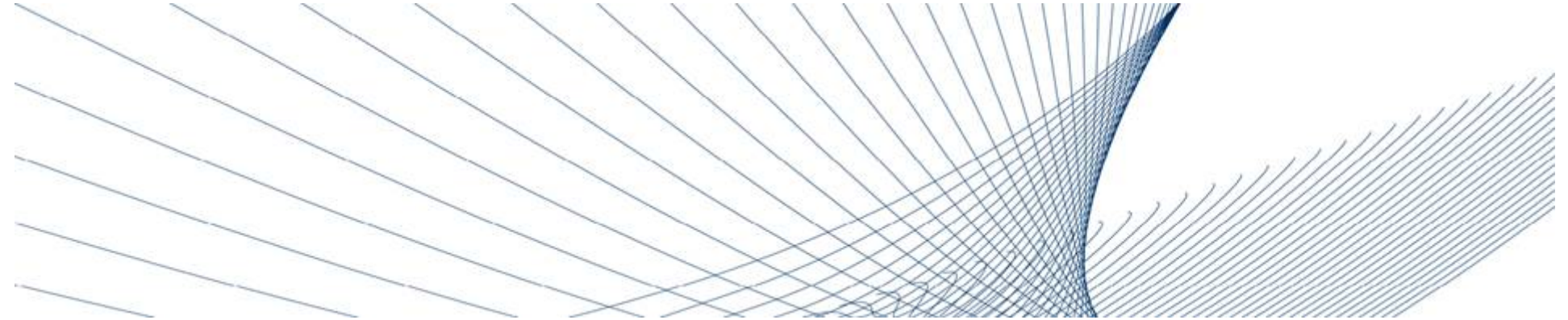


VOLKSWAGEN FINANCIAL SERVICES

AKTIENGESELLSCHAFT



The Key to Mobility

Creating Value with Financial Services

Fixed Income Investor Update - December 2010

Bernd Bode

Head of Group Treasury and
Investor Relations
Volkswagen Financial Services

Nils Allnoch

Treasury / Debt Capital Markets
Volkswagen Financial Services AG

Speakers

Alexander Hunger – Senior Investor Relations Officer

Volkswagen AG

Kai Otto – Head of Capital Markets & Asset Management

Volkswagen AG

Bernd Bode – Head of Group Treasury and Investor Relations

Volkswagen Financial Services

Nils Allnoch – Treasury / Debt Capital Markets

Volkswagen Financial Services AG

Volkswagen Financial Services:



Company Overview



Creating value – Our Business Model



Preparing for the Future – Our Strategy 2018



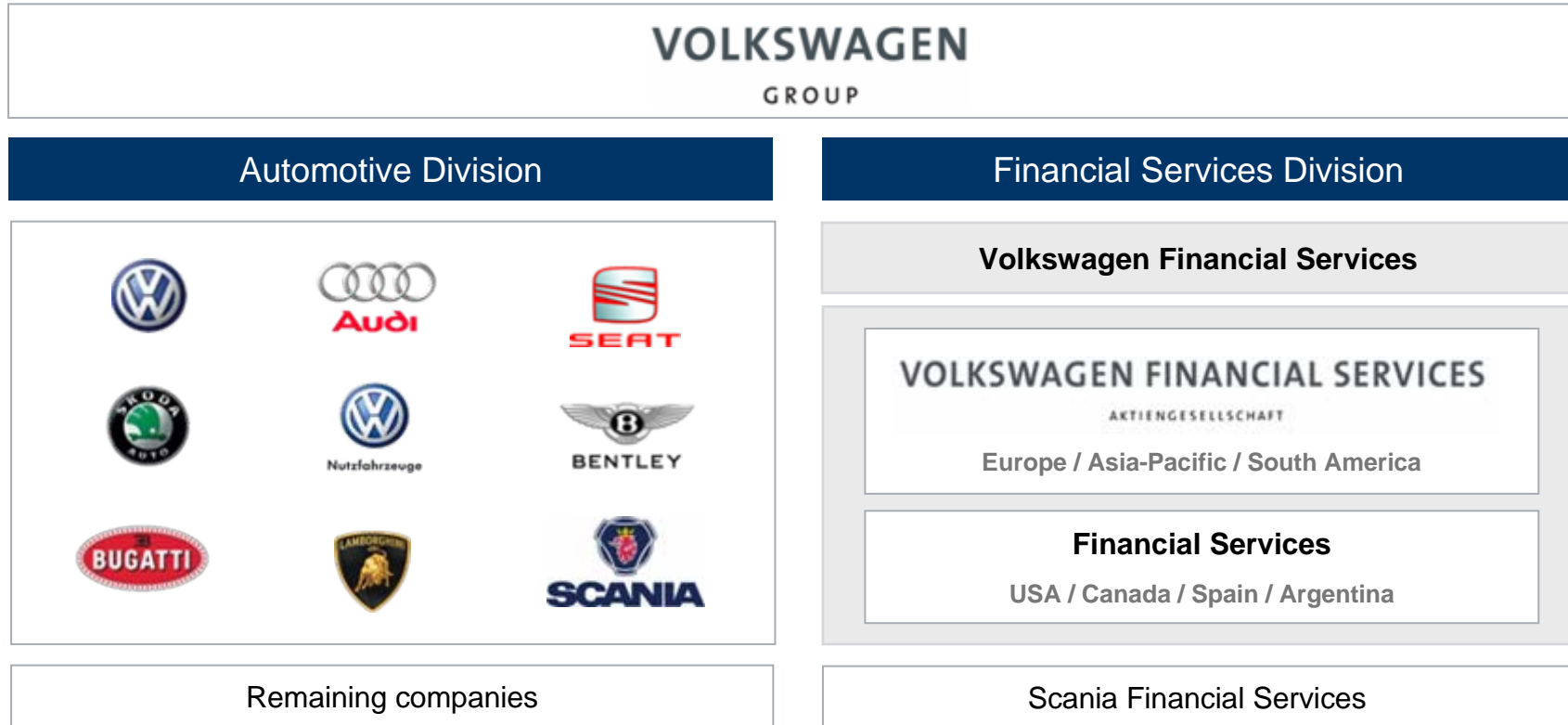
Financials



Funding

Volkswagen Financial Services AG:

Coordinating the worldwide financial services activities of the Volkswagen Group



Volkswagen Financial Services AG is responsible for coordinating the worldwide financial services activities of the Volkswagen Group (excl. Scania Financial Services)

Volkswagen Financial Services AG at a glance (06/30/2010)

Worldwide presence

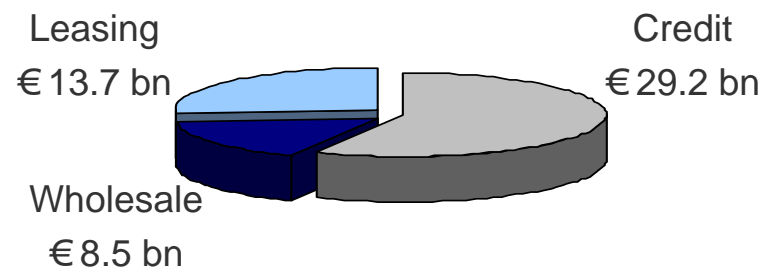


Volkswagen Financial Services AG
is affiliated with companies in
38 countries
through shareholdings and
service agreements

Company figures

Total assets	€ 63.7 bn
Equity	€ 6.8 bn
Direct Bank deposits	€ 18.8 bn
Employees	6,639
Receivables	€ 51.4 bn
Operating Profit	€ 362 mn

Receivables



The Whole Range of Services Under One Roof



Bank

- Retail Finance
- Dealer Finance
- Factoring

Direct Bank

- Deposit Accounts
- Instalment Loans
- Investment Products

Leasing

- Finance Lease
- Operating Lease

Insurance

- Automotive
- Payment Protection
- Industry

Services

- Fleet Management
- Fuel
- Tyre

Volkswagen Financial Services:



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Financials



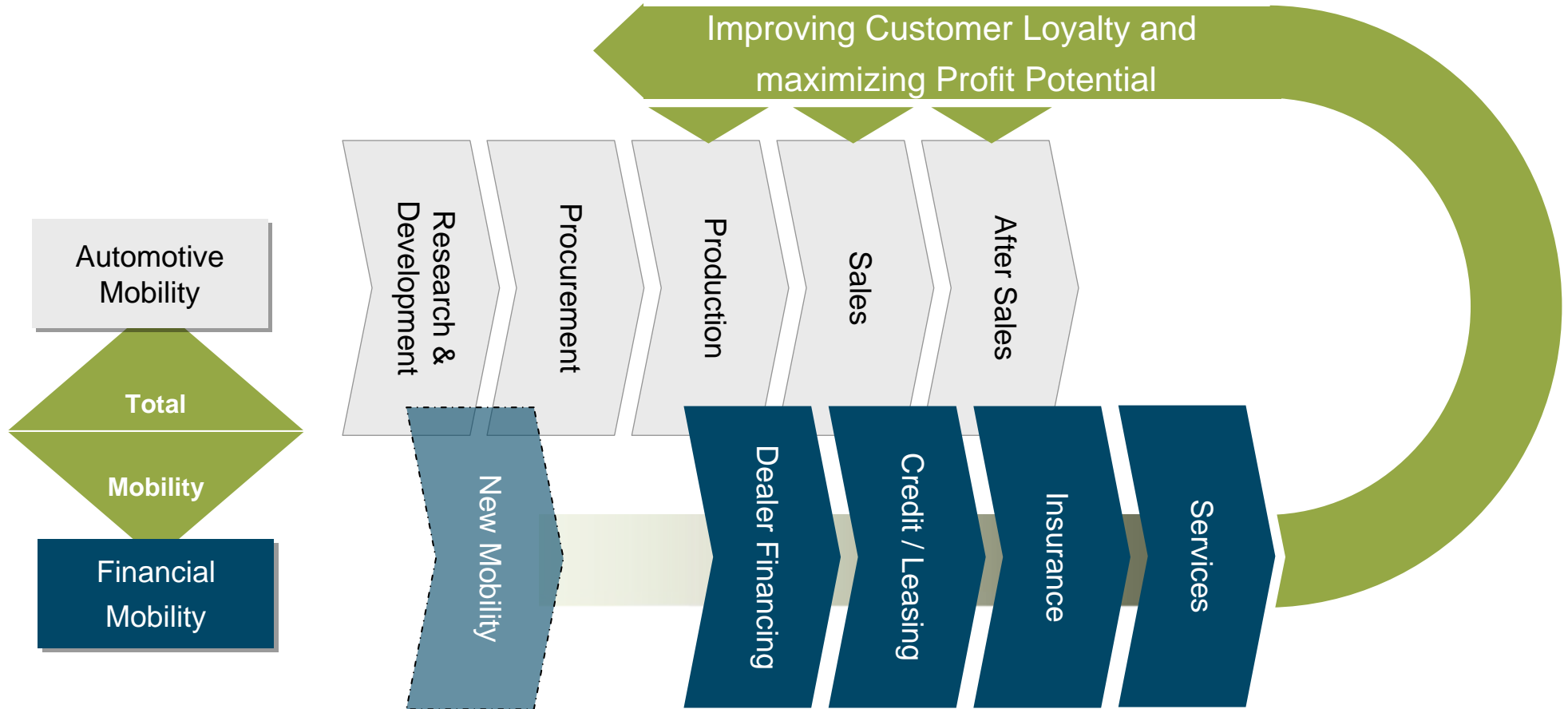
Funding

Creating Value

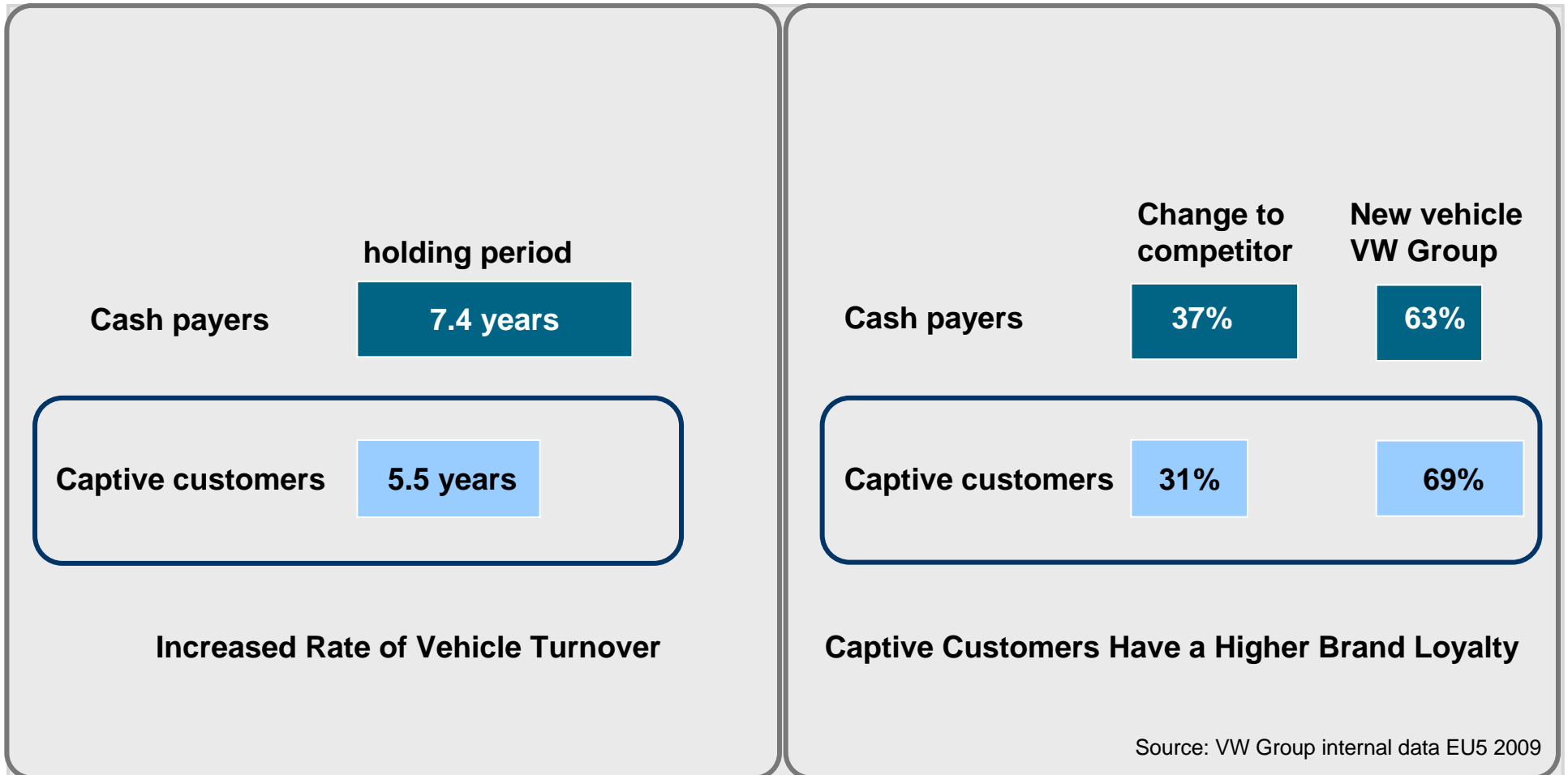
Our business model interfaces Customers, Automotive Brands and Dealers



Integrating Automotive and Financial Services:



Financial Services Impact on Automotive Business



Volkswagen Financial Services:



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Financials



Funding

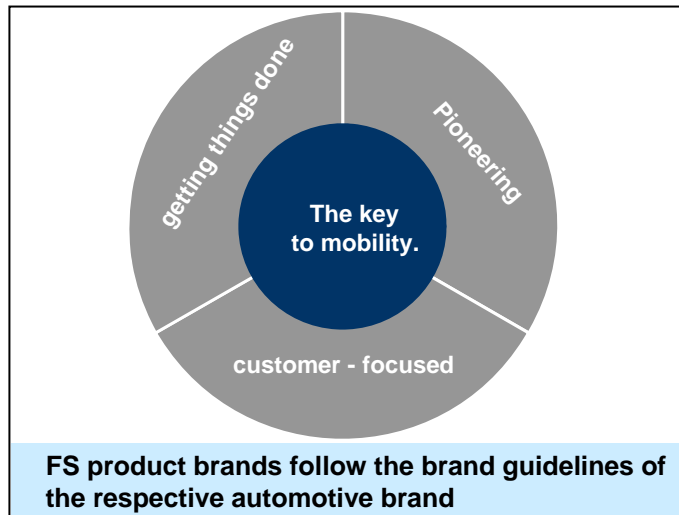
Strategy 2018 Volkswagen Financial Services:

VISION

VOLKSWAGEN FINANCIAL SERVICES
AKTIENGESELLSCHAFT

The best automotive financial services group in the world.

BRAND GUIDELINE



STRATEGIC GOALS

Customers

- To be the most attractive supporter of sales for the brands
- To be the quality leader in business with customers and dealers

Employees

- We are a top team !

Profitability









- 20% ROE¹⁾ with 50% CIR

Volume

- Comprehensive support for the automotive product flows
 - To cover at least every 2nd new car from the VW Group with one or more FS products
 - To become market leader for financial services products for young used cars of the VW Group

¹⁾ excl. LeasePlan, factoring, employee leasing; based on the necessary capital to run the business (today 8%)

VW FS has a Diversified Portfolio in Brand and Product Offer

Market	Captive Product Brands	Bank	Direct Banking	Leasing	Insurance	Services
		Volume		✓	✓	✓
Volume		✓	✗	✓	✓	✓
Volume		✓	✗	✓	✓	✓
Premium		✓	✓	✓	✓	✓
Luxury		✓	✗	✓	(✓)	(✓)
Luxury		✓	✗	✗	(✓)	(✓)
Luxury		✓	✗	✗	(✓)	(✓)
LCV	 Nutzfahrzeuge	✓	✗	✓	✓	✓

✓ = active product offer ✗ = no product offer (✓) = on request

Retail Finance: Packages as Comprehensive Mobility Solutions

- Innovative mobility packages addressing customer relevant topics e.g. the „TEAM Edition“ at Football Championship, fuel efficiency, ...
- “All-inclusive” mobility packages offer ...
 - an attractive vehicle,
 - a financing or lease offer including auto insurance,
 - an extended warranty,
 - up to four years of comprehensive maintenance and inspection.
- Product packages ...
 - offer customers comprehensive mobility based on calculable monthly costs,
 - help to avoid discussions about price and discounts,
 - lead to positive effects on volumes and prices,
 - protect residual values.



Product launch in the German core market lead to an increase of ~ 20% in new contract volume



Volkswagen Bank

Das Economy-Paket –
für die United Sondermodelle:
verbrauchsaarme Technologie kostengünstig finanzieren.

HIGHLIGHT
mit **LOWRIDER**

Das Economy-Paket

- 1,9% Finanzierung mit
- 2 Jahren Kfz-Haftpflicht und Vollkasko
- 2 Jahren Garantie-Verlängerung
- zusätzlicher Kreditversicherung

99 €*

Finanzieren, Leasen, Mieten, Dienst Leasing

Volkswagen Bank

Ein Angebot, das alle begeistert:
Die „Fan-Paket“-Finanzierung für
Polo, Golf, Golf Plus, Touran und Sharan.

z. B. schon für monatlich

99 €*

1,9% Finanzierung mit

- 4 Jahren Kfz-Haftpflicht und Vollkasko
- 2 Jahren Garantie-Verlängerung
- zusätzlicher Kreditversicherung

Finanzieren, Leasen, Mieten, Dienst Leasing

Retail Finance: Comprehensive Mobility Solutions Globally

Australia



Spain



Turkey



India



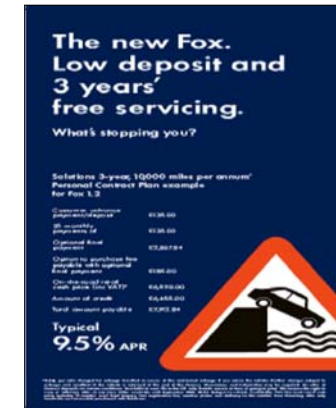
Italy



Poland



Netherlands

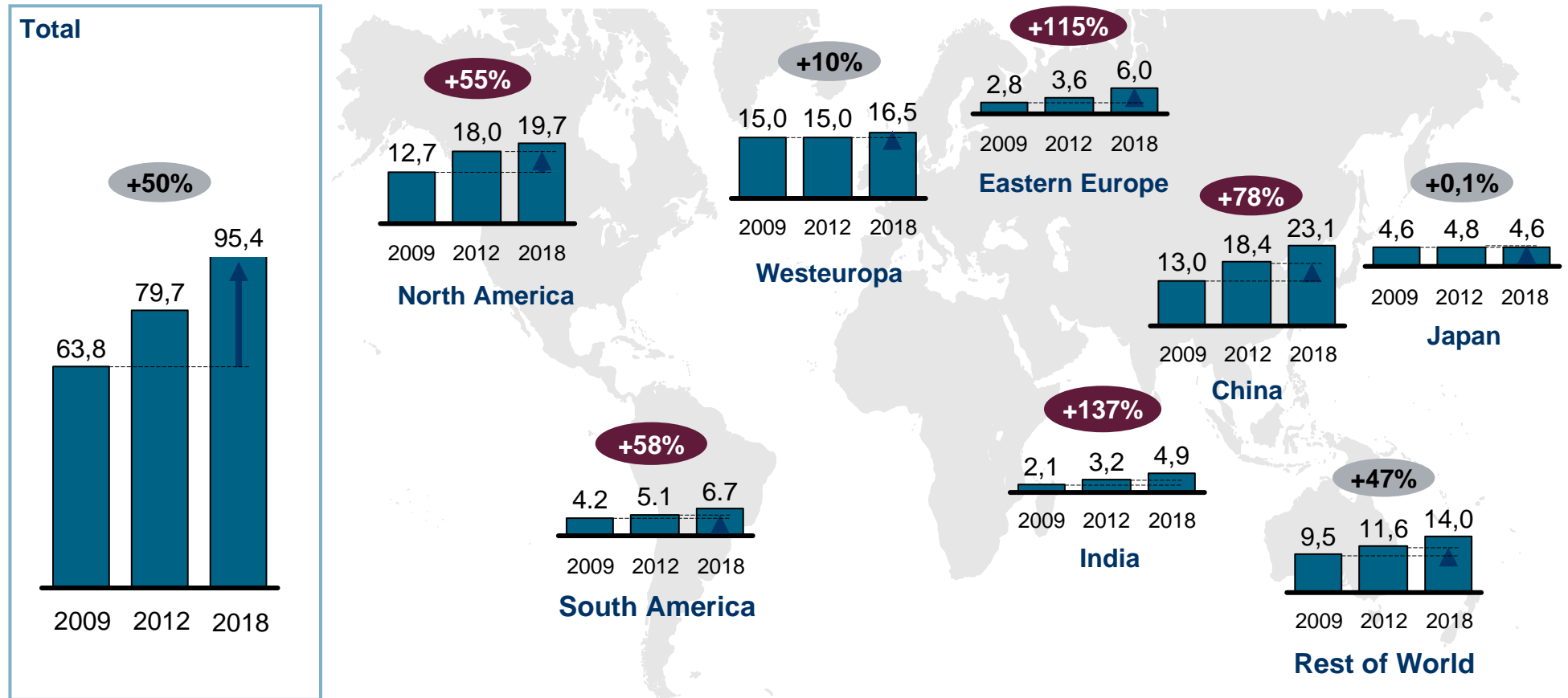


UK

International campaigns: finance, insurance and services (2008 / 2010)

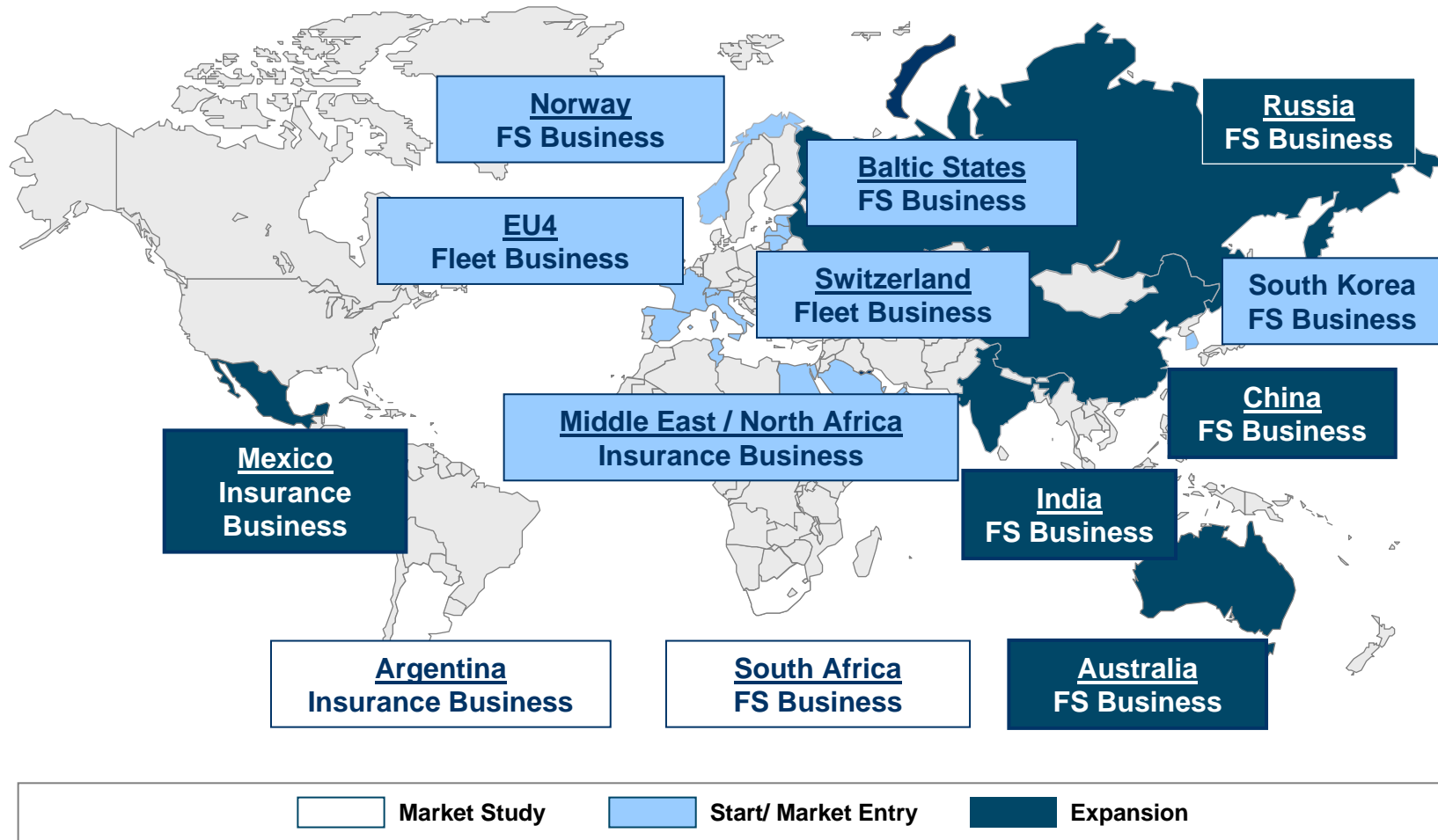
Automotive Growth Markets by 2018

Market growth 2009 – 2018 (million units)



Source: Global Insight forecast for passenger cars and light commercial vehicles as at June 2010

Tapping our worldwide Growth Potential: Developing New Markets and improving Market Positioning



Volkswagen Financial Services:



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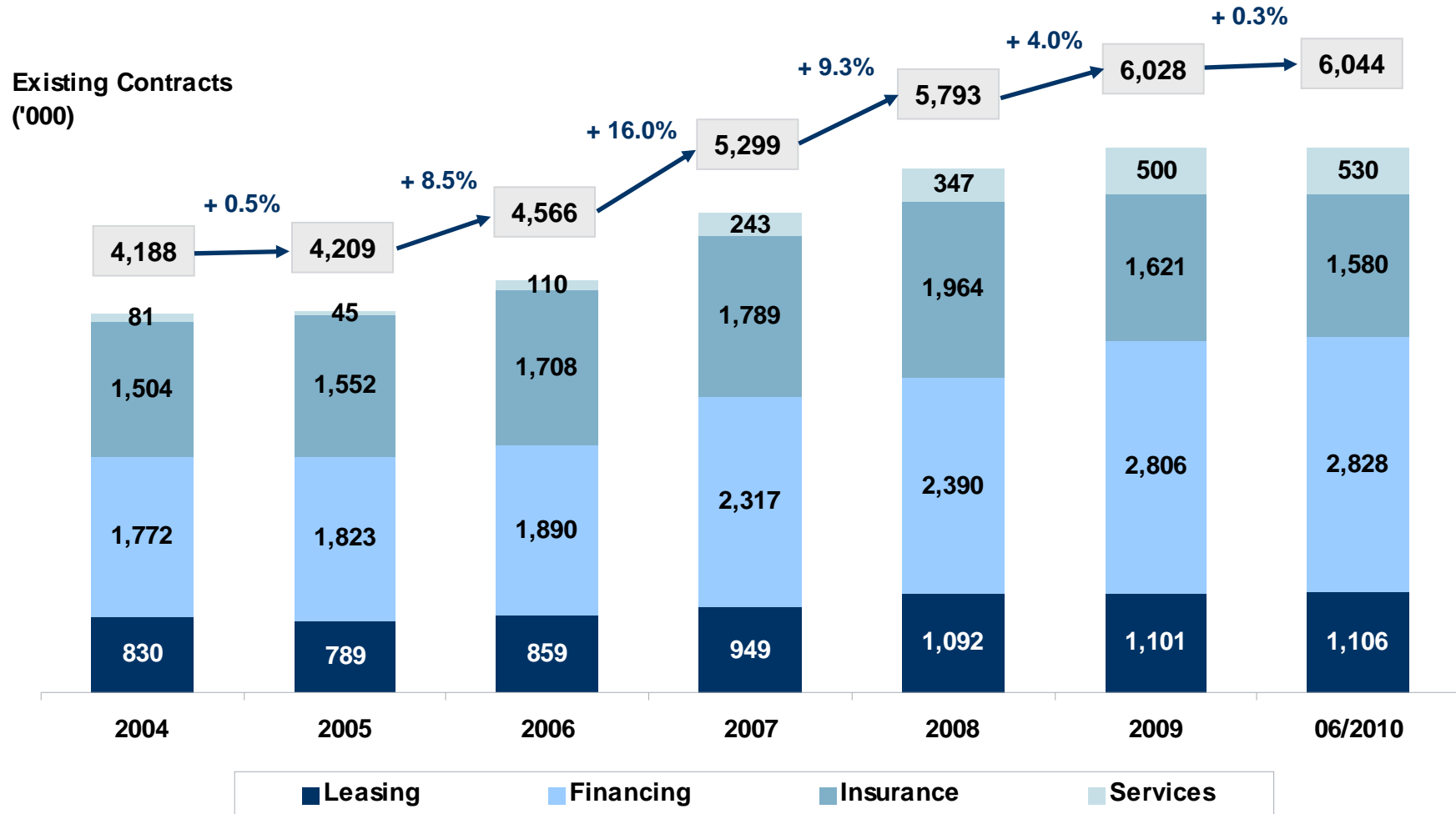
Financials



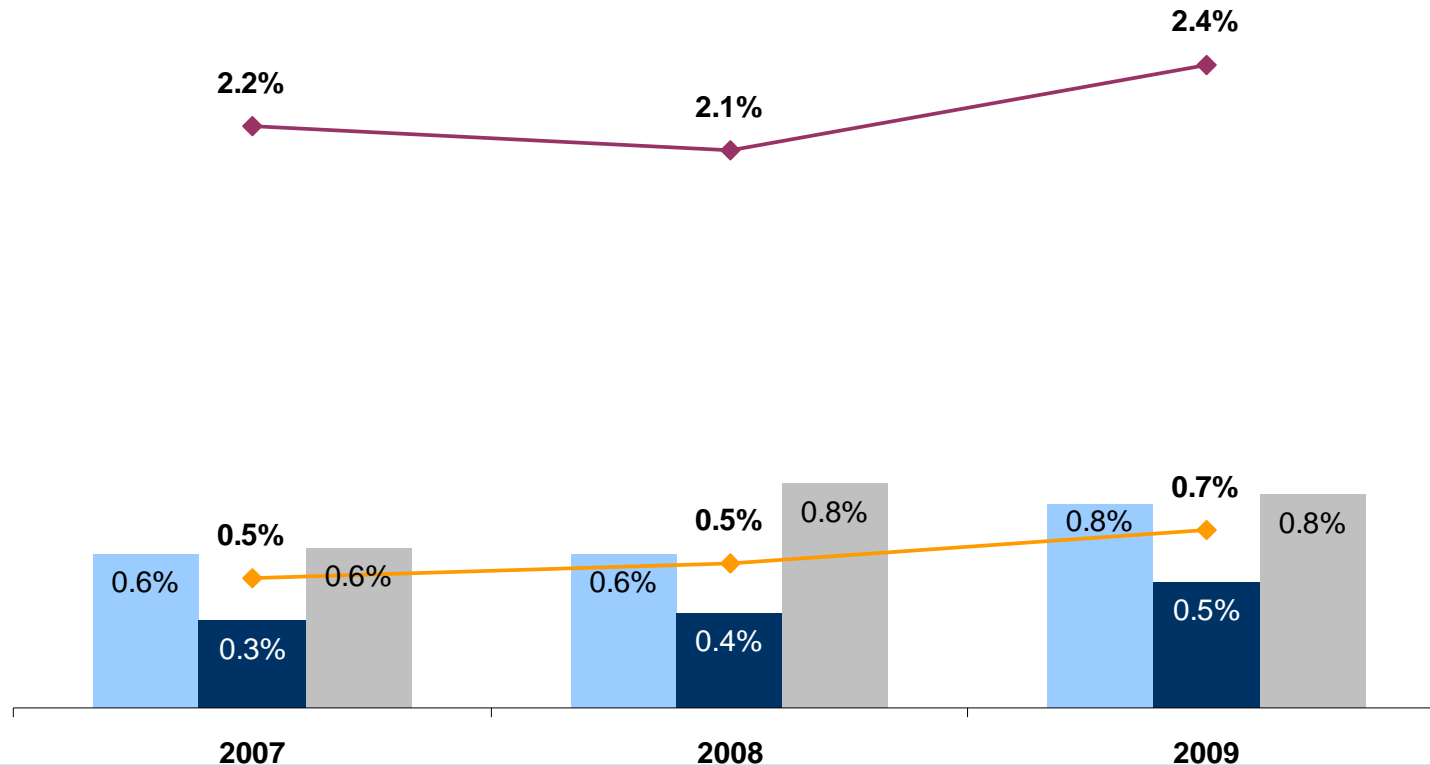
Funding

Volkswagen Financial Services AG:

Stable portfolio growth



Credit Risk: Losses under control / covered by provisions



◆ Total Provision Ratio

Total Provision Ratio according to IAS 39 revised = total provisions in proportion to the total receivables' volume at reporting date

◆ Ø Dynamic Loss-Ratio ■ Retail financing ■ Leasing ■ Corporate financing

Dynamic Loss Ratio = utilization of provisions including direct write-offs relative to the average volume of receivables (last four quarters)

Key Data Volkswagen Financial Services AG (IFRS)

	2006	2007	2008	2009	2010 H 1
Portfolio ('000)	4,567	5,299	5,793	6,028	6,044
Retail + Leasing receivables (€ mn)	30,021	34,523	36,825	40,538	42,892
Wholesale receivables (€ mn)	6,989	9,360	9,584	8,391	8,505
Direct bank deposits (€ mn)	8,827	9,620	12,835	18,309	18,811
Employees	5,022	6,138	6,639	6,775	6,639
IFRS profit before tax (€ mn)	705	809	792	554	363

Strategic Focus

- Offer of innovative products for brand and local market requirements
- Exploitation of further growth potential in mature European markets based upon our innovative products and customised services through all steps of our value chain
- Growth in emerging markets in Eastern Europe, Russia, Asia and Latin America together with Volkswagen Group brands
- Further reduce risk exposure through customer segment- and regional diversification
- Ongoing diversification in worldwide refinancing

Outlook 2011

- Growth potential continues to exist,
- Margin pressure likely to return,
- Risk Costs will improve,
- Refinancing situation normalized at competitive costs,
- Focus on Strategy 2018 implementation.

Speakers

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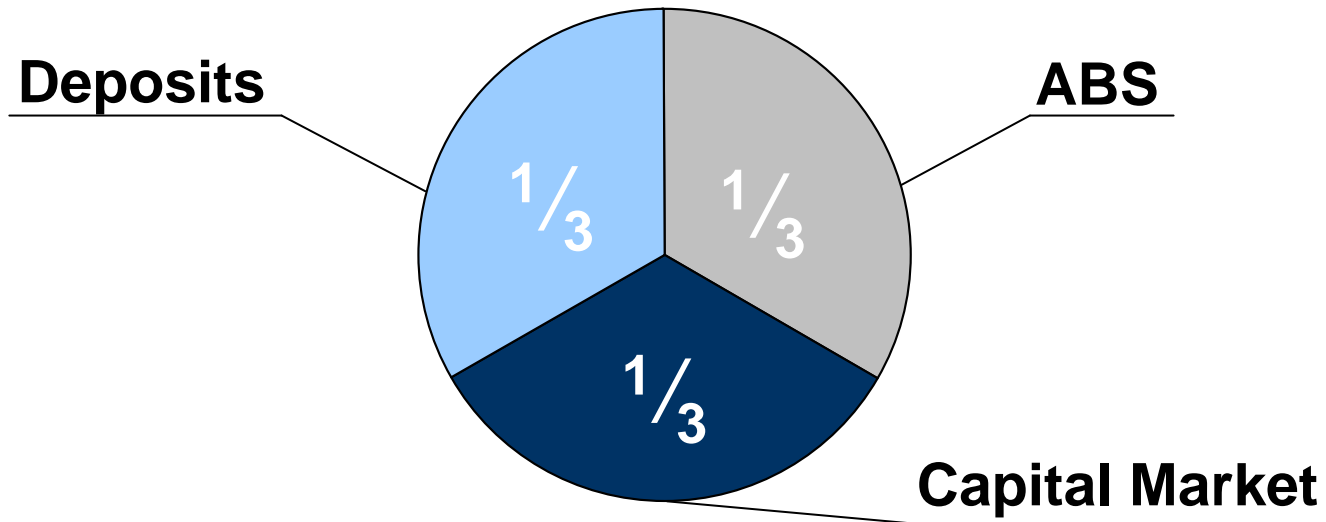
Financials



Funding

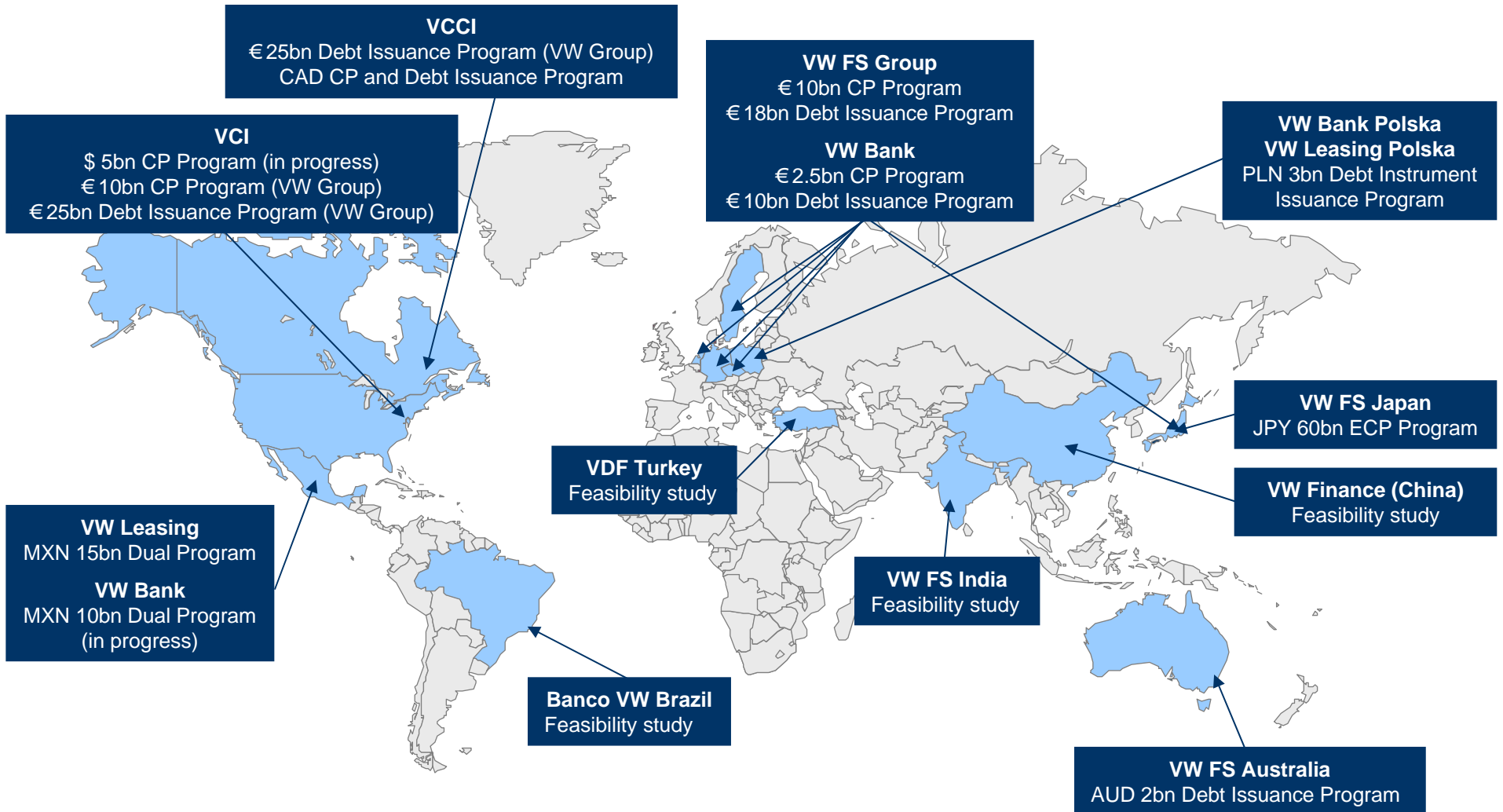
Refinancing Strategy

The strategic vision for 2018

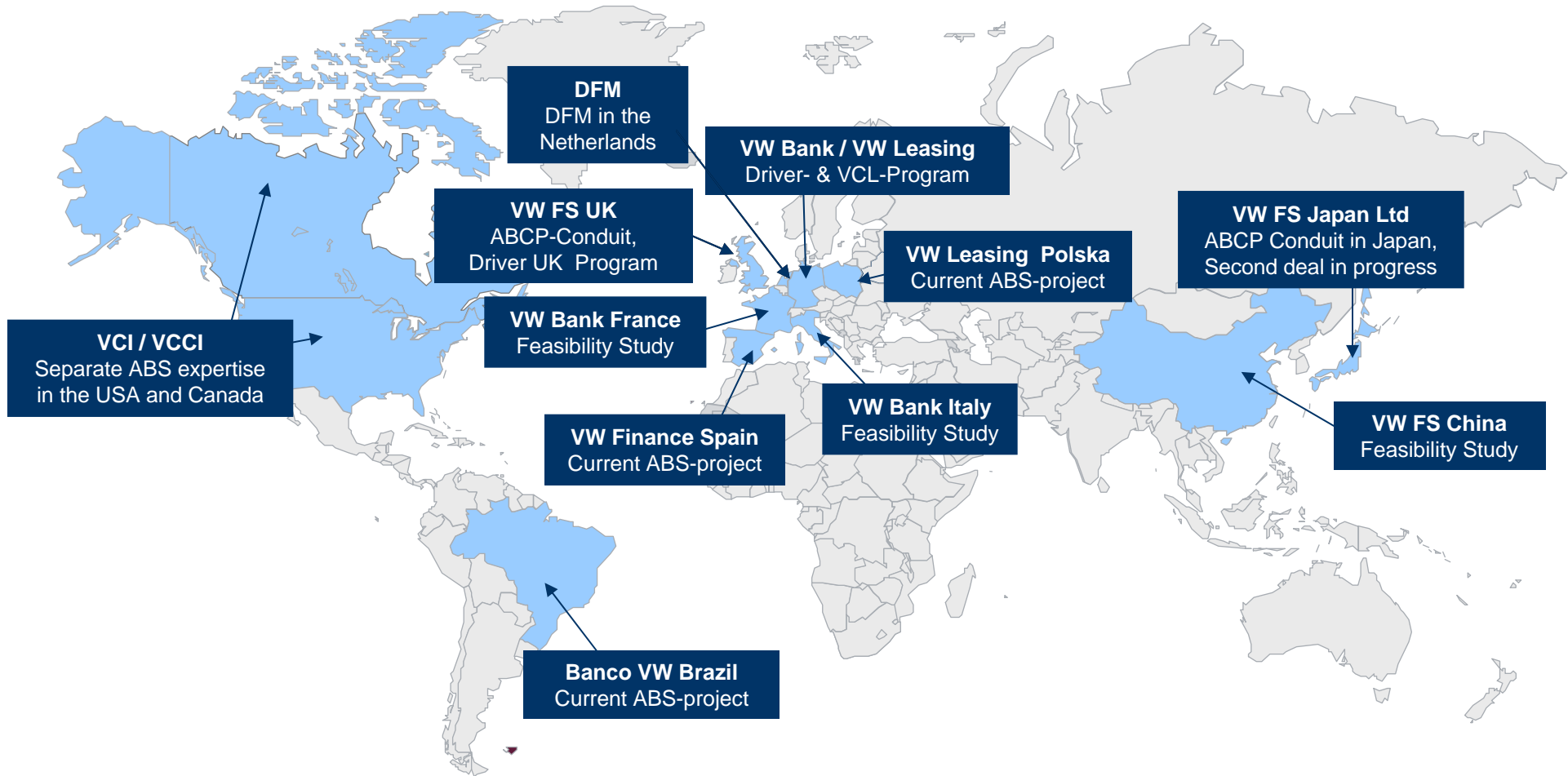


Diversification is the key factor

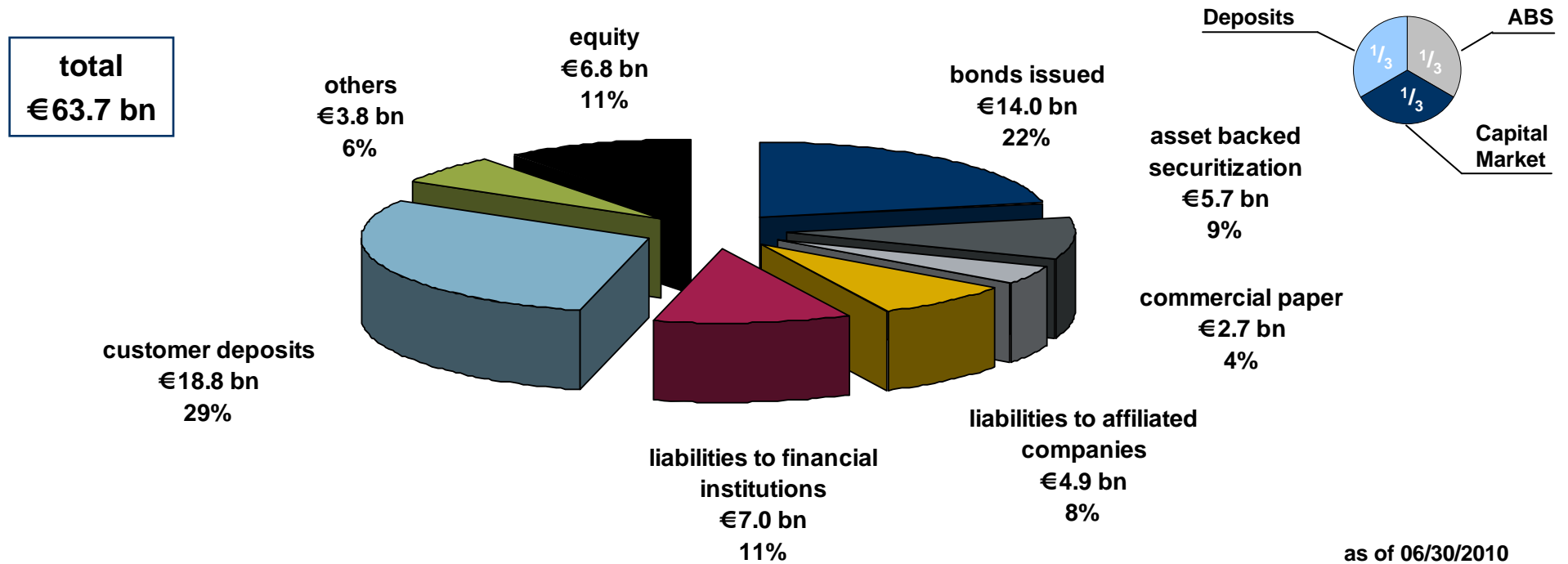
Capital Markets within Volkswagen Financial Services worldwide



ABS within Volkswagen Financial Services worldwide



Refinancing Profile



Increase of direct-bank deposits	independent from Automotive business
Step-by-step increase of ABS capabilities	established programs, new markets & asset classes
Independence from Automotive funding	tap further Automotive liquidity in an opportunistic manner only
Further diversification of investor base	unsecured issues / secured transactions

Recent Deals

Capital Market

- VW FS AG: 01/10 € 1.0bn due 07/14
- VW Bank GmbH: 06/10 € 1.0bn due 06/13
- VW Bank GmbH: 10/10 € 0.5bn due 04/12

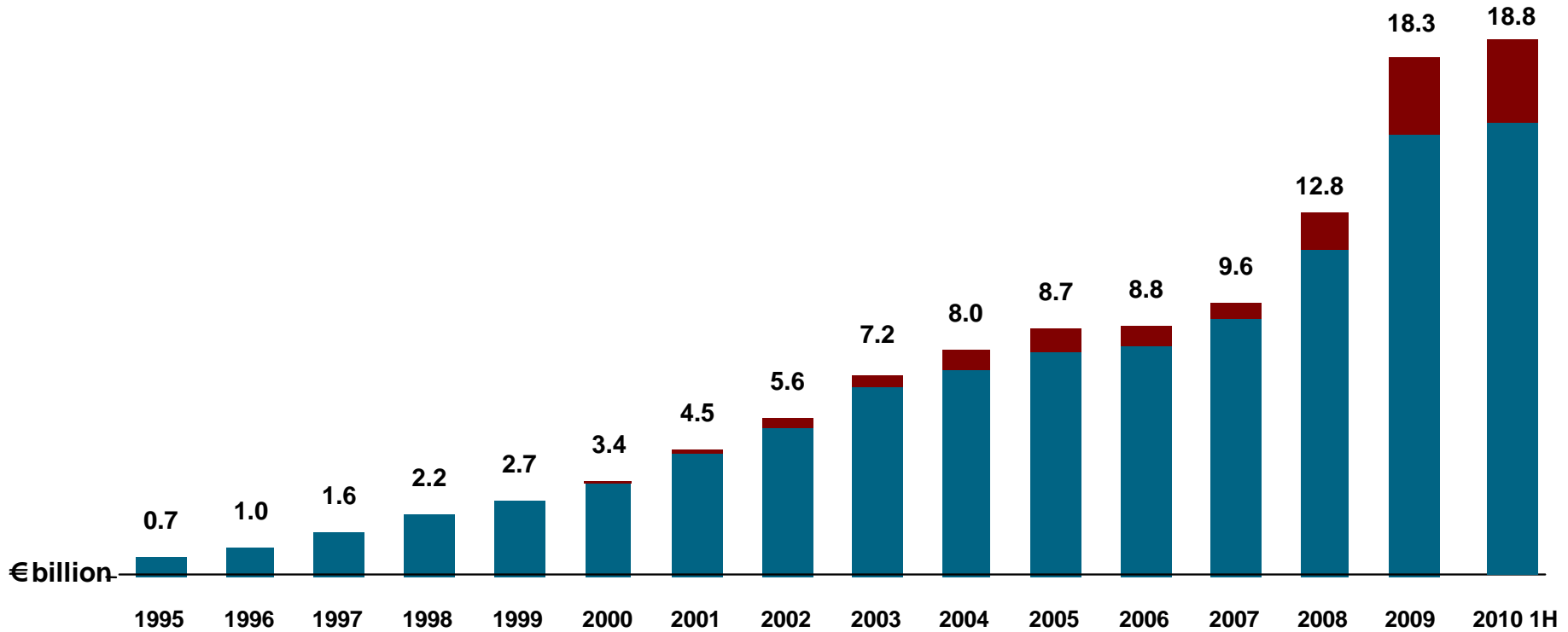
Asset-Backed Securities

- *VCL- Master* € 1.2 bn (February 2010)
- *Driver- 7* Germany € 0.5 bn (April 2010)
- *VCL- 12* Germany € 0.5 bn (September 2010)

Deposits

- Development January to June 2010: +0.5bn
- Percentage Overnight (06/30/10): approx. 71%

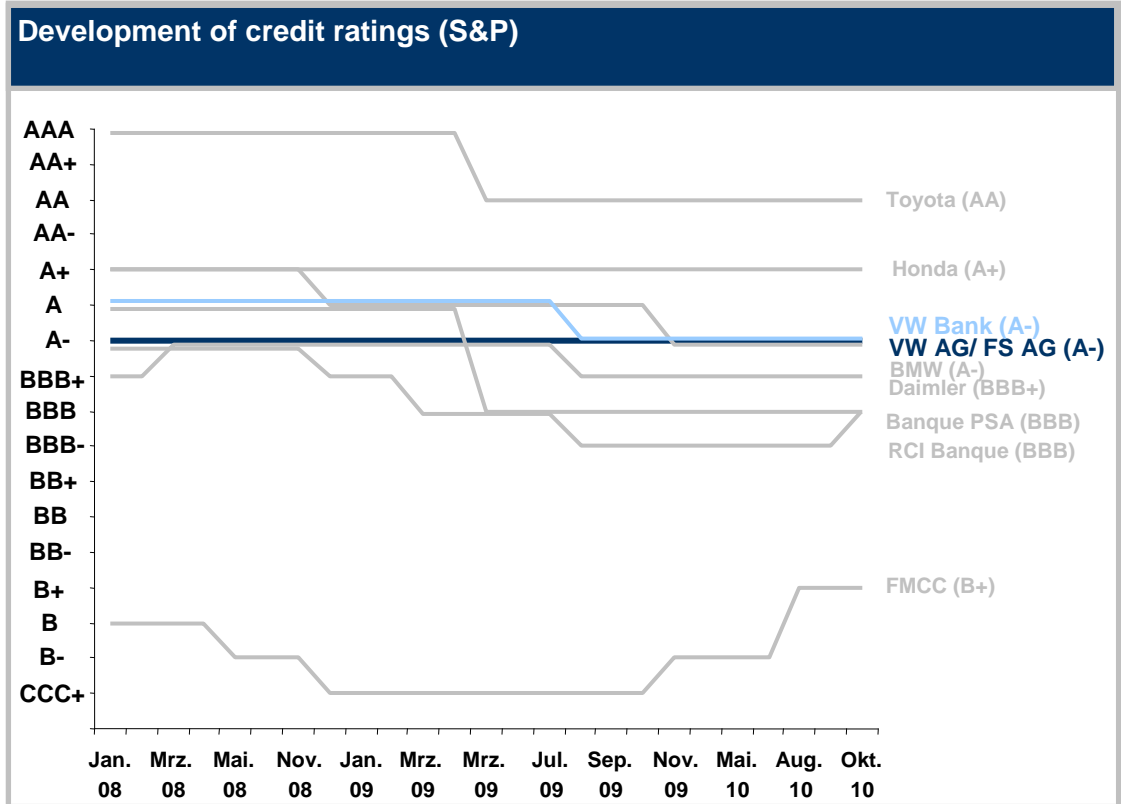
Development of Customer Deposits



■ Retail Customer
 ■ Wholesale Customer

Rating History

	Moody's	S&P
Toyota	Aa2	AA
Honda	A1	A+
VW Bank GmbH	A2	A-
VW AG/ FS AG	A3	A-
BMW	A3	A-
Daimler	A3	BBB+
Banque PSA	Baa1	BBB
RCI Banque	Baa2	BBB
FMCC	Ba2	B+



Volkswagen Financial Services AG has a solid and stable rating history

Data Source: Reuters



Thank you !

Contacts

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Interim Report of Volkswagen Financial Services AG:

<http://www.vwfs.com/hy10>

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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.

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