

Media Information

20 June 2022

**BMW Group brings e-drives to Austria: Expansion of production and development at Steyr engine plant**

+++ Production of next-generation e-drives at BMW Group Plant Steyr from 2025 +++ Annual production capacity of over 600,000 units +++ Investment of around one billion euros by 2030 +++ BMW iFACTORY also in Steyr: electric drive trains from carbon neutral plant +++

**Steyr.** From 2025 onwards, the next generation of e-drives will be created in Steyr – with both production and development on site – as BMW Group Plant Steyr embarks on an electrified future. The BMW Group will be investing around one billion euros in competence development in this area between now and 2030. The significant increase in capacity, which was announced by the company at an event on 20 June, will ensure the Steyr plant in Upper Austria remains the BMW Group's leading drive-train location.

**Combined drive train expertise: Newest generation of e-drives comes to Steyr**

"This plant has developed and manufactured combustion engines for our BMW and MINI brands for more than 40 years. One out of every two BMW Group vehicles around the world today already has a 'heart' built in Steyr. From 2025, we will also develop and produce the next generation of e-drives here," explains Milan Nedeljković, member of the Board of Management of BMW AG responsible for production. "Years of experience and a wealth of drive train expertise make BMW Group Plant Steyr the ideal location for the sustainable mobility of the future," he added at the project launch.



At the event announcing the project, Austrian Chancellor Karl Nehammer added: "The manufacturing industry is an important partner when it comes to strengthening Austria as a business hub, creating jobs and driving innovation. It is an enabler for an effective and sustainably successful fight against climate change. In all these respects, BMW Group in Austria is already today a model company. It functions like a powerful engine for a sustainable future for our country, proving once again that climate protection and economic growth are not contradictory, but can go together."

### **Production of e-drives in Steyr: "Most important milestone since groundbreaking"**

Alexander Susanek, managing director of BMW Group Plant Steyr, gave an overview of what e-drive production means to the location: "This step is, without question, the most important milestone since the groundbreaking in 1979. We will produce more than 600,000 e-drives per year – while maintaining high production capacity utilisation for diesel and petrol engines. By 2030, around half of our 4,400 employees will work in electromobility. This is also an enormous step towards securing jobs here at the BMW Group site in Steyr for the long term."

Going forward, Steyr will produce all core components for the innovative, highly-integrated e-drive train: the rotor and stator, the transmission, the inverter and the housing. These components will then be installed on two new assembly lines.

**Significant expansion of production area: around 60,000 square metres of new buildings and production facilities**

To perform these tasks, existing production areas will be refurbished and new spaces created: A two-storey production hall will house two assembly lines for e-drives, including transmission assembly. The new building will also be used for manufacturing power electronics with clean room technology. A second new building will expand the logistics areas. As a result, the total production area will be expanded by about 60,000 square metres. Investment in production will total around 710 million euros by 2030.

**Turning point for Steyr development location: "Entirely new electric drive train will be developed at Steyr site for the first time"**

As a development location, Steyr revolutionised the diesel engine and has continued to optimise it ever since. Now, this success story will be repeated for e-drives: In Steyr, a new high-performance e-drive is being developed that will establish a new performance class. "We are strengthening the Steyr location by continuing to expand expertise in electric drive technology. For the first time, an entirely new drive train will be developed here in Austria," underlined Frank Weber, member of the Board of Management of BMW AG responsible for Development.

The development location will be investing around 230 million euros in these new high-performance e-drives between now and 2030. A third of the 700 developers in Steyr already work in e-mobility. By 2030, this number will increase to around 90 percent.

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**Sustainable drive trains from Austria for the global market**

Plant Steyr's transformation is taking place in line with the principles of the BMW iFACTORY – Lean. Green. Digital. While "lean" and "digital" represent the use of state-of-the-art production methods for high efficiency, flexibility and quality, the "green" dimension aims to ensure a responsible approach to the environment. In this context, BMW Group Plant Steyr will meet one hundred percent of its energy requirements from renewable sources no later than 2025 – by using green power and heat from regional biomass. This ensures that sustainability begins well before the customer use phase. Plant director Alexander Susanek is delighted: "With our e-drives from net carbon neutral production, we are creating the best-possible conditions for carbon-neutral mobility from 2025."

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The BMW Group has regarded itself for decades as the benchmark for production technology and operational excellence in vehicle construction. BMW iFACTORY. LEAN. GREEN. DIGITAL. represents the strategic vision of the worldwide production network. It provides answers to the challenges of the transformation towards e-mobility, with a global approach.

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Lean stands for efficiency, precision and the highest level of flexibility, as well as outstanding integration capability. Green means using state-of-the-art technologies to establish production with minimal use of resources. The aim is to reduce CO2 emissions per vehicle from production by 80% from 2019 levels by 2030. Digital focuses on data science, artificial intelligence and virtual planning and development. In this way, BMW Group production is able to make a decisive contribution to the company's profitability.

#### **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 over 30 production sites around the world; the company has a global sales network in more than 140 countries.

In 2021, the BMW Group sold over 2.5 million passenger vehicles and more than 194,000 motorcycles worldwide. The profit before tax in the financial year 2021 was € 16.1 billion on revenues amounting to € 111.2 billion. As of 31 December 2021, the BMW Group had a workforce of 118,909 employees.

The success of the BMW Group has always been based on long-term thinking and responsible action. The company set its course for the future early on and is making sustainability and resource efficiency the focus of the company's strategic direction – from the supply chain, through production, to the end of the use phase, for all its products.

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