

BMW Group's home plant gears up for NEUE KLASSE

+++ Pre-series production to begin this summer +++ Lower manufacturing costs for NEUE KLASSE +++ **Production Head Nedeljković: "Production network's strategic and flexible structure strengthens resilience and competitiveness"** +++ **Over one million cars built in Germany in 2024** +++

Munich. BMW Group Plant Munich is gearing up to launch the NEUE KLASSE in summer 2026. During ongoing series operation, three new production halls are currently being built for the body shop, assembly and associated production logistics. **"For the production start of the NEUE KLASSE, we will have a state-of-the-art plant in Munich that is characterized by flexibility, innovation and, above all, efficiency," says Plant Director Peter Weber.**

Starting in 2027, the plant in Munich will exclusively produce fully-electric vehicles, further enhancing efficiency boost. Forward planning, close cooperation with development teams and suppliers, and the integration of modern production technology within new structures will all play a key role. **"With the NEUE KLASSE, we will significantly reduce manufacturing costs at the Munich Plant," says Weber. In addition to optimized production processes and targeted automation, the NEUE KLASSE's new vehicle architecture will also leverage further efficiencies.** Focusing on a single drive train variant reduces production steps and the number of parts – for example, for wiring harnesses, which previously varied according to engine type and can be complex to install.

Unusual process: Pre-series production at pilot plant

The timeline for the ramp-up in Munich is carefully synchronized – **in part due to the plant's refurbishment.** The first pre-series vehicles will be built at the pilot plant of the BMW Group Research and Innovation Centre (FIZ), with support from Plant Munich's production team, **before the end of the year. "Alongside the pilot plant at the FIZ, we are also using virtual simulations to ensure a smooth ramp-up," says Weber, describing the unusual situation in the decisive year ahead of the launch. He adds that Plant Munich's experienced launch team is also working closely with colleagues at the new plant in Debrecen, Hungary, where the first NEUE KLASSE model will enter production late this year.**

International production network: Cooperation, flexibility and innovative processes
BMW Group plants can produce different model variants and drive train types on a single line. Since the ramp-up of electromobility is not linear and will progress at varying speeds, the company has relied on **"flex-plants", which can manufacture vehicles with both internal combustion engines and electric drive trains. "In this way, we can ensure our delivery capabilities in different market situations and maintain good capacity utilisation at our locations," explains Milan Nedeljković, member of the Board of Management responsible for Production.**

By the end of the decade, the BMW Group expects a significant increase in the market shares of fully-electric vehicles. For this reason, the plants in Debrecen and, later, Munich will be the first

facilities dedicated exclusively to fully-electric vehicles, enhancing electrification capacities throughout the network.

The German plants lead the way on **e-mobility in the BMW Group's production network**: Alongside traditional drive technologies, each of them builds at least one fully-electric model for the global market. Even in a volatile environment, the BMW Group continues to grow its domestic locations, manufacturing over a million vehicles there last year – accounting for a quarter of Germany's total automotive production.

At the same time, the company's production also depends on a balanced global distribution of value creation. "The strategic and flexible structure of our production network strengthens our resilience and makes us more competitive," adds Nedeljković.

Focus on employees: Developing skills for e-mobility

The shift towards electrified vehicles also brings changes to employee roles and required skills. With the flexible ramp-up of e-mobility at BMW Group plants, employees can gradually be prepared for new job content.

"Despite technical and structural innovations, our focus is always on people. We take pride in our employees' expertise and experience, and their dedication to continuous improvement. It is thanks to their commitment that we can consistently deliver premium-quality vehicles," emphasizes Weber. Additional expertise will be developed and retained at the company through extensive further training and workforce flexibility. Last year alone, nearly 25,000 employees completed e-mobility training. Plant Munich is currently holding its third industrial electrician qualification course, conducted in cooperation with the Chamber of Industry and Commerce (IHK).

In recent years, around 5,500 jobs have been created across the BMW Group production network for the current and upcoming generation of e-drives. More than three quarters of these positions were filled through internal reorganization.

The BMW Group

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 services.** The BMW Group production network comprises over 30 production sites worldwide; the company has a global sales network in more than 140 countries.

In 2024, the BMW Group sold over 2.45 million passenger vehicles and more than 210,000 motorcycles worldwide. The profit **before tax in the financial year 2023 was € 17.1 billion on revenues amounting to € 155.5 billion.** As of 31 December 2023, the BMW Group had a workforce of 154,950 employees.

The success of the BMW Group has always been based on long-term thinking and responsible action. Sustainability is a key **element of the BMW Group's corporate strategy and covers all products from the supply chain and production to the end of their useful life.**

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About BMW Group Latin America

The BMW Group is the leader in Premium individual mobility technology, products and services in Latin America, where it markets its three brands: BMW, MINI and BMW Motorrad. BMW is the favorite Premium automotive brand in Latin America, with more than one in every three vehicles sold in the region. In 2024, the brand has sold 42,682 units. MINI has sold 6,431 units in the same period. BMW Motorrad has sold 27,742 motorcycles in the entire region, setting a sales record. BMW is the best-selling Premium brand in Brazil, Mexico and Importer Markets. BMW Motorrad has achieved record sales and today has 3 of its 15 major global markets in Latin America: Brazil, Mexico, and Importer Markets. BMW Group's Technology Openess Approach is ideal for a gradual transition to electromobility, offering customers a range of options including battery-electric, plug-in hybrid, or combustion engine powertrains. Over 20% of BMW Group's sales in Latin America come from electric or plug-in hybrid vehicles. The BMW Group has delivered around 80,000 personal or corporate charging equipment in the region.

The Group has 5,000 employees in the Latin American region. Its sales offices are located in Argentina, Brazil and Mexico (where the regional office is located). The BMW Group production Plants in the region are located in Brazil and Mexico. Brazil has two plants, one located in Araquari -**Santa Catarina, focused on cars' production, where the** production of the BMW X5 PHEV began in 2024; the other plant in Manaus, Amazonas, which is the first facility to manufacture motorcycles outside of Germany. In Mexico, the investment of one billion dollars for the construction and operation of a BMW Group Plant in San Luis Potosí was announced in July 2014. This production site began operations in 2019 with the production of the BMW 3 Series; in 2021, the expansion of its operation was announced to include the manufacture of the BMW 2 Series Coupé and in 2022 the BMW M2, both exported worldwide. In 2027, the BMW San Luis Potosí Plant will incorporate the production of electric vehicles and batteries with an investment of 800 million dollars.

As additional information, Brazil has an Engineering team to support global developments, in addition to the challenges in the region, and a customer support organization that offers attention to consumers.

Data updated as of January 2025 referring to the end of the year 2024.

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