

Media Information  
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## **BMW Group adjusts guidance for 2024 financial year**

- Trigger: Delivery stops and technical actions linked to Integrated Braking System (IBS).
- Technical actions impact over 1.5 million vehicles.
- Additional warranty costs in high three-digit million amount.

**Munich.** The Board of Management of BMW AG adjusted the guidance for the 2024 financial year today.

This was triggered in part by additional headwinds in the Automotive Segment resulting from delivery stops and technical actions linked to the Integrated Braking System (IBS) that is provided by a supplier.

The delivery stops for vehicles that are not already in customers hands will have a negative worldwide sales effect in the second half of the year. The IBS-related technical actions impact over 1.5 million vehicles and result in additional warranty costs in a high three-digit million amount in the third quarter.

In parallel to this effect, the ongoing muted demand in China is affecting sales volumes. Despite stimulus measures from the government, consumer sentiment remains weak.

Considering these developments in the **Automotive Segment** outlined above, the BMW Group has adjusted the guidance for the 2024 financial year as follows:

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- A slight decrease in deliveries versus previous year (previously: slight increase).
- An EBIT margin for 2024 in a corridor from 6% to 7% (previously: 8% to 10%).
- Return on Capital Employed (RoCE) between 11% and 13% (previously: 15% to 20%).

Free-Cash-Flow in the Automotive Segment is estimated to be above €4bn for the 2024 Financial year.

As of today, the described earnings together with additional inventory will impact the third quarter much more than the fourth quarter.

In the **Motorcycles Segment**, the ongoing competitive situation across core markets – including China and the USA – is having a major impact on volume and price realization. Deliveries to customers are now expected at prior year's level (previously: slight increase). Accordingly, the EBIT margin for 2024 is expected to be in a corridor of 6% to 7% (previously: 8% to 10%) and Return on Capital Employed (RoCE) is anticipated to be between 14% and 16% (previously: 21% to 26%).

**Group Earnings before Tax** will, therefore, decrease significantly (previously: slight decrease).

The full quarterly results and the adjusted outlook report will be published on 6 November 2024 in the BMW Group Quarterly Statement to 30 September 2024. The definitions of the KPIs can be found in the Glossary of the BMW Group Report 2023 on pages 338 to 343.

If you have any questions, please contact:

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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 over 30 production sites worldwide; the company has a global sales network in more than 140 countries.

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In 2023, the BMW Group sold over 2.55 million passenger vehicles and more than 209,000 motorcycles worldwide. The profit before tax in the financial year 2023 was € 17.1 billion on revenues amounting to € 155.5 billion. As of 31 December 2023, the BMW Group had a workforce of 154,950 employees.

The success of the BMW Group has always been based on long-term thinking and responsible action. The company set the course for the future at an early stage and consistently makes sustainability and efficient resource management central to its strategic direction, from the supply chain through production to the end of the use phase of all products.

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