3 years

Mexico: VW Leasing + Bank
- 3 Issuances 5,500 m MXN  tenor: 2.5 to 4 years

Brasil: Banco VW
- 18 Issuances 1,645 m BRL  tenor: 2 years

Korea: VWFS Korea
- 2 Issuances 250 bn KRW  tenor: 3 years

International: VW FS N.V.
- 18 Issuances 2,145 m EUR*  tenor: 1.5 to 6.5 years

* Various currencies (NOK, SEK, GBP, EUR, TRY, NZD, CZK)
Public Irrevocable Offer underpins strategic importance of DCM business and commitment of the shareholder

VOLKSWAGEN

AKTIENGESELLSCHAFT

(A / A2 Rating)

100% Owner – Control and Profit and Loss Transfer Agreement

VOLKSWAGEN FINANCIAL SERVICES

AKTIENGESELLSCHAFT

(A / A2 Rating)

Public Irrevocable Offer

Bond investors of VW Bank RUS LLC
Volkswagen Financial Services AG has a solid and stable rating history.

Data Source: Reuters
S&P and Moody’s value VWFS’s strategic position within VW Group

S&P: “We consider VW FS to be core to its ultimate parent, VW AG, and equalize our ratings on VW FS with those on VW AG.“

S&P: “We consider VW FS’ corporate strategy to be prudent, well-executed, and focused on its core business, in which it has expertise.“

S&P: “(…) reflects our view that captive finance operations will remain integral to the VW group’s overall corporate strategy.“

Moody’s: “VW FS AG benefits from a domination and profit-and-loss transfer agreement with Volkswagen that reflects the entity’s core strategic role for Volkswagen.”

Moody’s: “Because of the strength of the contractual and strategic links between Volkswagen and its subsidiaries, Moody’s expects both VW FS AG and VW Bank to benefit from "affiliate backing", the highest degree of affiliate support (…).”

“S&P: We believe that VW FS will preserve its current conservative capital and risk management, and that its asset mix and growth trends are unlikely to change materially in the short to medium term.“

Investor’s Risk Evaluation - Bond Curve Volkswagen AG compared to Volkswagen Financial Services AG

VW FS outstanding bonds
VW FS EUR bond curve
VW AG outstanding bonds
VW corporate EUR bond curve
Contact

Bernd Bode
Head of Group Treasury & Investor Relations
Volkswagen Financial Services AG
Tel.: +49 531 212 3807
bernd.bode@vwfs.com

Annual Report Volkswagen Financial Services AG:
http://www.vwfsag.com/ar14

Dirk Bauer
Head of Debt Capital Markets & Corporate Rating
Volkswagen Financial Services AG
Tel.: +49 531 212 3882
dirk.bauer@vwfs.com
Volkswagen Group in Russia

*) Natural person owns 0,01% VW Group Finanz OOO and 0,01% LLC VW FS RUS.
Volkswagen Financial Services Division in Russia

VW Bank RUS
- 2010: Dealer stock car financing
- 2012: Retail car loan
- 2013: Credit protection

VW Group Finanz
- 2003: Financial leasing
- 2005: Equipment leasing
- 2008: Test leasing

VW Financial Services RUS
- 2007: Bank cooperation
- 2007: Leasing motor insurance
- 2009: Retail motor insurance
- 2011: Warranty insurance
- 2013: GAP insurance
- 2015: Factoring

MAN FS Russia
- 2006: Financial leasing
- 2012: Dealer financing
Volkswagen Bank RUS at a glance

- VW Bank RUS proceed to develop within unified global financial strategy of VW FS AG, concentrating on efficiency growth:
  - In 2015 Wholesale portfolio of VWBR will be switched within the Group to VW FS RUS, carrying benefits for the whole Group in Russia.
  - In 2015 MAN FS Russia business will be integrated in VWFS division in Russia, aiming to strengthen and expand financial service activities with the Group’s brands.
  - Focusing on Retail business development, VWBR is gradually expanding portfolio of financial services provided, including new product implementation.

- According to the amended strategy, VWBR intends to be a core part of VW FS division in Russia.

- VWBR’s funding portfolio amounted RUB 25 bn (1q2015), represented by 60% of DCM. Further VWBR portfolio growth envisage DCM as the main funding source.

Key Figures, 1q 2015

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>RUB 37.5 bn</td>
</tr>
<tr>
<td>Equity</td>
<td>RUB 10.7 bn</td>
</tr>
<tr>
<td>Debt securities issued</td>
<td>RUB 14.6 bn</td>
</tr>
<tr>
<td>Retail loans (net)</td>
<td>RUB 22.8 bn</td>
</tr>
<tr>
<td># of retail loans</td>
<td>2 701</td>
</tr>
<tr>
<td>Corporate loans (net)</td>
<td>RUB 4.9 bn</td>
</tr>
<tr>
<td># of dealer clients</td>
<td>260</td>
</tr>
</tbody>
</table>

Net Asset Structure, 1q 2015

- *Internal and IFRS estimates*
VW Group brand dealer network is comprised of more than 430 car dealerships.

Strong cooperation with dealers provides foundation for key business lines of VW Bank RUS:

- **Wholesale**: loan facilities provided to 260 dealers that contribute about 65% VW Group car sales in Russia
- **Retail**: more than 95% of VW Group brand dealers are involved into retail car loan programme
At the end of 2014 year retail portfolio amounted RUB 25.7 bn, showing 60% y/y growth. In the 2q 2015 VWBR promptly recovering after a crisis hit, expecting 2.2x growth of distributed retail loans (compared to 1q 2015).

According to the “Business Plan 2015” VWBR will concentrate on Retail business development.

VWBR has already implemented two new retail products to meet current requirements of Russian car loan market: Used car loan and Loan with balloon payment.
Retail business: market environment at points of sale

- Despite negative crisis impact the quality of VWBR’s retail portfolio remains extremely strong, with a defaulted loans ratio **only 0.93%** at the end of 1q 2015.
- Share of VW FS in a credit market (POS) is **87%** (2014). Further growth to be bolstered by retail business development and introduction of new products.
- Captive business is being positively influenced by State Subsidy Program and special offers from VW FS.

*IFRS estimates*
Wholesale business transformation

- According to Global financing strategy of VW FS AG, financial services portfolio structure in Russia is being optimized in more effective way.
- Starting from July 2015 VWBR wholesale portfolio ("Unit funding product") will be switched to VW FS RUS including 260 car Dealers totally.
- New financing scheme “Factoring product” under Factoring agreement signed by VW Group Rus & VWFS RUS offer attractive financing for Dealers.
- Wholesale business transformation expecting to have positive effect on key figures for the whole VW FS Group and Dealers.

Positive development of Dealer financing within VW FS division Russia

"Factoring product" benefits for VWBR:
- Release of RAS provisions by transferring dealer financing business to the separate entity - VW FS RUS.
- Absence of CBR normative regulation compared to current “Unit Funding product”.
- Focusing on Retail business development.
- “Used car loan financing product” will be developed within VWBR.
Volkswagen Bank RUS key IFRS figures

<table>
<thead>
<tr>
<th>RUB mn</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>1q 2015*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>18 891</td>
<td>30 522</td>
<td>42 105</td>
<td>37 521</td>
</tr>
<tr>
<td>Equity</td>
<td>5 870</td>
<td>9 036</td>
<td>10 670</td>
<td>10 658</td>
</tr>
<tr>
<td>Net corporate loans</td>
<td>14 130</td>
<td>12 278</td>
<td>2 092</td>
<td>4 907</td>
</tr>
<tr>
<td>Net retail loans</td>
<td>1 132</td>
<td>15 922</td>
<td>25 027</td>
<td>22 806</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>3 422</td>
<td>1 927</td>
<td>14 142</td>
<td>9 112</td>
</tr>
<tr>
<td>Net interest income</td>
<td>472</td>
<td>1 318</td>
<td>2 108</td>
<td>574</td>
</tr>
<tr>
<td>Net interest income after provisions</td>
<td>140</td>
<td>928</td>
<td>2 036</td>
<td>260</td>
</tr>
</tbody>
</table>

* IFRS based, estimates
Asset and Liability Structure: key changes

Retail business currently represents 61% of VWBR’s assets and set to become the major driver behind asset growth.

**ASSETS**
- Cash & equivalents
- Corporate financing
- Retail financing
- Other assets

**LIABILITIES**
- Equity
- Current accounts
- Interest bearing liabilities
- Other liabilities

*IFRS based, estimates*
Business Development Plan 2015-2018

New “Business plan 2015” was adopted to lead further business development of VWBR within unified global financial strategy of VW FS AG and current economic trends, changes in Russian market.

VW Bank RUS’s business development until 2020 estimates ≅ RUB 115 bn
Current Funding Mix and Forecast for 2020

VWBR is on the good way to achieve VW FS Group Refinancing Strategy.

In 2014, VWBR successfully placed three issues, worth a total of RUB 15bn. DCM is forecasted to be increased in the end of 2015 as Retail business will grow.

Actual 2014

- DCM 51%
- VW FS N.V. 21%
- VW Bank GmbH 13%
- Russian Banks 1%
- International Banks 14%

Total funding approx. RUB 30bn

2020

- DCM 61%
- VW FS N.V. 5%
- VW Bank GmbH 5%
- ABS* 14%
- Russian Banks 4%
- International Banks 11%

Total funding approx. RUB 110bn

*ABS – acc. to market conditions
Funding Potential of Volkswagen Bank RUS

Funding Potential is well prepared for planned business growth.

Utilization is absorbing 30% - 55% vs. total Funding Potential only.
Funding instruments

VW Bank RUS enjoys solid relationship with more than 14 local banking groups, represented by both subsidiaries of VW Group global partners and top Russian banks.

VW Bank RUS is secured by Russian and International Intercompany Loans provided by several VW Group entities.

VW Bank RUS established Debt Capital Markets programme structured as follows:

- Volkswagen Financial Services AG
  - Moody’s: Aa3, stable outlook
  - S&P: A, stable outlook

  Public Irrevocable Offer

  VW Bank RUS LLC
  Issuer

  Bond programme

  Registered by CBR on 15th August 2013

  13 issues
  Issue amount: RUB 2-5 bn
  Total amount: RUB 50 bn
Contacts

Holger Wetzenstein-Ollenschlaeger
Chief Financial Officer
Volkswagen Bank RUS LLC
Tel.: +7-495-7757557
Holger.Wetzenstein.Ollenschlaeger@vwfs.com

Thorsten Bradler
Commercial Director
Volkswagen Bank RUS LLC
Tel.: +7-495-7757557
Thorsten.Bradler@vwfs.com

Joerg Thielemann
Operational Director
Volkswagen Bank RUS LLC
Tel.: +7-495-7757557
Joerg.Thielemann@vwfs.com

Hans Droessler
Head of Treasury and Financial Institutions
Volkswagen Bank RUS LLC
Tel.: +7-495-7757557
Hans.Droessler@vwfs.com

Thank you
Disclaimer

The following presentations contain forward-looking statements and information on the business development of the Volkswagen Group. These statements may be spoken or written and can be recognized by terms such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “will” or words with similar meaning. These statements are based on assumptions relating to the development of the economies of individual countries, and in particular of the automotive industry, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. The estimates given involve a degree of risk, and the actual developments may differ from those forecast.

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

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

We do not update forward-looking statements retrospectively. Such statements are valid on the date of publication and can be superceded. This information does not constitute an offer to exchange or sell or an offer to exchange or buy any securities.
Backup
Penetration Volkswagen Financial Services

Rising penetration rates

- 26.4% (2008)
- 25.0% (2009)
- 24.7% (2010)
- 25.4% (2011)
- 27.5% (2012)
- 28.9% (2013)
- 30.6% (2014)

- 32.5% (2008)
- 32.9% (2009)
- 34.9% (2010)
- 36.3% (2011)
- 40.7% (2012)
- 44.3% (2013)
- 44.5% (2014)

w/o China

with China
Strong Benefits for Automotive through Captive

**Equipment**
- 100% Cash Payer
- 105% Captive Customer

**Turnover**
- 7.4% Cash Payer
- 4.8% Captive Customer

**Brand Loyalty**
- 54% Cash Payer
- 68% Captive Customer

**Length of ownership (years)**
- + 35%
Volkswagen Financial Services offers the whole Range of Services under one roof

- Retail Finance
- Dealer Finance
- Factoring
- Deposits
- Instalment Loans
- Investment Products
- Finance Lease
- Operating Leasing
- Automotive
- Payment Protection
- Industry
- Fleet Management
- Tyre
- Wear & Tear
- Long-term rent
- Short-term rent
- Carsharing