

BMW Group

Corporate Communications

Statement

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Chairman of the Board of Management of BMW AG

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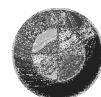
BMW Group Press Conference

81st Geneva Motor Show

Geneva, 1 March 2011

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Rolls-Royce
Motor Cars Limited



Dr. Norbert Reithofer, Chairman of the Board of Management of BMW AG

Welcome to the BMW Group! Some of you might wonder why we brought a BMW X1 with us today. After all, this is a model you are all familiar with. The BMW X1 is a great success: since its market launch in fall 2009, it has been delivered to over 123,000 customers. Last year, the X1 made a significant contribution to the more than 1.46 million cars sold by our three brands – BMW, MINI, and Rolls-Royce.

This figure means that we continue to be the world's leading premium manufacturer in terms of sales. In the first two months of this year, we have delivered over 210,000 vehicles – the best start to the year our company has ever had. The reason why this X1 is here today is not revealed on the surface; it is hidden below the hood. In a moment, my colleague Klaus Draeger will present to you the latest generation of our 2-liter petrol engines with BMW TwinPower Turbo technology. This engine is proof that:

1. We continue to develop Efficient Dynamics further.
2. We always offer our customers innovative solutions.

This year will once again see the launch of attractive new models: the BMW 6 Series, the BMW 1 Series M Coupe, the BMW M5 and, last but not least, the second generation of the BMW 1 Series. All these vehicles are equipped with our Efficient Dynamics technology package. You'll hear more about that from my colleague Klaus Draeger now.

Dr. Klaus Draeger, Member of the Board of Management of BMW AG, Development

We have applied Efficient Dynamics to reduce both fuel consumption and emissions for many years. This reduction is achieved thanks to our new generation of high-efficiency engines, aerodynamics, innovative lightweight construction, and intelligent energy management. Our aim is to combine maximum performance and driving pleasure with minimum fuel consumption. Today we are introducing one of our latest EfficientDynamics highlights. It is a new engine – the engine that will power the BMW X1 from spring 2011 on. Engine development is one of our core competencies. Our company is called Bayerische Motoren Werke – for good reason.

The latest 6-cylinder engine is fitted with our state-of-the-art BMW TwinPower Turbo technology package. This drivetrain has earned us the Engine of the Year Award 2010. Now we have transferred this technology to the new 4-cylinder engine. Thanks to the BMW TwinPower Turbo technology, this engine is both powerful and fuel-efficient. So our customers are offered a 2-liter engine whose performance has been improved considerably. It is capable of producing maximum power of 245 hp and 350 Nm of peak torque, starting at a mere 1,250 rpm.

Compared to its predecessor:

- Maximum torque is improved by 13 per cent.
- It reaches 100 kilometers/hour in 6.5 instead of 6.8 seconds.
- At the same time, it consumes only 7.9 instead of 9.4 liters of fuel per 100 kilometers.
- And carbon emissions have been reduced by another 16 per cent.

A few days ago, the motoring press had a chance to evaluate the new engine in a BMW X1, and the feedback was very positive. From spring on, our customers will also be able to enjoy the benefits of the BMW TwinPower Turbo technology in our BMW X1. Efficient Dynamics is our program to further the development of hybrid and electric drives. The MINI E test fleet has covered around 11 million kilometers so far. Our second test vehicle for e-mobility is the BMW ActiveE. It is fitted with an electric drivetrain, a BMW in-house development. New lithium-ion energy storage units allow for a range of 160 kilometers in everyday use.

The first batch of these vehicles will be handed over to the Federal Ministry of the Environment and customers in Germany in summer 2011. Deliveries to customers in the US are scheduled for September. And in early 2012, customers in the UK, the Netherlands, China and here in Switzerland will also have the opportunity to drive the BMW ActiveE. All test kilometers driven will give us valuable input for our first all-electric series vehicle – the BMW i3. This is how we proceed toward e-mobility. But e-mobility is not the only issue we are concerned with. Another major trend is networking. We call it BMW ConnectedDrive. So let's show you our vision of integrated driving.

Dr. Norbert Reithofer, Chairman of the Board of Management of BMW AG

This is BMW ConnectedDrive! I'd also love to drive this sports car. But this is a concept car – built for a specific purpose: The purpose of giving a face to BMW Connected Drive.

We want this car to bridge the gap between today and tomorrow – and to demonstrate what can be achieved with intelligent networking. ConnectedDrive is our second key area of innovation, besides Efficient Dynamics. BMW has a longstanding tradition of developing intelligent, integrated systems.

- Just think of the BMW Turbo with its radar-based distance alert back in the early 1970s.
- Web-based services have been available in our vehicles for ten years now.

Hence, we want to look further into the future today. The LED display shows four major trends that are going to change our lives. BMW ConnectedDrive gives specific answers to these questions – to the benefit of our customers.

Networking the car, the passengers and the surrounding world is an important issue for our mobile future. We would now like to demonstrate how ConnectedDrive could support you on the road. Klaus Draeger is going to give you a few specific examples.

Dr. Klaus Draeger, Member of the Board of Management of BMW AG, Development

Today, the BMW ConnectedDrive portfolio comprises more than 50 innovative functions:

- They enhance comfort while driving.
- They take in-vehicle infotainment to the next level.
- They improve people's safety.

Let me start with the comfort features. Sometimes, I have to sort out a few things while I am on the road. Which often means that I need a new phone number or address. In those cases, it would be great to have someone take care of finding the information for me. BMW ConnectedDrive can help me with this task.

The idea is that your smartphone will automatically link to the vehicle as soon as you enter. In future, the car will even synchronize with your calendar. So it will know when and where you have an appointment. The address you have entered in your phone will instantly be transferred to the navigation system, which in turn will look for the best route. This also includes updated traffic information and parking spots close to your destination.

And in case time and place of your appointment change, ConnectedDrive makes rearranging things and notifying people so much easier. It is almost like a personal assistant who always waits for you in your car – and is on duty 24/7.

Our idea of infotainment is customized information. We offer intelligent solutions by networking passengers with the surrounding world. Our goal is to provide them with the correct and most relevant information. Another important aspect is that the driver needs to be able to use these services easily and intuitively. Obviously, there will be additional infotainment services for the front-seat passenger. The system shows them, for instance:

- that the car is passing by a museum
- and which exhibit is currently on display.
- They can even purchase tickets via data transfer.

“BMW ConnectedDrive” celebrated its debut at the Frankfurt Motor Show in 1999. Back then, we presented innovations such as our new information service and automatic emergency call. We have since made great progress regarding to passive safety. But we have also concerned ourselves with active safety. This means: to prevent accidents in the first place. A good example of an active safety feature is BMW Night Vision. Next, we will step up car-to-car communication – which will once again improve safety.

Dr. Norbert Reithofer, Chairman of the Board of Management of BMW AG

I think we are all agreed that networking entails a wide range of possibilities – some of which we cannot even imagine yet. BMW has long been a pioneer in this field. Today, every BMW model on offer is available with ConnectedDrive as well. And we plan to stay this course. And this is what this concept car stands for. Design elements you see here will find their way into future BMW models.

Putting innovations to the road – this is our job. And our motivation. And that’s what customers appreciate about the BMW brand. From now on, it is not only sheer driving pleasure but sheer connected driving pleasure.

I would now like to invite you to join me here on stage and see for yourselves. Thank you.