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BMW
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The new BMW Group Plant Munich: More efficient, more flexible, and more digital for production of the Neue Klasse.

- Tradition meets the future: 104 years of history utilizing state-of-the-art technology.
- Series production of the new BMW i3 to start in August 2026, with more models to follow.
- Transformation to all BEV production from 2027.

Woodcliff Lake, NJ – April 1, 2026…BMW Group Plant Munich is approaching the biggest milestone in the transformation process: series production of the BMW i3, the second model in the Neue Klasse range, begins here in August. This marks the start of the rollout of the Neue Klasse within the BMW Group's global production network.

"We have been making rigorous preparations. With the BMW iFACTORY, we have devised a consistent, strategic framework for our production," explains Milan Nedeljković, Member of the Board of Management of BMW AG, Production. "We have paved the way for the upcoming start-ups in all our plants and have invested heavily in technologies, digitilization, and AI."

BMW Group Plant Munich has undergone extensive modernization in recent years. The result is a plant that now works even more efficiently, flexibly, and digitally, and is optimally positioned for the requirements of electric mobility and the Neue Klasse.

But that's not all: as of 2027, the Munich plant will produce all-electric vehicles exclusively, and

thereby achieve a further boost in efficiency. This is assisted by proactive planning, close collaboration with development teams and suppliers, as well as modern production technology in the new structures. “We have reduced production costs considerably over recent years. With the start of production of the BMW i3, we will reduce overall production costs at the Munich plant by a further 10 percent, bringing them below the level of the current vehicle generation,” says Peter Weber, Head of BMW Group Plant Munich. In addition to optimized production processes, and targeted automation and digitilization, the new vehicle architecture of the Neue Klasse also ensures efficiency.

Plant Munich is investing around €650 million in its transformation into a fully electric production site.

Highly efficient production at an historic site.

Plant Munich has been reinventing itself consistently for more than 100 years – from a location outside the city to today’s site surrounded by it. The facility has undergone a fundamental process of redevelopment for the Neue Klasse – with production of up to 1,000 vehicles a day continuing during this period. A new body shop and state-of-the-art vehicle assembly including new logistics areas were set up on an area spanning around a third of the plant’s footprint. Extensive updates have also been made to existing technologies.

Plant manager Peter Weber highlights what the workforce has achieved: “The people at the factory played an essential role in making this transformation a success. With their high level of expertise, enthusiasm, and tremendous dedication, our employees have shown that world-class industrial production is possible even under the toughest conditions. The BMW i3 is just the beginning – several Neue Klasse models will be manufactured in Munich in the future, including the BMW i3 Touring.”

A vision for all technologies: the BMW iFACTORY

The BMW iFACTORY focuses on the areas of efficiency, sustainability, and digitilization. Within this framework, the company’s plants around the world are implementing site-specific solutions and, in doing so, strengthening the company’s resilience as well as its ability to deliver reliably at any time and worldwide. This vision has now also been consistently implemented across all technologies at BMW Group Plant Munich.

“We have rethought the entire value stream from supplier to finished customer vehicle. We have looked at every single process in detail and made optimizations. Now our plant is even more efficient, more flexible, and even more digitized than ever before. We are thereby safeguarding the future viability of the plant,” adds Peter Weber.

In the **press shop**, steel and aluminium boards are turned into tens of thousands of components on highly automated press lines daily. Uniform press and tool standards across the global production network result in efficiencies on many levels: installation and integration of the systems are standardized, tools for the presses can be swapped within the network, and employees can work at various locations and help each other. An AI-assisted camera system supports quality control before an underground transport system moves the parts to the body shop. Output has increased significantly compared with previous structures. Cuts of steel and aluminium are collected, sorted, and then used to manufacture new steel or aluminium coils.

Plant Munich has set up a new **body shop** for the Neue Klasse featuring systems planned and realized using a virtual twin. A total of 800 new industrial robots take care of the joining processes here; decreasing the number of joining processes to five reduces process complexity. With an automation rate of around 98 percent, robots perform the majority of standardized processes. Automated surface inspection (ASI) assists with quality assurance. The energy-efficient building complies with the KfW 40 EE standard[i] and uses a photovoltaic system to generate its own electricity.

In the **paint shop** at Plant Munich, digital and AI-assisted systems control central quality processes. Automated surface inspection (ASI) uses cameras and artificial intelligence to detect even the most minor deviations on the surface and documents them digitally. Automated surface processing (ASP) works on the variations detected directly during the running process. To purify the exhaust air, the paint shop uses the energy-efficient, electrically powered eRTO process. This is complemented by heat and energy recovery as well as water-saving cycles.

What once was the home of engine manufacturing at BMW Group Plant Munich has become a new **assembly area** for the Neue Klasse. The assembly area is set up for end-to-end digital processes: vehicles, systems, and tools are interconnected and digital live tracking and automated inline quality checks support employees in the assembly line process. During assembly already, the BMW i3 digitally transmits the status of up to 20,000 features to the production system. Ergonomic workstations, height-adjustable systems, and simplified

processes lighten the load for employees, while targeted training supports new digital fields.

As part of the transformation, **logistics** at BMW Group Plant Munich has focused squarely on efficiency and direct integration of production. The logistics department at the Munich plant moves around 2.5 million parts every day; in future around 70 percent of these parts will be delivered directly to the assembly workstations. This will reduce internal transport distances, save space and accelerate supply to the production lines. This is made possible by a multi-story building structure developed specially for the plant's city location. Delivery is at ground level and then conveyor technology transports the parts to the right levels, where they are distributed directly to the assembly workstations. This enables the principle of direct delivery to be applied systematically even in a multi-story plant. At the same time, the level of automation in logistics has been significantly increased. Automated supply systems, smart transport robots, and driverless transport systems will handle around 60 percent of supply tasks in the future. A digital logistics control station manages all processes centrally, ensuring transparency and data-driven optimization.

Unique to Plant Munich is the in-house **seat manufacturing** facility. It is a "plant inside a plant" and takes on a central role for quality assurance and expert evaluation within the production network. The seats for all versions of the models produced in Munich are manufactured here and delivered to vehicle assembly directly and "just in sequence". The in-house seat manufacturing facility is regarded as the benchmark for quality assurance across the BMW Group. Modern, largely automated processes ensure seamless quality control. This is complemented by fully automated end-of-line checks, including for safety-relevant components. The seat manufacturing facility also systematically strengthens the BMW Group's in-house expertise. It serves as a competence center and innovation hub, tests new materials, technologies, and manufacturing concepts, and supports the evaluation of costs, quality and production processes – making an impact far beyond the Munich location.

Global network, regional value creation: high-voltage batteries and e-drive.

With the new assembly plant for high-voltage batteries in Irlbach-Straßkirchen (Lower Bavaria, Germany) around 90 minutes away, the BMW Group is significantly boosting value creation in the Bavaria region. In keeping with the "local for local" approach, Irlbach-Straßkirchen will deliver high-voltage Gen6 batteries to the Munich plant as well as other German locations. Here, the batteries will be installed in the BMW i3. Manufacture of the high-voltage batteries combines a rigorous zero-defect approach with the latest production technologies, which were

developed at Bavarian pilot plants. With seamless inline quality controls, digital twins and the systematic use of artificial intelligence, the BMW Group is setting new standards in battery production.

The Gen6 e-motor for the BMW i3 is produced at BMW Group Plant Steyr in Austria – a location that has been manufacturing drivetrains for over 40 years. With the first e-motor in the portfolio, the plant is developing its role as a prime example of technology openness. All core components of the highly integrated e-drive – from the rotor and stator to the inverter and transmission – are produced on-site. New production lines and state-of-the-art clean room environments have been set up for this. The aluminium foundry at BMW Group Plant Landshut supplies the e-motor housing for Plant Steyr.

BMW Group in the United States

BMW Group began operations in the U.S. over 50 years ago. In addition to the sales, marketing, and distribution of BMW, MINI, Rolls-Royce, and BMW Motorrad vehicles, BMW Group's business in the U.S. spans 30 locations in 12 states including BMW Group Financial Services, BMW Manufacturing, Designworks, BMW Technology Office USA, and BMW i Ventures. The company's U.S. plant in South Carolina is the largest single BMW production facility in the world and the global center of competence for BMW Sports Activity Vehicles. The BMW Group sales organization is represented by a nationwide network of 355 BMW retailers, 147 BMW motorcycle retailers, 104 MINI passenger car dealers, and 38 Rolls-Royce Motor Car dealers. Taken together, BMW Group's business activities in the U.S. provide and support over 120,000 jobs and contribute more than $43.3 billion to the U.S. economy annually. For more information about BMW Group's business and products in the U.S., please visit: PressClub USA.

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[i] To comply with the standard, a high-efficiency building may consume only 40% of the primary energy of a standard reference building and use at least 55% renewable energy for heating/cooling.