Volkswagen Group: Robust, Innovative, Delivering

Oliver Larkin, Martin Büdke, Bernd Bode, Ulrich Hauswaldt
Volkswagen AG / Volkswagen Financial Services
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 Such statements are valid on the date of publication and can be superceded.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

#### Automotive Division

<table>
<thead>
<tr>
<th>Passenger Cars</th>
<th>Commercial Vehicles / Power Engineering</th>
<th>Remaining companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen</td>
<td>Commercial Vehicles</td>
<td>Skoda</td>
</tr>
<tr>
<td>Audi</td>
<td></td>
<td>Bentley</td>
</tr>
<tr>
<td>SKODA</td>
<td></td>
<td>Bugatti</td>
</tr>
<tr>
<td>ŠKODA</td>
<td></td>
<td>Porsche</td>
</tr>
<tr>
<td>BENTLEY</td>
<td></td>
<td>Ducati</td>
</tr>
<tr>
<td>PORSCHE</td>
<td></td>
<td>Scania</td>
</tr>
<tr>
<td></td>
<td></td>
<td>MAN</td>
</tr>
</tbody>
</table>

#### Financial Services Division

- **Volkswagen Financial Services**
  - USA / Canada / Spain / Argentina
- **Scania Financial Services**
- **Porsche Holding Financial Services**
- **Porsche Financial Services**
Volkswagen Investor Update

Volkswagen AG

Oliver Larkin – Senior Investor Relations Manager
Martin Büdke – Capital Markets & Rating

Volkswagen Financial Services

Bernd Bode– Head of Group Treasury and Investor Relations
Ulrich Hauswaldt – Investor Relations
Highlights January – March 2015

Sales revenue increased including a positive influence from exchange rates

Operating result improved within strongly diverging regional market conditions

Profit before tax increased including higher earnings from Chinese joint ventures

Strong net cash flow generation strengthened by a hybrid note facilitates robust automotive net liquidity
Financial Highlights – Volkswagen Group
(January to March 2015 vs. 2014)

<table>
<thead>
<tr>
<th>Sales revenue</th>
<th>Operating profit</th>
<th>Profit before tax</th>
<th>Profit after tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ million</td>
<td>€ million</td>
<td>€ million</td>
<td>€ million</td>
</tr>
<tr>
<td>2014</td>
<td>2015</td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>47,831</td>
<td>52,735</td>
<td>2,855</td>
<td>3,357</td>
</tr>
<tr>
<td>+ 10.3%</td>
<td>+ 16.6%</td>
<td>+ 6.0%</td>
<td>+ 7.0%</td>
</tr>
<tr>
<td>2014</td>
<td>2015</td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>2,855</td>
<td>3,328</td>
<td>3,357</td>
<td>2,468</td>
</tr>
<tr>
<td>+ 16.6%</td>
<td>+ 18.2%</td>
<td>+ 6.3%</td>
<td>+ 7.0%</td>
</tr>
<tr>
<td>2014</td>
<td>2015</td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>3,357</td>
<td>3,968</td>
<td>3,357</td>
<td>2,468</td>
</tr>
<tr>
<td>+ 18.2%</td>
<td>+ 18.8%</td>
<td>+ 7.5%</td>
<td>+ 7.0%</td>
</tr>
</tbody>
</table>

% growth rate y-o-y
Operating profit / profit before tax in % of sales revenue
## Development World Car Market vs. Volkswagen Group Car Deliveries to Customers

*(Growth y-o-y in deliveries to customers, January to April 2015 vs. 2014)*

### World: Car Market: 3.6%  Volkswagen Group: 1.1%

<table>
<thead>
<tr>
<th>Region</th>
<th>Car Market</th>
<th>Volkswagen Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>6.1%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Western Europe</td>
<td>8.2%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Central &amp; Eastern Europe</td>
<td>-25.6%</td>
<td>-11.2%</td>
</tr>
<tr>
<td>South America</td>
<td>-16.9%</td>
<td>-17.8%</td>
</tr>
<tr>
<td>Rest of World</td>
<td>7.7%</td>
<td>10.4%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>5.8%</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

1) Figures excl. Volkswagen Commercial Vehicles, Scania and MAN
Volkswagen Group – Deliveries to Customers by Brands
(January to April 2015 vs. 2014)

**Passenger Cars**

- **Volkswagen Group**
  - 2014: 3,307
  - 2015: 3,341
  - Change: -14.2%

- **Audi**
  - 2014: 2,020
  - 2015: 1,975
  - Change: -2.2%

- **Skoda**
  - 2014: 562
  - 2015: 591
  - Change: +5.2%

- **Seat**
  - 2014: 337
  - 2015: 357
  - Change: +6.1%

- **Porsche**
  - 2014: 127
  - 2015: 138
  - Change: +8.6%

- **Bentley**
  - 2014: 55
  - 2015: 73
  - Change: +32.0%

**Note:**
- 1% incl. Volkswagen Commercial Vehicles, Scania and MAN; 1.1% excl. Volkswagen Commercial Vehicles, Scania and MAN.

**Legend:**
- January – April 2014
- January – April 2015
**Volkswagen Group – Commercial Vehicles Deliveries to Customers by Brands**
(January to April 2015 vs. 2014)

1) Incl. Volkswagen Commercial Vehicles, Scania and MAN; 1.1% excl. Volkswagen Commercial Vehicles, Scania and MAN
2) MAN incl. MAN Latin America Trucks and Buses GVW > 5t

<table>
<thead>
<tr>
<th>Brand</th>
<th>January – April 2014</th>
<th>January – April 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen Group</td>
<td>3,307</td>
<td>3,341</td>
</tr>
<tr>
<td>Commercial Vehicles</td>
<td>141</td>
<td>147</td>
</tr>
<tr>
<td>MAN</td>
<td>37</td>
<td>30</td>
</tr>
<tr>
<td>Scania</td>
<td>25</td>
<td>24</td>
</tr>
</tbody>
</table>

+1.0%  
+4.9%  
-17.3%  
-2.3%

**January – April 2014**  
**January – April 2015**
### Volkswagen Group – Deliveries to Customers by Markets¹)
(January to April 2015 vs. 2014)

<table>
<thead>
<tr>
<th>Region</th>
<th>January – April 2014</th>
<th>January – April 2015</th>
<th>Change</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen Group</td>
<td>3,307</td>
<td>3,341</td>
<td>+34</td>
<td>+1.0%</td>
</tr>
<tr>
<td>Western Europe</td>
<td>1,103</td>
<td>1,179</td>
<td>+76</td>
<td>+6.9%</td>
</tr>
<tr>
<td>Central &amp; Eastern Europe</td>
<td>226</td>
<td>200</td>
<td>-26</td>
<td>-11.6%</td>
</tr>
<tr>
<td>North America</td>
<td>272</td>
<td>284</td>
<td>+12</td>
<td>+4.3%</td>
</tr>
<tr>
<td>South America</td>
<td>253</td>
<td>200</td>
<td>-53</td>
<td>-20.7%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>1,318</td>
<td>1,325</td>
<td>+7</td>
<td>+0.6%</td>
</tr>
<tr>
<td>Rest of World</td>
<td>135</td>
<td>151</td>
<td>+16</td>
<td>+12.1%</td>
</tr>
</tbody>
</table>

¹) Incl. Volkswagen Commercial Vehicles, Scania and MAN; 1.1% excl. Volkswagen Commercial Vehicles, Scania and MAN.
Volkswagen Group – Deliveries to Customers BRIC-Markets\(^1\)
(January to April 2015 vs. 2014)

\(^1\) Including Volkswagen Commercial Vehicles, Scania and MAN.
Volkswagen Group – Analysis by Division\(^1\)
(January to March 2015 vs. 2014)

<table>
<thead>
<tr>
<th></th>
<th>Volkswagen Group</th>
<th>Automotive Division</th>
<th>Financial Services Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle sales</td>
<td>2,607</td>
<td>2,562</td>
<td>2,607</td>
</tr>
<tr>
<td>Sales revenue</td>
<td>52,735</td>
<td>47,831</td>
<td>45,806</td>
</tr>
<tr>
<td>Operating profit</td>
<td>3,328</td>
<td>2,855</td>
<td>2,856</td>
</tr>
<tr>
<td>% of sales revenue</td>
<td>6.3</td>
<td>6.0</td>
<td>6.2</td>
</tr>
<tr>
<td>Financial result</td>
<td>639</td>
<td>502</td>
<td>615</td>
</tr>
<tr>
<td>of which: At-equity result(^2)</td>
<td>1,146</td>
<td>994</td>
<td>1,135</td>
</tr>
<tr>
<td>of which: Other financial result</td>
<td>-506</td>
<td>-492</td>
<td>-520</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>3,968</td>
<td>3,357</td>
<td>3,471</td>
</tr>
<tr>
<td>% Return on sales before tax</td>
<td>7.5</td>
<td>7.0</td>
<td>7.6</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>2,932</td>
<td>2,468</td>
<td>2,554</td>
</tr>
</tbody>
</table>

\(^1\) All figures shown are rounded, so minor discrepancies may arise from addition of these amounts. Including allocation of consolidation adjustments between the Automotive and Financial Services divisions.

\(^2\) The joint venture companies in China are accounted for using the equity method and recorded an operating profit (proportionate) of €1,598 million (€1,241 million).
Volkswagen Group – Analysis of Operating Profit\(^1\)
(January to March 2015 vs. 2014)

\[^1\) All figures shown are rounded, minor discrepancies may arise from addition of these amounts.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume/ Mix/ Prices</td>
<td>0.3</td>
<td>2.9</td>
</tr>
<tr>
<td>Exchange rates</td>
<td>0.2</td>
<td>0.3</td>
</tr>
<tr>
<td>Product costs</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>Fixed costs/ start-up</td>
<td>-0.4</td>
<td>0.0</td>
</tr>
<tr>
<td>costs</td>
<td></td>
<td>0.0</td>
</tr>
<tr>
<td>Commercial Vehicles</td>
<td>3.3</td>
<td></td>
</tr>
<tr>
<td>/ Power Engineering</td>
<td></td>
<td>0.0</td>
</tr>
<tr>
<td>Financial Services</td>
<td></td>
<td>0.0</td>
</tr>
<tr>
<td>Division</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\[^1\) All figures shown are rounded, minor discrepancies may arise from addition of these amounts.
### Volkswagen Group – Analysis by Business Line

(January to March 2015 vs. 2014)

<table>
<thead>
<tr>
<th></th>
<th>Vehicle sales thousand vehicles</th>
<th>Sales revenue € million</th>
<th>Operating profit € million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen Passenger Cars</td>
<td>1,117</td>
<td>1,112</td>
<td>26,291</td>
</tr>
<tr>
<td>Audi</td>
<td>389</td>
<td>367</td>
<td>14,651</td>
</tr>
<tr>
<td>ŠKODA</td>
<td>217</td>
<td>214</td>
<td>3,175</td>
</tr>
<tr>
<td>SEAT</td>
<td>138</td>
<td>120</td>
<td>2,182</td>
</tr>
<tr>
<td>Bentley</td>
<td>3</td>
<td>3</td>
<td>472</td>
</tr>
<tr>
<td>Porsche</td>
<td>51</td>
<td>42</td>
<td>5,078</td>
</tr>
<tr>
<td>Volkswagen Commercial Vehicles</td>
<td>121</td>
<td>110</td>
<td>2,698</td>
</tr>
<tr>
<td>Scania</td>
<td>18</td>
<td>19</td>
<td>2,463</td>
</tr>
<tr>
<td>MAN</td>
<td>22</td>
<td>26</td>
<td>3,088</td>
</tr>
<tr>
<td>VW China</td>
<td>963</td>
<td>946</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>-431</td>
<td>-396</td>
<td>-13,507</td>
</tr>
<tr>
<td>Volkswagen Financial Services</td>
<td>-</td>
<td>-</td>
<td>6,145</td>
</tr>
<tr>
<td><strong>Volkswagen Group</strong></td>
<td><strong>2,607</strong></td>
<td><strong>2,562</strong></td>
<td><strong>52,735</strong></td>
</tr>
<tr>
<td><strong>Automotive Division</strong></td>
<td><strong>2,607</strong></td>
<td><strong>2,562</strong></td>
<td><strong>45,806</strong></td>
</tr>
<tr>
<td>of which: Passenger Cars</td>
<td><strong>2,447</strong></td>
<td><strong>2,407</strong></td>
<td><strong>37,636</strong></td>
</tr>
<tr>
<td>of which: Commercial Vehicles, Power Engineering</td>
<td><strong>161</strong></td>
<td><strong>155</strong></td>
<td><strong>8,170</strong></td>
</tr>
<tr>
<td><strong>Financial Services Division</strong></td>
<td>-</td>
<td>-</td>
<td><strong>6,928</strong></td>
</tr>
</tbody>
</table>

1) All figures shown are rounded, minor discrepancies may arise from addition of these amounts. 2) Incl. financial services. 3) Sales revenue and operating profit of the JV’s in China are not included in the Group figures. The Chinese companies are accounted for using the equity method and recorded an operating profit (proportionate) of €1,598 million (€1,241 million). 4) Mainly intragroup items, in particular from elimination of intercompany profits; incl. depreciation and amortization of identifiable assets as part of the PPA for Scania, Porsche Holding Salzburg, MAN and Porsche. 5) Including allocation of consolidation adjustments between Automotive and Financial Services divisions.
Volkswagen Group – Analysis of Earnings per Share Development  
(January to March 2015 vs. 2014)

<table>
<thead>
<tr>
<th>Earnings per share (diluted, in €)</th>
<th>Jan – Mar 2014</th>
<th>Jan – Mar 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinary shares</td>
<td>4.86</td>
<td>5.74</td>
</tr>
<tr>
<td>Preferred shares</td>
<td>4.92</td>
<td>5.80</td>
</tr>
</tbody>
</table>

+ 18%

Key driving factors for EPS

- Increase of Group operating profit
- Improved at-equity result, mainly due to continued strong performance of Chinese joint venture companies
- Lower minority interest compensating for higher hybrid investors’ interest in net profit reconciliation
- Slightly increased average number of shares outstanding following issuance of equity capital in 2014

1) Prior-year figures adjusted to reflect application of IAS 33.26.
Automotive Division – Strong Cash Generation\(^1\) \(^2\)  
(January to March 2015)

<table>
<thead>
<tr>
<th>€ billion</th>
<th>2014</th>
<th>Capex</th>
<th>Capitalized development costs</th>
<th>Other</th>
<th>Net cash flow before equity investments</th>
<th>Acquisition and disposal of equity investments</th>
<th>Net cash flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.7</td>
<td>2.3</td>
<td>-1.6</td>
<td>-1.2</td>
<td>0.1</td>
<td>-0.5</td>
<td>0.4</td>
<td>-0.1</td>
</tr>
<tr>
<td>1.5</td>
<td>-2.1</td>
<td>0.0</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) All figures shown are rounded, minor discrepancies may arise from addition of these amounts. \(^2\) Including allocation of consolidation adjustments between Automotive and Financial Services divisions. \(^3\) Capital expenditure for property, plant and equipment in % of Automotive sales revenue.
Automotive Division – Analysis of Net Liquidity

<table>
<thead>
<tr>
<th>Date</th>
<th>Equity capital increase Volkswagen FS</th>
<th>Issuance of hybrid bond</th>
<th>Net cash flow and other financing cash flow</th>
<th>31 March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 December 2014</td>
<td>-1.1</td>
<td>2.5</td>
<td>1.7</td>
<td>20.8</td>
</tr>
<tr>
<td>31 March 2015</td>
<td>17.6</td>
<td>18.0</td>
<td>20.8</td>
<td></td>
</tr>
</tbody>
</table>

1) All figures shown are rounded, minor discrepancies may arise from addition of these amounts.
Continuous dividend development on a sustainable basis

**Development of dividend pay-out...**

<table>
<thead>
<tr>
<th>Year</th>
<th>Ordinary Shares</th>
<th>Preferred Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>2.20</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>3.00</td>
<td>2.66</td>
</tr>
<tr>
<td>2012</td>
<td>3.50</td>
<td>3.06</td>
</tr>
<tr>
<td>2013</td>
<td>4.00</td>
<td>3.56</td>
</tr>
<tr>
<td>2014</td>
<td>4.80</td>
<td>4.86</td>
</tr>
</tbody>
</table>

+21.5% p.a.

**... and pay-out ratio**

<table>
<thead>
<tr>
<th>Year</th>
<th>Pay-out Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>15.1%</td>
</tr>
<tr>
<td>2011</td>
<td>15.7%</td>
</tr>
<tr>
<td>2012</td>
<td>17.8%</td>
</tr>
<tr>
<td>2013</td>
<td>20.6%</td>
</tr>
<tr>
<td>2014</td>
<td>21.2%</td>
</tr>
</tbody>
</table>

1) Total dividend in percent of net income attributable to shareholders adjusted for noncash income mainly from the updated measurement of the put/call rights relating to the acquisition of the stake in Porsche AG indirectly held by Porsche SE, as well as the remeasurement of the existing stake held at the contribution date.

Mid-term target: 30%
Volkswagen’s Automotive Division continues to invest in new products, innovative technologies and its global production footprint

**Investments in property, plant and equipment**

- €23.0 bn
- €41.3 bn
- €64.3 bn

**5-year investment program remains on a stable level**

- €85.6 bn

**€64.3 bn**
Investments in property, plant and equipment

**€21.9 bn**
Capitalized development costs

**-€0.6 bn** Others

- Around two-thirds will continue to flow into increasingly efficient vehicles, drives and technologies, as well as environmentally friendly production
- In addition, China JVs will invest a total of €22.0 bn in new production facilities and products (fully self funded)

Note: All figures shown are rounded.
Volkswagen Group – Outlook for 2015

We expect …

■ to moderately increase Volkswagen Group deliveries to customers year-on-year in 2015 in a persistently challenging market environment.

■ 2015 sales revenue for the Volkswagen Group and its business areas to increase by up to 4% above the prior-year figure, depending on the economic conditions. However, economic trends in Latin America and Eastern Europe will need to be continuously monitored in the Commercial Vehicles/Power Engineering Business Area.

In terms of operating profit…

■ we anticipate a Group operating return on sales of between 5.5% and 6.5% in 2015 in light of the challenging economic environment.

■ The operating return on sales is expected to be in the 6.0% to 7.0% range in the Passenger Cars Business Area and between 2.0% and 4.0% in the Commercial Vehicles/Power Engineering Business Area.

■ For the Financial Services Division, we are forecasting an operating profit at the prior-year level.
Volkswagen Group – Well on track to achieve targets under Strategy 2018

Volkswagen Group customer satisfaction (on a scale of 1 to 101)

- 2007: 8.2
- 2010: 8.4
- 2014: 8.8

Volkswagen Group profit before tax margin (in percent)

- 2007: 6.0
- 2008: 5.8
- 2009: 1.2
- 2010: 7.1
- 2011: 11.9
- 2012: 13.2
- 2013: 6.3
- 2014: 7.3

Group deliveries to customers (in million units)

- 2007: 6.2
- 2010: 7.2
- 2012: 9.3
- 2014: 10.1

"I am happy to work at the Volkswagen Group" (Employee opinion survey, index)

- 2007/08: 84
- 2014: 90

1 Own calculation based on key industry studies on customer satisfaction with dealers, after sales and new vehicles. 2 Including China.
3 Group profit before tax margin excluding the nonrecurring effect from the remeasurement of the Porsche put/call options and from remeasurement at the contribution date of the shares already held.
Group operating profit growth clearly outperforming volume expansion with premium exposure and strong China position being the key drivers

<table>
<thead>
<tr>
<th>Deliveries to customers</th>
<th>Operating Profit (incl. proportionate Operating Profit from China JVs)¹)</th>
<th>Key drivers for strong operating profit performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>in million units</td>
<td>in € billion</td>
<td></td>
</tr>
<tr>
<td>2007: 6.2</td>
<td>2007: 6.4</td>
<td>Strong expanded presence in premium segment</td>
</tr>
<tr>
<td></td>
<td>2014: 10.1</td>
<td>• Porsche integration, above average growth and margins</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Synergies within premium brands</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Outperformance of Audi brand</td>
</tr>
<tr>
<td></td>
<td>+7.3% p.a.</td>
<td>Performance of VW Group in China</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Strong market position and growth momentum, above average margins</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Continued investments and at the same time substantial dividends received</td>
</tr>
<tr>
<td></td>
<td>+15.7% p.a.</td>
<td>Expansion of commercial vehicles business</td>
</tr>
<tr>
<td></td>
<td>17.9</td>
<td>• Acquisition of Scania and MAN</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increasing contribution from Financial Services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Global expansion</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Rising penetration rates</td>
</tr>
</tbody>
</table>

¹) The joint venture companies in China are accounted for using the equity method and recorded an operating profit (proportionate) of €5,182 million in 2014 (€294 million in 2007).
Volkswagen Group – Key sustainable achievements

<table>
<thead>
<tr>
<th>Superior products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continued market leadership in Europe and China</td>
</tr>
<tr>
<td>Positioning and cooperation clearly strengthened in the premium segment</td>
</tr>
<tr>
<td>Creation of a leading truck business</td>
</tr>
<tr>
<td>Successful toolkit implementation</td>
</tr>
</tbody>
</table>
Improved segment and market exposure provides stable earnings platform

1) Source: Polk; figures excluding Volkswagen Commercial Vehicles, MAN and Scania. Porsche fully consolidated as from 1 August 2012
2) Split of Group Operating Profit excluding Other / Consolidation and PPA
3) Commercial Vehicles / Power Engineering
4) VW Financial Services figures do not include financial service activities of Scania, Porsche AG and Porsche Holding Salzburg
Key sales markets offer substantial growth opportunities
Market growth 2014 – 2018 (million units)

North America
2012 2014 2016 2018
19.5 20.4 20.6
+6%

Western Europe\(^1\)
2012 2014 2016 2018
13.6 14.4 14.9
+9%

Central & Eastern Europe (incl. Russia)
2012 2014 2016 2018
3.9 3.1 3.9
-1%
+0%

South America\(^2\)
2012 2014 2016 2018
5.4 5.0 5.4
+0%

China (incl. HK)
2012 2014 2016 2018
23.2 26.4 28.4
+23%

India
2012 2014 2016 2018
86 91 96
+12%
+45%

World
2012 2014 2016 2018
3.0 3.5 4.3
+12%
+45%

1) Includes Cyprus and Malta
2) Includes Central America and Caribbean
Source: IHS Automotive (data status: April 2015), rounded
Note: Market = Cars and LCVs
Global passenger car market expected to grow further in 2015 with adverse developments in individual regions

<table>
<thead>
<tr>
<th>Region</th>
<th>2014e</th>
<th>2015e</th>
<th>2014a</th>
<th>2015e</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>+3.0%</td>
<td>+2.8%</td>
<td>+3.0%</td>
<td>+2.8%</td>
</tr>
<tr>
<td>Western Europe</td>
<td>+1.7%</td>
<td>+1.2%</td>
<td>+2.4%</td>
<td>+2.4%</td>
</tr>
<tr>
<td>USA</td>
<td>+3.0%</td>
<td>+1.7%</td>
<td>+3.0%</td>
<td>+2.4%</td>
</tr>
<tr>
<td>China</td>
<td>+6.5%</td>
<td>+7.4%</td>
<td>+0.4%</td>
<td>+0.6%</td>
</tr>
<tr>
<td>South America (^1)</td>
<td>+0.6%</td>
<td>+0.4%</td>
<td>+0.6%</td>
<td>+0.6%</td>
</tr>
<tr>
<td>Russia</td>
<td>+5.0%</td>
<td>-5.0%</td>
<td>+5.0%</td>
<td>-5.0%</td>
</tr>
</tbody>
</table>

Source: IHS Automotive, IHS Economics as of February 2015
\(^1\) Includes Central America and Caribbean, excluding Mexico
New registrations of mid-sized and heavy trucks in markets relevant for the Volkswagen Group are set to drop noticeably in 2015

**Western Europe**
Demand expected to rise modestly with economic recovery; pull-forward effects in 2013 related to Euro 6 emission standard negatively affected 2014

**Germany**
GDP growth in 2015 expected to slightly increase over the year with positive effect on truck sales

**Russia**
Sanctions and sluggish macroeconomic development will have continuing negative effect on truck demand in 2015

**Brazil**
Negative macroeconomic development with adjustment of FINAME-Program have a significantly negative impact on Brazilian market

**India**
- Government change 2014 provides further investment incentives
- Substantial increase in truck sales expected

**China**
Sales in China expected to be almost on the same level as 2014 despite positive macroeconomic development
Growth in many major markets, excluding China, below expectations

<table>
<thead>
<tr>
<th>GDP growth p.a. 2010 – 2018 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Europe</td>
</tr>
<tr>
<td>World</td>
</tr>
</tbody>
</table>

-1 0 1 2 3 4 5
2010 2014 2018

-1 0 1 2 3
2010 2014 2018

Volume projections for global car markets (ex China) reduced significantly

<table>
<thead>
<tr>
<th>2014 estimate</th>
<th>2018 estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>World exChina</td>
<td></td>
</tr>
<tr>
<td>China (incl. HK)</td>
<td></td>
</tr>
</tbody>
</table>

Source: IHS Economics

GDP growth remains behind forecasts - but recovery expected until 2018

Dec 2010 forecast
Actuals
Sept 2014 forecast

Relative to end of 2010
Projection as per end of 2010
Projection as per October 2014

in million units

2010 2014 2018

-6 m -4 m +1 m +4 m
Tightening environmental regulation and major trends driving substantially higher investment and engineering needs today

...CO₂ and EU6 regulations

Status and forecast of CO₂-regulations

- **EU**
- **US-LDV (PC+LDT)**
- **China**

**US baseline**: 219

**China baseline**: 185

**China 2015**: 167

**EU baseline**: 142

**EU 2020**: 95

**US 2025**: 107

Source: based on ICCT

...Market / consumer trends

- **Digitalization**
- **Shorter lifecycles**
- **E-mobility**
- **SUV trend**
- **Automated driving**
- **Shift in priorities**

Source: based on ICCT
Future Tracks – Paving the way to the future

Strategy for the time beyond 2018

Profitability

Economic uncertainty

Future trends

Costs

Revenues

Digitalization

E-mobility

Automated driving

Product cycles

Business models

Economic development

Trade barriers

Currencies

Regulations

Economic uncertainty

Trade barriers

Currencies

Economic development

Regulations

Volkswagen Group 2018 Strategy

Costs

Revenues

Future trends

Economic uncertainty

Trade barriers

Currencies

Economic development

Regulations

Volkswagen Group 2018 Strategy
Volkswagen Brand: Substantial efficiency measures across all business areas to ensure > 6% target return before 2018

- Adapt lifecycle strategy to meet core regional competition
- Focus on models providing sustainable profitability
- Expand after-sales business

- Reduce complexity and improve decision making process
- Increase use of common parts and reduction of number of variants
- Sharpen target-oriented investment
- Increase localization in core markets
- Enhance R&D efficiency
- Leverage scale effects and groupwide synergy potential further
Volkswagen Brand: Three focus areas to improve competitiveness

Efficiency Program

Model Portfolio & Cycle Plan
- Continually adapt product lifecycles to the specific regional and competitive requirement
- Challenge every model regarding growth prospects and sustainable profit contribution

Strengthen Regions
- Improve operational and financial robustness of regional business models
- Increase localization of products, production and components as well as research and development

Cost Discipline & Productivity
- Strong focus on cost and investment discipline
- Roll-out of efficiency program in order to secure/improve cost efficiency and quality of results
Transition to automated driving already started and offers huge potential

Drivers assistant systems in the new Passat

- Emergency assist with lane change
- Traffic jam assist with hands-off
- Work zone lane assist
- Automated driving
- Automated parking
- Emergency assist
- Trailer assist
- Front assist with pedestrian monitoring
New Touran: Variants will be reduced in order to compensate complexity drivers and to cut costs

<table>
<thead>
<tr>
<th>Touran current model</th>
<th>Touran successor</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Complexity drivers</strong></td>
<td><strong>Variant reduction</strong></td>
</tr>
<tr>
<td>- Drivers assistant systems</td>
<td>- Steering wheels</td>
</tr>
<tr>
<td>- Legal requirements</td>
<td>- Trunk lining</td>
</tr>
<tr>
<td>- Seating options</td>
<td>- Mirrors</td>
</tr>
<tr>
<td>- ...</td>
<td>- ...</td>
</tr>
</tbody>
</table>
Significant savings potential through various variant reductions
(% reduction in number of variants)

Golf 7: Batteries
~50%

Golf 7: Interior lamps
~50%

Golf 7: Armrests (leather)
>30%

Polo successor: Engine/gearbox variants
>30%
Improving operating returns at Volkswagen Passenger Cars\textsuperscript{1)} the latest by 2018 is a core objective of Future Tracks

\textsuperscript{1) The joint venture companies in China are accounted for using the equity method and thus are not included in the operating profit of Volkswagen Passenger Cars.}
Deep roots and strong market position combined with further growth potential assures continued profitable growth in China

**Production network and implementation of MQB**

- ** existing production site
- ** MQB production site by 2016
- ** Planned MQB production site

**Significant extension of product portfolio**

<table>
<thead>
<tr>
<th>Locally produced</th>
<th>Import</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014: 25</td>
<td>57</td>
<td>82</td>
</tr>
<tr>
<td>2018e: &gt;40</td>
<td>&gt;65</td>
<td>&gt;105</td>
</tr>
</tbody>
</table>

**Strong operational & financial track record**

<table>
<thead>
<tr>
<th>Year</th>
<th>Proportionate Operating Profit</th>
<th>Dividends paid to Volkswagen AG</th>
<th>Deliveries to customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>1.0</td>
<td>0.4</td>
<td>0.3</td>
</tr>
<tr>
<td>2009</td>
<td>1.4</td>
<td>0.8</td>
<td>0.4</td>
</tr>
<tr>
<td>2010</td>
<td>1.9</td>
<td>0.8</td>
<td>0.4</td>
</tr>
<tr>
<td>2011</td>
<td>2.6</td>
<td>1.2</td>
<td>1.2</td>
</tr>
<tr>
<td>2012</td>
<td>2.3</td>
<td>2.0</td>
<td>2.0</td>
</tr>
<tr>
<td>2013</td>
<td>2.8</td>
<td>3.3</td>
<td>3.3</td>
</tr>
<tr>
<td>2014</td>
<td>3.7</td>
<td>5.2</td>
<td>5.2</td>
</tr>
</tbody>
</table>

**Continuous expansion of dealer network**

<table>
<thead>
<tr>
<th>Year</th>
<th>Others</th>
<th>ŠKODA</th>
<th>Audi</th>
<th>Volkswagen</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>2,395</td>
<td>38</td>
<td>2,395</td>
<td>2,395</td>
</tr>
<tr>
<td>2014</td>
<td>2,654</td>
<td>57</td>
<td>2,654</td>
<td>2,654</td>
</tr>
<tr>
<td>2018e</td>
<td>&gt;3,600</td>
<td>&gt;105</td>
<td>&gt;3,600</td>
<td>&gt;3,600</td>
</tr>
</tbody>
</table>
USA – Extending the business

Expanding local footprint

- Herndon Headquarters
- Chattanooga Plant
- Atlanta Headquarters
- Silao Plant (engines)
- Puebla Plant
- San José Chiapa Plant\(^1\) (SOP 2016)

Upgrade/expansion of portfolio

- Introduction of the new Golf
- US Passat facelift
- Tiguan LWB
- Jetta facelift
- B-SUV

2014 2015 2016 …

Strong commitment to targets in the U.S. market

Deliveries in ‘000 units by brands

LCV segment remains a large opportunity

- Deliveries to customers Jan-Apr 2015 vs. Jan-Apr 2014
  - VW
  - Audi
  - Porsche\(^2\)
  - Other

Segment structure 2014

- Total Market
- LCVs
- Cars

\(^1\) Production of global volumes of new Audi Q5 from 2016
\(^2\) Figures including Porsche as from 1 August 2012
\(^3\) Thereof Passenger Cars -0.5%, Light Commercial Vehicles +11.0%
\(^4\) Imported and locally produced vehicles in % of total deliveries (Volkswagen Passenger cars)
Brazil – Short-term challenge, mid-term opportunity

Highly localized passenger car production

- São Carlos (engines)
- Taubaté
- Anchieta
- Curitiba

Deliveries to customers ('000 units)

A rapidly changing competitive landscape

Number of automotive companies in the Brazilian market

- Importers
- Other local producers
- "Big 4"[^1]

Source: Anfavea, own research

Expansion & upgrade of locally produced portfolio

- 2014: up!, Fox family, Saveiro, Golf
- 2015: A3 Sedan
- 2016: Q3

1: Audi to start production of A3 Sedan in São José dos Pinhais in 2015, Q3 to be produced from 2016

[^1]: Volkswagen, Fiat, General Motors, Ford
Volkswagen Group toolkit strategy and responsibilities

Continuous roll-out of toolkit strategy across segments, regions and brands

- NSF: New Small Family
- MQB: Modular Transverse Toolkit
- MLB: Modular Longitudinal Toolkit
- MSB: Modular Standard Drivetrain Toolkit
- MNB: Modular Commercial Vehicles Toolkit

Responsibilities

Established markets
Emerging markets
Vehicle classes
MQB – Driving forward economies of scale in unit cost, investment and supporting achievement of emission targets

Distribution of MQB savings

MQB platform ca. 60% of total material costs

Lower cost per unit
Less EHpV\(^1\)
Less one-off expenditures

= Potential savings

Margin improvement

Savings
Expenditures
Invest

Different powertrains

The MQB’s flexible design is able to accommodate alternative drives:

Conventional drive
- TSI Gasoline
  - EA211
- TDI Diesel
  - EA288

Electric drive
- Hybrid
- BEV

Alternative/Regenerative
- EcoFuel
  - CNG
- FlexFuel
  - Ethanol
- BiFuel
  - LPG

\(^1\) Engineered Hours per Vehicle

Savings to be partly absorbed to fulfill regulatory and legal requirements
Sustainable success secured through the roll-out of modular toolkits

Global roll-out of modular toolkits

Number of toolkit equipped plants and volume

MQB production share of total production volumes

1) Including China; the Chinese share in the global MQB volume amounted to around one fifth in 2014 and is expected to increase to more than one third in 2018
Innovative technical flexibility made simple

Flexibility of volume

„Turntable“ („Drehscheibe“)

WOLFSBURG

ZWICKAU

EMDEN

Integrated production across three sites

(Schematic illustration)

e.g. Additional demand for Volkswagen Passat

Additional Passat volume due to customer demand
New Volkswagen Group models 2015 – a strong basis for profitable growth

### Highlights
- Touran, Passat Alltrack, Tiguan, Lamando, Santana Derivative
- Q7, A4, TT Roadster
- Fabia Combi, Superb Sedan & Superb Combi
- Ibiza
- 911
- Huracán Spyder
- Continental GT, Continental GT Convertible
- T6 Family, Caddy

### Global roll-out
- Passat, Touareg, Golf (Brazil)
- TT Coupé, Q3 (US), A3 Sedan (Brazil), A6L (China)
- Fabia, Fabia (China), Superb Sedan (China)
- Cayenne

### Highly efficient powertrains
- Passat GTE (PHEV), Jetta Hybrid
- Golf TSI BlueMotion
- Q7 TDI e-tron
Scania transaction is a pre-requisite to improve competitiveness and efficiency based on integration of Volkswagen’s truck businesses

<table>
<thead>
<tr>
<th>Integration drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Foundation</strong>: management of independent and strong brands on the basis of integrated technology and operations</td>
</tr>
<tr>
<td><strong>Objective</strong>: modular toolkit strategy for commercial vehicles with common components and systems</td>
</tr>
<tr>
<td><strong>Scale benefits</strong>: improved efficiency of resource allocation and increased flexibility concerning vertical integration</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Synergies (Operating Profit impact)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Achieved by the end of 2014</strong></td>
</tr>
<tr>
<td>- €200+ million</td>
</tr>
<tr>
<td>- Focus on purchasing</td>
</tr>
<tr>
<td>- Synergy potential limited due to arm’s-length requirements</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Additional potential through the integration</th>
</tr>
</thead>
<tbody>
<tr>
<td>- €650+ million per year long-term average with 10-15 years gradual phase-in based on life cycles of vehicles and systems / components</td>
</tr>
<tr>
<td>- Majority of benefits from joint R&amp;D, purchasing and sourcing components, e.g. gearbox</td>
</tr>
<tr>
<td>- Significant benefits from capex savings</td>
</tr>
</tbody>
</table>
Volkswagen Group: Global automotive leader 2018

Economic and environmental leadership in the global automotive industry

<table>
<thead>
<tr>
<th>Economic leadership</th>
<th>Environmental leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent and custom-tailored product portfolio</td>
<td>Diversified portfolio of drivetrain technologies</td>
</tr>
<tr>
<td>Increasing global footprint and emerging markets presence</td>
<td>Continuous improvements in internal combustion engines</td>
</tr>
<tr>
<td>Realization of cost savings, toolkit modularization and localization of products</td>
<td>Leadership in alternative powertrain technologies</td>
</tr>
<tr>
<td>Creation of sustainable value</td>
<td>25 percent less energy and water consumption, waste and emissions in Group production</td>
</tr>
</tbody>
</table>
Volkswagen Investor Update

Volkswagen AG

Oliver Larkin – Senior Investor Relations Manager

Martin Büdke – Capital Markets & Rating

Volkswagen Financial Services

Bernd Bode– Head of Group Treasury and Investor Relations

Ulrich Hauswaldt – Investor Relations
Volkswagen Group’s financial stability is backed by a strong liquidity position...

**Automotive Net liquidity in € bn**

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>Q1 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>13.5</td>
<td>8.0</td>
<td>10.6</td>
<td>18.6</td>
<td>17.0</td>
<td>10.6</td>
<td>16.9</td>
<td>17.6</td>
<td>20.8</td>
</tr>
</tbody>
</table>

Source: Volkswagen Group
The information contained herein is not for publication or distribution, directly or indirectly, in or into the United States of America, Canada, Japan or Australia.

### ...and stable Ratings

<table>
<thead>
<tr>
<th>Current Ratings</th>
<th>S&amp;P</th>
<th>Moody’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term</td>
<td>A stable</td>
<td>A2 stable</td>
</tr>
<tr>
<td>Short-term</td>
<td>A-1 stable</td>
<td>P-1 stable</td>
</tr>
</tbody>
</table>

**Last Rating change**

- **22 September 2014** (S&P)
- **16 March 2015** (Moody’s)

**Additional Information**

Volkswagen Financial Services AG and Volkswagen Bank GmbH are under Review for Upgrade.
Volkswagen Group Treasury – Key Global Markets Figures\(^1\)

<table>
<thead>
<tr>
<th>Liquidity and Refinancing</th>
<th>€ 20.8 bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive Net Liquidity</td>
<td></td>
</tr>
<tr>
<td>Money and Capital Markets Outstanding</td>
<td>€ 90.7 bn</td>
</tr>
<tr>
<td>Customer Deposits</td>
<td>€ 23.7 bn</td>
</tr>
<tr>
<td>Banks and Supranationals</td>
<td>€ 22.0 bn</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hedging Activities</th>
<th>USD, GBP, RMB, CHF, JPY, KRW, MXN, SEK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Foreign Currency Hedging</td>
<td></td>
</tr>
<tr>
<td>Global Commodity Hedging</td>
<td>Base and Precious Metals</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Counterparties</th>
<th>&gt; 150 Banking Groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank Lines Globally(^2)</td>
<td>€ 55.5 bn</td>
</tr>
<tr>
<td>Relationships with</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key Account Management</th>
<th>&gt; 1,300 Volkswagen Group Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acting as a Service Center</td>
<td></td>
</tr>
</tbody>
</table>

---

\(^1\) as of March 31, 2015; ABS included

\(^2\) excluding Porsche, MAN and Scania

Source: Volkswagen Group
Volkswagen Group Funding Strategy – Overview

Diversification of Funding Sources

- Direct Banking Deposits: 17%
- Commercial Paper: 4%
- Hybrid Bonds: 6%
- Bank Loans: 16%
- ABS: 20%
- Medium Term Notes / Bonds: 37%

€136.4 bn

Currencies – Breakdown 2014 – Q1 2015

- EUR: 57%
- USD: 25%
- GBP: 6%
- AUD: 2%
- JPY: 2%
- Other: 8%

Source: Volkswagen Group

1) as of March 31, 2015

2) MTN, Bonds, excl. Porsche, MAN, Scania; ABS incl. MAN, Porsche

3) SEK, CAD, MXN, RUB, NOK, BRL, RMB, KRW, NZD, INR, TRY, CZK
## Volkswagen Group Funding Strategy – Programs & Outstandings

March 31, 2015 in € billion

<table>
<thead>
<tr>
<th>Money and Capital Markets</th>
<th>Authorization</th>
<th>Utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Papers</td>
<td>25.2</td>
<td>4.8</td>
</tr>
<tr>
<td>Medium Term Notes / Bonds</td>
<td>130.7</td>
<td>58.3</td>
</tr>
<tr>
<td><strong>thereof: Hybrid Bonds</strong></td>
<td>53.0</td>
<td>27.6</td>
</tr>
<tr>
<td>ABS(^2)</td>
<td>2.8</td>
<td>11.3</td>
</tr>
</tbody>
</table>

### Borrowings

<table>
<thead>
<tr>
<th>Borrowings</th>
<th>Authorization</th>
<th>Utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Committed Lines</td>
<td>18.2</td>
<td>2.8</td>
</tr>
<tr>
<td>Uncommitted Lines</td>
<td>26.0</td>
<td>7.9</td>
</tr>
<tr>
<td>Supranationals, development banks, government, other</td>
<td>11.3</td>
<td>11.3</td>
</tr>
<tr>
<td>Direct Banking Deposits</td>
<td>./.</td>
<td>23.7</td>
</tr>
</tbody>
</table>

### Total Amount

|                                                       | ./.           | 136.4        |

1) excluding Porsche, MAN, Scania

2) Including Porsche, MAN

Source: Volkswagen Group
Key Highlights of the Subordinated Notes

<table>
<thead>
<tr>
<th><strong>Issuer</strong></th>
<th>Volkswagen International Finance N.V.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Guarantor</strong></td>
<td>Volkswagen AG (subordinated)</td>
</tr>
<tr>
<td><strong>Tranching</strong></td>
<td>Perpetual – NC 7 (€1.1 bn) &amp; NC15 (€1.4 bn)</td>
</tr>
<tr>
<td><strong>Subordination</strong></td>
<td>Senior only to the Junior Obligations of the Issuer and the Guarantor</td>
</tr>
<tr>
<td><strong>Interest Payments &amp; Deferral</strong></td>
<td>Fixed rate until the First Call Dates, thereafter reset fixed rate every 7 / 15 years</td>
</tr>
<tr>
<td></td>
<td>Step-up of 25bps from 20 March 2025 / 20 March 2030, and additional 75 bps from 20 March 2042 / 20 March 2050</td>
</tr>
<tr>
<td></td>
<td>Optional and cash cumulative interest deferral</td>
</tr>
<tr>
<td><strong>Issue Ratings</strong></td>
<td>Baa1 / BBB+</td>
</tr>
<tr>
<td><strong>Equity Treatment</strong></td>
<td>Basket C (50%) from Moody’s</td>
</tr>
<tr>
<td></td>
<td>Intermediate (50%) from S&amp;P until the first call date in year 2022 / year 2030</td>
</tr>
<tr>
<td></td>
<td>Equity classification under IFRS</td>
</tr>
<tr>
<td><strong>Denominations</strong></td>
<td>€1,000 with minimum purchase amount of €100,000</td>
</tr>
</tbody>
</table>

1) Defined terms have the meaning set out in the Prospectus, dated March 18th, 2015.
Volkswagen Group Funding Strategy – Major Funding Vehicles / Guarantors

Volkswagen AG
- €10.0 bn Multi-Currency Commercial Paper Programme
- €30.0 bn Debt Issuance Programme

Volkswagen FS AG
- €25.0 bn Debt Issuance Programme

Volkswagen Bank GmbH
- €2.5 bn Multi CCY CP-Programme
- €10.0 bn Debt Issuance Programme

Volkswagen International Finance N.V.
- Volkswagen Group of America Finance, LLC
- Volkswagen Credit, Inc.
- Volkswagen Credit Canada, Inc.

Automotive Division

Financial Services Division

Volkswagen Financial Services AG
Volkswagen Financial Services N.V.
Volkswagen Leasing GmbH
The information contained herein is not for publication or distribution, directly or indirectly, in or into the United States of America, Canada, Japan or Australia.

Volkswagen Group Funding Strategy – Maturity Profile

€ billion

1) as of March 31, 2015, excluding Porsche, MAN, Scania
Source: Volkswagen Group
Volkswagen Group Funding Strategy – Benchmark Issuances

€ bn

€ (MTN Program) € Convertibles / Hybrids USD (Rule 144A)


1) as of March 31, 2015; excluding Porsche, MAN, Scania
Source: Volkswagen Group
Volkswagen Group Funding Strategy – Tenor Split

1) As of March 31, 2015, MTN, Bonds, including Hybrids; excluding Porsche, MAN, Scania

Source: Volkswagen Group
Volkswagen Group Funding Strategy – North America

2010 - 2013
Issuer
Volkswagen International Finance N.V.

2014 Forward
Issuer
Volkswagen Group of America Finance, LLC
Issuer
Volkswagen International Finance N.V.

Guarantor

Issuer
Volkswagen Credit Canada, Inc.

Guarantor
Volkswagen Group – 144A USD Issuances

Tenors

- ≤ 2yr: 25%
- 3yr: 4%
- 5yr: 20%
- 10yr: 51%

Fixed vs. Float

- Float: 37%
- Fixed: 63%

$18.1 bn

1) as of March 31, 2015; reflecting transactions since August, 2010
Source: Volkswagen Group
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>USA / Canada / Spain / Argentina</td>
</tr>
<tr>
<td>Audi</td>
<td></td>
</tr>
<tr>
<td>Škoda</td>
<td></td>
</tr>
<tr>
<td>Bentley</td>
<td></td>
</tr>
<tr>
<td>Bugatti</td>
<td></td>
</tr>
<tr>
<td>Porsche</td>
<td></td>
</tr>
<tr>
<td>SEAT</td>
<td></td>
</tr>
<tr>
<td><strong>Commercial Vehicles / Power Engineering</strong></td>
<td><strong>Scania Financial Services</strong></td>
</tr>
<tr>
<td>Commercial Vehicles</td>
<td></td>
</tr>
<tr>
<td>MAN</td>
<td></td>
</tr>
<tr>
<td><strong>Remaining companies</strong></td>
<td><strong>Porsche Holding Financial Services</strong></td>
</tr>
<tr>
<td>Porsche Financial Services</td>
<td></td>
</tr>
</tbody>
</table>
Volkswagen Financial Services at a Glance (12/31/2014)

**Worldwide presence**

Volkswagen Financial Services conducts business in **51 countries**

**Key company figures**

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>€137.4 bn</td>
</tr>
<tr>
<td>Equity</td>
<td>€15.2 bn</td>
</tr>
<tr>
<td>Customer deposits</td>
<td>€26.2 bn</td>
</tr>
<tr>
<td>Operating profit</td>
<td>€1.7 bn</td>
</tr>
<tr>
<td>Employees</td>
<td>12,821</td>
</tr>
<tr>
<td>Contracts (units)</td>
<td>12.4 m</td>
</tr>
</tbody>
</table>

**Receivables**

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

Continuous portfolio expansion

in ‘000 units

6,632 7,482 9,640 12,383

2008 2010 2012 2014

Credit

6% South America

Insurance/Services

16% North America

9% Asia Pacific

Leasing

31% Europe (excl. Germany)

38% Germany

12.383 m Contracts

Credit

2,274

6,632

7,482

9,640

12,383
Penetration Volkswagen Financial Services

Rising penetration rates

2008 2009 2010 2011 2012 2013 2014

w/o China
32.5% 32.9% 34.9% 36.3% 40.7% 44.3% 44.5%

with China
26.4% 25.0% 24.7% 25.4% 27.5% 28.9% 30.6%
Strong Benefits for Automotive through Captive

**Equipment**
- Cash Payer: 100%
- Captive Customer: 103%

**Turnover**
- Cash Payer: 7.2 years
- Captive Customer: 5.4 years

**Brand Loyalty**
- Cash Payer: 54%
- Captive Customer: 65%
Volkswagen Financial Services offers the whole Range of Services under one roof

- Bank Direct Bank
- Leasing
- Insurance
- Services
- Rent

- 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
Growth dimensions
MAN Finance Initial Success – Foundation for Growth

Initial success

Penetration

2013: 27%
2014: 43%

Foundation for growth

Product-portfolio/TCO

Global expansion

GO50
Flexible Insurance Business Models

- **Joint Venture – Model**
  - „Volkswagen Autoversicherung AG“
  - Motor Insurance
  - Example

- **In-House Risk Carrier**
  - „Volkswagen Versicherung AG“
  - Warranty Insurance
  - Examples

- **Insurance Agency – Model**
  - Examples

- **Broker – Model**
  - Examples
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 remains at low level despite challenging market environment.
Volkswagen Financial Services – Residual value

Residual value risks well covered by provisions

<table>
<thead>
<tr>
<th>Units</th>
<th>Provision per car in €</th>
<th>RV Risk per car in €</th>
</tr>
</thead>
<tbody>
<tr>
<td>465</td>
<td>556</td>
<td>541</td>
</tr>
</tbody>
</table>

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

Volkswagen Group deliveries 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</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>€ Billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>68.6</td>
</tr>
<tr>
<td>2010</td>
<td>83.7</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**

- **Deposits**
  - €26.2 bn (19.1%)
- **ABS**
  - €21.1 bn (15.3%)
- **Capital Markets**
  - €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%)
- **Equity**
  - €15.2 bn (11%)
- **Others**
  - €9.2 bn (6.7%)

*strategic funding allocation

as of 31 December 2014
DCM Strategy Volkswagen Automotive and Volkswagen Financial Services

VW Automotive Companies:
VW International Finance.....

VW FS AG Companies:
VW Leasing, VW FS Japan....

100% Owner + Control and Profit Transfer Agreement

Guarantee

DCM Investors worldwide
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 FS Group**
  - €10 bn CP Program
  - €25 bn Debt Issuance Program

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

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

- **VW Bank Russia**
  - Domestic 50bn RUB Bond Program

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

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

- **VW Finance (China)**
  - Project

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

- **VW Credit Inc.**
  - Domestic TRY Bond Issuances

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

- **Banco VW Brazil**
  - Domestic Letra Financeira

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

*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

- 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)
Volkswagen Financial Services’ worldwide ABS activities

DFM
DFM Master

VW FS UK
Driver UK Master, Driver UK

VW Bank France
Driver France

VW Finance Spain
Driver España

Banco VW Brazil
Driver Brasil

VW Finans Sverige
Feasibility study

VW Bank / VW Leasing
VCL Master, Driver Master; Driver & VCL;

MAN FS
Master Trucknology

VW FS Korea
Feasibility study

VW FS Japan
Driver Japan

VW Finance China
Driver China

VCI/ VCCI
VALET, VALT

established

project
## ABS Activities (2014 + Q1 2015)

### Volkswagen FS AG

#### Germany: VW Leasing
- 2 Issuances 1,821m EUR  
  WAL: 1.8 years

#### Germany: VW Bank
- 2 Issuances 2,106m EUR  
  WAL: 2.6 years

#### Japan: VW FS Japan
- 2 Issuances 62,000m JPY  
  WAL: 2.4 years

#### China: VW Finance China
- 1 Issuance 800m RMB  
  WAL: 1.7 years

#### UK: VW FS UK
- 1 Issuance 1,155m GBP  
  WAL: 2.3 years

#### Australia: VW FS Australia
- 1 Issuance 500m AUD  
  WAL: 2.6 years
Rating History (04/30/2015)

<table>
<thead>
<tr>
<th>Company</th>
<th>Moody's</th>
<th>S&amp;P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toyota</td>
<td>Aa3</td>
<td>AA-</td>
</tr>
<tr>
<td>Honda</td>
<td>A1</td>
<td>A+</td>
</tr>
<tr>
<td>BMW</td>
<td>A2</td>
<td>A+</td>
</tr>
<tr>
<td>VW AG</td>
<td>A2</td>
<td>A+</td>
</tr>
<tr>
<td>FS AG</td>
<td>A2</td>
<td>A+</td>
</tr>
<tr>
<td>MAN</td>
<td>A3</td>
<td>--</td>
</tr>
<tr>
<td>Scania</td>
<td>--</td>
<td>A-</td>
</tr>
<tr>
<td>Daimler</td>
<td>A3</td>
<td>A-</td>
</tr>
<tr>
<td>RCI Banque</td>
<td>Baa3</td>
<td>BBB</td>
</tr>
<tr>
<td>FMCC</td>
<td>Baa3</td>
<td>BBB-</td>
</tr>
<tr>
<td>Banque PSA</td>
<td>Ba1</td>
<td>BB</td>
</tr>
</tbody>
</table>

Development of credit ratings (Standard & Poor’s)


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

Data Source: Reuters
Volkswagen Group – Headline Figures
(January to March 2015 vs. 2014)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>+/- (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries to customers</td>
<td>'000 units</td>
<td>2,487</td>
<td>2,443</td>
</tr>
<tr>
<td>Vehicle sales</td>
<td>'000 units</td>
<td>2,607</td>
<td>2,562</td>
</tr>
<tr>
<td>Production</td>
<td>'000 units</td>
<td>2,721</td>
<td>2,565</td>
</tr>
<tr>
<td>Sales revenue</td>
<td>€ million</td>
<td>52,735</td>
<td>47,831</td>
</tr>
<tr>
<td>Operating profit</td>
<td>€ million</td>
<td>3,328</td>
<td>2,855</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>€ million</td>
<td>3,968</td>
<td>3,357</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>€ million</td>
<td>2,932</td>
<td>2,468</td>
</tr>
</tbody>
</table>

**Automotive Division**

<table>
<thead>
<tr>
<th></th>
<th>€ million</th>
<th>2015</th>
<th>2014</th>
<th>+/- (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td>4,692</td>
<td>2,251</td>
<td>x</td>
</tr>
<tr>
<td>Cash flows from investing activities attributable to operating activities</td>
<td>€ million</td>
<td>3,189</td>
<td>2,302</td>
<td>+38.5</td>
</tr>
<tr>
<td>of which investments in property, plant &amp; equipment</td>
<td>€ million</td>
<td>2,071</td>
<td>1,625</td>
<td>+27.4</td>
</tr>
<tr>
<td>Net cash flow</td>
<td>€ million</td>
<td>1,503</td>
<td>-52</td>
<td>x</td>
</tr>
<tr>
<td>Net liquidity at March 31</td>
<td>€ million</td>
<td>20,772</td>
<td>17,714</td>
<td>+17.3</td>
</tr>
</tbody>
</table>

1) Volume data including the unconsolidated Chinese joint ventures. These companies are accounted for using the equity method. All figures shown are rounded, so minor discrepancies may arise from addition of these amounts. 2014 deliveries updated on the basis of statistical extrapolations.
2) Including allocation of consolidation adjustments between the Automotive and Financial Services divisions.
3) Excluding acquisition and disposal of equity investments: January – March €3,155 million (€2,702 million).
## Volkswagen Group – Reliably delivering on targets

### Outlook 2015 and achievements 2014

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volkswagen Group</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deliveries to customers</td>
<td>9.7</td>
<td>moderate growth</td>
<td>+4.2%</td>
<td>10.1</td>
</tr>
<tr>
<td>Sales revenue</td>
<td>197.0</td>
<td>+/- 3%</td>
<td>+2.8%</td>
<td>202.5</td>
</tr>
<tr>
<td>Operating profit</td>
<td>11.7</td>
<td>within forecast range</td>
<td>12.7</td>
<td></td>
</tr>
<tr>
<td>Operating return on sales</td>
<td>5.9%</td>
<td>5.5 – 6.5%</td>
<td>6.3%</td>
<td></td>
</tr>
<tr>
<td><strong>Passenger Cars</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales revenue</td>
<td>140.1</td>
<td>+/- 3%</td>
<td>+2.5%</td>
<td>143.6</td>
</tr>
<tr>
<td>Operating profit</td>
<td>9.0</td>
<td>within forecast range</td>
<td>9.8</td>
<td></td>
</tr>
<tr>
<td>Operating return on sales</td>
<td>6.4%</td>
<td>5.5 – 6.5%</td>
<td>6.8%</td>
<td></td>
</tr>
<tr>
<td><strong>Commercial Vehicles / Power Engineering</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales revenue</td>
<td>34.9</td>
<td>+/- 3%</td>
<td>-2.8%</td>
<td>33.9</td>
</tr>
<tr>
<td>Operating profit</td>
<td>0.8</td>
<td>moderate growth</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td>Operating return on sales</td>
<td>2.3%</td>
<td></td>
<td>2.8%</td>
<td></td>
</tr>
<tr>
<td><strong>Financial Services Division</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales revenue</td>
<td>22.0</td>
<td>+/- 3%</td>
<td>+13.3%</td>
<td>24.9</td>
</tr>
<tr>
<td>Operating profit</td>
<td>1.9</td>
<td>within forecast range</td>
<td>1.9</td>
<td>previous year’s level</td>
</tr>
<tr>
<td>Operating return on sales</td>
<td>8.5%</td>
<td>8.0 – 9.0%</td>
<td>7.7%</td>
<td></td>
</tr>
<tr>
<td><strong>Automotive Division</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capex/sales revenue</td>
<td>6.3%</td>
<td>6.0 – 7.0%</td>
<td>6.5%</td>
<td></td>
</tr>
<tr>
<td>Net cash flow</td>
<td>4.4</td>
<td>moderate decline</td>
<td>+38.6%</td>
<td>6.1</td>
</tr>
<tr>
<td>Return on investment (RoI)</td>
<td>14.5%</td>
<td>9.0 – 14.5%</td>
<td>14.9%</td>
<td>moderate decline</td>
</tr>
</tbody>
</table>
Automotive Division – Research and development costs
(January to March 2015 vs. 2014)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total R&amp;D costs</td>
<td>3,166</td>
<td>3,318</td>
</tr>
<tr>
<td>of which capitalized</td>
<td>1,191 (37.6%)</td>
<td>1,137 (34.3%)</td>
</tr>
<tr>
<td>amortization</td>
<td>709</td>
<td>730</td>
</tr>
<tr>
<td>Recognized in the income statement</td>
<td>2,684</td>
<td>2,911</td>
</tr>
</tbody>
</table>
### Volkswagen Group – Analysis by Market ¹)
(January to March 2015 vs. 2014)

<table>
<thead>
<tr>
<th></th>
<th>Vehicle sales</th>
<th>Sales revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015 (thousand vehicles)</td>
<td>2014 (thousand vehicles)</td>
</tr>
<tr>
<td>Europe / Remaining markets</td>
<td>1,138</td>
<td>1,113</td>
</tr>
<tr>
<td>North America</td>
<td>210</td>
<td>192</td>
</tr>
<tr>
<td>South America</td>
<td>143</td>
<td>168</td>
</tr>
<tr>
<td>Asia-Pacific²)</td>
<td>1,116</td>
<td>1,088</td>
</tr>
<tr>
<td><strong>Volkswagen Group²)</strong></td>
<td><strong>2,607</strong></td>
<td><strong>2,562</strong></td>
</tr>
</tbody>
</table>

¹) All figures shown are rounded, so minor discrepancies may arise from addition of these amounts.

²) The sales revenue of the joint venture companies in China is not included in the figures for the Group and the Asia-Pacific market.
Volkswagen Touran
SEAT Concept 20V20
Porsche Cayman GT4
Bentley EXP 10 Speed 6
Lamborghini Aventador P 750-4 SV
Ducati Diavel Carbon
Volkswagen Multivan
MAN TGX Hybrid
Volkswagen Group: Robust, Innovative, Delivering

Oliver Larkin, Martin Büdke, Bernd Bode, Ulrich Hauswaldt

Volkswagen AG / Volkswagen Financial Services