BMW India Corporate Communications



Media Information
19 December 2007

BMW India announces opening of Bavaria Motors in Pune

Pune. BMW India today announced opening of Bavaria Motors, its dealership in Pune. Bavaria Motors brings to Pune the BMW standards of sales and service and the same international experience as any BMW dealership worldwide.

The showroom is located near Sadhu Vaswani Chowk and a fully equipped workshop is located at Nagar Road. The showroom and workshop is headed by Mr. Vishal Agarwal, Managing Director, Bavaria Motors.

Commenting on the occasion, Mr. Peter Kronschnabl, President, BMW India said "Our partnership with Bavaria Motors in Pune is reflective of BMW's endeavor to reach out to its consumers and provide high quality services that are at par with international standards. We are confident that this new partnership will help fuel BMW's growth plans in India".

The approximate area of the showroom and workshop of Bavaria Motors is 6000 Sq. Ft. and 20,000 Sq. Ft. respectively. The workshop has 3 service bays and can service 4 vehicles a day. Bavaria Motors has 26 employees.

As with every other BMW dealership, Bavaria Motors will be provided intense training in management of sales, service, spare parts and business systems to ensure its customers the best-in-class pre and post sales ownership experience. Bavaria Motors' team of service engineers will be trained at BMW's Training centers in Singapore, Malaysia and Germany.

Mr. Vishal Agarwal from Bavaria Motors said, "We are pleased to partner BMW in Pune and look forward to a fulfilling relationship. We are absolutely

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committed to delivering the BMW experience to our customers and are geared to offer differentiated services that are designed to suit their requirements".

BMW India Private Limited

Headquartered in Gurgaon (National Capital Region) BMW India is a 100% subsidiary of the BMW Group. The initial investment in India is 1.1 billion Indian Rupees. The wide range of BMW in India include the establishment of a production plant in Chennai (Tamil Nadu) and development of a dealer organisation across all metropolitan centres of the country. In medium term, BMW India will employ around 200 people; up to 600 additional jobs will be created in the dealer and service network.

On 29 March 2007, BMW India officially opened its production plant in Chennai (Tamil Nadu) in the presence of Dr. Norbert Reithofer, Chairman of the Board of Management, BMW AG and Dr. Frank Peter Arndt, Member of the Board of Management, Production, BMW AG. The BMW Plant Chennai produces the BMW 3 Series and BMW 5 Series Sedans in petrol and diesel variants. The plant has a capacity to produce 1,700 units per year on a one shift basis.

Presently, nine dealers represent BMW in the Indian market; Bird Automotive (Gurgaon, NCR), Deutschen Motoren (New Delhi); Navnit Motors (Mumbai), Infinity Cars (South Mumbai); Krishna Automobiles (Chandigarh); Navnit Motors (Bangalore), Delta Motors (Hyderabad), Kun Exclusive (Chennai) and Bavaria Motors (Pune). Owing to an exuberant growth potential, BMW is hopeful of multiplying its annual sales volume and has already chalked out an extensive dealer strategy to support its plans. Phase I of the Dealer network expansion plan would include 12 dealers covering all metropolitan centres of the country by the end of 2009.

The BMW dealerships will display the 3 Series and 5 Series that will be produced at the BMW Chennai plant in India, and 6 Series, 7 Series and X3

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> which are available in the country as CBU's (completely built-up units). The 3 Series, 5 Series, 6 Series, 7 Series, X3 and X5 are presently available for sale in

India.

BMW India has also partnered with Bajaj Allianz General Insurance for offering motor insurance and with ICICI Bank to offer customised financial solutions for its customers. These products and services are offered through the BMW

Financial Services.

The BMW India has recently established an International Purchasing Office (IPO) at its Headquarters in Gurgaon. The IPO will focus on the development of exports from India to the BMW Group International Production Network and thus increase the sourcing share from India over the next years. The activities include the identification and assessment of potential suppliers taking into account BMW's requirements for quality, technology and logistics. The IPO will explore procurement of production material (components) as well as IT and Engineering Services.

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