

BMW GROUP Corporate Communications

Press Release February 17, 2014

BMW Group to build new MINI Hatch also at VDL Nedcar

Significant increase in production capacity Oxford to remain the heart of MINI production Contract production as a flexibility instrument to support growth strategy

Born/Munich. The new MINI Hatch, which celebrated its production start at the MINI plant in Oxford in November 2013, will also be built in the Netherlands from summer 2014. The BMW Group confirmed the start of production today during a visit by Harald Krüger, BMW AG's Board Member Production, and Dr. Klaus Draeger, BMW AG's Board Member Purchasing and Supplier Network, at the contract manufacturer VDL Nedcar in Born, Netherlands.

MINI will be the only automotive manufacturer that has series production vehicles built through a contract production in the Netherlands. The BMW Group stands to benefit from the favourable location of the VDL Nedcar site in terms of logistics and its proximity to the UK MINI production network with its locations in Oxford, Swindon and Hams Hall. At the same time, the BMW Group will be stepping up its presence in the Netherlands significantly, making the region an integral part of the MINI success story.

"Contract production is a vital flexibility tool for us, and our experience gathered over the past ten years has been nothing but positive. Splitting production of the new MINI Hatch between Oxford and Born will give our global production network additional leeway. We appreciate the reliable, open and trustful cooperation with our Dutch partner, VDL Nedcar," stated Dr. Klaus Draeger during the plant visit in Born.

As another important step in the implementation of the global growth strategy with its sales target of over two million vehicles by 2016, the BMW Group is currently expanding its overall production capacity. Head of Production Harald Krüger said: "The MINI brand is showing substantial growth. This is why we need additional, external production capacity on top of the capacity of the MINI plant in Oxford which stands at about 260,000 units per year in the medium term. VDL Nedcar has many years of experience in producing high quality vehicles, so the company is an ideal partner for us. At the same time, the UK production network is and will remain the heart of MINI production. Splitting production of the new MINI Hatch between Oxford and Born will give us greater flexibility for other models."

Preparations for the production launch of the new MINI hatch at the contract manufacturer VDL Nedcar are on target. A workforce of around 1,500 people will be responsible for building the new MINI from summer 2014. This year MINI production volume at VDL Nedcar is anticipated to already reach a five-digit range. The same demanding quality standards apply to MINI production in Oxford and Born. In order to ensure these quality standards, VDL Nedcar staff received in-depth training on the BMW Group production system at the BMW plants in Leipzig, Oxford and Regensburg.

Firma Bayerische Motoren Werke Aktiengesellschaft

Postanschrift BMW AG 80788 München

Telefon +49 89 382 54459





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In 2013, 303,177 MINI vehicles were produced. Plant Oxford produced 175,986 MINI Hatch, Convertible, Clubman, Clubvan, Roadster and Coupé models. An additional 125,559 MINI Countryman and MINI Paceman models were built by the contract manufacturer MSF in Graz, Austria plus additional 1,632 units in other plants. Since the relaunch of the brand in 2001, nearly 2.8 million MINI vehicles have been produced.

If you have any further queries please contact:

Andreas Klugescheid, Leiter Kommunikation Produktionsnetzwerk Telefon: +49 89 382-54459, <u>andreas.klugescheid@bmw.de</u>

Saskia Eßbauer, Kommunikation Produktionsnetzwerk Telefon: +49 89 382-18364, saskia.essbauer@bmw.de

Nikolai Glies, Leiter Wirtschafts- und Finanzkommunikation, Telefon: +49 89 382-24544, <u>nikolai.glies@bmw.de</u>

Frank Wienstroth, Wirtschafts- und Finanzkommunikation, Telefon: +49 89 382-23021, <u>frank.wienstroth@bmw.de</u>

Internet: <u>www.press.bmw.de</u> E-mail: <u>presse@bmw.de</u>

The BMW Group

The BMW Group is the leading premium manufacturer of automobiles and motorcycles in the world with its BMW, MINI and Rolls-Royce brands. As a global company, the BMW Group operates 28 production and assembly facilities in 13 countries and has a global sales network in more than 140 countries.

In 2013, the BMW Group sold around 1.963 million cars and 115,215 motorcycles worldwide. The profit before tax for the financial year 2012 was euro 7.82 billion on revenues amounting to euro 76.85 billion. At 31 December 2012, the BMW Group had a workforce of 105,876 employees.

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.

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