VOLKSWAGEN FINANCIAL SERVICES

THE KEY TO MOBILITY

The Key to Mobility - Creating Value with Financial Services

Debut Financial Bond Issuance Volkswagen Finance (China) Co., Ltd., Beijing/Shanghai

Bernd Bode, Head of Group Treasury & Investor Relations, Volkswagen Financial Services AG

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 Such statements are valid on the date of publication and can be superceded.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.

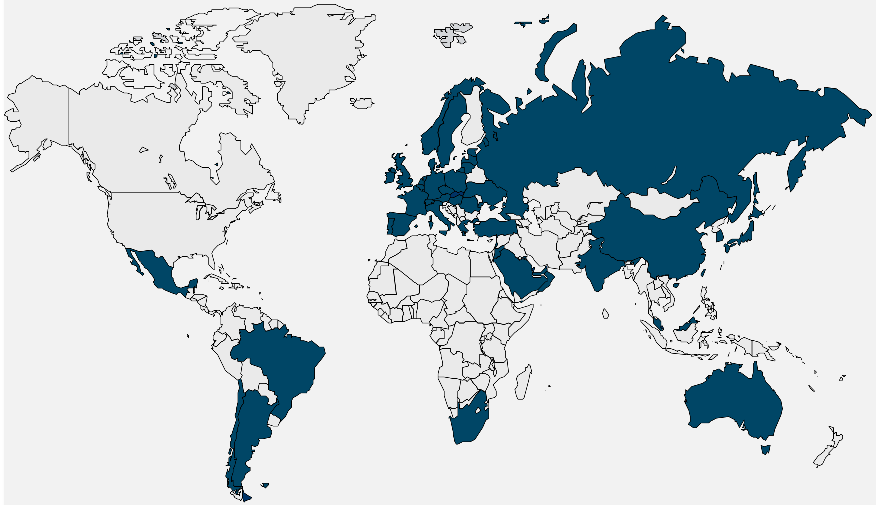
Volkswagen Group – Leveraging the strength of the three pillars

VOLKSWAGEN
AKTIENGESELLSCHAFT

Automotive Division		Financial Services Division
Passenger Cars	**Commercial Vehicles / Power Engineering**	**Volkswagen Financial Services**
Audi, SEAT, ŠKODA, BENTLEY, BUGATTI, LAMBORGHINI, PORSCHE, DUCATI	Commercial Vehicles, SCANIA, MAN	VOLKSWAGEN FINANCIAL SERVICES AKTIENGESELLSCHAFT Included: MAN Financial Services
Remaining companies		**Volkswagen Financial Services** USA / Canada / Spain / Argentina
		Scania Financial Services Porsche Holding Financial Services Porsche Financial Services

Volkswagen Financial Services AG at a glance (06/30/2015)

Worldwide presence

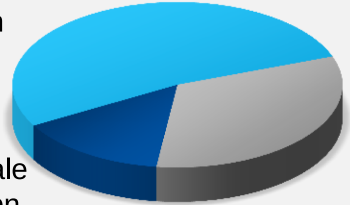


Volkswagen Financial Services conducts business in **49 countries**

Key company figures

Total assets	€ 114.2 bn
Equity	€ 13.5 bn
Customer deposits	€ 25.6 bn
Operating profit	€ 704 m
Employees	11,611
Contracts (units)	10.6 m

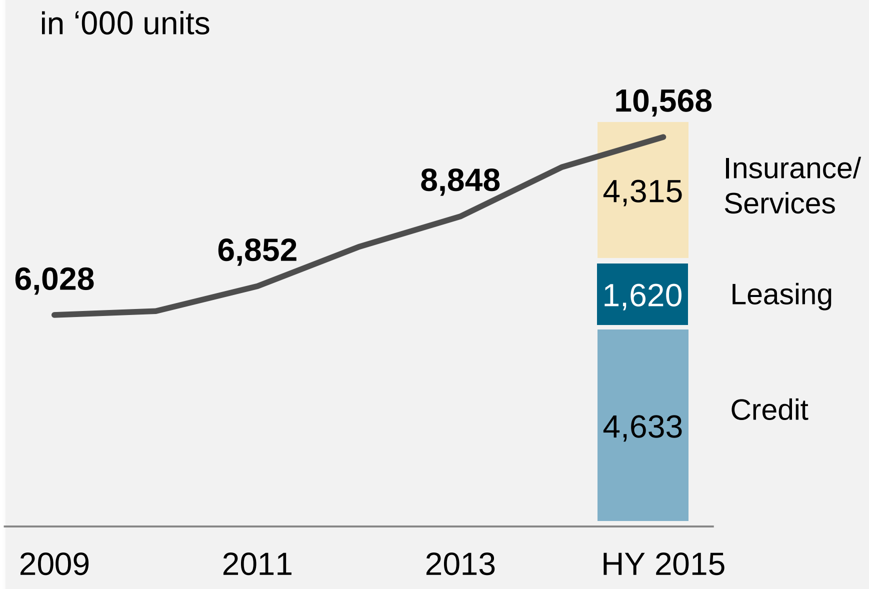
Business Volume* € 95.7 bn

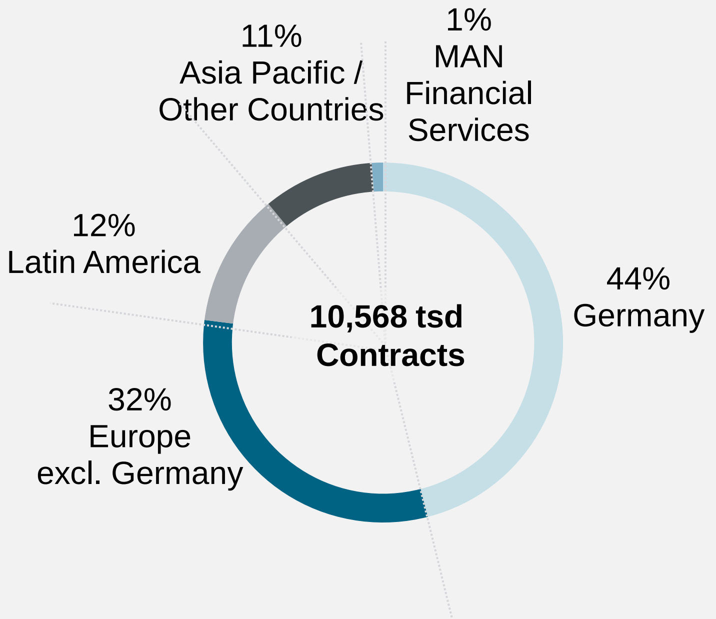


*Receivables + Leased Assets

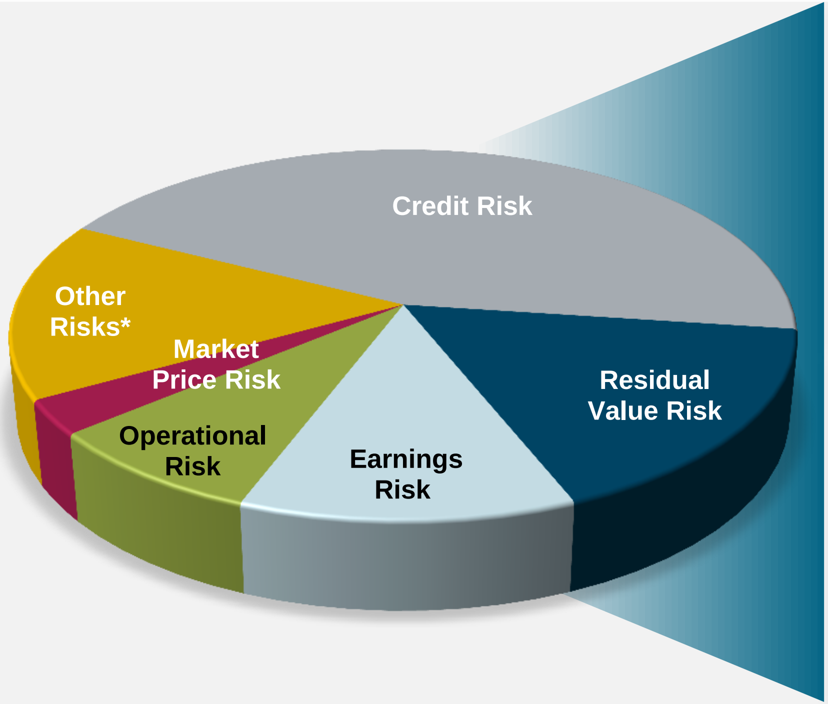
Contract portfolio

Continuous portfolio expansion





Risk management



Credit Risk

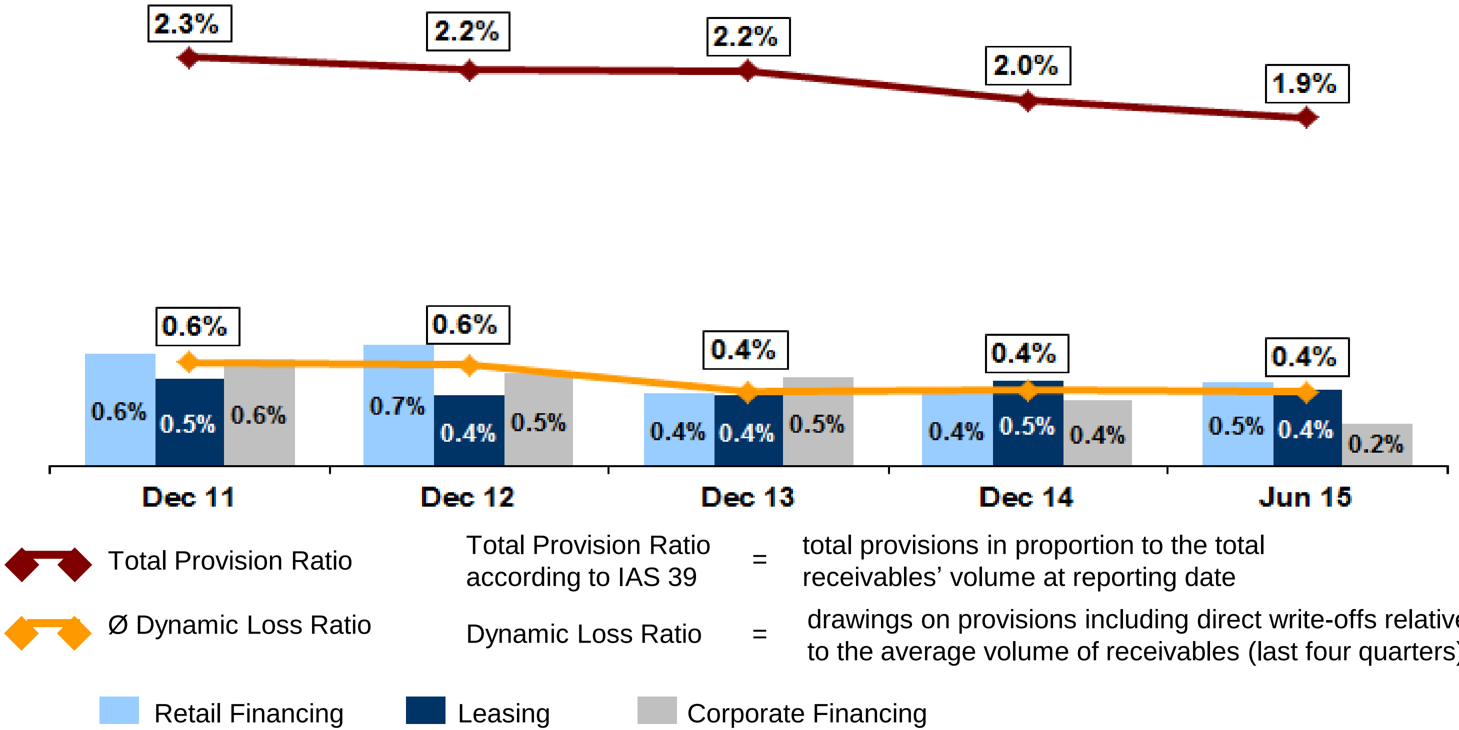
- Risk of loss through defaults in customer transactions
- Portfolio Structure:
  - Retail 75% / Corporate 25%
- Assessment of creditworthiness of customers with scoring (in retail business) and rating systems (corporate).

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

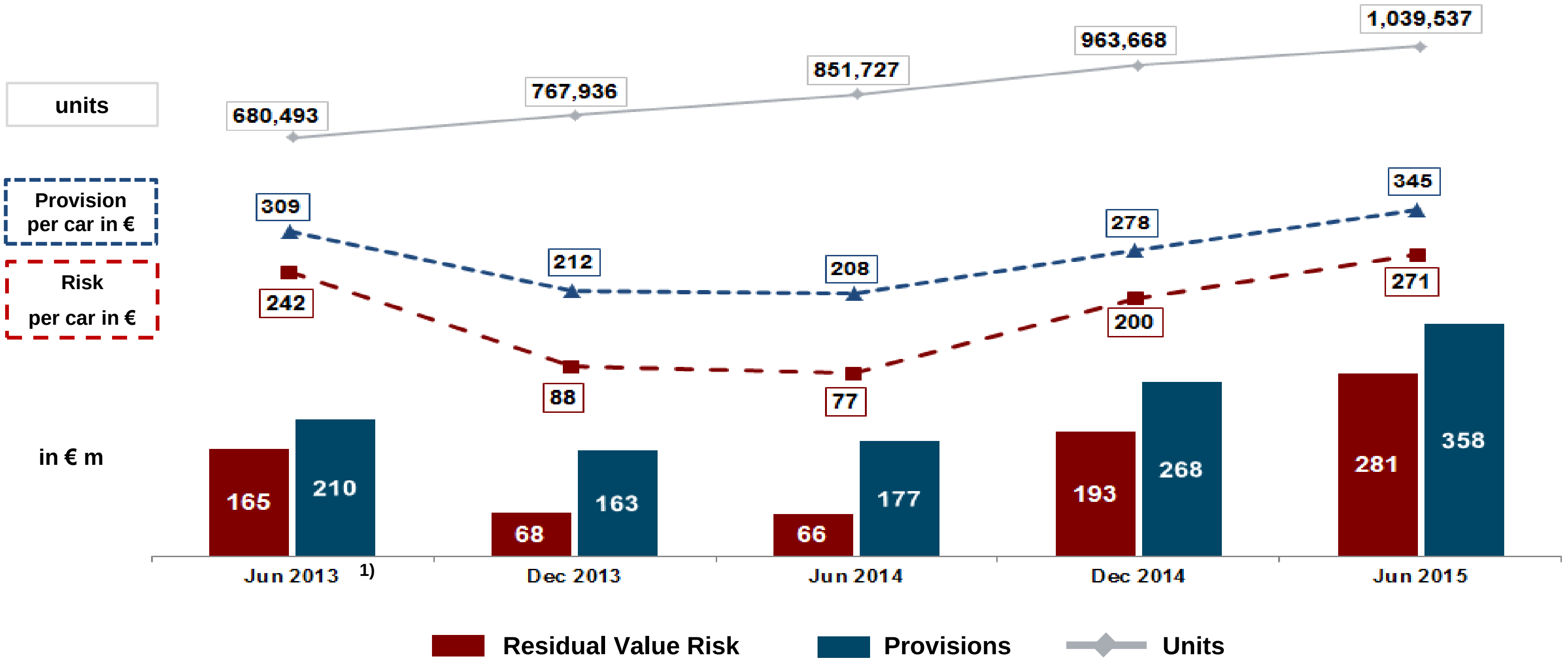
Credit Risk Volkswagen Financial Services AG (only fully consolidated)



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

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

Residual Value Risk Volkswagen Financial Services AG (only fully consolidated)

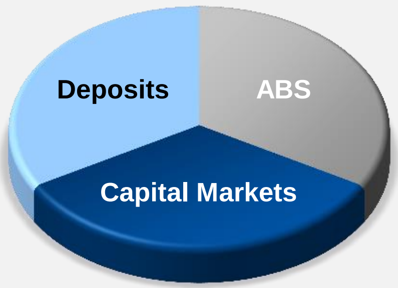


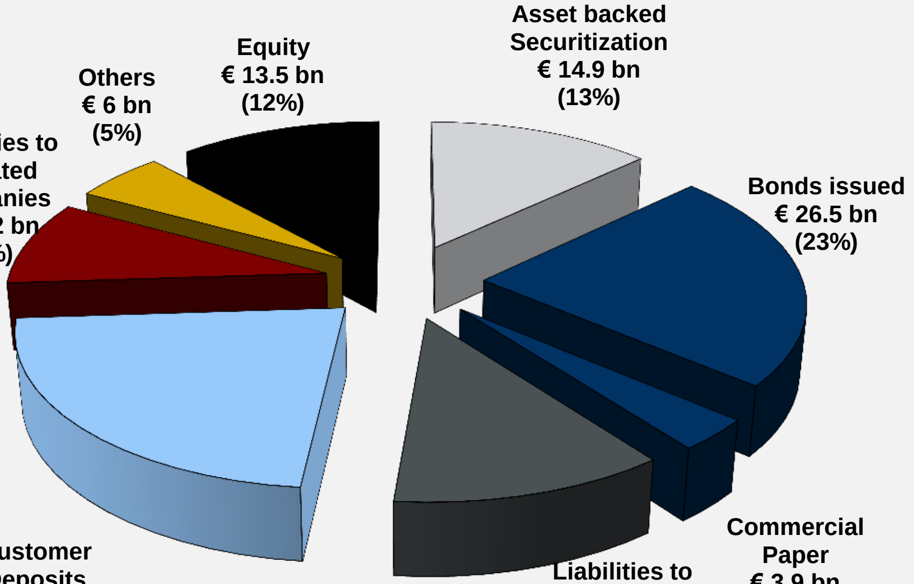
[1] retroactive inclusion of contracts from employee/staff car leasing and long-term rentals

Funding structure Volkswagen Financial Services AG

Total € 114.2 bn

Strategic Funding Sources



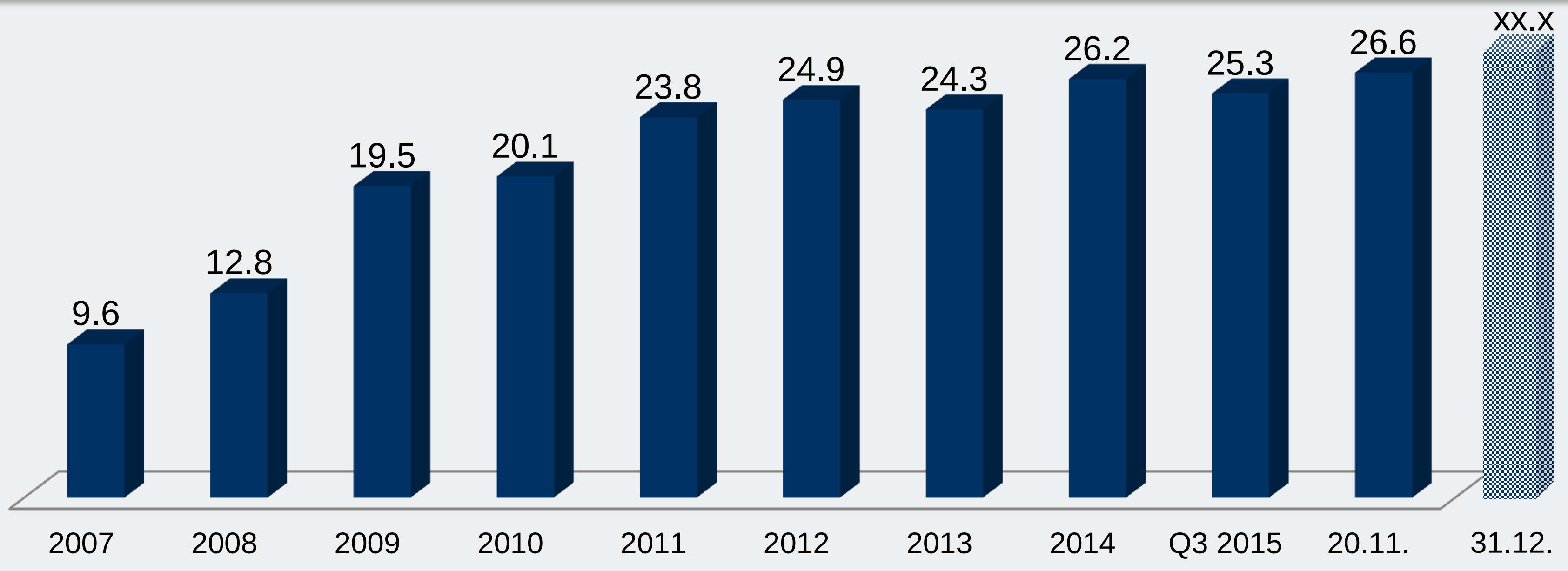


* strategic funding allocation

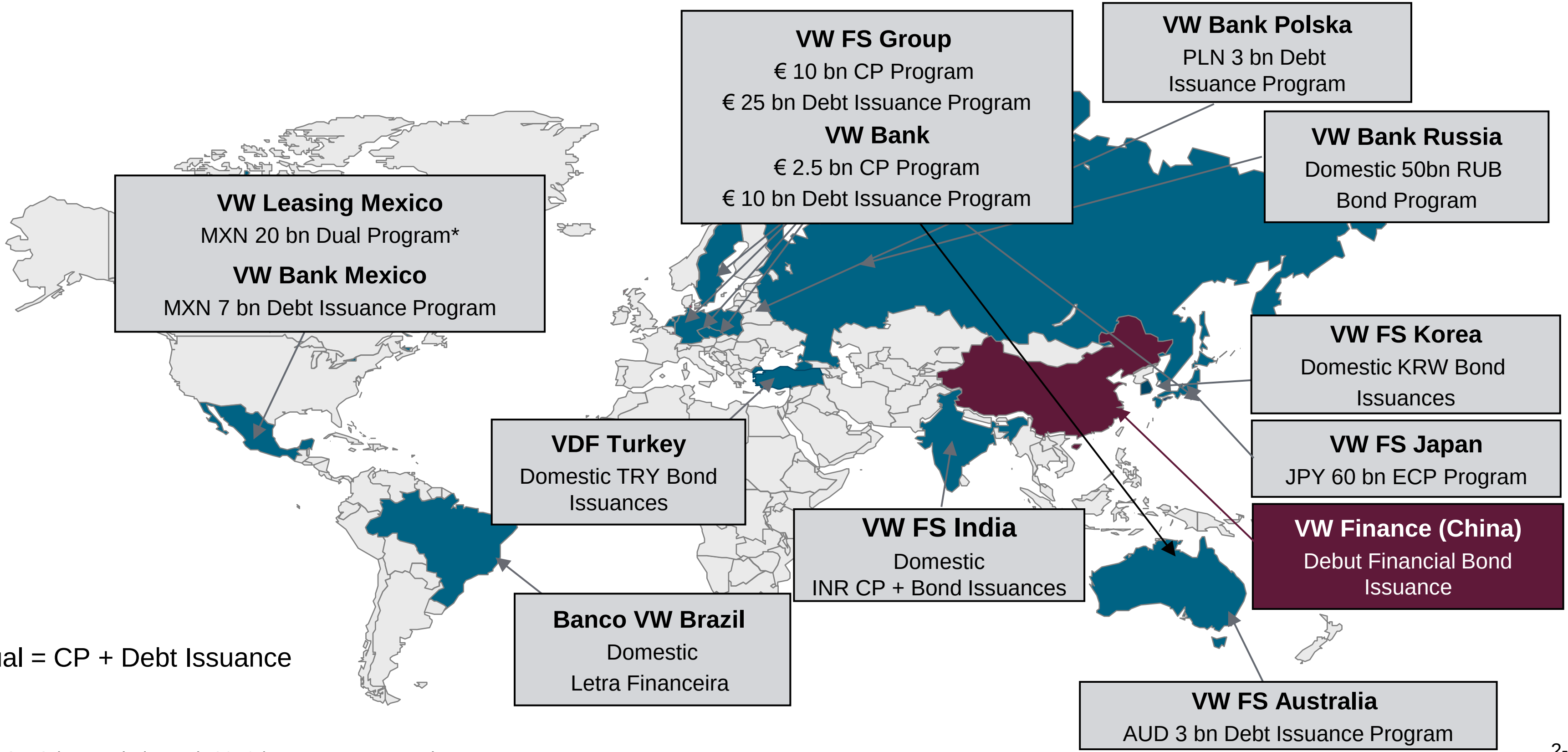
as of 30 Juni 2015

Development of Customer Deposits in bn Euro

Direct banking activities – a stable and strategic source

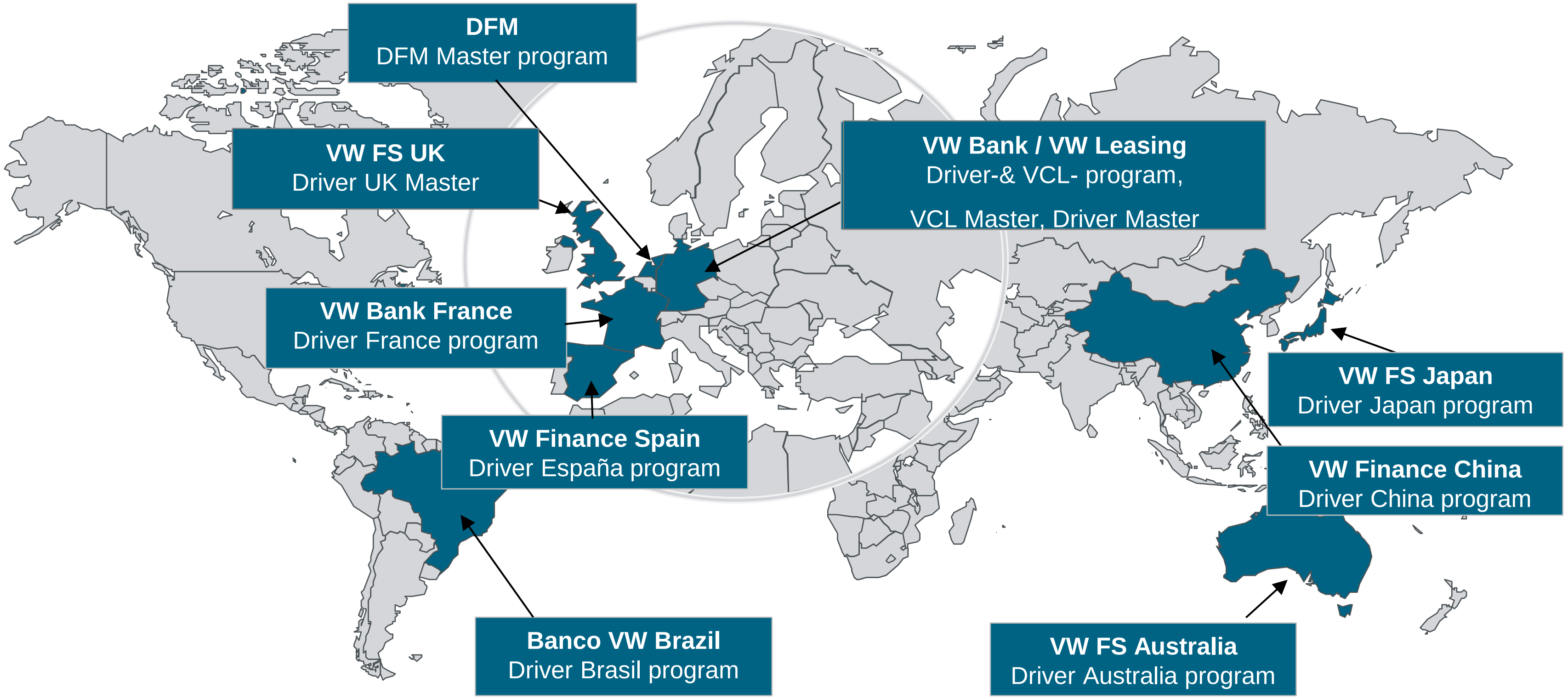


Worldwide Capital Market Activities



*Dual = CP + Debt Issuance

Worldwide ABS Activities



Outlook 2015

Lars Henner Santelmann, Chairman of the Board of Volkswagen Financial Services AG:

“In financial terms, we expect to achieve an operating result above the previous year's level".

Frank Fiedler, CFO of Volkswagen Financial Services AG:

"For the 2015 financial year, we expect Volkswagen Financial Services AG to achieve an operating result above the previous year's level".

Contact

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Next Dates
Publication Annual Report 2015 of Volkswagen Financial Services AG:

March 15, 2015

http://www.vwfsag.com/ar15

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Thank You.

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The Key to Mobility-Creating Value with Financial Services

Debut Financial Bond Issuance Volkswagen Finance (China) Co., Ltd., Beijing/Shanghai

Harald Mueller, General Manager, Volkswagen Finance (China) Co., Ltd.

Volkswagen Finance (China) Co., Ltd. Backgrounder

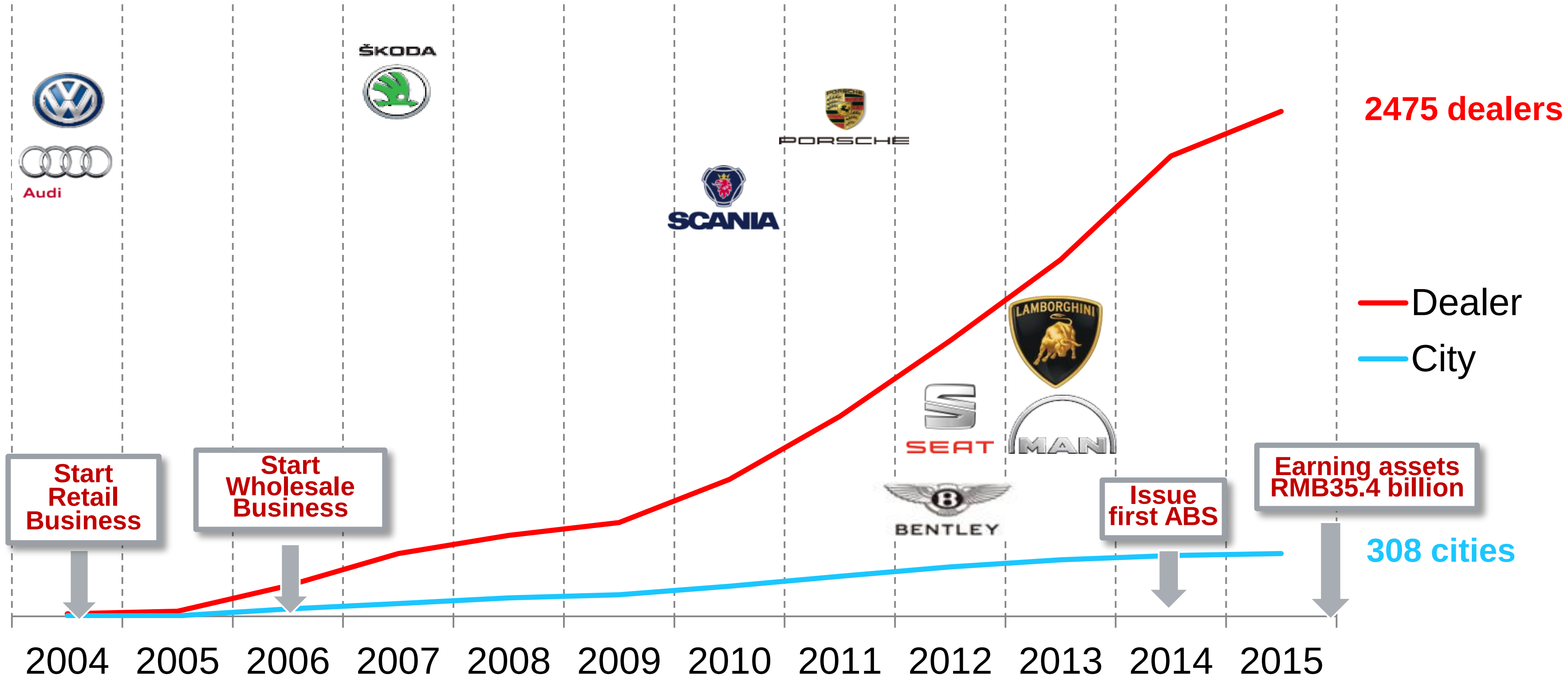
- **We are Volkswagen Finance (China) Co., Ltd.**
- **We are "2012/2013/2014/2015 Best Auto Finance Company"**
- **We are "2013/2014/2015/2016 Top Employer in China"**
- **We have over 800 employees working together**

中国杰出雇主
Top Employer China

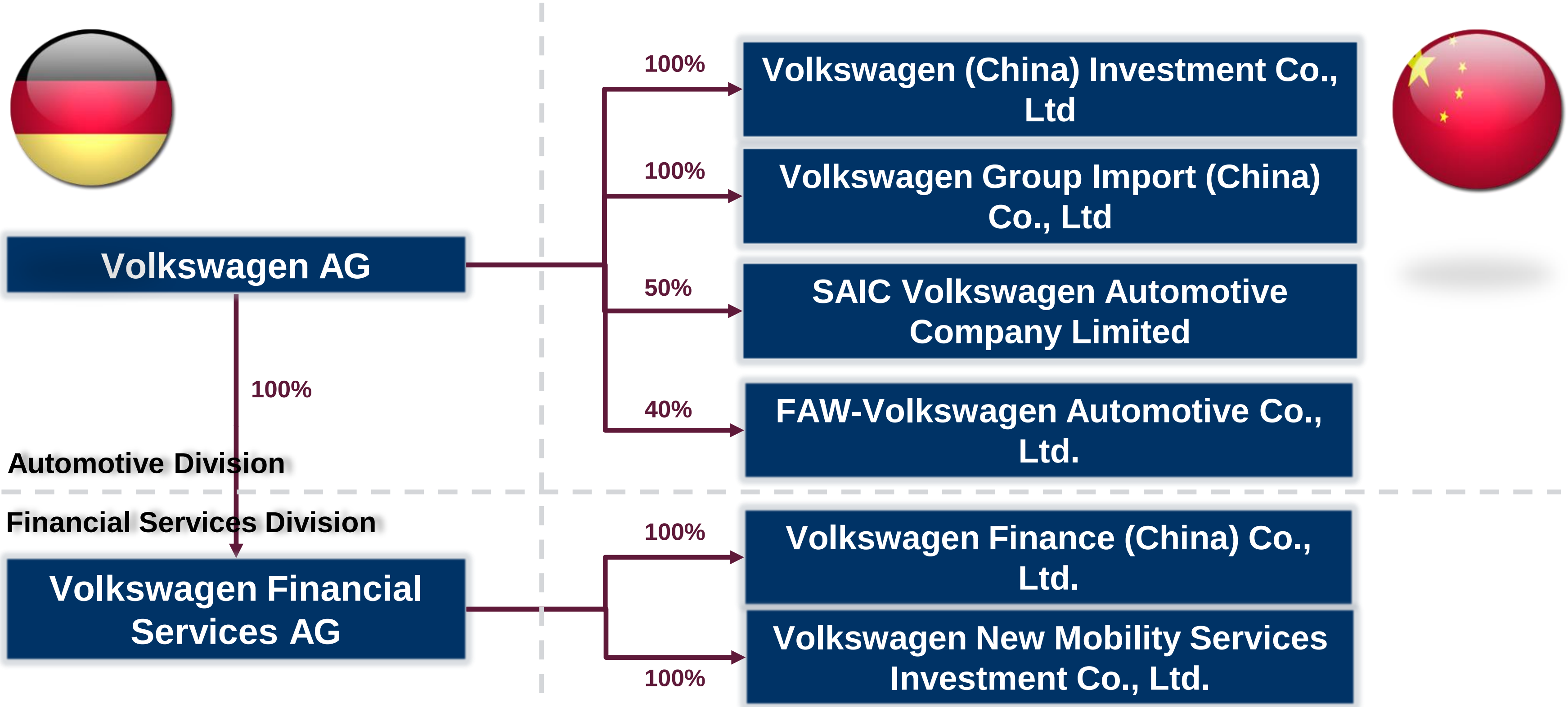
最佳汽车金融公司
Best Auto Finance Company

最佳汽车金融公司
Best Auto Finance Company

Company History



Shareholder Structure



Volkswagen Financial Services in China – A true VOLKSWAGEN company

VOLKSWAGEN FINANCE
CHINA COMPANY LIMITED

CBRC regulated

Retail Finance. Wholesale Finance.

VOLKSWAGEN NEW MOBILITY SERVICES
INVESTMENT COMPANY LIMITED

MofCom regulated

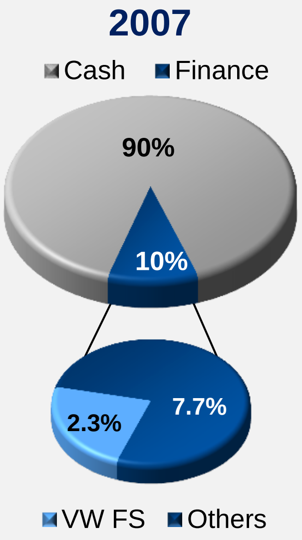
Leasing. Insurance. After Sales. New Mobility.

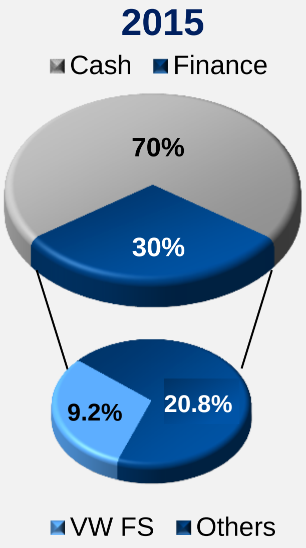
Volkswagen Financial Services in China

BANK		LEASING	INSURANCE	MOBILITY	
• Retail Finance • Dealer Finance • Factoring	• Deposits • Instalment Loans • Investment Products	• Finance Lease • Operating Leasing	• Automotive • Payment Protection • Industry	• Fleet Management • Service & Maintenance • Tyres	• Long-term rent • Short-term rent • Carsharing

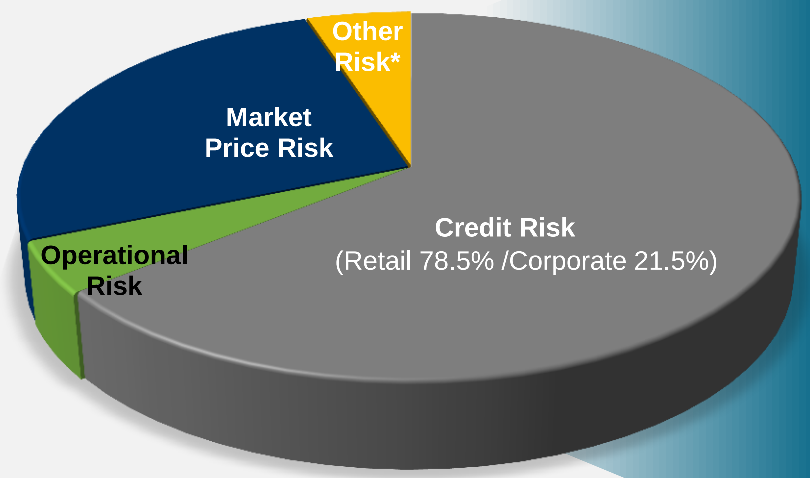
Gaining Share in an Expanding Retail Financing Market

Volkswagen Finance (China) Co., Ltd. retail finance penetration in the Volkswagen Group China network
(% of deliveries to customers)





Risk Management



Credit Risk

- Risk of loss through defaults in customer transactions.
- Assessment of creditworthiness of customers with scoring (in retail business) and rating systems (corporate).

Operational Risk

- Operational Risk are monitored and controlled closely via annual self assessment, process control and case study for loss events, etc.
- The actual operational loss in 2015 is CNY 22 million, which is in line with company strategy.

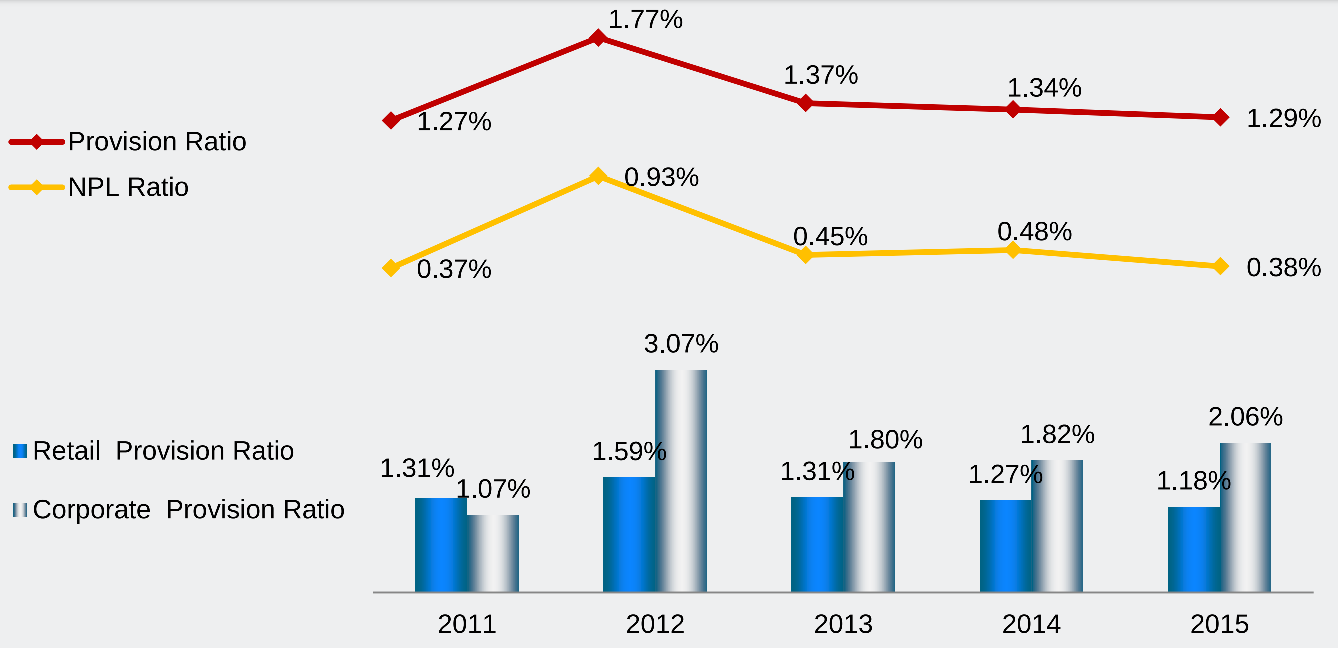
Market Price Risk

- The market price risk are consist of interest rate risk only in China.
- The long-term funding sources are limited due to regulatory reasons in China.

* Shareholder Risk, Issuer Risk, Counterparty Risk, Liquidity Risk, Strategic Risk, Reputational Risk, etc.

Volkswagen Finance (China) Co., Ltd. – Credit risks

Credit risk remains at low level despite challenging market environment



Volkswagen Finance (China) Co., Ltd. Key Data

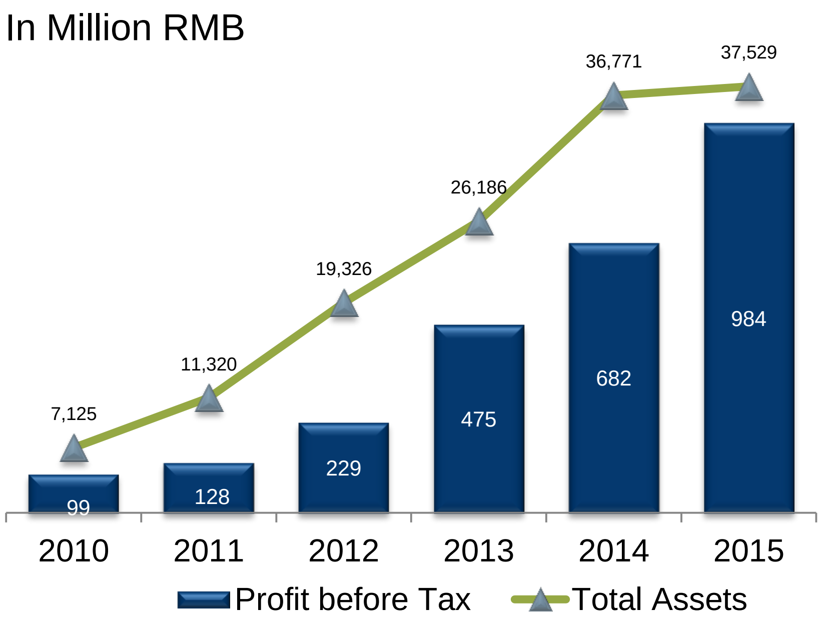
2010 –2015 (PRC)

	2011	2012	2013	2014	2015
Portfolio (‘000 unit)	136	227	346	562	645
Retail receivables (RMB mn)	9,325	15,773	22,756	32,533	32,731
Wholesale receivables (RMB mn)	1,374	1,367	2,205	2,891	2,627
Employees	406	489	603	742	770
PRC profit before tax (CNY mn)	128	229	475	682	984
Capital adequacy ratio	10.10%	19.46%	16.87%	16.74%	17.94%
NPL ratio	0.37%	0.93%	0.45%	0.48%	0.38%

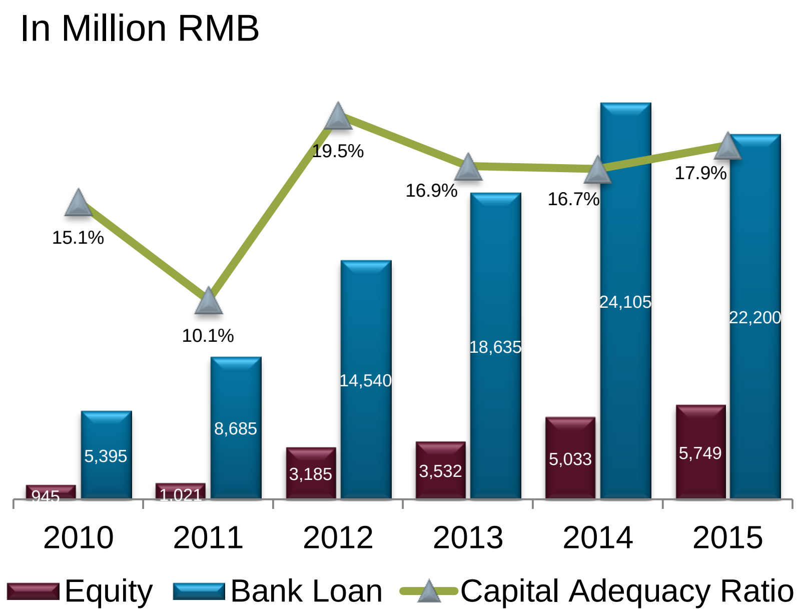
Volkswagen Finance (China) Co., Ltd. Key Data (continued)

2010 –2015

Profit before Tax & Total Assets



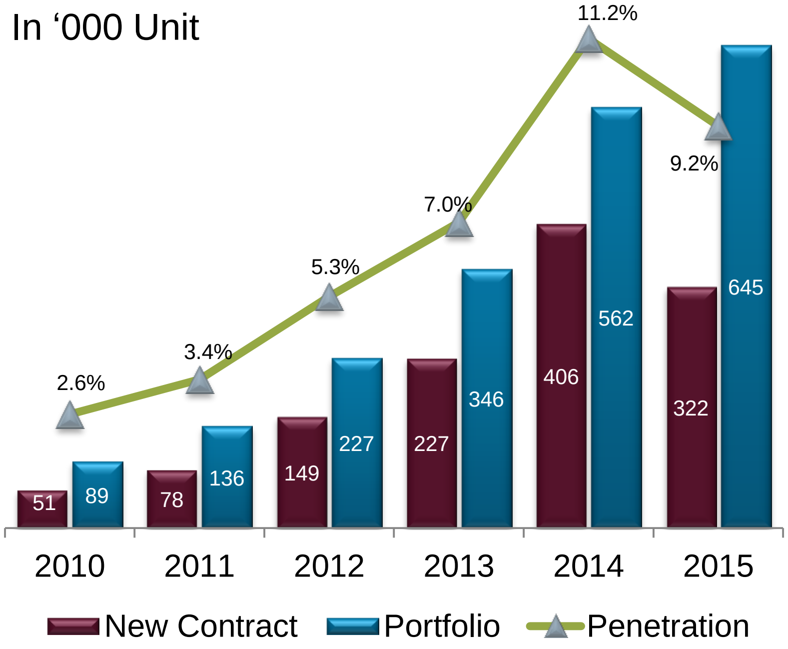
Equity & Bank Loan



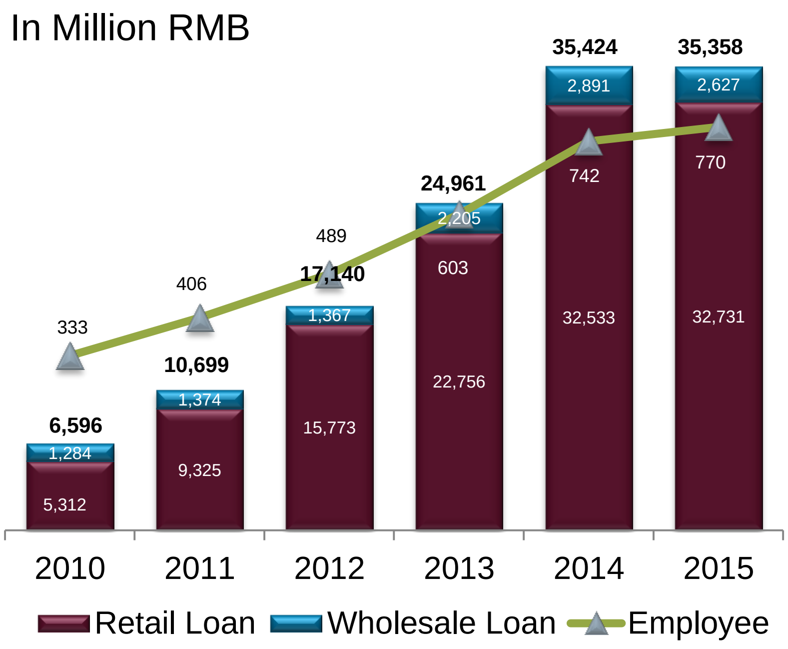
Volkswagen Finance (China) Co., Ltd. Key Data (continued)

2010 –2015

Contract & Penetration

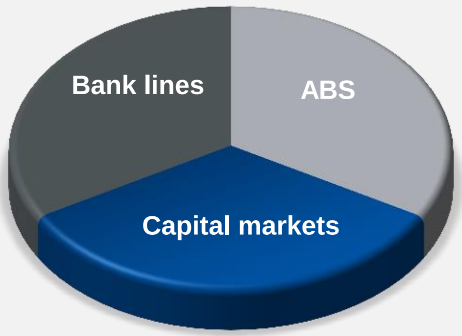


Earning Assets & Employee

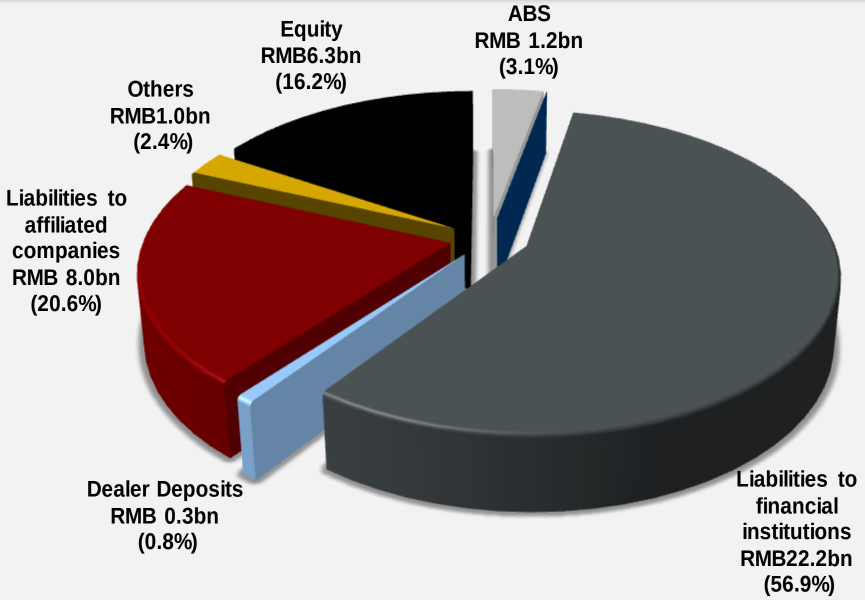


Funding Structure of Volkswagen Finance (China) Co., Ltd.

Strategic Funding Sources



Actual Funding Allocation



as of Dec 31, 2015

Capital Market Award-Winning Practice

China Securitization Forum Awards 2014: Top Ten Securitization Issue of the Year (Credit Assets)

The Banker: Deals of the year 2015

IFLR Asia Awards: Structured Finance and Securitization Deal of the Year

IFR Global Awards 2014: Asia-Pacific Structured Finance Issue

IFR Asia Awards 2014: Structured Finance Issue of the Year

Global Capital Asia capital markets awards

The Asset: Triple A Regional Awards 2014

Structured Finance and ABS Forum Awards 2016: the Best Innovative ABS Originator