BMW Group.
Investor & Analyst Meeting.

Josef Kerscher, President BMW Manufacturing Co.
BMW Group.

Historical Key Dates and Facts.

- Plant Spartanburg announced on June 22, 1992
- Officially opened in 1994 with 700 jobs
- Major plant expansion in 1998 for new X5 model
- Major construction of one line assembly in January 2006
- $750 million plant expansion announced March 2008
- Cumulative investment will approximate $4.2 billion by 2012
BMW Group.

Plant Spartanburg Vehicles.

- Sole global producer of six vehicles:
  - X6 Sports Activity Coupe
  - X5 Sports Activity Vehicle
  - Z4 Roadster & M Roadster
  - Z4 Coupe & M Coupe
BMW Group.

Plant Spartanburg Data.

• Approx. 1,100 acres
• 2.4 million square foot facility (223 thousand square meters); expansion to add 1.5 million square feet (139 thousand square meters) over the next 3-years
• Plant capacity 160,000 units per year
• Flexible one line system
• Units built to customer order
• 5,400 jobs
Plant Spartanburg Production volume

2003 2004 2005 2006 2007 2008

BMW Group.
Production Volume.
### 2008 Weekly Work Schedule

<table>
<thead>
<tr>
<th>Shift</th>
<th>S</th>
<th>M</th>
<th>T</th>
<th>W</th>
<th>TH</th>
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</tbody>
</table>

- 110 Production Hours Per week: 50 A-shift; 60 B-shift
- 120 Production Hours with Saturday OT: 60 A-shift; 60 B-shift
- 320 units per shift

**FLEXIBILITY**
Technology Overview.

Body Shop:
- Welding operations are more than 95% automated
- X5 and X6 bodies produced with the same equipment
- Stamped parts and add-on parts are supplied locally,
- X5 body-steel, aluminum, plastic

Paint Shop:
- Using water-based primer and base coat since 1994
- Uses landfill gas to heat paint ovens
- New Paint Shop will have BMW’s latest paint technology

Assembly:
- More than 3,000 employees
- All models produced on an one-line system; all units produced to customer order
- Takt time – 99 seconds
BMW Group.

Supplier Information.

Of 194 North American Suppliers, 52 are located in South Carolina.

Current NAFTA parts volume is approximately 10% of the purchase volume of the BMW Group.
BMW Group.

Long Term Plant Spartanburg Targets.

- Capacity increase to 240,000 units annually
- Increase efficiency by 7% per year
- Customer quality orientation
- Environmental sustainability
BMW Group.

New Models to come.

- Diesel X5 Sports Activity Vehicle for U.S. Market
- X6 Hybrid Sports Activity Coupe
- X3 Sports Activity Vehicle will move to Spartanburg from Austria
BMW Group.

Basic Plant Layout - New Paint Shop, New Assembly/Logistics North
BMW Group.

Spartanburg Plant Associates.

- Motivation
- Qualification
- Safety