

**VOLKSWAGEN  
FINANCIAL SERVICES**  
THE KEY TO MOBILITY

# Investor & Analyst Dialogue

## Volkswagen Financial Services

Lars Henner Santelmann & Frank Fiedler





# Volkswagen Group: Management Model

**VOLKSWAGEN**  
AKTIENGESELLSCHAFT

**Management Holding**

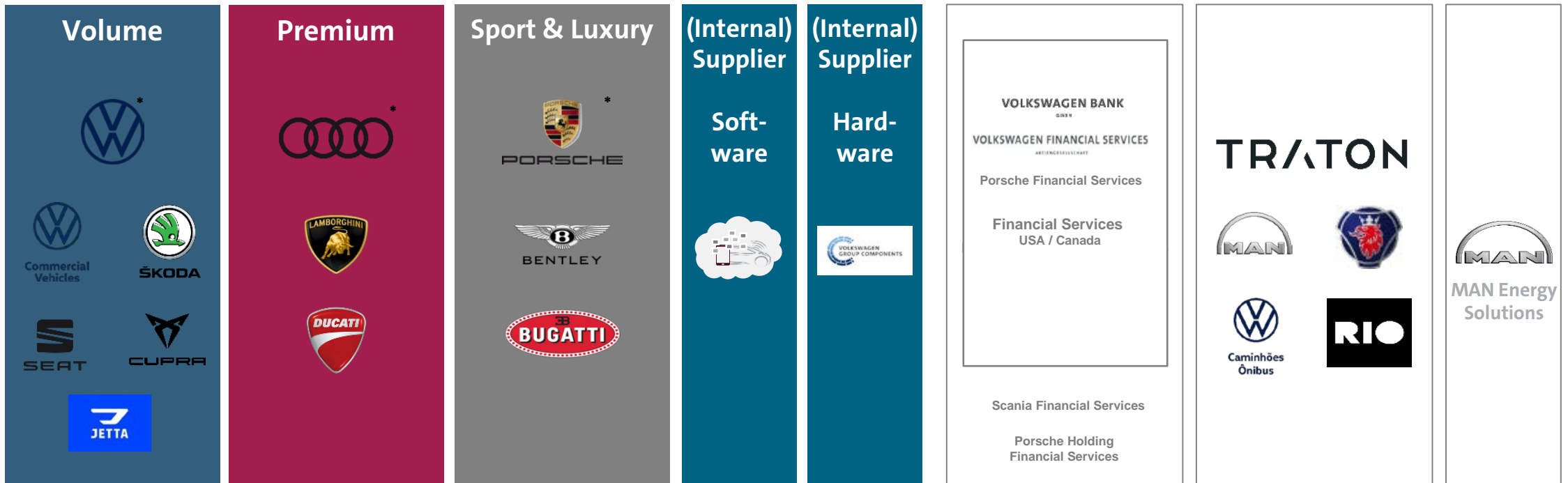
**Financial Holding**

Passenger Cars

Financial Services

Truck and Bus

Power Engineering



\* Brand Group Leads: VW PC, Audi, Porsche

# We offer the whole range of services under one roof\*

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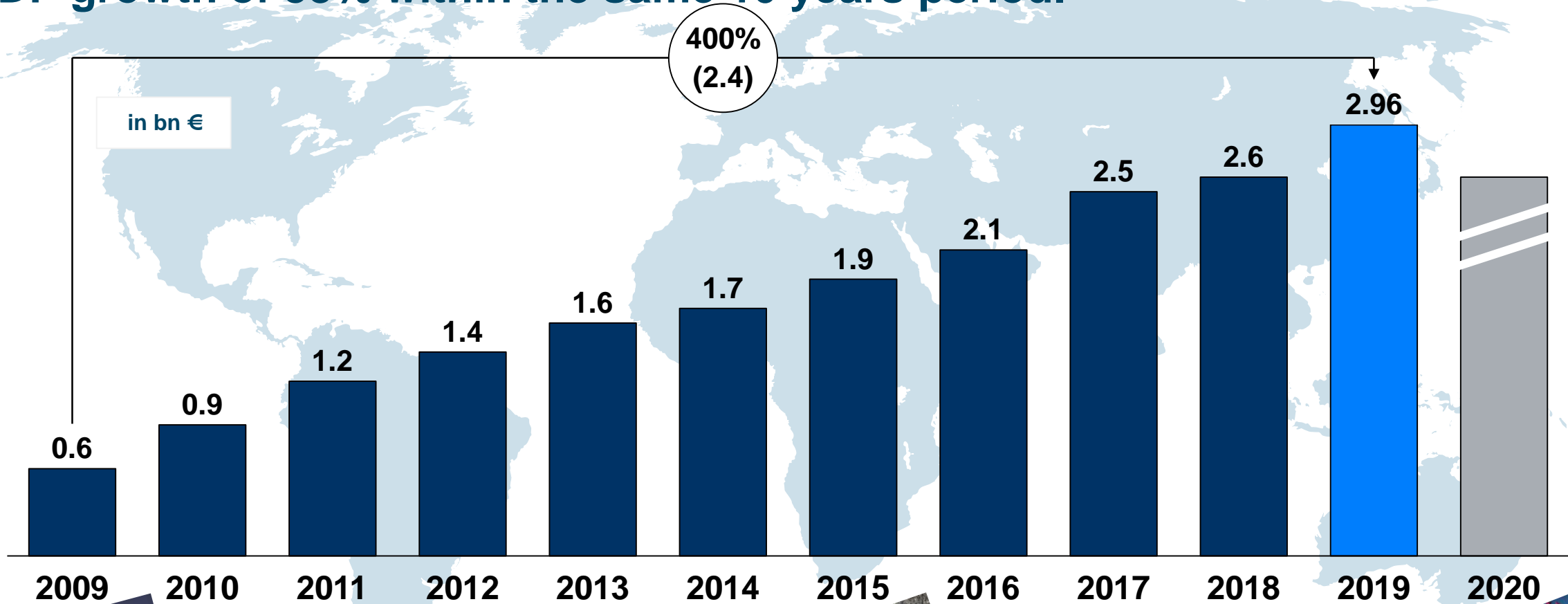


PROFITABILITY

CONTACT FREQUENCY

\* Displayed portfolio depends on the market; products offered or mediated by different operative subsidiaries.

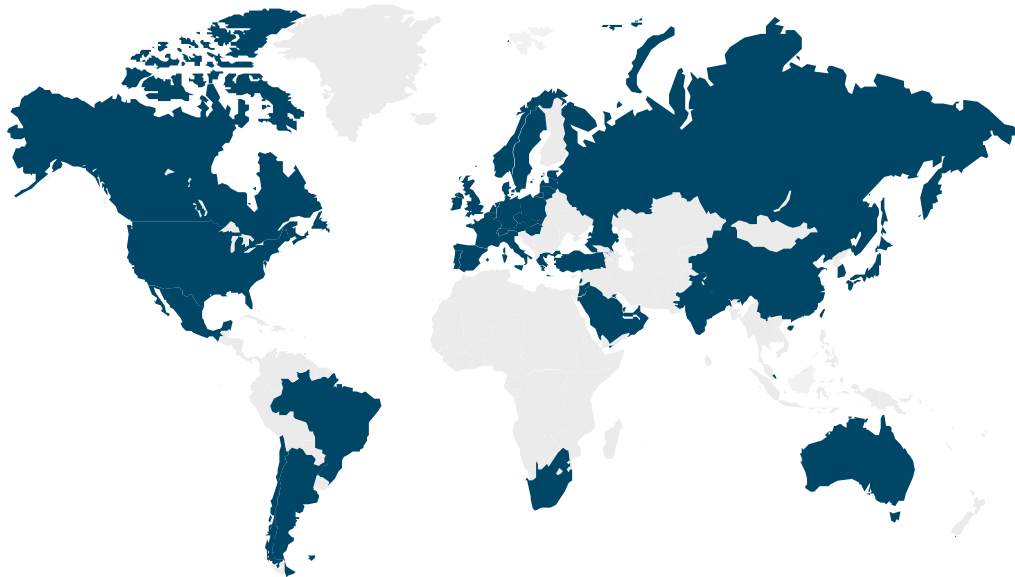
**Volkswagen Financial Services outperformed with stable growth in Operating Income by 400 % over the last 10 years. Exceeds global GDP growth of 38% within the same 10 years period.**



# Stable development in 2020 continues

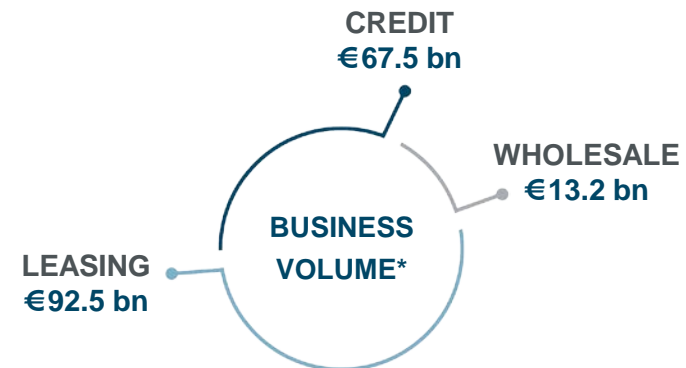
Operating Profit of 1.632 bn €  
(as of 30.09.2020)

Volkswagen Financial Services conducts business in  
**48 MARKETS.**



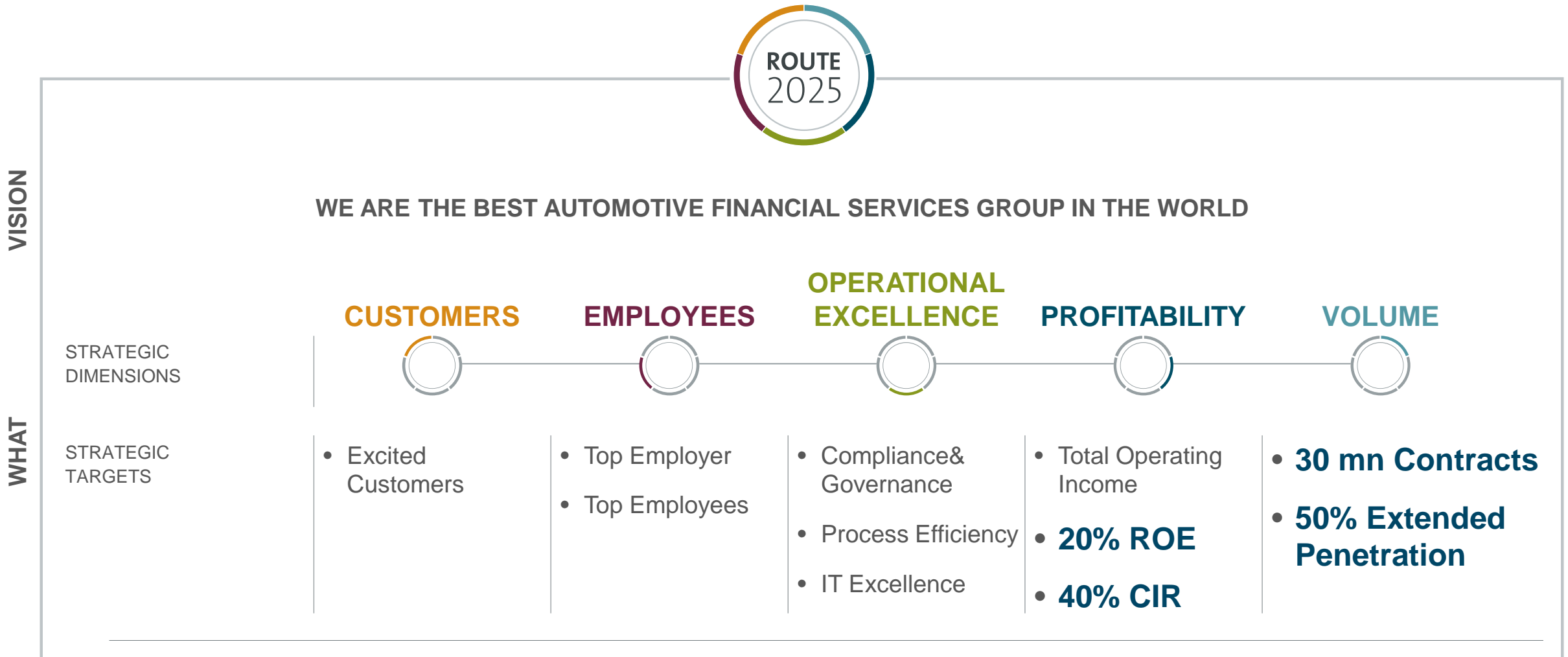
## KEY FIGURES

Total assets	€226.1 bn
Equity	€28.6 bn
Customer deposits	€30.8 bn
Operating profit	€1.63 bn
Employees	14,425
Contracts (units)	21.6 mn



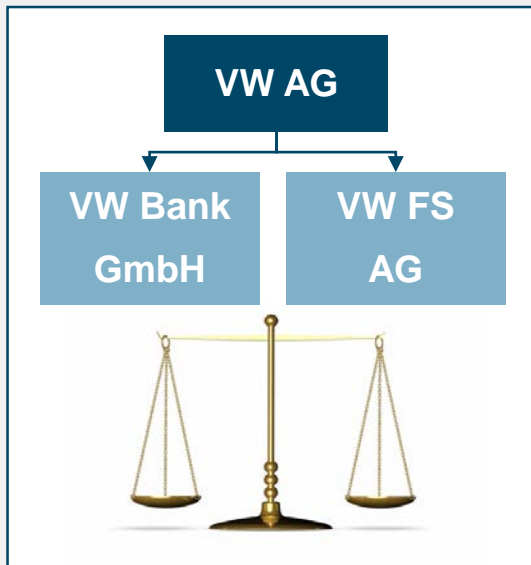
\*Receivables + Leased Assets

# Vision and targets of ROUTE2025



# All of Volkswagen Financial Services' initiatives help to create a strong basis for further growth - » sustainable growth and efficient use of equity «

## Volume



Sustainable growth and efficient use of equity

## Efficiency

**PEX**

**40%**

**Cost-Income-Ratio**

Improving our existing business model

## Touchpoints

Parking

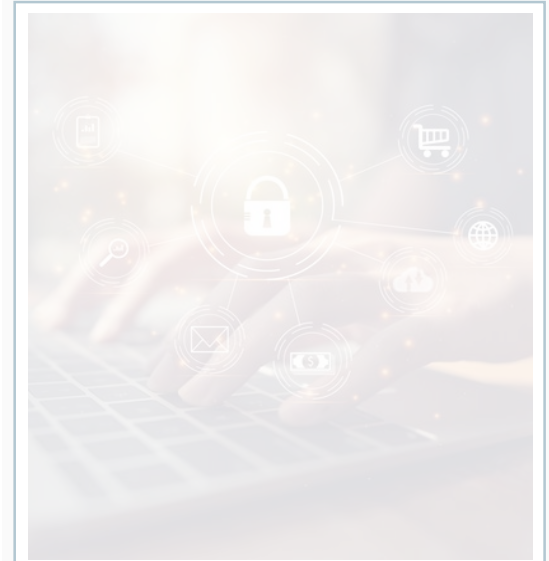
**paybypHONE**

Charging & Fueling

**LOGPAY**

Creating digital touchpoints

## Digitalization



Online journeys & direct sales channels

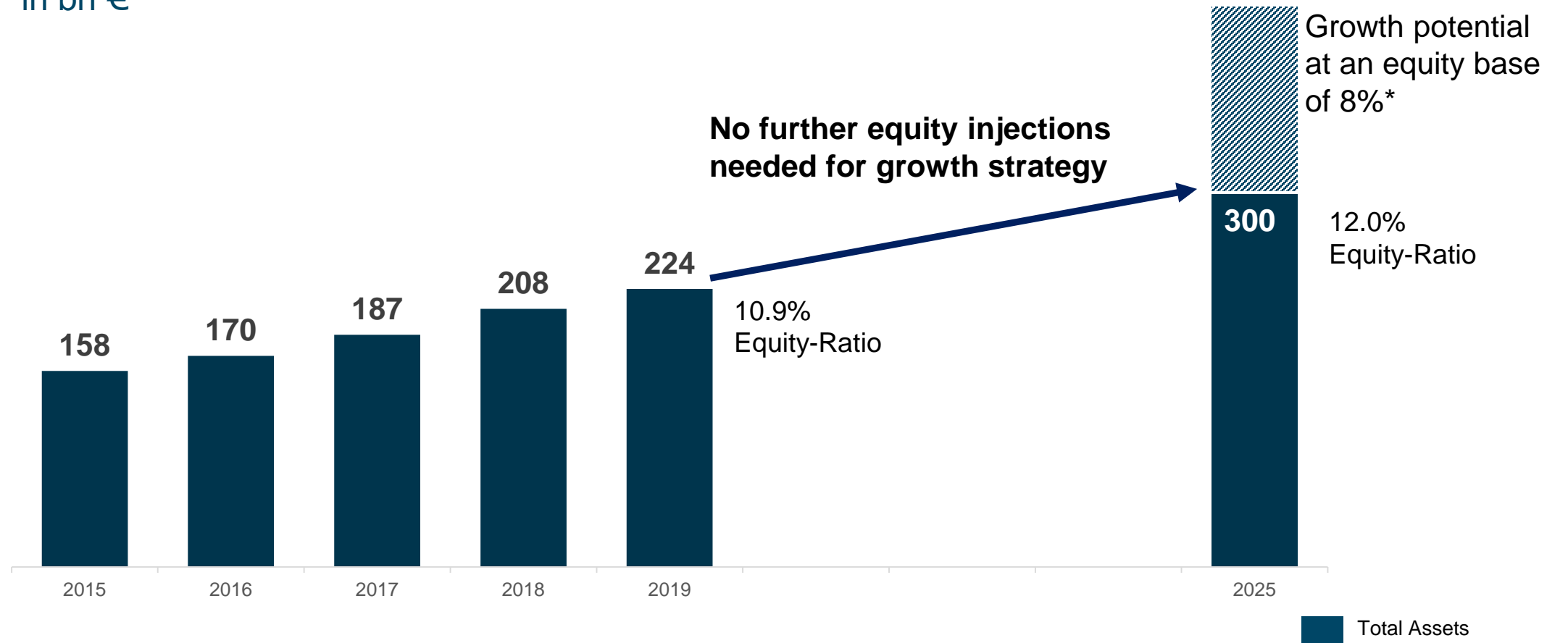




# ROUTE2025 – Equity situation Volkswagen Financial Services

## Growth path without additional equity injection

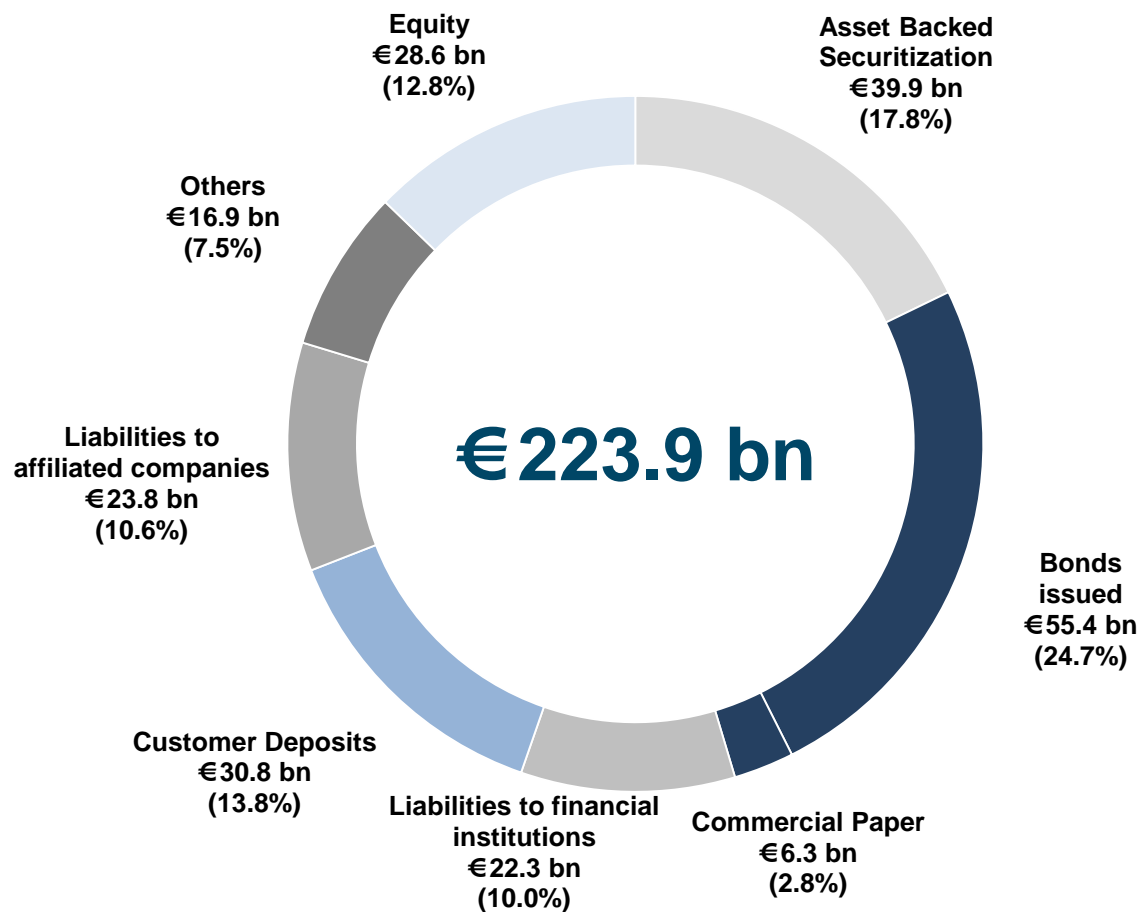
in bn €



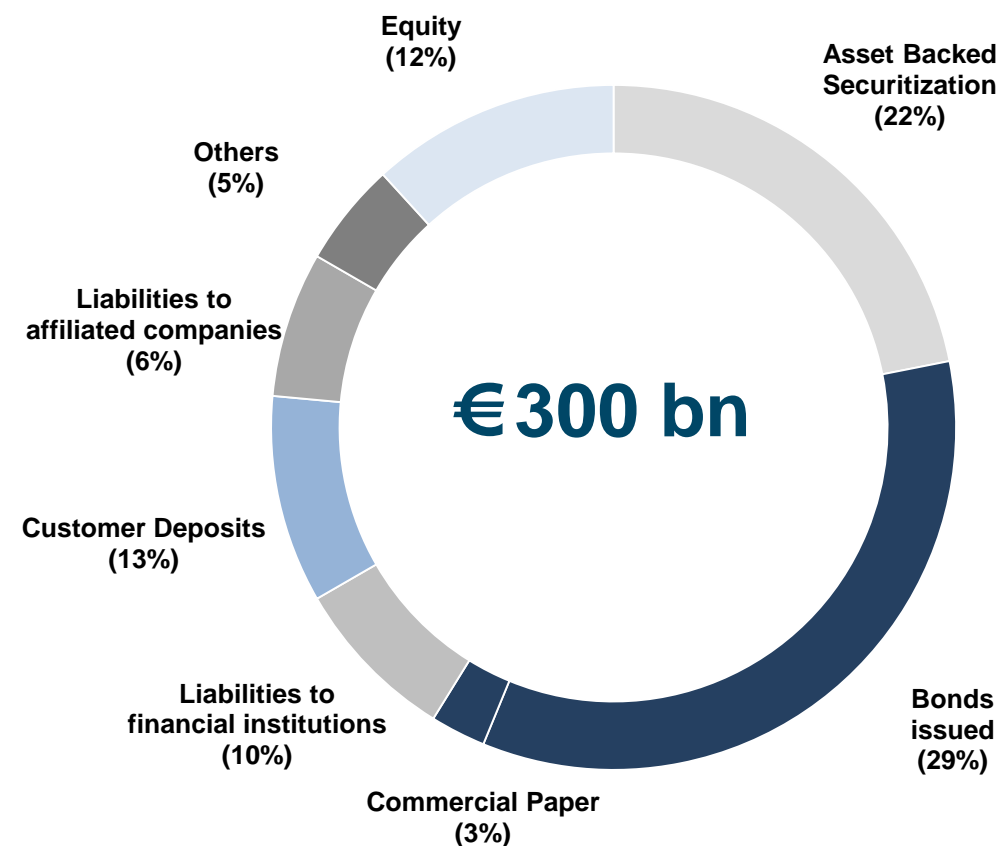
\* Based on normalized equity

# Volkswagen Financial Services - funding independently from automotive

## Refinancing Mix VW FS as of 30.09.2020

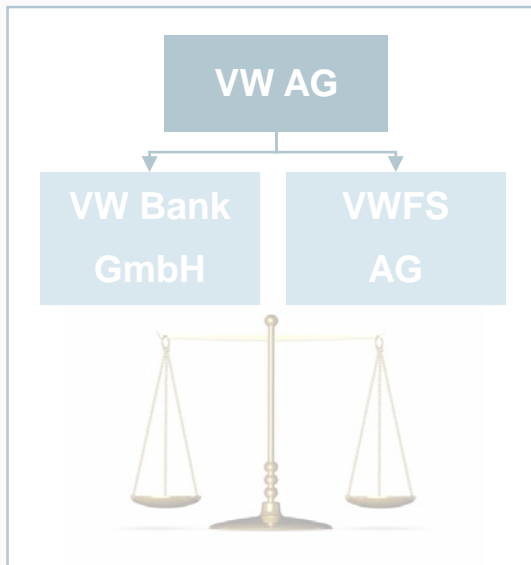


## Refinancing Mix VW FS as of 31.12.2025



# All Volkswagen Financial Services initiatives are creating a strong basis for further growth - » improving our existing business model «

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Sustainable growth and efficient use of equity

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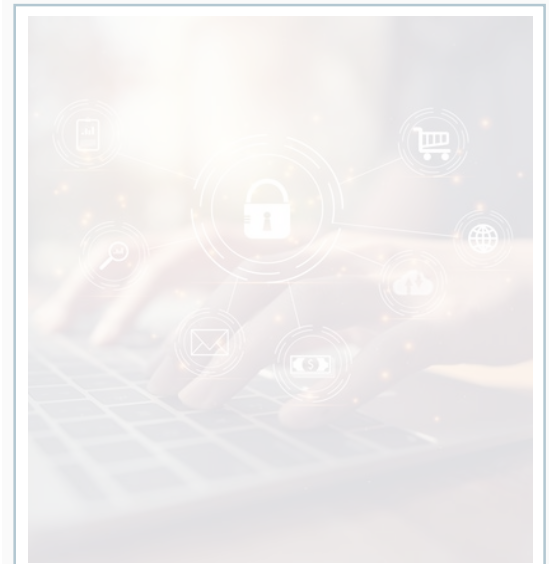
paybyphone<sup>®</sup>

Charging & Fueling

LOGPAY

Creating digital touchpoints

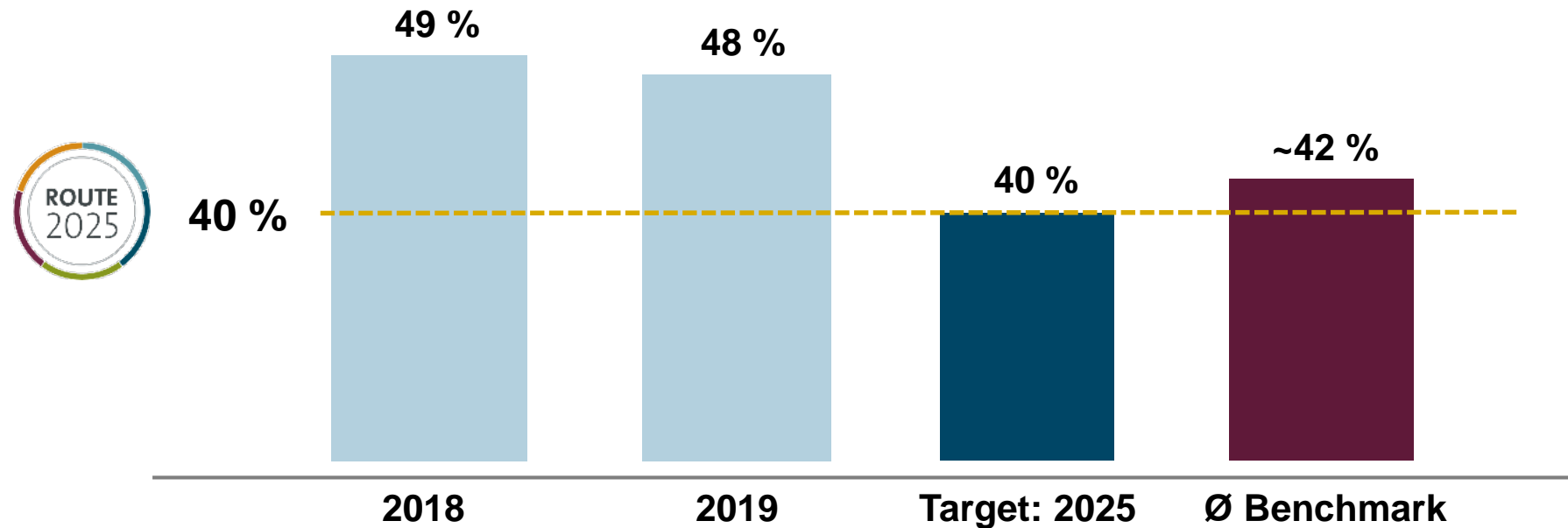
## Digitalization



Online journeys & direct sales channels

# ROUTE2025 - Target of 40% Cost-Income ratio in 2025

Three OPEX levers help to support Volkswagen Financial Services' overall target



**Productivity**



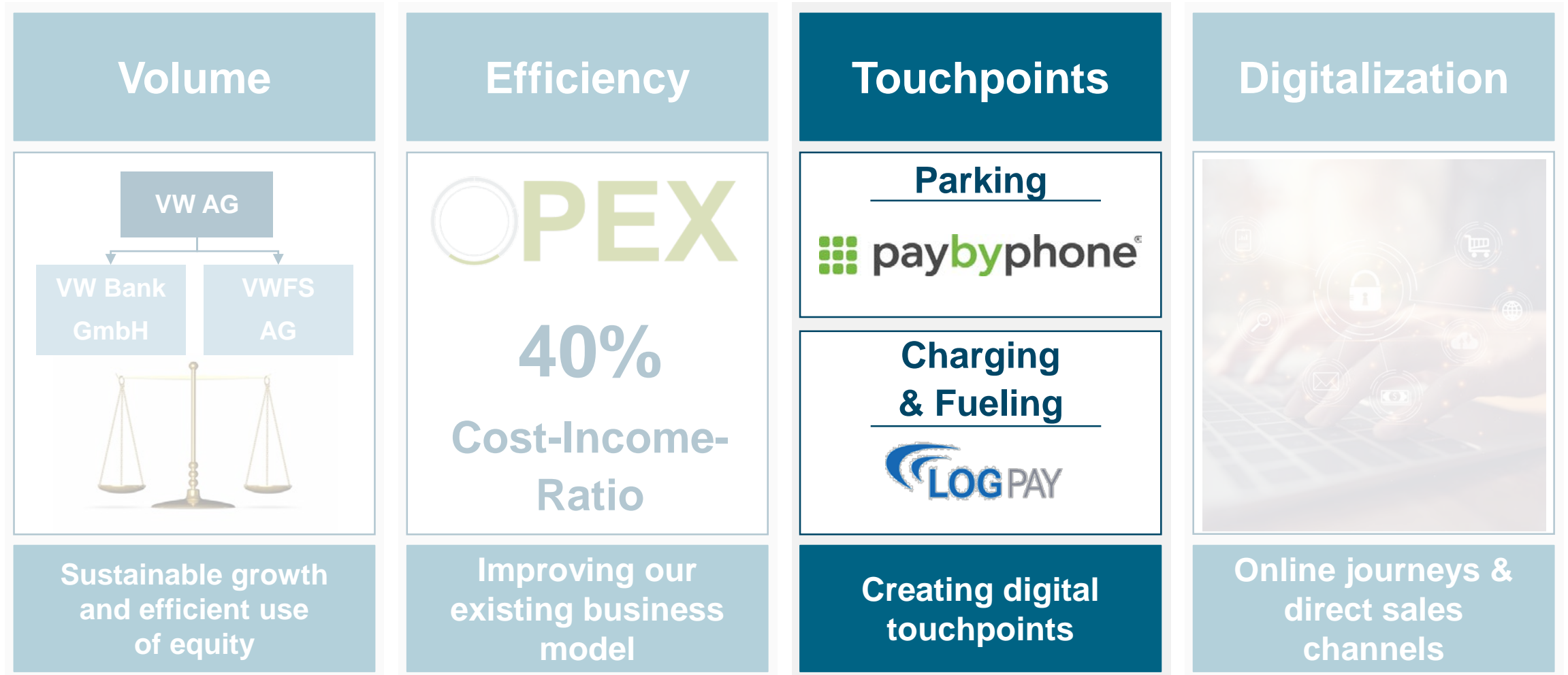
**IT- Costs**



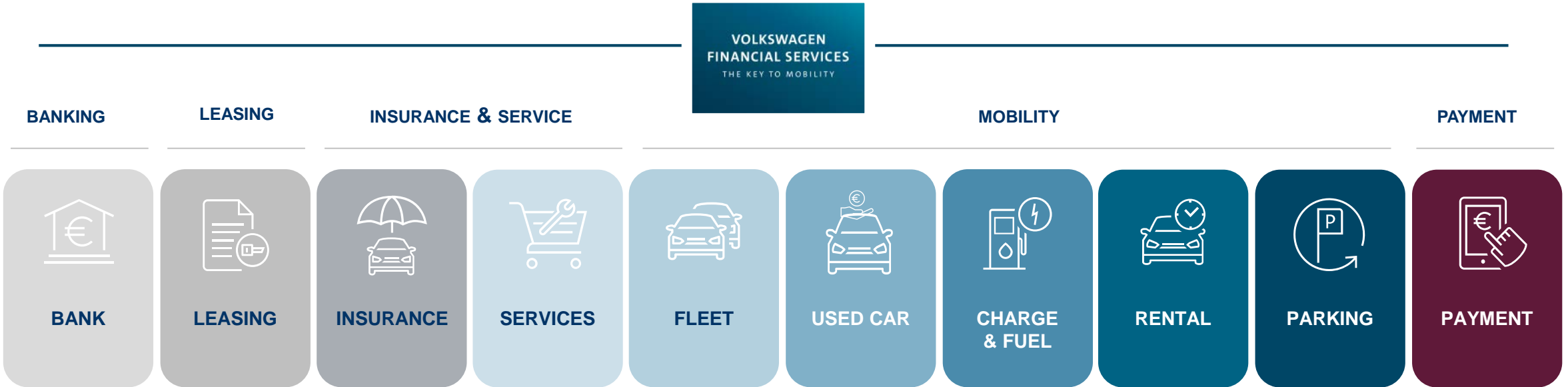
**Cost of Sales**



# All Volkswagen Financial Services initiatives are creating a strong basis for further growth - » creating digital touchpoints «



# Through new products in mobility and payment services, we will significantly increase the customer contact through 2025



## Customer contact from portfolio



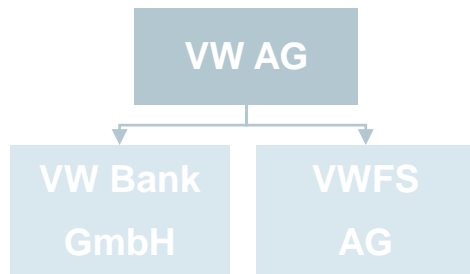
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# All Volkswagen Financial Services initiatives are creating a strong basis for further growth - » online journeys & direct sales channels «

## Volume



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Improving our existing business model

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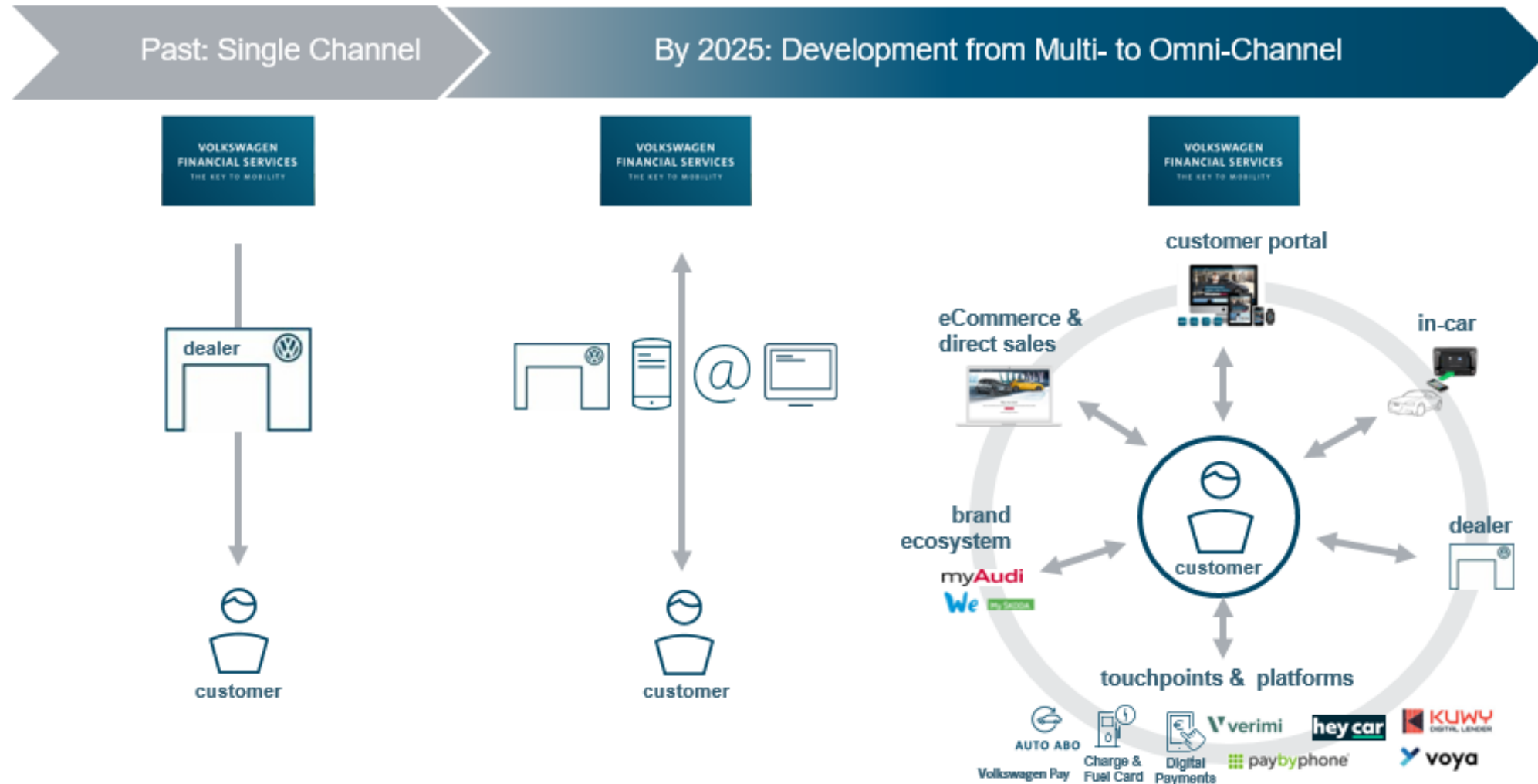
Creating digital touchpoints

## Digitalization



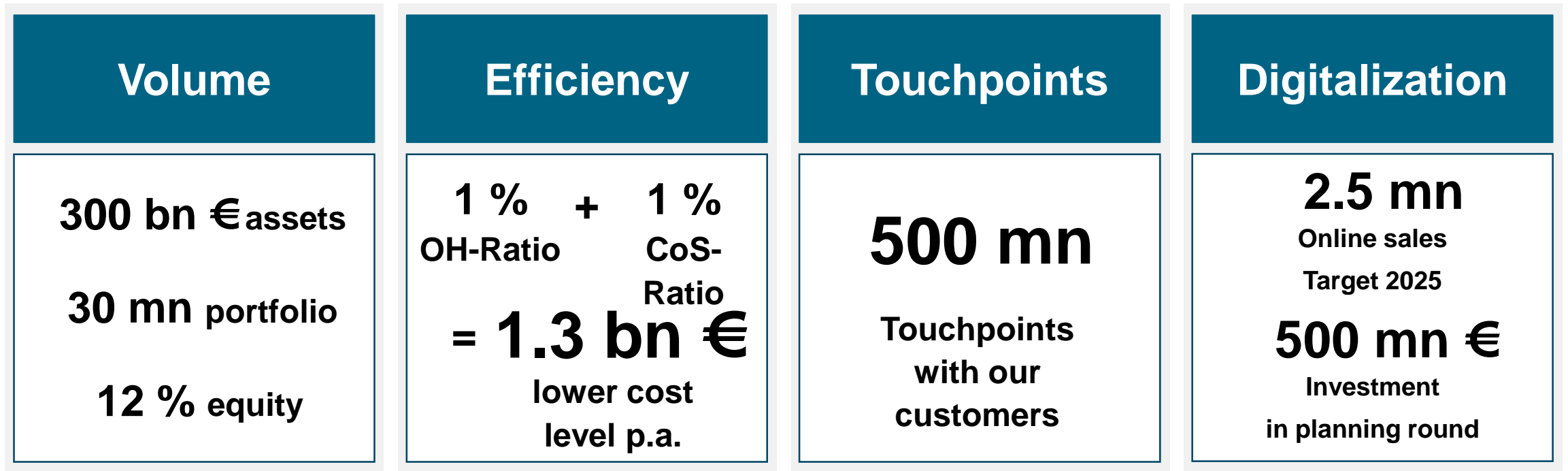
Online journeys & direct sales channels

# Volkswagen Financial Services will digitize all products by 2025 and extend its distribution channels





# All Volkswagen Financial Services initiatives are creating a strong basis for further growth - » especially the digital capabilities are expanded «



All changes are ... within the existing business model



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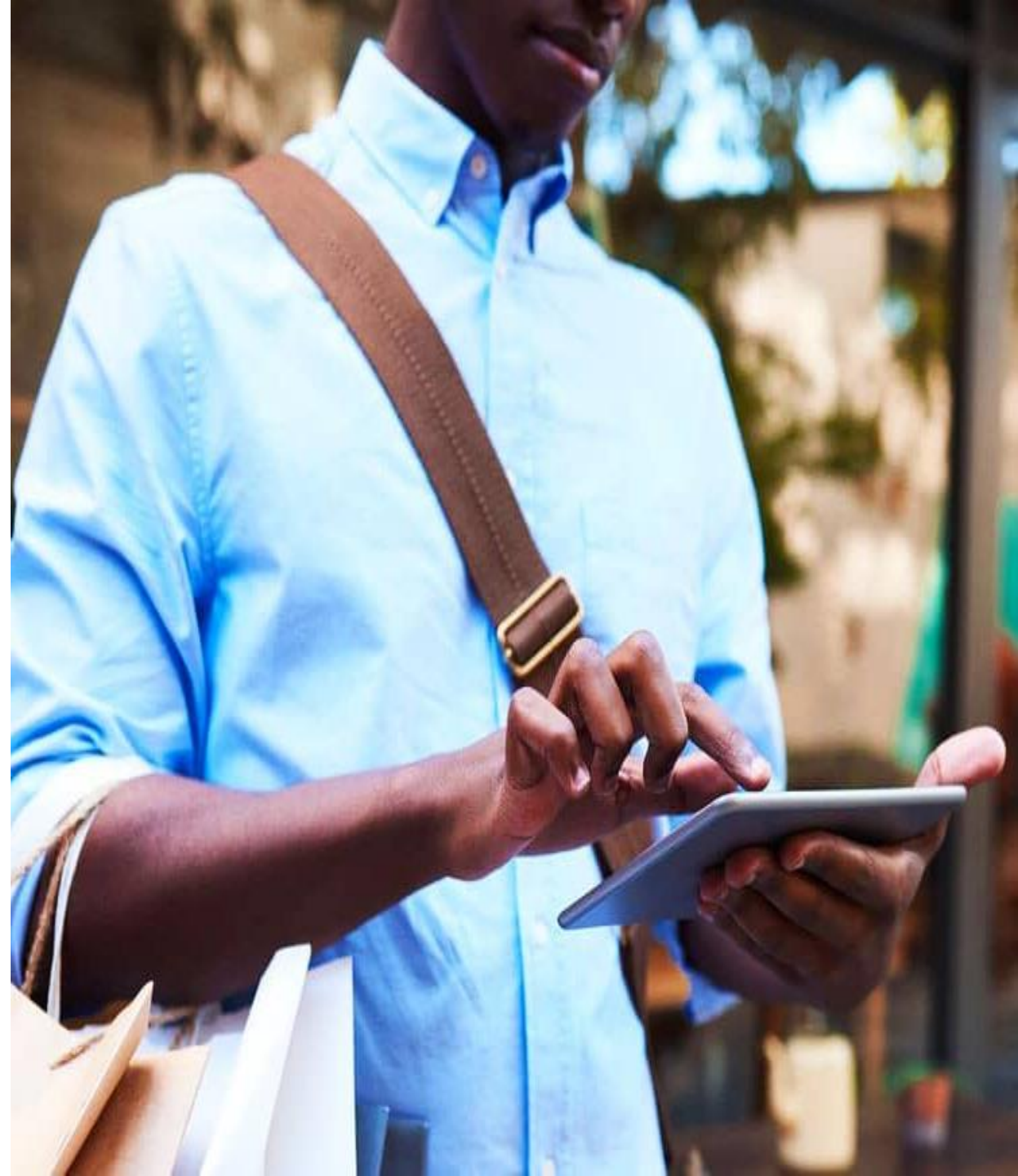
## COVID-19 as catalyst for new business models

» Volkswagen Financial Services has started from a strong basis «

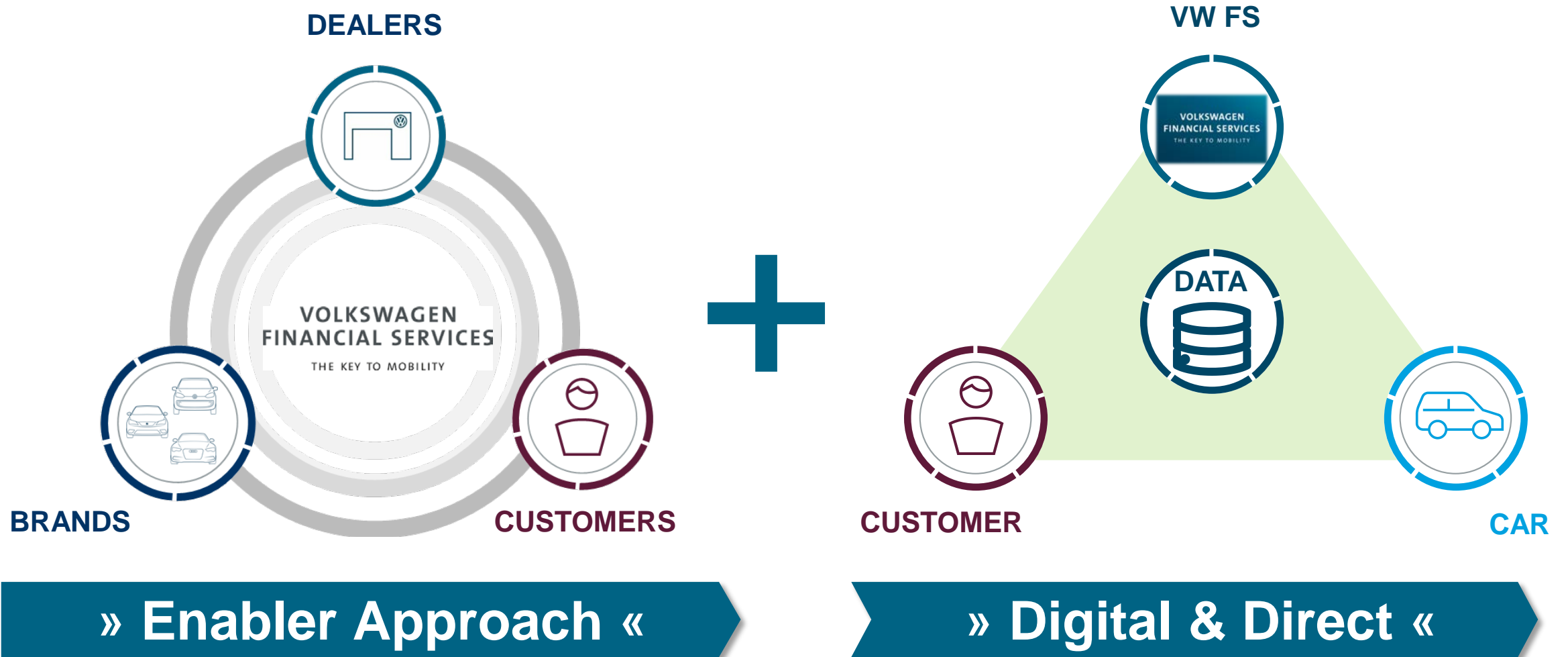


**DIGITAL & DIRECT**

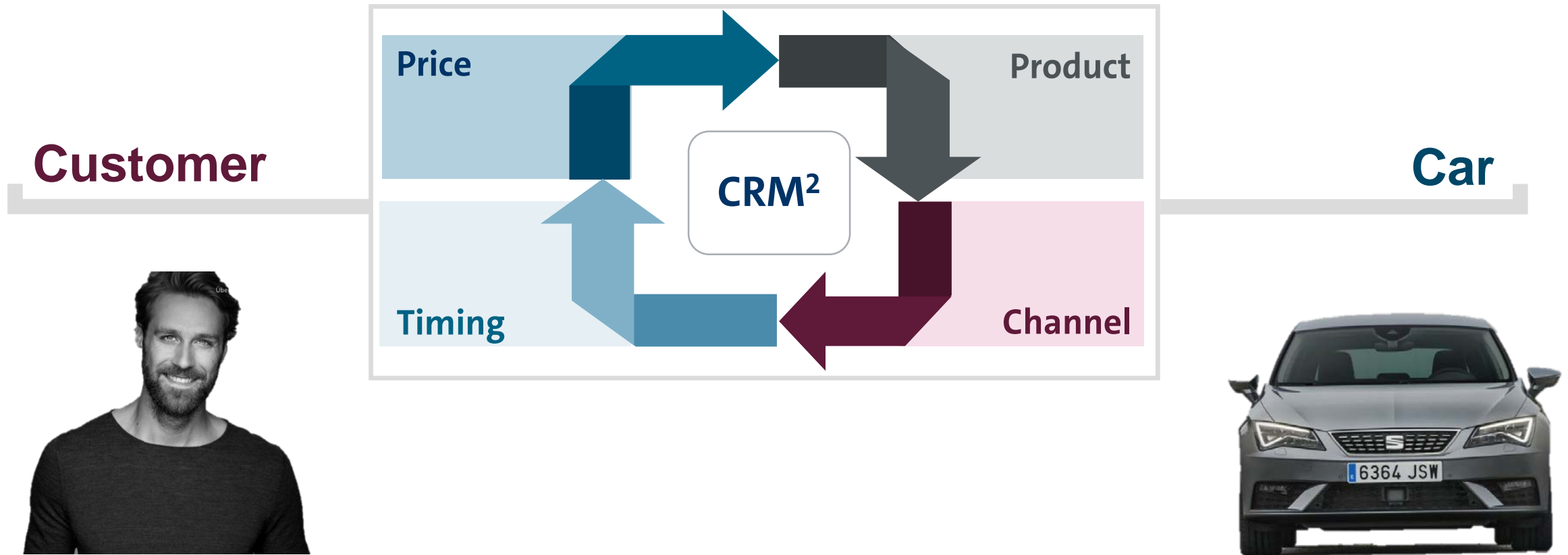
**EXISTING BUSINESS MODEL**



In our existing business model, VW FS has mainly indirect contact to customers  
» Therefore we invented our new “Digital & Direct” business model «

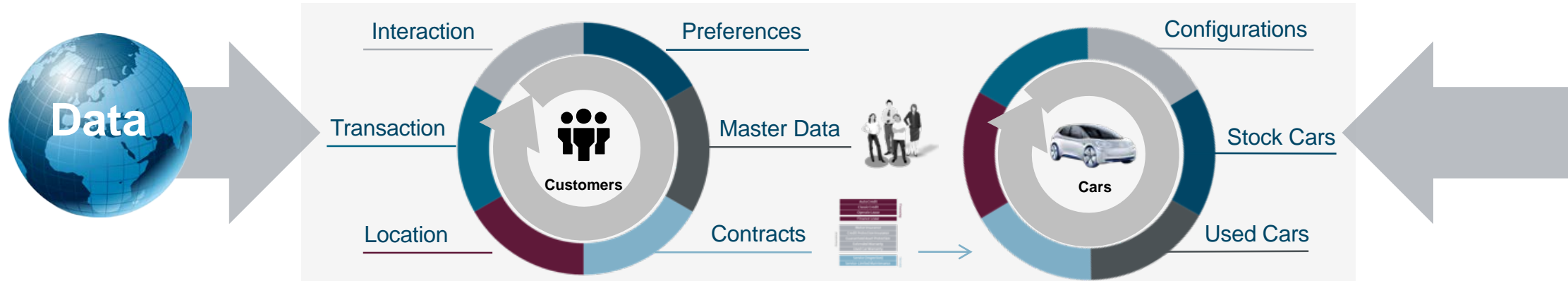


# Digital & Direct has a clear aim: Optimize the customer & car lifetime value and identify specific customer requirements





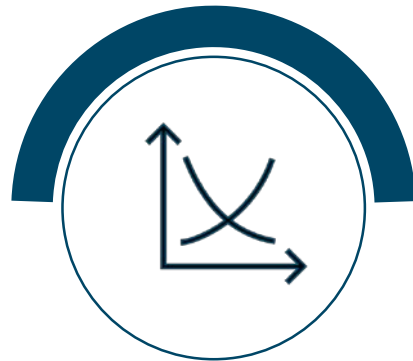
# CRM<sup>2</sup> platform is the catalyst to creating value around the customer



Dealer Remuneration



Digital Pricing



Digital Renewal



Subscription

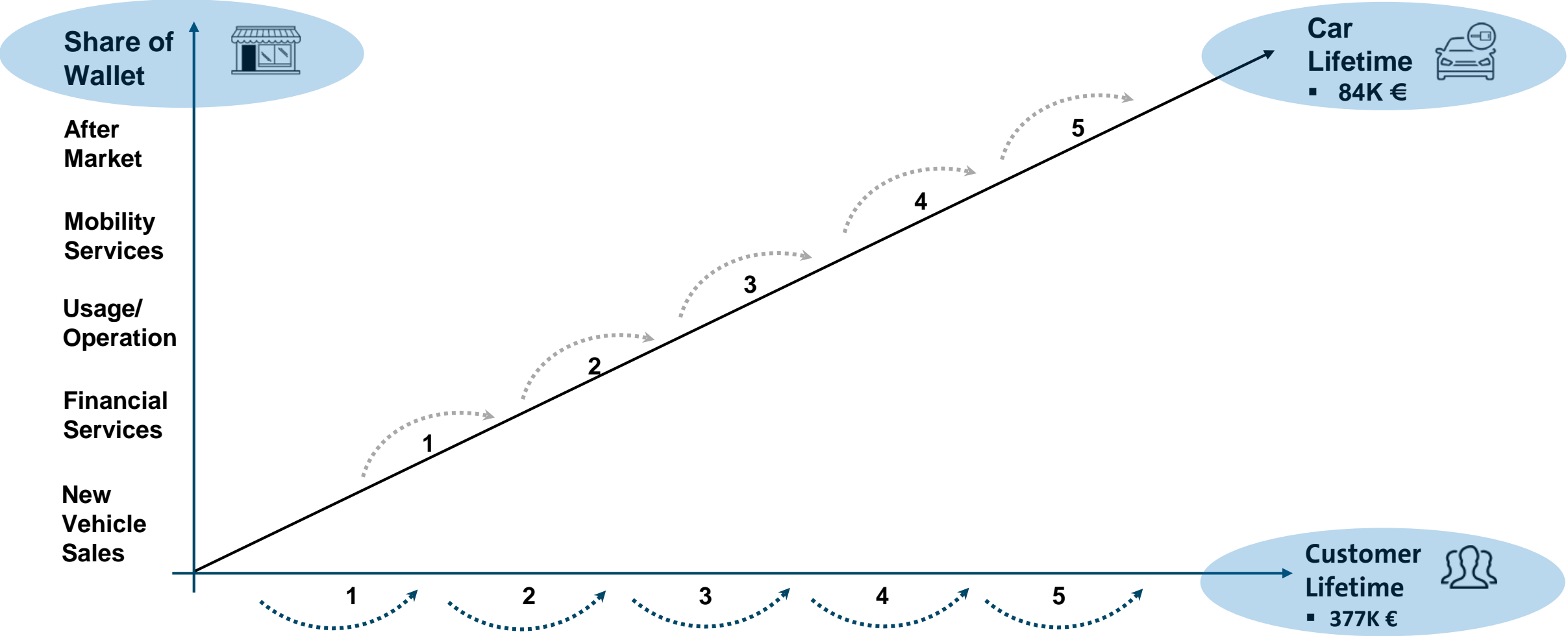


D2C Car Sales



**Additional 1 billion profit targeted!**

# Example Germany: Customer-related share of wallet totals to 377.000 €



**Extending the share of wallet**

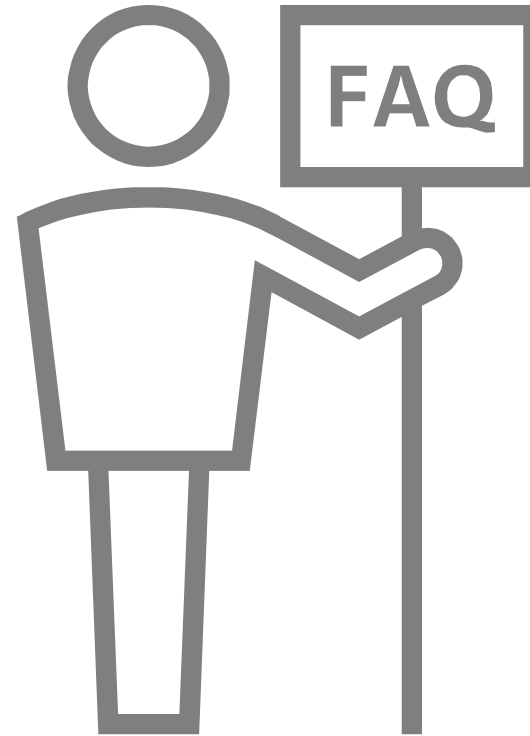
**by following the car and customer through the entire life cycle**

**will transfer Volkswagen Financial Services into a data-driven company!**



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## Questions?





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**Thank You!**

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