

Press Release  
8 March 2012

## **Record year for BMW Group in 2011**

Reithofer: Best year in corporate history

Profit before tax rises to € 7.38 billion

Profit before financial result up to € 8.01 billion

Automotive segment EBIT climbs to € 7.47 billion

Record dividend of € 2.30 per share of common stock proposed

**Munich.** The BMW Group achieved sales volume, revenues and earnings records in 2011. Compared to the previous year, Group revenues increased by 13.8% to € 68,821 million (2010: € 60,477 million). In earnings terms, profit before tax (EBT) rose by 52.1% to € 7,383 million (2010: € 4,853 million), profit before financial result (EBIT) by 56.9% to € 8,018 million (2010: € 5,111 million) and Group net profit by 51.3% to € 4,907 million (2010: € 3,243 million). The total number of BMW, MINI and Rolls-Royce brand cars delivered to customers increased by 14.2% to a new record figure of 1,668,982 units (2010: 1,461,166 units).

In view of this strong performance, the BMW Group intends to allow its shareholders to participate appropriately in the success of the BMW Group. The Board of Management and the Supervisory Board will propose to shareholders at the Annual General Meeting on 16 May 2012 that the dividend be increased to a new high level of € 2.30 (2010: € 1.30) per share of common stock and € 2.32 (2010: € 1.32) per share of preferred stock, equivalent to a payout ratio of 30.7%.

“The past year has been the best year in the BMW Group’s corporate history. We have achieved new sales volume, revenues and earnings highs, and exceeded our targets“, stated Norbert Reithofer, the Chairman of the Board of Management of BMW AG on Thursday in Munich.

## **Automotive segment EBIT margin up to 11.8%**

The Automotive segment also reported record figures for 2011. Revenues increased by 16.8% to € 63,229 million (2010: € 54,137 million). EBIT jumped by 71.7% to € 7,477 million (2010: € 4,355 million) and the profit before tax by 75.5% to € 6,823 million (2010: € 3,887 million). The EBIT margin for the Automotive segment was therefore 11.8%, compared to the full-year EBIT margin of “over 10%” previously forecast for the

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Automotive segment. The principal factors contributing to the significant improvement in segment earnings were the sharp rise in sales volume on the one hand and improved cost structures on the other.

The BMW brand set a new sales volume record in 2011, registering a 12.8% rise to 1,380,384 units (2010: 1,224,280 units). Sales of the BMW 3 Series remained high at 384,464 units (2010: 399,009 units; -3.6%) despite the model change. The new BMW 3 Series Sedan has been available worldwide since 11 February 2012. Sales of the BMW 5 Series jumped 39.4% to 332,501 units (2010: 238,454 units), ensuring that it remained the market leader in its segment. The BMW 6 Series, which saw the launches of the new Convertible in spring 2011 and the new Coupé in autumn, increased sales volume by 60.7% to 9,396 units (2010: 5,848 units).

The BMW 7 Series, the flagship of the BMW brand, continued to perform well, selling 68,774 units (2010: 65,814 units) in 2011, an increase of 4.5% over the previous year. The various models of the BMW X family also continue to enjoy a high degree of popularity. Sales of the BMW X1 rose by 26.4% to 126,429 units (2010: 99,990 units), while the BMW X3 more than doubled sales volume to 117,944 units (2010: 46,004 units). Sales of the BMW X5 climbed by 2.6% to 104,827 units (2010: 102,178 units), allowing this highly successful model to retain its title as market leader in the Sports Activity Vehicles premium segment.

The MINI brand was also able to achieve a new sales volume high in 2011. In total, 285,060 units of the MINI (2010: 234,175 units) were sold, 21.7% more than in the previous year. The MINI Countryman performed particularly well, with sales up more than sixfold to 89,036 units (2010: 14,337 units). The MINI Coupé was launched in September 2011 as the fifth model in the MINI family and had recorded a sales volume of 3,799 units up to the year end.

Rolls-Royce Motor Cars continued to perform successfully in 2011, recording the best ever sales volume figure in its 107-year history, with 3,538 cars (2010: 2,711 units +30.5%) delivered to customers.

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The BMW Group was able to increase sales volumes in almost all markets in the past year. In Europe, the number of cars sold rose by 8.5% to 858,383 units. Sales in Germany grew by 6.8% to 285,257 units. Increases were also recorded for Great Britain (167,456 units; +8.2%), Italy (72,521 units; +4.9%) and France (70,442 units; +8.6%). Sales volume in North America rose by 14.4% to 341,345 units, including 306,349 units sold in the USA (+14.9%).

The BMW Group recorded significant growth in Asia in 2011, with sales volume in the region growing by 31.1% to 375,452 units. Sales in China rose by 37.7% to 233,630 and in Japan by 9.2% to 47,663 units.

### **EBIT of € 45 million for Motorcycles segment in 2011**

The Motorcycles segment performed well despite persistently unfavourable market conditions. The number of motorcycles sold worldwide increased in total by 3.1% 113,572 units (2010: 110,113 units). BMW Motorrad was able to raise its sales volume in 2011 to a new record level of 104,286 units (2010: 98,047 units; +6.4%). Husqvarna's sales performance was negatively impacted by a number of factors, especially the unfavourable conditions for the off-road market (9,286 units/ 2010: 12,066 units; -23.0%).

Segment revenues rose by 10.1% to € 1,436 million (2010: € 1,304 million) on the back of sales volume growth. As a result of restructuring at Husqvarna, EBIT fell to € 45 million (2010: € 71 million) and profit before tax to € 41 million (2010: € 65 million).

### **Excellent performance by Financial Services segment**

The Financial Services segment also put in a fine performance in 2011, profiting from its highly attractive product portfolio, favourable refinancing conditions and an improved risk profile. Segment revenues increased by 5.4% to € 17,510 million (2010: € 16,617 million). The profit before tax jumped by 47.4% to € 1,790 million (2010: € 1,214 million).

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At 31 December 2011, the Financial Services segment was managing a portfolio of 3,592,093 lease and credit financing contracts, 12.6% more than a year earlier. The number of new lease and credit financing contracts signed (1,196,610) was 10.5% up on the previous year. The volume of new business was greater than in the preceding year, both for credit financing (+4.6%) and leasing (+25.0%).

The proportion of new BMW Group vehicles financed or leased by the Financial Services segment was 41.1%, which was a decrease of 7.1 percentage points compared to the previous year. The decrease is primarily due to the fact that the Chinese market is included in these figures for the first time: the proportion of financed or leased vehicles in China is significantly lower than the average for other car markets.

### **Sharp rise in workforce in 2011**

The number of employees increased significantly during the past year. At the end of 2011, the worldwide workforce comprised 100,306 employees, an increase of 5.1% (31 December 2010: 95,453 employees). One of the reasons for the increase was the acquisition of ING Car Lease Group. In addition, skilled workers were recruited to keep abreast of the high demand for BMW Group vehicles on the one hand and to press ahead with the development of new technologies on the other.

Furthermore, more apprentices have been taken on to ensure that the BMW Group's requirements for skilled staff at locations both in Germany and abroad can be covered. This number increased by 2.7% over the course of the year to stand at 3,899 apprentices at 31 December 2011.

### **Reithofer: BMW Group plans further growth in 2012**

The BMW Group forecasts that sales volumes will continue to develop positively in the current year especially due to its attractive model range. "We expect the past year's record-breaking sales volume performance to be surpassed in 2012", added Reithofer.



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Further information on the Group Financial Statements 2011 and the outlook for the current year will be available at the Annual Accounts Press Conference to be held on 13 March 2012 in Munich.

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## The BMW Group – an overview

		2011	2010	Change in %
<b>Sales volume</b>				
<b>Automobiles</b>		1,668,982	1,461,166	14.2
Thereof:				
BMW	units	1,380,384	1,224,280	12.8
MINI	units	285,060	234,175	21.7
Rolls-Royce	units	3,538	2,711	30.5
Motorcycles	units	113,572	110,113	3.1
Thereof:				
BMW	units	104,286	98,047	6.4
Husqvarna	units	9,286	12,066	-23.0
<b>Workforce at the end of the year<sup>1</sup></b>		100,306	95,453	5.1
<b>Revenues</b>	€ million	68,821	60,477	13.8
Thereof:				
Automotive	€ million	63,229	54,137	16.8
Motorcycles	€ million	1,436	1,304	10.1
Financial Services	€ million	17,510	16,617	5.4
<b>Profit before financial result<sup>2</sup></b>	€ million	8,018	5,111	56.9
Thereof:				
Automotive <sup>4</sup>	€ million	7,477	4,355	71.7
Motorcycles	€ million	45	71	-36.6
Financial Services <sup>5</sup>	€ million	1,763	1,201	46.8
<b>Profit before tax<sup>2</sup></b>	€ million	7,383	4,853	52.1
Thereof:				
Automotive	€ million	6,823	3,887	75.5
Motorcycles	€ million	41	65	-36.9
Financial Services	€ million	1,790	1,214	47.4
				-
<b>Income taxes<sup>2</sup></b>	€ million	-2,476	-1,610	53.8
<b>Net profit<sup>2</sup></b>	€ million	4,907	3,243	51.3
<b>Earnings per share<sup>3/2</sup></b>	€	7.45/7.47	4.93/4.95	-
<b>Dividend per share of common /preferred stock</b>	€	2.30/2.32	1.30/1.32	-

<sup>1</sup> figures exclude dormant employment contracts, employees in the work and non-work phases of pre-retirement part-time arrangements and low wage earners

<sup>2</sup> 2010 figures adjusted for change in accounting policy for leased products

<sup>3</sup> earnings per share of common stock/preferred stock

<sup>4</sup> includes a € 85 million one-off effect for the adjustment of residual value provisions

<sup>5</sup> includes a € 439 million one-off effect for the adjustment of residual value and credit risk provisions

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**The BMW Group**

With its three brands – BMW, MINI, Husqvarna Motorcycles and Rolls-Royce – the BMW Group is one of the world's most successful premium manufacturers of cars and motorcycles. It operates internationally with 25 production and assembly plants in 14 countries and a global sales network with representation in more than 140 countries.

During the financial year 2011, the BMW Group sold approximately 1.67 million cars and more than 113,000 motorcycles worldwide. The profit before tax for 2011 was euro 7.38 billion on revenues amounting to euro 68.82 billion. At 31 December 2011, the BMW Group had a workforce of approximately 100,000 employees.

Long-term thinking and responsible action have long been the foundation of the BMW Group's success. Striving for ecological and social sustainability along the entire value-added chain, taking full responsibility for our products and giving an unequivocal commitment to preserving resources are prime objectives firmly embedded in our corporate strategies. For these reasons, the BMW Group has been sector leader in the Dow Jones Sustainability Indices for the last seven years.

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