

Press release 17 April 2013

MINI expands its international production network: Assembly begins at the Chennai plant in India.

Successful MINI Countryman to be produced outside Europe for the first time – Assembly of vehicle at BMW's Chennai plant will meet the BMW Group's most exacting quality standards – Expansion of the international production network responds to growing demand for MINI cars.

Munich. In response to increasing worldwide demand for premium cars from the British MINI brand, the BMW Group is extending its international production network by additional assembly plants for select MINI models. This adds another chapter to the global success story of MINI. For the first time since the relaunch of the brand in 2001, preparations are under way for the assembly of MINI cars for several growth markets outside Europe. As a result, cars from the British premium brand will be rolling off assembly lines beyond Europe for the first time later this year. Final assembly of vehicle sets for the MINI Countryman is currently being prepared at the BMW plant in Chennai (formerly Madras), which meets the same stringent quality standards applied to all production of BMW Group models.

The new MINI assembly facility has been brought on stream just a year after the start of MINI sales in India and will help to meet the steadily increasing demand for MINI cars in the Indian market. The British small car manufacturer has a record of assembling vehicle kits in countries beyond its regular production bases. Indeed, the classic Mini was put together in a dozen countries in Europe, as well as further afield, for direct delivery to local customers.

Bayerische Motoren Werke Aktiengesellschaft

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Telephone +49-89-382-23662 Internet www.bmwgroup.com The first models to be assembled in Chennai will be the MINI Cooper D Countryman and the MINI One Countryman. A large proportion of the components for production of the MINI Countryman – 250,000 units of which have already been sold worldwide – outside Europe will be manufactured by MINI's production and development partner Magna Steyr in Graz, Austria. MINI's native Britain will contribute the cars' engines, which are built at the Hams Hall plant near



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> Birmingham. Parts and components will be packed into vehicle sets in precisely arranged assembly stages before being shipped to India. The sets will then be completed with locally produced parts at the BMW plant near Chennai, where final assembly will take place.

> Over recent times India has become an increasingly significant market for the BMW Group, which has operated its own sales company on the subcontinent since 2007. At the start of 2012, MINI opened its first five showrooms for cars from the British brand in Delhi, Mumbai, Hyderabad and Bangalore, making India the 100th market in the global MINI sales network. A total of 302 cars were sold here in between March and December 2012.

The BMW Group's decision – in line with its "production follows the market" strategy – to carry out assembly of the MINI Countryman in India responds to the burgeoning interest within the country in innovative and high-quality vehicle concepts. MINI is the first premium manufacturer to be represented in the locally ultra-important small car segment, and is expecting the Indian car market as a whole to experience high growth rates over the medium and long term.

BMW's Chennai production plant was built in March 2007 and has since taken on production of the BMW 3 Series and BMW 5 Series as well as the BMW X1 and BMW X3 models. The facility, which has a production area covering around 13,000 square metres (approx. 140,000 sq. ft.), is located in the Mahindra World City business zone in the southwest of India, roughly 40 kilometres (25 miles) northwest of Chennai. State-of-the-art machine technology, highly skilled employees and advanced manufacturing processes provide all the necessary ingredients for the production of premium cars to the highest quality standards.



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Expansion of the international production network.

The ramping up of international production capacity is primarily aimed at providing a rapid and flexible supply line to the increasing number of customers in emerging markets. MINI delivered a record 301, 526 vehicles to customers worldwide in 2012, with markets on the American and Asian continents making a particularly strong contribution to this 5.8 per cent increase in sales over the previous year. The MINI brand will continue to broaden its global perspective over the coming years, and the strengthening of its international production network is intended to assist in that process.

Five of the seven models in the current MINI line-up are produced in the brand's native Britain. The MINI plant in Oxford represents the central pillar in the BMW Group's British production network, which also includes the Hams Hall engine factory in Birmingham and the press shop in Swindon. The MINI Countryman and MINI Paceman, meanwhile, roll off the assembly line at MINI's production and development partner Magna Steyr in Graz, Austria and are also supplied with engines from Hams Hall.

The BMW Group is investing heavily in the expansion and modernisation of the three locations that make up the MINI production triangle in Britain. Among the factors behind the move is the planned next stage in the expansion of the MINI model family, which will further bolster the brand's global success. Added to which, the components required for assembly abroad will be manufactured at the central production locations in Britain and Austria. These parts will then be arranged into vehicle kits and shipped to the relevant plants for final assembly. It is a strategy which also helped the classic Mini on its triumphant march around the world. The one-off small car – more than 5.3 million units of which were sold between 1959 and 2000 – was also exported in kit form to various regions around the world. Which explains how the classic Mini was not only "made in Britain", but also in Spain, Belgium, Italy, Malta, Portugal, former



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Yugoslavia, Chile, Uruguay, Venezuela, South Africa, Australia and New Zealand.

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The BMW Group

The BMW Group is the leading premium manufacturer of automobiles and motorcycles in the world with its BMW, MINI and Rolls-Royce brands. As a global company, the BMW Group operates 28 production and assembly facilities in 13 countries and has a global sales network in more than 140 countries.

In 2012, the BMW Group sold about 1.85 million cars and more than 117,000 motorcycles worldwide. The profit before tax for the financial year 2012 was euro 7.82 billion on revenues amounting to euro 76.85 billion. At 31 December 2012, the BMW Group had a workforce of 105,876 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 eight years.

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