



Media Information
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BMW Group remains on course in third quarter

Best third quarter in BMW Group's history

Profit before financial result rises to euro 1,716 million

Profit before tax increases to euro 1,644 million

Automotive segment EBIT up to euro 1,819 million

Automotive segment EBIT margin improved to 11.9%

Reithofer reaffirms targets for full year 2011

Munich. The BMW Group remains on its successful course. "We have recorded the best third quarter in the company's history. During this period, we achieved new records for sales volume, revenues and earnings. The main reasons for this excellent performance have been strong demand worldwide for our vehicles and considerable efficiency improvements", stated Norbert Reithofer, the Chairman of the Board of Management of BMW AG on Thursday in Munich.

Revenues rose by 3.8% to euro 16,547 million (2010: euro 15,940 million). The third-quarter profit before financial result (EBIT) climbed by 44.0% to euro 1,716 million (2010: euro 1,192 million) and the profit before tax (EBT) went up by 21.0% to euro 1,644 million (2010: euro 1,359 million). Group net profit improved by 23.8% to euro 1,082 million (2010: euro 874 million). The number of vehicles sold during the three-month period from July to September increased by 9.0% to a new record of 399,218 units (2010: 366,190 units).

New sales volume, revenues and earnings records were also achieved for the nine-month period. Revenues were 15.4% higher at euro 50,472 million (2010: euro 43,731 million). EBIT surged by 92.8% to euro 6,474 million (2010: euro 3,358 million), while the profit before tax rose to euro 6,160 million (2010: euro 3,166 million). This corresponds to an improvement of 94.6%. The nine-month profit after tax doubled to euro 4,103 million (2010: euro 2,032 million). The total number of BMW, MINI and Rolls-Royce brand vehicles delivered to customers up to the end of September increased by 16.0% to 1,232,584 units (2010: 1,062,216 units).

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EBIT margin of 12.8% for automotive segment over nine-month period

Sales volumes of all three group brands were at record levels in the third quarter and for the nine-month period. This is reflected in the revenues and earnings performance for the relevant periods. Automotive segment revenues in the third quarter went up by 8.0% to euro 15,344 million (2010: euro 14,210 million). EBIT climbed by 57.9% to euro 1,819 million (2010: euro 1,152 million), yielding an EBIT margin for the Automotive segment of 11.9%. The segment profit before tax improved to euro 1,745 million (2010: euro 1,285 million; +35.8%).

Nine-month segment revenues increased by 20.3% to euro 46,391 million (2010: euro 38,551 million). EBIT rose sharply to euro 5,935 million (2010: euro 2,760 million), resulting in an EBIT margin for the period of 12.8%. The segment profit before tax improved to euro 5,647 million (2010: euro 2,443 million).

Free cash flow for the nine-month period totalled euro 3,035 million. Adjusted for the injection of equity to one entity in the Financial Services segment and the acquisition of ING Car Lease, free cash flow totalled approximately euro 3.9 billion. The equivalent figure for the third quarter was euro 462 million. The acquisition of ING Car Lease, seasonally higher capital expenditure and a rise in working capital, mainly in conjunction with the BMW 1 Series and 3 Series model changes, were some of the factors holding down free cash flow. Adjusted for ING Car Lease, free cash flow in the period from July to September was euro 711 million.

The number of BMW brand cars sold in the third quarter increased by 8.2% to 332,066 units (2010: 306,982 units). Between January and September, sales of the core brand rose by 14.5% to 1,021,927 units (2010: 892,737 units); this is the first time that the BMW brand has exceeded the one million mark in the first nine months of a year.

The various models of the X Series continued to perform exceedingly well during the period from January to September. Sales of the BMW X1 increased sharply again and were up by 30.4% to 94,294 units (2010: 72,294 units). The new BMW X3 continued to be popular with customers, with worldwide sales more than doubling to 83,754 units (2010: 35,252 units). The BMW X5 remains market leader worldwide in its segment with a total of 75,055 units (2010: 74,655 units) sold during the nine-month period.

The picture is a similar one for the BMW 5 Series. In total, 250,566 units (2010: 155,648 units) were sold in the first nine months of the year, an increase of 61.0% against the corresponding period last year. The BMW 6 Series recorded a sales volume of 5,314 units, 3.2% up on the previous year (2010: 5,149 units). The 6 Series Coupé became available in September 2011 and is set to generate additional demand during the final quarter of the year. The BMW 7 Series continues to perform well, with nine-month sales of the BMW flagship rising to 48,842 units (2010: 47,349 units; +3.2%).

The sales volume of the BMW 1 Series – which is now approaching the end of its product life-cycle - totalled 129,041 units between January and September (2010: 151,681 units). The second generation of the BMW 1 Series was launched in mid-September and will spur demand in the last three months of the current year.

288,077 units of the BMW 3 Series were sold during the first nine months of the year (2010: 295,608 units). The new BMW 3 Series Sedan was presented to the public in mid-October and will be launched on the markets worldwide on 11 February 2012. “The customers’ response to the new BMW 3 Series has been excellent. We are confident that the new BMW 3 Series will continue the success story of this model series”, emphasised Reithofer.

The MINI brand also achieved a new sales volume record, with sales up in the third quarter by 13.4% to 66,303 units (2010: 58,450 units). In total, 208,216

units (2010: 167,751 units) were sold during the nine-month period, an increase of 24.1% over the previous year. Sales of the MINI Countryman improved further to 61,986 units. The MINI Coupé came onto the markets in September as the fifth model variant.

The Rolls-Royce brand also continues to perform well. 849 units (2010: 758 units; +12.0%) were handed over to customers during the third quarter. In the nine-month period to the end of September, sales rose by 41.3% to a new sales volume record figure of 2,441 units (2010: 1,728 units).

The BMW Group increased its sales volume figures in almost all of the world's regions in the first nine months of 2011. In Europe, the number of cars sold rose by 10.0% to 635,403 units. Sales increased by 9.5% to 209,772 units in Germany and by 9.7% to 128,382 units in Great Britain. Growth was also recorded in Italy (54,349 units; +8.3%) and France (49,233 units; +2.2%).

Nine-month sales in North America rose to 245,903 units, 13.9% ahead of the previous year's corresponding figure. The number of vehicles handed over to customers in the USA increased by 14.2% to 219,962 units.

The BMW Group also registered continued growth in Asia, where a sales volume of 282,476 units (+36.8%) was recorded in the first nine months of the year. A total of 178,232 units (+45.9%) was sold in China. In Japan, the number of cars sold rose by 7.6% to 34,591 units.

Sales volume and revenues up for Motorcycles segment

Third-quarter sales volume in the Motorcycles segment increased by 6.5% to 28,862 units (2010: 27,094 units), comprising 26,312 BMW brand motorcycles (2010: 24,493 units; +7.4%) and 2,550 Husqvarna brand motorcycles (2010: 2,601 units). Segment revenues were 14.8% higher at euro 334 million (2010: euro 291 million). As a result of the realignment of the Husqvarna Group, EBIT



slipped to a loss of euro 16 million (2010: profit of euro 2 million), while the result before tax dropped to a loss of euro 17 million (2010: euro 0 million).

Nine-month revenues increased by 9.3% to euro 1,181 million (2010: euro 1,081 million). The Motorcycles segment reports a positive EBIT for the period of euro 62 million (2010: euro 88 million) and a profit before tax of euro 60 million (2010: euro 83 million). The number of motorcycles sold in the first nine months of the year increased by 4.7% to 92,972 units (2010: 88,768 units), comprising 86,892 (2010: 81,508) BMW brand and 6,080 (2010: 7,260) Husqvarna brand motorcycles.

Positive performance by Financial Services segment

The Financial Services segment put in another good performance in the third quarter 2011. Segment revenues totalled euro 4,276 million (2010: euro 4,278 million), thus remaining at a similar level to the previous year. The segment's profit before tax rose by 11.3% to euro 354 million (2010: euro 318 million).

Nine-month revenues edged up by 1.3% to euro 12,640 million (2010: euro 12,480 million). Profit before tax jumped by 66.2% to euro 1,527 million (2010: euro 919 million).

The number of lease and financing contracts in place with dealers and retail customers at the end of the nine-month period grew by 5.1% to 3,303,635 contracts. The number of new financing and lease contracts signed in the period from January to September rose by 10.0% to 882,961 contracts. The leasing business grew by 19.8%, while credit financing increased by 6.1%.

Number of employees increased

The BMW Group's workforce increased during the period ended 30 September. The number of employees worldwide increased by 4.1% to 100,389 employees at the end of the reporting period (2010: 96,402). One of the reasons for this

was the acquisition of ING Car Lease. Skilled workers and engineers were also recruited in order to keep pace with the ongoing strong demand for BMW Group vehicles and to focus on developing new technologies.

The provision of training for young people plays an important role for the BMW Group, with a total of 1,661 apprentices taking up their careers with the BMW Group during the third quarter.

Reithofer: on track to achieve targets for the full year

In view of strong demand for its cars worldwide, the BMW Group remains confident for its full-year performance. "We are on track to achieve our targets for the full year", stated Reithofer. The expectation remains that group earnings and sales volumes for the full year 2011 will be significantly higher than in the previous year. "We are still aiming to achieve a record-breaking profit before tax and to increase sales volume by over 10% to a new high of more than 1.6 million vehicles", continued Reithofer.

For the full year, the BMW Group continues to forecast an EBIT margin of over 10% for its Automotive segment and a return on capital employed (RoCE) of over 26%. In the Financial Services segment, the aim is to achieve a significant improvement in pre-tax profit and a return on equity of over 18%. All of these targets are based on the assumption that economic and political conditions as well as the global economy remain stable.

The BMW Group remains committed to achieving its stated long-term profitability targets. The BMW Group is striving to achieve a sustainable EBIT margin in its Automobiles segment of between 8% and 10% in 2012 and beyond. Depending on political and economic developments, however, actual margins may end up being above or below the targeted range.

The BMW Group – an overview

| | | 3rd quarter 2011 | 3rd quarter 2010 | Change in % |
|--|--------------|---------------------|---------------------|----------------|
| Deliveries to customers | | | | |
| Automobiles | units | 399,218 | 366,190 | 9.0 |
| Thereof: | | | | |
| BMW | units | 332,066 | 306,982 | 8.2 |
| MINI | units | 66,303 | 58,450 | 13.4 |
| Rolls-Royce | units | 849 | 758 | 12.0 |
| Motorcycles | units | 28,862 | 27,094 | 6.5 |
| Thereof: | | | | |
| BMW | units | 26,312 | 24,493 | 7.4 |
| Husqvarna | units | 2,550 | 2,601 | -2.0 |
| Workforce at end of quarter¹ | | 100,389 | 96,402 | 4.1 |
| Operating cash flow² | euro million | 1,534 | 1,764 | -13.0 |
| Revenues | euro million | 16,547 | 15,940 | 3.8 |
| Thereof: | | | | |
| Automobiles | euro million | 15,344 | 14,210 | 8.0 |
| Motorcycles | euro million | 334 | 291 | 14.8 |
| Financial Services | euro million | 4,276 | 4,278 | 0.0 |
| Other Entities | euro million | 1 | 1 | - |
| Eliminations | euro million | -3,408 | -2,840 | - |
| Profit before financial result | euro million | 1,716 | 1,192 | 44.0 |
| Thereof: | | | | |
| Automobiles | euro million | 1,819 | 1,152 | 57.9 |
| Motorcycles | euro million | -16 | 2 | - |
| Financial Services | euro million | 364 | 308 | 18.2 |
| Other Entities | euro million | -153 | 0 | - |
| Eliminations | euro million | -298 | -270 | -10.4 |
| Profit before tax | euro million | 1,644 | 1,359 | 21.0 |
| Thereof: | | | | |
| Automobiles | euro million | 1,745 | 1,285 | 35.8 |
| Motorcycles | euro million | -17 | 0 | - |
| Financial Services | euro million | 354 | 318 | 11.3 |
| Other Entities | euro million | -187 | 40 | - |
| Eliminations | euro million | -251 | -284 | 11.6 |
| Income taxes | euro million | -562 | -485 | -15.9 |
| Net profit | euro million | 1,082 | 874 | 23.8 |
| Earnings per share³ | euro | 1.64/1.64 | 1.33/1.33 | 23.3/23.3 |

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

² Automobiles segment

³ earnings per share in accordance with IAS 33 for common and preferred stock shares

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| | | January - September 2011 | January - September 2010 | Change in % |
|--|--------------|-----------------------------|-----------------------------|----------------|
| Deliveries to customers | | | | |
| Automobiles | units | 1,232,584 | 1,062,216 | 16.0 |
| Thereof: | | | | |
| BMW | units | 1,021,927 | 892,737 | 14.5 |
| MINI | units | 208,216 | 167,751 | 24.1 |
| Rolls-Royce | units | 2,441 | 1,728 | 41.3 |
| Motorcycles | units | 92,972 | 88,768 | 4.7 |
| Thereof: | | | | |
| BMW | units | 86,892 | 81,508 | 6.6 |
| Husqvarna | units | 6,080 | 7,260 | -16.3 |
| Workforce at end of quarter¹ | | 100,389 | 96,402 | 4.1 |
| Operating cash flow² | euro million | 5,761 | 4,172 | 38.1 |
| Revenues | euro million | 50,472 | 43,731 | 15.4 |
| Thereof: | | | | |
| Automobiles | euro million | 46,391 | 38,551 | 20.3 |
| Motorcycles | euro million | 1,181 | 1,081 | 9.3 |
| Financial Services | euro million | 12,640 | 12,480 | 1.3 |
| Other Entities | euro million | 3 | 3 | - |
| Eliminations | euro million | -9,743 | -8,384 | - |
| Profit before financial result | euro million | 6,474 | 3,358 | 92.8 |
| Thereof: | | | | |
| Automobiles | euro million | 5,935 | 2,760 | - |
| Motorcycles | euro million | 62 | 88 | -29.5 |
| Financial Services | euro million | 1,506 | 900 | 67.3 |
| Other Entities | euro million | -115 | -74 | -55.4 |
| Eliminations | euro million | -914 | -316 | - |
| Profit before tax | euro million | 6,160 | 3,166 | 94.6 |
| Thereof: | | | | |
| Automobiles | euro million | 5,647 | 2,443 | - |
| Motorcycles | euro million | 60 | 83 | -27.7 |
| Financial Services | euro million | 1,527 | 919 | 66.2 |
| Other Entities | euro million | -270 | -33 | - |
| Eliminations | euro million | -804 | -246 | - |
| Income taxes | euro million | -2,057 | -1,134 | -81.4 |
| Net profit | euro million | 4,103 | 2,032 | 101.9 |
| Earnings per share³ | euro | 6.23/6.24 | 3.09/3.10 | 101.6/101.3 |

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

² Automobiles segment

³ earnings per share in accordance with IAS 33 for common and preferred stock shares

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The BMW Group

The BMW Group is one of the most successful manufacturers of automobiles and motorcycles in the world with its BMW, MINI, Husqvarna Motorcycles and Rolls-Royce brands. As a global company, the BMW Group operates 25 production and assembly facilities in 14 countries and has a global sales network in more than 140 countries.

During the financial year 2010, the BMW Group sold 1.46 million cars and more than 110,000 motorcycles worldwide. The profit before tax for 2010 was euro 4.8 billion on revenues amounting to euro 60.5 billion. At 31 December 2010, the BMW Group had a workforce of approximately 95,500 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 seven years.

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