Media Information

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BMW Group Press Conference

64th Internationale Automobil-Ausstellung (IAA)

Frankfurt, September 13, 2011

Dr. Norbert Reithofer, Chairman of the Board of Management, BMW AG

Welcome Ladies and Gentlemen!

Mobility should be useful to people and it should inspire them. This is why it has to reflect the spirit of the time as well as the world in which we want to live tomorrow. These three cars all feature a fully electric powertrain: The MINI E, the BMW ActiveE, and the Rolls-Royce 102 EX. You see: Zero-emission driving is also for the ultra-luxury segment.

These two men from the BMW Group are responsible for the further development of MINI and Rolls-Royce: Kay Segler, and Torsten Müller-Ötvös.

Dr. Kay Segler, Senior Vice President MINI Business Coordination & Brand Management

The MINI brand is continuing its unique success story. At the same time, we are convinced that there is still great potential to tap. Further growth momentum will arise from new models as well as from our investment in the modernization and capacity expansion of the production network.

And here at the MINI stand, we are presenting the latest milestone: the new Coupe. A mere two years after we first showcased it as a concept vehicle, we are introducing the fifth member of the MINI family. But MINI also sets new standards when it comes to sustainability: The average amount of carbon emitted by our fleet is 133 g/km.

MINI is on the right track for the future. This has been demonstrated not least by the successful MINI E test fleet, which has been on the roads since 2009. I hope to see you all at the subsequent MINI press conference.

Torsten Müller-Ötvös, CEO Rolls-Royce Motor Cars Limited

2011 is a very special year for Rolls-Royce Motor Cars. Not only is it celebrated as the 100th anniversary of the Spirit of Ecstasy, our famous automotive icon, it is also the year of our latest Experimental Car, Rolls-Royce Phantom Experimental Electric - 102EX. The car is based on a Phantom but features a fully electric powertrain.

The 102EX is on a tour around the globe. The car is a test bed that allows us to gather data and customer feedback in order for us to make an informed decision on alternative powertrains for Rolls-Royce. Strong sales emphasise the pinnacle position of Phantom and the attraction to our brand. Ghost brings new customers to the brand with 80 per cent not having owned a Rolls-Royce previously.

Here in Frankfurt, Rolls-Royce Ghost Extended Wheelbase celebrates its European public debut. The car is aimed at customers who appreciate the poise of Ghost but are looking at an even more spacious interior in combination with the unique design and driving characteristics of Ghost. This is just another chapter in the success story of the brand Rolls-Royce.

After 2010, we will probably see another year of record sales in 2011. Many markets contribute to this success – and by the way, Germany has seen the strongest sales growth in Europe in the first half of 2011.

Before you leave, I would like to invite you to our press conference this afternoon at 2:30. We will be joined by Rowan Atkinson, who took to the wheel of a very special Rolls-Royce in his latest film.

Dr. Norbert Reithofer, Chairman of the Board of Management, BMW AG

The BMW Group continues to be the world’s leading premium car manufacturer in terms of sales. And we are on the right track to meet our targets for the year 2011. This means: A new record of more than 1.6 million cars sold. And an EBIT margin in the Auto segment over 10 percent.

Our motorcycle customers also have every reason to look forward to our new, innovative offerings.

* BMW Motorrad is going urban: This BMW Concept e is our idea of how an electric scooter for large cities should look.
* And this Concept eGO is our new idea for an electric motorcycle at Husqvarna.

And now, back to the cars. There is plenty of news for BMW customers.
My colleague Klaus Draeger will give you the details.

Dr. Klaus Draeger, Member of the Board of Management, Development

You have just seen many attractive BMW models pass by, among them two world premieres and one European debut. They all highlight our innovative strength. But most importantly, they offer pure emotion.

The BMW 650i Convertible marked the start of the model year 2011. It was launched worldwide right in time for the convertible season. Today, the BMW 640d Coupe is celebrating its European debut here at the Frankfurt Motor Show. This model combines the latest BMW EfficientDynamics and BMW Connected Drive technologies.

In line with the BMW EfficientDynamics philosophy, the 6 Series Coupe has higher performance and is more efficient than its predecessor. One example: The BMW 640d has an average fuel consumption of 5.4 liters per 100 kilometers – that’s with 313 hp. Compared to its predecessor, the new 640d is 20 percent more efficient. Being on the road in a 6 Series Coupe also means staying closely connected to your world — whether:

* Keeping an eye on traffic ahead,
* Calling a family member, or
* Making sure you still have good weather for your tee time.

But most notably, the 6 Series Coupe offers maximum emotional appeal. From the refined driving experience to the fluid exterior design. To me, this model is the perfect combination of elegant design and innovative technology.

The next car is the perfect example of driving pleasure in the premium compact segment. Please welcome the world premiere of the BMW 1 Series.

In 2004, the 1 Series paved the way for our entry into the premium compact segment. Since then, it has sold well over one million units all around the world. The new BMW 1 Series offers an enhanced product substance, featuring:

* State-of-the-art drive and chassis technology,
* Improved efficiency,
* Increased interior space,
* And innovative equipment options.

You can clearly see that the 1 Series successor has grown. Both the car body and the wheelbase are longer and wider, which makes the car look even more athletic. As well, this increase delivers more legroom in the rear and greater trunk space.

Three innovations in particular are responsible for its high-efficiency performance and low fuel consumption:

1. The new BMW TwinPower four-cylinder petrol engines.
2. The 8-gear automatic transmission Steptronic with auto start/stop function.
3. The ECO PRO mode. A drive mode that can be chosen by pressing a button in the center console.

And there is no car in this segment as well connected as the new BMW 1 Series. The BMW ConnectedDrive system offers the driver additional safety, comfort and infotainment, but it also helps to improve efficiency. This is due to a new equipment feature: It is called Real Time Traffic Information (RTTI) and is celebrating its world premiere with the BMW 1 Series.

RTTI continuously calculates updated traffic information in real time. If there is traffic ahead, the driver can react in due time and change his route. That way, he reaches his destination quickly and efficiently.

But the BMW 1 Series still has more to offer. With this line-up, we provide an answer to new trends worldwide, such as customization. So let me introduce the new BMW 118i Sport Line and the new BMW 118d Urban Line. What you see on the revolving platform is an Urban Line model. The one next to it features the Sport Line. The individual elements of all BMW Lines are aligned with each other down to the smallest detail, guaranteeing a particularly striking appearance.
And they give our customers another option to customize their cars and to set themselves apart.

For those who love maximum sporting flair, we have developed the new
M sports package. Available from March 2012 on, it takes the car’s athletic and dynamic character to the next level.
Taking into account all exterior colors, upholsteries, decorative trims and wheel options, customers can choose from more than 6,500 possible combinations.

The BMW brand embodies dynamics and sporting flair. These are our traditional brand values. With our Efficient Dynamics program, however, we have added efficiency — and sustainability — to the mix. You know that all our models are fitted with the Efficient Dynamics technology package as standard equipment.
At present, our BMW Group fleet comprises over 50 cars that emit 140 grams of CO2 per kilometer or less.

From March 2012 on, we are complementing our portfolio with an even more efficient 1 Series model: The BMW 116d EfficientDynamics Edition, with a
1.6 liter diesel drive, 116 hp, and carbon emissions of 99 g/km in the EU test cycle.

Another perfect example of a maximum efficiency premium sedan in the upper middle segment is the BMW 520d EfficientDynamics Edition.

It will arrive at the dealerships in the fall of this year. This model is powered by a 184 hp four-cylinder diesel engine, yet its average fuel consumption in the EU test cycle is 4.5 liters per 100 kilometers. And its CO2-emissions are just 119 g/km.

But now, I’d like to move on to our second world premiere. Here it is –
the new BMW M5.

What you see here is a sedan, ready for everyday use but with the character
of a true sports car. The new M5 is already the fifth generation of this high-performance sedan. Obviously, it is also fitted with our EfficientDynamics features.

This model has 560 hp – 10 per cent more than its predecessor – and
680 Nm – 30 per cent more than the predecessor. At the same time, we reduced carbon emissions by over 30 per cent.

BMW M stands for a unique philosophy of driving pleasure – for high performance, sophisticated sporting flair, and aesthetics. M cars are designed to be fun. And I guarantee, the new BMW M5 is a lot of fun.

All of the cars you have seen today represent today’s innovative mobility. But everyone who knows the BMW Group knows: we’re always thinking ahead. You’ll see more about that in a minute.

There is one more thing I’d like to mention: The new 6 Series is one of the stars in the new US spy thriller “Mission Impossible: Ghost Protocol” with Tom Cruise. We’re excited to see what action awaits Ethan Hunt in his BMW 6 Series. You can see all the action yourself — it’s scheduled to open in German cinemas in December.

Dr. Norbert Reithofer, Chairman of the Board of Management, BMW AG

This 1602e is BMW’s first all-electric car. Back in 1972, it joined the marathon runners at the Olympic Games in Munich. Sustainable mobility is a marathon as well. However, we are in the race — and clearly focused on the road ahead.

The BMW Group remains focused on the long-term. And there are major trends that influence our approach, like the following two:

1. Urbanization. Megacities continue to grow across the globe. At the same time, we all want to be respected and seen as individual with our own personality.
2. Sustainability. In order to protect our planet, we all have a responsibility to use resources carefully. And this applies to economic, ecologic and social issues.

Our responsibility as a global car company is: Finding innovative solutions for the challenges today and tomorrow, and resolve what seems to be a contradiction. As an engineer, I’m convinced this is possible. As the head of BMW Group,
I know driving this change is an important decision — even if it means a shift in thinking.

As we head towards ever more sustainable mobility, we know this period of transition requires two approaches: Evolution and Revolution:

* Our new models at the IAA represent even more efficient sheer driving pleasure. For us, this means making continuous improvements through Efficient Dynamics.
* With our BMW i Family, we’re heading in a totally new direction — emission-free driving, cutting-edge materials, and sustainable production. For the first time, we set sustainability targets right from the start of development through recycling. The result is that the BMW i3 will have a significantly reduced CO2 footprint. In fact, it’s 50 percent less over the product lifecycle compared to a highly efficient combustion engine car today. This is a first for the auto industry. That’s what it is about: A sustainable value chain without exploiting our natural resources. This is what I call revolution.

How does this revolution look on four wheels? Let’s take a look.

Dr. Klaus Draeger, Member of the Board of Management, Development

Both of these concept cars demonstrate how the future of sustainable and dynamic mobility can look. They are the best example for a revolution in the auto industry.

The BMW i3 Concept is powered by a fully-electric drive and suited for urban areas. The BMW i8 Concept is a plug-in hybrid model. Combining an electric drive and a combustion engine, it guarantees both maximum efficiency and maximum dynamics. The body for the i3 and i8 is truly revolutionary—both for the architecture as well as the material used. The chassis is made mainly from aluminum, while the passenger cabin is made from carbon fiber. By using carbon fiber, we have resolved the contradiction that an electric car has to weigh more because of heavy batteries. The carbon fiber is extremely light in addition to being very strong and stiff.

We founded a joint venture with our partners SGL Group to produce the amount of carbon fiber we need. At the start of September, the SGL plant in Moses Lake, USA officially started carbon fiber production. One of the reasons we chose this location is because the plant uses only hydroelectric power. This is a perfect example of a sustainable value chain. The vision Dr. Reithofer has talked about will become a reality when the i3 is launched in late 2013. Shortly after, it will be joined by the i8.

However, the drivetrain and the architecture are not the only innovative features. One example is the innovative headlight technology. You can already see this technology in the BMW i8 Concept.

This technology will offer two major advantages in the future:

1. It uses only half the energy of conventional LED lights.
2. It directs the light to exactly where the driver needs it — in every situation.

The BMW laser light is a first for the auto industry. When you see these lights in your rear mirror, you’ll know immediately what kind of car is about to pass you.

Dr. Norbert Reithofer, Chairman of the Board of Management, BMW AG

All this is the BMW Group. Our products are as diverse as our customers. Through bold and intelligent solutions, we’re putting innovative products on the road using significantly fewer natural resources.

Just a few days ago, the Dow Jones Sustainability Index recognized the BMW Group as the world’s most sustainable car company. For the seventh year in a row we have been ranked industry leader in the automotive sector.

This is the future of BMW – and BMW represents the future.

Thank you for your attention. I wish you all a successful IAA.