



Media Information  
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**Reithofer: Ambitious goals for 2011**

Full-year sales and earnings targets reaffirmed at AGM  
Company to expand leading position in the auto industry  
BMW Group to hire around 2,000 new staff in 2011  
Employees to receive record profit share

**Munich.** The BMW Group can look ahead to the current financial year with confidence after a strong first quarter. “We have ambitious plans for 2011,” stated Norbert Reithofer, Chairman of the Board of Management of BMW AG, at the Annual General Meeting held on Thursday in Munich. The company’s goal of setting a new earnings record in the current financial year remains unchanged. It is also targeting an all-time sales high: “We aim to deliver more vehicles than ever before – well over 1.5 million vehicles,” Reithofer continued. The company’s EBIT margin target of more than 8% for the automotive segment also remains in place.

The BMW Group will continue with the rigorous implementation of its successful Strategy Number ONE and thus lead the way for the premium segment in the future: “We will expand our leading premium position in the automobile industry. We have the right DNA and the right values to be successful in the future,” added Reithofer. The company will stay focused on its innovative strength, concentrating exclusively on the premium segment in the future and offering extensive services for individual mobility.

**Reithofer: Clear route to sustainable mobility**

The issue of future mobility is being energetically pursued: “We have a clear route to sustainable mobility,” affirmed Reithofer. The company will be launching its innovative BMW i3, the first pure electric vehicle for major cities, on the market in 2013. This will be followed by the BMW i8, an extremely fuel-efficient sports car. Both vehicles will have a passenger compartment made of carbon – a first for the automobile industry. The BMW Group will also be making its future combustion engines even more economical. Thanks to its fuel-saving EfficientDynamics technology, the company fleet boasts more than 50 vehicles with CO<sub>2</sub> emissions of 140 grams/kilometre or less. With an average of 154 grams/kilometre in Germany, the



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BMW Group is also one of leading premium manufacturers in terms of efficiency according to the German federal motor transport authority (Kraftfahrtbundesamt).

**Profit sharing at record level / Around 2,000 new hires**

The 2010 financial year was the most successful in the company's history. In this connection, Reithofer also remarked on the strong commitment of its employees: "You have done an excellent job." Consequently, the profit share the BMW Group will pay its employees this year will exceed the previous high set in 2007. Employees covered by collective pay-scale agreements will receive an average of euro 5,840. Together with the non-pay-scale portion of the Christmas bonus, most pay-scale employees will take home a total profit share of euro 7,490 for 2010. Many also take advantage of the company's employee share programme.

In light of strong global demand for BMW, MINI and Rolls-Royce brand vehicles and the future challenges facing the automobile industry, the company will be hiring around 2,000 new employees over the course of the year – more than half of them in Germany.

**BMW Group builds most reliable cars according to ADAC breakdown statistics**

To ensure profitable growth in the future, the BMW Group will also be using common architectures and modules across models series. "We are developing fewer parts and components. Processes are becoming more stable and the error rate is falling," explained Reithofer. Quality is an extremely important factor for the BMW Group as a premium manufacturer. According to the latest ADAC breakdown statistics, the BMW Group builds the most reliable vehicles: MINI took first place in the small car category, as did the BMW 1 Series in the lower middle class. The BMW X3 placed first in the middle class, and the BMW 5 Series was ranked second in the upper middle class.



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**BMW Group achieves record earnings in first quarter of 2011**

The new financial year got off to a strong start for the BMW Group with the best first-quarter performance in the company's history. Revenues increased by 28.9% to euro 16,037 million (2010: 12,443 million) compared with the same period last year. The profit before financial result (EBIT) rose sharply to euro 1,902 million (2010: euro 449 million), while the profit before tax (EBT) climbed to euro 1,812 million (2010: euro 508 million). Group net profit for the quarter improved to euro 1,212 million (2010: euro 324 million). The total number of BMW, MINI and Rolls-Royce brand cars sold increased by 21.3% to 382,758 units (2010: 315,614 units).

In the automotive segment, first-quarter revenues rose by 34.7% to euro 14,373 million (2010: euro 10,672 million). EBIT jumped to euro 1,708 million (2010: euro 291 million), resulting in an EBIT margin for the automotive segment of 11.9%. The profit before tax improved to euro 1,605 million (2010: euro 220 million). Free cash flow in the automotive segment rose to euro 1,624 million (2010: negative free cash flow of euro 306 million).

First-quarter Motorcycles segment revenues increased by 13.1% to euro 397 million (2010: euro 351 million). The segment EBIT amounted to euro 31 million (2010: euro 32 million), the profit before tax was euro 30 million and thus at a similar level to the previous year. The segment result includes Husqvarna earnings for the first time. Sales of BMW and Husqvarna brand motorcycles rose by 11.4% to 25,049 units (2010: 22,479 units). In the Financial Services segment, first-quarter revenues rose by 4.5% to euro 4,183 million (2010: euro 4,004 million). Profit before tax improved to euro 429 million (2010: euro 222 million).

The BMW Group was able to continue its strong sales growth in April: A total of 137,183 BMW, MINI and Rolls Royce brand vehicles were delivered to customers (2010: 116,386/ +17.9%). For the year to the end of April, the BMW Group achieved a new sales high of 519,944 vehicles (2010: 432,016) – an increase of 20.4%.



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**Revenue and Group profit reached new highs in 2010**

The company also achieved new records for revenues and group profit in the 2010 financial year. Revenues climbed by 19.3% to euro 60,477 million (2009: euro 50,681 million). The profit before tax rose steeply to euro 4,836 million (2009: euro 413 million). The Group reported an increase in EBIT to euro 5,094 million (2009: euro 289 million) and an improved net profit for the year of euro 3,234 million (2009: euro 210 million).

In terms of sales volumes, the BMW Group registered the second-best performance in its history with the total number of BMW, MINI and Rolls-Royce brand vehicles delivered to customers rising by 13.6% to 1,461,166 units (2009: 1,286,310 units).

Revenues in the automotive segment rose by 23.8% to euro 54,137 million (2009: euro 43,737 million) in 2010. The segment's EBIT improved to euro 4,355 million (2009: loss of euro 265 million), while the profit before tax increased to euro 3,887 million (2009: loss before tax of euro 588 million).

Despite continuing unfavourable market conditions, the Motorcycles segment recorded sales volume, revenue and earnings growth in 2010. Revenues increased by 22.0% to euro 1,304 million (2009: euro 1,069 million), EBIT improved to euro 71 million (2009: euro 19 million) and the profit before tax rose to euro 65 million (2009: euro 11 million). In total, 110,113 BMW and Husqvarna brand motorcycles were sold in 2010 (2009: 100,358 units; +9.7%).

The Financial Services segment benefitted in 2010 from its attractive range of products, favourable refinancing conditions and an improved risk profile. Segment revenues increased by 5.2% to euro 16,617 million (2009: euro 15,798 million) while the profit before tax improved to euro 1,214 million (2009: euro 365 million).



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In light of this strong performance, the Board of Management and the Supervisory Board proposed at the Annual General Meeting that the dividend be increased to euro 1.30 (2009: euro 0.30) per share of common stock and euro 1.32 (2009: 0.32) per share of preferred stock – the highest it has ever been.

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**The BMW Group – an Overview**

		<b>1st quarter 2011</b>	<b>1st quarter 2010</b>	<b>Change in %</b>
<b>Deliveries to customers</b>				
Automobiles		382,758	315,614	21.3
Thereof:				
BMW	units	321,175	265,809	20.8
MINI	units	60,860	49,526	22.9
Rolls-Royce	units	723	279	-
Motorcycles	units	25,049	22,479	11.4
Thereof:				
BMW	units	23,109	20,840	10.9
Husqvarna	units	1,940	1,639	18.4
<b>Workforce at end of quarter<sup>1</sup></b>		96,045	95,787	0.3
<b>Operating cash flow</b>	euro million	2,079	297	-
<b>Revenues</b>	euro million	16,037	12,443	28.9
Thereof:				
Automobiles	euro million	14,373	10,672	34.7
Motorcycles	euro million	397	351	13.1
Financial Services	euro million	4,183	4,004	4.5
Eliminations	euro million	-2,917	-2,585	-
<b>Profit before financial result</b>	euro million	1,902	449	-
Thereof:				
Automobiles	euro million	1,708	291	-
Motorcycles	euro million	31	32	-3.1
Financial Services	euro million	403	213	89.2
Eliminations	euro million	-257	-94	-
<b>Profit before tax</b>	euro million	1,812	508	-
Thereof:				
Automobiles	euro million	1,605	220	-
Motorcycles	euro million	30	30	-
Financial Services	euro million	429	222	93.2
Eliminations	euro million	-228	39	-
<b>Income taxes</b>	euro million	-600	-184	-
<b>Net profit</b>	euro million	1,212	324	-
<b>Earnings per share<sup>2</sup></b>	euro	1.84/1.84	0.49/0.49	-

<sup>1</sup> figures exclude dormant employment contracts, employees in the work and non-work phases of pre-retirement part-time arrangements and low wage earners

<sup>2</sup> earnings per share in accordance with IAS 33 for common and preferred stock shares



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		2010	2009	Change in %
<b>Deliveries to customers</b>				
Automobiles		1,461,166	1,286,310	13.6
Thereof:				
BMW	units	1,224,280	1,068,770	14.6
MINI	units	234,175	216,538	8.1
Rolls-Royce	units	2,711	1,002	-
Motorcycles	units	110,113	100,358	9.7
Thereof:				
BMW	units	98,047	87,306	12.3
Husqvarna	units	12,066	13,052	-7.6
<b>Workforce at the end of the year<sup>1</sup></b>		95,453	96,230	-0.8
<b>Revenues</b>	euro million	60,477	50,681	19.3
Thereof:				
Automobiles	euro million	54,137	43,737	23.8
Motorcycles	euro million	1,304	1,069	22.0
Financial Services	euro million	16,617	15,798	5.2
<b>Profit before financial result</b>	euro million	5,094	289	-
Thereof:				
Automobiles	euro million	4,355	-265	-
Motorcycles	euro million	71	19	-
Financial Services	euro million	1,201	355	-
<b>Profit before tax</b>	euro million	4,836	413	-
Thereof:				
Automobiles	euro million	3,877	-588	-
Motorcycles	euro million	65	11	-
Financial Services	euro million	1,214	365	-
<b>Income taxes</b>	euro million	-1,602	-203	-
<b>Net profit</b>	euro million	3,234	210	-
<b>Earnings per share<sup>2</sup></b>	euro	4.91/4.93	0.31/0.33	-
<b>Dividend per share of common/ preferred stock</b>	euro	1.30/1.32	0.30/0.32	-

<sup>1</sup> figures exclude dormant employment contracts, employees in the work and non-work phases of pre-retirement part-time arrangements and low wage earners

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### **The BMW Group**

The BMW Group is one of the most successful manufacturers of automobiles and motorcycles in the world with its BMW, MINI and Rolls-Royce brands. As a global company, the BMW Group operates 24 production facilities in 13 countries and has a global sales network in more than 140 countries.

During the financial year 2010, the BMW Group sold 1.46 million cars and more than 110,000 motorcycles worldwide. The profit before tax for 2010 was euro 4.8 billion on revenues amounting to euro 60.5 billion. At 31 December 2010, the BMW Group had a workforce of approximately 95,500 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 six years.

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