

Media Information 1 July 2016

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Harald Krüger Chairman of the Board of Management of BMW AG

Klaus Fröhlich Member of the Board of Management of BMW AG, Development

Press Conference Memorandum of Understanding between BMW, Intel and Mobileye

Garching, Forschungs-und Technologiehaus (Werkstatt), 1 July 2016, 4 p.m. CEST

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Klaus Fröhlich, Member of the Board of Management of BMW AG, Development

Ladies and Gentlemen, welcome to the BMW Group.

In this research and technology center, close to the Technical University of Munich campus, some of my best researchers are exploring the future of mobility. We believe this is the perfect location to lay the foundation for our collaboration with Mobileye and Intel. For us, this is an important step in shaping the future of the BMW Group. Thank you for being here.

Digitalization will cause a deep transformation in the automotive industry. It will largely define tomorrow's mobility through the connected vehicle – from rapid telecommunications to fully-automated driving.

In 2002, we launched our first connected car. We have since delivered 8.5 million connected vehicles to customers. As of this year, every BMW now comes with an embedded SIM. Today, we already offer LTE 4G in the car, and BMW ConnectedDrive with features that assist customers in finding parking and charging spots. In the future, we will need an even faster 5G network, enormous computing power and full scalability of the back-end in order to provide extended vehicle services.

The constant, defining principle for us is: "security and privacy first – further business potential second". We have already been working on autonomous driving for ten years now. At this year's CES, I had the pleasure to present our vision of connected, autonomous driving – with this concept car right next to me, the "BMW i Vision Future Interaction". This car represents our DNA: breathtaking design, innovation and driving pleasure.

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The BMW Group aims to play a leading role in shaping the future of the automotive industry. Fully-autonomous driving will be key. We have a clear goal: To be a technical leader in the field of autonomous driving. To be very clear: this means to reach level 3 "eyes off", level 4 "mind off" and even level 5, the final stage of traveling without a human driver inside. We are strongly pursuing that goal with a holistic end-to-end approach.

That sets us apart from other companies. We are working systematically to establish the required technological building blocks: a high-definition real-time map, state-of-the-art sensor cluster and high computing power with artificial intelligence to create the real-time environmental model and motion control and system integration.

Two things are vital for us: to increase in-house competence and to work together with the right partners. Last year in December, the three premium-OEMs BMW, Daimler and Audi acquired HERE to pave the way for a high-precision map. It will offer real-time data to all customers, with millions of anonymous data items constantly enhancing map quality. We are also open to working with other partners from all industries.

The next most important building block for the BMW Group is to develop autonomous driving technologies. These include new sensor technologies, supercomputing with extensive use of artificial intelligence substituting human perception and understanding of the environment.

To shape the new era of automotive industry, we are beginning this next step with our collaboration partners, Mobileye and Intel. Both have significant know-how and extensive experience in technologies which are crucial for highly- and fully-automated driving.

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And both are market leaders for Advanced Computer Vision and Machine Learning, leading Chip Technologies and Backend-Solutions with first-class Hardware/Software Security.

We, the BMW Group, will contribute our automotive competence, such as safety and software standards, motion control and, of course, end-to-end system integration. As leaders in our respective segments, we will join forces to develop autonomous technology solutions for HAD und FAD and bring these technologies into series production by the beginning of the next decade.

With our collaboration, we aim to define an automotive industry standard that is state-of-the-art for autonomous driving. And we have agreed with our partners to make our cooperation open to other companies.

Dear Professor Shashua, dear Brian, Together we will make this a reality – and I'm very much looking forward to it. Thank you.

Statement Prof. Amnon Shashua, Co-founder, CTO and Chairman of Mobileye Statement Brian Krzanich, CEO of Intel

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Harald Krüger, Chairman of the Board of Management of BMW AG

Welcome Ladies and Gentlemen!

Some might think that autonomous driving means no more "sheer driving pleasure". As a true auto fan, I can promise you: BMW will always offer an emotional and joyful driving experience. Let me show you how we at the BMW Group think future driving could look: Here's a short film.

You've just had a glimpse of self-driving and sheer driving pleasure in the future. One thing I know for sure: The future of mobility is extremely exciting. New technologies are creating incredible opportunities for individual mobility. Digitalization is accelerating at a rapid pace. It has already completely changed the way we communicate. And it will revolutionize the way in which we move from A to B.

This year is a very special one for the BMW Group: we are celebrating our centenary. This great milestone will inspire us to do better, to go further and to aspire even higher, with our focus firmly on the "Next 100 Years". Our company has always been known for "looking ahead" and thinking long-term.

With our Strategy Number ONE > NEXT, we are setting out the framework to shape change in the automobile sector. We will lead the BMW Group into a new era, one in which we will transform and shape both individual mobility and the entire sector for years to come. We see the changes sweeping across the world of mobility through digitalization as an excellent opportunity to make mobile life simpler, safer and more convenient. At the BMW Group we always strive for technological leadership.





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With Strategy Number ONE > NEXT we are further strengthening this approach for the future of the BMW Group and the benefit of our customers. Step by step, we are evolving from an engineering business to a tech company – providing individual premium mobility and services.

Our focus on future mobility addresses four areas – which we call "ACES":

- Autonomous driving,
- Connectivity,
- Electric and/or emissions-free
- and Sharing especially for urban mobility.

We are clearly moving forward in all of these. Automated driving will make driving safer and more comfortable – of that we are convinced. Last year we paved the way for high-precision mapping when we joined with partner companies to acquire map service HERE. This was a first strategic step. Today marks a further big step in our realization of autonomous driving.

Together with our partners Intel and Mobileye, we will develop the necessary solutions and innovative systems for highly and fully automated driving. We will bring these technologies into series production by 2021 with the BMW iNEXT. This car will set the basis for fleets of fully autonomous vehicles, not only on highways but also in an urban environment. This will be crucial for services like automated ridesharing. The combined expertise of Intel, Mobileye and the BMW Group will ensure that our customers will be able to enjoy fully automated driving in everyday life.

Our goal is already clearly-defined: to be Number ONE in autonomous driving. This collaboration underscores our commitment to achieve that goal. We are delighted to be working together with Intel and Mobileye.

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Three leading companies from various sectors have joined forces to realize autonomous driving. With this – we are driving our industry forward to a new level.

We three companies will combine our know-how and skills and work jointly on development. Our teams around the world are already working at high-speed on shaping the future of autonomous driving.

We want to achieve concrete results already within a few years and this shows you: the three of us and our companies are very determined to set the pace.

Thank you!