

**Declaration of the Board of Management and of the Supervisory Board
of Bayerische Motoren Werke Aktiengesellschaft
with respect to the recommendations of the
“Government Commission on the German Corporate Governance Code”
pursuant to §161 German Stock Corporation Act**

The Board of Management and Supervisory Board of Bayerische Motoren Werke Aktiengesellschaft declare the following with respect to the recommendations of the “Government Commission on the German Corporate Governance Code”:

The recommendations published in the official section of the electronic Federal Gazette on 4 July 2003 (Code version dated 21 May 2003) have been, and are being, complied with, with the following divergences:

- The discussion and regular review of the structure of the compensation system of the Board of Management is performed by the Personnel Committee and not, additionally, by the Supervisory Board (section 4.2.2 paragraph 1 GCGC).
- The compensation of the members of the Board of Management is disclosed in the Notes to the Group Financial Statements subdivided according to fixed and performance-related components, but not by individual person (section 4.2.4 sentence 2 GCGC).
- The compensation of the members of the Supervisory Board in the Notes to the Group Financial Statements is subdivided into its components, but not by individual person (section 5.4.5 paragraph 3 GCGC).
- The purchase and sale of shares in BMW AG or derivative instruments relating to BMW AG by the members of the Board of Management and the Supervisory Board are published in accordance with §15 a of the German Securities Trading Act, but are not additionally disclosed in the Notes to the Group Financial Statements (section 6.6 paragraph 2 GCGC).

Munich, 7 December 2004

Bayerische Motoren Werke
Aktiengesellschaft

Supervisory Board

Board of Management