MAXIMILIAN SCHÖBERL
EXECUTIVE VICE PRESIDENT.
CORPORATE COMMUNICATIONS AND GOVERNMENTAL AFFAIRS.
<table>
<thead>
<tr>
<th>CHANNEL</th>
<th>#</th>
<th>TRANSLATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanal</td>
<td>1</td>
<td>Deutsch</td>
</tr>
<tr>
<td>Channel</td>
<td>2</td>
<td>English</td>
</tr>
<tr>
<td>Canal</td>
<td>3</td>
<td>Français</td>
</tr>
<tr>
<td>Canale</td>
<td>4</td>
<td>Italiano</td>
</tr>
<tr>
<td>Canal</td>
<td>5</td>
<td>Español</td>
</tr>
<tr>
<td>声道</td>
<td>6</td>
<td>中文</td>
</tr>
</tbody>
</table>
AGENDA.

STRATEGY NUMBER ONE > NEXT
What does the BMW Group do differently?

2018 FINANCIAL STATEMENTS
Outlook for 2019

MODEL OFFENSIVE 2.0
How we inspire our customers
HARALD KRÜGER
CHAIRMAN OF THE BOARD OF MANAGEMENT OF BMW AG.
OUR ROAD TO A **TECH COMPANY** FOR PREMIUM MOBILITY. WE ARE CREATING A **STRONG NEW FOUNDATION**.
STRATEGY NUMBER ONE > NEXT.
WE ARE SHAPING OUR FUTURE.
PHASE 1
IMPLEMENTATION OF NUMBER ONE > NEXT
2016 – 2018
WE CONSISTENTLY CHART OUR OWN **BMW COURSE.** WHAT MAKES US DIFFERENT?

- MODERN DIESEL TECHNOLOGY FOR LESS CO₂
- HIGHER BMW i3 SALES FROM YEAR TO YEAR
- FUTURE TECHNOLOGIES
- NOW FAMILY SERVICES
- INCREASED GLOBAL FOOTPRINT
PHASE 2
IMPLEMENTATION OF NUMBER ONE > NEXT
2019 – 2021

PHASE 1
IMPLEMENTATION OF NUMBER ONE > NEXT
2016 – 2018
OUR ENVIRONMENT REMAINS VOLATILE. THE CHALLENGES FOR THE INDUSTRY CONTINUE.
THE NEW BMW X3: THE CUSTOMER HAS THE CHOICE. ONE MODEL – THREE DRIVETRAINS.

BMW X3 with highly-efficient combustion engine.

Plug-in hybrid BMW X3 xDRIVE 30e.

Fully-electric BMW iX3.
ELECTRIFIED VEHICLES ON THE ROAD BY THE END OF 2019.

>500,000
OUR BATTERY CELL COMPETENCE CENTRE.

E-MOBILITY:
WE PRODUCE THE ELECTRIC DRIVE TRAIN AND HIGH-VOLTAGE SYSTEM OURSELVES.
KEEPING KNOW-HOW IN OUR OWN HANDS.
TOGETHER WE ARE DEVELOPING NEXT-LEVEL TECHNOLOGY FOR AUTONOMOUS DRIVING.
WE ARE TARGETING GROWTH IN ALL REGIONS AND AIM TO EXPAND OUR MARKET SHARE.

WE HAVE A SPECIFIC STRATEGY FOR EACH REGION.
INCREASED CAPACITY IN SHENYANG.

NEW JV WITH GREAT WALL: FULLY-ELECTRIC MINI.

FROM MAINLAND CHINA TO THE WORLD. FROM 2020: FULLY-ELECTRIC BMW iX3.
INVESTMENT IN PLANT SPARTANBURG.

THE BMW X7: COMMITMENT TO OUR SECOND HOME.

MEXICO PLANT: OPENING IN JUNE 2019.
THE BMW GROUP’S BIGGEST SALES REGION.

MOST PLANTS AND HIGHEST NUMBER OF EMPLOYEES.

BREXIT: WE ARE PREPARED FOR ALL SCENARIOS.
GLOBAL.

OUR COMMITMENT IS GEARED TOWARDS THE LONG TERM.

FREE TRADE FOR GROWTH AND PROSPERITY.
Improved sales performance and optimisation of customer interface.

Intelligent product options focused on customer benefits and major cost reductions.

Faster development process. Optimisation of process and organisational structure.
WE WILL ESTABLISH A **NEW SALES STRUCTURE** IN APRIL. ALL AUTOMOTIVE BRANDS WILL COME TOGETHER WITHIN ONE DIVISION.

BMW

MINI

ROLLS-ROYCE

**CUSTOMER-SPECIFIC BRAND EXPERIENCES** UNDER ONE ROOF.
PHASE 1
IMPLEMENTATION OF
NUMBER ONE > NEXT
2016 – 2018

PHASE 2
IMPLEMENTATION OF
NUMBER ONE > NEXT
2019 – 2021

PHASE 3
IMPLEMENTATION OF
NUMBER ONE > NEXT
2022 – 2025
THE BMW iNEXT WILL BE LAUNCHED IN 2021 – WITH AN ELECTRIC RANGE OF UP TO 600 KM.
THE BMW iNEXT.
LEVEL 3 HIGHLY-AUTOMATED DRIVING.

TEST FLEET ENABLED FOR LEVELS 4 AND 5.
ONE OF THE LARGEST IN EUROPE.
STORAGE CAPACITY OF 500 PETABYTES BY 2025.
TECH COMPANY FOR PREMIUM MOBILITY.

PHASE 1
IMPLEMENTATION OF NUMBER ONE > NEXT
2016 – 2018

PHASE 2
IMPLEMENTATION OF NUMBER ONE > NEXT
2019 – 2021

PHASE 3
IMPLEMENTATION OF NUMBER ONE > NEXT
2022 – 2025
DR NICOLAS PETER

MEMBER OF THE BOARD OF MANAGEMENT OF BMW AG, FINANCE.
DESPITE MASSIVE HEADWINDS SECOND-BEST RESULT IN COMPANY’S HISTORY.

- Trade tensions.
- Brexit.
- FX/Commodity prices.
- WLTP transition.
- Regulations.
STRONG SALES DEVELOPMENT DESPITE HIGH VOLATILITY.

USA.
356,000  
14.2%

EUROPE.
1.1 Mio.  
44.1%

MAINLAND CHINA.
640,000  
25.7%
NEW SALES RECORD
FOR BMW, ROLLS-ROYCE
AND BMW MOTORRAD.

4,100 +22.2%
165,600 +0.9%
2.125 MIO. +1.8%
362,000 -2.8%
MORE THAN 140,000 ELECTRIFIED VEHICLES SOLD, AS PLANNED.
EBT MARGIN ABOVE TARGET OF 10%.

Prior year figures adjusted due to first-time application of IFRS 15.

<table>
<thead>
<tr>
<th>Year</th>
<th>EBT Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>10.4%</td>
</tr>
<tr>
<td>2013</td>
<td>10.7%</td>
</tr>
<tr>
<td>2014</td>
<td>10.2%</td>
</tr>
<tr>
<td>2015</td>
<td>10.8%</td>
</tr>
<tr>
<td>2016</td>
<td>10.0%</td>
</tr>
<tr>
<td>2017*</td>
<td>10.9%</td>
</tr>
<tr>
<td>2018</td>
<td>10.1%</td>
</tr>
</tbody>
</table>
### Financial Overview

<table>
<thead>
<tr>
<th>Metric</th>
<th>2017* (in m€)</th>
<th>2018 (in m€)</th>
<th>Change [%]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automobile deliveries [units]</td>
<td>2,463,526</td>
<td>2,490,664</td>
<td>+ 1.1</td>
</tr>
<tr>
<td>Revenues Group</td>
<td>98,282</td>
<td>97,480</td>
<td>-0.8</td>
</tr>
<tr>
<td>Earnings before tax Group</td>
<td>10,675</td>
<td>9,815</td>
<td>-8.1</td>
</tr>
<tr>
<td>EBT margin [in %] – Group</td>
<td>10.9</td>
<td>10.1</td>
<td>–</td>
</tr>
<tr>
<td>Net profit Group</td>
<td>8,675</td>
<td>7,207</td>
<td>-16.9</td>
</tr>
</tbody>
</table>

* Prior year figures adjusted due to first-time application of IFRS 15.

**GROUP EBT AFFECTED BY CHALLENGING BUSINESS ENVIRONMENT.**
4th Quarter
In line with our expectations.

<table>
<thead>
<tr>
<th></th>
<th>2017*</th>
<th>2018</th>
<th>Change [%]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automobile deliveries [units]</td>
<td>652,292</td>
<td>655,854</td>
<td>+ 0.5</td>
</tr>
<tr>
<td>Revenues Group</td>
<td>24,958</td>
<td>25,020</td>
<td>+ 0.2</td>
</tr>
<tr>
<td>Earnings before tax Group</td>
<td>1,934</td>
<td>1,932</td>
<td>-0.1</td>
</tr>
<tr>
<td>EBT margin [in %] – Group</td>
<td>7.7</td>
<td>7.7</td>
<td>–</td>
</tr>
<tr>
<td>Net profit Group</td>
<td>2,338</td>
<td>1,419</td>
<td>-39.3</td>
</tr>
<tr>
<td>EBIT margin Automotive Segment [in %]</td>
<td>8.7</td>
<td>6.3</td>
<td>–</td>
</tr>
</tbody>
</table>

* Prior year figures adjusted due to first-time application of IFRS 15.
OUR SIGHTS REMAIN FIRMLY FIXED ON THE FUTURE.

Capital expenditure*

in m€

3,731 4,688 5,029

2016 2017** 2018

4.0% 4.8% 5.2%

* Excl. capitalised development costs.
** Prior year figures adjusted due to first-time application of IFRS 15.
R&D-RATIO CLIMBS TO 7.1%.

R&D ratio (HGB) BMW Group

<table>
<thead>
<tr>
<th>Year</th>
<th>R&amp;D Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>5.6%</td>
</tr>
<tr>
<td>2017*</td>
<td>6.2%</td>
</tr>
<tr>
<td>2018</td>
<td>7.1%</td>
</tr>
</tbody>
</table>

R&D expenditure (HGB) in m€

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>5,164</td>
</tr>
<tr>
<td>2017*</td>
<td>6,108</td>
</tr>
<tr>
<td>2018</td>
<td>6,890</td>
</tr>
</tbody>
</table>

* Prior year figures adjusted due to first-time application of IFRS 15.
SECOND-HIGHEST DIVIDEND PROPOSED.

Dividend per common share in €
- 2017: 4.00
- 2018: 3.50

Total dividend payout in m€
- 2017: 2,630
- 2018: 2,303

Payout ratio
- 2017: 30.3%
- 2018: 32.0%
EBIT-MARGIN OF 7.2% IN AUTOMOTIVE SEGMENT.

<table>
<thead>
<tr>
<th></th>
<th>2017*</th>
<th>2018</th>
<th>Change [%]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries [units]</td>
<td>2,463,526</td>
<td>2,490,664</td>
<td>+1.1</td>
</tr>
<tr>
<td>Revenues</td>
<td>85,742</td>
<td>85,846</td>
<td>+0.1</td>
</tr>
<tr>
<td>Earnings before interest and tax [EBIT]</td>
<td>7,888</td>
<td>6,182</td>
<td>-21.6</td>
</tr>
<tr>
<td>EBIT margin [in %]</td>
<td>9.2</td>
<td>7.2</td>
<td>–</td>
</tr>
<tr>
<td>Earnings before tax [EBT]</td>
<td>8,717</td>
<td>6,977</td>
<td>-20.0</td>
</tr>
</tbody>
</table>

* Prior year figures adjusted due to first-time application of IFRS 15.
EBIT BRIDGE IN THE AUTOMOTIVE SEGMENT.

EBIT in m€

<table>
<thead>
<tr>
<th></th>
<th>2017*</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT</td>
<td>7,888</td>
<td>6,182</td>
</tr>
<tr>
<td>in m€</td>
<td>9.2%</td>
<td>7.2%</td>
</tr>
</tbody>
</table>

- **Other operating income and expenses**: +659
- **Volume/Mix/Market**: -277
- **Net effect from currencies and commodities**: -754
- **Depreciation**: -283
- **Other cost changes and cost for future technologies**: -1,051

* Prior year figures adjusted due to first-time application of IFRS 15.
Performance
> Next: Important decisions already being implemented.

Reducing the complexity of our portfolio.
(up to -50%).

Shortening the development process.
(up to -30%).

Optimising structures and processes.
Pooling resources.
FREE CASH FLOW IN AUTOMOTIVE SEGMENT AT 2.7 BILLION EUROS.

<table>
<thead>
<tr>
<th>Year</th>
<th>Free cash flow in m€</th>
<th>Total capital expenditure in m€</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>4,459</td>
<td>8,013</td>
</tr>
<tr>
<td>2018</td>
<td>2,713</td>
<td>7,112</td>
</tr>
</tbody>
</table>
Liquidity in m€

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketable securities</td>
<td>5,447</td>
<td>5,316</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>9,039</td>
<td>10,979</td>
</tr>
</tbody>
</table>

HIGH LIQUIDITY SECURES FINANCIAL INDEPENDENCE.
FINANCIAL SERVICES SEGMENT CONTINUES TO GROW ITS BUSINESS.

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>Change [%]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracts with new customer [units]</td>
<td>1,828,604</td>
<td>1,908,640</td>
<td>+ 4.4</td>
</tr>
<tr>
<td>Total volume of new customer contracts</td>
<td>55,049</td>
<td>55,817</td>
<td>+1.4</td>
</tr>
<tr>
<td>Earnings before tax [EBT]</td>
<td>2,207</td>
<td>2,161</td>
<td>-2.1</td>
</tr>
<tr>
<td>Return on equity [in %]</td>
<td>18.1</td>
<td>14.8</td>
<td>-</td>
</tr>
<tr>
<td>Penetration rate [in %]</td>
<td>46.8</td>
<td>50.0</td>
<td>-</td>
</tr>
</tbody>
</table>
Credit loss ratio per year in %

2012: 0.48
2013: 0.46
2014: 0.50
2015: 0.37
2016: 0.32
2017: 0.34
2018: 0.25

RISK SITUATION REMAINS STABLE.
**MOTORCYCLES SEGMENT REPORTS 8TH SALES RECORD IN A ROW.**

<table>
<thead>
<tr>
<th></th>
<th>2017*</th>
<th>2018</th>
<th>Change [%]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries [units]</td>
<td>164,153</td>
<td>165,566</td>
<td>+0.9</td>
</tr>
<tr>
<td>Revenues</td>
<td>2,272</td>
<td>2,173</td>
<td>-4.4</td>
</tr>
<tr>
<td>Earnings before interest and tax [EBIT]</td>
<td>207</td>
<td>175</td>
<td>-15.5</td>
</tr>
<tr>
<td>EBIT margin [in %]</td>
<td>9.1</td>
<td>8.1</td>
<td>–</td>
</tr>
<tr>
<td>Earnings before tax [EBT]</td>
<td>205</td>
<td>169</td>
<td>-17.6</td>
</tr>
</tbody>
</table>

* Prior year figures adjusted due to first-time application of IFRS 15.
**POSITIVE IMPACT OF ELIMINATIONS.**

<table>
<thead>
<tr>
<th>Sector</th>
<th>2017*</th>
<th>2018</th>
<th>Change [%]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive</td>
<td>8,717</td>
<td>6,977</td>
<td>-20.0</td>
</tr>
<tr>
<td>Motorcycles</td>
<td>205</td>
<td>169</td>
<td>-17.6</td>
</tr>
<tr>
<td>Financial Services</td>
<td>2,207</td>
<td>2,161</td>
<td>-2.1</td>
</tr>
<tr>
<td>Other Entities</td>
<td>80</td>
<td>-45</td>
<td>–</td>
</tr>
<tr>
<td>Eliminations</td>
<td>-534</td>
<td>553</td>
<td>–</td>
</tr>
<tr>
<td><strong>BMW Group</strong></td>
<td>10,675</td>
<td>9,815</td>
<td>-8.1</td>
</tr>
</tbody>
</table>

* Prior year figures adjusted due to first-time application of IFRS 15.
OUTLOOK 2019.
SETTING HIGH STANDARDS IN CHALLENGING ENVIRONMENT.

AUTOMOTIVE
Slight increase in deliveries.
EBIT-margin between 6 and 8%.

MOTORCYCLES
Solid increase in deliveries.
EBIT-margin between 8 and 10%.

FINANCIAL SERVICES
Return on Equity on par with previous year's level.

BMW GROUP
Significant decrease in Group earnings before tax.
Size of workforce at year-end on par with previous year's level.
Clear decisions as part of **PERFORMANCE > NEXT**.

**SYSTEMATIC IMPLEMENTATION** of decided measures.

**FINANCIAL STRENGTH FOR SUCCESSFUL TRANSFORMATION.**
HARALD KRÜGER
CHAIRMAN OF THE BOARD OF MANAGEMENT OF BMW AG.
OUR YEAR OF THE
PLUG-IN HYBRID.

NEW BMW MODELS:
3 SERIES, X3, X5,
7 SERIES.
OUR YEAR OF THE PLUG-IN HYBRID.

BATTERY UPDATE FOR:
2 SERIES,
5 SERIES.
WE ARE DRIVING **ELECTRIFICATION** FORWARD. MORE THAN **10 NEW MODELS** BY THE END OF 2020.
EXPANSION
IN THE LUXURY SEGMENT.

BMW i8 Coupe  BMW i8 Roadster  BMW X7  BMW 8 Series Coupe  BMW 7 Series  BMW 8 Series Convertible
THE NEW BMW 3 SERIES. CONNECTIVITY INSPIRES CUSTOMERS.
BMW 2 SERIES
GRAN COUPÉ.

AVAILABLE IN SPRING 2020.
WE CONTINUE TO CHART OUR OWN COURSE.

RELIABILITY.
PROFITABILITY.
INNOVATION.
CONSUMPTION AND EMISSION DATA.

Consumption and emission data:

**BMW 225xe Active Tourer**: Fuel consumption combined: 1.9 l/100 km; Electric power consumption combined: 14.7 kWh/100 km; CO2 emissions combined: 43 g/km* (provisional figures)

**BMW 330e Sedan**: Fuel consumption combined: 1.7 l/100 km; CO2 emissions combined: 39 g/km* (provisional figures)

**BMW 530e Sedan**: Fuel consumption combined: 1.7 l/100 km; CO2 emissions combined: 38 g/km* (provisional figures)

**BMW 530e xDrive Sedan**: Fuel consumption combined: 1.9 l/100 km; CO2 emissions combined: 44 g/km* (provisional figures)

**BMW 745e Sedan**: Fuel consumption combined: 2.3 – 2.1 l/100 km; Electric power consumption combined: 15.6 – 15.1 kWh/100 km; CO2 emissions combined: 52 – 48 g/km* (provisional figures)

**BMW 745Le Sedan**: Fuel consumption combined: 2.3 – 2.2 l/100 km; Electric power consumption combined: 15.7 – 15.6 kWh/100 km; CO2 emissions combined: 53 – 50 g/km* (provisional figures)

**BMW 745Le xDrive Sedan**: Fuel consumption combined: 2.6-2.3 l/100 km; Electric power consumption combined: 16.3-15.8 kWh/100 km; CO2 emissions combined: 59-52 g/km* (provisional figures)

**BMW X3 xDrive30e**: Fuel consumption combined: 2.4 l/100 km; CO2 emissions combined: 56 g/km* (provisional figures)

**BMW X5 xDrive45e**: Fuel consumption combined: 2.1 l/100 km; CO2 emissions combined: 49 g/km* (provisional figures)

The figures for fuel consumption, CO₂ emissions and power consumption are calculated based on the measurement methods stipulated in the current version of Regulation (EU) 2007/715. This information is based on a vehicle with basic equipment in Germany; ranges take into account differences in wheel and tyre size selected as well as optional equipment.

Power consumption, emissions figures and ranges have been calculated based on the new WLTP test cycle and adapted to NEDC for comparison purposes, dependent on the tyre format selected. In these vehicles, different figures than those published here may apply for the assessment of taxes and other vehicle-related duties which are (also) based on CO₂-emissions. These figures are provisional.

For further details of the official fuel consumption figures and official specific CO₂ emissions of new cars, please refer to the "Manual on fuel consumption, CO₂ emissions and power consumption of new cars", available at sales outlets, from Deutsche Automobil Treuhand GmbH (DAT), Hellmuth-Hirth-Str. 1, 73760 Ostfildern-Scharnhausen and at http://www.dat.de/angebote/verlagsprodukte/leitfaden-kraftstoffverbrauch.html.
CONSUMPTION AND EMISSION DATA.

Consumption and emission data:

**BMW M850i xDrive Convertible**: Fuel consumption combined: 10.0-9.9 l/100 km;
CO2 emissions combined: 229-225 g/km

**BMW i8 Coupé**: Fuel consumption combined: 1.8 l/100 km;
Electric power consumption combined: 14.0 kWh/100 km;
CO2 emissions combined: 42 g/km

**BMW i8 Roadster**: Fuel consumption combined: 2.0 l/100 km;
Electric power consumption combined: 14.5 kWh/100 km;
CO2 emissions combined: 46 g/km

The figures for fuel consumption, CO₂ emissions and power consumption are calculated based on the measurement methods stipulated in the current version of Regulation (EU) 2007/715. This information is based on a vehicle with basic equipment in Germany; ranges take into account differences in wheel and tyre size selected as well as optional equipment.

Power consumption, emissions figures and ranges have been calculated based on the new WLTP test cycle and adapted to NEDC for comparison purposes, dependent on the tyre format selected. In these vehicles, different figures than those published here may apply for the assessment of taxes and other vehicle-related duties which are (also) based on CO₂-emissions. These figures are provisional.

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