

Media Information
18 January 2019

Milestone in the expansion of BMW Brilliance Automotive: CBA General Meeting approves stake sale

Munich. The long-term expansion of the BMW Brilliance Automotive Ltd. (BBA) Joint Venture has achieved a significant milestone: On Friday, a Special General Meeting of Brilliance China Automotive Holdings Ltd. (CBA) in Hongkong approved the sale of a 25 percent shareholding in BBA to the BMW Group. Around 63 percent of the represented shareholders voted in favor of this step.

As announced in October on the 15th anniversary of BBA, the BMW Group intends to increase its stake in BBA from 50 percent to 75 percent and both partners signed a corresponding agreement. As part of the agreement the contractual term of the joint venture, which would currently expire in 2028, is to be extended to 2040. The transaction remains subject to the approval of the relevant authorities. The deal is scheduled to close in 2022 at the latest when the joint venture requirement for auto manufacturing in China will be lifted.

It is the BMW Group's goal to further strengthen its long-term cooperation with CBA, increase production capacity in Shenyang and continue to expand the localisation of additional models including new energy vehicles (NEVs). Therefore, an investment of more than three billion euros in new and existing plant structures in Shenyang over the coming years was announced in October: In Tiexi, the site's capacity will double. With its highly flexible production system, the new plant in Tiexi will be able to build vehicles with fully electric, partially electric and conventional drivetrains on a single production line. Further extensive remodelling and expansion measures will also be carried out at the neighbouring plant in Dadong. Its structure will be expanded to accommodate future BMW model variants and the expected increase in customer demand. As a result, from the early 2020s the total annual production capacity of BMW automobiles at the BBA plants will gradually increase to 650,000 units, creating 5,000 new jobs.

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Date 18 January 2019
Subject Milestone in the expansion of BMW Brilliance Automotive:
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Page 2

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The BMW Group

With its four brands BMW, MINI, Rolls-Royce and BMW Motorrad, the BMW Group is the world's leading premium manufacturer of automobiles and motorcycles and also provides premium financial and mobility services. The BMW Group production network comprises 30 production and assembly facilities in 14 countries; the company has a global sales network in more than 140 countries.

In 2018, the BMW Group sold over 2,490,000 passenger vehicles and more than 165,000 motorcycles worldwide. The profit before tax in the financial year 2017 was € 10.655 billion on revenues amounting to € 98.678 billion. As of 31 December 2017, the BMW Group had a workforce of 129,932 employees.

The success of the BMW Group has always been based 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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