

Media Information  
6 May 2026

- Check against delivery –

**Statement****Walter Mertl****Member of the Board of Management of BMW AG, Finance****Conference Call Quarterly Statement to 31 March 2026****Munich, 6 May 2026, 08.30 a.m.****SLIDE 2: BMW Group Quarterly Statement to 31 March 2026**

Ladies and Gentlemen,  
Good Morning.

The year 2026 started off with sound financial results for the BMW Group, in line with our expectations.

**SLIDE 3: BMW Group Performance in Q1 2026**

In the first quarter, Group revenues totaled 31 billion euros.

Group earnings before tax amounted to 2.35 billion euros, approximately 25 percent lower than in Q1 2025.

With this result, we generated a Group EBT margin of 7.6 percent, on the level of the 2025 full year.

The operating profit in the Automotive segment was 1.345 billion euros.

Consequently, the EBIT margin in the Automotive segment stood at 5 percent, in the middle of our full-year guidance corridor of 4 to 6 percent.

As you know, we consistently focus on our reported figures. Accordingly, the five percent represents our reported EBIT margin without any adjustments.

The Q1 extra tariff burden of 1.25 percentage points is accounted for in this margin.

In addition, the EBIT margin includes the depreciation from the BBA purchase price allocation of 1.2 percentage points.

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#### **SLIDE 4: Automotive Retail Units, BEV Units and Auto Revenue**

Let me now provide more details on the Automotive Segment's performance across key metrics.

In the first quarter, the BMW Group delivered around 566,000 BMW, MINI and Rolls-Royce vehicles to customers. This represents a slight decrease of 3.5 percent compared to the same period last year, driven by the sales decline of all-electric vehicles in the US and China.

The BMW brand saw a decline of 4.6 percent year-on-year. This was driven by shifts in regional and powertrain sales.

The MINI brand continued its growth following the successful renewal of its model portfolio, achieving a solid sales increase of 6 percent.

Let's take a closer look at our sales performance across regions. Starting this year, we have slightly adjusted our regional sales reporting to reflect our sales organization structure rather than geographical continents.

In our largest sales region, Europe, deliveries increased slightly by 3.0 percent. We saw growth across all powertrains – combustion engine vehicles, all-electric vehicles and plug-in hybrids.

The BMW brand's order intake in Europe showed strong growth across the entire product portfolio in Q1, with an order bank reaching well into the second half of the year.

In our sales region Asia-Pacific, Eastern Europe, Middle East, and Africa, deliveries declined by around 6,700 units – or 8.3 percent – year-on-year. This development was influenced by multiple factors, predominantly the macroeconomic environment and the diverse competitive landscape throughout the region, while the conflict in the Middle East had a limited regional sales impact in Q1.

In the Americas region, retail sales decreased by 4.0 percent year-on-year, primarily due to the US.

Here, sales of all-electric vehicles dropped significantly following the discontinuation of IRA support in the fourth quarter of last year. Our

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product portfolio enabled us to largely offset this decline and fulfil customer demand with our attractive ICE vehicles.

When comparing US sales to previous year, we must also remember that Q1 2025 was positively influenced by strong customer demand, driven by expectations of customs duty increases starting in April 2025.

Overall, we performed better than the total US market, which declined by 6.6 percent in the first quarter.

In China, the overall market declined sharply by over 17 percent in Q1, driven by reductions of government subsidies and changes of regulations. By comparison, BMW Group sales decreased by 10 percent and therefore outperformed the overall market in Q1.

Switching gears to BEV retail sales:

In the first three months, the BMW Group delivered over 87,000 all-electric vehicles to customers worldwide.

Sales of electrified vehicles, including both BEVs and plug-in hybrids, amounted to approximately 133,000 vehicles.

This represents a BEV share of total sales of 15.5 percent and an electrified vehicle share of 23.4 percent.

In Europe, BEV sales continued to grow and order intake increased by more than 60 percent year-on-year, especially due to strong demand for our all-new iX3\* and the iX1\*.

In China and the US, the removal of incentives and the reduction of subsidies for electrified vehicles had a noticeable impact on BEV sales year-on-year, reflecting the country-specific market dynamics.

Automotive Segment revenues declined moderately by 7.0 percent to 27.2 billion euros in the first quarter.

Adjusted for currency translation, mainly from the US-Dollar and the Chinese Renminbi, the decrease was 2.9 percent.

It was driven by lower sales volumes and intense global competition.

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Let's now take a closer look at the year-on-year changes in the operational result on the following slide.

### **SLIDE 5: Automotive Segment EBIT in Q1 2026**

In the first three months, changes in currency and raw material positions accounted for a negative impact of around 400 million euros.

As anticipated, the adverse FX development from the second half of 2025 continued into the first quarter of 2026.

The net effect of volume, model mix and pricing resulted in a negative impact of around 700 million euros compared to Q1 2025.

In addition to the impact from lower sales volumes, this decline was driven by intense competitive pressure across all major markets.

Ladies and Gentlemen,

We are continuing cost reductions across the company to tackle the overall headwinds.

In the first quarter of 2026, we have further reduced both R&D and capital expenditure, thanks to early investments in the NEUE KLASSE.

As of March, Group R&D expenditure totalled around 1.8 billion euros, a significant decrease of around 12 percent compared to the previous year.

The R&D ratio according to the German Commercial Code came in at 5.7 percent.

Despite this significant reduction, research and development expenses in the P&L increased by 100 million euros due to two factors:

An increase of 200 million euros in depreciation, resulting from capitalized development costs in prior years.

And a lower R&D capitalization ratio compared to Q1 2025, which decreased by 4.3 percentage points to 31.4 percent.

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Our ongoing commitment to reducing operating costs is further visible by the development of selling and administrative expenses, which decreased by around 100 million euros year-on-year.

Other Cost Changes provided a tailwind of around 400 million euros compared to the first quarter of 2025. This includes various factors, most notably manufacturing costs and warranty expenses as well a year-on-year tariff burden.

Overall, Automotive EBIT amounted to 1.3 billion euros in the first quarter. The decline of approximately 700 million euros compared to Q1 2025 was driven by headwinds from FX, tariffs and depreciation.

**SLIDE 6: Automotive Segment Free Cash Flow in Q1 2026**

Free cashflow in the Automotive Segment amounted to around 800 million euros in the first quarter of 2026.

The net change in working capital reduced free cashflow by around 500 million euros, as expected.

This mainly reflects the typical Q1 inventory build-up, with production exceeding sales volume. The impact of higher inventories was partly compensated by an increase in trade payables, which rose in line with production levels.

The net effect of capital expenditure and depreciation contributed about 600 million euros to free cashflow.

Depreciation exceeded capital expenditure in the first quarter, positively impacting free cashflow.

We expected this position to flip versus previous years, as we continue to reduce capex and see depreciation from earlier investments take effect. This trend will continue throughout 2026.

The capex ratio for Q1 was 2.0 percent, reflecting the typical low level seen in the first quarter of the year.

The change in provisions reduced free cashflow in the first quarter by 300 million euros, primarily due to the consumption of warranty provisions.

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The change in the position other reduced free cashflow by 300 million euros, mainly due to regular tax payments.

For the full year, the BMW Group is targeting a free cashflow in the Automotive segment above 4.5 billion euros.

Ladies and Gentlemen,

The BMW Group remains firmly committed to its shareholder return strategy, which includes both dividend payments and share buybacks.

The second tranche of our third share buyback program with a volume of 625 million euros is currently underway and is scheduled for completion by the end of August at the latest. The third tranche is planned to follow thereafter.

### **SLIDE 7: Financial Services Segment YTD March 2026**

Let's now turn to our Financial Services Segment.

In the first quarter, the number of new contracts concluded with retail customers increased slightly by 4.3 percent year-on-year, reaching 420,000 contracts.

The penetration rate for lease and loan offerings increased to 51.6 percent in the first quarter.

This development was supported by changes in the competitive environment in China. Mid-2025, local banks significantly reduced commissions related to brokering financing and insurance products for end customers.

Adjusted for FX effects, new business volume grew by 4.1 percent to about 16 billion euros.

Segment earnings for the first quarter amounted to 381 million euros, a decrease of 269 million euros compared to Q1 2025.

This decline results from an addition to an already existing risk provision in the UK. At the end of March, the Financial Conduct Authority (FCA) issued

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its final cross-sector compensation program for customers who were sold automotive financing products under certain commission models. Unfortunately, the published program reflects only a few of the many amendment proposals made to the initial draft by both the UK Finance and Leasing Association and the BMW Group. As a result, the compensation payment volume will likely exceed previous estimations.

Additionally, income from the resale of end-of-lease vehicles was lower year-on-year, as expected.

The credit loss ratio across the entire credit portfolio remained low at 0.27 percent.

### **SLIDE 8: Motorcycles Segment in Q1 2026**

In the Motorcycles Segment, first-quarter deliveries declined slightly by 4.2 percent year-on-year.

Segment EBIT for the first three months rose to 89 million euros, with an EBIT margin of 11.4 percent.

Finally, one remark on the Other Entities result, which increased by around 300 million euros.

This was driven by positive valuation effects from interest rate derivatives, resulting from the sharp rise in long-term interest rates in March.

### **SLIDE 9: Outlook 2026**

Ladies and Gentlemen,

Let me now turn to our outlook for 2026 and briefly outline some of our current assumptions.

The situation in the Middle East currently remains highly uncertain. Our outlook assumes that the ongoing conflict is temporary.

The expected tariff impact on our 2026 results can still only be estimated based on our existing assumptions.

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We expect import duties from the EU to the US to remain at their current levels.

Following the recent positive vote in the European Parliament, we anticipate that tariffs on imports from the US to the EU will drop to 0 percent effective in the second half of the year.

Similarly, tariff reductions for imports into the US from Mexico and Canada are also expected to take effect in the second half of the year.

We continue to anticipate a full-year negative impact of around 1.25 percentage points on the Auto EBIT margin from the increased tariffs, after 1.5 percentage points in 2025.

In China, we are making good progress with our set of measures to support market performance.

The overall vehicle market in China declined more sharply than anticipated throughout the first quarter, already prompting several revisions of official market forecasts for the year by the CPCA.

In light of this trend, our focus will remain on achieving the right balance between sales volume, transaction prices, and dealer profitability.

Based on our assumptions, our full-year guidance parameters remain unchanged.

Group earnings before tax are expected to be moderately lower than in 2025.

In the Automotive segment, we forecast global deliveries to be at last year's level.

The EBIT margin is expected to be within a corridor between 4 and 6 percent.

The EBIT margin in the Motorcycles Segment should also come in at between 4 and 6 percent.

In the Financial Services Segment, we are targeting a Return on Equity (RoE) in the range of 13 to 16 percent for the full year.

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### **SLIDE 10: Q1 Profitability in the middle of full-year guidance corridor**

Ladies and Gentlemen,

The year 2026 started off with sound financials for the BMW Group, with an Auto EBIT margin in the middle of our full-year guidance corridor.

Within our global business model, we continue to leverage flexibility across powertrains and regions, as we ramp up our NEUE KLASSE.

This flexibility enables us to effectively mitigate risks as they arise.

The prudent management of R&D, capex, and operating costs is clearly reflected in our Q1 results, underscoring our strong commitment to financial discipline.

With that, the BMW Group remains on track to meet its operational targets as we advance our strategic plan.

And as we roll-out the NEUE KLASSE technologies across the entire portfolio, we at the BMW Group and all of our stakeholders have plenty to look forward to.

Thank you.

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**\*Fuel consumption/emissions data:**

**BMW iX3 50 xDrive:** energy consumption: 17,9–15,1 kWh/100 km (WLTP); CO<sub>2</sub> emissions combined: 0 g/km (WLTP); electric range: 678–805 km (WLTP); CO<sub>2</sub> class: A

**BMW iX1 xDrive30:** energy consumption: 17,2–17,1 kWh/100 km (WLTP); CO<sub>2</sub> emissions combined: 0 g/km (WLTP); electric range: 430–468 km (WLTP); CO<sub>2</sub> class: A