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A New Era, a New Class: BMW Group steps up technology offensive with comprehensive realignment – uncompromisingly electric, digital and circular

- BMW i4 to be launched three months ahead of schedule
- BMW Operating System 8 installed for first time in new BMW iX* – world's largest fleet for over-the-air upgrades by end of 2021
- Breadth over niche: around 90 percent of market segments to have fully electric models by 2023
- Deliveries of fully electric models to grow by well over 50 percent annually on average by 2025
- ‘Neue Klasse’ to spearhead product range from 2025
- Fully electric models to account for at least 50 percent of global deliveries by 2030
- MINI to become a fully electric brand by the early 2030s
- Circular economy as goal for future product generations
- Outlook: Significant increase in Group profit before tax
- Zipse: “Transformation will give BMW a competitive edge”

Munich. The BMW Group has entered 2021 with ambitious targets for growth and profitability and will be putting the first forerunners of its far-reaching technology offensive on the roads in the coming months. At the same time, it has set the course for a comprehensive realignment. From the middle of the decade, a new generation of models will take premium mobility to a new level from a technological perspective.

“The BMW Group has ambitious plans for 2021. We have started the new year with strong momentum and are aiming to return to pre-crisis levels as swiftly as possible – and go even further,” said **Oliver Zipse**, Chairman of the Board of Management of BMW AG, in Munich on Wednesday. “We have a clear roadmap for making the transformation of our industry a real competitive advantage for BMW in the coming years: uncompromisingly electric, digital and circular.”

After a demanding year that ended with a successful final spurt, the BMW Group is determined to remain on a course of recovery in 2021 and has set itself ambitious targets, including significant growth in **Group profit before tax**. The **Automotive segment** is

expected to a record a solid increase in **deliveries**. The segment **EBIT margin** is forecast to improve to within a range of **6 and 8 percent** for the full year 2021.

“2021 is all about growth for us. At the same time, we are prepared to respond flexibly,” said **Nicolas Peter**, Member of the Board of Management of BMW AG, Finance. “We always think and act long-term; by making the right decisions today we are setting the stage to achieve our ambitious strategic goals for 2025, 2030 and beyond.”

Electric, digital, circular – a clear roadmap for transformation

The BMW Group is driving the transformation towards fully electric connected mobility in three phases. The **first phase** involved pioneering the e-mobility venture with **Project i**, embracing the new technology and ultimately transferring electric know-how to series production. Over time, this technology has become integrated across the entire product portfolio, particularly in the form of plug-in hybrids. Apart from the electric drivetrain itself, other key factors driving the transformation include **software and the digital interaction** with the vehicle.

Back in 2014, the BMW Group created the option to book and pay for services online, directly from the vehicle via the **BMW Connected Drive** store. Moreover, since 2018 BMW drivers have been able keep their vehicle software up to date via **remote software upgrades**, similar to downloading the latest software for a smartphone.

The **second phase** of the transformation began with the option to choose the preferred type of powertrain – from combustion engines through to fully electric power – in one and the same model. The prerequisites are **smart vehicle architectures** and a highly flexible production network that enable maximum interchangeability between the various drivetrain forms when optimally combined.

World's largest fleet featuring over-the-air upgrades on roads by end of 2021

In terms of digitisation, the **BMW Operating System 8**, which is scheduled for launch in 2021, is the most powerful in-vehicle data processing system the BMW Group has ever developed. The new operating system makes every BMW a digital powerhouse with the ability to perform **over-the-air upgrades** at amazing speed.

This year, the BMW Operating System 8 will be installed for the first time in the all-electric **BMW iX***, forming the basis for the eighth generation of **BMW iDrive** – the simplest and safest operating concept to be installed in a vehicle. Both technologies will be subsequently rolled out across the various model series. The number of vehicles that can be updated with **remote software upgrades** also continues to grow rapidly. By the end of 2021, with well over two million units, the BMW Group will have the **world's largest fleet** of vehicles capable of installing new or upgrading existing functions **over the air**.

Going forward, the BMW Operating System 8 will also be capable of providing customers with an even broader range of **functions on demand** that can be subsequently ordered and installed over the air. Moreover, customer offers will be structured **more flexibly**, enabling functions to be purchased outright or rented for three years, 12 months or just one month.

Breadth over niche: fully electric models to cover around 90 percent of current market segments by 2023

The combination of smart vehicle architectures and a highly flexible production network will enable the BMW Group to have around **a dozen fully electric models** on roads worldwide by **2023**. This year, the three models already on the market – the BMW i3*, the MINI SE* and the BMW iX3* – will be joined by two key innovative models, namely the BMW iX* and the BMW i4, the latter three months earlier than originally planned. “The launch of the BMW iX* and the BMW i4 will signalise the start of our technology offensive in

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2021: these two all-electric vehicles will set the benchmark for BEVs going forward,” said **Zipse**.

Fully electric versions of the highly popular BMW 5 Series and the BMW X1 will follow in the years to come, together with other models such as the BMW 7 Series and the successor to the MINI Countryman. Based on this strategy, the BMW Group will have **at least one fully electric model** on the road in around 90 percent of its current market segments by 2023. “We are consciously adopting a broad approach with our all-electric offering rather than staying niche,” **Zipse** stated.

The strategy will enable the BMW Group to maintain an **optimal balance** of attractive products and efficient capacity utilisation at its plants, even if demand in certain markets shifts completely towards fully electric vehicles in the coming years. This will give the BMW Group a **strong competitive edge** in the years ahead.

By the time the second phase of the current transformation reaches its peak in **2025**, deliveries of fully electric models will have grown by an average of **well over 50 percent** annually and therefore **more than tenfold** compared to 2020. By the end of 2025, the BMW Group will have delivered **around two million fully electric vehicles** to customers worldwide.

Transformation creating opportunities – the BMW Munich plant is a good example

The BMW Group's plant in Munich, where production of the fully electric BMW i4 is set to commence in 2021, is a prime example of how a forward-looking approach to transformation can bolster **competitiveness** in the long term. The current production of combustion engines in Munich will be relocated to the Steyr (Austria) and Hams Hall (UK) locations in a step-by-step process, which is scheduled for completion by no later than 2024. By 2026, **new vehicle assembly facilities** will be built on the existing engine

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production site, based on the new cluster architecture specifically geared towards electric drivetrains. The BMW Group is investing some € 400 million in these measures.

Employees at the existing facility will be either deployed in other planning and production areas at the Munich plant or transferred to other Group locations in Bavaria. Alongside a raft of other measures, the BMW Group is in the process of expanding its e-Drive production competence centre in Dingolfing from currently 1,200 to up to 2,000 employees. Moreover, in order to meet future requirements across all relevant fields from **e-mobility through to data and analytics**, the BMW Group is embarking on the biggest **qualification offensive** in its history, with some 75,000 participants undergoing further training in 2021 in Germany alone. This massive undertaking continues the Group's longstanding tradition of transforming plants and locations when needed, while at the same time **safeguarding jobs for the future**.

Neue Klasse poised to set standards in digitisation, electrification and sustainability

The **third phase** of transformation will take effect from 2025 onwards, at which stage the BMW Group's **product range** – which has grown successfully over decades – will be realigned on the basis of the Neue Klasse. The Neue Klasse will be characterised by three key aspects: a completely **redefined IT and software architecture**, a new generation of high-performance **electric drivetrains and batteries** and a radically new approach to **sustainability across the entire vehicle life cycle**. These strands are interwoven within an overall vehicle architecture that has been uncompromisingly optimised for electric drivetrains, setting a new benchmark in terms of digitisation and electrification, while at the same time ensuring that the **characteristic flair of a typical BMW** is transferred to future vehicle generations.

“The BMW Group is never satisfied with what it has achieved so far – that's what sets it apart from the rest of the field. This spirit will characterise the Neue Klasse: high tech on

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four wheels for customers intent on experiencing in just five years' time how mobility will feel in 2030," said **Zipse**.

The Neue Klasse models will thus provide a completely **novel user experience** never before seen in series production vehicles. So-called "**regionalisable technology stacks**" will be capable of optimally customising a vehicle's operating system to suit the varying requirements in each of the world's major regions and their **digital ecosystems**, providing continuous upgrades to ensure that the operating system is always fresh. At the same time, the **digital first** approach systematically integrated in the Neue Klasse will enable an increasing proportion of revenues to be generated over the vehicle's life cycle via **individually configurable and bookable features** going forward.

The **aerodynamic design** of the Neue Klasse will be uncompromisingly aimed at electric vehicles with proportions that differ from the past, including a **more spacious interior**. These innovative features are to be combined with a new generation of electric drivetrain based on a completely newly developed, highly integrated high-voltage battery concept with an **optimised cell design**. In the Neue Klasse, this unique combination will mean **significant leaps** in terms of low **electricity consumption**, with the ultimate aim of matching the **range** and **manufacturing cost** of state-of-the-art combustion engines.

The new generation of powertrains will be based on **highly scalable modules** capable of covering all market segments and Neue Klasse variants from high-volume series through to exclusive **high-performance M models**. An electric drivetrain based on the **hydrogen fuel cell** is also a distinct option going forward. The **typical BMW driving experience** will be additionally enhanced by focusing on the design features of fully electric vehicles, including options for state-of-the-art driver assistance systems and **highly automated driving**.

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Paradigm shift: secondary first and circular economy are goals for future product generations

With its **Neue Klasse** models, the BMW Group intends to raise the significance of sustainability to a radically new level. Apart from switching to renewable energy to power its own production processes as well as those within the supply chain, the BMW Group will also focus on **greatly reducing resource consumption** in general. In light of the growing **scarcity of finite resources** and rising raw materials prices, this step is absolutely imperative in terms of efficiency, but also a crucial lever for promoting **sustainability** from the BMW Group's perspective going forward. "In 2017, for the first time, mankind extracted more than 100 billion tonnes of raw materials within a single year – a trend that we also need to counteract in the automotive industry," said **Zipse**. "Those wishing to use the earth's scarce resources to drive their business model will need good reasons to do so in the future."

Accordingly, the **proportion of secondary materials** used to manufacture the Neue Klasse (such as recycled steel, plastic or aluminium) will be sharply increased with a view to minimising the extraction of primary raw materials. With this principle in mind, the BMW Group is examining a **paradigm shift** based on a **secondary first** approach in development – in other words, using secondary materials wherever quality and availability factors allow. "We are intent on ensuring that the **'greenest' electric car on the market is made by BMW,**" said **Zipse**.

In doing so, the BMW Group can build on more than ten years of experience gained during the development of the **BMW i3***, the first vehicle established on the basis of a **holistic understanding of sustainability**. Alongside other innovations, around 25 percent of the materials used for the thermoplastic exterior parts of the BMW i3* are either recycled or produced from **renewable resources**. A high proportion of renewable raw materials and recyclates are also used to make the interior.

In future, recycling will be taken into account right from the **vehicle design** stage. This approach is vital, as one of the main challenges currently faced in **recycling processes** is to extract the materials in a sufficiently pure form. For example, it is essential that a vehicle's electrical systems can be easily removed prior to recycling – in order to avoid mixing the steel and copper contained in the vehicle's wiring harness. Otherwise, the secondary steel recovered will no longer meet the **strict safety requirements** of the automotive industry. The **use of monomaterials**, such as for the seats, also needs to be greatly increased in order to maximise the volume of material retained in the recycling loop. Prior to the **IAA Mobility** in 2021, the BMW Group will provide a detailed explanation of this **circular economy approach**. It is also exploring the possibility of cross-industry collaborations to make the **goal of the circular economy** a reality.

2030: Fully electric models to account for at least 50 percent of global deliveries – all model series to include a fully electric option

The **third phase** will see a gradual decline in the absolute number of combustion engine vehicles delivered to customers. By contrast, the number of fully electric vehicles the BMW Group delivers is expected to continue growing by an average of **over 20 percent annually between 2025 and 2030**. Based on its current market expectations, **fully electric vehicles are expected to account for at least 50 percent of the BMW Group's deliveries to customers by 2030**. The actual figure is likely to vary significantly from one market to the next and will depend largely on the progress made in the regional expansion of charging infrastructure.

By that stage, **across the entire product portfolio**, all market segments in which the BMW Group operates will include at least one fully electric model. In fact, a number of segments may well be served exclusively by fully electric models. Accordingly, the BMW Group will also be capable of providing a significantly higher market share of fully electric vehicles, assuming demand develops accordingly. The BMW Group expects to have around **ten million fully electric vehicles** on roads worldwide over the next ten years or so.

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MINI to become an all-electric brand

MINI is set to play a pioneering role going forward, as the urban brand is absolutely ideal for electric mobility. It will therefore be introducing its very last new combustion engine model as early as **2025** and launch only fully electric models from that point onwards. By **2027**, fully electric vehicles will account for **at least 50 percent** of all MINI deliveries to customers. By the **early 2030s**, **the entire MINI range** will be **fully electric**, while still remaining a **global brand** with a footprint in every region of the world.

The **fully electric MINI SE*** is currently being manufactured at the **Oxford** plant. The successor to the **MINI Countryman** will be built at the **Leipzig plant** from 2023. The new MINI crossover model will be produced there in both combustion engine and fully electric versions. Based on a new vehicle architecture developed for all-electric mobility right from the outset, MINI BEVs will also be produced in China in **collaboration** with the local manufacturer **Great Wall Motor** from 2023 onwards.

Sustainability integrated throughout all divisions of the company

The BMW Group is firmly convinced that the fight against climate change and the prudent use of resources will be the two main factors that determine the future of our society – and thus also that of the BMW Group. As a premium manufacturer, the BMW Group aspires to lead the way in terms of sustainability. In 2020, it fully embraced this **strategic approach across all areas of the business** – from administration through to purchasing, development, production and sales.

The BMW Group has set itself clear decarbonisation targets between now and the year 2030 – for the first time across the **entire life cycle** of its products – including the supply chain, the production process and right up to the end-of-life phase. In every aspect of the Group's activities, **carbon emissions per vehicle** are to be significantly **reduced** by **at least one third** compared to 2019.

Across its **own plants and locations**, the BMW Group is already setting the benchmark in terms of resource efficiency. The decarbonisation targets it has set itself for 2030 are the most progressive of the entire automotive sector and **even more ambitious than those associated with achieving the 1.5 degree Celsius target**. The BMW Group aims to **reduce these emissions by 80 percent** by 2030. The electricity used to produce the BMW iX* in Dingolfing and the BMW i4 in Munich, for example, is generated via **hydroelectric plants situated directly in Bavaria**. Apart from significantly cutting its carbon emissions in absolute terms, from this year onwards the BMW Group intends to **completely neutralise** its remaining carbon emissions (Scope 1 + 2) by using corresponding certificates.

By 2030, the Group aims to **reduce** the carbon emissions generated by its vehicles in the **use phase** by **40 percent** per kilometre driven. The crucial lever for achieving this feat is the Group's far-reaching product strategy that includes the massive expansion of e-mobility. Due to the growing proportion of electrified vehicles the Group produces, far greater attention will also have to be paid to **upstream value creation** in the future when it comes to carbon emissions – particularly in view of the considerable amount of energy required to produce high-voltage battery systems. Without countermeasures, the higher percentage of electrified vehicles would cause carbon emissions per vehicle within the BMW Group's **supply chain** to **increase by more than one third** by 2030.

The goal, however, is **not just to avoid an increase**, but rather to **reduce** carbon emissions per vehicle **by 20 percent** compared to 2019. The BMW Group is adopting a whole range of measures to accomplish this aim, one of which will be to include the carbon footprint of a supplier's supply chain as a criterion for awarding contracts. The BMW Group is thus assuming a pioneering role as the first automotive manufacturer to set specific decarbonisation targets for its supply chain.

Looking at the **BMW iX***, the first measures are already having a beneficial effect: the use of renewable **green electricity** to produce the battery cells, combined with the increased use of **secondary materials**, reduces **carbon emissions** in the BMW iX* **supply chain** by

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17 percent compared to the same vehicle produced without these initiatives. “The best automobiles in the world are sustainable and that's why premium and sustainability will become more inseparable than ever going forward,” said **Zipse**.

At the same time, the BMW Group is also cutting back on its use of **critical raw materials**. It has reduced the amount of **cobalt** in the cathode material for the current fifth-generation battery cells to **less than ten percent** and increased the amount of **secondary nickel** it uses by up to 50 percent. The e-Drive **no longer requires the use of rare earths**.

Strong second half of 2020 provides good tailwind

The BMW Group's profitable performance in the second half of the financial year 2020 provided a good tailwind going into 2021. Despite the global pandemic, the premium automotive manufacturer recorded an impressive pre-tax profit for the final six months of the year amounting to € 4,724 million, 9.8% up on the previous year's already high figure of € 4,303 million. Following the pandemic-related downturn in earnings in the second quarter, the BMW Group has therefore made a swift return to a more familiar profitable course. In the second half of the year, it delivered over 1.36 million units to customers, significantly more than in the corresponding period one year earlier.

With the exception of the second quarter, the Group reported improved pre-tax earnings for the remaining three quarters of 2020 compared to one year earlier. **Profit before tax** for the fourth quarter increased to € 2,260 million (2019: € 2,055 million; +10.0%). The pre-tax return on sales (**EBT margin**) improved to 7.7% (2019: 7.0%).

Pandemic impacts financial year 2020

The Group's **business performance for the financial year 2020** clearly reflects the impact of the corona pandemic. Due to worldwide lockdowns lasting several weeks, vehicle **deliveries to customers** fell by a moderate 8.4% to 2,325,179 units. Defying this trend, growth was particularly strong in the upper luxury segment, with deliveries up by 12.4% to

more than 115,000 vehicles, mainly reflecting the performance of the 7 Series and the 8 Series as well as that of the BMW X7 in its first full year on the market. Indeed, sales in this profitable segment have soared by over 70% since 2018.

Group revenues decreased moderately to € 98,990 million (2019: € 104,210 million; -5.0%).

Profit before financial result decreased significantly to € 4,830 million (2019: € 7,411 million; -34.8%). **Profit before tax** fell to € 5,222 million (2019: € 7,118 million; -26.6%) partly reflecting the negative impact of unfavourable currency factors. The Group's pre-tax margin came in at 5.3% (2019: 6.8%).

The **Automotive segment's EBIT margin** for the year finished at 2.7% (2019: 4.9%). The BMW Group thus met its forecast of achieving an EBIT margin within the upper third of the targeted range of 0 to 3%. The **fourth-quarter EBIT margin** even improved year-on-year, rising to 7.7% in the final three-month period of 2020 (Q4 2019: 6.8%). **Free cash flow** generated by the Automotive segment also developed positively during the second half of the year, turning around from a pandemic-related negative free cash flow in the first six-month period to a positive free cash flow for the full year of € 3,395 million (2019: € 2,567 million), with good contributions coming from improving earnings and more efficient inventories management. Other factors affecting free cash flow were the lower amount of warranty provisions utilised, higher proceeds from the sale of pre-owned vehicles and increased advance payments from dealerships during the final quarter.

Upfront expenditure on tomorrow's mobility remains high

The ongoing transformation of the BMW Group led to a high level of expenditure on research and development in 2020, mostly benefiting future-oriented mobility technologies such as vehicle connectivity, highly autonomous driving and electric mobility as well as the new vehicle projects referred to above. Overall, **research and development** expenses in accordance with IFRS decreased slightly to €5,689 million (2019: € 5,952 million; -4.4%). As a result of intensified cost management, the R&D ratio of 6.3% also remained practically at the previous year's level, despite a moderate decline in Group revenues (2019: 6.2%).

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Manufacturing costs were slightly down year-on-year, in line with the lower number of vehicles delivered over the full twelve-month period. At the same time, however, negative currency effects and a significant increase in risk provisioning expense had a dampening effect on earnings.

As previously announced, **capital expenditure** on property, plant and equipment and other intangible assets was reduced significantly in 2020, with additions totalling €3,922 million (2019: €5,650 million; -30.6%). A significant portion of these investments related to new vehicle projects prior to the start of series production.

Based on the annual financial statements of BMW AG, at the Annual General Meeting on 12 May 2021 the Board of Management and the Supervisory Board will propose payment of a **dividend** of € 1.90 per share of common stock and € 1.92 per share of preferred stock. These figures correspond to a payout ratio of 32.5% (2019: 32.8%) on net profit for the year amounting to € 3,857 million (2019: € 5,022 million), giving a total dividend of € 1,253 million (2019: € 1,646 million).

No premium without sustainability: decarbonisation targets for 2020 surpassed

Electric mobility was a key growth driver in 2020 with 192,662 electrified BMW and MINI brand vehicles sold worldwide, one third more than in the previous year (+31.8%). Deliveries of fully electric vehicles increased by 13%. In Europe, the proportion of total deliveries accounted for by electrified vehicles already stands at 15%.

Following its launch in China in autumn 2020, the BMW iX3* has also become available on European markets within the last few weeks. Together with the BMW i3*, the MINI Cooper SE* and the upcoming BMW i4 and BMW iX*, a total of five all-electric models will be on offer by the end of the year. Thanks to the higher number of electrified BMW and MINI models delivered, the BMW Group improved on the emissions target of 104 g/km set for its European fleet in 2020 by achieving a provisional figure of 99 g/km.

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Outlook for 2021: Group profit before tax significantly up on previous year

Despite the volatile situation brought about by the global spread of coronavirus, the BMW Group expects business to develop positively and the risk situation to remain stable in the **financial year 2021**.

The **Automotive segment** is forecast to record a **solid year-on-year increase** in deliveries to customers worldwide. The **EBIT margin** for the segment is expected to lie within a range of **between 6 and 8 percent**.

A range of **12 to 15 percent** is predicted for the **Financial Services segment's return on equity**. The **Motorcycles segment** is expected to record a **solid increase in deliveries to customers**. The **EBIT margin** is forecast to lie within a range of **between 8 and 10 percent**.

In view of the various factors described above, **Group profit before tax** is expected to be **significantly higher** than in 2020. The Group will continue to utilise the personnel-related measures previously communicated to manage the workforce size. The total number of **employees** is expected to be **slightly lower** than one year earlier.

Ongoing uncertainty – particularly regarding the further course of the corona pandemic, macroeconomic and political developments as well as international trade and customs policies – could cause economic conditions in many regions to differ markedly from expected trends and developments. All these factors could have a significant impact on the overall business performance of the BMW Group.

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Deliveries to customers				
Automotive ¹	units	2,325,179	2,537,504	-8.4
thereof: BMW ¹	units	2,028,841	2,184,939	-7.1
MINI ¹	units	292,582	347,465	-15.8
Rolls-Royce ¹	units	3,756	5,100	-26.4
Motorcycles	units	169,272	175,162	-3.4
Employees	(compared to 31.12.2019)	120,726	126,016	-4.2
Automotive segment EBIT margin	%	2.7	4.9	-2.2 % points
Motorcycles segment EBIT margin	%	4.5	8.2	-3.7 % points
EBT margin BMW Group	%	5.3	6.8	-1.5 % points
Revenues	€ million	98,990	104,210	-5.0
thereof: Automotive	€ million	80,853	91,682	-11.8
Motorcycles	€ million	2,284	2,368	-3.5
Financial Services	€ million	30,044	29,598	1.5
Other Entities	€ million	3	5	-40.0
Eliminations	€ million	-14,194	-19,443	27.0
Profit before financial result (EBIT)	€ million	4,830	7,411	-34.8
thereof: Automotive	€ million	2,162	4,499	-51.9
Motorcycles	€ million	103	194	-46.9
Financial Services	€ million	1,721	2,312	-25.6
Other Entities	€ million	36	29	24.1
Eliminations	€ million	808	377	-
Profit before tax (EBT)	€ million	5,222	7,118	-26.6
thereof: Automotive	€ million	2,722	4,467	-39.1
Motorcycles	€ million	100	187	-46.5
Financial Services	€ million	1,725	2,272	-24.1
Other Entities	€ million	-235	-96	-
Eliminations	€ million	910	288	-
Income taxes	€ million	-1,365	-2,140	36.2
Net profit ²	€ million	3,857	5,022	-23.2
Earnings per share (common/preferred share)	€	5.73/5.75	7.47/7.49	-23.2/-23.2

¹In connection with a review of its sales and related reporting practices, BMW Group reviewed prior period retail vehicle delivery data and determined that certain vehicle deliveries were not reported in the correct periods. BMW Group has revised the data on vehicle deliveries for previous years retrospectively. Further information can be found in BMW Group's 2020 Annual Report on pages 128 and 129.

²Figure for 2019 includes a profit of € 44 million from discontinued operations.

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The BMW Group – an Overview		4th quarter 2020	4th quarter 2019	Change in %
Deliveries to customers				
Automotive¹	units	686,277	665,803	3.2
thereof: BMW ¹	units	600,981	576,782	4.3
MINI ¹	units	84,191	87,628	-3.7
Rolls-Royce ¹	units	1,105	1,393	-20.7
Motorcycles	units	39,673	38,230	3.8
Employees	(compared to 31.12.2019)	120,726	126,016	-4.2
Automotive segment EBIT margin	%	7.7	6.8	0.9 % points
Motorcycles segment EBIT margin	%	-1.2	-6.4	5.2 % points
EBT margin BMW Group	%	7.7	7.0	0.7 % points
Revenues	€ million	29,482	29,366	0.4
thereof: Automotive	€ million	26,024	26,829	-3.0
Motorcycles	€ million	568	497	14.3
Financial Services	€ million	7,989	7,617	4.9
Other Entities	€ million	2	1	-
Eliminations	€ million	-5,101	-5,578	-8.6
Profit before financial result (EBIT)	€ million	2,197	2,332	-5.8
thereof: Automotive	€ million	2,010	1,825	10.1
Motorcycles	€ million	-7	-32	78.1
Financial Services	€ million	664	452	46.9
Other Entities	€ million	-7	22	-
Eliminations	€ million	-463	65	-
Profit before tax (EBT)	€ million	2,260	2,055	10.0
thereof: Automotive	€ million	1,955	1,478	32.3
Motorcycles	€ million	-8	-35	77.1
Financial Services	€ million	686	475	44.4
Other Entities	€ million	55	85	-35.3
Eliminations	€ million	-428	52	-
Income taxes	€ million	-580	-647	10.4
Net profit	€ million	1,680	1,408	19.3
Earnings per share^(common/preferred share)	€	2.53/2.54	2.09/2.10	21.1/21.0

¹In connection with a review of its sales and related reporting practices, BMW Group reviewed prior period retail vehicle delivery data and determined that certain vehicle deliveries were not reported in the correct periods. BMW Group has revised the data on vehicle deliveries for previous years retrospectively. Further information can be found in BMW Group's 2020 Annual Report on pages 128 and 129.

***Consumption/emission data:**

BMW iX: Fuel consumption combined: 0.0 l/100 km power consumption (NEDC): below 21 kWh/100 km; CO2 emissions: 0 g/km. Data on driving performance, energy consumption and range are preliminary and based on forecasts

BMW i3 (120 Ah): Fuel consumption combined: 0.0 l/100 km; power consumption in kWh/100 km combined: 13.1 NEDC, 16.3-15.3 WLTP; CO2 emissions combined: 0 g/km

BMW i3s (120 Ah): Fuel consumption combined: 0.0 l/100 km; power consumption in kWh/100 km combined: 14.6-14.0 NEDC, 16.6-16.3 WLTP; CO2 emissions combined: 0 g/km

MINI Cooper SE: Fuel consumption combined: 0.0 l/100 km, power consumption combined in kWh/100 km: 16.9-14.9 NEDC, 17.6-15.2 WLTP; CO2 emissions combined: 0 g/km

BMW iX3: Fuel consumption combined: 0.0 l/100 km; power consumption combined in kWh/100 km combined: 17.8-17.5 NEDC, 19.0-18.6 WLTP; CO2 emissions combined: 0 g/km.

BMW i4: This is a pre-production model, no homologation figures are available yet.

GLOSSARY – explanatory comments on key performance indicators**Deliveries to customers**

A new or used vehicle is recorded as a delivery once its handed over to the end user (which also includes leaseholders under lease contracts with BMW Financial Services). In the US and Canada, end users also include (1) dealers when they designate a vehicle as a service loaner or demonstrator vehicle and (2) dealers and other third parties when they purchase a company vehicle at auction and dealers when they purchase company vehicles directly from the BMW Group. Deliveries may be made by BMW AG, one of its international subsidiaries, a BMW Group retail outlet, or independent third-party dealers. The vast majority of deliveries – and hence the reporting of deliveries to the BMW Group – is made by independent third-party dealers. Retail vehicle deliveries during a given reporting period do not correlate directly to the revenues that the BMW Group recognises in respect of that particular reporting period.

EBIT

Profit before financial result. Profit before financial result comprises revenues less cost of sales, less selling and administrative expenses and plus/minus net other operating income and expenses.

EBIT margin

Profit/loss before financial result as a percentage of revenues.

EBT

EBIT plus financial result.

Corporate Communications

Media Information

Date 17 March 2021

Subject A New Era, a New Class: BMW Group steps up technology offensive with comprehensive realignment – uncompromisingly electric, digital and circular

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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 2020, the BMW Group sold over 2.3 million passenger vehicles and more than 169,000 motorcycles worldwide. The profit before tax in the financial year 2020 was € 5.222 billion on revenues amounting to € 98.990 billion. As of 31 December 2020, the BMW Group had a workforce of 120,726 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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