

ANNUAL ACCOUNTS PRESS CONFERENCE

**BMW
GROUP**



Rolls-Royce
Motor Cars Limited

CHANNEL ALLOCATION.

Channel	Language	Translation Channel	Translation Language
Channel 1	German	Channel 1	Deutsch
Channel 2	English	Channel 2	English
Channel 3	French	Canal 3	Français
Channel 4	Italian	Canale 4	Italiano
Channel 5	Russian	Канал 5	ру́сский
Channel 6	Mandarin	声道 6	中文

ANNUAL ACCOUNTS PRESS CONFERENCE

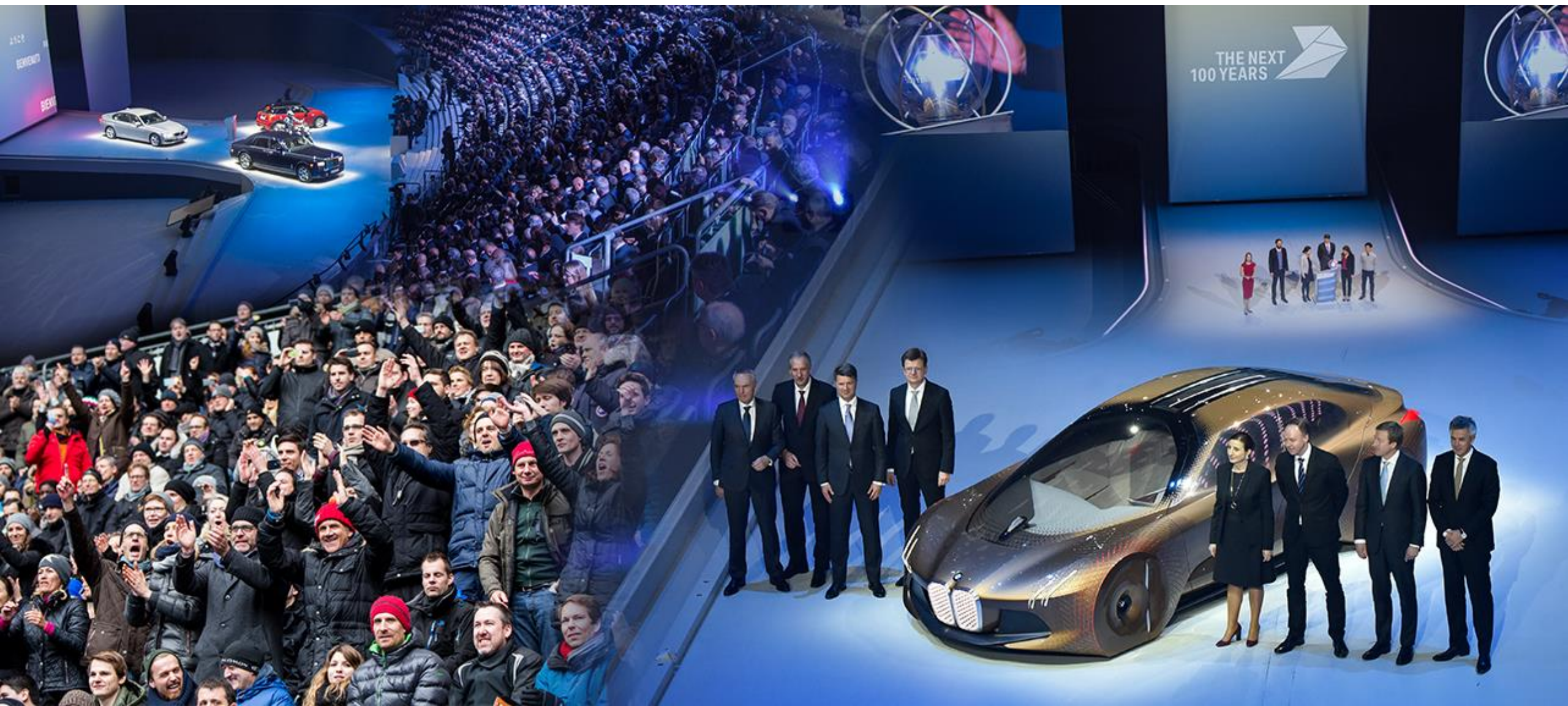
HARALD KRÜGER
CHAIRMAN OF THE BOARD OF MANAGEMENT OF BMW AG

**BMW
GROUP**

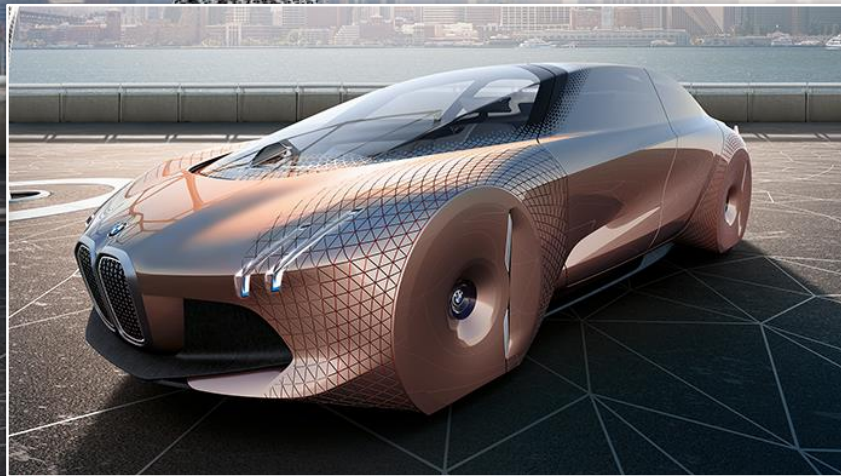
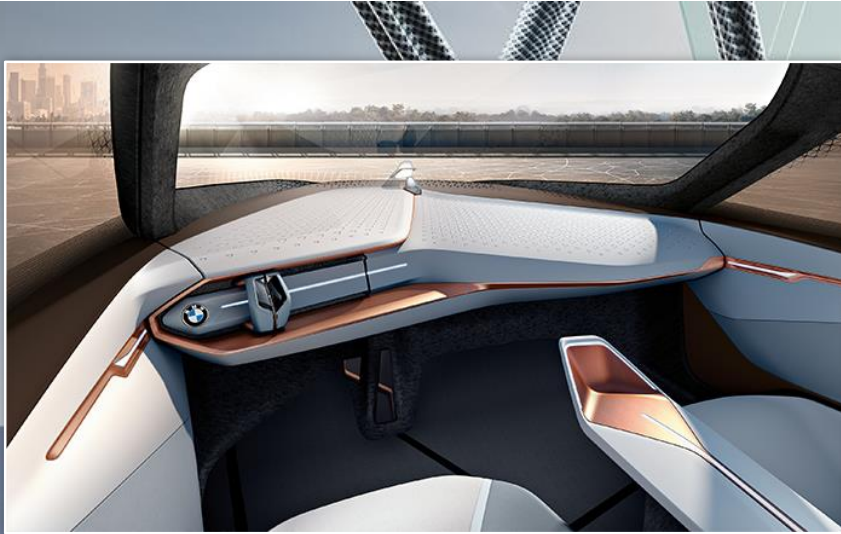


Rolls-Royce
Motor Cars Limited

BMW GROUP'S CELEBRATION: THE NEXT 100 YEARS. STARTING POINT FOR CENTENARY ACTIVITIES.



BMW VISION NEXT 100. A GLIMPSE INTO THE FUTURE OF MOBILITY.



OVERVIEW.

Our performance in the business year 2015

Our new models in 2016

Annual accounts 2015 and outlook for 2016

Strategy Number ONE > NEXT



OVERVIEW.

Our performance in the business year 2015

Our new models in 2016

Annual accounts 2015 and outlook for 2016

Strategy Number ONE > NEXT



BMW GROUP. SALES FIGURES FOR THE BUSINESS YEAR 2015.

**BMW
GROUP**

2,247,485

+ 6.1 %



1,905,234

+ 5.2 %



338,466

+ 12.0 %

Rolls-Royce
Motor Cars Limited

3,785

- 6.8 %

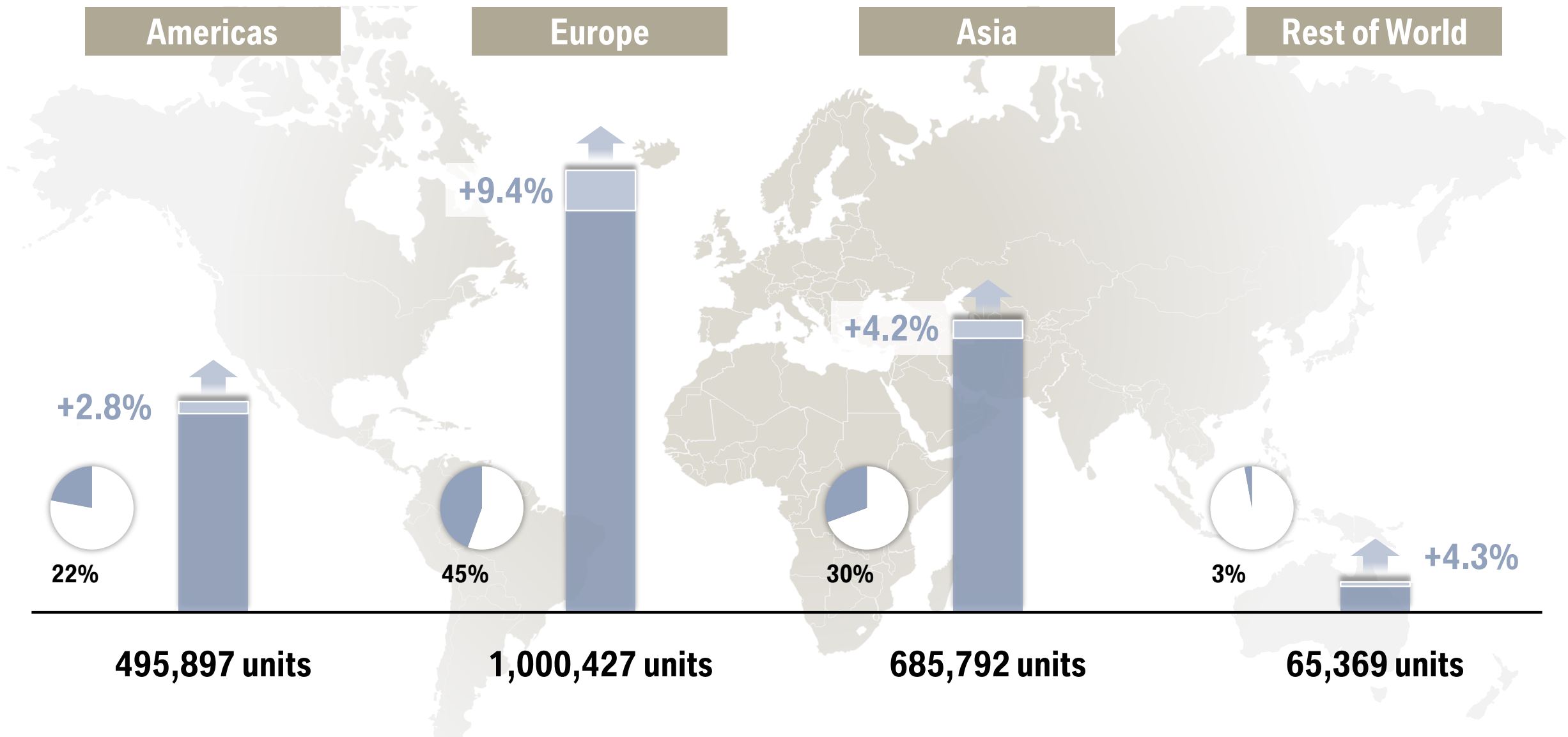
BMW Motorrad

136,963

+ 10.9 %



BMW GROUP. SALES 2015 BY REGION.



BMW GROUP. KEY FINANCIALS FOR THE BUSINESS YEAR 2015.

in m€

Group revenues

92,175

+ 14.6 %

Group profit before tax

9,224

+ 5.9 %

Group net profit

6,396

+ 10.0 %

EBIT margin Automotive segment

9.2 %



SIXTH GENERATION OF BMW 7 SERIES: THE NEW BENCHMARK IN THE LUXURY SEGMENT.



EXPANSION OF COMPACT CLASS LINEUP: BMW 2 SERIES GRAN TOURER AND BMW X1.



REALIGNMENT OF THE MINI BRAND: THE NEW MINI CLUBMAN.



**DRIVENOW:
ALMOST 580,000 USERS BY THE END OF 2015.**

COPENHAGEN

VIENNA

BERLIN

COLOGNE

HAMBURG

STOCKHOLM

LONDON

DUESSELDORF

MUNICH



OVERVIEW.

Our performance in the business year 2015

Our new models in 2016

Annual accounts 2015 and outlook for 2016

Strategy Number ONE > NEXT



NEW MODELS 2016: FOUR iPERFORMANCE MODELS INTO 2016.



**NEW MODELS 2016:
iPERFORMANCE MODELS: BMW 225xe AND BMW 330e.**



**NEW MODELS 2016:
MOST EFFICIENT MODEL IN THE LUXURY CLASS: BMW 740e iPERFORMANCE.**



**NEW MODELS 2016:
SUPREME PERFORMANCE AND ELEGANCE: BMW M760Li xDRIVE.**



**NEW MODELS 2016:
MINI CONVERTIBLE SINCE MARCH.**



**NEW MODELS 2016:
ROLLS-ROYCE DAWN AS OF APRIL.**



BMW MOTORRAD: WIDER RANGE THAN EVER BEFORE.

ADVENTURE



TOUR



SPORT



ROADSTER



HERITAGE



URBAN
MOBILITY



NEW MODELS 2016: BMW G 310 R AND BMW R nineT SCRAMBLER.



BMW GROUP. SALES FIGURES PER FEBRUARY 2016.

**BMW
GROUP**

316,846

+ 7.7 %



277,304

+ 8.3 %



39,237

+ 4.1 %

Rolls-Royce
Motor Cars Limited

305

- 32.7 %

BMW Motorrad

17,323

+ 12.1 %



BMW GROUP. OUR TARGETS FOR THE BUSINESS YEAR 2016.



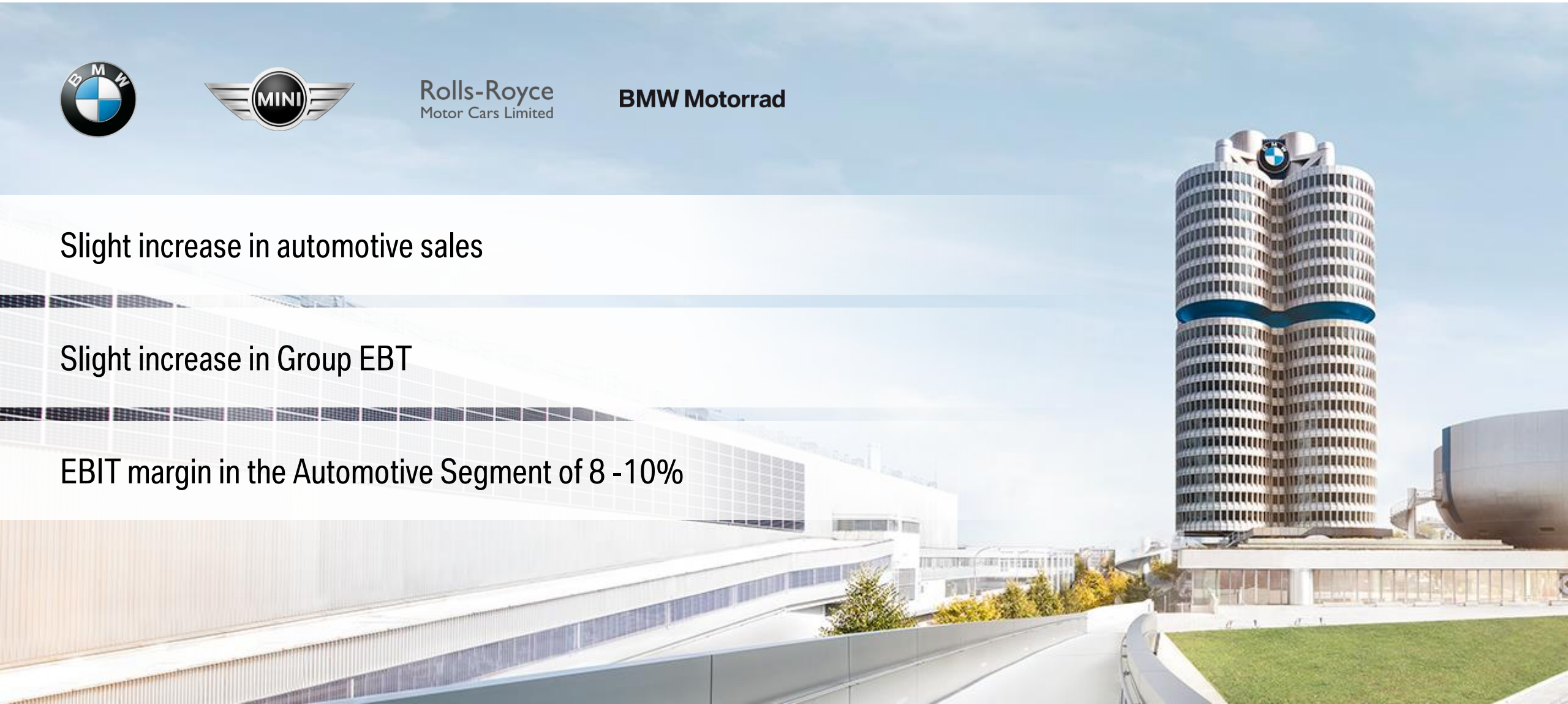
Rolls-Royce
Motor Cars Limited

BMW Motorrad

Slight increase in automotive sales

Slight increase in Group EBT

EBIT margin in the Automotive Segment of 8 - 10%



ANNUAL ACCOUNTS PRESS CONFERENCE

DR. FRIEDRICH EICHINER
MEMBER OF THE BOARD OF MANAGEMENT OF BMW AG, FINANCE

**BMW
GROUP**



Rolls-Royce
Motor Cars Limited

OVERVIEW.

Our performance in the business year 2015

Our new models in 2016

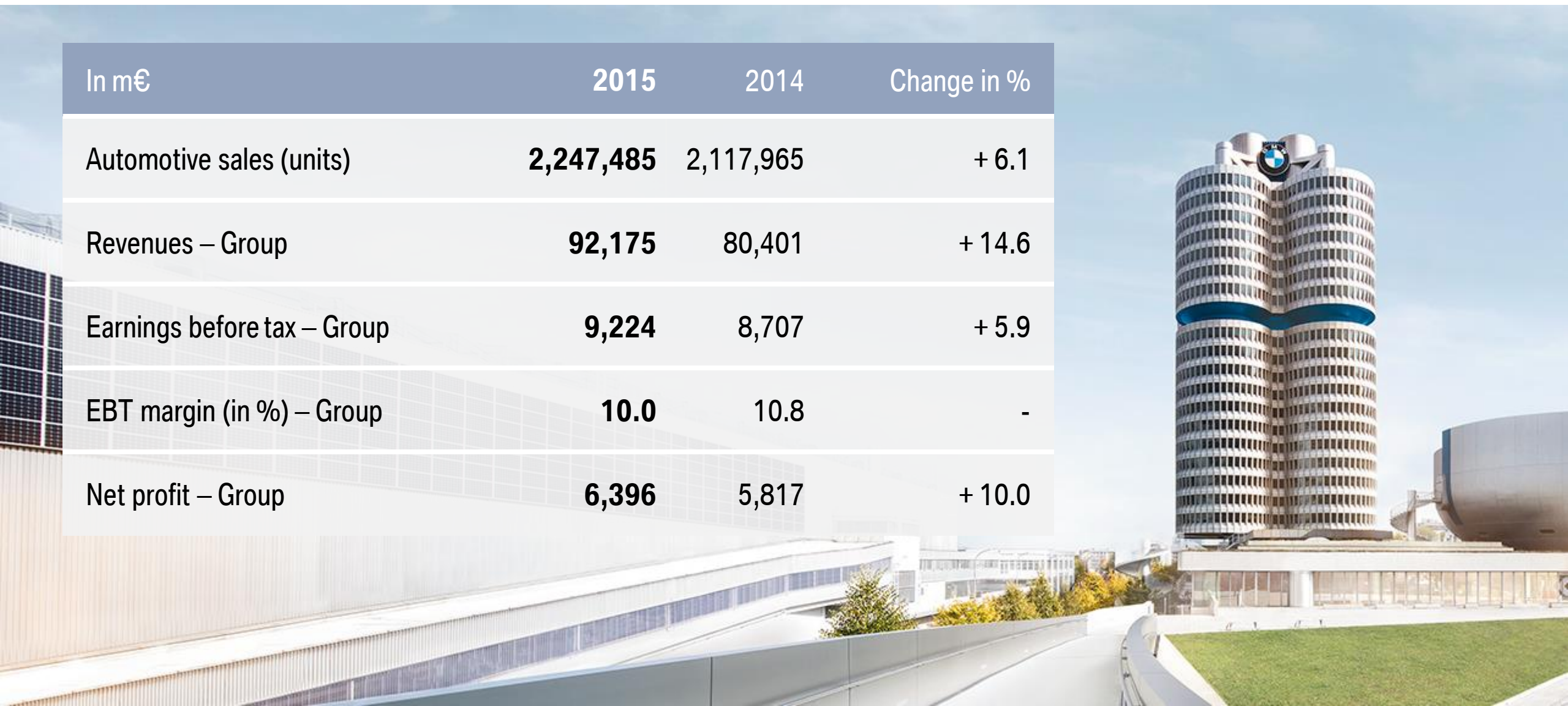
Annual accounts 2015 and outlook for 2016

Strategy Number ONE > NEXT



BMW GROUP – 2015 FINANCIAL YEAR: POSITIVE BUSINESS DEVELOPMENT WITHIN A VOLATILE ENVIRONMENT.

In m€	2015	2014	Change in %
Automotive sales (units)	2,247,485	2,117,965	+ 6.1
Revenues – Group	92,175	80,401	+ 14.6
Earnings before tax – Group	9,224	8,707	+ 5.9
EBT margin (in %) – Group	10.0	10.8	-
Net profit – Group	6,396	5,817	+ 10.0



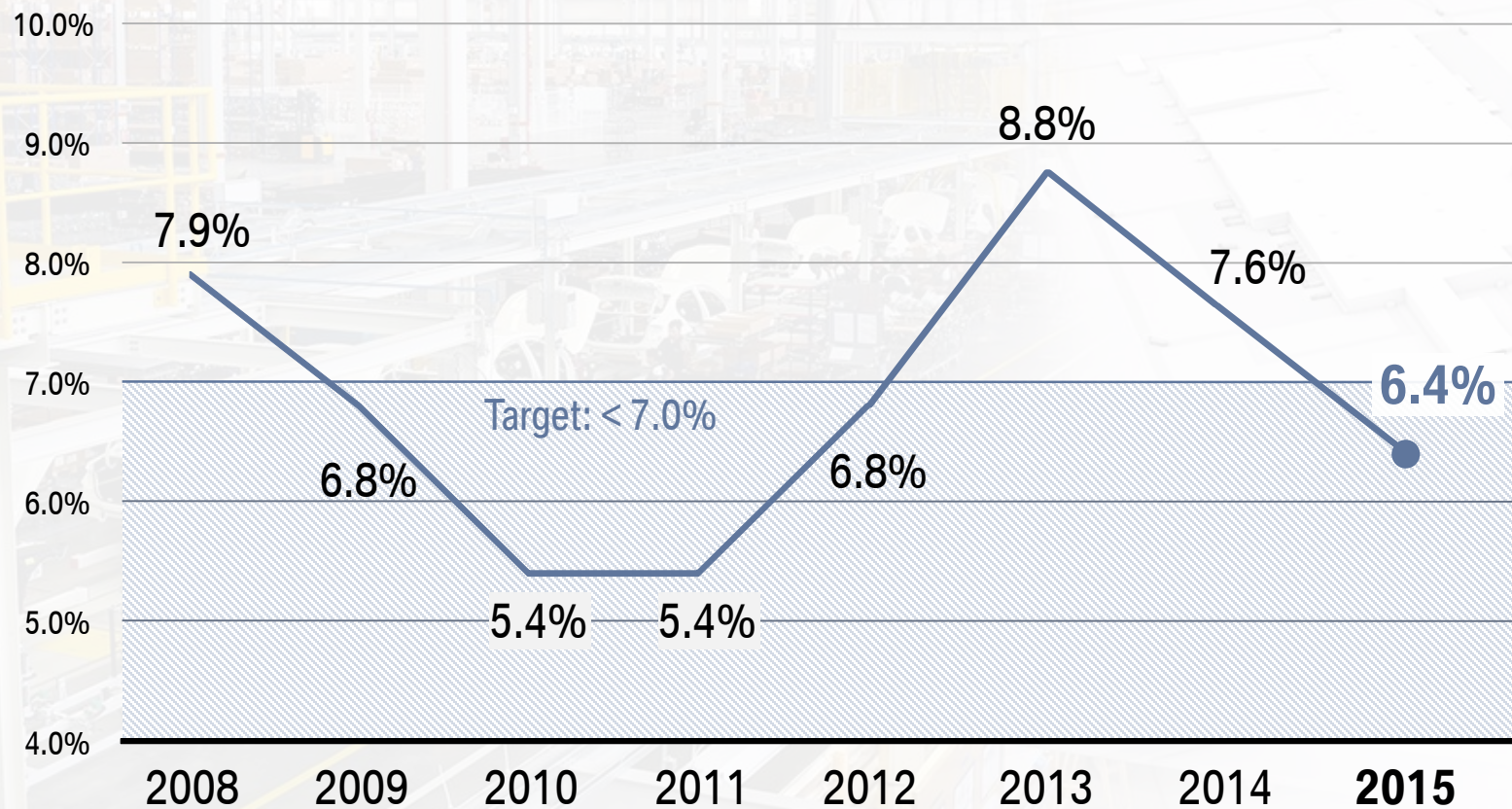
BMW GROUP. FOURTH QUARTER 2015 BEST-EVER FOR RETAIL SALES.

In m€	Q4 2015	Q4 2014	Change in %
Automotive sales (units)	602,675	588,085	+ 2.5
Revenues – Group	24,978	22,661	+ 10.2
Earnings before tax – Group	2,110	1,888	+ 11.8
EBT margin (in %) – Group	8.4	8.3	-
Net profit – Group	1,552	1,282	+ 21.1
EBIT margin Automotive segment (in %)	9.6	8.2	-



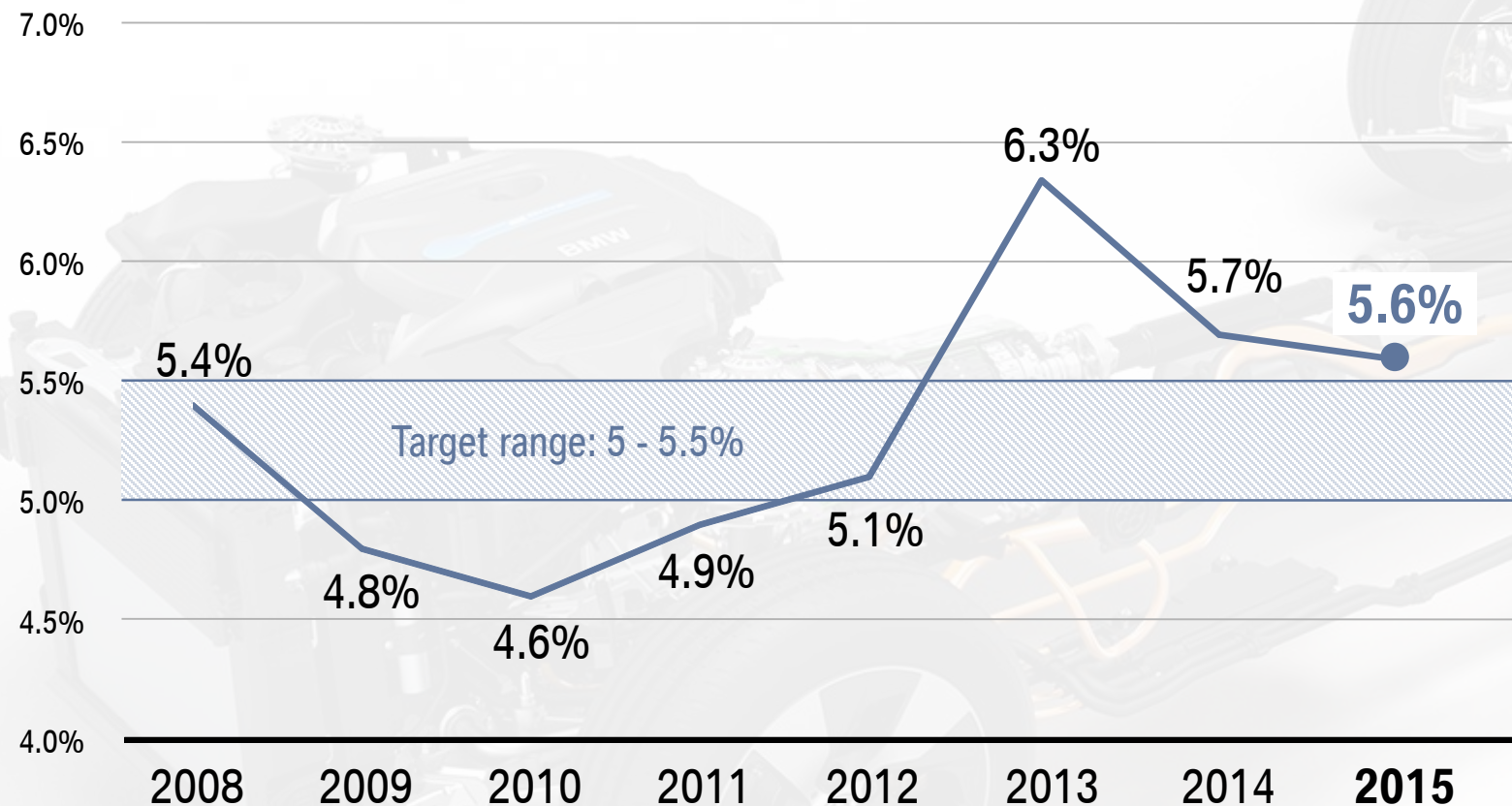
CAPITAL EXPENDITURE OF € 5.9 BILLION IN 2015. CAPEX RATIO ON TARGET AT < 7%.

Capex ratio BMW Group



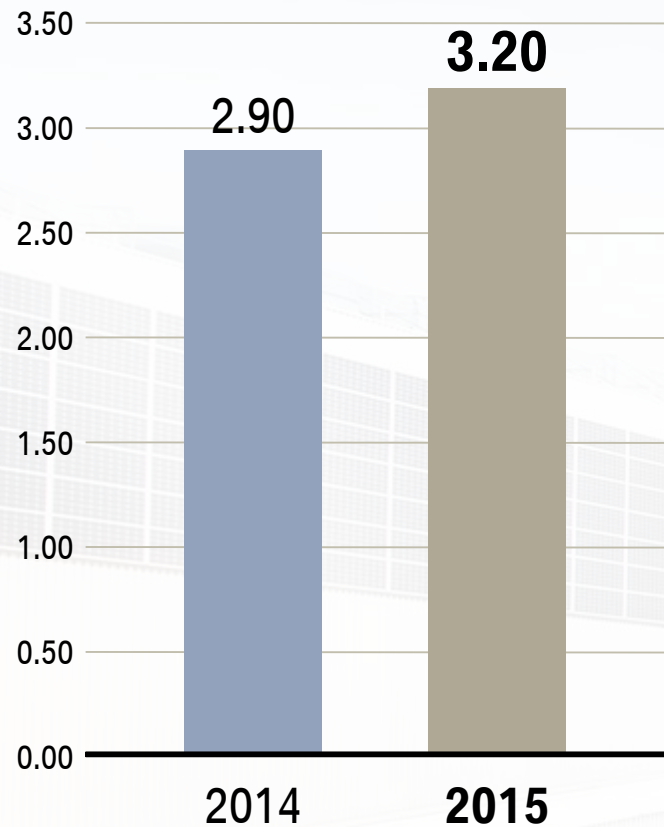
R&D EXPENDITURE OF € 5.2 BILLION.
R&D RATIO SLIGHTLY ABOVE TARGET RANGE OF 5 - 5.5%.

R&D ratio (HGB) BMW Group

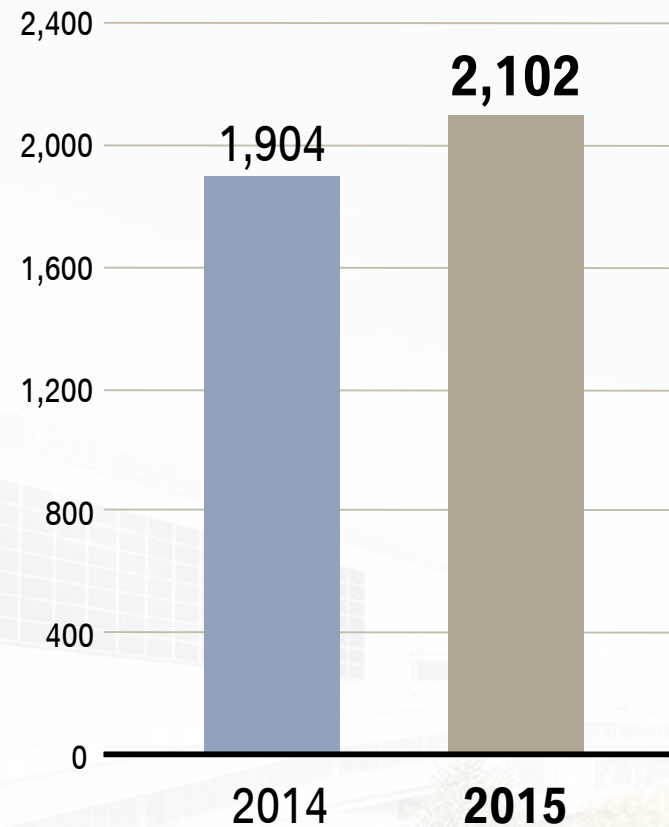


DIVIDEND INCREASE OF € 0.30 PROPOSED. PAYOUT RATIO OF 33%.

Dividend per common share (in €)



Dividend payout (in m€)



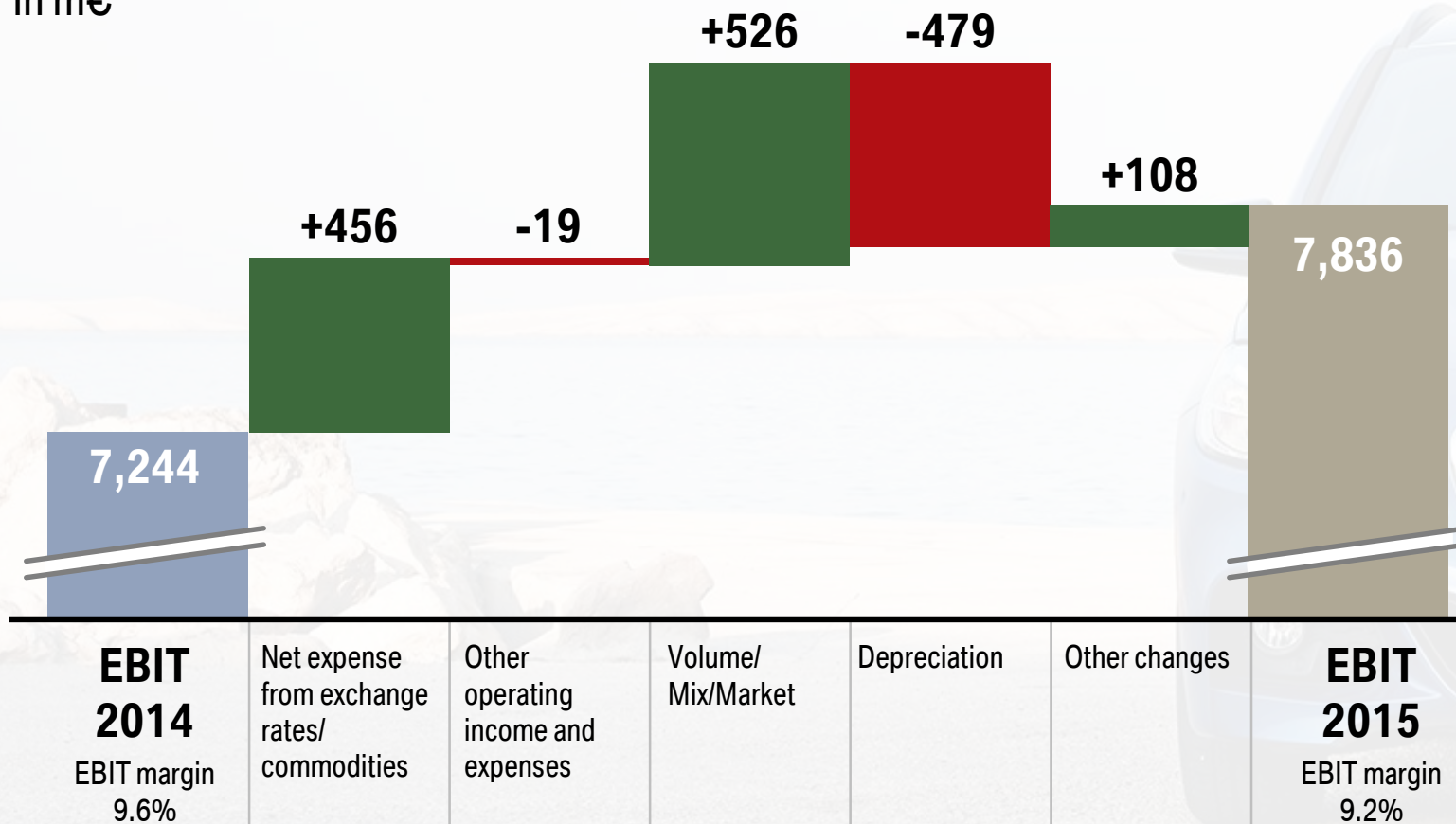
AUTOMOTIVE SEGMENT: EBIT OF € 7.8 bn, SOLID INCREASE OVER LAST YEAR. EBIT MARGIN OF 9.2%.

In m€	2015	2014	Change in %
Sales (units)	2,247,485	2,117,965	+ 6.1
Revenues	85,536	75,173	+ 13.8
Earnings before interest and tax (EBIT)	7,836	7,244	+ 8.2
EBIT margin (in %)	9.2	9.6	-
Earnings before tax (EBT)	7,523	6,886	+ 9.3

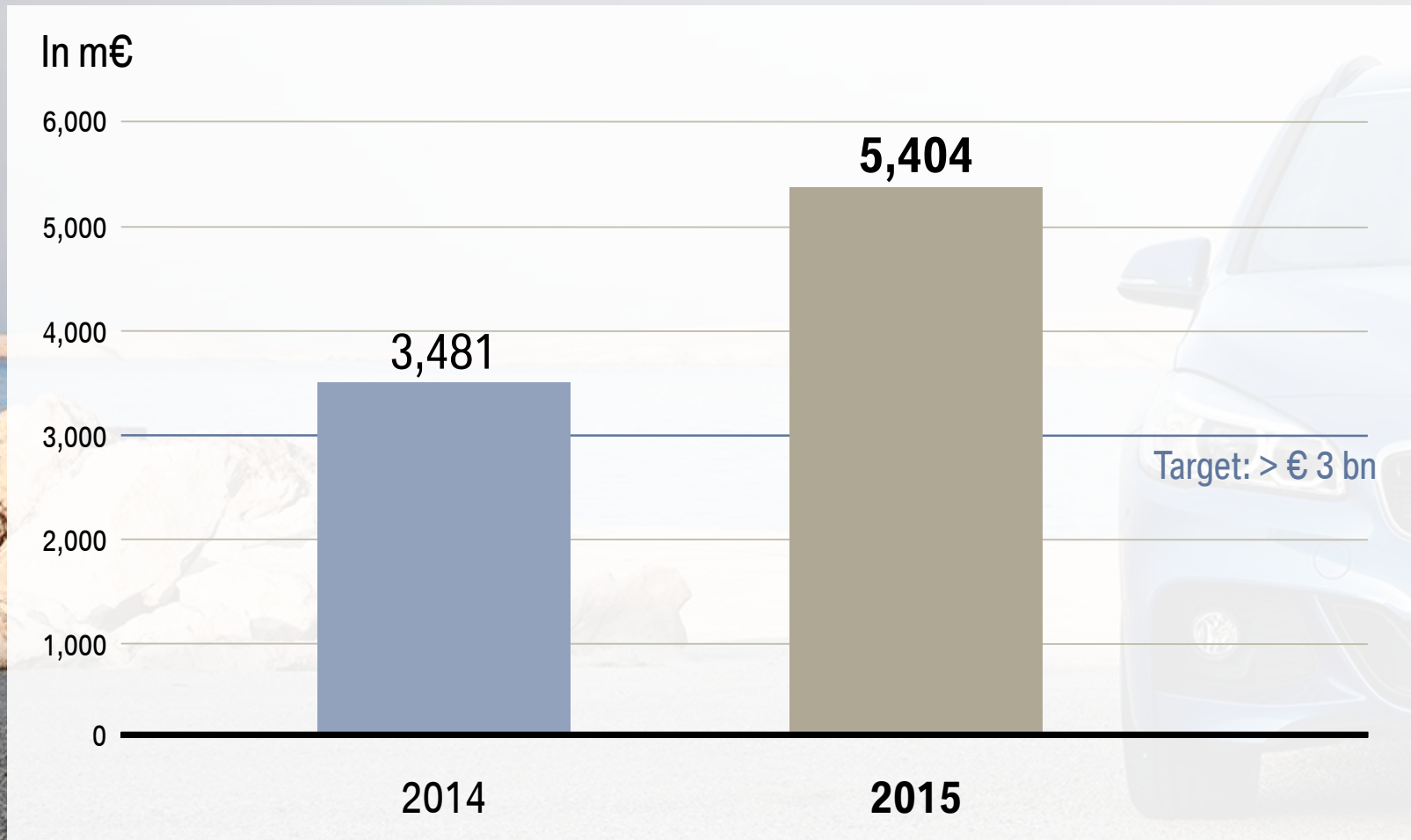


AUTOMOTIVE SEGMENT: 2014 TO 2015 EBIT DEVELOPMENT.

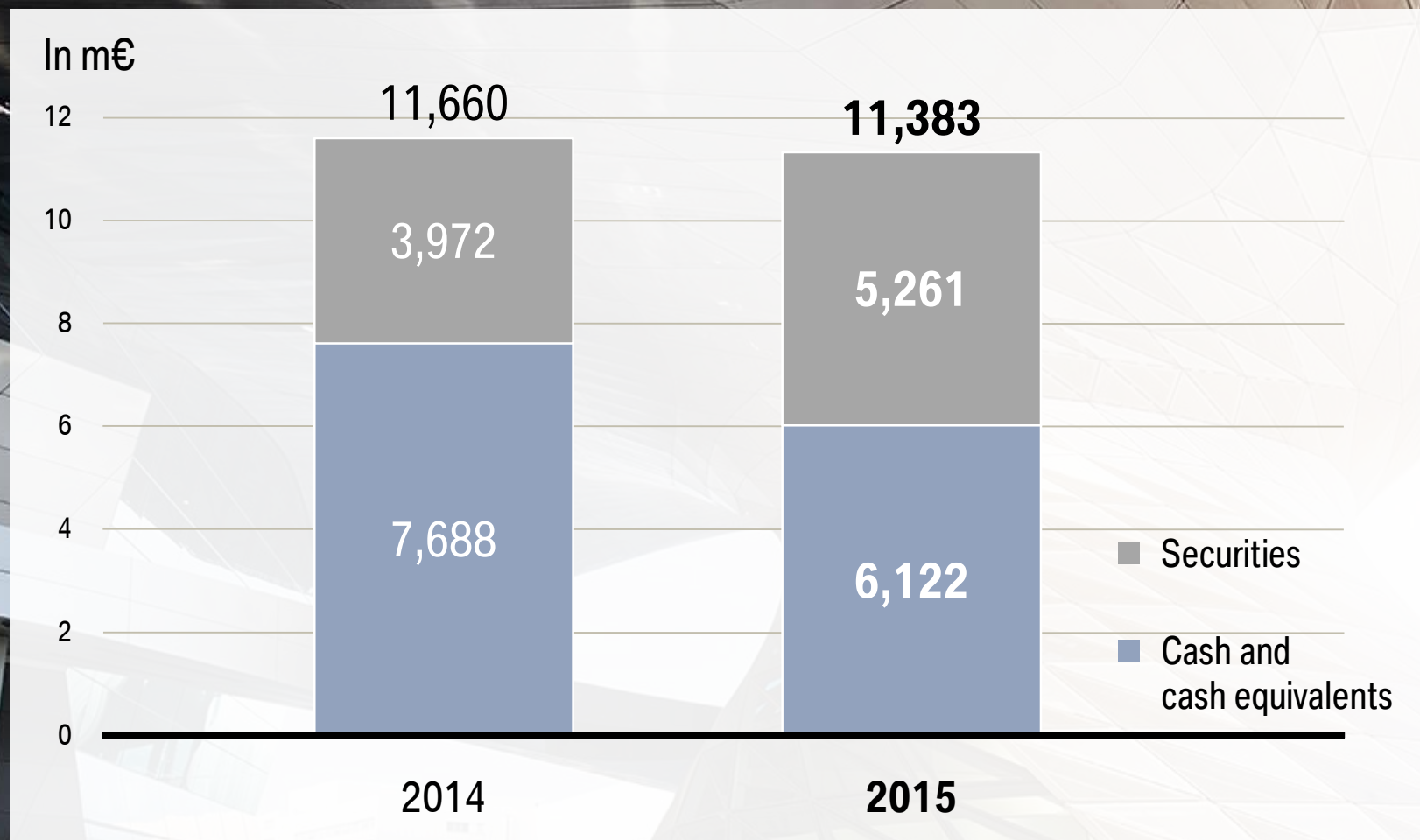
In m€



AUTOMOTIVE SEGMENT FREE CASH FLOW: TARGET OF > € 3 BILLION SIGNIFICANTLY EXCEEDED.



STRONG LIQUIDITY POSITION SECURES FINANCIAL FLEXIBILITY.



FINANCIAL SERVICES SEGMENT: DYNAMIC BUSINESS DEVELOPMENT IN 2015.



FINANCIAL SERVICES SEGMENT: SIGNIFICANT INCREASE IN EBT.

In m€	2015	2014	Change in %
New customer contracts (units)	1,655,961	1,509,113	+ 9.7
Total volume of new customer contracts	50,606	41,318	+ 22.5
Earnings before tax (EBT)	1,975	1,723	+ 14.6
Return on equity (in %)	20.2	19.4	-
Penetration rate (in %)	46.3	41.7	-



**STABLE RISK SITUATION UNCHANGED FROM PRIOR YEAR.
LOSS RATIO IMPROVED AT 0.37%.**



ANOTHER YEAR OF DYNAMIC GROWTH FOR BMW MOTORRAD. SIGNIFICANT INCREASE IN DELIVERIES, SALES AND EARNINGS.

In m€	2015	2014	Change in %
Sales (units)	136,963	123,495	+ 10.9
Revenues	1,990	1,679	+ 18.5
Earnings before interest and tax (EBIT)	182	112	+ 62.5
EBIT margin (in %)	9.1	6.7	-
Earnings before tax (EBT)	179	107	+ 67.3



DYNAMIC FINANCIAL SERVICES BUSINESS AFFECTS INTERCOMPANY PROFIT ELIMINATIONS.

In m€	2015	2014	Change in %
Automobiles	7,523	6,886	9.3
Motorcycles	179	107	67.3
Financial Services	1,975	1,723	14.6
Other Entities	211	154	37.0
Eliminations	- 664	- 163	-
BMW Group	9,224	8,707	5.9

OUTLOOK FOR 2016: POSITIVE BUSINESS DEVELOPMENT EXPECTED DESPITE CHALLENGES.

BMW Group

Slight increase in EBT compared with previous year

Automotive Segment

Slight increase in deliveries and revenues compared with previous year

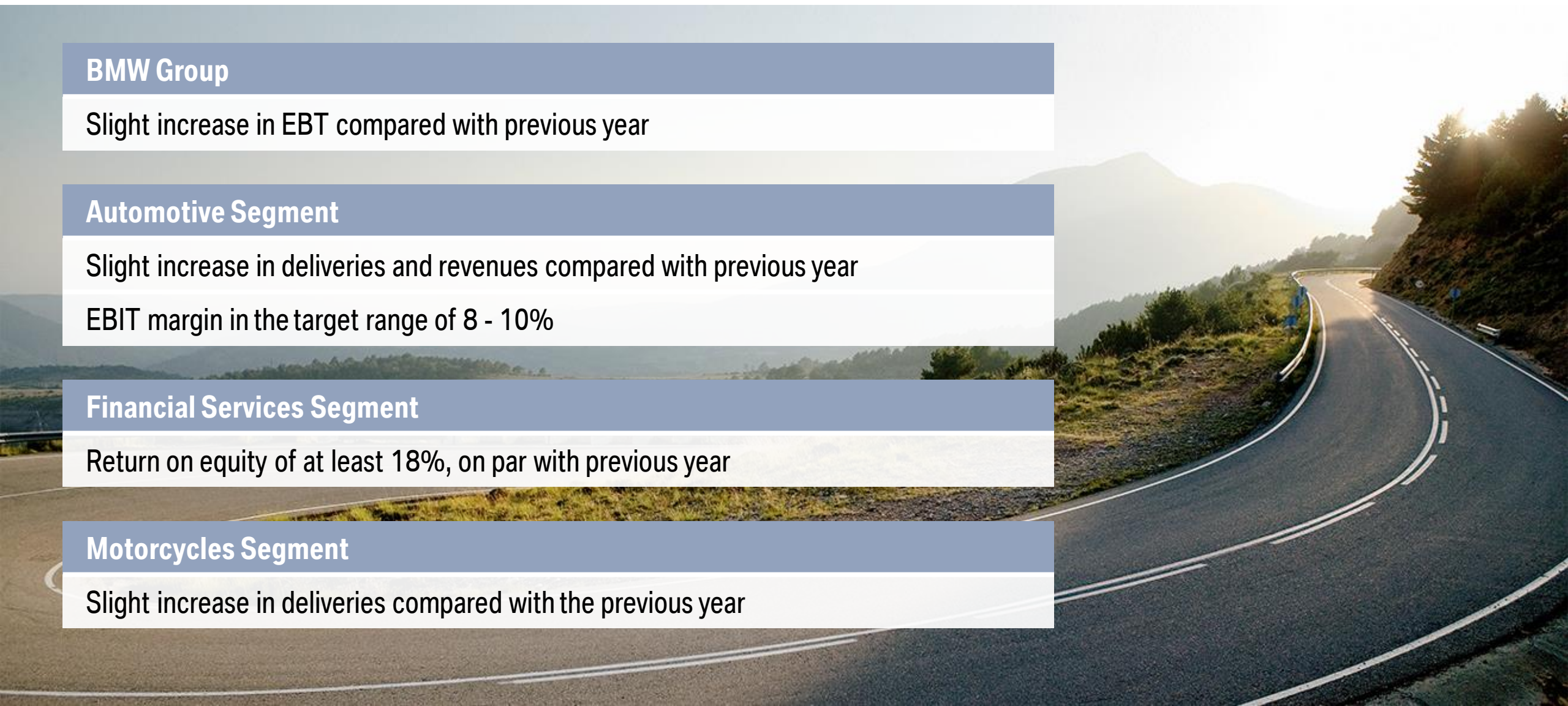
EBIT margin in the target range of 8 - 10%

Financial Services Segment

Return on equity of at least 18%, on par with previous year

Motorcycles Segment

Slight increase in deliveries compared with the previous year



OVERVIEW.

Our performance in the business year 2015

Our new models in 2016

Annual accounts 2015 and outlook for 2016

Strategy Number ONE > NEXT



BMW GROUP: SUCCESSFUL BUSINESS DEVELOPMENT SINCE 2001.

2016

2001/
2003



Rolls-Royce
Motor Cars Limited

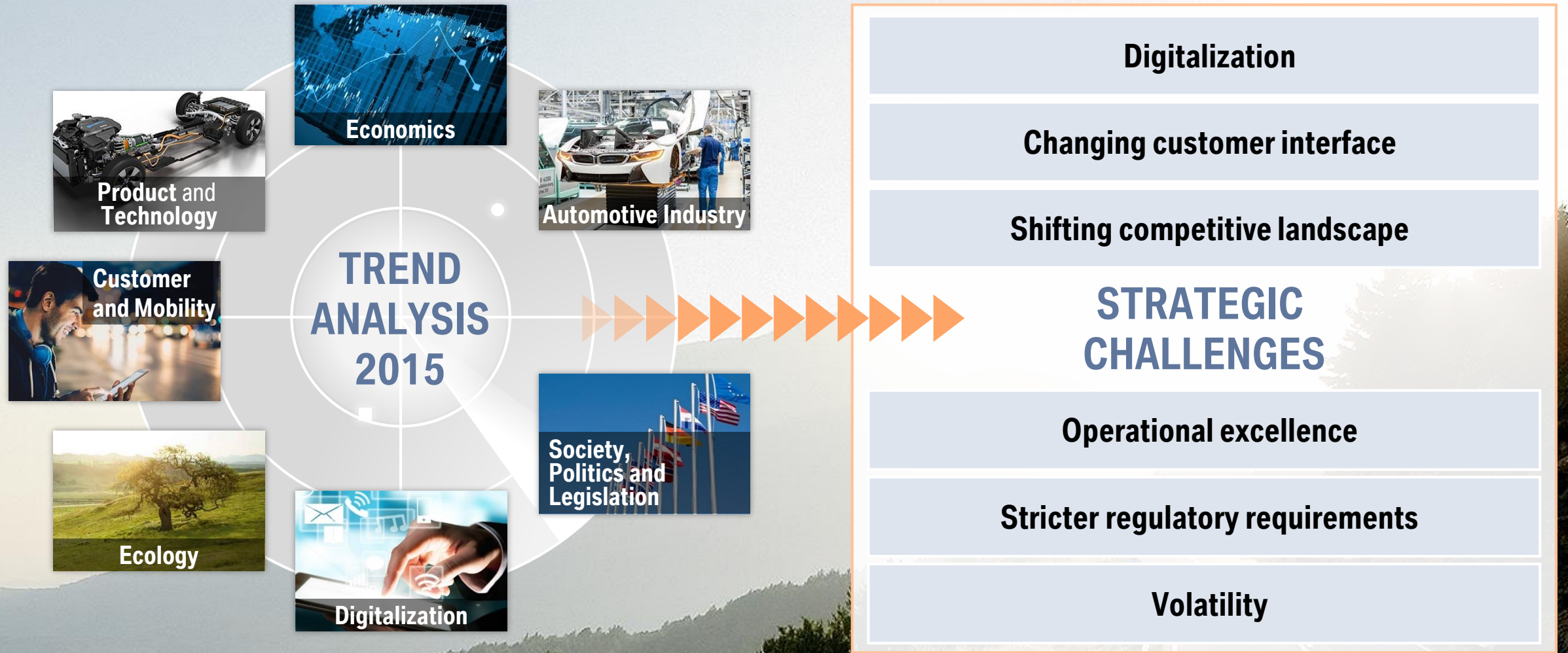
Premium brand strategy

Strategy Number ONE



2007

SIGNIFICANT CHANGES IN THE BUSINESS ENVIRONMENT: NEW STRATEGIC CHALLENGES.



STRATEGY
NUMBER ONE



NEXT



STRATEGY
NUMBER ONE



NEXT

VISION

**COMPETITIVE
ADVANTAGE**

**STRATEGIC
APPROACH**

**CORPORATE
CULTURE**

NUMBER ONE > NEXT
VISION.

STRATEGY
NUMBER ONE  **NEXT**



VISION

We are Number ONE.

We inspire people on the move:

We shape tomorrow's individual premium mobility.

NUMBER ONE > NEXT COMPETITIVE ADVANTAGE.

STRATEGY
NUMBER ONE  **NEXT**

COMPETITIVE ADVANTAGE

**We unite excitement,
responsibility and success:
We have the most emotional products
and attractive services.**



NUMBER ONE > NEXT STRATEGIC APPROACH.

STRATEGY
NUMBER ONE  **NEXT**

> PROFITABILITY

> BRANDS & DESIGN

> PRODUCTS

> TECHNOLOGIES

> CUSTOMER EXPERIENCE & SERVICES

> DIGITALIZATION

STRATEGIC APPROACH

**We are leading the BMW Group into a new era:
We leverage innovative technologies, digitalization
and sustainability to deliver unique customer experiences.**

NUMBER ONE > NEXT STRATEGIC APPROACH.

STRATEGY
NUMBER ONE  **NEXT**

> PROFITABILITY

> BRANDS & DESIGN

> PRODUCTS

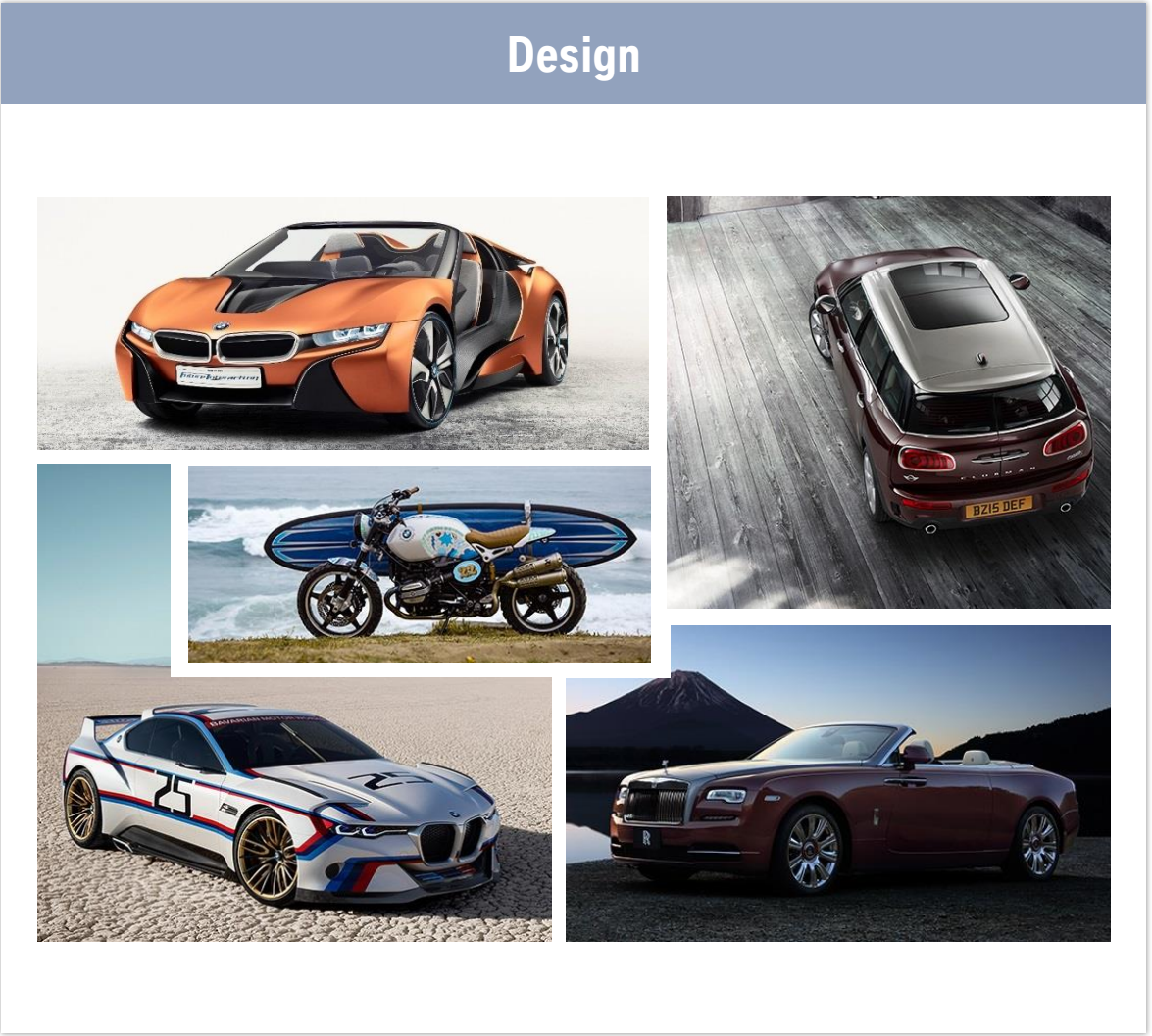
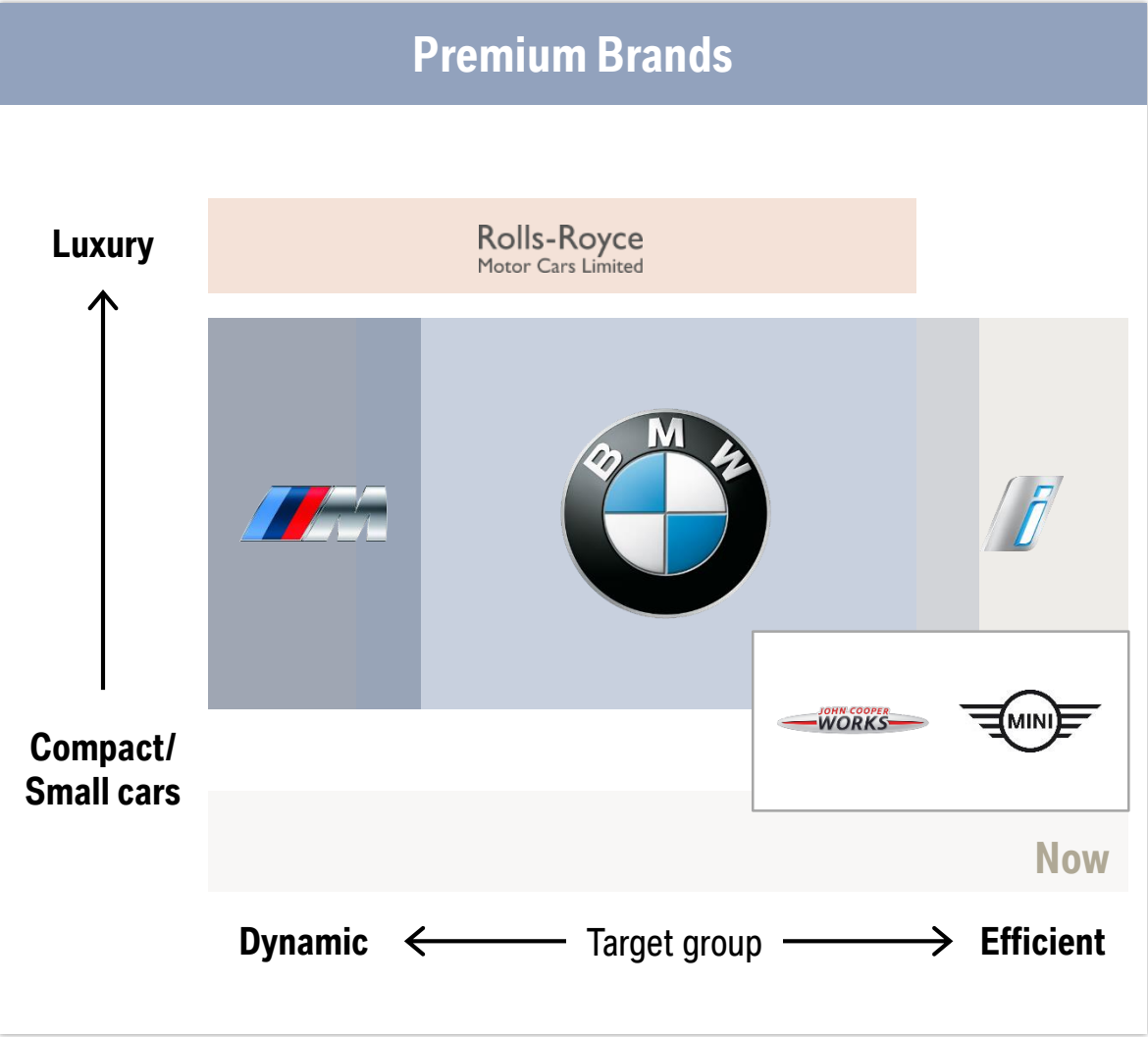
> TECHNOLOGIES

> CUSTOMER EXPERIENCE & SERVICES

> DIGITALIZATION

**We have the
MOST ASPIRATIONAL BRANDS.
We continuously grow the value of our brands
through focused brand management and outstanding design.**

LEADERSHIP DRIVEN BY ASPIRATIONAL BRAND PORTFOLIO AND HIGHLY EMOTIONAL PRODUCTS.



ATTRACTIVE PREMIUM BRANDS: BASIS FOR FURTHER EXPANSION OF THE PRODUCT PORTFOLIO.

STRATEGY
NUMBER ONE  **NEXT**
BRANDS & DESIGN



Rolls-Royce
Motor Cars Limited



BMW Motorrad



NUMBER ONE > NEXT STRATEGIC APPROACH.

STRATEGY
NUMBER ONE  **NEXT**

> PROFITABILITY

> BRANDS & DESIGN

> PRODUCTS

> TECHNOLOGIES

> CUSTOMER EXPERIENCE & SERVICES

> DIGITALIZATION

BMW 7 SERIES AS DRIVER FOR INNOVATION: EXPANSION OF OUR PORTFOLIO IN THE LUXURY SEGMENT.

STRATEGY
NUMBER ONE  **NEXT**
PRODUCTS



FURTHER EXPANSION OF OUR SUCCESSFUL BMW X FAMILY.

STRATEGY
NUMBER ONE  **NEXT**
PRODUCTS

BMW X1



BMW X3



BMW X4



BMW X5



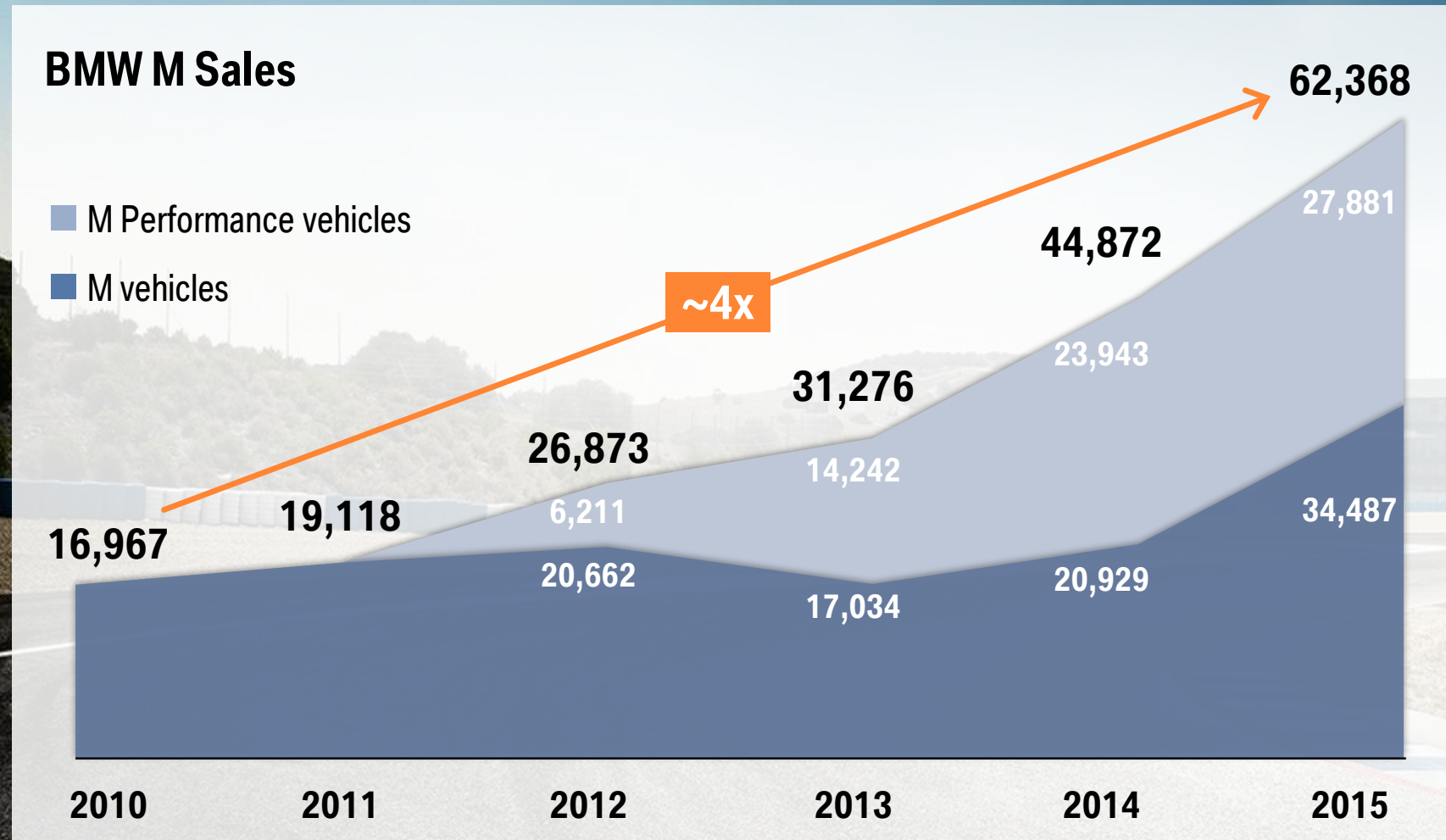
BMW X6



BMW X7



STRONG GROWTH FOR BMW M PRODUCTS.



FURTHER EXPANSION OF BMW M AND M PERFORMANCE.

STRATEGY
NUMBER ONE  **NEXT**
PRODUCTS

BMW M2 Coupé, from 04/16



M4 Competition Package, from 03/16



BMW M4 GTS, from 03/16



BMW X4 M40i, from 02/16



BMW M760Li xDrive, end of 2016



M760Li xDrive V12 Excellence, end of 2016



FURTHER EXPANSION OF THE BMW i PORTFOLIO.

STRATEGY
NUMBER ONE  **NEXT**
PRODUCTS



2013

2014

2016

2018

Beginning of the next decade



Continuous development of the BMW i3 with regard to range and design

SEVEN ELECTRIFIED BMW MODELS: FURTHER MODELS TO COME.

STRATEGY
NUMBER ONE  **NEXT**
PRODUCTS

BMW 225xe
iPerformance



BMW 330e
iPerformance



BMW 530Le



BMW 740e
iPerformance



BMW X5 xDrive40e
iPerformance



BMW i3



BMW i8

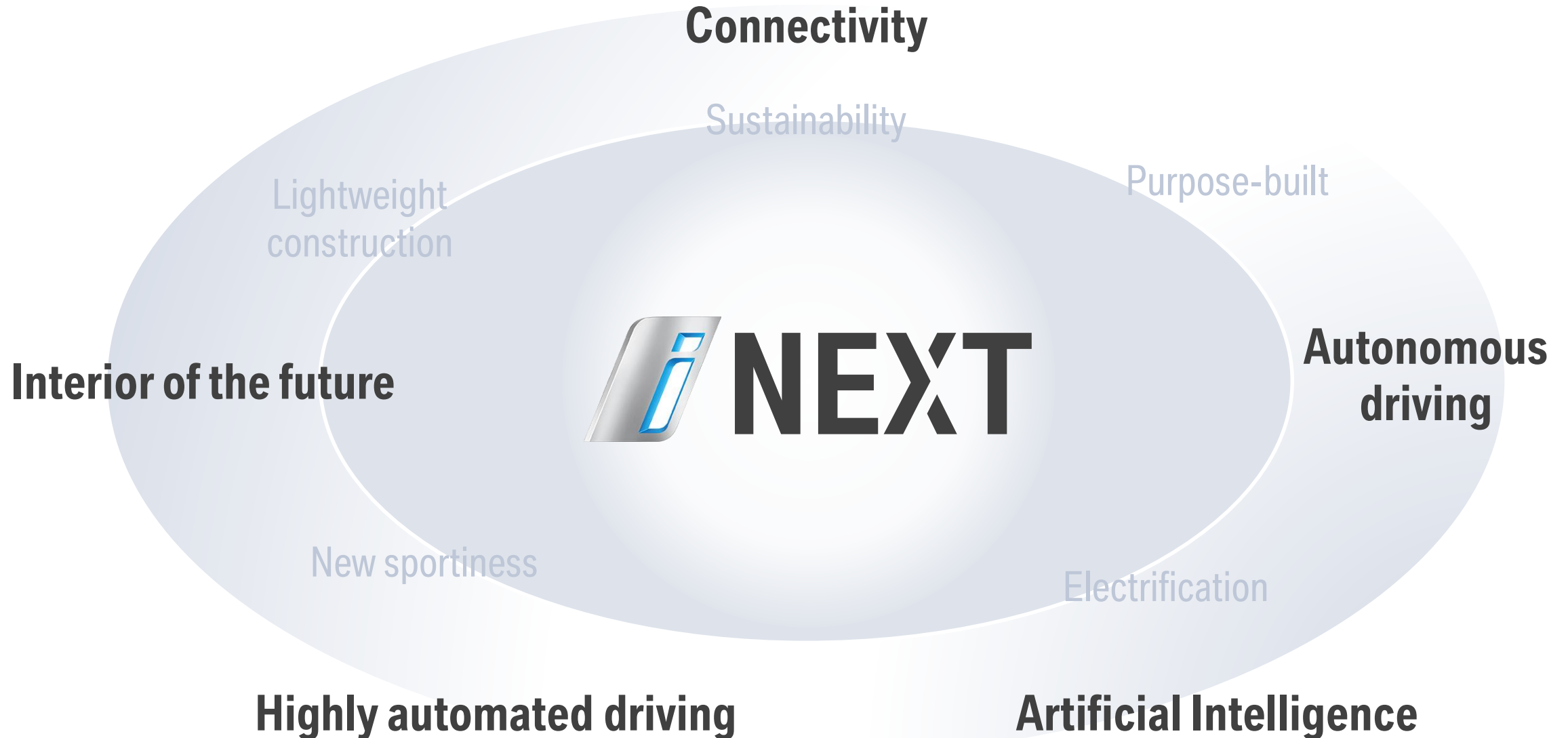


 **PERFORMANCE**



THE BMW i NEXT: THE FUTURE OF MOBILITY.

STRATEGY
NUMBER ONE  **NEXT**
PRODUCTS



NUMBER ONE > NEXT STRATEGIC APPROACH.

STRATEGY
NUMBER ONE  **NEXT**

> PROFITABILITY

> BRANDS & DESIGN

> PRODUCTS

> TECHNOLOGIES

> CUSTOMER EXPERIENCE & SERVICES

> DIGITALIZATION

We shape **FUTURE TECHNOLOGIES.**
We develop innovative technologies
for tomorrow's products and services.

NUMBER ONE > NEXT STRATEGIC APPROACH.

STRATEGY
NUMBER ONE  **NEXT**

> PROFITABILITY

> BRANDS & DESIGN

> PRODUCTS

> TECHNOLOGIES

> CUSTOMER EXPERIENCE & SERVICES

> DIGITALIZATION

NUMBER ONE > NEXT STRATEGIC APPROACH.

STRATEGY
NUMBER ONE  **NEXT**

> PROFITABILITY

> BRANDS & DESIGN

> PRODUCTS

> TECHNOLOGIES

> CUSTOMER EXPERIENCE & SERVICES

> DIGITALIZATION

**We offer the
BEST CUSTOMER EXPERIENCE.**

DELIVERING UNIQUE CUSTOMER EXPERIENCES: INDIVIDUAL SOLUTIONS IN REAL TIME.

STRATEGY
NUMBER ONE  **NEXT**

CUSTOMER EXPERIENCE & SERVICES

Individual customer experiences



**24/7 and along the
customer lifecycle**

Omni-channel

360° customer knowledge
Next Best Offer

Consistent customer experience at all
physical and digital points of contact

..... Data analytics

Business lines

New cars

Pre-owned
cars

Financial
services

After-
sales

Mobility
services

TAILOR-MADE, REGIONAL APPROACHES IN EXPANDING MOBILITY AND DIGITAL SERVICES.

STRATEGY
NUMBER ONE  **NEXT**

CUSTOMER EXPERIENCE & SERVICES

We offer the most attractive services.

Car Sharing



Ride Sharing



Parking / Charging



Digital Services



ANNUAL ACCOUNTS PRESS CONFERENCE

KLAUS FRÖHLICH
MEMBER OF THE BOARD OF MANAGEMENT OF BMW AG, DEVELOPMENT

**BMW
GROUP**



Rolls-Royce
Motor Cars Limited

NUMBER ONE > NEXT STRATEGIC APPROACH.

STRATEGY
NUMBER ONE  **NEXT**

> PROFITABILITY

> BRANDS & DESIGN

> PRODUCTS

> TECHNOLOGIES

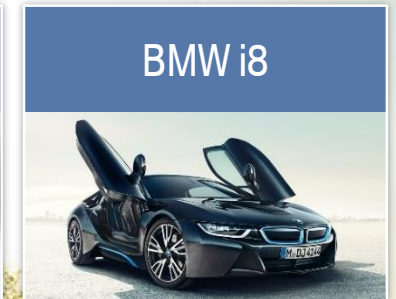
> CUSTOMER EXPERIENCE & SERVICES

> DIGITALIZATION

We shape **FUTURE TECHNOLOGIES.**
We develop innovative technologies
for tomorrow's products and services.

THE WIDEST RANGE OF ELECTRIC AND PLUG-IN HYBRID VEHICLES.

STRATEGY
NUMBER ONE  **NEXT**
TECHNOLOGIES



 **PERFORMANCE**



BMW 7 SERIES: STATE-OF-THE-ART CONNECTED DRIVING.



OUR VISION OF CONNECTED AUTONOMOUS DRIVING.

STRATEGY
NUMBER ONE  **NEXT**
TECHNOLOGIES



ENSURING OUR POSITION AS TECHNOLOGY LEADER.

STRATEGY
NUMBER ONE  **NEXT**
TECHNOLOGIES

Technology and innovation leader

Future focus: Powertrain technologies



**Efficient
Dynamics
NEXT**



Hydrogen



Connectivity



**Artificial
Intelligence**



**Autonomous
driving**



FUTURE FOCUS: POWERTRAIN TECHNOLOGIES.

STRATEGY
NUMBER ONE  **NEXT**
TECHNOLOGIES

Noticeable efficiency and dynamics



Plug-in hybrids



Optimisation of combustion engines



Intelligent assistance systems



Electro-mobility



Fuel cell

FUTURE FOCUS: DIGITALIZATION. CONNECTIVITY.

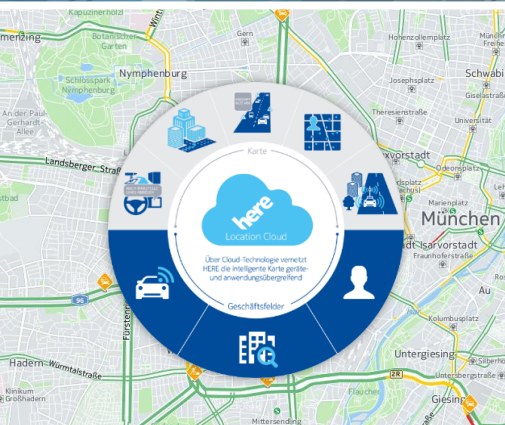


FUTURE FOCUS: DIGITALIZATION. AUTONOMOUS DRIVING.

Sensor systems



Artificial Intelligence

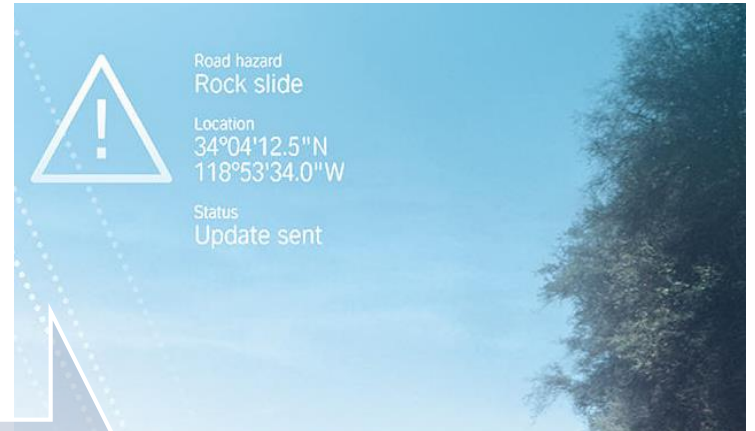


Digital maps / HERE



Digital reality model

Regulatory requirements



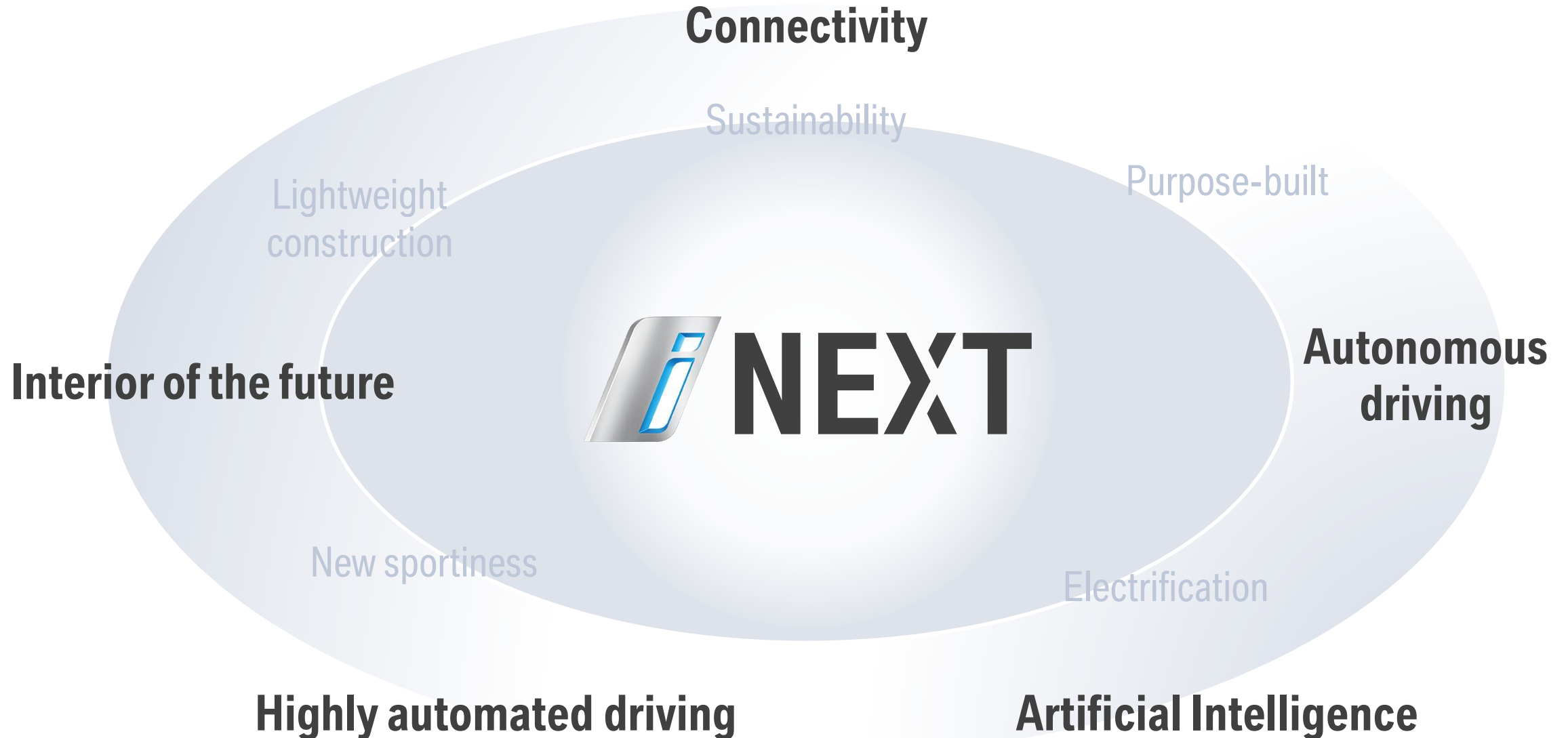
Intelligent autonomous vehicle



PROJECT i: A PIONEER IN SUSTAINABLE MOBILITY.



PROJECT i 2.0: THE BMW i NEXT IS THE FUTURE OF MOBILITY.



ANNUAL ACCOUNTS PRESS CONFERENCE

DR. FRIEDRICH EICHINER
MEMBER OF THE BOARD OF MANAGEMENT OF BMW AG, FINANCE

**BMW
GROUP**



Rolls-Royce
Motor Cars Limited

NUMBER ONE > NEXT STRATEGIC APPROACH.

STRATEGY
NUMBER ONE  **NEXT**

> PROFITABILITY

> BRANDS & DESIGN

> PRODUCTS

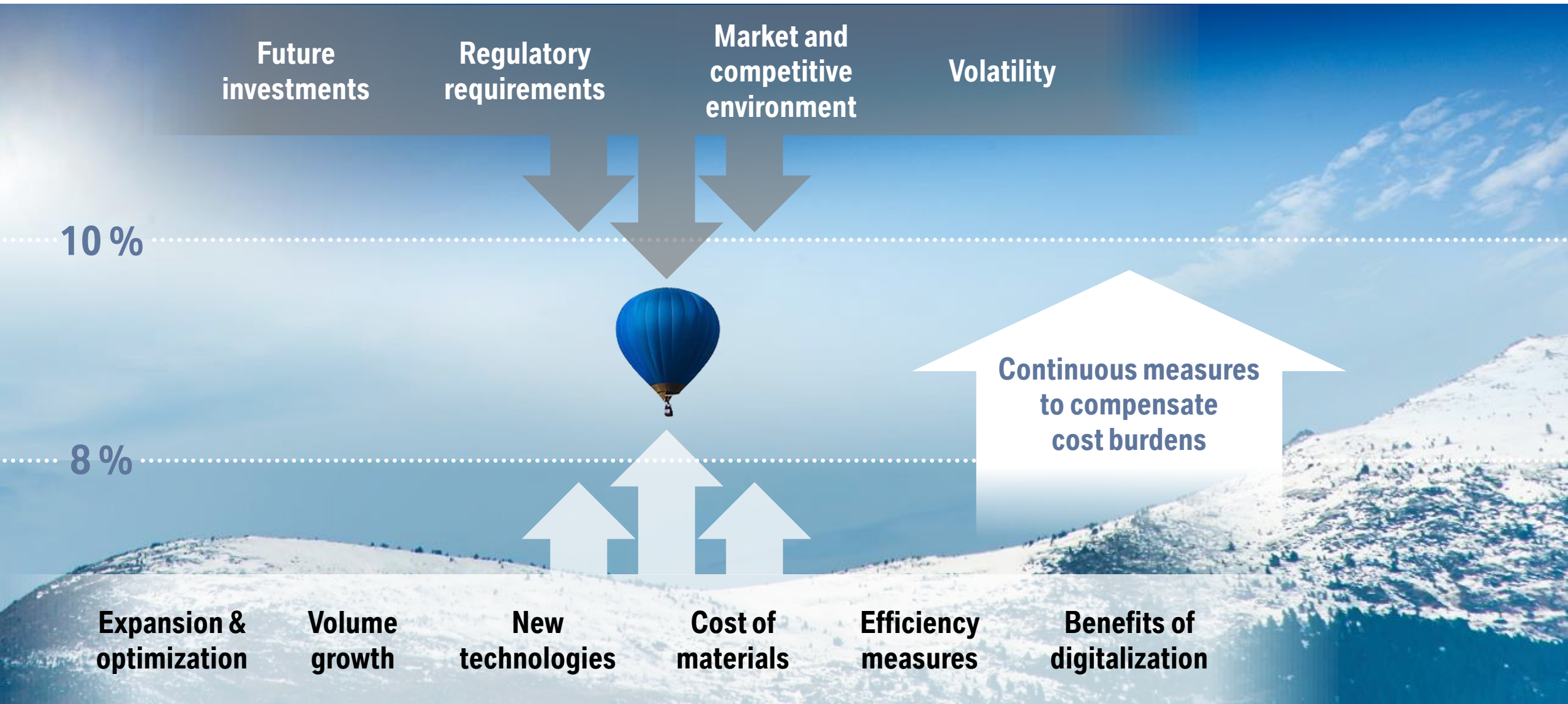
> TECHNOLOGIES

> CUSTOMER EXPERIENCE & SERVICES

> DIGITALIZATION

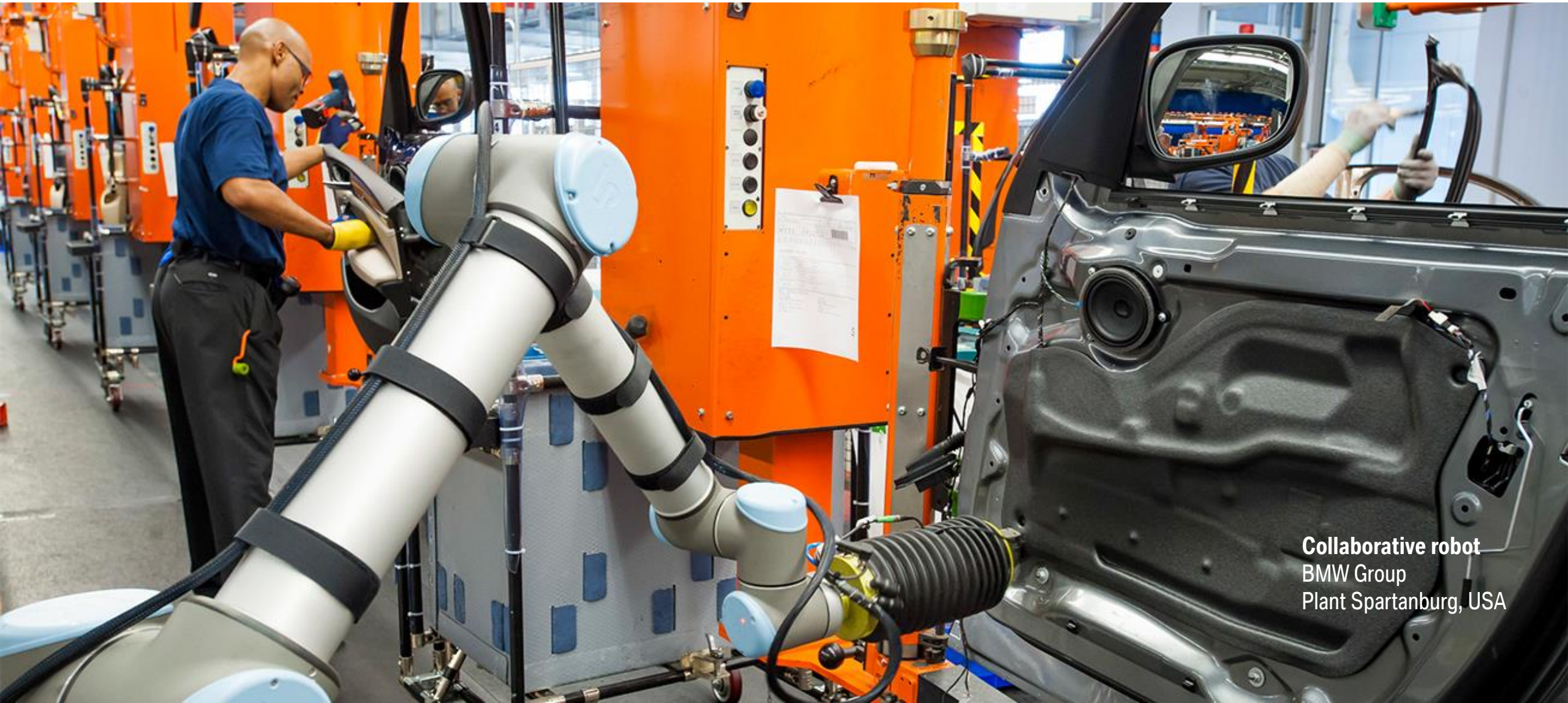
**As a consequence, we consistently generate
EXCELLENT RESULTS.**

CONTINUOUS MEASURES TO MAINTAIN PROFITABILITY LEVEL.



EFFICIENCY IMPROVEMENTS THROUGH LONGER USE AND DIGITALIZATION OF PRODUCTION SYSTEMS.

STRATEGY
NUMBER ONE  **NEXT**
PROFITABILITY



Collaborative robot
BMW Group
Plant Spartanburg, USA

FINANCIAL TARGETS 2020: SUSTAINABLE GROWTH AND SOLID PROFITABILITY IN THE FACE OF SIGNIFICANT CHALLENGES.

BMW Group	2015	2020
EBT margin (from 2017)	10%	>10%
Research and Development ratio	5.6%	5.0 - 5.5%
Investment ratio*	4.2%	<5%
Automotive Segment		
EBIT margin	9.2%	8 - 10%
Free Cashflow	5.4 bn. €	>3 bn. €
Segment Financial Services		
Return on Equity	20.2%	>18%
Segment Motorcycles		
EBIT margin (from 2017)	9.1%	8 - 10%

*) Investments in property, plant and equipment and other intangible assets (without capitalized development costs).



ANNUAL ACCOUNTS PRESS CONFERENCE

HARALD KRÜGER
CHAIRMAN OF THE BOARD OF MANAGEMENT OF BMW AG

**BMW
GROUP**



Rolls-Royce
Motor Cars Limited

CULTURE

**We create the future:
We combine operational excellence and
fresh thinking.**

RESPONSIBILITY

APPRECIATION

TRANSPARENCY

TRUST

OPENNESS

