

Media Information

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BMW Group adjusts Guidance for 2026

- Negative development in China and impact of Conflict in Middle East
- Structural and Efficiency Measures are being intensified
- Strong Product Momentum in the coming years

Munich. The Board of Management of BMW AG today adjusted the full-year guidance for the 2026 financial year. The key drivers for this being the evolving environment weighing on operating business results and a one-time effect resulting from intensified and accelerated structural and efficiency measures.

The negative development in the Chinese automotive market accelerated further in the second quarter—particularly for non-electric vehicles. In light of this, the China Passenger Car Association has repeatedly revised its market forecast downward for the full year, once again on Monday this week. This situation has resulted in intensified competition in China and across the Asia-Pacific region. The BMW Group cannot operate in isolation of this market development. Positive sales volume development in Europe and the U.S. cannot offset the decline in sales in China and the Asia-Pacific region.

In addition, the impact of the conflict in the Middle East on our global business extends beyond our original assumptions. On the one hand, energy prices remain elevated and weigh on the cost structures in the company. On the other hand, the lack of stability due to the conflict is negatively impacting consumer sentiment across markets around the world.



The effects outlined above will contribute to a significant decline in profit and free cashflow in the second quarter versus previous year.

In addition to the pressures on its operating business, the BMW Group will intensify and accelerate its ongoing cost reduction initiatives through further structural and efficiency measures, the effects of which will be visible in the coming years. These measures will carry a one-time negative impact on earnings in the second half of 2026.

"We have strong product momentum: With the NEUE KLASSE, we will put the strongest BMW portfolio in history on the roads over the next two years," said Milan Nedeljković, Chairman of the Board of Management of BMW AG. "At the same time, we will adapt our current structures and processes to the drastic downturn in market conditions. It is our entrepreneurial responsibility, therefore, to significantly intensify and accelerate our ongoing measures. It's all about speed and efficiency."

In light of the developments described above, the BMW Group is adjusting its outlook for the 2026 financial year as follows:

- Deliveries Automotive Segment: slight decrease versus previous year
(before: at previous year's level)
- EBIT Margin Automotive Segment: in the corridor 1-3%
(before: in the corridor 4-6%)
- ROCE Automotive Segment: in the corridor 1-5%
(before: in the corridor 6-10%)
- Group Profit before Tax: significant decrease versus previous year
(before: moderate decrease)

- CO₂e-emissions Scope 3: at previous year's level
(before: slight increase)

The BMW Group expects the Automotive Free Cashflow to be above €2.5 billion. The dividend payout ratio of 30-40% of net income attributable to BMW AG shareholders and the ongoing share buyback program both remain unchanged.

The ramp up of the NEUE KLASSE begins in 2026

The company continues to implement its product strategy at a rapid pace, rolling out the technologies of the NEUE KLASSE across its entire portfolio: more than 40 new and updated models will be introduced by 2027. The all-electric BMW iX3 has enjoyed exceptionally strong demand since its world premiere at the IAA in September 2025. Around one in three of the all-electric BMW vehicles ordered in Europe has been a BMW iX3. Given the high demand, the plant in Debrecen (Hungary) is already operating on a two-shift schedule ahead of plans. The all-electric BMW i3 – the second NEUE KLASSE model - celebrated its design premiere in Munich in March. This model is also receiving excellent feedback.

In April, the new long-wheelbase BMW iX3, the new long-wheelbase BMW i3, and the new BMW 7 Series featuring NEUE KLASSE technologies celebrated their world premieres in Beijing. With this, the BMW Group passed another important milestone in the largest future-oriented project in its history: The new BMW 7 Series demonstrates how the company is scaling its new NEUE KLASSE technology clusters and new design language in the existing product portfolio.

The half-year report will be published as scheduled on July 30, 2026. The definitions of the key figures used can be found in the glossary of the BMW Group Report 2025 on pages 429 through 431.

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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 2025, the BMW Group sold 2.46 million passenger vehicles and more than 202,500 motorcycles worldwide. The profit before tax in the financial year 2025 was € 10.2 billion on revenues amounting to € 133,5 billion. As of 31 December 2025, the BMW Group had a workforce of 154,540 employees.

The economic 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 through production to the end of their useful life.

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