

VOLKSWAGEN FINANCIAL SERVICES

AKTIENGESELLSCHAFT



The Key to Mobility

Creating Value with Financial Services

Fixed Income Investor Update – May 2013

Bernd Bode

Head of Group Treasury
and Investor Relations

Volkswagen Financial Services

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Investor Relations

Volkswagen Financial Services AG

“Volkswagen is a product-driven business through and through.

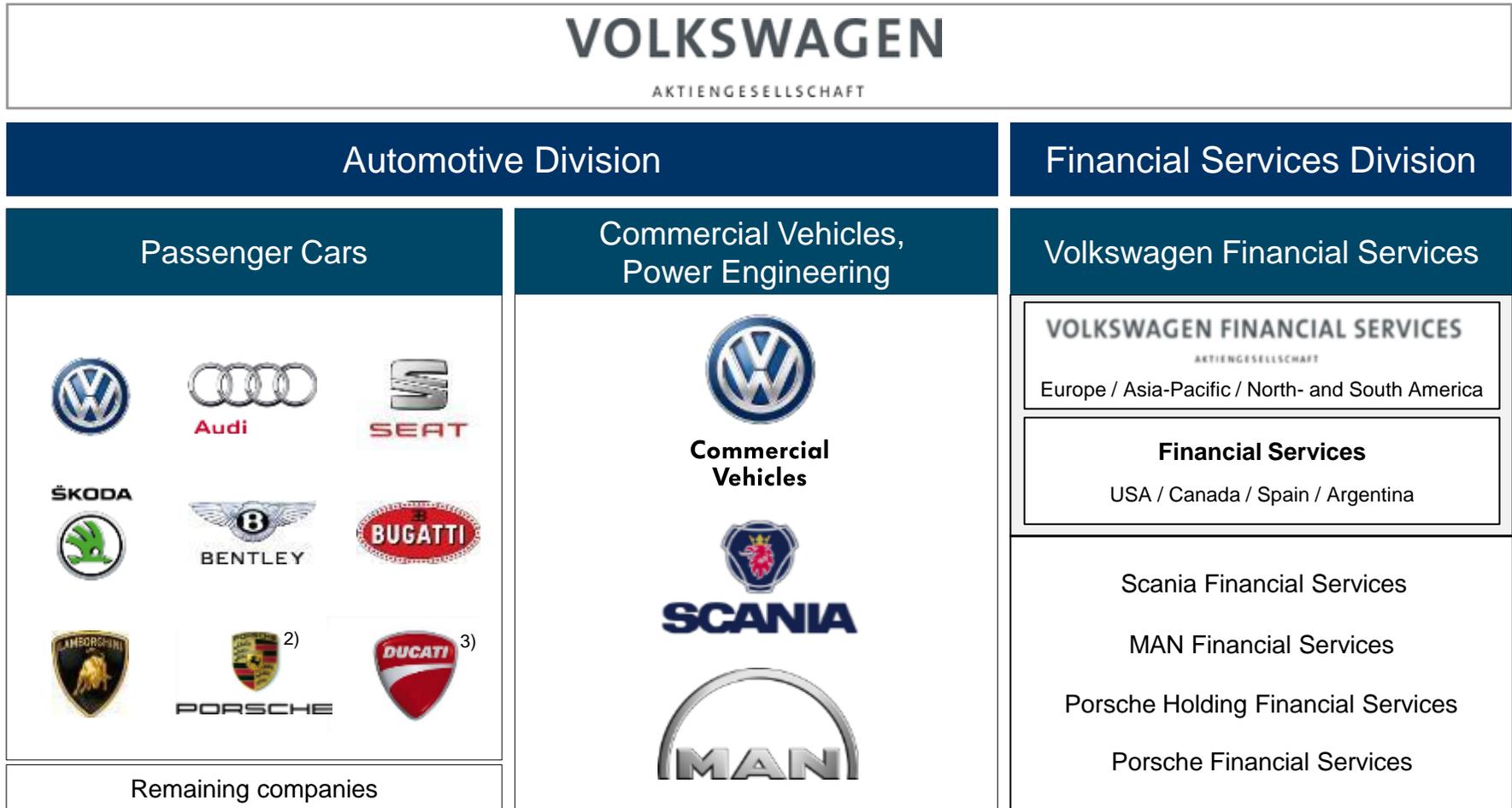
Everything we do revolves around automobiles. At the same time, though, we are setting our sights more and more on the entire value chain.

Financing, leasing and mobility services aren't just highly profitable. These business areas are also becoming increasingly important for attracting and retaining customers; all over the world.”

Prof. Dr. Martin Winterkorn
Chairman of the Board of Management



Volkswagen Group – built on three strong pillars¹⁾



¹⁾ Organizational structure of Volkswagen Group as from 1 September 2012; reporting structure as from January 2013

²⁾ Fully consolidated as from 1 August 2012

³⁾ Consolidated as from 19 July 2012

A wide product range around the car

1.

„Ownership“

Bank

- Retail Finance
- Dealer Finance

Das Auto



2.

SERVICE

Insurance

- Automotive
- Warranty
- Payment Protection

Leasing

- Finance Lease
- Operating Lease

Services

- Fleet Management
- Gas Card
- Tyre
- Wear & Tear

3.

FLEXIBILITY

New Mobility

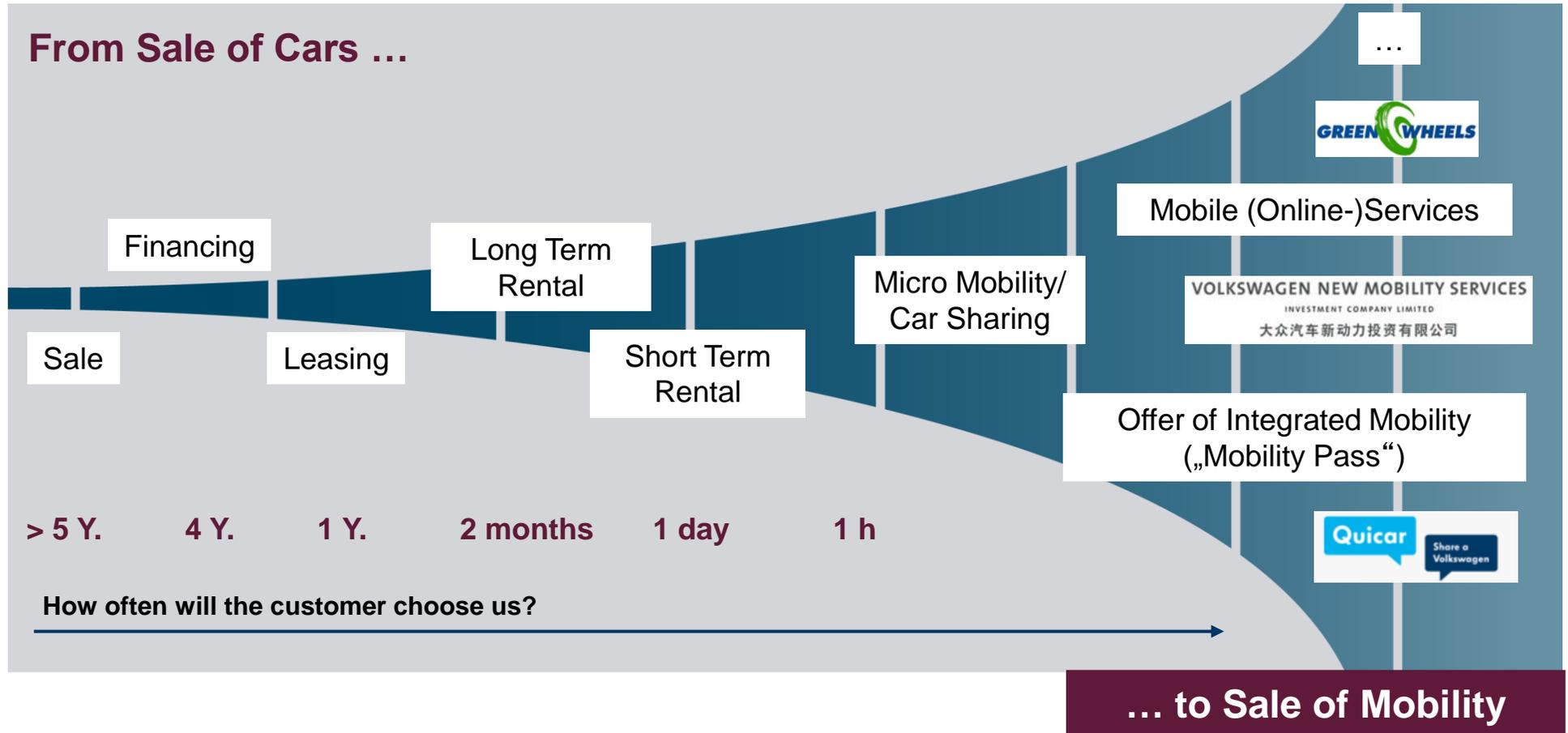
- Micro Mobility
- Mobile Online Services
- Short term Rental

Direct Banking

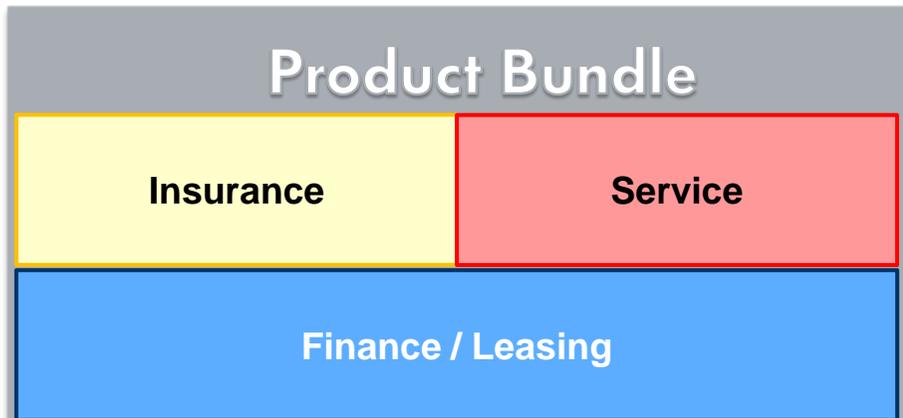
- Deposits
- Instalment Loans
- Brokerage Products

Strategy for Mobility

Focus on New Mobility – Challenge: Customer Loyalty



Volkswagen Financial Services Supports Launch of the Golf: Integrated Concept for Financial Services



Benefit Customer

„Key to mobility“-Approach

- Cost Transparency (“All In One”)
- Affordability
- Facilitating sales process

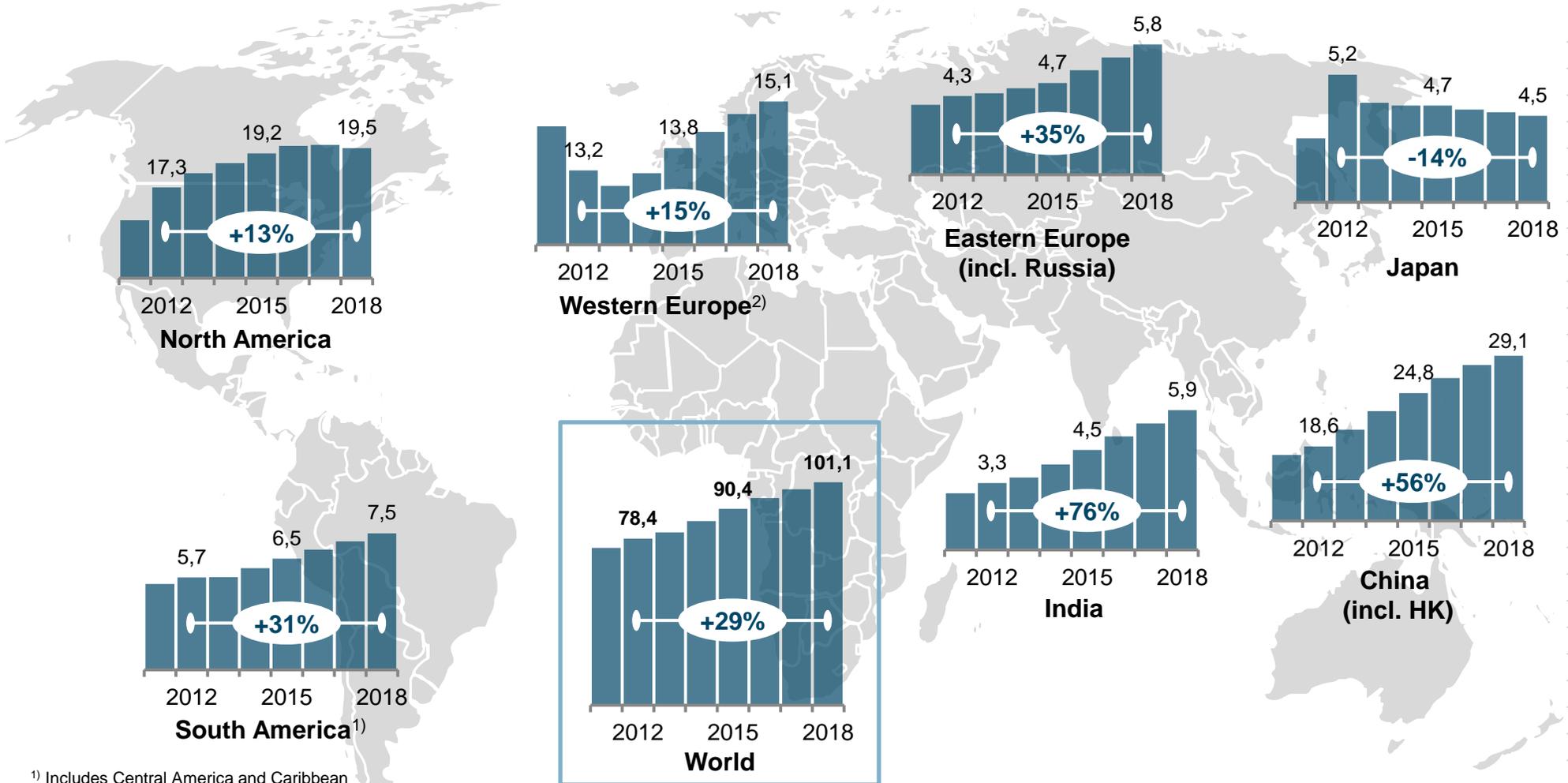
Benefit VW AG

Positive Effects on:

- Loyalty to Brand, Dealer & Workshop
- Customer Satisfaction
- Profitability per Customer

Substantial growth opportunities in the key sales markets

Market growth 2012 – 2018 (million units)



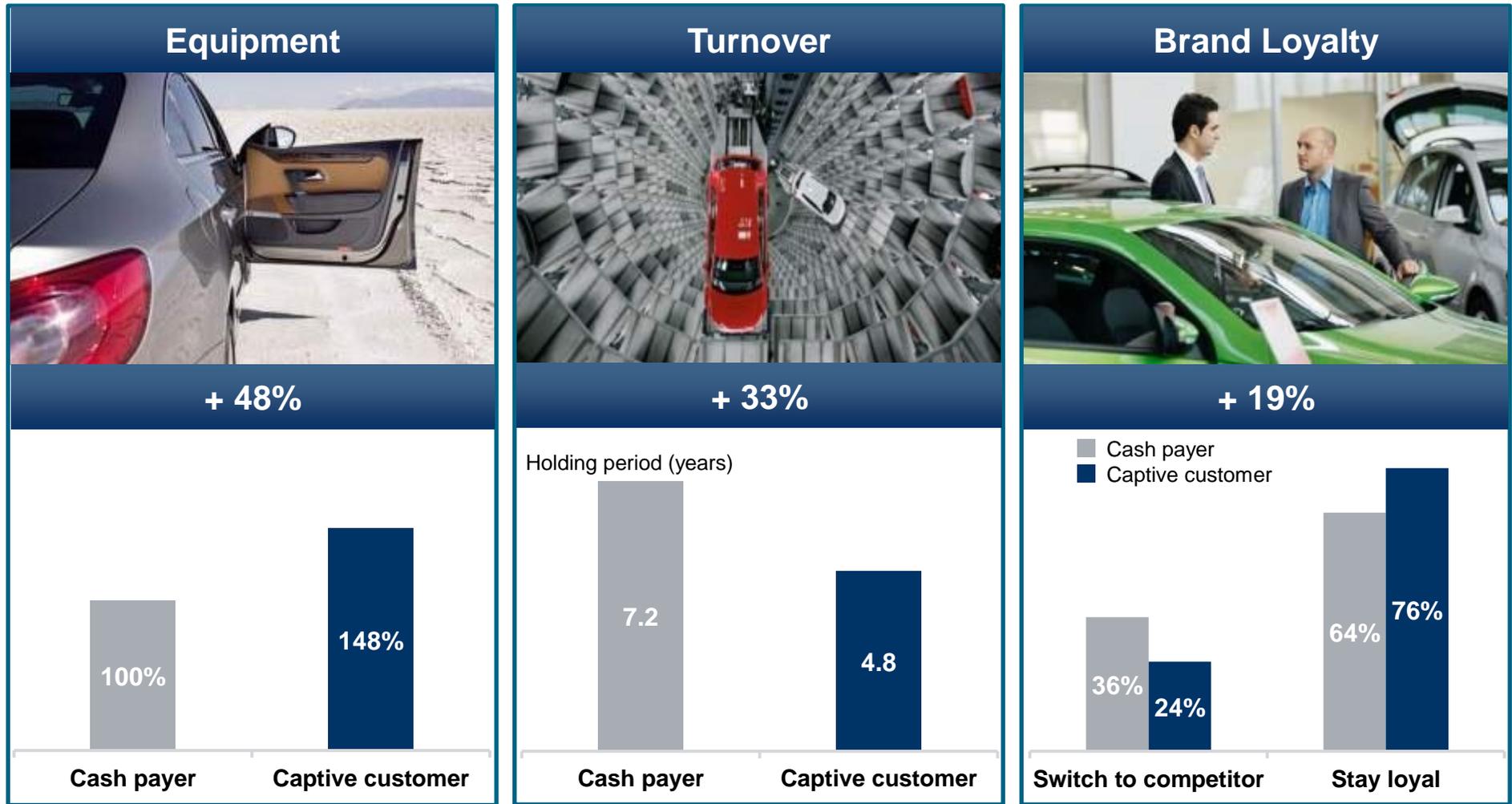
¹⁾ Includes Central America and Caribbean

²⁾ Includes Cyprus and Malta

Source: IHS Automotive (data status: 15.04.2013), rounded

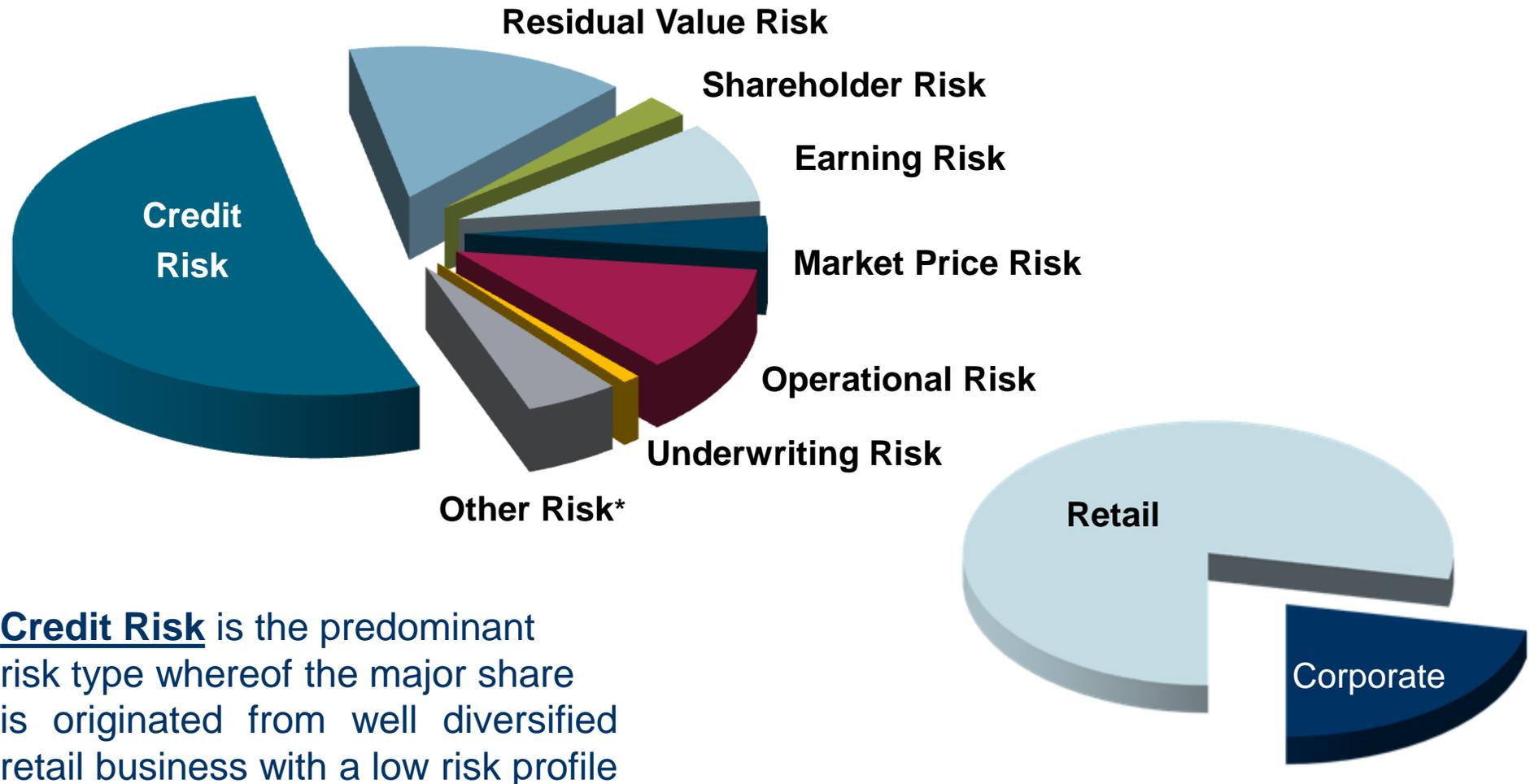
Note: Market = Cars and LCVs

Strong benefit to automotive operations through captive financing



EU-5 markets

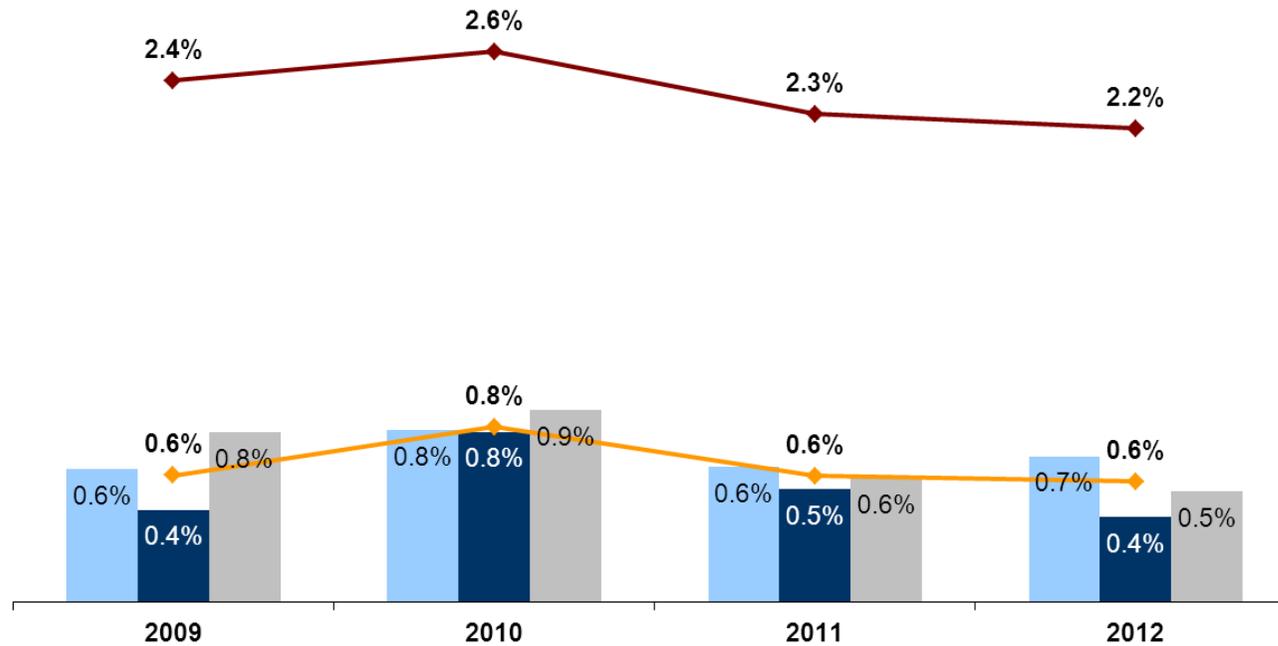
Risk Profile of Volkswagen Financial Services AG



Credit Risk is the predominant risk type whereof the major share is originated from well diversified retail business with a low risk profile

* Liquidity Risk, Strategic Risk, Reputational Risk

Total Provision and Dynamic Loss Ratio – VW FS AG

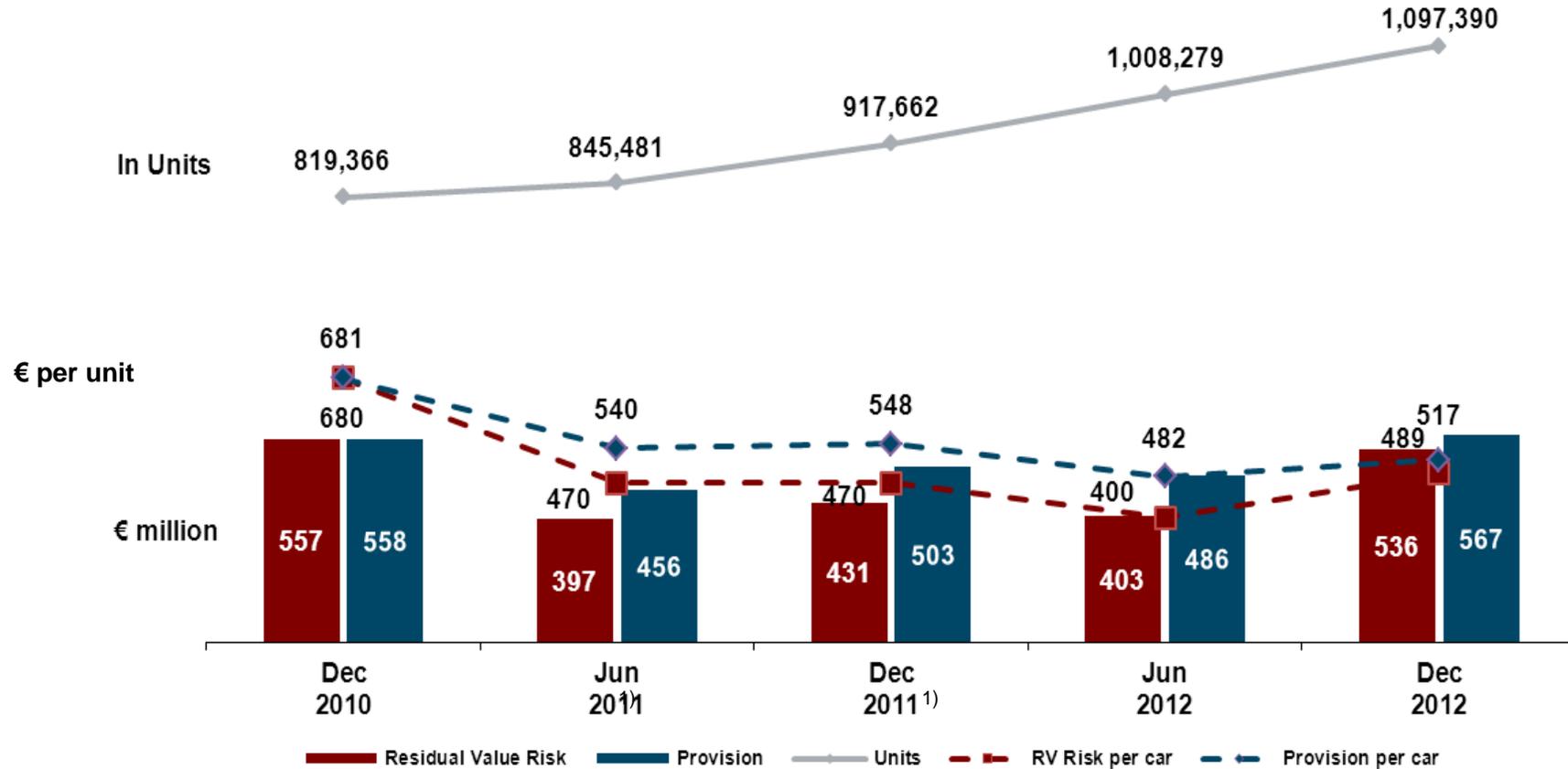


◆ Total Provision Ratio ◆ Ø Dynamic Loss Ratio ■ Retail Financing ■ Leasing ■ Corporate Financing

The credit risk losses are under control and completely covered by provisions

Residual Value Risk

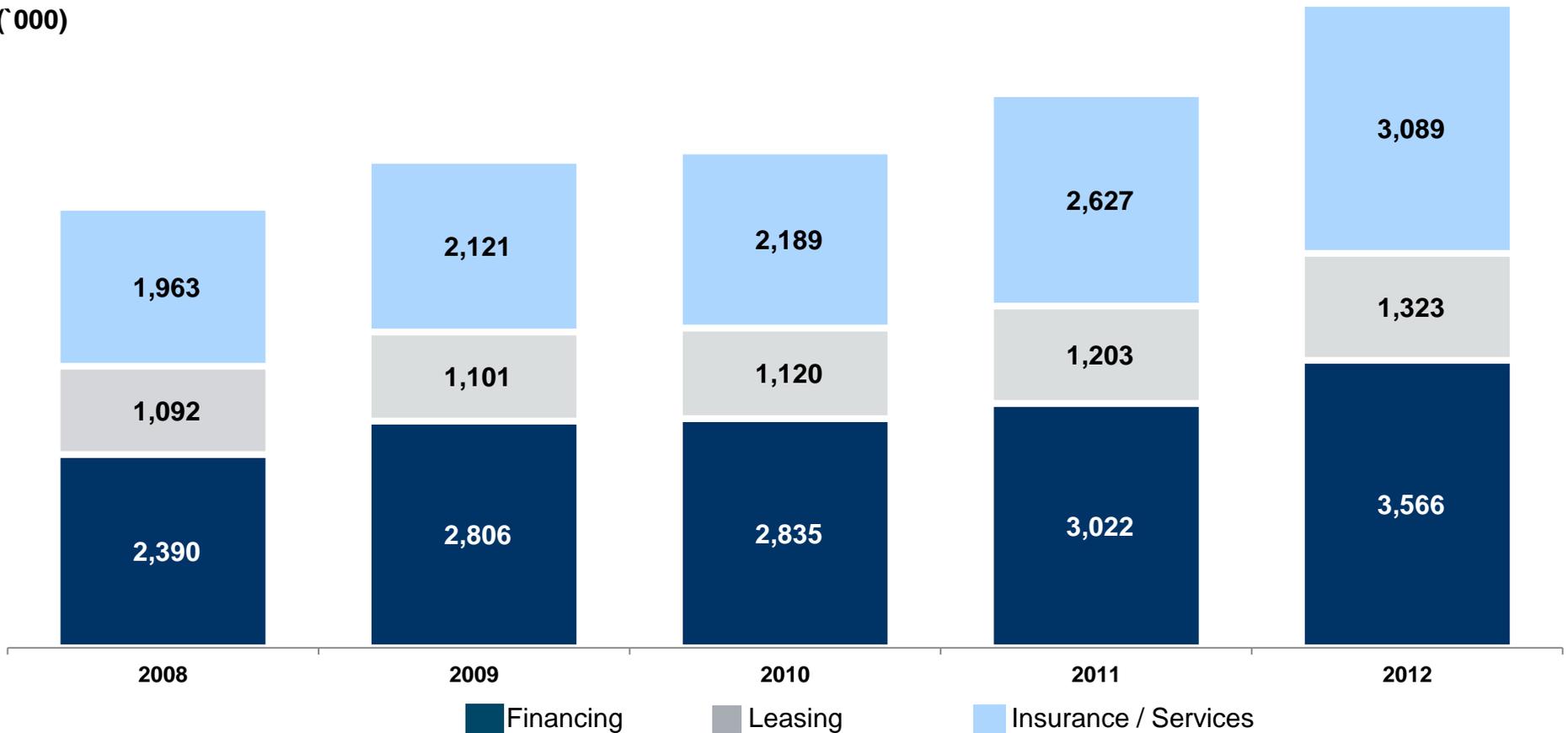
December 2010 - December 2012



Volkswagen Financial Services AG:

Stable portfolio growth

Existing contracts
('000)

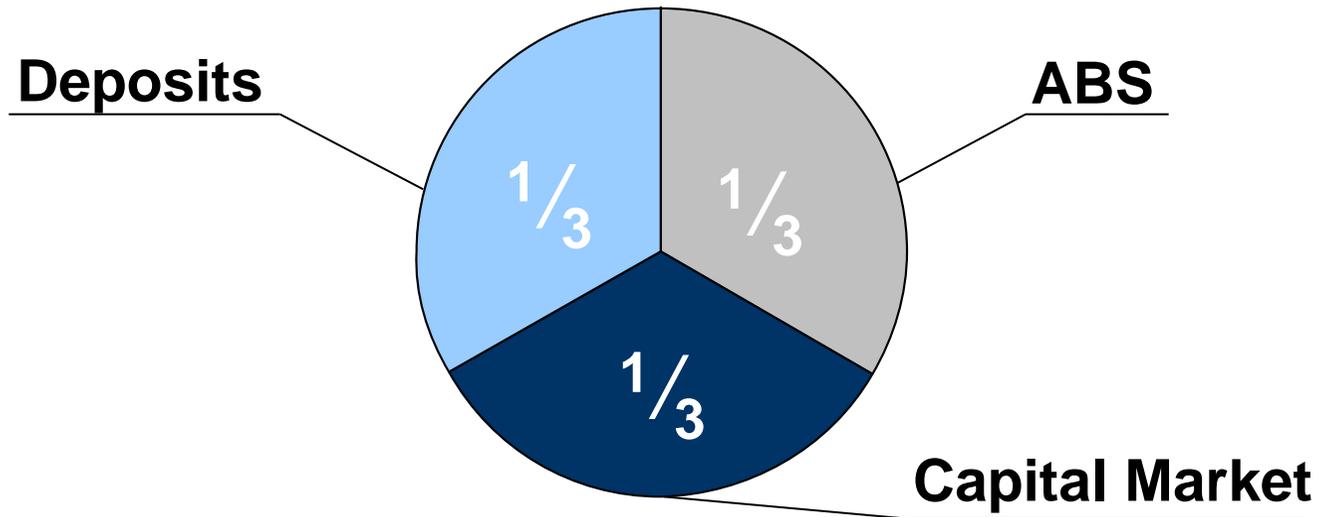


Volkswagen Financial Services AG

Key data 2008 – 2012 (IFRS)

	2008	2009	2010	2011	2012
Portfolio ('000)	5,793	6,028	6,144	6,852	7,977
Retail + Leasing receivables (€ mn)	36,825	40,538	44,148	47,513	53,439
Wholesale receivables (€ mn)	9,584	8,391	8,828	10,412	10,781
Customer deposits (€ mn)	12,835	19,532	20,129	23,795	24,889
Employees	6,639	6,775	6,797	7,322	8,770
IFRS profit before tax (€ mn)	792	554	870	933	993
Equity (€ mn)	6,780	6,311	6,975	7,704	8,800

Refinancing Strategy

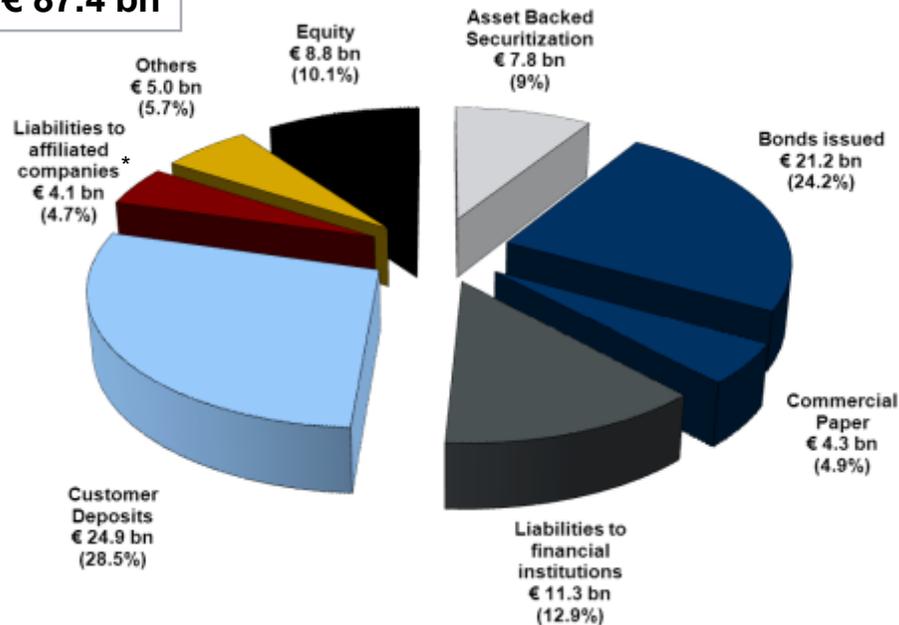


Focus on three fundamental funding sources

Volkswagen Financial Services AG: successful, diversified and automotive-independent funding structure

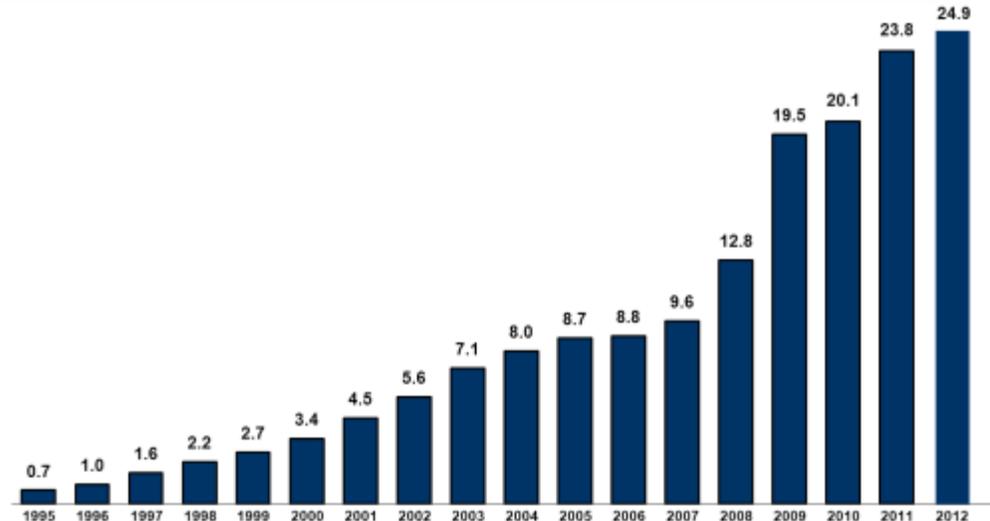
Funding

total
€ 87.4 bn



Deposits

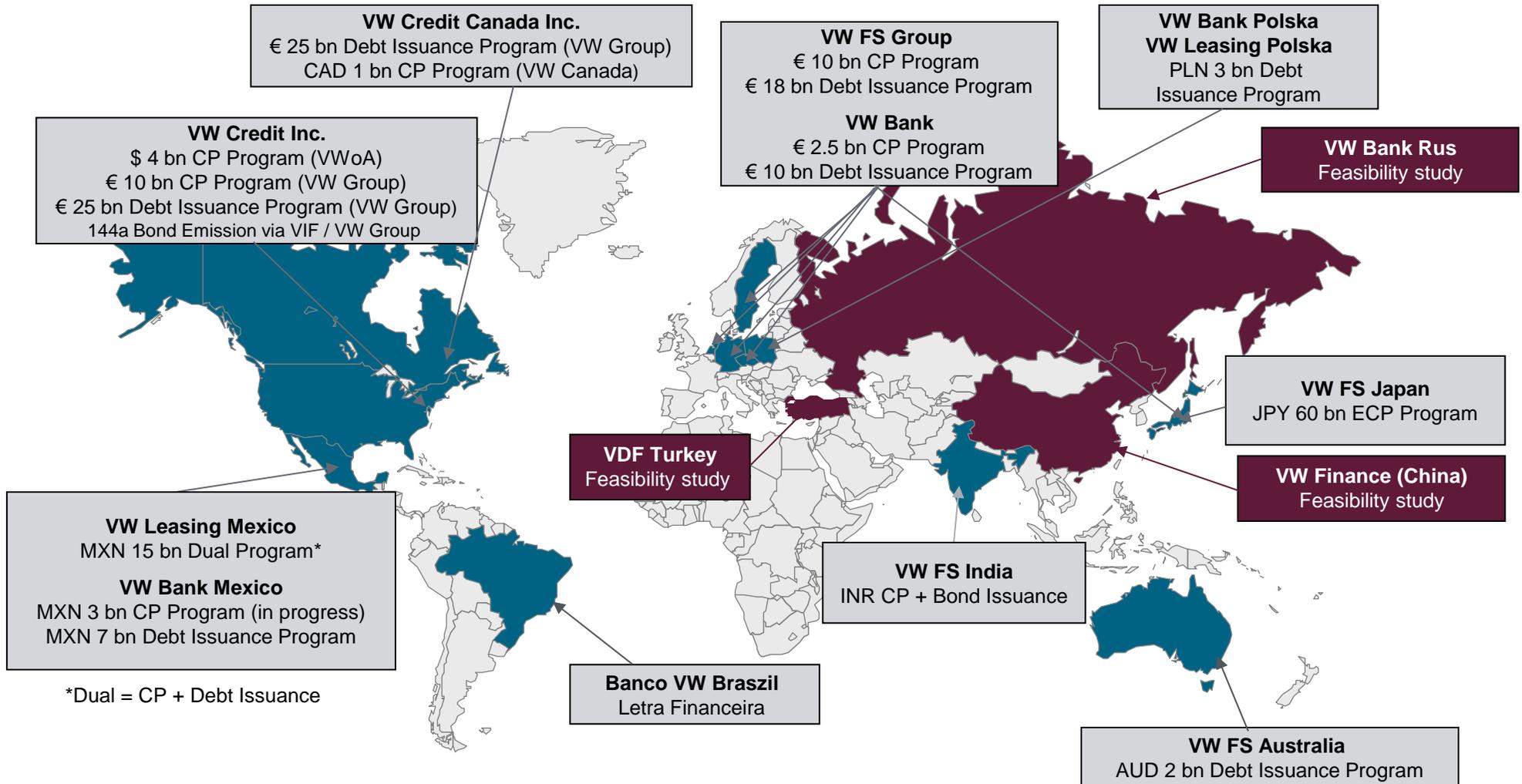
€ billion



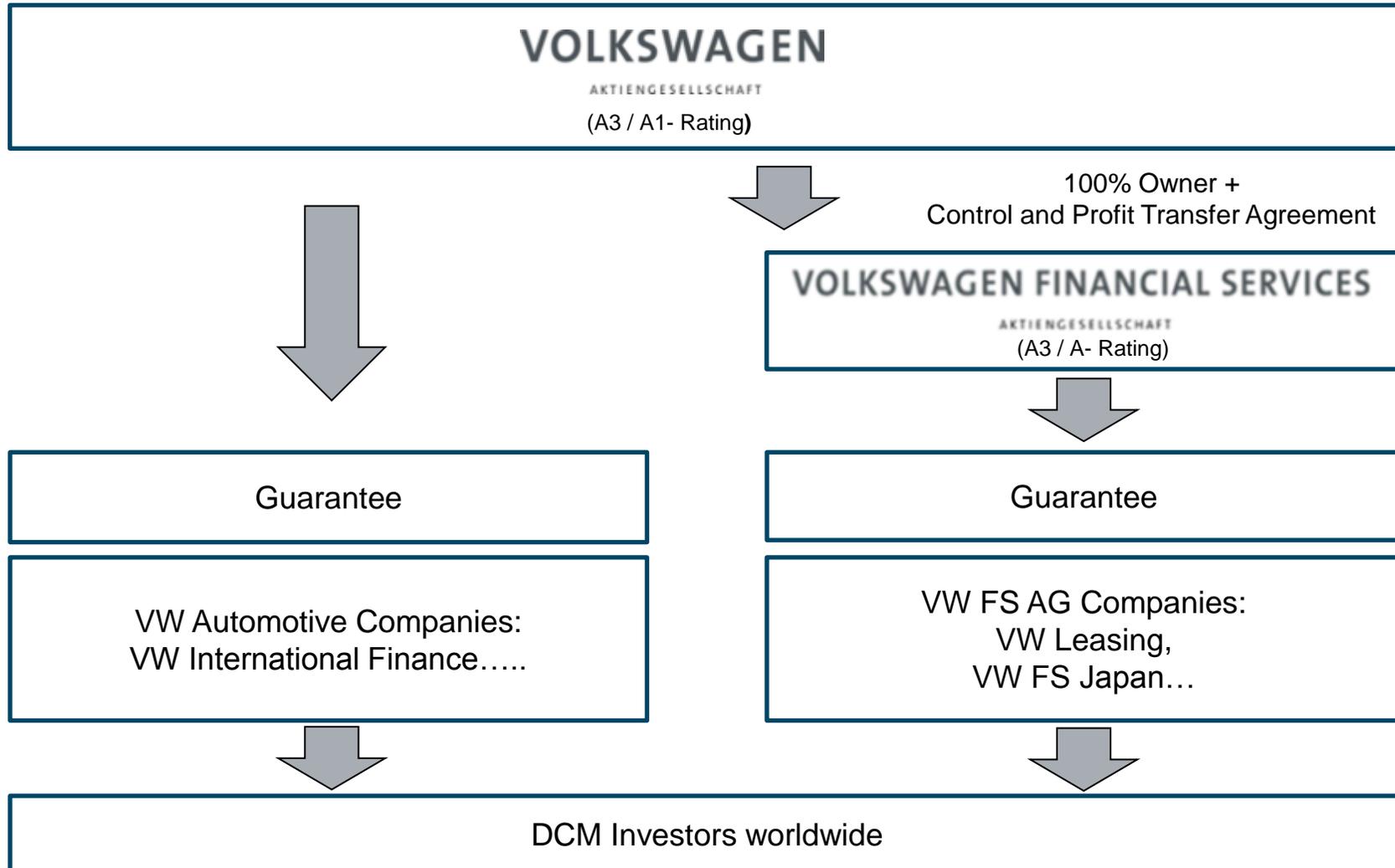
As of 31.12.2012

* auto liquidity w/o passed-through capital market business

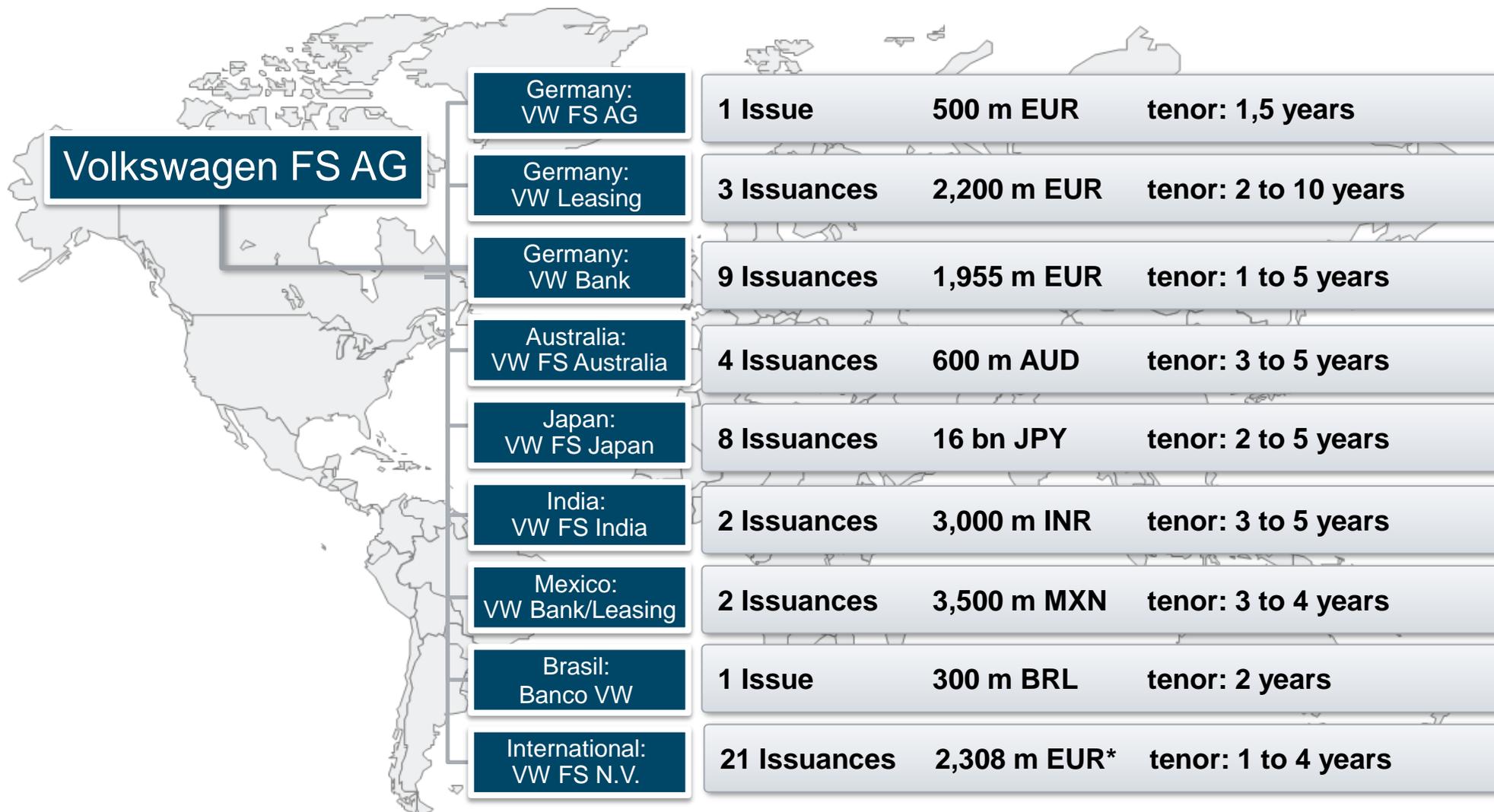
VW Financial Services Worldwide Capital Market Activities



DCM Strategy VW Automotive and VW Financial Services



DCM Activities in 2012 / 2013 Worldwide



DCM Europe: VW Bank GmbH Bond



Klein ist groß. Der neue cheer up!
Jetzt mit bis zu 895 Euro Preisvorteil.¹

Wenn Sie kein Grundschuldenfrei bei VW Bank sind, ist die Überbrückung über ein
von VW Bank und einer unabhängigen Finanzierung auf max. 12 Monate möglich.
Zum Beispiel unter Auflagen abgrenzter Auftragsvertrag und Darlehensrückzahlung,
die 12% Leihzinsen beinhalten, der VW Bank jedoch keine Rückzahlung
nach Ablauf des spezifizierten Darlehensvertrag. Die endgültigen Preis- und Vertragsbedingungen
sind nach der Unterzeichnung des Darlehensvertrages zu erfragen.

¹Maximaler Preisvorteil von über 800 € im Vergleich zu einem typischen VW Leasingvertrag. Die maximale Leasingzahlung des Kunden ist die Summe aus Leasingrate und Leasinggebühren. Die Leasingrate ist abhängig von Leasingdauer und Leasingrate. Leasingrate: 1200 € / 120 Monate = 10 € / Monat. Leasinggebühren: 1200 € / 120 Monate = 10 € / Monat. VW Bank ist ein Tochterunternehmen der Volkswagen Group of America. VW Bank ist ein Tochterunternehmen der Volkswagen Group of America. VW Bank ist ein Tochterunternehmen der Volkswagen Group of America.

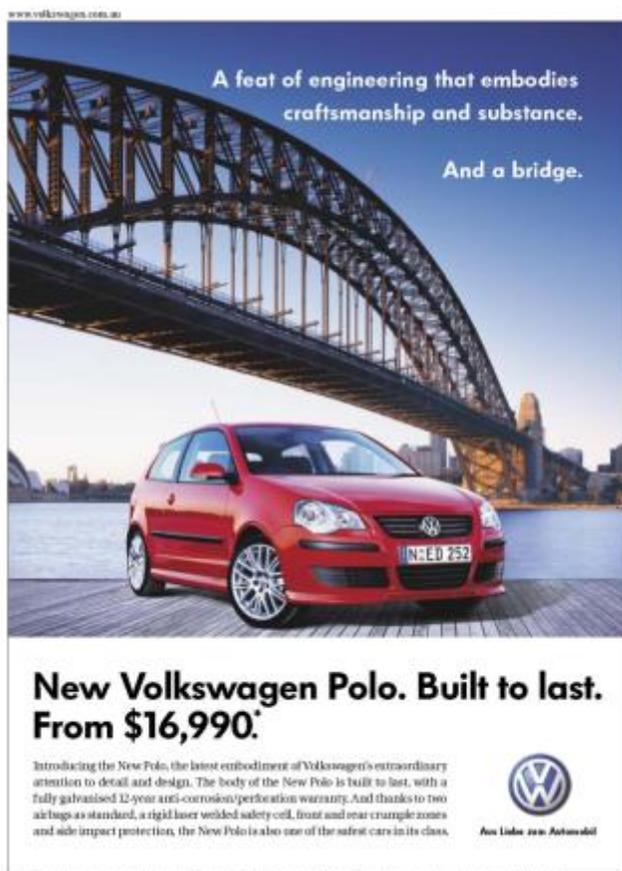


Das Auto.

Transaction

Issuer	VW Bank GmbH
Issuance	05/13 – 05/16 (FRN) 02/18 (FIX)
Volume	€ 750m (FRN) + € 500m (FIX)
Ratings	S&P: A- Moody's: A3
Type	Floating Rate Note Fixed Rate Note
Cupon	3ME + 0.40% (FRN); 1.125% (FIX)
Spread	ca. EUR Midswap + 30bps (FRN) EUR Midswap + 53bps (FIX)

DCM Australia: VW FS Australia Pty. Ltd. Bond



Transaction	
Issuer	VW FS Australia Pty Ltd.
Issuance	12/2012 – 12/2016
Volume	AUD 200m
Ratings	S&P: A- Moody's: A3
Type	AUD FIX
Coupon / Return	4.5% / 4.577%
Spread	AUD Midswap + 130bps

* Increase in Volume to AUD 100 (AUD Midswap +140bp) in August 2012

DCM Brasil: Banco Volkswagen Ltd. Bond



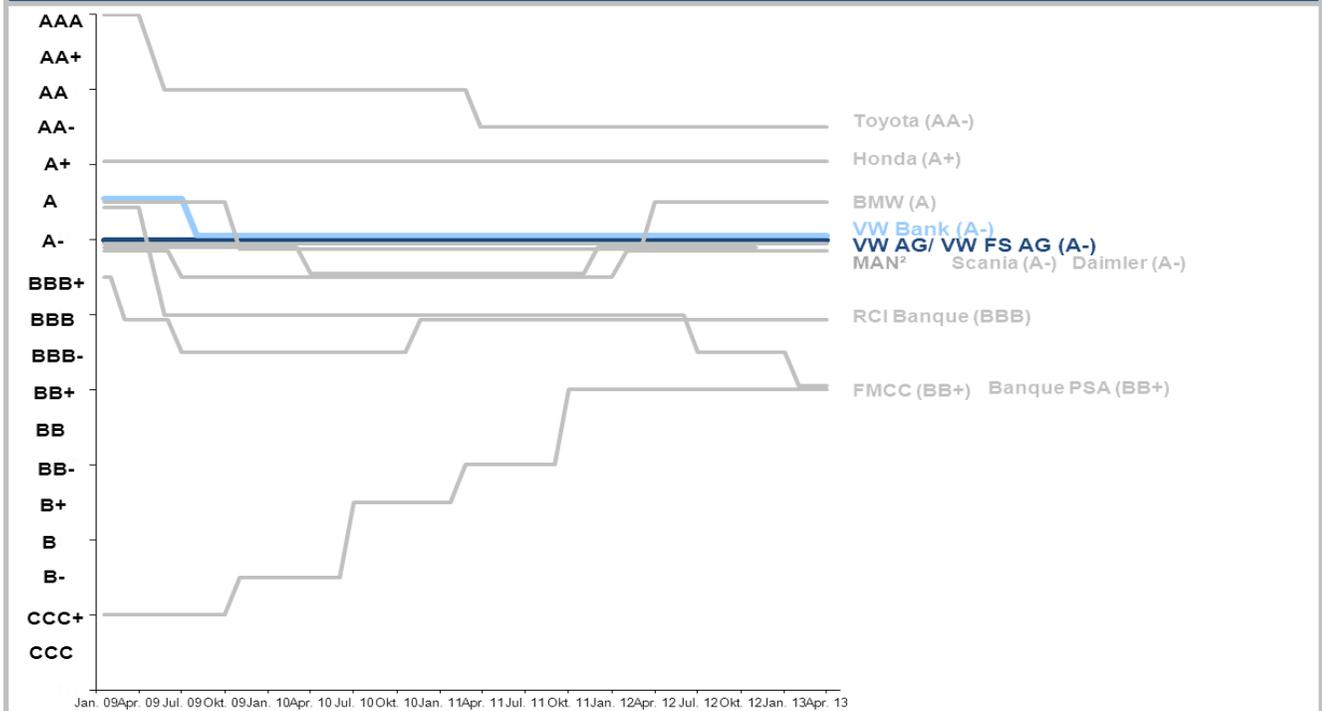
Transaction

Issuer	Banco Volkswagen S.A.
Issuance	06/2012 – 06/2014
Volume	BRL 300m
Rating	S&P: 'br AAA'
Type	BRL FRN
Coupon / Return	107.3% CDI
Spread	CDI + 66bps (06/12)

Rating History (04/30/2013)

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

Development of credit ratings (Standard & Poor's)



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

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

Data Source: Reuters

Volkswagen Financial Services AG: Outlook 2013

- Expectations in terms of earnings are influenced by the assumption of stable refinancing costs, continued significant uncertainties regarding the economic environment and their impact on risk costs, among others.
- Profit before tax in 2013 are expected to fall short of the 2012 level, mainly due to the lack of income from the equity investment in Global Mobility Holding B.V., which was sold to Volkswagen AG on 22 January 2013.



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as sun
as possible.

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Symbols of freedom, synonymous with the '60s, the two just go together. So when we conceived the new Beetle Cabrio '60s Edition, we knew exactly what color it had to be. But that coat of denim blue paint was just the beginning.

With its 2.0L turbocharged engine and advanced touchscreen navigation system, the '60s Edition was designed, quite literally, to set you free. What you do with that freedom, well, that's up to you.
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Father

and Sun



Thank You



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Annual Report Volkswagen Financial Services AG:
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