

Ad-hoc release: BMW AG updates guidance for financial year 2020

Munich. The Board of Management of BMW AG has decided today to update its guidance for the financial year 2020. The decisive factor for the adjustment is that the measures to contain the corona virus pandemic are lasting longer in several markets and are thus leading to a broader negative impact than was foreseeable in mid-March. It is therefore apparent that delivery volumes in these markets will not – as was previously assumed - return to normal within a few weeks. The highest negative impact is expected in the second quarter of 2020.

The economic shifts caused by the pandemic make it difficult to provide a reliable forecast. The outlook is therefore subject to a high degree of uncertainty. To reflect this uncertainty, the company has widened the range for the **EBIT margin** for the **Automotive segment** and now expects a range between 0% and 3%.

In the **Financial Services segment**, the **return on equity** is now forecasted to fall moderately year-on-year.

Motorcycles deliveries over the twelve-month period are now expected to be significantly below the previous year's level. The **EBIT margin** for the segment is forecasted to be within a range of between 3% and 5%.

Group profit before tax is still predicted to be significantly lower than in 2019.

These targets are to be achieved with a **workforce** slightly below the level of the previous year. As already communicated, reductions in staff numbers due to fluctuation will be used to manage the workforce size.

The updated guidance does not, in particular, include, a longer and deeper recession in major markets, a more severe economic slow-down in China as a result of recessions in other parts of the world, significant market distortions due

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to an even stronger competitive environment and possible implications caused by a second wave of infections and associated containment measures.

The BMW AG will publish further details on the outlook and the earnings figures for the first quarter of 2020 on 6 May 2020 at approximately 07:30 a.m.

For queries, please contact:

Corporate Communications

Max-Morten Borgmann, Corporate Communications

Telephone: +49 89 382-24118, Max-Morten.Borgmann@bmwgroup.com

Mathias Schmidt, Head of Corporate and Culture Communications

Telephone: +49 89 382-24544, Mathias.M.Schmidt@bmw.de

Internet: www.press.bmwgroup.com

Email: presse@bmwgroup.com

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 31 production and assembly facilities in 15 countries; the company has a global sales network in more than 140 countries.

In 2019, the BMW Group sold over 2.5 million passenger vehicles and more than 175,000 motorcycles worldwide. The profit before tax in the financial year 2019 was € 7.118 billion on revenues amounting to € 104.210 billion. As of 31 December 2019, the BMW Group had a workforce of 126,016 employees.

The success of the BMW Group has always been based on long-term thinking and responsible action. Ecological and social sustainability along the entire value-added chain, full responsibility for our products and an unequivocal commitment to preserving resources are prime objectives firmly embedded in our corporate strategy.

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