



Press release
April 8th 2013

BMW Motorrad plans entry into the segment below 500 cc.
BMW Motorrad and TVS Motor Company sign cooperation agreement.

Munich / Chennai, India. As part of its strategic reorientation, BMW Motorrad will be entering the segment below 500 cubic centimetres. BMW Motorrad and the TVS Motor Company have signed a long-term cooperation agreement for this purpose. This was announced at a press conference today in Chennai, India.

The aim of the cooperation is to join forces to develop and produce motorcycles in the segment below 500 cubic centimetres.

The various stages through to the finished serial production motorcycle will be planned by both partners but implemented with different focus areas on each side leveraging the strengths of both companies. The cooperation agreement involves the two companies each offering their own vehicle derivatives, which will be sold through their own distribution channels in India and across the globe.

Both contractual partners commented on the future cooperative venture at the press conference. Stephan Schaller, President BMW Motorrad:

"In view of changing motorcycle markets, demographic developments and increasing environmental demands we are expanding our product range so as to tap into fresh growth potential. We have a highly expert and experienced partner in the TVS Motor Company. This means that in future we will be able to offer vehicles in smaller capacity classes in addition to the BMW Motorrad core segments. Various types of motorcycle are conceivable. They will meet the expectations of a BMW motorcycle in terms of riding fun as well as setting a new benchmark when it comes to stability, agility and performance figures. I regard this long-term cooperation as an important step along the road to profitable, sustainable growth."



Press release

Date 08.04.2013

Topic

page 2

Venu Srinivasan, Chairman TVS Motor Company:

"With BMW Motorrad, we see an ideal long-term strategic partner who shares our core values: focus on quality, engineering prowess, innovation and customer satisfaction. We intend to leverage each other's strengths to deliver a new series of products offering cutting edge technology for our customers."

The cooperation partner TVS Motor Company is one of the largest motorcycle manufacturers in India with an annual production volume of some 2 million units and a turnover of more than one billion USD. TVS Motor Company is the flagship company of the 100 year old six billion USD TVS Group, which has some 40 companies and holdings in the automotive sector. TVS Motor Company offers the widest range of product in the Indian two and three wheeler industry. The company's customer inspired engineering approach, has enabled it to introduce a wide product range that caters to all industry segments. TVS Motor Company has international presence in more than 50 countries in Asia, Africa and Latin America.

The BMW Group

The BMW Group is one of the world's leading manufacturers of automobiles and motorcycles in the world with its brands BMW, MINI and Rolls-Royce. As an international company it operates 28 production and assembly plants in 13 countries as well as a global sales network with branches in over 140 countries.

In 2012, the BMW Group sold approximately 1.85 million cars and more than 117,000 motorcycles worldwide. Pre-tax income amounted to around 7.82 billion euros, with turnover at 76.85 billion euros. As of December 31st 2012, the BMW Group employed a workforce of approximately 105,876 employees.

The success of the BMW Group has always been built on long-term thinking and responsible action. The company has therefore established ecological and social sustainability throughout the value chain, comprehensive product responsibility and a clear commitment to conserving resources as an integral part of its strategy. As a result of its efforts, the BMW Group has been ranked industry leader in the Dow Jones Sustainability Indexes for the last eight years.

www.bmwgroup.com

Facebook: <http://www.facebook.com/BMWGroup>

Twitter: <http://twitter.com/BMWGroup>

YouTube: <http://www.youtube.com/BMWGroupview>

Google+: <http://googleplus.bmwgroup.com>