MEDIA RELEASE

**THURSDAY, 19 MAY 2016**

Ground breaking of new Bodyshop for BMW’s Plant Rosslyn.

* **BMW South Africa marks the start of construction of new state-of-the art Bodyshop.**
* **New Bodyshop will measure 26000 m2 (about 50 % larger) with around 300 robots, enabling more employees and skills development.**
* **Investment to produce the next generation BMW X3.**
* **BMW South Africa to contribute to the global success story of BMW X models.**

**Rosslyn, Pretoria** – The start of construction on the new, state-of-the art Bodyshop at BMW South Africa’s Rosslyn Plant is a strong visual reminder of the expansion that comes hand-in-hand with the R6bn investment announced by the automotive giant in 2015. CEO BMW South Africa and Sub-Sahara, Tim Abbott, was joined today by Deputy Minister for Trade and Industry, Mzwandile Masina, and Plant Director Stefan Huelsenberg at the ceremonial ground breaking at the company’s recently acquired area of land, adjacent to its current plant.

The investment represented at the time the biggest in the local automotive industry and reaffirms the long term commitment of the BMW Group to South Africa. It will enable Plant Rosslyn to produce and export the next generation of the BMW X3. The plant secured its status in the BMW production network in 2015, with a prestigious platinum award in the JD Power quality survey. “Our passion for perfection at Plant Rosslyn has demonstrated that we are highly competitive within the global BMW production network both in terms of cost of production and quality. We are excited about the future prospects of Plant Rosslyn and cannot wait to start with the production of the next generation BMW X3,” said Abbott.

The new Bodyshop is a significant element of the R6bn investment, with funding also allocated to other infrastructure and operational enhancements, suppliers, launch costs and employee

training. Construction of the new Bodyshop is planned for completion in the first half of 2017, and will be followed by facility installation, testing and commissioning.

Deputy Minister Masina congratulated BMW on their latest milestone: “We look forward to working with BMW, as a corporate citizen that continues to do great work in South Africa. Your investment will expand the industrial base in South Africa,” he said.

**New Bodyshop takes state-of-the-art to the next level**

The new Bodyshop will see a 50% expansion in size to 26000 m2, up from currently 17000m2. Around 300 robots are expected to be in operation in the future. It will set the benchmark in the local automotive industry, and give BMW South Africa a competitive advantage in the global group. “This expansion will result in an increase in the number of employees in the new Bodyshop, and the increased robotics will allow us to empower employees with new skills to run these new technologies,” says Plant Director Stefan Huelsenberg.

The production of the next generation BMW X3 at Plant Rosslyn will replace the BMW 3 Series Sedan, which will be allocated to other plants within the global BMW production network. BMW Plant Spartanburg in South Carolina, USA, will also continue to produce the next generation BMW X3. Preparation of the plant for the next generation X3 will happen alongside current production of the BMW 3 Series Sedan until the end of its lifecycle.

**Plant Rosslyn, the heart of the BMW Group in South Africa.**

Production at BMW Plant Rosslyn dates back to 1968, when Praetor Monteerders began assembling cars, utilising BMW engines and drive-trains fitted to Hans Glas sheet metal pressed and shipped from Dingolfing in Germany.

In 1973, BMW AG took over full shareholding and established BMW Group South Africa (Pty) Ltd with BMW Plant Rosslyn becoming the BMW Group’s first manufacturing facility outside of Germany.

Since then, the BMW Group has been a major investor in South Africa and its people, with BMW Plant Rosslyn moving from a limited vehicle-production plant that merely assembled vehicles with a few customisation possibilities for the local market, to a world-class plant, capable of producing highly customised cars for customers across the globe.

For example, the BMW Group was the first OEM to adjust its production model to capitalise on exports, before the finalisation of the Motor Industry Development Plan (MIDP) in 1999. Similarly, the BMW Group was the first OEM to announce a new investment in South Africa before the finalisation of this plan’s replacement, the APDP in 2009.

During this period, Plant Rosslyn’s production of the BMW 3 Series and the BMW Group’s investment in South Africa has increased substantially with each new generation as well.

This is especially true after the introduction of a fully-fledged export programme in 1999:

* With the third generation BMW 3 Series (E36), Plant Rosslyn produced around 92,000 units from 1994 to 1998 or around 19,000 cars per year.
* The fourth generation BMW 3 Series (E46) was built between 1998 and 2005 and Plant Rosslyn was responsible for approximately 269,000 units or around 38,500 cars per year.
* The fifth generation BMW 3 Series (E90) ended production with around 342,000 units or around 49,000 cars per year, having been built from 2005 to 2012.
* Since the start of production of the sixth generation BMW 3 Series (F30) in 2012, around 200,000 units have been built at Plant Rosslyn.

Therefore, since 1999, BMW Group South Africa has grown its overall production volume significantly while its production of cars for export markets has quadrupled.

In 2015, BMW 3 Series Sedan production volume at Plant Rosslyn increased to 71, 353 (2014: 68,771) while exports increased to a record 65, 744 units.

BMW Group South Africa directly and indirectly employs over 42,000 people (3,000 associates at the plant and at the national sales organisation, 4,000 dealer staff and more than 35,000 first-tier supplier employees). Earlier in 2016, BMW Group South Africa was named the number one employer in the automotive industry for the third consecutive year in the Universum Most Attractive Employer Awards for 2015. In addition, for the third consecutive year, the South

African Graduate Employers Association (SAGEA) Graduate Recruitment Awards, bestowed the honour of Employer of Choice in the Automotive Industry to BMW South Africa in June 2015. The company’s Graduate Development Programme remains highly favoured among graduate trainees.

**Photo Caption:**

The children of BMW South Africa’s employees who attend the company’s on-site Early Learning Centre join CEO BMW South Africa and Sub-Sahara, Tim Abbott, Deputy Minister for Trade and Industry, Mzwandile Masina, and Plant Director Stefan Huelsenberg in celebrating the start of construction of the new Bodyshop.

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**The BMW Group**

With its three brands BMW, MINI and Rolls-Royce, the BMW Group is the world’s leading premium manufacturer of automobiles and motorcycles and also provides premium financial and mobility services. As a global company, the BMW Group operates 31 production and assembly facilities in 14 countries and has a global sales network in more than 140 countries.

In 2015, the BMW Group sold approximately 2.247 million cars and nearly 137,000 motorcycles worldwide. The profit before tax for the financial year 2015 was approximately € 9.22 billion on revenues amounting to € 92.18 billion. As of 31 December 2015, the BMW Group had a workforce of 122,244 employees.

The success of the BMW Group has always been based 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.

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