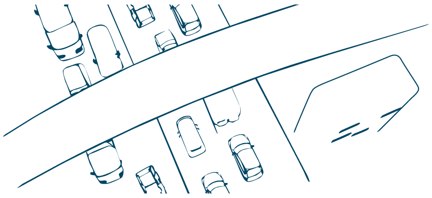
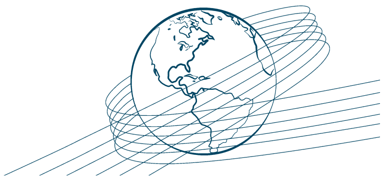
VOLKSWAGEN BANK

GMBH



A chave da mobilidade.

The key to mobility.



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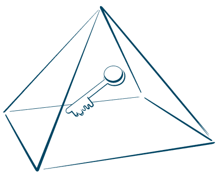
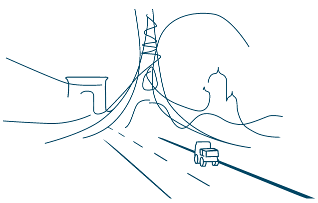


Der Schlüssel zur Mobilität.

गतिशीलता की कुंजी.



La chiave per la mobilità.

ANNUAL REPORT 2011

(HGB)

Volkswagen Bank GmbH at a glance (HGB)

€ million	31.12.2011	31.12.2010	31.12.2009	31.12.2008	31.12.2007
Total assets	37,285	32,870	32,647	30,868	23,325
Receivables arising from					
Retail financing	16,247	16,308	14,571	11,110	11,334
Leasing business	1,205	1,045	978	923	290
Dealer financing	7,501	6,228	6,373	7,586	7,411
Customer deposits[1]	22,592	20,078	19,489	12,829	9,620
Equity	3,940	3,930	3,579	2,979	2,979

in %	31.12.2011	31.12.2010	31.12.2009	31.12.2008	31.12.2007
Equity ratio	10.6	12.0	11.0	9.7	12.8
Core capital ratio	14.4	15.6	14.9	12.8	14.2
Overall ratio	16.3	18.6	18.0	18.8	20.8
Return on equity	10.6	10.3	6.7	6.9	11.6

€ million	31.12.2011	31.12.2010	31.12.2009	31.12.2008	31.12.2007
Result from ordinary business activities	418	342	210	204	329
Extraordinary result	2[2]	12[3]	–	–	–
Taxes on income and earnings, other taxes	190	150	84	70	105
Profits transferred under a profit transfer agreement	230	180	126	134	224

Number	31.12.2011	31.12.2010	31.12.2009	31.12.2008	31.12.2007
Employees	753	631	644	669	585

RATING 2011	STANDARD & POOR'S			MOODY'S INVESTORS SERVICE		
	short-term	long-term	outlook	short-term	long-term	outlook
Volkswagen Bank GmbH	A–2	A–	stable	Prime–2	A3	positive
Volkswagen Financial Services AG	A–2	A–	stable	Prime–2	A3	positive

1 The year-end customer deposit figure for 2009 was adjusted to the customer deposit definition applicable from 2010 onwards.

2 Income results from the merger of shares in affiliated companies

3 Expense results from change due to the German Accounting Law Modernisation Act (Bilanzrechtsmodernisierungsgesetz BilMoG).

Table of contents

Management Report (HGB)

Development of business
Contract portfolio reaches all-time high of around 2 million contracts

Both the global economy and worldwide automobile sales have developed positively despite some turbulence. The earnings of Volkswagen Bank in 2011 were higher year on year, especially due to larger volumes, stable margins and lower risk costs.

GLOBAL ECONOMY CONTINUES TO GROW

Whilst the global economy continued to grow in the 2011 financial year, the recovery lost steam in the year's second half, especially in Western Europe. Growth in most emerging countries remained strong but also lost some of its momentum. Continued expansionary monetary policies in many countries and high prices for commodities and energy have intensified inflationary trends. The global economy expanded by 3.0 % overall in the reporting year compared to 4.3 % the previous year.

Europe

At 1.5 % (previous year: 1.9 %) the average growth of Western Europe's gross domestic product (GDP) was low, and Southern European countries had to contend with steep economic downturns. As in the previous year, the average unemployment rate in the euro zone was about 10 % but it was more than twice as high in Spain. The GDP growth rate in Central and Eastern Europe was 4.5 % on average (previous year: 4.4 %).

Germany

Thanks to the strength of its export sector, at 3.0 % (previous year: 3.7 %) Germany's expansion surpassed that of all major industrialised countries. But the strong growth momentum at the start of the year weakened substantially as the year wore on. The impetus for growth shifted from foreign demand to domestic demand owing to the positive development of the labour market and the related income growth.

FINANCIAL MARKETS

In the 2011 financial year, the financial markets moved in the shadows of a particularly uncertain phase in the development of the global economy. In the year's first half, the markets largely managed to avoid various disruptive factors, some of which were intense. At first, the political developments in the Middle East, the dramatic fallout from the natural disasters in Japan as well as the smouldering crisis in the euro zone initially did not have much of an impact. In the year's second half however, the unresolved sovereign debt problems of both Greece and Italy drove the European Union into a critical situation. The global financial markets reacted with unusually strong fluctuations and retreated from both risky investments and the government bonds of some euro zone countries. These countries' sovereign debt crisis, which also led to the downgrading of the country ratings by the international rating firms, in turn fuelled doubts about the solidity of individual creditor banks that could only be kept afloat through government aid. The general mood in the financial markets remained nervous, given the potential ramifications of this negative development on the real economy.

Europe

The sovereign debt crisis and the expected decline in global economic growth hit the European banking industry particularly hard. In the second half of 2011, the banks' re-emerging mistrust of each other and investors' wait-and-see attitude initially made refinancing in the money and capital markets more expensive. In the euro zone, the European Central Bank facilitated refinancing operations by lowering the prime rate in December 2011 and ensured adequate liquidity throughout the banking system. Some of the monetary policy steps taken served to bridge the acute tensions in the financial markets.

Germany

The effects of the Greek sovereign debt crisis on the German banking system were moderate thanks to its relatively low loan exposure. The banks' remained uncertain about the development of the capital ratios and capital adequacy requirements under Basel III, potential additional requirements and the introduction of a new financial transaction tax on stock market activities.

INTEGRATION INTO THE VOLKSWAGEN GROUP

Volkswagen Bank GmbH is part of the Volkswagen Financial Services AG Sub-group, which combines the Volkswagen Group's financial services activities. In close cooperation with the brands of the Volkswagen Group, Volkswagen Bank GmbH primarily handles the financing business for private and corporate customers and dealer partners.

DEMAND FOR PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES CONTINUES TO GROW

In the 2011 financial year, passenger car sales rose worldwide by 4.8 % to 62.0 million vehicles – thus exceeding the previous record that was set in 2007. Demand in Western Europe was just slightly lower year on year – thanks in particular to the recovery of the German market – whilst the markets in Central and Eastern Europe continued their recovery.

INDUSTRY-SPECIFIC BUSINESS ENVIRONMENT

The established passenger car markets developed at different rates in 2011. Whilst some industrialised countries were impacted by the sovereign debt crisis and its consequences, others – Germany in particular – benefited from robust demand in the growth markets during the year's first half. As expected, the phasing out of the governmental stimulus packages also triggered negative effects in Western Europe. The manufacturers' and dealers' active risk management as well as the close collaboration with financial services providers helped to overcome these effects.

Europe

The total number of new passenger car registrations in the Western European markets fell slightly during the reporting period (– 1.5 %). At 12.8 million passenger cars, the total market volume again fell short of the previous year and was the lowest in the past 16 years. The decline in most of the large-volume markets was mainly due to the very weak first quarter of 2011 compared with the previous year, especially because the governmental stimulus packages had been phased out in the course of 2010. Furthermore, low economic growth, rising unemployment and the sovereign debt crisis in some countries also caused the market volume to fall below the previous year's figures, in part substantially. The countries suffering downturns in the 2011 financial year were Spain (– 17.7 %), Italy (– 11.6 %), the United Kingdom (– 4.4 %) and France (– 2.1 %). The German passenger car market in contrast expanded at a robust pace once again (+ 8.8 %), up from a very weak 2010. The market share of diesel vehicles in Western Europe rose substantially to 55.4 % (previous year: 51.7 %) in the reporting year, surpassing the previous record that was set in 2007.

Germany

Demand for passenger cars in Germany rose by 8.8 % in the 2011 financial year to 3.2 million vehicles. The previous year's very low level and the upturn in 2011 both contributed to this large increase. Just as in the previous year, the market for light commercial vehicles recorded double-digit growth of 18.3 % to 241,000 vehicles, especially due to rising transportation needs. In the 2011 reporting year, the German manufacturers posted new records in both production and exports, thus substantially surpassing the records set in 2007, the year before the crisis. Compared with 2010, domestic passenger car production rose by 5.6 % to 5.9 million vehicles and passenger car exports rose by 6.6 % to 4.5 million units.

The Volkswagen Group managed to further expand its market leadership in Germany by increasing its market share to 35.9 % (previous year: 35.1 %).

OVERALL APPRAISAL OF THE DEVELOPMENT OF BUSINESS

In the view of the Board of Management of Volkswagen Bank GmbH, business developed positively in 2011. Earnings in 2011 were in line with expectations and therefore higher than in 2010.

New business throughout Europe has developed positively during the year. Although the margins fell slightly year on year, refinancing costs rose more slowly than expected and risk costs are declining.

In the 2011 financial year, Volkswagen Bank GmbH boosted its business volume year on year – especially in Germany, Ireland, Spain and France. Please see the section on the analysis of the company's business development for more information on the development of current contracts.

Volkswagen Bank GmbH continued to enhance the leveraging of potential along the automotive value chain. As in recent years, we further intensified the integration of our financial services into the sales activities of the Volkswagen Group brands. We continued to push the consistent implementation of our WIR2018 strategy in the reporting year as well, and the German market underwent a customer-focused realignment. The Volkswagen Bank direct division continues to be of great significance given its deposit volume and its use of innovative sales channels. Volkswagen Bank GmbH further expanded its deposit business from the previous year's high level.

The Basel Committee has published a new set of rules on the regulation of banks in response to the financial crisis. Besides stricter capital adequacy requirements and a leverage ratio, this comprehensive package of reforms known as Basel III for the first time contains concrete quantitative requirements in regards to liquidity risks that are intended to enhance banks' ability to weather crises.

Basel III provides for step-by-step implementation of the reforms starting on 31 December 2011.

A branch will be opened in Lisbon, Portugal, in early 2012 to boost the Volkswagen Group's sales in the European market.

Management and organisation
New structures and growth

Volkswagen Bank GmbH continued to consistently pursue its customer-focused realignment in the German market.

KEY OBJECTIVES

As part of the Volkswagen Group's Financial Services division, Volkswagen Bank GmbH performs the operational tasks required for the banking transactions of private and business customers. This involves the following areas of activity:

Financing business

Volkswagen Bank GmbH finances private and business customers, as well as Group dealers. Its principal function is automobile financing.

Leasing transactions

Whilst Volkswagen Bank GmbH only offers finance leasing in its Italian branch, it is engaged in both finance and operating leasing in its French branch.

Direct banking business

Volkswagen Bank direct offers private customers the entire portfolio of a direct bank, from account management and instalment loans to savings and investment products. Volkswagen Bank direct provides its business customers with overnight deposit accounts, as well as wide-ranging payment transaction services.

Agency business

Volkswagen Bank GmbH performs insurance agency services in connection with automobile financing. As part of its direct banking operations, it arranges loans secured by charges entered in the land register and other long-term forms of financing, as well as investments in funds and the stock market.

One of the ways in which Volkswagen Bank GmbH pursues its objectives is by carrying out joint customer relationship management activities, which has led to constant improvements in customer loyalty, quality of service and the product portfolio.

The company's key indicators are calculated based on IFRS and presented in the "Financial Analysis" report. Among the key financial indicators included in the reporting are the operating result, the return on equity and the cost/income ratio.

For refinancing, Volkswagen Bank GmbH actively leverages the opportunities provided on the global capital markets through private placements, bond issues and transactions based on asset-backed securities (ABS).

The business activities of Volkswagen Bank GmbH are closely integrated with those of the manufacturers and the dealer organisations of the Volkswagen Group.

ORGANISATION OF VOLKSWAGEN BANK GMBH

The customer-focused realignment of Volkswagen Bank GmbH in the German market, which had been initiated in 2009, was completed at an organisational level in 2011. This serves to effectively pursue the aim of aligning Volkswagen Bank GmbH such that the quality it offers customers and dealers alike is improved, its processes are streamlined and additional synergies are leveraged. Employee motivation and satisfaction are an important factor in order to rank among the top attractive employers.

The Direct Banking customer group is headed by Torsten Zibell, who has overall responsibility for all direct banking processes from product development, to marketing, sales and customer service, all the way to receivables management.

The Individual Customer and Corporate Customer group, which is headed by Rainer Blank, has aligned its internal customer service along regional lines analogous to its field sales: Region North, Region West, Region South, Region East. The main focus is on comprehensive consulting services for customers and fixed dealer assignment. The acquisition of financing and leasing contracts have been combined. In the Corporate Customer group, a close regional integration of the Market and Market Support functions has been established. Headed by Dr. Michael Reinhart, Market Support combines credit analysis and loan approval processes in order to enhance process speed and customer satisfaction.

Controlling for the German market was realigned organisationally in order to implement the WIR2018 strategy and meet higher standards from Groupwide management.

A separate organisational Compliance unit was established to bundle activities to prevent legal violations and punishable offences. Furthermore, the company put a lot of effort into adapting the organisational prerequisites in 2011 for transferring responsibility to Volkswagen Financial Services AG as the new primary institution of the Volkswagen Financial Services AG Subgroup effective 01.01.2012.

REPORT ON THE BRANCHES AND BRANCH OFFICES

The branches of Volkswagen Bank GmbH (Audi Bank, SEAT Bank, ŠKODA Bank, AutoEuropa Bank and ADAC FinanzService) provide targeted support for vehicle financing in connection with these Group brands.

As previously, Volkswagen Bank GmbH has branch offices in Berlin, Braunschweig, Emden, Hanover, Ingolstadt, Kassel, Neckarsulm, Salzgitter, Wolfsburg and Zwickau, offering customers over-the-counter, consultation and, in some cases, cashpoint services.

In the 2011 financial year, Volkswagen Bank GmbH was represented in the European market by branches in eight EU countries, which were set up using the “European Passport”. Each of the international branches of Volkswagen Bank GmbH in Belgium, France, Greece, the United Kingdom, Ireland, Italy, the Netherlands and Spain conducted its local business with its own staff. The branches employed 591 members of staff as at the end of 2011 (previous year: 512). Volkswagen Financial Services AG and D’Ieteren SA, Belgium, established a joint venture named Volkswagen D’Ieteren Finance SA effective 9 November 2011. Among other things, this entity was founded for the purpose of taking over the customer and dealer financing from 1 January 2012. The parties stipulated by agreement dated 23 December 2011 that select assets and liabilities of Volkswagen Bank GmbH, which had been allocated to the Belgium branch within the other branches segment, would be transferred to Volkswagen D’Ieteren Finance SA in the 2012 financial year. The Portugal branch will broaden the company’s European presence in the first quarter of 2012.

Analysis of the company's business performance and position
Substantial improvement in earnings

Larger volumes and stable margins, coupled with optimised risk costs enabled Volkswagen Bank GmbH to increase its earnings substantially.

Volkswagen Bank GmbH again maintained its strong market position in the 2011 financial year, supported by an attractive product range and the loyalty of customers and dealers alike. In the retail financing segment, the bank continued its close collaboration with the brands of the Volkswagen Group.

RESULTS OF OPERATIONS

The 2011 financial year was a positive one for Volkswagen Bank GmbH. The result from ordinary business activities was € 418.4 million compared to € 341.5 million in the previous year. Foreign branches contributed € 95.3 million (previous year: € 29.2 million) to earnings. The change in earnings was substantially affected by the positive development of the net interest income. The net interest income earned by Volkswagen Bank GmbH including the net income from leasing transactions was € 1,259.5 million compared to € 1,179.8 million in the previous year. Of this substantial growth, € 43.6 million stems from the increase in net interest income from retail financing and € 36.1 million from the increase in net income from leasing. Volkswagen Bank GmbH posted interest income of € 87.0 million (previous year: € 95.8 million) from securities, Including € 19.0 million (previous year: € 32.0 million) in interest income from securities that were acquired from VCL 2008-1 GmbH, VCL 2009-1 GmbH, VCL 2009-2 GmbH, VCL 2009-3 GmbH, VCL 2010-1 GmbH and VCL 2010-2 GmbH. These debentures serve to securitise receivables of Volkswagen Leasing GmbH.

Interest income from lending and money market transactions including finance leasing continues to stem primarily from consumer financing, as well as from vehicle and investment financing for the dealers of the Volkswagen Group.

Volkswagen Bank GmbH succeeded in increasing its interest expense by just 10.1 % to € 556.5 million year on year thanks to the consistent continuation of its diversified refinancing strategy and the flexible utilisation of capital market instruments.

Interest income from retail financing was impacted by the sale of customer receivables through ABS transactions. Sales of receivables in the 2011 financial year boosted interest income by € 39.9 million. Refinancing expenses declined correspondingly as a consequence of the ABS transactions.

Operating leases contributed € 159.6 million (previous year: € 123.5 million) to net interest income and net income from leasing.

As in the previous year, VOLKSWAGEN BANK POLSKA S.A., Warsaw, accounted for € 2.6 million in income from equity investments and Global Mobility Holding B.V., Amsterdam, the Netherlands, accounted for € 2.4 million. The net commission income declined year on year, from € –13.8 million to € –18.5 million. The development in Germany and the branches diverged from one another. Whilst in Germany the positive net commission income increased by 58 % to € 65.3 million, in the foreign branches commission expenses aimed at boosting dealer loyalty rose substantially due to the stiff competition in the automobile industry. The positive net commission income generated in Germany again could not fully offset the negative result of the foreign branches.

Commission income from the sale of receivables effected through the ABS transactions, which continues to be managed by Volkswagen Bank GmbH, were virtually unchanged in 2011 compared with the previous year.

The increase in other operating income by € 129.6 million stems mainly from the reversal of provisions no longer needed, income from so-called clean-up calls related to maturing ABS transactions and the increase in income subsequent to the restructuring of services within the Volkswagen Financial Services Group.

The allowances and provisions made for the lending business were again measured by taking into consideration all discernible risks. Receivables from vehicle financing at the retail level that fulfil a default criterion under Basel II were subject to individual value adjustments. All other receivables related to vehicle financing at the retail level were broken down according to risk classes and written down in accordance with the respective risk class using portfolio-based value adjustments. Deferred risks were covered by generalised value adjustments in dealer financing and other retail financing. Risk provisions for the loan portfolio sold to Driver Eight GmbH, Driver Nine GmbH and Private Driver 2011-1 GmbH in connection the ABS transactions were reversed through profit or loss because the default risks are no longer borne by Volkswagen Bank GmbH.

The method for determining provisions for indirect residual value risks was further refined during the reporting period. Risks from changed court rulings were fully accounted for by recognising provisions of € 154 million in 2011, giving rise to most of the substantial increase in other operating expenses (€ + 129.7 million).

The risk provision required for write-downs and bad debt allowances in the customer financing and direct banking businesses was higher than in the previous year. Dealer financing, in contrast, saw a substantial decrease in additions to value adjustments. Overall, risk costs declined significantly year on year by € 108.8 million to € 161.9 million. Additional value adjustments of € 188 million on branch receivables in those countries that are at the heart of the euro crisis had a major effect, especially on risk costs.

Under the existing profit transfer agreement, the remaining profit after tax, amounting to € 229.7 million, is transferred to the parent company, Volkswagen Financial Services AG.

SUMMARY

In 2011 Volkswagen Bank GmbH succeeded yet again in substantially boosting its result from ordinary business activities year on year especially due to the positive effects of the improvement in net interest income and the substantial improvement in risk costs.

ASSETS AND FINANCIAL POSITION

Lending business

The lending business of Volkswagen Bank GmbH focuses on the provision of loans to private and commercial customers. The receivables shown in the balance sheet increased from € 26.7 billion to € 28.7 billion. The share of foreign branches in the retail lending volume rose from € 7.3 billion to € 8.9 billion. Furthermore, the company manages receivables sold through ABS transactions in the amount of € 2.4 billion (previous year: € 1.8 billion). The receivables managed by Volkswagen Bank GmbH thus increased by 8.9 % to a total of € 31.1 billion.

Retail financing

New vehicle deliveries to individual customers within the Volkswagen Group declined from the previous year. In keeping with this market development, 344,653 (previous year: 334,355) new contracts were sold in the new vehicle financing business and 263,970 in the used car financing business (previous year: 288,914).

The automotive financing portfolio on the whole rose slightly to currently 1,848,588 contracts (previous year: 1,813,308 contracts). At the close of 2011, retail financing receivables were € 16.2 billion, which is virtually the same figure as in the previous year. Foreign branches accounted for € 3.6 billion of this amount (previous year: € 2.8 billion).

Wholesale financing

Volkswagen Bank GmbH offers its corporate customers in Germany a broad range of financing, deposit and service products.

The volume of new and used vehicle financing contracts in the corporate customer group was higher than the previous year in both Germany and the European branches owing to the year-on-year increase in the number of vehicles delivered.

Total dealer financing receivables as at the balance sheet date were € 7.5 billion compared to € 6.2 billion at the end of the previous year. The foreign branches accounted for € 3.7 billion of these aggregate receivables (previous year: € 3.1 billion).

Leasing business

Volkswagen Bank GmbH offers finance leasing and operating leasing through its foreign branches. The French branch of Volkswagen Bank GmbH engages in both finance and operating leasing; the Italian branch, on the other hand, continues to offer only finance leasing. Receivables as at the end of the 2011 financial year rose from € 1.0 billion to € 1.2 billion. They largely comprise receivables from finance leasing.

Bonds and debentures:

In 2008, the Bank had executed three ABS transactions with an aggregate volume of € 3.4 billion in securitised receivables and purchased all related senior ABS debentures to ensure its liquidity supply. As at 31 December 2011, a total of € 0.4 billion were part of the portfolio and pledged as collateral in connection with the bank's participation in the open market operations of the Deutsche Bundesbank.

In 2010, the Bank executed one ABS transaction with an aggregate volume of € 1.1 billion in securitised receivables. In 2011, it carried out two additional transactions under Private Driver 2011-2 and Private Driver 2011-3 with an aggregate volume of € 2.1 billion in securitised receivables and purchased the senior ABS debentures from the proceeds. These transaction resulted in a securities portfolio amounting to € 2.6 billion (previous year: € 0.9 billion). Furthermore, the company had senior ABS debentures of VCL 2009-1 GmbH, VCL 2009-2 GmbH, VCL 2009-3 GmbH, VCL 2010-1 GmbH and VCL 2010-2 GmbH with a total volume of € 0.5 billion in its portfolio for investment purposes.

These debentures also serve as collateral for participating in the Deutsche Bundesbank's open market operations. There were no open market transactions with the Deutsche Bundesbank as at the balance sheet date.

In 2011 the balance of € 0.2 billion in receivables outstanding was bought back in connection with the clean-up calls related to Driver Four, Driver Five, Private Diver 2007 and Private Driver 2008-1.

Equity investments

Volkswagen Bank GmbH holds a 50 % stake in Global Mobility Holding B.V., Amsterdam. Global Mobility Holding B.V. in turn holds all shares of LeasePlan Corporation N.V., Amsterdam.

Volkswagen Bank GmbH is represented in Poland through its affiliated company VOLKSWAGEN BANK POLSKA S.A., Warsaw. Volkswagen Bank GmbH continued to hold a 60 % stake in this company in the 2011 financial year. Volkswagen Bank bought the remaining 40 % of the equity interest in VOLKSWAGEN BANK POLSKA S.A., Warsaw, which were held by Kulczyk Pon Investment B.V., Leusden, the Netherlands, with an effective date of 1 January 2012.

Volkswagen Insurance Brokers GmbH, Braunschweig, which had been acquired the previous year, was merged into Volkswagen Bank GmbH during the financial year. Volkswagen Bank GmbH also acquired an equity interest of 1 % in Limited Liability Company Volkswagen Bank RUS, Moscow, which was established in 2010.

CURRENT AND NEW CONTRACTS

in thousands (as at 31.12.)	2011	2010	2009	2008
New contracts[1]				
Retail financing[2]	626	623	690	563
Leasing business	36	29	27	36
Service/insurance	70	59	58	45
Current contracts[3]				
Retail financing	1,849	1,813	1,940	1,638
of which sold through ABS transactions	523	437	597	726
Leasing business	91	83	78	77
Service/insurance	115	104	105	117
Direct banking customers	1,095	1,014	939	812

1 The new contracts in 2008 were adjusted to the volume definition applicable from 2009 onwards. There is no five-year comparison because the new contract figures from 2007 are not comparable.
2 Including direct banking business
3 The year-end figure for 2008 was adjusted to the volume definition applicable from 2009 onwards. There is no five-year comparison because the current contract figures from 2007 are not comparable.

Deposit business and borrowings

Besides equity, the main items under equity and liabilities are € 24.7 billion in liabilities to customers including the direct banking business (previous year: € 21.4 billion) and € 3.7 billion in securitised liabilities (previous year: € 3.0 billion).

Volkswagen Bank GmbH stimulated the European ABS market through its Driver Eight, Driver Nine and Private Driver 2011-1 securitisation transactions. The tranches of € 1,751.8 million were successfully sold at the lower end of the price range.

Deposit business

Volkswagen Bank GmbH further expanded its deposit business from the previous year's high level. As at the balance sheet date, the customer deposit volume was € 22.6 billion, up 12.3 % compared to 31 December 2010 (€ 20.1 billion). Volkswagen Bank GmbH succeeded in further expanding its market leadership among automotive direct banks thanks to this level of deposits. The deposit business is thus contributing substantially to customer loyalty to the Volkswagen Group. Its share in the refinancing mix of the Volkswagen Bank GmbH Group is 60.6 % (previous year: 61.1 %).

Aside from offering statutory deposit insurance, Volkswagen Bank GmbH is also a member of the Deposit Insurance Fund of the Association of German Banks (Bundesverband deutscher Banken e.V.).

SUMMARY

Volkswagen Bank GmbH managed to expand both its retail and dealer financing business, driven, in particular, by the stable economic situation in the core market of Germany. This growth was funded through the growing deposit business of Volkswagen Bank direct and an increase in securitised liabilities.

Equity

A € 40.0 million silent partner contribution was repaid in the 2011 financial year. In return, € 50.0 million were paid into the capital reserve of Volkswagen Bank.

Volkswagen Bank GmbH was the primary credit institution under the German Banking Act (Kreditwesengesetz - KWG) until 31 December 2011. As such it was responsible for ensuring the capital adequacy of the financial holding group, Volkswagen Financial Services AG. Volkswagen Financial Services AG assumed the function of the primary company starting on 1 January 2012.

Capital adequacy according to regulatory requirements

Under the provisions of the Solvency Regulations, banking regulatory authorities assume that a company's capital is adequate if the core capital ratio is at least 4.0 % and the regulatory overall ratio is at least 8.0 %.

The so-called standardised approach to determine capital adequacy in connection with credit risks and operational risks is applied in accordance with the Solvency Regulation.

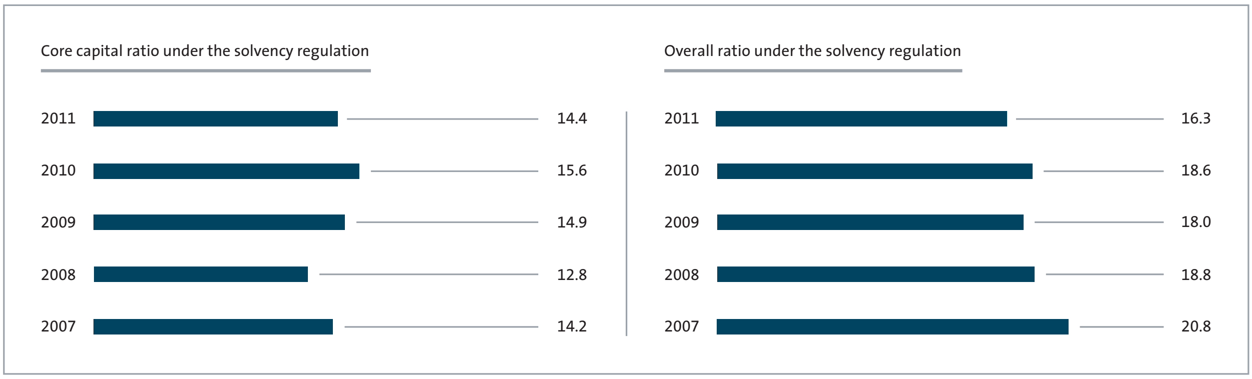
Accordingly, this gives rise to the following regulatory figures and financial ratios for Volkswagen Bank GmbH:

		31.12.2011		31.12.2010
Aggregate risk position (€ million)		27,461		24,975
of which weighted position according to the standardised approach to credit risks	25,781		23,523	
of which market risk positions * 12.5	121		0	
of which operational risks * 12.5	1,559		1,452	
Liable capital[1](€ million)		4,464		4,648
of which core capital[2]	3,951		3,904	
of which supplementary capital[2]	513		744	
Own funds (€ million)		4,464		4,648
Core capital ratio[3] (%)		14.4		15.6
Overall ratio[4] (%)		16.3		18.6

1 Net of the deductible for securitisation positions
2 The deductible items are already deducted from core and supplementary capital.
3 Core capital ratio = Core capital/ ((Capital requirement for credit risks + operational risks + market risks) * 12.5) * 100
4 Overall ratio = Own funds/ ((Capital requirement for credit risks + operational risks + market risks) * 12.5) * 100

Overall, the core capital ratio changed from 15.6 % to 14.4 % as a result of a growth in business (increase in risk assets), the change in the core capital and the subordinated funds, and the own funds ratio changed from 18.6 % to 16.3 %. The core capital and own funds ratios developed as follows in recent years:

CORE CAPITAL RATIO AND OVERALL RATIO UNDER THE SOLVENCY REGULATION OF VOLKSWAGEN BANK GMBH AS AT 31.12.
Figures in %



1 Core capital ratio = Core capital/ ((Capital requirement for credit risks + operational risks + market risks) * 12.5) * 100
2 Overall ratio = Own funds/ ((Capital requirement for credit risks + operational risks + market risks) * 12.5) * 100

The own funds ratio of Volkswagen Bank GmbH is relatively high, ensuring adequate capitalisation even in the event of large increases in its business volume. In principle, the bank can use ABS transactions and raise supplementary capital as needed in the form of subordinated liabilities in order to optimise its equity management. As a result, Volkswagen Bank GmbH has a sound basis for the ongoing expansion of its financial services business.

In the 2011 financial year, own funds declined by € 180 million due to the termination of subordinated loans and by € 52 million due to the reduced eligibility of subordinated loans. The € 50 million payment into the capital reserve offset these developments.

The financial key performance indicators of Volkswagen Bank GmbH are as follows:

	31.12.2011	31.12.2010	31.12.2009	31.12.2008	31.12.2007
Equity ratio [1]	10.6 %	12.0 %	11.0 %	9.7 %	12.8 %
Core capital ratio [2]	14.4 %	15.6 %	14.9 %	12.8 %	14.2 %
Overall ratio [3] (regulatory)	16.3 %	18.6 %	18.0 %	18.8 %	20.8 %
Leverage [4]	8.4	7.3	8.1	9.3	6.8
Return on equity [5]	10.6 %	10.3 %	6.7 %	6.9 %	11.6 %

1 Equity ratio = Ratio of equity and total capital
2 Core capital ratio = Core capital/ ((Capital requirement for credit risks + operational risks + market risks) * 12.5) * 100
3 Overall ratio (regulatory) = Own funds/ ((Capital requirement for credit risks + operational risks + market risks) * 12.5) * 100
4 Leverage = gearing
5 Return on equity = Result from ordinary business activities divided by average equity

NOTES TO THE EQUITY RATIO AND LEVERAGE

The equity of Volkswagen Bank GmbH rose by 0.3 % as a result of Volkswagen Financial Services AG's € 50.0 million payment into the bank's capital reserve in October and the repayment of a silent partner contribution. Since the business volume grew by around 13 % in the 2011 financial year, the equity ratio decreased to 10.6 % (previous year: 12.0 %) whilst leverage increased slightly. Volkswagen Bank GmbH managed to raise funds at all times thanks to its good standing in the capital market and the expansion of its deposit business.

For non-financial key performance indicators, please see the personnel report.

REFINANCING AND HEDGING STRATEGY

Strategic principles

In terms of its refinancing activities, Volkswagen Bank GmbH generally follows a strategy aimed at diversification, which is conceived as the best possible weighing of cost and risk factors. This entails developing a diverse range of refinancing sources in different regions and countries with the aim of ensuring the sustained availability such resources at attractive terms.

Implementation

The successful diversification strategy in refinancing was continued. In April Volkswagen Bank GmbH issued two bonds with a total volume of € 1.0 billion under its € 10 billion capital market programme. Receivables of Volkswagen Bank GmbH were successfully placed with a broad investor base through the Driver 8 and Driver 9 ABS transactions. All German transactions fulfil the requirements of the TSI quality label "Certified by TSI - Deutscher Verbriefungsstandard". This seal certifies that our securitisation transactions are deemed exceptional in the European securitisation market in terms of quality, security and transparency.

At growth in deposits of € 2.5 billion to € 22.6 billion in the financial year just ended, the customer deposit business expanded continuously.

The company borrowed at corresponding maturities and used derivatives in line with its strategy of refinancing largely at matching maturities. Currency risks were largely precluded through the use of derivatives. Volkswagen Bank GmbH remained solvent at all times throughout financial year 2011. The broadly diversified structure of our refinancing sources and our active liquidity management will also ensure continuous solvency in future. No liquidity commitments were issued to special purpose entities.

Risk and opportunity report
Managing risks responsibly

Volkswagen Bank GmbH responsibly assumes a multitude of risks typical of the financial services business in order to take advantage of the resulting market opportunities in targeted ways.

MACROECONOMIC OPPORTUNITIES

The Board of Management of Volkswagen Bank GmbH expects the number of vehicle deliveries to Volkswagen AG customers to continue growing and the world market share to continue expanding against the backdrop of moderate economic growth. Volkswagen Bank GmbH supports this positive trend through financial services products designed to boost sales.

STRATEGIC OPPORTUNITIES

In addition to intensifying its international alignment by entering new markets, Volkswagen Bank GmbH sees further opportunities in the development of innovative products that are aligned with customers' changed mobility requirements. Marketing campaigns are being implemented and growth areas are being developed and expanded to boost Group earnings.

MATERIAL COMPONENTS OF THE INTERNAL CONTROL SYSTEM AND THE INTERNAL RISK MANAGEMENT SYSTEM IN REGARDS TO THE ACCOUNTING PROCESS

The internal control system (ICS) for the annual financial statements of Volkswagen Bank GmbH is defined as the sum of all principles, methods and actions aimed at ensuring the effectiveness, economy and propriety of the company's accounting as well as ensuring compliance with material legal requirements. In terms of the accounting system, the risk management system (IRMS) concerns the risk of misstatements in the bookkeeping as well as in the external reporting system. The material elements of the ICS/IRMS as they relate to the accounting process at Volkswagen Bank GmbH are described below.

- Given its function as the corporate body tasked with managing the company's business and in view of ensuring proper accounting, the Board of Management of Volkswagen Bank GmbH has established Accounting, Customer Service, Treasury, Risk Management and Controlling departments and has clearly delineated their respective spheres of responsibility and authority. Key cross-divisional functions are controlled by the Boards of Management of Volkswagen Financial Services AG, Volkswagen Bank GmbH and Volkswagen Leasing GmbH.
- Groupwide requirements and accounting rules serve as the basis for a uniform, proper and continuous accounting process.
- Control activities at several levels of Volkswagen Bank GmbH, such as reviewing and analysing the financial statements, ensure the propriety and reliability of its accounting.
- All of this is supplemented by the clear delineation of spheres of responsibility as well as a variety of controlling and monitoring mechanisms. The aim is to ensure that all transactions are accurately posted, processed, evaluated and included in the company's financial accounting.
- These controlling and monitoring mechanisms are designed to be process-integrated and independent of processes. Hence automated IT process controls besides manual process controls (such as the “four-eyes” principle) comprise material components of the process-integrated activities. These controls are supplemented by specific Group functions of the parent company, Volkswagen AG, for example Group Controlling.
- Risk management is fully integrated into the accounting process by virtue of continuous risk monitoring and the risk reporting system.
- Internal Audit is also a key corporate body that is integral to the controlling and monitoring system of the Volkswagen Bank GmbH Group. Internal Audit regularly performs audits, both in Germany and abroad, of processes relevant to accounting as part of its risk-based audit procedures and directly reports its findings to the Board of Management of Volkswagen Bank GmbH.

In sum, the existing internal controlling and monitoring system of Volkswagen Bank GmbH is designed to ensure that the information on the financial position of Volkswagen Bank GmbH as at the 31 December 2011 reporting date is proper and reliable. No material changes were made to the internal controlling and monitoring system of Volkswagen Bank GmbH after the reporting date.

ORGANISATIONAL STRUCTURE OF RISK MANAGEMENT

Volkswagen Bank GmbH understands risk to entail a risk of loss or damage that arises when an anticipated future development takes a more negative course than planned.

Volkswagen Bank GmbH including its branches and affiliates (hereafter: "Volkswagen Bank GmbH") is faced with a multitude of risks typical for financial services in the pursuit of its primary business activities; the company responsibly assumes these risks in order to take advantage of the resulting market opportunities.

Volkswagen Bank GmbH has set up a system for identifying, measuring, monitoring and controlling risk positions, in accordance with the requirements of § 25a Para. 1 German Banking Act and by applying § 91 Para. 2 German Stock Corporation Act analogously.

This system has also been implemented as the Groupwide risk management system of the financial holding group in accordance with § 25a Para. 1a German Banking Act.

This risk management system allows timely detection of developments that might jeopardise the company's activities.

The system encompasses both a framework of risk principles as well as organisational structures and processes for risk measurement and monitoring that are tightly integrated in the activities of the individual divisions.

The suitability of individual system elements is reviewed regularly in a risk-oriented manner by Internal Audit and by external auditors as part of the audit of the annual financial statements.

Volkswagen Bank GmbH was the primary institution of the financial holding group until 31.12.2011.

The staff and control functions for Volkswagen Bank GmbH are organised in the following units: Controlling, Legal Services, Internal Audit, Accounting, Group Risk Management & Methods as well as Treasury.

The Chief Risk Officer (CRO) regularly reports Volkswagen Bank GmbH's overall risk position to both the Board of Management and the Supervisory Board.

The Group Risk Management and Risk Assessment Procedures and Basel II departments were combined into Group Risk Management & Methods in 2011.

The latter is responsible for the formulation of risk management guidelines, the development of methods and processes, the identification of potential risks, the analysis and quantification as well as the assessment of risks and the resulting determination of risk management measures. Group Risk Management & Methods defines parameters for the procedures and models used worldwide for assessing creditworthiness and collateral and it is responsible for monitoring their adequacy. As a neutral and independent department, Group Risk Management & Methods reports directly to the Board of Management of Volkswagen Bank GmbH.

Ongoing risk monitoring, transparent and direct communication with the Board of Management and integrating newly acquired findings into operational risk management form the foundation for the best possible utilisation of market potentials based on the deliberate and effective control of the total risk of Volkswagen Bank GmbH.

RISK STRATEGY AND RISK MANAGEMENT

The basic decision relating to strategy and tools for risk management are the responsibility of the Board of Management of Volkswagen Bank GmbH.

The Board of Management of Volkswagen Bank GmbH has established and documented a strategic process for the company's business and risk strategy that complies with minimum risk management requirements (MaRisk).

The WIR2018 business strategy sets out the fundamental views of the Board of Management of Volkswagen Bank GmbH on key matters of business policy. It contains the goals for every key business activity and the steps required to achieve these goals.

The Board of Management of Volkswagen Bank GmbH has been pursuing a risk strategy in connection with its mid-term planning that conforms to minimum risk management requirements and is consistent with the company's business strategy.

It is reviewed annually based on the risk inventory, the risk-bearing capacity and legal requirements, adjusted as necessary and discussed with the Supervisory Board of Volkswagen Bank GmbH.

The risk strategy sets out the key risk management objectives for each type of risk, taking into account the company's approach to business (business strategy), its current risk exposure, expected developments and the risk potential. Actions are taken to achieve these goals, and their effects are described.

The risk strategy covers all key quantifiable and unquantifiable risks. It is further detailed and specified by means of secondary risk strategies for the individual risk types and operationalised in the planning round process. Materiality is determined in the risk inventory process, which must be carried out annually.

The Board of Management of Volkswagen Bank GmbH is responsible for executing the risk strategy established by itself within Volkswagen Bank GmbH.

RISK-BEARING CAPACITY, RISK LIMITS AND STRESS TESTING

A system is in place at Volkswagen Bank GmbH to determine the company's risk-bearing capacity by comparing its economic risk to its hedging potential.

A credit institution's risk-bearing capacity is given if, at a minimum, all of its material risks are continuously hedged through its risk hedging potential.

The material risks of Volkswagen Bank GmbH are identified at least once a year in connection with a risk inventory; this provides a detailed basis for designing the risk management process and including it in the risk-bearing capacity.

Risk quantification is executed by means of different approaches pursuant to the methodological recommendations of the Basel Capital Accord based on statistical models and supported by expert estimates.

Volkswagen Bank GmbH has selected a sufficiently conservative approach by assuming a 1:1 correlation between risk types in connection with the quantification of its economic risk.

Volkswagen Bank GmbH's risk-bearing capacity was certain throughout the year 2011.

In addition, Volkswagen Bank GmbH uses a limit system derived from its analysis of risk-bearing capacity in order to specifically limit the risk capital in accordance with the risk appetite of the Board of Management of Volkswagen Bank GmbH.

Establishing the risk limit system as the core element in capital allocation limits risks at different levels, thus ensuring the economic risk-bearing capacity. The risk hedging potential is determined based on the available equity and income components, taking various deductible items into account. In keeping with the risk appetite of the Board of Management of Volkswagen Bank GmbH, only a portion of this risk hedging potential is defined as the upper risk limit of an overall risk limit. In the next step, the overall risk limit is allocated to the risk types credit risk, residual value risk and market price risk for purposes of monitoring and steering at the operating level. Furthermore, a system of risk limits has been put in place for the most significant risks at the branch level.

The limit system makes a management tool available to management such that it can fulfil its responsibility to manage the company's business strategically and operationally in accordance with statutory requirements.

Stress tests are conducted across all institutions at Volkswagen Bank GmbH, taking historical and hypothetical scenarios into account.

The Groupwide inverse stress test also includes examining for Volkswagen Bank GmbH in particular what events could expose it to a going-concern risk.

RISK REPORTING

The risk-bearing capacity is the starting point in the risk management report. After describing the Bank's overall risk, Group Risk Management&Methods addresses the counterparty default, market price, liquidity, operational, residual value and underwriting risks in detail in its quarterly risk management report. This report is addressed directly to the Board of Management of Volkswagen Bank GmbH as well as the Supervisory Board.

Regular reporting is supplemented by ad hoc reporting.

Continuous improvements of the risk management report have helped to further improve the data regarding structures and developments in the company's credit portfolios.

IMPLEMENTATION OF THE THIRD MA-RISK AMENDMENT

BaFin published an amendment of MaRisk on 15 December 2010. Volkswagen Bank GmbH analysed the new requirements, which concern especially the risk-bearing capacity and the strategy process, early on and implements them to lasting effect.

Volkswagen Bank GmbH is further pursuing the development of both its system for measuring and monitoring risk positions and the relevant control systems on the basis of the legal requirements.

RISK TYPES

RISK OF COUNTERPARTY DEFAULT

The risk of counterparty default is defined as the potential negative deviation of the actual counterparty risk outcome from the planned one. The deviation in outcome occurs when the actual loss exceeds the expected loss due to changes in credit ratings or credit losses.

In this connection, an approach that addresses risk-bearing capacity typically considers the credit risk from customer transactions as well as counterparty, country, investment and issuer risks.

Credit risk

The credit risk concerns the risk of loss through defaults in customer business, specifically, non-payments by a borrower. The loss is contingent on the inability or unwillingness of the borrower or lessee to make payments. This includes scenarios where the contracting party makes payments on interest and principal late or not in full.

Credit risks, which also include risks of counterparty default relating to leasing contracts, represent by far the largest component of the risk positions among the risks of counterparty default.

Risk assessment

Volkswagen Bank GmbH bases its lending decisions on credit assessments of the given borrowers using rating and scoring procedures. Parameters for developing and maintaining rating systems are described in a working guideline. There is also a rating manual, which governs the application of credit rating procedures for corporate customers as part of the loan approval process.

The New Product/New Market Process of Volkswagen Bank GmbH must be applied before new products are brought to market or activities are launched in new markets.

Timely identification of changes in risk is assured by means of regular portfolio analyses, planning rounds and business financial reviews.

All risks are quantified in a quarterly assessment process at the company level in accordance with categories of receivables. In addition, an unexpected loss is calculated for the sum total of all loans and included in the value-at-risk (VaR) calculation of the company's risk-bearing capacity.

Scoring procedures in the retail business

Analysing the creditworthiness of private customers involves scoring systems that are integrated in the purchasing and portfolio processes and provide an objective decision-making basis for granting loans.

Scoring procedures are applied to both the purchase and measurement of the significant portfolios. Default probabilities are allocated to these score classes in loan purchasing based on customers or contracts deemed to have defaulted within one year.

Procedures that also assign a probability of default (PD) to individual contracts once a month based on the relevant customer's payment history are in place for purposes of performing portfolio valuations.

The credit risks of these portfolios can be assessed in ways adequate to the risks concerned when determining loss given default (LGD), which, among others, is the basis for determining value adjustments in accordance with the German Commercial Code (HGB) and IFRS.

Simplified procedures are also in place for smaller portfolios.

Rating procedures in the corporate business

Volkswagen Bank GmbH uses credit rating procedures to rate its national and international corporate customers (e.g. automobile dealers).

The assessment includes both the key performance indicators from annual financial statements as well as qualitative factors – such as the outlook for future business development, the quality of management, the climate in both the market and industry, as well as the customer's payment behaviour. To the extent possible, all these factors are taken into account statistically.

The credit rating procedure results in the assignment to a rating class which is connected to a probability of default.

The centrally maintained workflow-based rating application CARAT will be rolled out abroad in 2012 to enhance the assessments of creditworthiness. At this time Volkswagen Bank GmbH is utilising CARAT in Germany, the United Kingdom, Ireland and Italy.

The result of the rating provides a material basis for decisions on the approval and prolongation of credit commitments and value adjustments.

The definition of competencies and the monitoring of the corporate portfolio are also based on the results of ratings.

All rating and scoring models used in Germany and abroad are validated regularly, monitored as well as adjusted and refined as necessary.

This concerns the models and procedures for assessing creditworthiness (such as rating and scoring procedures) and for assessing probabilities of default, loss given default and credit conversion factors (CCF).

Group Risk Management&Methods reviews the validity of the models and procedures used by the local risk management units abroad to assess creditworthiness, initiates appropriate measures in cooperation with the local risk management if it identifies any need for action and monitors the implementation of these measures.

Validation refers in particular to checking whether the models are separable and calibrated in ways adequate to the risks. If it is determined that action is required, such action can include shortening the interval until the next validation, recalibrating the model or even developing a new model. In order to ensure a high standard of quality, the models developed abroad are subject to centralised quality assurance. A risk committee which meets in different committees is in place to approve rating and scoring procedures.

Collateral
As a rule, credit transactions are secured in ways adequate to the risks concerned. A Groupwide guideline establishes the requirements that collateral as well as assessment procedures and principles must satisfy. Additional local guidelines prescribe concrete valuations as well as regional specificities.

The valuations in local collateral guidelines are based on historical data and many years of expert experience.

We ensure that collateral adequate to the relevant risk is available for covering credit risks. Automobiles, in their capacity as collateral, are material to this approach because the activities of Volkswagen Bank GmbH focus on financing customer purchases and dealer sales.

Volkswagen Bank GmbH therefore monitors the development of vehicles' market values. Adjustments of the valuation methods and disposal processes are made in the event of major changes in these market values.

Group Risk Management&Methods also carries out regular quality assurance regarding local guidelines for collateral. This includes reviewing and, if necessary, adjusting the valuations for collateral.

Value adjustments
The model we used for determining these adjustments was derived from the Basel II risk quantification method.

Risk management and monitoring
Group Risk Management&Methods establishes crash barriers for the management of credit risks. These guidelines constitute the central risk management system's binding external framework within which the divisions/markets can pursue their activities, plans and decisions in accordance with their competencies.

Appropriate processes are used to monitor all loans in regards to the underlying economic conditions and collateral, compliance with limits, contractual obligations as well as both external and internal requirements.

Commitments are subject to suitable controls (normal/intensive or problem loan monitoring) in accordance with their risk content.

Furthermore, credit risks are also managed by applying Volkswagen Bank GmbH's approval limits. These approval limits are fixed for each branch individually. The local decision makers can exercise discretion within these limits.

Analyses of the portfolios are performed at the portfolio level for risk monitoring purposes. The Credit Risk Portfolio Rating combines different risk parameters in a key ratio, ensuring comparability of the international portfolios of Volkswagen Bank GmbH. Risk reviews are performed at the branch level in the event of problems.

Stress tests for credit risks entail sensitivity and scenario analyses. Whilst sensitivity analyses are implemented based on models, scenario analyses are based on expert opinions subject to the participation of both centralised and decentralised risk specialists. This provides a comprehensive view of the risk sensitivity of the credit business, particularly against the backdrop of a changing economic climate.

Concentrations of risk

Concentrations of credit risk
Concentrations of credit risk arise if a major portion of the loans are extended to a just few borrowers/contracts. Volkswagen Bank GmbH is an institute focused on specialised financial services (captive). Hence this risk is analysed and reported in detail in accordance with the business model. By its nature, this business model makes it impossible to avoid concentrations of risk in the risk type, "credit risk". Existing concentrations of risk are thus adequately considered and monitored.

But concentrations of credit risk are of secondary significance to Volkswagen Bank GmbH given its international positioning and the fact that its activities mainly concern small (retail) loans.

Concentrations of industries
In sectoral terms, Volkswagen Bank GmbH is broadly positioned by country and industry in both the retail and the corporate-non-dealer business. Sectoral risks in the dealer business are inherent to a captive and are analysed in ways appropriate to the given industry. It was determined that on the whole specific industries did not have a particular impact in downturns such as the most recent economic crisis.

Concentrations of collateral
Concentrations of collateral are inherent to a captive and arise when a substantial portion of receivables or leasing transactions are collateralised by a single type of security.

Vehicles are the dominant type of collateral for Volkswagen Bank GmbH. Risks arising from such concentrations of collateral basically arise when negative price developments in the used vehicle markets reduce both the value of the collateral and the proceeds from the disposal of the collateral if borrowers and lessees default.

In terms of the vehicles that serve as collateral, Volkswagen Bank GmbH is diversified not just across all automotive segments but also across many countries in Europe. The range of vehicles that are financed and leased is equally diversified.

Both of these effects reduce the risk of concentrations of collateral.

Developments/Outlook

The trend toward economic recovery continued in the first half of 2011. But the economic horizon dimmed in subsequent months as a result of the sovereign debt crisis, particularly in the Southern European markets, whilst the economic environment in Germany and France remained stable.

Driven by the manufacturer’s marketing campaigns, the retail portfolios have been growing particularly in the major European markets.

Defaults in the private customer segment have declined as a result of this growth.

Owing to the crisis, defaults have only increased in Southern European markets such as Greece and Spain.

Business with commercial borrowers continued to stabilise in 2011. The dealer business continued to grow in connection with the expansion of the factoring business.

We believe that the economic environment will remain a challenge in 2012. Resolving the sovereign debt crisis in Europe and its ramifications will be decisive.

Counterparty risk

The counterparty risk arises from overnight and term deposits, the conclusion of derivatives as well as pension funds.

Volkswagen Bank GmbH takes the counterparty risk to mean the risk that may arise from the loss of assets in connection with investments in money, securities or bonds because counterparties cease to repay the principal and/or the interest as contractually required.

Risk assessment

Counterparty risks are recorded as part of the risks of counterparty default.

The risks of counterparty default are determined using the Monte Carlo simulation. Volkswagen Bank GmbH’s exposure to risks of counterparty default is determined in this connection. The resulting unexpected loss (value at risk and expected shortfall) is based on a normal scenario, two stress scenarios and the expected loss.

Risk management and monitoring

Treasury is responsible for risk management in relation to counterparty risks. Risk Management determines and monitors the risk of counterparty default on a daily basis.

A limit system is used for risk monitoring to limit the counterparty volume per counterparty. Compliance with these counterparty volume limits is monitored by the back office.

Country risk

To the extent necessary in the context of business activities, the evaluation and management of country risks is based on the assessment of a country's long-term foreign currency liabilities (sovereign ratings) carried out by the rating firms, Moody's Investors Service and Standard & Poor's. Volkswagen Bank GmbH does not enter into any appreciable country risks.

Shareholder risk

Shareholder risk denotes the risk that losses with negative effects on the carrying amount of the equity investment might occur after contributions of equity capital or receivables akin to equity capital (e.g. undisclosed contributions) are made to an entity.

Parameters

Generally, Volkswagen Bank GmbH makes equity investments in other companies that serve to achieve its own corporate goals. The intention to hold an investment in the long term is the decisive criterion in this regard.

Within Volkswagen Bank GmbH, Mergers & Acquisitions is responsible for managing the company's equity investments as well as the related acquisition and disposal processes.

Volkswagen Bank GmbH is represented on the ownership or supervisory bodies of VOLKSWAGEN BANK POLSKA S.A., Warsaw, and Global Mobility Holding B.V., Amsterdam.

Volkswagen Bank GmbH has been holding a significant – i. e. 50 % – stake in LeasePlan Corporation N.V., Amsterdam, which is held indirectly via Global Mobility Holding B.V. (GMH), Amsterdam, since the end of 2004.

Risk assessment

Equity investments are monitored by means of monthly reporting, analyses of the companies' economic development and regular Supervisory Board meetings. Mergers & Acquisitions (LeasePlan) and International Controlling (all other equity investments) support the management of both Volkswagen Financial Services AG and Volkswagen Bank GmbH in the pursuit of their interests.

Mid-term planning regarding the operational and financial development of the company's business is carried out once a year.

LeasePlan's fleet management contract portfolio rose by 2.7 % year on year. Sales and earnings growth in 2011 compared with the previous year is basically due to higher margins, lower residual value losses on the sale of vehicles upon contract expiry, the growth in the number of fleet vehicles and the leveraging of the current business model in all markets.

The rating firm Moody's has raised its rating forecast for LeasePlan from "negative" to "stable" given the improvement in the company's income, its strong capitalisation and the easing of pressure in the refinancing market; at A- (Fitch, Moody's) and BBB+ (S&P), the long-term ratings remained stable.

The shareholder risk was assigned a median probability of occurring, based on current economic developments. LeasePlan is expected to continue to generate profits.

Risk management and monitoring

Equity investments are integrated in the annual strategy and planning processes of Volkswagen Bank GmbH. The company influences the business and risk policies through its agents on ownership or supervisory bodies.

The appropriate units are responsible for implementing risk management tools at the operating level.

MARKET PRICE RISK

Market price risk refers to the potential loss resulting from disadvantageous changes in market prices or parameters that influence prices. Volkswagen Bank GmbH is exposed to major market price risks due to price changes that trigger a change in the value of open interest rate or currency positions.

All risk types are assessed in the monthly Risk Management report using the value-at-risk (VaR) method and are offset against the ceiling for losses of Volkswagen Bank GmbH.

The report makes the risk exposure arising from each individual type of risk transparent and includes recommendations aimed at countering these risks.

Interest rate risk

The interest rate risk includes potential losses from changes in market rates. It arises from non-matching fixed-interest periods in assets and liabilities.

Interest rate risks are incurred in the banking book of Volkswagen Bank GmbH.

Risk assessment

Volkswagen Bank GmbH determines its interest rate risks as part of monthly monitoring using the value-at-risk (VaR) method based on a 40-day holding period and a confidence level of 99 %.

This model is based on a historical simulation and calculates potential losses taking 1,000 historical market fluctuations (volatilities) into account.

While the VaR so determined for monitoring purposes serves to assess potential losses under normal market conditions, forward-looking analyses are also performed using extreme scenarios.

Interest rate positions are subjected to stress tests comprising extraordinary changes in interest rates and worst case scenarios and are subsequently analysed in terms of the at-risk potentials using the simulated results. In this connection, changes in the present value are also quantified and monitored monthly using the +200 and –200 basis points interest rate shock scenarios defined by the Federal Financial Supervisory Authority (BaFin).

The calculation of interest rate risks uses theoretical scenarios to account for early repayments under termination rights.

The conduct of investors in connection with unlimited bank deposits is modelled using internal models and procedures for managing and monitoring interest rate risks.

Risk management and monitoring

Treasury is responsible for risk management based on the resolutions of the Asset Liability Committee (ALC).

Interest rate risks are managed in accordance with IFRS through interest rate derivatives at both the micro level and the portfolio level. The hedge accounting performed under IFRS is not taken over in the annual financial statements prepared in accordance with the German Commercial Code. Derivatives are recognised in the banking book.

No changes in the parameters for controlling market price risks were made during the financial crisis. Risk Management is tasked with monitoring interest rate risks and reporting on them.

Risk communication

A separate report concerning Volkswagen Bank GmbH's current exposure to interest rate risks is submitted to management on a monthly basis.

Foreign currency risk

Currency risks arise in connection with deviations from numerical inconsistencies between foreign currency items shown in assets and in liabilities.

From the perspective of the bank as a whole, the operating business of the branch in the United Kingdom gives rise to currency risks because the bank refinances loans granted in British pounds in euros. Currency risks from refinancing are minimised by means of Treasury's hedging transactions (forward exchange transactions and currency swaps).

They are quantified monthly based on the VaR approach, analogous to the market price risks, and are included in risk assessment. Compared to the entire portfolio, these play only a subordinate role.

In addition, endowment capital in the amount of GBP 83 million was made available to the branch in the United Kingdom as at 31.12.2011. Given its unlimited maturity, the endowment capital which is refinanced in euros is not secured through hedging transactions.

Fund price risk

The fund price risk arises from potential changes in market prices.

Volkswagen Bank GmbH incurs "general fund risks" in connection with the fund-based pension plan for its employees (pension fund).

Volkswagen Bank GmbH has undertaken to meet these pension obligations in the event the fund can no longer satisfy our employees' guaranteed claims.

This is why Volkswagen Bank GmbH also determines the risk exposure arising therefrom based on the value-at-risk (VaR) method and includes this result in the risk assessment described above.

EARNINGS RISK (SPECIFIC PROFIT/LOSS RISK)

Earnings risks denote the danger of deviations from the targets for specific items in the income statement that cannot be measured by means of risk types described elsewhere.

This includes the risks of

- unexpectedly low commission (commission risk),
- unexpectedly high costs (cost risk),
- excessively large targets for earnings from (new) business volume (sales risk), and
- unexpectedly low income from equity investments.

Risk assessment

Since 2011, Volkswagen Bank GmbH has been quantifying its earnings risks based on a parametric earnings-at-risk (EaR) model, taking into account the confidence level determined in connection with the calculation of its risk-bearing capacity as well as a one-year forecasting horizon. The relevant income statement items provide the basis for these calculations. The earnings risks are then estimated based on the observed relative deviations from targets for one and by determining the volatilities and interdependency of the individual items for another. Both components are included in the EaR quantification. In addition stress tests specific to risk types are conducted quarterly using historical and hypothetical scenarios.

Risk management and monitoring

During the year, the actual values of the items subject to earnings risks are compared to the targeted values at the market level. This comparison takes place in connection with Controlling's regular reporting mechanism.

The results of the quarterly risk quantification of earnings risks are included in the determination of the risk hedging potential as a deductible item in connection with the analysis of the risk-bearing capacity. The results are monitored by Group Risk Management & Methods.

Concentrations of risk

Concentrations of income arise from an asymmetric distribution of a credit institution's sources of income.

The activities of Volkswagen Bank GmbH focus on financing vehicles, including the related financial services, and thus in the final analysis on promoting the sales of the Volkswagen Group's different brands. This particular constellation gives rise to substantial interdependences and concentrations, which have a direct impact on the development of income.

Volkswagen Bank GmbH thus is exposed to concentrations of income from its business model by definition.

LIQUIDITY RISK

The liquidity risk entails the risk of a negative deviation between actual and expected cash inflows and outflows.

Liquidity risk means the risk of not being able to fulfil payment obligations that are due in full or in timely fashion or – in the event of a liquidity crisis – of only being able to raise refinancing funds at higher market rates or only being able to sell assets at discounted market rates.

The liquidity risk thus concerns the risk of not being able to raise needed funds at all or only at a higher cost.

This leads to the distinction between insolvency risks (day-to-day operational liquidity risk including call and maturity risk), refinancing risks (structural liquidity risk) and market liquidity risks.

The cost of the instruments that Volkswagen Bank GmbH uses for refinancing purposes via the money and capital markets has risen in the wake of the euro zone sovereign debt crisis.

Active management of the collateral deposit account with the European Central Bank, which enables Volkswagen Bank GmbH to avail itself of the refinancing facilities, has turned out to be an efficient liquidity reserve.

Parameters

The prime objective of liquidity management at Volkswagen Bank GmbH is to ensure the ability to pay at all times.

The refinancing of Volkswagen Bank GmbH is essentially executed in accordance with the applicable principles of Volkswagen Financial Services AG using capital market and asset-backed securities programmes as well as the direct bank deposits.

Volkswagen Bank GmbH has liquid reserves in the form of securities deposited in its operational safe custody account with the Deutsche Bundesbank. In addition, the company has access to standby lines of credit at other banks to protect it from unexpected fluctuations in cash flow. As a rule, standby credit lines are not utilised; they serve solely to secure liquidity.

Risk assessment

The Treasury of Volkswagen Bank GmbH and the Group companies are responsible for liquidity planning.

The Treasury unit of Volkswagen Bank GmbH bundles and evaluates the expected cash flows of Volkswagen Financial Services AG, Volkswagen Leasing GmbH and Volkswagen Bank GmbH.

Liquidity risks are identified and recorded by Group Risk Management&Methods based on cash flow development statements as defined in MaRisk. These cash flow development statements are subjected to scenario-based stress tests using triggers specific to the credit institution itself, market wide triggers as well as combinations of them. The given parameterisation of these stress scenarios is based on two methods. Historically analysed events are used, and the different degrees of hypothetically conceivable events are defined. To quantify the refinancing risk, this approach takes into account the material manifestations of the insolvency risk as well as changes in spreads that are driven by credit ratings or the market.

Treasury also prepares four different cash flow development statements to ensure adequate liquidity management, performs cash flow forecasts and determines the period for which cash will suffice.

Managing Volkswagen Bank GmbH's liquidity requires strict compliance with the liquidity ratio prescribed by the Liquidity Regulation. It was between 2.28 and 3.66 from January to December of the reporting year and thus always substantially higher than the regulatory floor of 1.0. Treasury continually monitors this liquidity ratio and actively manages it by imposing a floor for internal management purposes.

Liquidity management and monitoring

The Operational Liquidity Committee (OLC) monitors both the current liquidity situation and the sufficiency of cash in bi-weekly meetings. It decides on refinancing measures or prepares the requisite decisions for the decision makers.

Group Risk Management&Methods communicates the material risk management data or relevant early warning indicators pertaining to the insolvency risk and the refinancing risk. In terms of the insolvency risk, this entails adequate limits for the utilisation rates – taking into account access to the relevant refinancing sources – across different time horizons. The potential refinancing costs are used to assess the refinancing risk.

The ability required under the regulatory regimen to bridge any liquidity needs over a time horizon of seven and 30 days with a highly liquid cushion and the corresponding liquidity reserve constitutes a strict constraint.

Both an emergency plan for liquidity bottlenecks and a suitable action plan for obtaining liquidity are available in the event of an internal or external liquidity bottleneck. An emergency can be triggered by both Liquidity Risk Management (Group Risk Management&Methods) and by Liquidity Management and Planning (OLC).

Risk communication

As part of risk communication, the managing directors of Volkswagen Bank GmbH are informed daily of outstanding refinancing, open confirmed bank credit lines and the value of the standby credit line with the German Central Bank.

The Board of Management is informed monthly of the current liquidity situation.

OPERATIONAL RISK

Operational risks (OpR) are defined as the risk of losses that arise from the inappropriateness or failure of internal processes (process risks), employees (personnel risks) and systems (infrastructure and IT risks). Risks that occur as a result of external events (external risks, e.g. terror attacks, catastrophes) are also taken into account.

Operational risk management aims to make operational risks transparent and initiate countermeasures as necessary with the aim of avoiding similar losses in future.

The OpR manual and the OpR strategy are two key pillars for managing operational risks.

Risk identification and assessment

Risk assessment is designed to arrive at a joint monetary estimate of the loss exposure based on the assessments derived from the different quantitative and qualitative identification methods.

Self-assessment and the loss database are further pillars for managing operational risks.

At least once a year, risk scenarios are recorded, assessed in quantitative terms and analysed centrally by local experts in a variety of risk categories according to estimates of loss amounts and frequencies using standardised and IT-based self assessments.

Risk management and monitoring

Operational risks are managed by the companies and divisions based on the guidelines that have been put in place as well as the requirements applicable to staff and controlling personnel responsible for each specific risk type.

Group Risk Management&Methods is tasked with reviewing the plausibility of local self assessments regarding the extent and frequency of losses. Ongoing internal recording of monetary operational losses and storing the relevant data in the loss database enables local experts to systematically analyse occurrences of loss and monitor the measures that were initiated.

Each individual OpR business unit must prepare and monitor independent risk control and management measures subject to cost/benefit aspects.

Business continuity management

The goal of the Corporate Security unit is to ensure security for individuals and property at Volkswagen Bank GmbH and to avoid or reduce damage to its image and losses from operational disruptions. Reflecting the crash barrier role, all related tasks are carried out both nationally and internationally. A business continuity management system, which is based on the British BS 25999 Standard, was introduced in order to ensure the company's ability to withstand crises.

In that connection, the Corporate Security unit establishes the appropriate crash barriers for managing external risks (catastrophes) capable of triggering the loss of infrastructure, buildings or personnel; the respective departments use these crash barriers to analyse their risks from time-sensitive activities and take precautions based on appropriate measures.

These emergency plans contain appropriate restart and business continuation plans.

Groupwide crisis management was also established.

RESIDUAL VALUE RISK

A residual value risk arises if the estimated market value of a leased asset at the time of disposal upon expiration of a contract is less than the residual value calculated at the time the contract was closed. However, it is also possible to realise more than the calculated residual value at the time the leased asset is disposed of.

Direct and indirect residual value risks are differentiated relative to the bearer of the residual value risks.

A direct residual value risk is present when the residual value risk is borne directly by Volkswagen Bank GmbH or one of its branches (because of contractual provisions).

A residual value risk management circle has been implemented at Volkswagen Bank GmbH or one of its branches. This circle requires regular residual value forecasts and continuous risk assessments, mainly in regards to direct residual value risks. Proactive marketing activities are derived from the measurement results in order to optimise earnings from the assumption of residual value risks. The marketing results so obtained are considered in the review of the residual value guidelines.

An indirect residual value risk is present if the residual value risk has been transferred to a third party based on the guaranteed residual value (e.g. dealerships).

The initial risk is that the counterparty guaranteeing the residual value might default.

If the guarantor of the residual value defaults, the leased asset and hence the residual value risk are transferred to Volkswagen Bank GmbH.

Risk identification and assessment

The New Product Process is carried out before business activities in new markets or in connection with new products are launched. This process includes analysing potential direct residual value risks.

In addition, local risk managers obtain data on the indirect residual value risks from market participants at regular intervals.

Direct residual value risks are regularly quantified throughout the year in respect of both the expected and the unexpected loss using measurement methods and systems based on individual contracts. The contractually stipulated residual values are compared to attainable market values or unexpectedly poor market values. The realisable residual values are determined by the local residual value committees and used in the measurement.

In contrast, unexpectedly negative market values are determined based on the market's historical changes over a period of one year.

The difference between the forecast value of the used car (both expected and unexpected) and the calculated residual value yields the residual value risk/opportunity.

The results of the quantification are used in the assessment of the exposure to risk, i.e. among other things assessments of the adequacy of the risk provisions as well as the risk-bearing capacity.

Indirect residual value risks are quantified for the purpose of determining the residual value risk analogous to the method used for the direct residual value risks; dealer defaults are also taken into account.

Above and beyond that, unexpected losses from residual value risks are not determined at this time because this risk type is currently deemed insignificant.

A method for determining and verifying materiality was developed during the reporting period based on the direct residual value risk model.

This method for analysing indirect residual value risks will be reviewed and refined as necessary in connection with the next risk inventory.

Risk management and monitoring

Group Risk Management&Methods monitors residual value risks within Volkswagen Bank GmbH and the Volkswagen Financial Services AG Group.

The adequacy of the risk provisions as well as the residual value risk potential are regularly monitored as part of risk management. Opportunities from residual values are not considered when recognising risk provisions. Given risk distribution, as at the assessment date the risks incurred may not always be hedged in full at the level of the individual contract while it is in effect.

As far as previously identified risks are concerned, in future the amounts of risk allocated to the residual term must still be earned and recognised as impairment losses.

The resulting residual value risk potential is used to take a variety of measures as part of proactive risk management in order to limit the residual value risk.

Residual value recommendations regarding new business must take both prevailing market conditions and future drivers into account.

In order to reduce the risks upon expiry of a contract, the sales channels must be reviewed continuously such that the best possible result may be achieved at the time the vehicles are sold.

The stress test for direct residual value risks entails scenario analyses that are performed by experts in collaboration with central and local risk specialists. This provides a comprehensive view of the risk sensitivity of the residual value business, particularly against the backdrop of a changing economic climate.

The indirect residual value risks of Volkswagen Bank GmbH are regularly monitored in connection with portfolio assessment.

The indirect residual value risks of Volkswagen Bank GmbH's branches are subject to plausibility checks and measured based on the amount of the risk and its significance.

As part of risk management, Group Risk Management&Methods regularly monitors the adequacy of the risk provisions for indirect residual value risks and the residual value risk potential.

The resulting residual value risk potential is used to take a variety of measures in close cooperation with the brands and dealerships in order to limit the indirect residual value risk.

Concentrations of risk

Concentrations of residual value risks arise if a major portion of the at-risk residual values are concentrated on a few automotive segments and models. Accordingly, such concentrations are considered in the risk measurement methodology applied, the risk reporting and the analysis at the level of both brands and models in connection with the residual value risk management circle.

In regards to residual automotive values, Volkswagen Bank GmbH is also diversified across all segments given the Group's broad range of brands and models.

Outlook
The residual value portfolio has grown due to both the general economic recovery at the start of 2011 and additional sales promotion campaigns.

Rising demand for used cars in the markets has caused residual value risks to decline generally.

Stable sales were generated thanks to web-based marketing support, but this positive trend faded away toward year's end due to the sovereign debt crisis.
Residual value risks are expected to remain largely stable at the current level in 2012. A general economic environment that is stable to positive is necessary for stable development.

STRATEGIC RISK

The strategic risk means the risk of a direct or indirect loss through strategic decisions that are defective or based on false assumptions.

Likewise the strategic risk also encompasses all risks arising from the integration/reorganisation of technical systems, personnel and corporate culture. This is rooted in fundamental decisions on the company's structure, which management makes in respect of its positioning in the market.

REPUTATION RISK

The reputation risk denotes the danger that an event or several successive events might cause reputational damage (public opinion), which might limit the company's current and future business opportunities and activities (potential success) and thus lead to indirect financial losses (customer base, sales, equity, refinancing costs etc.) or direct financial losses (penalties, litigation costs etc.).

It is one of the responsibilities of the corporate communications department to avoid negative reports in the press or elsewhere that harm the company's reputation. Adequate communication strategies tailored to specific target groups are required if this does not succeed.

SUMMARY

In connection with its business activities, Volkswagen Bank GmbH responsibly assumes risks typical of banks. This is based on a comprehensive system for identifying, measuring, analysing, monitoring and controlling risks as an integral component of an integrated risk/return-oriented control system.

This system was again continuously refined in 2011.

Among the default risk categories, credit risk in the dealer and retail customer business represents the material risk type for Volkswagen Bank GmbH.

By using modern tools for risk identification, analysis and monitoring, credit risk in connection with business activities is actively controlled and secured using our own resources in accordance with the requirements of the German Banking Act.

The trend toward economic recovery continued in the first half of 2011. In the second half of the year, the economic horizon darkened as a result of the sovereign debt crisis in Europe.
In 2011 Volkswagen Bank GmbH successfully met its challenges despite the effects that the euro crisis has on the financial sector.

Volkswagen Bank GmbH will continue to invest in the optimisation of the comprehensive control system and the risk management systems in order to fulfil the business and statutory requirements for risk management and control.

Events after the balance sheet date

No important events beyond those described in this report occurred after the close of the 2011 financial year.

Personnel report
Implementation of the personnel strategy

Volkswagen Bank GmbH and Volkswagen Financial Services AG jointly on their way to becoming a TOP employer

PERSONNEL FIGURES

As at the end of 2011, a total of 1,787 (previous year: 842) employees of Volkswagen Financial Services AG were working in Volkswagen Bank GmbH's business units under staff leasing agreements.

Volkswagen Bank GmbH continues to employ certain staff directly due to regulatory requirements. At 31 December 2011, this staff numbered 753 (previous year: 631), 162 (previous year: 119) of which were employed in Germany.

EMPLOYEES

Our company's sustained success is only possible thanks to our employees' best efforts. Our personnel strategy thus serves to promote and develop talent within the company and to always recruit the best applicants for the company. Our WIR2018 strategy also entails establishing ourselves as the TOP employer.

Our personnel strategy

At Volkswagen Financial Services AG, the Personnel department covers all domestic companies of the Volkswagen Financial Services Group.

The "We Are a Top Team" employee strategy supports goal achievement in the four action areas, "customers", "employees", "profitability" and "volume". Targeted personnel development serves to foster and challenge employees. We are consciously staking our ability to achieve our objective of becoming the TOP employer by 2018 on our in-house talent. The aim is to identify talents in-house, make them visible and subsequently promote them on an individual basis.

Volkswagen Financial Services AG already offers competitive and performance-based compensation. The introduction of the performance appraisal as part of employee performance reviews in the German market in the past financial year has also added an individual performance-based component to the compensation of all employees subject to collectively agreed terms: a performance-based compensation element.

Volkswagen Financial Services AG's aim, "We are a Top Team", is reflected by the employer benchmark study ("Great Place to Work") as well as the "mood barometer", its internal staff survey.

In 2011 Volkswagen Financial Services AG participated for the fifth time in the employer competition. Successful placement as a TOP employer in Germany and Europe as well as the insights from the benchmark study are important strategic parameters and indicators. The ranking in the Top 100 lists in Germany will be determined in the spring of 2012. The already available results of the employee survey conducted as part of the benchmark study point to a truly substantial improvement over the assessments in 2010 and show that we are already on the right track in terms of shaping our corporate and leadership structure.

Human resources planning and development

In 2011 Volkswagen Financial Services AG hired 44 new trainees/students of WelfenAkademie and Leibniz-Akademie, two universities of co-operative education that offer dual-track courses of study leading respectively to a Bachelor of Arts and a Bachelor of Science. The number of trainee slots was raised by 10 % due to the double Abitur graduation class in the German State of Lower Saxony.

As at 31 December 2011, a total of 123 trainees and students of WelfenAkademie were employed with us in Germany for the duration of the apprenticeship programmes and in all occupational groups. Volkswagen Financial Services AG also offers college graduates and young professionals attractive job opportunities as trainees.

Each employee's need for qualifications is determined in the annual employee performance review, and suitable measures aimed at developing their competence are agreed upon with them. Many employees in Germany obtained their qualifications at the internal training centre, which offers a broad range of seminars and workshops. These training programmes are closely aligned with the company's products, processes and systems. In addition, the need for specialists is identified in coordination with the appropriate departments and suitable development concepts are drawn up. Continued development of employees' competence also focuses on refining their marketing skills and their consciousness of the customer- and service-based nature of our business.

A standardised process governing both performance targets and performance appraisals was introduced in cooperation with our parent company, Volkswagen AG. Other standards such as the international introduction of the manager selection process were further refined.

Anticipated developments
On a growth trajectory

Volkswagen Bank GmbH expects earnings in 2012 to be at the level of 2011 against a backdrop of a positive economic environment and continued international expansion.

After the material risks of the company's business have been set out in the risk and opportunity report, below we wish to sketch its likely future development. It gives rise to both opportunities and potentials that are integrated into our planning process on an ongoing basis such that we can tap into them in a timely manner.

We prepare our forecasts based on the current assessments of external institutions, among them economic research institutes, banks, multinational organisations and consulting firms.

GLOBAL ECONOMIC DEVELOPMENT

Our plans are based on the assumption that the global economy will continue to grow. We continue to expect the emerging markets, especially in Asia and Latin America, to generate the greatest economic momentum; in our view the major industrialised countries will grow only moderately in the medium term.

Europe

Most Western European countries will probably generate little growth in 2012 due to the sovereign debt crises. Even a recession has become a likely scenario for some countries. A rapid recovery will take place in 2013 only if substantial successes have been achieved in resolving the sovereign debt crises. The developments in Western Europe will also have a decisive impact on the outlook in the Central and Eastern European countries.

Germany

We only expect low growth in 2012 following the GDP's robust growth in the past two years. But the development of the labour market will remain positive for the time being. In our view the German economy will return to moderate growth starting in 2013.

FINANCIAL MARKETS

The financial markets are likely to remain greatly unsettled in the current financial year due to some countries' smouldering sovereign debt crisis. Substantial risks particularly for the European economy on the whole and the banking system arise from a possible increase in tensions on the government bond markets in the euro zone. The weaker global economic activity overall, the pessimistic view of the EU Commission of the EU's economic growth in 2012 and equally uncertain growth prospects in the United States are generating additional uncertainty. The imminent tighter regulation of the banking sector in Germany and the financial transaction tax that has been proposed to prevent speculative financial transactions further contribute to the uncertainty in the financial markets.

DEVELOPMENT OF THE MARKETS FOR PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES

We assume that in 2012 the markets for passenger cars and light commercial vehicles will develop at different rates in the different regions and that, on the whole, worldwide demand for new vehicles is likely to grow at a slower pace. We expect overall growth to be slightly higher in 2013 than in 2012.

The actions taken by some Western European countries to reduce sovereign debt and the resulting weakening of their economies in 2012 will have an adverse impact on the demand for new vehicles. The sovereign debt crisis in Europe and the United States will have a negative impact on the development of individual growth markets. However, we expect China and India – two important markets, strategically speaking – to continue their positive trend in 2012, and we also anticipate an increase in demand for vehicles in North and South America.

We expect the economic climate in Europe to stabilise in 2013 but the markets are likely to recover slowly. We expect demand for passenger cars to continue to rise in other regions where the Volkswagen Group maintains a presence.

The Volkswagen Group is well positioned for the heterogeneous development of the automobile markets. Our broad product range, which includes the most recent generation of fuel-optimised engines, gives us a competitive advantage worldwide. We are consistent in the pursuit of our goal to offer every customer the mobility and innovations they need and thereby strengthen our competitive position in the long term.

Europe

We expect automotive demand in Western Europe excluding Germany to decline in 2012. The current sovereign debt crisis above all else is unsettling consumers in many of the region's countries and limiting their financial freedom. The broad austerity packages being adopted by the governments in some key markets – especially Spain and Italy – along with higher taxes will delay the recovery of demand. We expect the economic climate in most Western European countries to stabilise in 2013 and demand for both passenger cars and light commercial vehicles to return to positive growth.

In our view automotive demand in Central and Eastern Europe will cool off in 2012, especially in Russia where we expect substantially weaker growth year on year. In 2011 the automotive market benefited from the economy's rapid recovery and governmental stimulus packages. The market should have recovered from this effect in 2013 and return to substantial growth.

Germany

Demand for passenger cars in Germany rose substantially in 2011 due to the good economic climate but we expect this trend to be interrupted in 2012. The sovereign debt crisis in some European countries has unsettled consumers in Germany despite the country's largely stable economic environment. Whilst this will have a negative effect on automotive demand in Germany, it should begin to rise again in 2013 against the backdrop of the stabilising European economy.

INTEREST RATE TRENDS

Many countries' expansive monetary policies and comparably low inflation rates led to low interest rates in the 2011 financial year, which did not change much at the start of the current financial year. We expect monetary policies to be implemented in Europe and the United States during 2012 that make an increase in interest rates unlikely. Long-term interest rates should remain stable worldwide. If inflationary tendencies continued to increase, short- and long-term interest rates would rise in 2013.

MOBILITY PACKAGES

Social and political parameters increasingly impact many people's approach to mobility. Large metropolitan areas are giving rise to new challenges in connection with the design of an intelligent mobility mix comprising mainly public transportation, cars and bicycles. Mobility is being redefined in many respects.

The Volkswagen Group has already responded in comprehensive fashion to these challenges by developing fuel- and emission-optimised vehicles that can be operated in a sustainable manner. In collaboration with the automotive brands of the Volkswagen Group, Volkswagen Bank GmbH is working intensely to be a pioneer in the development of innovative mobility packages just as it has been for a long time in the classical automotive business.

New mobility packages will supplement traditional car ownership. Simple, transparent, safe, reliable, affordable, flexible – those are the key requirements that our business must satisfy in future. Volkswagen Bank GmbH is carefully tracking the development of the mobility market and is already developing new models for supporting alternative marketing approaches and establishing new mobility concepts with the aim of hedging and expanding its business model.

In doing so we will realise the core of our brand promise in future too and remain the key to mobility in the long term.

DEVELOPMENT OF VOLKSWAGEN BANK GMBH

Volkswagen Bank GmbH expects its growth in the next two financial years to follow that of the Volkswagen Group. Increasing the penetration rate and expanding the product range in existing markets are aimed at achieving a rise in the company's business volume.

Sales activities related to the Volkswagen Group brands will be further intensified, particularly through strategic projects carried out jointly with the Group brands aimed at boosting the penetration rate.

Our aim is to fulfil the desires and needs of our customers in cooperation with the Volkswagen Group brands as best we can along this chain. The product packages that were successfully introduced in some markets in recent years will be further refined and launched in new markets, taking customer needs into account. This approach is a key element in international competition.

In addition to market-based activities, the harmonisation and standardisation of business processes, strategic investments in structural projects as well as productivity gains continue to be the keys to the development of Volkswagen Bank GmbH. They provide the basis for enhancing its flexibility regarding new products and its ability to target customers according to their needs. Both the optimisation of the refinancing strategy and consistent risk management will be central tasks as well.

The Volkswagen Bank direct division remains highly significant to the development of Volkswagen Bank GmbH due to its deposit volume and innovative sales channels. We aim to steadily increase the number of customers through attractive and innovative products.

The close integration of the Volkswagen Group brands with Volkswagen Bank GmbH will also enable us to generate strong added value in both financial services and the Group.

PROSPECTS FOR 2012 AND 2013

An upturn in the macroeconomic environment is still expected for 2012 and 2013, with stability being provided in particular by a further decrease in unemployment and higher consumption, especially in Germany.

In light of this forecast, the Board of Management of Volkswagen Bank GmbH anticipates a moderately higher business volume depending on the performance of the Volkswagen Group. The positive business climate coupled with a refinement of the risk management instruments results in low risk costs. Rising interest rates from 2013 onwards are expected to result in a slight narrowing of interest margins.

The deposit volume in the Volkswagen Bank direct division is to be further expanded in the next years through solutions geared to customers' needs.

Overall, the Board of Management of Volkswagen Bank GmbH expects earnings in both 2012 and 2013 to exceed those of 2011.

Annual Financial Statements (HGB)

Balance sheet

as at 31 December 2011 of Volkswagen Bank GmbH, Braunschweig

€ 000		31.12.2011	31.12.2010
Assets			
1. Cash reserve			
a) Cash in hand	738		628
b) Deposits with central banks	643,112		469,755
of which:			
at the Deutsche Bundesbank € 636,588,000			(460,327)
c) Deposits with post giro offices	100		30
		643,950	470,413
2. Receivables from financial institutions			
a) Payable on demand	491,980		199,941
b) Other receivables	1,430,105		512,675
		1,922,085	712,616
3. Receivables from customers		28,671,782	26,671,361
4. Debentures and other fixed-income securities			
a) Bonds and debentures			
aa) By public-sector issuers	800,874		0
of which:			
eligible as collateral at the Deutsche Bundesbank € 740,880,000			(0)
ab) By other issuers	3,502,818		3,350,272
of which:			
eligible as collateral at the Deutsche Bundesbank € 3,502,818,000			(3,350,272)
		4,303,692	3,350,272
5. Shares and other non-fixed-income securities		503	503
6. Equity investments		1,080,080	1,080,080
of which:			
in financial institutions € 16,106,000			(16,106)
7. Investments in affiliated companies		941	1,263
of which:			
in financial institutions € 941,000			(447)
8. Intangible assets			
b) Purchased concessions, industrial and similar rights and assets, and licenses in such rights and assets	7,495		7,179
c) Goodwill	1,167		0
		8,662	7,179
9. Tangible fixed assets		10,579	10,053
10. Leased assets		389,085	347,964
11. Other assets		227,252	195,961
12. Prepaid expenses		26,186	22,688
13. Excess of plan assets over pension liability		556	0
Total assets		**37,285,353**	**32,870,353**

€ 000		31.12.2011	31.12.2010
Equity and liabilities			
1. Liabilities to financial institutions			
a) Payable on demand	8,695		112,706
b) With repayment period or period of notice	117,580		184,542
		126,275	297,248
2. Liabilities to customers			
a) Other liabilities			
aa) Payable on demand	17,628,230		14,620,904
ab) With agreed repayment period or period of notice	7,017,468		6,794,045
		24,645,698	21,414,949
3. Securitised liabilities			
a) Debentures issued	3,395,368		2,894,661
b) Other securitised liabilities	265,453		123,861
of which:			
money market papers € 265,453,000			(123,861)
		3,660,821	3,018,522
4. Other liabilities		3,362,295	2,510,135
5. Deferred income		471,410	508,629
6. Deferred tax liabilities		0	533
7. Provisions			
a) Provisions for pensions and similar obligations	56,808		53,536
b) Tax provisions	22,311		18,452
c) Other provisions	318,004		211,547
		397,123	283,535
8. Special tax-allowable reserve		1,483	1,554
9. Subordinated liabilities		565,000	790,000
10. Participation right liabilities		90,000	90,000
of which:			
due within two years € 90,000,000			(90,000)
11. Fund for general banking risks		25,565	25,565
12. Equity			
a) Subscribed capital	318,279		358,279
b) Capital reserves	3,595,800		3,545,800
c) Revenue reserves			
ca) Other revenue reserves	25,604		25,604
		3,939,683	3,929,683
Total equity and liabilities		**37,285,353**	**32,870,353**
1. Contingent liabilities			
a) Liabilities from surety and warranty agreements		97,244	99,881
of which:			
liabilities to affiliated companies		62,562	63,133
2. Other obligations			
a) Irrevocable credit commitments		1,258,986	1,356,090
of which:			
to affiliated companies		235,418	177,514

Profit and loss account

of Volkswagen Bank GmbH, Braunschweig, for the period from 1 January to 31 December 2011

€ 000			2011	2010
1. Interest income from				
a) Lending and money market transactions	1,569,322			1,465,846
b) Fixed-income securities and book-entry securities	87,019			95,772
		1,656,341		1,561,618
2. Interest expense		556,481		505,317
			1,099,860	1,056,301
3. Current income from				
a) Shares and other non-fixed-income securities		6		8
b) Equity investments		4,975		4,638
			4,981	4,646
4. Income from leasing transactions		280,207		260,938
5. Expenses from leasing transactions		120,596		137,404
			159,611	123,534
6. Commission income		266,148		233,899
7. Commission expenses		284,644		247,726
			–18,496	–13,827
8. Other operating income			229,083	99,513
9. Income from the reversal of the special tax-allowable reverse			70	606
10. General administration expenses				
a) Personnel expenses				
aa) Wages and salaries	67,985			54,464
ab) Social security costs and expenses for pensions and support	14,651			13,684
of which:		82,636		68,148
for pension schemes € 4,233,000				(5,112)
b) Other administration expenses		503,147		416,920
			585,783	485,068
11. Depreciation, amortisation and value adjustments to intangible and tangible fixed assets and leased assets				
a) Depreciation, amortisation and value adjustments to intangible and tangible fixed assets		6,275		7,173
b) Depreciation on leased assets		117,236		110,422
			123,511	117,595
12. Other operating expenses			185,558	55,878
13. Amortisation and value adjustments to receivables and certain securities, as well as transfers to provisions for lending business			161,904	270,697
14. Result from ordinary business activities			418,353	341,535
15. Extraordinary income		1,752		0
16. Extraordinary expenses		0		11,962
17. Extraordinary result			1,752	–11,962
18. Taxes on income and earnings			187,636	147,684
of which:				
expenditure from the change in deferred taxes € 420,000				(453)
19. Other taxes, unless shown under Item 12			2,801	2,367
20. Profit transferred on the basis of a profit and loss transfer agreement			229,668	179,522
21. Net income			0	0
22. Retained profits brought forward from the previous year			0	0
23. Net retained profits			**0**	**0**

Statement of changes in equity

of Volkswagen Bank GmbH, Braunschweig, as at 31 December 2011

€ 000	Subscribed capital	Capital reserve	Revenue reserves	Equity
Balance as at 1.1.2010	358,279	3,195,800	25,046	3,579,125
Additional capital contribution pursuant to § 272 Para. 2 No. 4 HGB	–	350,000	–	350,000
Appropriation to revenue reserves pursuant to § 67 EGHGB	–	–	558	558
Balance as at 31.12.2010/1.1.2011	358,279	3,545,800	25,604	3,929,683
Additional capital contribution pursuant to § 272 Para. 2 No. 4 HGB	–	50,000	–	50,000
Repayment of the silent partner contribution	40,000	–	–	40,000
Balance as at 31.12.2011	318,279	3,595,800	25,604	3,939,683

Cash flow statement

of Volkswagen Bank GmbH, Braunschweig, for the period from 1 January to 31 December 2011

€ 000	01.01. – 31.12.2011	01.01. – 31.12.2010
Net income	**229,668**	**179,522**
Non-cash items and reconciliation to cash flow from operating activities included in net income		
Depreciation/amortisation, value adjustments and write-ups on receivables, tangible fixed assets and financial assets	303,728	327,720
Increase/decrease in provisions	113,588	144,201
Change in other non-cash items	–1,123	533
Result from the sale of financial assets and tangible fixed assets and leased assets	–11,869	2,711
Interest result and dividend income	–1,104,841	–1,060,946
Other adjustments	0	0
Subtotal	–470,849	–406,259
Change in assets and liabilities from operating activities		
Change in receivables from financial institutions	–1,209,469	673,438
Change in receivables from customers	–2,180,639	–1,695,981
Change in debentures and other fixed-income securities	–1,780,691	–394,083
Change in shares and other non-fixed-income securities	0	–1
Change in other assets from operating activities	–35,345	–37,461
Change in liabilities to financial institutions	–170,973	–210,782
Change in liabilities to customers	3,369,345	561,051
Change in securitised liabilities	642,299	–660,814
Change in other liabilities from operating activities	814,870	21,676
Interest received	1,656,341	1,561,618
Dividends received	4,981	4,646
Interest paid	–556,481	–505,318
Income tax payments	–188,742	–143,822
Cash flow from operating activities	**–105,353**	**–1,232,092**
Cash inflows from the sale of leased assets	85,873	112,754
Cash outflows from the acquisition of leased assets	–232,550	–215,609
Cash inflows from the sale of subsidiaries and joint ventures	0	–
Cash outflows from the acquisition of subsidiaries and joint ventures	–494	–1,263
Cash inflows from the sale of other assets	988	759
Cash outflows from the acquisition of other assets	–7,504	–5,586
Change in investments in securities	827,271	857,862
Cash flow from investing activities	**673,584**	**748,917**
Cash inflows from changes in capital	10,000	350,000
Profit transfer to Volkswagen Financial Services AG	–179,522	–125,568
Change in funds resulting from subordinated capital	–225,000	115,000
Cash flow from financing activities	**–394,522**	**339,432**
Cash and cash equivalents at the end of the previous period	**470,413**	**614,194**
Cash flow from operating activities	–105,353	–1,232,092
Cash flow from investing activities	673,584	748,917
Cash flow from financing activities	–394,522	339,432
Effects from exchange rate changes	–172	–38
Cash and cash equivalents at the end of the period	**643,950**	**470,413**

Notes

to the financial statements of Volkswagen Bank GmbH, Braunschweig, as at 31 December 2011

I. General comments regarding the annual financial statements

The annual financial statements were drawn up according to the stipulations of the German Commercial Code (HGB) and the Ordinance on Accounting for Banks (RechKredV).

A profit transfer agreement concluded with Volkswagen Financial Services AG came into effect on 1 January 2002.

Under § 285 no. 21 German Commercial Code (HGB), Volkswagen Bank GmbH must disclose material transactions with related parties that are not conducted at prevailing market terms. All transactions with related parties were conducted at prevailing market terms.

Volkswagen Bank GmbH executed five new ABS transactions in 2011, generating a cash inflow of € 2,514,000,000 (previous year: € 670,000,000) for Volkswagen Bank GmbH. Aside from the PD 2010-1 fixed transaction, whose revolving phase ended in September 2011, an additional six transactions from previous years are in the amortisation phase.

Besides generating one-time liquidity inflows, these transactions do not have any additional material effects on the current and future liquidity and financial position of Volkswagen Bank GmbH.

II. Accounting policies

Assets and liabilities are measured in accordance with the provisions of §§ 252 ff. HGB, supplemented by the provisions of §§ 340 ff. HGB.

Foreign currency transactions within the non-trading portfolio are measured in accordance with §§ 340h in conjunction with § 256a HGB. In accordance with the risk strategy of Volkswagen Bank GmbH, the portfolio of assets, liabilities or futures that is hedged in accordance with § 340h HGB comprises all material foreign currency transactions. The hedged transactions are allocated at the level of individual contracts. They are measured at the reporting date middle spot rate. Income and expenses from the translation of foreign currency items hedged through foreign currency items in the same currency are accounted for in the profit and loss account.

Pursuant to § 256a sentence 1 HGB, foreign currency assets and liabilities not subject to special hedge accounting in the same currency are translated at the reporting date middle spot rate, taking the acquisition cost and imparity principle into account. If the residual term is one year or less, the gains and losses from currency translation are fully recognised through profit and loss in accordance with § 256a sentence 2 HGB.

Unsettled forward exchange transactions within the non-trading portfolio that serve to hedge interest-bearing balance sheet items are measured by applying the split forward rate method. This involves splitting up the forward exchange transactions into its components, spot rate and swap rate (premium/discount). Premium and discount are accrued pro rata temporis like interest over the term of the forward exchange transaction. The transaction is accounted for by contrasting its spot basis with the reporting date middle spot rate. Positive and negative spot rate differences within the same currency are offset. The net amount is shown as an adjustment item under "Other assets" or "Other liabilities".

The interest rate and currency derivatives concluded by Volkswagen Bank GmbH are part of general economic hedging relationships. Use is not made of the explicit option to perform hedge accounting.
Tangible fixed assets and intangible assets with a limited period of use are depreciated using the straight-line method based on the useful lives defined in the tax depreciation tables.

The vehicles shown under Leased assets are depreciated using the straight-line method. In contrast to the previous year, leased assets acquired in 2011 are not depreciated over their standard useful life. Instead, they are depreciated to the agreed residual value over the contract term. Write-downs to the lower fair value are recognised in cases of a likely permanent impairment for the balance sheet items, tangible fixed assets, intangible assets and leased assets.

Equity investments are recognised at cost, receivables at their nominal value less provisions for risks, and liabilities at their settlement amount. Differences between net loan proceeds and nominal value are transferred to prepaid expenses/deferred income and written off according to schedule. Stock and shares in affiliated companies are measured at the lower of fair value or cost.

Volkswagen Bank GmbH repurchased some of the securities from the ABS transactions Private Driver 2008-2, Private Driver 2008-3, Private Driver 2008-4, Private Driver 2010-1 fixed, Private Driver 2011-2 and Private Driver 2011-3. As there was no transfer of the economic ownership of the receivables, these are still reported in the balance sheet. They are balanced by other liabilities in the amount of the purchase price received, which are proportionately reduced through the transfer of the cash receipts from the customer financing. The difference between these and the payments received is recognised as interest expense. In 2011, the method used to measure these liabilities was changed for the ABS transactions Private Driver 2008-2, Private Driver 2008-3, Private Driver 2008-4 and Private Driver 2010-1 fixed. This gave rise to a transition effect of € 11.0 million in interest expense relating to previous years.

The measurement of provisions is based on the best estimate of the necessary settlement value.

Dr. Klaus Heubeck's current mortality tables from 2005 were used in the measurement of the pension obligations. The provisions for pension obligations are discounted using the average market interest rate for the last seven years. The residual term of the obligations is generally assumed to be 15 years. The pension provisions comprise the sum of the pension liabilities and the attendant plan assets recognised at fair value.

Pursuant to § 253 Para. 2 HGB, other provisions with a residual term of more than one year were discounted based on their residual term. The discount rates published by Deutsche Bundesbank for the residual terms were applied, and the mark-up contains the expected inflation rate for the corresponding terms.

Volkswagen Bank GmbH's banking book was examined in accordance with IDW ERS BFA 3 to determine whether it was necessary to recognise provisions for anticipated losses; there were no indications that this is the case.

Loans involving securities are measured based on the securities' fair value at the transaction date. For securities in the liquidity reserves, which are measured based on market-related parameters, the strict lower-of-cost-or-market principle is applied, while securities shown under assets are measured according to the modified lower-of-cost-or-market principle.

For all discernible risks, adequate precautions have been taken in the annual financial statements by means of individual value adjustments and by creating provisions. The deferred risk in the lending business is covered by general value adjustments.

III. Notes to the balance sheet

RECEIVABLES FROM FINANCIAL INSTITUTIONS

Receivables from financial institutions include receivables from affiliated companies amounting to € 449,883,000 (previous year: € 530,516,000) and receivables from investees amounting to € 6,518,000 (previous year: € 6,502,000).

Of the receivables from financial institutions, maturity breaks down as follows:

- Payable on demand € 491,980,000 (previous year: € 199,941,000)
- Up to three months € 1,430,105,000 (previous year: € 463,256,000)
- More than three months and up to one year € 0 (previous year: € 0)
- More than one year and up to five years € 0 (previous year: € 49,419,000)
- More than five years € 0 (previous year: € 0)

All receivables from financial institutions are unsecuritised.

RECEIVABLES FROM CUSTOMERS

This item includes receivables from affiliated companies amounting to € 1,702,741,000 (previous year: € 1,867,163,000) and receivables from investees amounting to € 1,411,628,000 (previous year: € 1,208,706,000).

The maturity of the total receivables from customers, all of which are unsecuritised, breaks down as follows:

- Up to three months € 6,325,386,000 (previous year: € 5,642,111,000)
- More than three months and up to one year € 4,792,540,000 (previous year: € 4,662,652,000)
- More than one year and up to five years € 13,711,932,000 (previous year: € 12,430,632,000)
- More than five years € 505,361,000 (previous year: € 398,538,000).

The item "Receivables from customers" contains receivables with an indefinite maturity (under § 9 Para. 3 No.1 Ordinance on Accounting for Banks) amounting to € 3,336,563,000 (previous year: € 3,537,428,000).

The balance sheet item "Receivables from customers" includes subordinated receivables of € 4,000,000 (previous year: € 4,000,000).

Receivables from the leasing business total € 1,204,846,000 (previous year: € 1,045,030,000), of which € 643,851,000 (previous year: € 566,672,000) are attributable to the French bank branch and € 560,995,000 (previous year: € 478,358,000) are attributable to the Italian bank branch.

The French bank branch accounts for receivables from retail financing totalling € 973,437,000 (previous year: € 673,498,000).

RECEIVABLES FROM SHAREHOLDERS

Receivables from our sole shareholder, Volkswagen Financial Services AG, Braunschweig, as at the balance sheet date amounted to € 0 (previous year: € 420,097,000).

DEBENTURES AND OTHER FIXED-INCOME SECURITIES

To ensure the supply of liquidity, Volkswagen Leasing GmbH executed ABS transactions. The securities issued by the acquiring special purpose entities were not sold to investors. Instead, they were purchased by Volkswagen Bank GmbH and pledged as collateral for its participation in the open market operations of Deutsche Bundesbank. The total portfolio of these securities amounts to € 477,539,000 (previous year: € 1,067,077,000). Of this amount, € 0 (previous year: € 92,706,000) are allocated to assets and € 477,539,000 (previous year: € 974,371,000) are allocated to the liquidity reserves. The securities allocated to assets are measured according to the modified lower-of-cost-or-market principle; the securities allocated to the liquidity reserves are measured according to the strict lower-of-cost-or-market principle. Given the lack of a market, we used our own measurement model to determine the value of these securities, which are marketable but not listed. The cash flows were discounted in that connection using a uniform interest rate swap curve of the Volkswagen Group plus a credit spread. The credit spread was validated by indirect means based on various banks' indicative prices.

This item also contains the securities that Volkswagen Bank GmbH acquired from 2008 to 2011 as part of ABS transactions. These securities worth € 2,966,582,000 (previous year: € 2,100,991,000) securitise the company's own receivables and are not measured because the risk of counterparty default is already taken into account in the receivables' measurement. The debentures are recognised at cost less repayments received during the term of the transactions.

The Bank purchased € 800,874,000 in AAA-rated European government bonds for the first time (previous year: € 0) for purposes of investing liquidity currently not required for the lending business at advantageous interest rates and as additional collateral for participating in the open market operations. These securities have been allocated to current assets and are measured at the strict lower-of-cost-or-market principle.

The item also contains € 51,005,000 in debentures borrowed (previous year: € 172,433,000) and other debentures amounting to € 7,692,000 (previous year: € 9,771,000).

The securities and debentures shown in this balance sheet item concern € 3,451,813,000 (previous year: € 3,177,839,000) in marketable but not listed securities as well as € 851,880,000 (previous year: € 172,433,000) in marketable and listed securities.

The securities in the portfolio in the amount of € 4,243,698,000 (previous year: € 3,350,272,000) were deposited in the safe custody account with Deutsche Bundesbank. The serve as collateral for refinancing transactions. The company did not take out any loans on the open market.

A nominal amount of € 1,737,413,000 (previous year: € 1,557,782,000) of these debentures and other fixed-income securities will be due in the 2011 financial year.

The debentures and other fixed-income securities do not include any securities concerning affiliated companies or investors or investees.

SHARES AND OTHER NON-FIXED-INCOME SECURITIES

A total of € 503,000 in marketable and listed shares in VISA Inc., USA (previous year: € 503,000) were recognised by applying the strict lower-of-cost-or-market principle.

EQUITY INVESTMENTS AND SHARES IN AFFILIATED COMPANIES

A list of equity investments and information on shares in affiliated companies can be found in the “Shareholdings” section under “Other notes”.

Volkswagen Bank GmbH’s shares in the equity investments and shares in affiliated companies are neither marketable nor listed.

INTANGIBLE ASSETS

Intangible assets increased by € 1,483,000 to € 8,662,000 (previous year: € 7,179,000).
The merger of Volkswagen Insurance Brokers GmbH, Braunschweig, into Volkswagen Bank GmbH gave rise to goodwill of € 1,333,000. The assets and liabilities transferred as part of the merger were recognised at their carrying amounts. The residual useful life of the goodwill at the reporting date is seven years. According to an expert opinion, it can be assumed that the contracts taken over will remain in effect for up to twelve more years.

TANGIBLE FIXED ASSETS

The total value of the buildings and land used for our own activities is € 4,272,000 (previous year: € 4,439,000). The share of operating and office equipment in the tangible fixed assets is € 4,603,000 (previous year: € 3,668,000).

LEASED ASSETS

This item comprises € 389,085,000 (previous year: € 347,964,000) in leased vehicles related to the operating leasing business of Volkswagen Bank GmbH's French branch.

OTHER ASSETS

The item contains receivables from interest rate hedging transactions amounting to € 72,239,000 (previous year: € 59,440,000), commissions due from insurance agency services amounting to € 7,975,000 (previous year: € 3,113,000) and tax receivables amounting to € 76,236,000 (previous year: € 90,920,000), of which € 47,740,000 arise from the Italian bank branch's input tax credit. It also contains € 31,641,000 in claims against the special purpose ABS entities related to returns of collateral provided that are not yet due, fees for services and interest (previous year: € 12,235,000).

PREPAID EXPENSES

The item includes accrued discounts amounting to € 2,703,000 (previous year: € 3,497,000) and insurance premiums paid in advance amounting to € 466,000 (previous year: € 1,197,000) as well as prepaid commission due to the growth in new business at the Italian bank branch amounting to € 21,929,000 (previous year: € 16,930,000).

LIABILITIES TO FINANCIAL INSTITUTIONS

The maturity of the total liabilities to financial institutions, all of which are unsecuritised, breaks down as follows:

> Payable on demand € 8,695,000 (previous year: € 112,706,000)
> Up to three months € 18,438,000 (previous year: € 28,094,000)
> More than three months and up to one year € 11,383,000 (previous year: € 59,769,000)
> More than one year and up to five years € 46,083,000 (previous year: € 50,666,000)
> More than five years € 41,676,000 (previous year: € 46,013,000).

As in the previous year, the liabilities to financial institutions do not contain any liabilities to affiliated companies or investors and investees.

LIABILITIES TO CUSTOMERS

The item includes unsecuritised liabilities to affiliated companies amounting to € 3,033,290,000 (previous year: € 2,174,033,000).

Customer deposits (including direct bank deposits) markedly increased as a result of competitive terms and our intensifying collaboration with sales partners. Currently, they are € 22,592,078,000 (previous year: € 20,078,104,000).

In addition to this, there are liabilities still to be settled vis-à-vis dealers, customers and other creditors.

The maturity of sub-item "ab) with agreed repayment period or period of notice", is as follows:

> Up to three months € 4,705,716,000 (previous year: € 2,129,391,000)
> More than three months and up to one year € 1,759,107,000 (previous year: € 1,002,907,000)
> More than one year and up to five years € 522,571,000 (previous year: € 3,601,089,000)
> More than five years € 30,074,000 (previous year: € 60,658,000).

As in the previous year, the liabilities to customers do not contain any liabilities to investors and investees.

LIABILITIES TO SHAREHOLDERS

Liabilities to our sole shareholder, Volkswagen Financial Services AG, Braunschweig, as at the balance sheet date amounted to € 771,029,000 (previous year: € 211,525,000).

SECURITISED LIABILITIES

The securitised liabilities comprise commercial paper and debentures.

The item, "a) Debentures issued", comprises the following:
Debentures: € 3,395,368,000 (previous year: € 2,894,661,000)

Remaining maturity:
> Up to three months € 55,368,000 (previous year: € 14,661,000)
> More than three months and up to one year € 1,065,000,000 (previous year: € 1,330,000,000)
> More than one year and up to five years € 2,275,000,000 (previous year: € 1,550,000,000)
> More than five years € 0 (previous year: € 0)

The item, "b) Other securitised liabilities", comprises the following:
Commercial paper: € 265,453,000 (previous year: € 123,861,000)

Remaining maturity:
> Up to three months € 235,701,000 (previous year: € 123,861,000)
> More than three months and up to one year € 29,752,000 (previous year: € 0)

The securitised liabilities do not contain any liabilities to affiliated companies or investors and investees.

Of the debentures issued, € 1,090,000,000 becomes due in the following year.

OTHER LIABILITIES

Of the liabilities, € 3,120,501,000 (previous year: € 2,186,033,000) is collateralised. These liabilities stem from ABS transactions where Volkswagen Bank GmbH retains economic ownership of the receivables sold.

This item also includes interest and principal payable under ABS transactions amounting to € 128,446,000 (previous year: € 213,976,000), liabilities from interest rate hedging transactions amounting to € 26,336,000 (previous year: € 20,251,000), liabilities to the German Tax Office amounting to € 42,479,000 (previous year: € 44,040,000) and liabilities from accrued interest for subordinated bonds and for participation right liabilities amounting to € 11,207,000 (previous year: € 11,360,000).

Forward exchange transactions executed to hedge currency translation risks resulted in an equalisation item under other liabilities amounting to € 19,261,000 (previous year: € 19,192,000).

DEFERRED INCOME

This item essentially comprises accrued amounts from manufacturer and partner participation in sales promotion campaigns in the amount of € 437,027,000 (previous year: € 491,359,000) as well as interest payments received for construction loans in the amount of € 4,722,000 (previous year: € 4,266,000), which are recognised over the term of the respective contracts.

PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

The pension obligations are determined annually by an independent actuary according to the projected unit credit method.

The material actuarial principles and measurement assumptions applied by Volkswagen Bank GmbH are:

	Germany	Abroad
Discount rate	5.14 %	5.00 – 5.30 %
Expected rate of salary increases	2.80 %	2.00 – 5.00 %
Expected rate of pension increases	1.50 %	2.00 – 3.00 %
Fluctuation rate	0.75 %	0.00 – 2.00 %

For reasons of materiality, actuarial assumptions made for countries outside Germany are shown in ranges.

Securities-based investment funds totalling a settlement amount of € 11,636,000 were offset against pension obligations and comparable obligations. These securities were purchased at a cost of € 12,512,000, and their fair value as at the balance sheet date was € 11,636,000. The securities were measured at their balance sheet date closing price.

A total of € 220,000 in expenses from the fair value obligation of the securities-based investment fund were offset against € 220,000 in interest income related to provisions in connection with the netting of the fair value obligation and the respective securities-based investment funds.

OTHER PROVISIONS

A total of € 154,499,000 were recognised in other provisions during the reporting year for the first time in connection with risks from an amended court ruling. In addition, provisions of € 43,731,000 were recognised for indirect residual value risks (previous year: € 63,982,000).

SPECIAL TAX-ALLOWABLE RESERVE

The special tax-allowable reserve was recognised on the basis of § 3 of the Law for the Promotion of the Economy of the Border Regions (Zonen-RFG). The reversal of this reserve in the reporting period increased net income for the year by € 70,000 (previous year: € 606,000).

SUBORDINATED LIABILITIES

The total portfolio of subordinated liabilities amounts to € 565,000,000 (previous year: € 790,000,000).

Subordinated liabilities amounting to € 512,368,000 (previous year: € 743,718,000) are a component of liable capital under the stipulations of the German Banking Act (§ 10 Para. 5a).

The total amount includes subordinated bonds placed on the public capital market amounting to € 136,000,000 (previous year: € 316,000,000) and subordinated borrower's note loans amounting to € 134,000,000 (previous year: € 134,000,000).

There are no early repayment obligations for the subordinated liabilities.

A conversion into capital or other form of debt has not been agreed, nor is it planned. Derivative transactions were undertaken in order to hedge interest rate risks. The expenses in connection with the raising of subordinated loans and bonds amounted to € 18,127,000 (previous year: € 16,007,000).

The expenses in connection with the raising of subordinated borrower's note loans amounted to € 6,936,000 (previous year: € 6,943,000).

The subordinated liabilities to affiliated companies amount to € 295,000,000 (previous year: € 340,000,000). This item includes € 125,000,000 in liabilities to our sole shareholder (previous year: € 170,000,000) and € 170,000,000 in liabilities to other affiliated companies (previous year: € 170,000,000). There are no subordinated liabilities to other investees or investors.

SUBORDINATED BONDS

AS AT:	31.12.2011		LISTED		
Beginning of term	€ million	Interest rate	Valid until	New interest rate agreement based on	Due date
11.09.2003	16.0	5.25000 %	11.09.2013	Fixed interest rate	11.09.2013
19.09.2003	50.0	5.12500 %	19.09.2013	Fixed interest rate	19.09.2013
26.09.2003	20.0	5.40000 %	26.09.2023	Fixed interest rate	26.09.2023
23.09.2003	10.0	2.53600 %	23.03.2012	6-month Euribor plus 80 basis points	23.09.2013
19.12.2003	10.0	5.14200 %	19.12.2013	Fixed interest rate	19.12.2013
07.06.2004	10.0	5.50000 %	07.06.2024	Fixed interest rate	07.06.2024
18.08.2004	20.0	5.12500 %	18.08.2014	Fixed interest rate	18.08.2014

Nor subordinated bond exceeds 10 % of the total amount of subordinated liabilities. In the event of the issuer's dissolution, liquidation or insolvency, obligations under these bonds will be subordinated to the claims of all unsubordinated creditors of the issuer so that in any such event no amounts shall be payable under such obligations until the claims of all unsubordinated creditors of the issuer shall have been satisfied in full. No subsequent agreement may limit the subordination or shorten the term of the bond. Early redemption of the bonds shall be possible no earlier than five years after their issue and shall require the redemption of the respective bond by the issuer. A redemption is conditional upon a replacement of the early redemption amount by paying in other liable capital of at least equivalent status within the meaning of the German Banking Act or prior approval of the Federal Financial Supervisory Authority to such redemption. Furthermore, the issuer may redeem the bonds due to changes in the tax laws or regulations of the Federal Republic of Germany or any change in the official interpretation of such laws and regulations.

SUBORDINATED BORROWER'S NOTE LOANS

AS AT:	31.12.2011				
Beginning of term	€ million	Interest rate	Valid until	New interest rate agreement based on	Due date
20.07.2004	5.0	5.27000 %	21.07.2014	Fixed interest rate	21.07.2014
20.07.2004	5.0	5.27000 %	21.07.2014	Fixed interest rate	21.07.2014
22.07.2004	20.0	5.22000 %	22.07.2014	Fixed interest rate	22.07.2014
06.08.2004	10.0	5.19700 %	06.08.2014	Fixed interest rate	06.08.2014
11.08.2004	10.0	5.16000 %	11.08.2014	Fixed interest rate	11.08.2014
16.08.2004	10.0	5.07000 %	15.08.2014	Fixed interest rate	15.08.2014
25.08.2004	10.0	5.07000 %	25.08.2014	Fixed interest rate	25.08.2014
17.08.2004	10.0	5.07000 %	18.08.2014	Fixed interest rate	18.08.2014
04.08.2004	2.5	5.21000 %	04.08.2014	Fixed interest rate	04.08.2014
04.08.2004	10.0	5.21000 %	04.08.2014	Fixed interest rate	04.08.2014
04.08.2004	5.0	5.21000 %	04.08.2014	Fixed interest rate	04.08.2014
04.08.2004	2.5	5.21000 %	04.08.2014	Fixed interest rate	04.08.2014
19.08.2004	2.0	5.10000 %	19.08.2014	Fixed interest rate	19.08.2014
19.08.2004	12.0	5.10000 %	19.08.2014	Fixed interest rate	19.08.2014
28.07.2004	10.0	5.08000 %	28.07.2014	Fixed interest rate	28.07.2014
13.08.2004	10.0	5.20000 %	13.08.2014	Fixed interest rate	13.08.2014

SUBORDINATED LOANS

AS AT:	31.12.2011				
Beginning of term	€ million	Interest rate	Valid until	New interest rate agreement based on	Due date
10.11.2009	15.0	3.21400 %	13.02.2011	3-month Euribor plus 175 basis points	14.11.2014
22.12.2009	90.0	3.16800 %	21.03.2011	3-month Euribor plus 175 basis points	22.01.2015
01.07.2010	20.0	4.05700 %	05.01.2011	3-month Euribor plus 250 basis points	06.07.2015
28.09.2010	170.0	3.55700 %	04.01.2011	3-month Euribor plus 200 basis points	05.10.2015

The subordinated loans in the amount of € 90,000,000 and € 170,000,000 exceed 10 % of the total amount of subordinated liabilities. In the event of the issuer's dissolution, liquidation or insolvency, obligations will be subordinated to the claims of all unsubordinated creditors of the issuer so that in any such event no amounts shall be payable under such obligations until the claims of all unsubordinated creditors of the issuer shall have been satisfied in full. No subsequent agreement may limit the subordination or shorten the term of these loans. Early repayment of the loans shall be possible and shall require the termination of the respective loan by the debtor. A redemption is conditional upon a replacement of the early redemption amount by paying in other liable capital of at least equivalent status within the meaning of the German Banking Act or prior approval of the Federal Financial Supervisory Authority to such redemption. Furthermore, the debtor may terminate and repay the loans due to changes in the tax laws or regulations of the Federal Republic of Germany or any change in the official interpretation of such laws and regulations.

Notwithstanding § 11 Ordinance on Accounting for Banks, the deferred interest for subordinated liabilities is shown in the balance sheet item “Other liabilities”, since interest is not offset in regulatory liable capital.

PARTICIPATION RIGHT LIABILITIES

Participation right liabilities are no longer included in the liable capital because the residual term fell below the two-year threshold.
Of the obligations totalling € 90,000,000, € 825,000 are attributable to affiliated companies, as in the previous year. Derivative transactions were undertaken in order to hedge interest rate risks. The expenses in connection with the raising of funds amounted to € 6,485,000 (previous year: € 6,491,000).

AS AT:	31.12.2011				
Beginning of term	€ 000	Interest rate	Valid until	New interest rate agreement based on	Due date
27.03.2002	90,000	7.15000 %	02.05.2012	Fixed interest rate for the entire term	02.05.2012

Notwithstanding § 11 Ordinance on Accounting for Banks, the deferred interest for participation right liabilities is shown in the balance sheet items "Liabilities to customers" and "Other liabilities".

EQUITY

The Bank's equity in the previous year contained a silent partner contribution of Volkswagen-Versicherungsdienst GmbH amounting to € 40,000,000.

The silent partner contribution was terminated effective 31 December 2010, and it was repaid after the annual financial statements for 2010 of Volkswagen Bank GmbH had been approved.

In the 2011 financial year, Volkswagen Financial Services AG paid € 50,000,000 into the capital reserves of Volkswagen Bank GmbH. This lifted the capital reserves of Volkswagen Bank GmbH to € 3.6 billion as at 31 December 2011 (previous year: € 3.5 billion).

DEVELOPMENT OF THE FIXED ASSETS OF VOLKSWAGEN BANK GMBH, BRAUNSCHWEIG, FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2011

	GROSS BOOK VALUES					
€ 000	Brought forward 1.1.2011	Additions from merger	Additions	Disposals	Foreign currency translation	Balance 31.12.2011
Debentures and other fixed-income securities	1,194,330	0	0	827,271	0	367,059
Equity investments	1,080,080	0	0	0	0	1,080,080
Investments in affiliated companies	1,263	0	494	816	0	941
Concessions and similar rights acquired free of charge	25,110	280	3,956	0	373	29,719
Goodwill	141,982	2,500	0	0	0	144,482
Land, similar rights and buildings on land owned by others	23,320	1	494	220	0	23,595
Other plant, operational and office equipment	13,507	27	3,054	1,346	0	15,242
Leased assets	511,666	0	232,550	184,538	0	559,678
Total fixed assets	**2,991,258**	**2,808**	**240,548**	**1,014,191**	**373**	**2,220,796**

	VALUE ADJUSTMENTS						NET BOOK VALUES	
€ 000	Brought forward 1.1.2011	Additions from merger	Additions	Disposals	Foreign currency translation	Balance 31.12.2011	Balance 31.12.2011	Balance 31.12.2010
Debentures and other fixed-income securities	0	0	0	0	0	0	367,059	1,194,330
Equity investments	0	0	0	0	0	0	1,080,080	1,080,080
Investments in affiliated companies	0	0	0	0	0	0	941	1,263
Concessions and similar rights acquired free of charge	17,931	213	3,879	0	201	22,224	7,495	7,179
Goodwill	141,982	1,167	166	0	0	143,315	1,167	0
Land, similar rights and buildings on land owned by others	16,935	1	807	124	0	17,619	5,976	6,385
Other plant, operational and office equipment	9,839	21	1,421	642	0	10,639	4,603	3,668
Leased assets	163,702	0	117,237	110,346	0	170,593	389,085	347,964
Total fixed assets	**350,389**	**1,402**	**123,510**	**111,112**	**201**	**364,390**	**1,856,406**	**2,640,869**

IV. Notes to the profit and loss account

INTEREST INCOME FROM LENDING AND MONEY MARKET TRANSACTIONS

The proportion of interest income generated at the foreign branches is 28.0 % (previous year: 24.5 %). The branches in Italy and France account for the largest share of this amount.

The interest income from lending and money market transactions contains € 86,937,000 in income from finance leasing (previous year: € 83,233,000).

INCOME FROM LEASING TRANSACTIONS

The income from leasing transactions comprises earnings from operating leasing that are generated by the bank's branch in France. The total amount was € 280,207,000 (previous year: € 260,938,000).

EXPENSES FROM LEASING TRANSACTIONS

The expenses from leasing transactions amounting to € 120,596,000 (previous year: € 137,404,000) basically concern the derecognition of residual book values upon expiration of the leasing agreements.

NET COMMISSION INCOME

Commission income essentially results from selling insurance, especially residual debt insurance, from the administration and collection of receivables sold through the ABS transactions, and from other fees earned in the private customer business.

Commission income includes an income of € 1,128,000 (previous year: 1,435,000) which is not related to the accounting period and which essentially results from special compensation for residual debt and unemployment insurance as well as from the credit card business.

Commission expenses essentially comprise dealer commissions in the consumer lending business.

OTHER OPERATING INCOME

The item contains € 55,816,000 (previous year: € 22,667,000) in income not related to the accounting period, of which € 4,132,000 (previous year: € 2,849,000) is in connection with the internal cost apportionment of the Volkswagen Financial Services AG Group and € 45,834,000 (previous year: € 17,594,000) is income from the reversal of provisions. The other operating income also contains € 15,701,000 in income from currency translation (previous year: € 1,872,000) and € 365,000 in effects from the discounting of provisions (previous year: € 0).

GENERAL ADMINISTRATION EXPENSES

The general administration expenses totalled € 585,783,000 (previous year: € 485,068,000). Aside from the personnel expenses of € 82,636,000 (previous year: € 68,148,000), allocated Group company costs of € 237,454,000 (previous year: € 196,208,000) accounted for a substantial portion of these expenses. These essentially concerned personnel leases.

DEPRECIATION, AMORTISATION AND VALUE ADJUSTMENTS TO INTANGIBLE AND TANGIBLE FIXED ASSETS AND LEASED ASSETS

Depreciation on leased assets amounting to € 117,236,000 (previous year: 110,422,000) is shown as a separate sub-item of this item.

The depreciation of the leased assets recognises the decline in the value of the leased vehicles belonging to the French branch. The straight-line method is used in that connection.

OTHER OPERATING EXPENSES

This item essentially results from a large number of individual items. It includes an amount of € 5,567,000 (previous year: € 2,600,000) in expenses not related to the accounting period, of which € 1,762,000 (previous year: € 1,750,000) concern the Italian branch. The other operating expenses also contain € 12,042,000 in expenses from currency translation (previous year:

€ 11,057,000) and € 3,085,000 in effects from the discounting of provisions (previous year: € 3,772,000). The method for determining provisions for indirect residual value risks was further refined during the reporting period. Risks from changed court rulings were fully accounted for by recognising provisions of € 154 million in 2011, giving rise to most of the substantial increase in other operating expenses (€ +127.7 million).

EXTRAORDINARY INCOME

The affiliated company, Volkswagen Insurance Brokers GmbH, was merged into Volkswagen Bank GmbH to retroactive effect from 1 January 2011. This merger, which was recognised at carrying amounts, gave rise to extraordinary income of € 1,752,000.

TAXES ON INCOME AND EARNINGS

This item comprises domestic and foreign taxes on income. Volkswagen Financial Services AG, as the parent company, debited the domestic income tax of € 164,078,000 (previous year: € 115,486,000) for the current year to Volkswagen Bank GmbH within the framework of the consolidated tax group.

This item contains expenses of € 732,000 (previous year: € 11,039,000) not related to the accounting period and tax refunds received for previous years amounting to € 2,012,000 (previous year: € 2,197,000).

Solely € 71,940,000 (previous year: € 18,781,000) in the branches' deferred tax assets and € 30,950,000 (previous year: € 19,314,000) in their deferred tax liabilities were offset under the deferred taxes.

Offsetting tax assets and tax liabilities yields an excess of € 40,990,000 in tax assets (previous year: € 0), which will not be capitalised, given the option under § 274 German Commercial Code.

The determination was made individually at the tax rates applicable in the given countries. The deferred tax liabilities arise only in the French branch in the amount of € 30,950,000 (previous year: € 19,314,000) and result almost exclusively from the differences in the leased assets' useful lives.

For the most part, deferred tax assets arise in the company’s Greek, Italian and Spanish branches, basically due to variations in the recognition of intangible assets as well as to the value adjustments.

V. Other notes

CONSOLIDATION ACCOUNTING

The annual financial statements of Volkswagen Bank GmbH are included in the consolidated financial statements of Volkswagen Bank GmbH, Braunschweig, which are drawn up according to the International Financial Reporting Standards. The consolidated financial statements of Volkswagen Bank GmbH, in turn, are included in the consolidated financial statements of Volkswagen AG, Wolfsburg. Both the single-entity financial statements of Volkswagen Bank GmbH and the consolidated financial statements of Volkswagen AG are published in the Electronic Federal Gazette.

SHAREHOLDINGS

Volkswagen Bank GmbH holds a 50 % stake in the Dutch company, Global Mobility Holding B.V., Amsterdam; it has a book value of € 1,063,874,000. The total nominal capital of the company amounts to € 900,000,000. No obligations arise from this equity investment. The profit of Global Mobility Holding B.V., Amsterdam, for the period from 1 January 2010 to 31 December 2010 was € 4,297,000. The company's equity as at 31 December 2010 was € 2,090,000.

The bank holds a 0.035 % stake in Society for Worldwide Interbank Financial Telecommunication SCRL (S.W.I.F.T. SCRL), La Hulpe, Belgium. The company's nominal capital as at 31 December 2010 was € 13,913,000. No obligations arise from this equity investment. The company's equity as at 31 December 2010 was € 296,346,000.

The Bank holds a share of € 40,000 (0.02 %) in Liquiditäts-Konsortialbank GmbH, Frankfurt am Main. From this equity investment there arises an obligation to make further contributions as well as a joint liability to make up for deficits. The company's equity as at 31 December 2010 was € 230,863,000.

Volkswagen Bank GmbH has an equity investment of € 10 in the € 1,047 nominal capital of VISA Europe Limited, London. This equity investment was bestowed upon Volkswagen Bank GmbH on 1 July 2004 at no charge. No obligations arise from this equity investment. The equity of VISA Europe Limited as at 30 September 2010 was € 313,986,000. According to its consolidated financial statements, VISA Europe Limited posted profits of € 44,950,000 in the 2009/2010 financial year.

The bank holds a 60 % share in VOLKSWAGEN BANK POLSKA S. A., Warsaw. The profit of VOLKSWAGEN BANK POLSKA S. A. for the 2010 financial year amounts to PLN 32,242,000 (previous year: PLN 17,122,000). The company's equity as at 31 December 2010 was PLN 231,650,000. The company holds a Polish banking licence.

Volkswagen Bank GmbH owned a 100 % stake in the affiliated company, Volkswagen Insurance Brokers GmbH, Braunschweig. The company was merged into Volkswagen Bank GmbH to retroactive effect from 1 January 2011 based on an agreement dated 26 July 2011. The assets and liabilities transferred as part of the merger were recognised at their carrying amounts. This gave rise to extraordinary income of € 1,752,000.

Furthermore, the bank holds a 1 % stake in its affiliate, Limited Liability Company Volkswagen Bank RUS. The entity is domiciled in Moscow, Russian Federation. The company was entered in the Moscow commercial register on 02 July 2010. Its first financial year ended on 31 December 2010. The company's equity at that time was RUB 1,693,629,000. Its loss in the 2010 financial year amounted to RUB 66,371,000. The company holds a Russian banking licence.

CONTINGENT LIABILITIES AND OTHER OBLIGATIONS

Aside from one individual credit commitment in the amount of € 150 million to a joint venture, all irrevocable credit commitments are related to the regular banking business. They can be utilised at any time. These loans are subject to general credit monitoring rules and regulations if they are used.

The contingent liabilities in the amount of € 97,224,000 (previous year: € 99,881,000) solely comprise guarantees.

The guarantees essentially comprise GBP 50 million concerning Volkswagen Financial Services (UK) Ltd, € 25,148,000 concerning international customers and € 9,451,000 concerning the hedging of risks arising from dealerships' liabilities.

The risk of liability under the guarantees is considered relatively low because a substantial portion of the total guarantee amount serves to hedge liabilities of Volkswagen AG Group companies.

OFF-BALANCE SHEET TRANSACTIONS AND OTHER FINANCIAL OBLIGATIONS

Derivative financial instruments

Derivative transactions were undertaken in order to hedge interest rate and currency risks. This involved interest rate swaps, currency swaps and forward exchange transactions purely for hedging purposes. Based on the market swap rates, the market values of the interest rate swaps, forward exchange transactions and currency swaps were determined using suitable IT-based valuation methods (discounted cash flow method). They are not shown in the balance sheet. Interest on interest rate swaps is accrued according to their maturity.

Pursuant to § 285 No. 19 HGB, the derivative financial instruments break down as follows:

in € million	Nominal value 31.12.2010	Nominal value 31.12.2011	Market values* positive 31.12.2010	Market values* positive 31.12.2011	Market values* negative 31.12.2010	Market values* negative 31.12.2011
Interest rate risks						
Interest rate swaps	12,279.1	13,448.9	155.0	170.9	60.0	79.9
Currency risks						
Forward exchange transactions	1,454.1	1,712.7	9.4	2.4	29.0	22.3
Currency swaps	43.1	302.5	0.0	7.9	3.6	7.5
Cross-currency interest rate risks						
Cross-currency interest rate swap	0.0	76.7	0.0	0.0	0.0	0.8
Derivative transactions total	**13,776.3**	**15,540.8**	**164.4**	**181.2**	**92.6**	**110.5**

*The market value including accrued interest is shown for all contracts.

The maturity of the derivatives breaks down as follows:

Nominal values in € million	Interest rate risks 31.12.2010	Interest rate risks 31.12.2011	Currency risks 31.12.2010	Currency risks 31.12.2011	Cross-currency interest rate risks 31.12.2010	Cross-currency interest rate risks 31.12.2011
Residual terms						
<= 3 months	715.0	803.0	1,040.2	1,485.2	0.0	0.0
<= 1 year	2,521.0	3,185.2	244.2	82.9	0.0	76.7
<= 5 years	8,159.2	8,089.1	212.8	447.1	0.0	0.0
> 5 years	883.9	1,371.6	0.0	0.0	0.0	0.0

Other financial obligations
Volkswagen Bank GmbH assumed € 650,000 in other financial commitments under a sponsorship agreement.

FOREIGN CURRENCIES

The total of assets in foreign currency on the balance sheet date amounted to € 2,346,442,000 (previous year: € 1,717,774,000). Foreign currency liabilities amounted to € 114,091,000 (previous year: € 107,543,000).

The volume of open forward exchange transactions in foreign currencies as at the reporting date was € 1,712,737,000 (previous year: € 1,454,126,000). The nominal value of the currency swaps was € 302,451,000 (previous year: € 43,082,000).

INFORMATION ON CORPORATE BODIES

Two members of the Board of Management were paid by Volkswagen Bank GmbH. Their total compensation was € 1,182,000 (previous year: € 930,000); the remainder of the total compensation paid to the members of the Board of Management was borne by Volkswagen Financial Services AG. The pro rata provisions recognised for this group of people in connection with current pensions and entitlements amount to € 2,865,000 (previous year: € 2,719,000).

The Board of Management is comprised as follows:

RAINER BLANK
Spokesman of the Board of Management
Business Line Individual Customers & Corporate Customers (until 06.10.2011)
Sales Individual Customers & Corporate Customers
Customer Service & Process Management Individual Customers (from 06.10.2011)
International

ANTHONY BANDMANN (from 01.02.2012)

DR. MICHAEL REINHART
Finance, Risk Management
Market Support, Dealer Restructuring
Human Resources, Organisation

TORSTEN ZIBELL
Direct bank
Treasury

As in the previous year, no remuneration has been granted to the members of the Supervisory Board for their Supervisory Board activities.

The Supervisory Board is comprised as follows:

HANS DIETER PÖTSCH
Chairman
Member of the Board of Management of Volkswagen AG
Finance and Controlling

PROF. DR. HORST NEUMANN
Deputy Chairman
Member of the Board of Management of Volkswagen AG
Human Resources and Organisation

WALDEMAR DROSDZIOK
Deputy Chairman
Chairman of the Joint Works Council of Volkswagen Financial Services AG and Volkswagen Bank GmbH

DR. ARNO ANTLITZ
Member of the Board of Management Volkswagen Brand
Controlling and Accounting

DR. JÖRG BOCHE
Executive Vice President of VolkswagenAG
Group Treasurer

CHRISTIAN KLINGLER
Member of the Board of Management of Volkswagen AG
Sales and Marketing

DETLEF KUNKEL
General Secretary/Principal Representative of IG Metall Braunschweig

SIMONE MAHLER
General Secretary of the Joint Works Council of Volkswagen Financial Services AG and Volkswagen Bank GmbH (until 02.04.2011)
Deputy Chairman of the Joint Works Council of Volkswagen Financial Services AG and Volkswagen Bank GmbH (from 06.04.2011)

GABOR POLONYI
Head of Sales Germany Private and Corporate Customers of Volkswagen Bank GmbH

PETRA REINHEIMER (FROM 01.06.2011)
General Secretary of the Joint Works Council of Volkswagen Financial Services AG and Volkswagen Bank GmbH (from 06.04.2011)

MICHAEL RIFFEL
General Secretary of the General Works Council and Group Works Council of Volkswagen AG (until 31.12.2011)
General Secretary of the General Works Council of Volkswagen AG (from 01.01.2012)

ALFRED RODEWALD (UNTIL 02.04.2011)
Deputy Chairman of the Joint Works Council of Volkswagen Financial Services AG and Volkswagen Bank GmbH

AXEL STROTBEK
Member of the Board of Management
AUDI AG
Finance and Organisation

A total of € 2,197,000 (previous year: € 1,645,000) was recognised as provisions for pensions and similar obligations to former members of the Board of Management or their surviving dependants. In financial year 2011, payments to these individuals amounted to € 193,000 (previous year: € 258,000).

The assets include receivables amounting to € 82,000 (previous year: € 325,000) from loans falling under § 15 Para. 1 No. 1 and 3 of the German Banking Act. This includes € 8,000 (previ-

ous year: € 8,000) in receivables from members of the Supervisory Board and € 74,000 (previous year: € 317,000) in receivables from members of the Board of Management.
Average number of employees during the financial year:

	2011	2010
Salaried employees	720	616
of which senior management	56	30
of which part time staff	52	48
Trainees	7	7

BRANCHES AND BRANCH OFFICES

Branches
Audi Bank, Braunschweig
SEAT Bank, Braunschweig
ŠKODA Bank, Braunschweig
AutoEuropa Bank, Braunschweig
ADAC FinanzService, Braunschweig
Branch offices
Volkswagen Bank, Berlin
Volkswagen Bank, Braunschweig
Volkswagen Bank, Emden
Volkswagen Bank, Hanover
Volkswagen Bank, Kassel
Volkswagen Bank, Salzgitter
Volkswagen Bank, Wolfsburg
Volkswagen Bank, Zwickau
Audi Bank, Ingolstadt
Audi Bank, Neckarsulm
Branches outside Germany
Volkswagen Bank GmbH, Diegem, Belgium
Volkswagen Bank GmbH, St. Denis-Paris, France
Volkswagen Bank GmbH, Glyfada-Athens, Greece
Volkswagen Bank GmbH, Milton Keynes, United Kingdom
Volkswagen Bank GmbH, Dublin, Ireland
Volkswagen Bank GmbH, Milan, Italy
Volkswagen Bank GmbH, Verona, Italy
Volkswagen Bank GmbH, Amersfoort, the Netherlands
Volkswagen Bank GmbH, Alcobendas-Madrid, Spain

Seats on supervisory bodies – information disclosed in accordance with § 340a (4) HGB

RAINER BLANK

> VOLKSWAGEN BANK POLSKA S.A., Warsaw, Poland
> Volkswagen Leasing Polska Sp. z o.o., Warsaw, Poland
> LLC Volkswagen Bank RUS, Moscow, Russia
  Chairman of the Supervisory Board of each
> Volkswagen Finance Belgium S.A., Brussels, Belgium
  Member of the Conseil d' Administration
> Kunden Club GmbH des Volkswagen Konzerns, Wolfsburg, Germany
  Member of the Advisory Board

DR. MICHAEL REINHART

> VOLKSWAGEN Finančné služby Slovensko s.r.o., Bratislava, Slovakia
> Volkswagen Versicherung AG, Braunschweig, Germany
  Chairman of the Supervisory Board of each
> VOLKSWAGEN HOLDING FINANCIERE S.A., Villers-Cotterêts, France
  Member of the Conseil de Surveillance
> Volkswagen Leasing, S.A. de C.V., Puebla/Pue., Mexico
> Volkswagen Bank S.A. Institución de Banca Múltiple, Puebla/Pue., Mexico
> VOLKSWAGEN SERVICIOS S.A. DE C.V., Puebla/Pue., Mexico
  Member of the Consejo de Administración of each
> Volkswagen Participações Ltda., São Paulo, Brazil
  Member of the Conselho de Administração

TORSTEN ZIBELL

> Volkswagen Bank S.A. Institución de Banca Múltiple, Puebla/Pue., Mexico
  Deputy member of the Consejo de Administración

DR. CHRISTIAN DAHLHEIM

> VOLKSWAGEN HOLDING FINANCIERE S.A., Villers-Cotterêts, France
  Chairman of the Conseil de Surveillance
> Volkswagen Financial Services (UK) Ltd., Milton Keynes, United Kingdom
> VOLKSWAGEN INSURANCE SERVICE Ltd., Milton Keynes, United Kingdom
  Chairman of the Board of Directors of each
> VOLKSWAGEN FINANCE, S.A. – ESTABLECIMIENTO FINANCIERO DE CRÉDITO, Madrid, Spain
> ServiLease S.A., Madrid, Spain
  Member of the Consejo de Administración of each
> Volkswagen Møller BilFinans AS, Oslo, Norway
  Member of the Styre

NORBERT DORN

> VOLKSWAGEN BANK POLSKA S.A., Warsaw, Poland
> Volkswagen Leasing Polska Sp. z o.o., Warsaw, Poland
> VOLKSWAGEN Finančné služby Slovensko s.r.o., Bratislava, Slovakia
  Member of the Supervisory Board of each
> VOLKSWAGEN DOĞUŞ TÜKETİCİ FİNANSMANI A.Ş., Istanbul, Turkey
> VDF Servis Holding A.Ş., Istanbul, Turkey
  Member of the Board of Directors of each
> LLC Volkswagen Bank RUS, Moscow, Russia
  Member of the Supervisory Board

ERICH KROHN

- VOLKSWAGEN FINANCE, S.A. – ESTABLECIMIENTO FINANCIERO DE CRÉDITO, Madrid, Spain
- ServiLease S.A., Madrid, Spain
  Member of the Consejo de Administración of each

JENS LEGENBAUER

- Volkswagen Finans Sverige AB, Södertälje, Sweden
  Chairman of the Board of Directors
- Volkswagen Møller BilFinans AS, Oslo, Norway
  Chairman of the Styre
- Volkswagen Pon Financial Services B.V., Amersfoort, The Netherlands
- VVS VERZEKERINGS-SERVICE N.V., Diemen, The Netherlands
  Member of the Raad van Commissarissen of each

CHRISTIAN LÖBKE

- Volkswagen Bank S.A. Institución de Banca Múltiple, Puebla/Pue., Mexico
  Deputy member of the Consejo de Administración

VOLKER REICHHARDT

- VOLKSWAGEN DOĞUŞ TÜKETİCİ FİNANSMANI A.Ş., Istanbul, Turkey
- VDF Servis Holding A.Ş., Istanbul, Turkey
- Volkswagen Finans Sverige AB, Södertälje, Sweden
  Member of the Board of Directors of each
- VOLKSWAGEN BANK POLSKA S.A., Warsaw, Poland
- Volkswagen Leasing Polska Sp. z o.o., Warsaw, Poland
- VOLKSWAGEN Finančné služby Slovensko s.r.o., Bratislava, Slovakia
  Member of the Supervisory Board of each
- VW Credit Inc., Auburn Hills, Michigan/USA
  Member of the Board of Directors
- LLC Volkswagen Bank RUS, Moscow, Russia
  Member of the Supervisory Board

FERNANDO ORTIZ-CAÑAVATE CELADA

- VOLKSWAGEN FINANCE, S.A. – ESTABLECIMIENTO FINANCIERO DE CRÉDITO, Madrid, Spain
- ServiLease S.A., Madrid, Spain
  Member of the Consejo de Administración of each

GABOR POLONYI

- Volkswagen Financial Services AG, Braunschweig, Germany
- Volkswagen Leasing GmbH, Braunschweig, Germany
- Volkswagen-Versicherungsdienst GmbH, Braunschweig, Germany
  Member of the Supervisory Board of each

PATRIK WELTER

- Volkswagen Møller BilFinans AS, Oslo, Norway
  Member of the Styre

Responsibility statement of the Board of Management

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of Volkswagen Bank GmbH, and the management report includes a fair review of the development and performance of the business and the position of Volkswagen Bank GmbH, together with a description of the material opportunities and risks associated with the expected development of Volkswagen Bank GmbH.

Braunschweig, 7 February 2012
The Board of Management

Rainer Blank	Anthony Bandmann
Dr. Michael Reinhart	Torsten Zibell

Independent Auditors' Report

We have audited the annual financial statements - comprising the balance sheet, the profit and loss account, the notes, the cash flow statement and the statement of changes in equity - including the accounting, and the management report of Volkswagen Bank Gesellschaft mit beschränkter Haftung, Braunschweig, for the financial year from 1 January to 31 December 2011. The accounting and preparation of the annual financial statements and management report according to German commercial law and the supplementary provisions of the Articles of Association are the responsibility of the Company's Managing Directors. Our responsibility is to express an opinion on the annual financial statements, including the accounting, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 of the German Commercial Code (HGB) and the generally accepted German standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the accounting, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by the Managing Directors, as well as evaluating the overall presentation of the annual financial statements and the management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, which is based on the findings of the audit, the annual financial statements are in compliance with legal provisions and the supplementary provisions of the Articles of Association and give a true and fair view of the net assets, financial situation and results of the operations of the company in accordance with the principles of proper accounting. The management report is consistent with the annual financial statements, provides a suitable understanding of the company's situation and suitably presents the risks of future development.

Hanover, 8 February 2012

PricewaterhouseCoopers Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Burkhard Eckes	ppa. Georg Lange
Auditor	Auditor

Report of the Supervisory Board

of Volkswagen Bank GmbH

In the financial year just ended, the Supervisory Board regularly and exhaustively dealt with the situation and development of Volkswagen Bank GmbH and the Volkswagen Bank GmbH Group. The Board of Management submitted timely and comprehensive reports to the Supervisory Board during the reporting period, both in writing and orally, regarding material aspects of the company's planning and situation (including its exposure to risk and its risk management) as well as the development of its business and deviations from plans and targets. Based on these reports, the Supervisory Board continuously monitored the management of the company's and the Group's business, thus fulfilling its responsibilities under the law and the company's statutes without limitation. All decisions material to the company, as well as all other transactions subject to the Supervisory Board's approval under its rules of procedure, were reviewed and discussed with the Board of Management before the relevant resolution was adopted.

The Supervisory Board is made up of twelve members. There were changes in personnel in comparison with the previous year, which are shown in the section on corporate bodies in the notes. The Supervisory Board convened for three regular meetings in the reporting year; there were no extraordinary meetings. The Supervisory Board members' average attendance rate was 83 %. With the exception of one member, who was absent at two meetings, all members attended more than half of the meetings. We resolved an urgent matter in writing by means of a circular memorandum.

COMMITTEE WORK

The Supervisory Board established two committees, a credit committee and a personnel committee, for the purpose of facilitating its work.

The personnel committee is responsible for decision making in regards to personnel and social issues subject to the Supervisory Board's authority under both the law and its rules of procedure. This committee comprises three members of the Supervisory Board. Its decisions are adopted by means of circular memorandum. Approvals of powers of representation ("Prokura") constituted material aspects of its work.

The credit committee is responsible for approving issues the Supervisory Board must deal with under the law and under its rules of procedure such as for instance proposed credit commitments, company borrowings, factoring transactions and general agreements pertaining to the assumption of receivables as well as assuming guarantees, warranties and the like. The credit committee comprises three members of the Supervisory Board; it also makes its decisions by means of circular memorandum.

DELIBERATIONS OF THE SUPERVISORY BOARD

Following a detailed review at its meeting on 18 February 2011, the Supervisory Board approved the consolidated financial statements and the annual financial statements of Volkswagen Bank GmbH for 2010, which had been prepared by the Board of Management, and accepted the annual report by Internal Audit regarding the results of its audits.

The Board of Management provided extensive reports on the company's and the Group's economic and financial position, both at the aforesaid meeting and at the meetings on 1 July 2011 and 6 October 2011. In this connection we also dealt with the risk management requirements that both the Group and the company must fulfil. We addressed the implementation of our international growth strategy, which requires intensifying our collaboration with the manufacturers and importers of the Volkswagen Group's brands, particularly in respect of fleet management, insurance and New Mobility.

At our meeting on 1 July 2011, we also approved the company's medium-term financial and investment planning after extensive deliberations. We also approved the purchase of government bonds for purposes of optimising our liquidity management. Also at this meeting, we approved the acquisition of the 40 % share in VOLKSWAGEN BANK POLSKA S.A., Warsaw, owned by our joint venture partner to date.

At our meeting on 6 October 2011, the Board of Management reported to us on changes in the compensation system applicable to the management. At this meeting, we also approved the transfer of the portfolio of the company's Belgian branch to the joint venture that Volkswagen Financial Services AG has established with the Volkswagen importer and the branch's subsequent closing.

AUDIT OF THE ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS

PriceWaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Hanover, was commissioned to audit the consolidated financial statements in accordance with IFRS and the annual financial statements of Volkswagen Bank GmbH in accordance with the German Commercial Code (HGB) for the year ended 31 December 2011, including the accounting and the management reports. The Supervisory Board had at its disposal the consolidated financial statements in accordance with IFRS and the annual financial statements in accordance with HGB of Volkswagen Bank GmbH for the year ended 31 December 2011 and the management reports. The auditors, PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Hanover, have audited these financial statements, including the bookkeeping and the management reports, and issued an unqualified auditors' report in each case. The Supervisory Board approves the results of these audits. The Supervisory Board's review of the consolidated financial statements, the annual financial statements and the management reports did not give rise to any reservations. The auditors were present at the Supervisory Board meeting when this item of the agenda was dealt with and they reported on the main results of their audit. During its meeting on 22 February 2012, the Supervisory Board approved the consolidated financial statements and the annual financial statements of Volkswagen Bank GmbH prepared by the Board of Management. The consolidated financial statements and the annual financial statements are thereby adopted.

Under the existing profit transfer agreement, the profit made in 2011 in accordance with HGB is transferred to Volkswagen Financial Services AG

The Supervisory Board wishes to acknowledge and express its appreciation to the Board of Management, the members of the works council and all members of staff of the Volkswagen Bank GmbH Group for their work. Through their great dedication they have all contributed to the ongoing development of the Volkswagen Bank GmbH Group.

Braunschweig, 22 February 2012

Hans Dieter Pötsch
Chairman of the Supervisory Board

Note regarding forward-looking statements

This report contains statements concerning the future business development of Volkswagen Bank GmbH. These statements include, among others, assumptions about the development of the global economy, as well as the financial and automobile markets. Volkswagen Bank GmbH has made these assumptions on the basis of available information and believes that they can be currently said to offer a realistic picture. These estimates necessarily include certain risks, and actual development may differ from these expectations.

Should actual development therefore deviate from these expectations and assumptions, or should unforeseen events occur that impact the business of Volkswagen Bank GmbH, then the business development will be accordingly affected.

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We apologise to our readers for using the masculine grammatical form solely for purposes of linguistic convenience.

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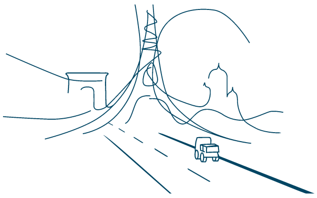
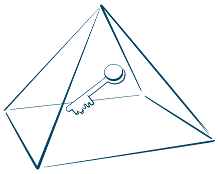


La clave para la movilidad.

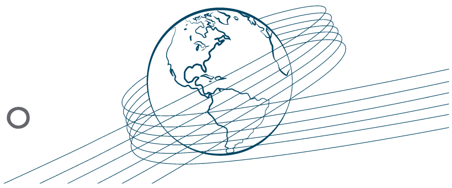
к мобильности.

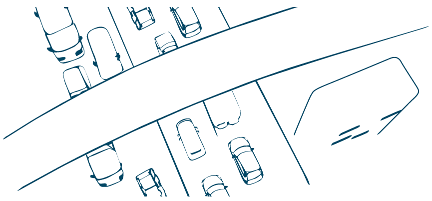


이동성을 향한 열쇠.

La clef de la mobilité.

钥 匙 在 手，任 君 驰 骋。





Kluczem do mobilności.