BMW Group

Media Information

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BMW Group and PSA expand cooperation to hybrid systems

Development of hybrid components for front-wheel-drive vehicles

Cooperation will leverage significant economies of scale

**Munich, Paris.** The BMW Group and PSA Peugeot Citroën intend to expand their successful cooperation by including hybrid components for front-wheel-drive vehicles.

A memorandum of understanding to this effect has been signed by Norbert Reithofer, Chairman of the Board of Management of BMW AG, and Philippe Varin, Chairman of the Managing Board of PSA Peugeot Citroën.

The components are to be used in front-wheel-drive vehicles with electrified drive trains. Joint development and production of components as well as joint purchasing will leverage significant economies of scale for both partners. It will also allow them to standardise key elements for the electrification of vehicles.

“This cooperation will deliver a major contribution towards a competitive cost structure in the field of electrification. It also represents another important step on the road to sustainable mobility,” said Reithofer.

“We are pleased to broaden our long-standing cooperation based on the strong relationship that exists between our two companies,” added Philippe Varin. “Combining both partners’ expertise in hybrid technologies will clearly create competitive advantage.”

Both parties have agreed not to disclose financial details of the agreement.

The BMW Group and PSA Peugeot Citroën have been successfully cooperating on engines for several years. In February 2010, the two companies agreed to develop the next generation of their jointly designed 4-cylinder petrol engine, which will also meet EU 6 requirements. The joint engine is currently built into a number of MINI, Peugeot and Citroën brand models.

If you have any questions, please contact:

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**The BMW Group**

The BMW Group is one of the most successful manufacturers of automobiles and motorcycles in the world with its BMW, MINI and Rolls-Royce brands. As a global company, the BMW Group operates 24 production facilities in 13 countries and has a global sales network in more than 140 countries.

The BMW Group achieved a global sales volume of approximately 1.29 million automobiles and over 87,000 motorcycles for the 2009 financial year. Revenues totalled euro 50.68 billion. At 31 December 2009, the company employed a global workforce of approximately 96,000 associates.

The success of the BMW Group has always been built on long-term thinking and responsible action. The company has therefore established ecological and social sustainability throughout the value chain, comprehensive product responsibility and a clear commitment to conserving resources as an integral part of its strategy. As a result of its efforts, the BMW Group has been ranked industry leader in the Dow Jones Sustainability Indexes for the last six years.