

IMMEDIATE RELEASE

CONTACT

Ilene Lefland

Cubitt Jacobs & Prosek Communications

(203) 378-1152, ext. 109 / ilene@cjpcom.com

**BMW FINANCIAL SERVICES RECEIVES TWO TOP HONORS FOR
STRATEGIC PERFORMANCE AND EMPLOYEE TRAINING PROGRAMS**

**Recognized in 2003 Balanced Scorecard Hall of Fame and Training Magazine's
"Top 100" Awards**

Woodcliff Lake, NJ - December 15, 2003 ... In recognition for achieving "breakthrough performance results" as a strategy-focused organization, BMW Financial Services NA was awarded the 2003 Balanced Scorecard Hall of Fame awards given out by the Balanced Scorecard Collaborative, Inc. The automotive financial services company, which employs nearly 600 people in the U.S., was also ranked number 45 in Training Magazine's 2003 Top 100 List.

Adopted by BMW FS in 1998, the Balanced Scorecard is a management process used by thousands of corporations, organizations and government agencies worldwide for implementing business strategies and measuring performance against those strategies. Since its adoption, BMW FS has seen business and productivity grow exponentially, while also supporting the growth in North American BMW sales. This achievement comes concurrently with improved levels of productivity and high levels of customer and dealer satisfaction as recognized by the industry benchmark surveys of J.D. Power Associates.

In acknowledging the award, John Christman, head of BMW Financial Services, Americas Region, praised the contributions of all associates, noting: "Every single department in the company has contributed to the Balanced Scorecard effort; it has truly been integrated at all levels of our organization, with associates gaining a clear understanding of how they are able to contribute to our success. As a result, profits are up, return on assets is up, and assets have grown each year."

"Our Balanced Scorecard program includes linkages to our project approval process, budgeting methodology, compensation system, technology initiatives, training programs, and even our community involvement and charitable contribution efforts. Our

results have been excellent with an uninterrupted history of growth and a successful strategy implementation that continues today consistent with the first plans established over six years ago,” Christman continued.

Associates and management at BMW FS have responded favorably to the Balanced Scorecard system, as it makes clear to each of them the objectives, initiatives, and measures of their business. And each of these is in-line with the company’s strategy to become world-class.

High Marks for Training

Earlier this year, BMW Financial Services was named to Training Magazine’s 2003 Top 100 List – a tribute bestowed upon the company’s first nomination for the prestigious honor. The list was compiled from more than 600 corporate applications, which were culled from thousands of nominations received by the magazine. BMW was ranked number 45 and was the top-ranked automotive company on the list.

The rating criteria stressed training specifically related to areas dealing with such business measures as leadership development, executive coaching, mentoring, job rotation, career consulting and job shadowing. The “business metrics” used in the selection process included employee retention, customer service, customer loyalty, and revenue, among others.

“This award is a natural outgrowth of the strong emphasis we place on the training and development of our associates” said Christman. “Substantial investment in associate training, coupled with a very low associate turnover rate has translated into positive results for the BMW Group.”

Training Magazine’s Top 100 firms average 65 hours of training per employee and spend an average of 4.6% of payroll on training. By comparison, BMW FS averaged 67 hours of training per associate while spending a slightly lower percentage of payroll on training for both associates and center personnel. A recent internal survey validates the effectiveness of this investment; 91% of associates think it’s great to work for BMW Group and pass that enthusiasm on to BMW drivers.

“BMW [Financial Services’] Customer Care Department exceeded its target for customer satisfaction for the first time last year after associates received new customer service and cross-selling training. Four classroom sessions taught

relationship building and cross-selling techniques. Team leaders learned coaching skills as part of the program, and coaching and call monitoring followed the classroom sessions,” the Training Magazine article noted.

BMW Financial Services

BMW Financial Services NA, LLC was established in 1992 as a captive finance company to support the sales and marketing efforts of the BMW Group in North and Latin America. With over \$15 billion in managed assets and more than 400,000 customers, BMW FS leases or finances more than half of the new BMW vehicles sold in the U.S. BMW FS employs about 600 people, most of whom are located in the Dublin, Ohio Customer Service Center.

The BMW Financial Services America’s Region provides a wide range of leasing, retail, commercial, banking and insurance products tailored to meet the needs of BMW customers and dealers in the United States, Canada, Mexico, Argentina and Brazil. All lease servicing, including credit underwriting, funding, customer service, title administration, lease-end and collections are handled at the Dublin customer service center. A growing portfolio of banking and credit card offerings is also available through the BMW Bank of North America, and insurance products are offered through the BMW Insurance Agency.

BMW Group In America

BMW of North America, LLC has been present in the United States since 1975. ROLLS-ROYCE Motor Cars NA, LLC began distributing vehicles in 2003. The BMW Group in the United States has grown to include marketing, sales, and financial service organizations for the BMW brand, the MINI brand, and the ROLLS-ROYCE brand of Motor Cars; DesignworksUSA, an industrial design firm in California; a technology office in Silicon Valley and various other operations throughout the country. BMW Manufacturing Corp. in South Carolina is part of BMW Group’s global manufacturing network and is the exclusive manufacturing plant for all Z4 roadster and X5 Sports Activity Vehicles. The BMW Group sales organization is represented in the U.S. through networks of 340 BMW passenger car centers, 327 BMW Sports Activity Vehicle centers, 148 BMW motorcycle retailers, 73 MINI passenger car dealers, and 25 ROLLS-ROYCE Motor Car dealers. BMW (US) Holding Corp., the BMW Group’s sales headquarters for North, Central and South America, is located in Woodcliff Lake, New Jersey.

Information about BMW Group products is available to consumers via the Internet at:

www.bmwusa.com

www.bmwmotorradusa.com

www.miniusa.com

www.rolls-roycemotorcars.com

#

Journalist note: Information about the BMW Group and its products is available to journalists on-line at the BMW Group PressClub at the following address:

www.press.bmwgroup.com

#