**media release**

5 April 2018

**BMW Group South Africa starts production of the new BMW X3 at its Rosslyn plant.**

* State-of-the-art manufacturing plant has a maximum annual capacity of 76 000 units.
* R6.1bn investment bears fruit as first customer cars start rolling off the line.
* BMW Group’s commitment to South Africa and its people continues after 45 years of operation in the country.
* More than 45 000 people directly and indirectly benefiting from BMW Group South Africa’s operations in the country.

**Midrand, South Africa** – A new chapter in South Africa’s automotive story began this week as BMW Group South Africa started production of the new BMW X3 at its Rosslyn plant. With customer vehicles now rolling off the line, BMW Group once again demonstrates its commitment to its operations in South Africa.

In 2015, BMW Group announced a R6bn investment into South Africa in order to prepare BMW Group Plant Rosslyn for the BMW X3 production. This week, is the culmination of three years of hard work and planning resulting in production starting on time in Rosslyn.

**Ensuring that production follows demand**

The BMW Group assigns production to its facilities around the world on the basis of various factors. Demand for BMW’s X-derivative models has grown to more than 30% of worldwide sales since the launch of the first BMW X5 in 1999. BMW Group Plant Rosslyn was assigned production of the new BMW X3 on the basis that demand exceeds the capacity of the Group’s plant in Spartanburg, South Carolina. This change has secured the future of Plant Rosslyn as well as the livelihoods of thousands of people at facilities and in the supply chain.

BWM Group Plant Rosslyn was the first plant built by the BMW Group outside of Germany. The plant built the BMW 3 Series for 35 years, manufacturing a total of 1,191,604 units during the period, and increasing production with every model. With a planned maximum capacity of 71 000 units of the BMW X3, which was later increased (with an additional R160m investment) to 76 000, BMW Group Plant Rosslyn has the opportunity to flexibly match volumes to demand, and to build more cars than ever before.

Tim Abbott, CEO of BMW Group South Africa and Sub-Saharan Africa, says the successful ramp-up of production of the BMW X3 at Rosslyn is a vote of confidence in the country and in BMW Group South Africa’s associates.

“The allocation of production of such a crucial model to our plant is about as big a vote of confidence as it gets,” Abbott says. “The demand for the BMW X3 globally is powerful, and ramping up on time and to the right standards is vital to the model’s success.”

“I have full confidence in our associates and plant management at Rosslyn. This is the team that won the coveted JD Power Platinum award in 2015, showing that a South African plant can lead the world in terms of quality,” Abbott says.

**A critical time for BMW Group South Africa**

BMW Group’s investments in South Africa are made in terms of the Automotive Production and Development Plan (APDP), which expires in 2020. Discussions about a replacement plan have been fruitful and are ongoing, and are crucial for the long term outlook as well as the stability of the automotive sector and BMW Group South Africa’s commitment to the country.

BMW Group South Africa is proud of its progress in terms of localising production of as many components as possible for the BMW X3, which makes this model the most “local” vehicle it has ever built. Equally, BMW Group is a leading participant in a proposed venture fund to develop more black-owned suppliers in the South African automotive supply chain. BMW’s contribution to ramping up automotive exports, large-scale employment in dignified and safe jobs as well as other factors make up the content of discussions with the government, labour partners and component suppliers.

The BMW X3 was the car that launched the mid-size SAV (Sports Activity Vehicle) segment in 2003. Since then, BMW has recorded more than 1.5 million new registrations of the X3 across the two model generations so far. Since the global launch in the last quarter of 2017, the new BMW X3 is set to write the next chapter in this success story with an even more striking, dynamic design language, powerful yet also efficient drive systems and luxurious appointments. Like all members of the successful X family, it blends standout driving qualities on any terrain with unrestricted everyday usability.

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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 and mobility services. The BMW Group production network comprises 31 production and assembly facilities in 14 countries; the company has a global sales network in more than 140 countries.

In 2017, the BMW Group sold over 2,463,500 passenger vehicles and more than 164,000 motorcycles worldwide. The profit before tax in the financial year 2016 was approximately € 9.67 billion on revenues amounting to € 94.16 billion. As of 31 December 2016, the BMW Group had a workforce of 124,729 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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