Ladies and Gentlemen!

In 2014, we are focusing even more strongly on innovative technologies and customer satisfaction.

Through innovation, we continue to develop our brands and drive progress forward in our industry. That is how we secure our own future in an ever changing environment. And that is how we create added value for our customers and shareholders.

Let me give you three examples:

1. The **BMW i3**: The demand for our innovative electric vehicle is high. In March alone, we sold 1,000 BMW i3 cars worldwide. Just a few days ago, the BMW i3 was launched in the US. American customers are particularly open to new types of drive-trains. We expect the majority of BMW i3 cars to be sold in the US. We especially focus on California as a relevant market for electric cars, as it is considered by experts to be a trendsetter for the whole USA. In Japan, the i3 has been available for customers since early April, and China is due to follow later in the year. At our site in Leipzig, production is being ramped up according to schedule – with 100 vehicles produced per day. More than 5,000 BMW i3 cars have been built so far in total. Many of these cars were delivered to our global markets as demonstration and exhibition vehicles. Now, more and more cars are being built to meet customer demand.
2. The **BMW i8**: As promised, we are going to launch the second member of the BMW i family in June. It combines a total of three world firsts in one:
   - The BMW i8 is the world’s first plug-in hybrid sports car with the BMW i Life-Drive architecture.
   - It is the first sports car with a three-cylinder drivetrain.
   - And it is the first series car featuring the new laser light technology.
   Just like the i3, the US could become the key market for the BMW i8 as well. It is currently being tested by international media at our press event in Los Angeles. With BMW i, lightweight technology plays a central role.
   Carbon fiber is a material with a significant future in our industry, which we will also use in other series models.

3. The **BMW 2 Series Active Tourer**: This is the first BMW model with front-wheel drive, and is a trailblazer to acquire new customers to the BMW brand. It offers the best technological solution for this very practical and functional car. The Active Tourer will be available as of the fourth quarter.

All these initiatives are part of our long-term strategy: „Number ONE“. It continues to be our roadmap towards the future. We have held the lead in the premium segment for almost a decade now. Our strategy covers a time frame up to the year 2020. Naturally, we are already thinking beyond this.

It goes without saying, we monitor closely all the relevant trends in our environment and beyond, as well as assessing the external challenges that have an effect on our business. Some of the questions we ask ourselves are:
• What do customers expect of a leading mobility company today and beyond tomorrow?

• How do we remain at the forefront of technological trends and create attractive services?

• How do we want to develop our brands further in a timely manner so that we can win new customer groups without compromising on our brand identity?

• How can we master the complexity arising from the many requirements and the growth targets we have set for ourselves?

• And last but not least: What kind of company do we want to be in the future?

As always, our goal is long-term profitable growth. Following four straight record years, we are aiming at continuing our successful business development this year.

Our 2014 targets are as follows:

• New record sales on Group level of over two million cars.

• A new record in Group profit before tax, significantly above the last year’s level.

• An EBIT margin in the Automobile Segment in the range of 8 to 10 percent.

We have started the new business year with a strong first quarter.

• Between January and March, we sold around 487,000 cars worldwide. This is more than ever before in a first quarter.

• We posted new first quarter record sales for BMW and Rolls-Royce as well as BMW Motorrad. The MINI sales figures were affected by the model update of the Hatch.
Our BMW brand exceeded for the first time in a first quarter the mark of 400,000 cars delivered. 30 years ago, this was the sales figure for an entire year. This highlights the innovative strength of our company and the appeal of our brands. The BMW 3, 5 and 6 Series as well as the BMW X5 are currently the market leaders in their respective segments.

- Our Group profit before tax stands at over 2.1 billion Euros. Again, this is a new record for a first quarter.

- The Group net profit amounts to over 1.4 billion Euros.

- The EBIT margin in the Automobile Segment continues to be in the upper half of the targeted profitability range of between 8 and 10 percent.

This all shows that: Following the first quarter, we are on track towards meeting our targets for 2014.

Two factors should have a positive effect on our business development this year: First, demand in the key automotive regions of North America and Asia is increasing. In Europe, we were also able to record a slight growth in sales in the first quarter. Second, we are offering our customers a young and attractive model portfolio.

Of course, it is important that the economic uptrend in Europe stabilizes further. However, we are well aware that a number of risks still exist: High public debt, unequal development of worldwide economic markets, and political tensions and conflicts.
Our business environment can be affected by these and so remains volatile. As a successful global company, we continue to aim for a balanced distribution of sales in the three large regions: Europe, Asia and America.

In this way, we avoid one-sided dependencies. As a basis for further global growth we are strategically expanding our capacity, in keeping with the principle Production follows the market.

The Americas are and will remain a key region for our global growth:

- With the expansion of our site in Spartanburg, we will increase our production capacity in the US to 450,000 units annually by the end of 2016. This is 50 percent more than today. Our respective investment in the period 2014 to 2016 stands at one billion dollars.

- In the fall of this year, our new BMW plant in Brazil will begin production. Its annual output is planned to reach up to 30,000 units in the mid-term.

Our customers all around the world have diverse and individual needs. In 2014, we will offer them even more variety, not only to meet their diverse tastes but also to fulfill their individual aspirations.

- Our BMW X range continues to be a huge success. More than 3.3 million X vehicles sold since 1999 attest to the popularity of this model family. Today, more than one in four vehicles of the BMW brand is an X model. The model update of the BMW X1 has been available since March 2014. It is to be followed by the model update of the BMW X3 in May. In July, a new member is going to join the X family – the BMW X4. Plus, with our BMW Concept X5 eDrive, we have shown how we will be able to increase the efficiency of our X range even further with a plug-in hybrid.
And for the future, we have announced another completely new model – the BMW X7.

- The new BMW 4 Series is also very popular with customers. The new BMW 4 Series Convertible came out in March. And for those customers who enjoy an even sportier drive, the M version will be available in September. In June, following the Coupe and Convertible, the third model in the new 4 series will be launched: the Gran Coupe.

- Two further new M models are the BMW M3 Sedan and the BMW M4 Coupe, both available as of June.

- The new BMW 2 Series Coupe arrived at the dealerships in March and has had a successful start.

- At the same time, the new generation of the MINI Hatch was launched. From the second half of the year on, the new MINI will also be manufactured by our partner, VDL NedCar in the Netherlands.

- The Rolls-Royce Ghost Series II is going to be delivered to customers as of fall.

We will continue to invest in new models, in innovative technologies and in our facilities around the globe. Our innovative drive, our financial strength and our business success provide us with the necessary flexibility and latitude to grow. That is how we will continue to remain Number ONE.

Thank you very much!