

MOODY'S

RATINGS

Rating Action: Moody's Ratings assigns (P)A3 domestic- and foreign-currency senior unsecured MTN program ratings to Volkswagen Financial Services AG and to Volkswagen Financial Services Overseas AG

17 Sep 2024

Frankfurt am Main, September 17, 2024 -- Moody's Ratings (Moody's) has today assigned (P)A3 domestic- and foreign-currency senior unsecured MTN program ratings to Volkswagen Financial Services AG (VWFS AG, long-term issuer ratings A3) and (P)A3 backed domestic- and foreign-currency senior unsecured MTN program ratings to Volkswagen Financial Services N.V. (VWFS N.V., backed senior unsecured debt rating A3) under their new €50 billion multi-issuer and multi-currency debt issuance program. Under the same program, we also assigned (P)P-2 domestic- and foreign-currency other short-term ratings to VWFS AG and (P)P-2 backed domestic- and foreign-currency other short-term ratings to VWFS N.V..

We further assigned (P)A3 domestic- and foreign-currency senior unsecured MTN program ratings to Volkswagen Financial Services Overseas AG (VWFS Overseas AG, long-term issuer ratings A3) as well as (P)A3 backed domestic- and foreign-currency senior unsecured MTN program ratings to Volkswagen Financial Services Japan Ltd. (VWFS Japan, backed senior unsecured debt rating A3) under their new €5 billion multi-issuer and multi-currency debt issuance program. Under the same program, we also assigned (P)P-2 domestic- and foreign-currency other short-term ratings to VWFS Overseas AG and (P)P-2 backed domestic- and foreign-currency other short-term ratings to VWFS Japan.

A full list of affected ratings can be found at the end of this press release.

RATINGS RATIONALE

The (P)A3 senior unsecured MTN program ratings are aligned with VWFS AG's and VWFS Overseas AG's A3 long-term senior unsecured debt and issuer ratings, respectively. Similarly, the (P)A3 backed senior unsecured MTN program ratings of VWFS N.V. and VWFS Japan benefit from unconditional and irrevocable guarantees

of VWFS AG and VWFS Overseas AG, respectively, to the holders of the to be issued notes under the programs regarding the due payment of all amounts payable as principal or interest.

The (P)P-2 other short-term ratings assigned to VWFS AG and the (P)P-2 backed other short-term ratings assigned to VWFS N.V. reflect VWFS AG's A3 long-term senior unsecured debt rating and our standard linkage between the global long-term and short-term rating scales.

Similarly, the (P)P-2 other short-term ratings assigned to VWFS Overseas AG and the (P)P-2 backed other short-term ratings assigned to VWFS Japan reflect VWFS Overseas AG's A3 long-term issuer ratings and our standard linkage between the global long-term and short-term rating scales.

FACTORS THAT COULD LEAD TO AN UPGRADE OR DOWNGRADE OF THE RATINGS

The assigned program ratings could be upgraded in case of an upgrade of Volkswagen Aktiengesellschaft (Volkswagen, issuer rating A3 stable). Similarly, a downgrade of Volkswagen would lead to a downgrade of the long-term program ratings.

A downgrade could also be triggered if Volkswagen were to loosen its ties with its financial services subsidiaries, leading to a lowering of our support assumptions underlying the issuers' long-term senior unsecured debt or issuer ratings.

LIST OF AFFECTED RATINGS

..Issuer: Volkswagen Financial Services AG

Assignments:

.... Senior Unsecured Medium-Term Note Program (Foreign Currency), Assigned (P)A3

.... Senior Unsecured Medium-Term Note Program (Local Currency), Assigned (P)A3

.... Other Short Term (Foreign Currency), Assigned (P)P-2

.... Other Short Term (Local Currency), Assigned (P)P-2

..Issuer: Volkswagen Financial Services N.V.

Assignments:

.... Backed Senior Unsecured Medium-Term Note Program (Foreign Currency), Assigned (P)A3

... Backed Senior Unsecured Medium-Term Note Program (Local Currency), Assigned (P)A3

... Backed Other Short Term (Foreign Currency), Assigned (P)P-2

... Backed Other Short Term (Local Currency), Assigned (P)P-2

..Issuer: Volkswagen Financial Services Overseas AG

Assignments:

... Senior Unsecured Medium-Term Note Program (Foreign Currency), Assigned (P)A3

... Senior Unsecured Medium-Term Note Program (Local Currency), Assigned (P)A3

... Other Short Term (Foreign Currency), Assigned (P)P-2

... Other Short Term (Local Currency), Assigned (P)P-2

..Issuer: Volkswagen Financial Services Japan Ltd.

Assignments:

... Backed Senior Unsecured Medium-Term Note Program (Foreign Currency), Assigned (P)A3

... Backed Senior Unsecured Medium-Term Note Program (Local Currency), Assigned (P)A3

... Backed Other Short Term (Foreign Currency), Assigned (P)P-2

... Backed Other Short Term (Local Currency), Assigned (P)P-2

PRINCIPAL METHODOLOGY

The methodologies used in these ratings were Finance Companies published in July 2024 and available at <https://ratings.moodys.com/rmc-documents/425167>, and Captive Finance Subsidiaries of Nonfinancial Corporations published in August 2024 and available at <https://ratings.moodys.com/rmc-documents/426430>. Alternatively, please see the Rating Methodologies page on <https://ratings.moodys.com> for a copy of these methodologies.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on

<https://ratings.moodys.com/rating-definitions>.

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For provisional ratings, the Credit Rating Announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating.

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