

Media Information
10 October 2018

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Statement

Harald Krüger

Chairman of the Board of Management of BMW AG

**“BMW China Strategic Signing & BBA Tiexi New Plant
Ground Breaking Ceremony”**

New plant site, October 11th 2018, 08:30 – 09:30

Distinguished guests,

Ladies and Gentlemen,

Nv Shi Men, Xiansheng Men, Shangwu Hao!

It is great to be back in China! Every time I come here, I am inspired.

Yesterday, I had the honour to meet Premier Li Keqiang. He already witnessed the MOU signing ceremony in Berlin in July. The signing and the groundbreaking today both underline the bright future of BMW Brilliance Automotive in China.

Today, we are celebrating 15 years of the BBA joint venture – a unique story of two partners. They have built up a new successful company by merging Chinese and German proficiencies. BBA is the cornerstone of the BMW brand's sustained success in its largest single market. This is the result of outstanding commitment on all sides. I would like to express our deepest gratitude towards local authorities of Shenyang and Liaoning and the central government in Beijing, as well as our longstanding partners from Brilliance.

Ladies and Gentlemen,

Building on this strong foundation, we are looking forward to an even more successful future together. This is why we have decided to take our strong joint venture company BBA together with the Liaoning Province to the next level:

First: Together with our partner Brilliance, we extended the Joint venture contract early, until 2040. With the new agreement signed, the BMW Group and Brilliance continue to set a good example of successful cooperation in China.

Second: BBA will invest more than three billion euros in a large-scale expansion of the existing plant structure. An additional new plant on the ground of the existing BBA plant in Tiexi will produce BMW automobiles and double the plant's future capacity. At

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the same time, we will make plant Dadong fit for the future. Therefore, the total yearly production capacity of the BBA plants will be gradually increased to more than 650,000 units in total from the early 2020s on. This will create more than 5,000 new jobs. With our highly flexible production system, we can respond quickly to market demand and would be able to produce up to 100% electric vehicles.

Thank you to the governments of China and Germany for the support on this new project. Premier Li Keqiang personally supported these important strategic steps. We are confident that we will be able to continue the unique success story of BBA.

Ladies and Gentlemen,

We are now embarking on a new era. China is quickly becoming an important development and production base for BMW new energy vehicles. The BMW Group China is introducing a large number of electrified products. In addition, our e-mobility strategy includes the expansion of the charging infrastructure. The locally produced iX3 is the first fully-electric BMW after the i3. It will be only produced in China and exported into the world.

I firmly believe that together with our Chinese partners, we will create a prosperous future: for Shenyang, for the Liaoning province, for China – and the world.

Xiexie Dajia – Thank you.