BMW Brilliance Automotive, Plant Shenyang.
Investor & Analyst Meeting.

Hans Kroeppelt,
Senior Vice President Manufacturing & Plant Director,
BMW Brilliance Automotive.
**Investor & Analyst Meeting.**

**Joint Venture history and milestones.**

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar. 27, 2003</td>
<td>Signing of Joint Venture Contract</td>
</tr>
<tr>
<td>Oct. 18, 2003</td>
<td>Launch of 3 Series</td>
</tr>
<tr>
<td>Nov. 28, 2003</td>
<td>Launch of 5 Series</td>
</tr>
<tr>
<td>Sep. 10, 2005</td>
<td>Launch of new 3 Series</td>
</tr>
<tr>
<td>Nov. 18, 2006</td>
<td>Launch of new 5 Series long wheel base</td>
</tr>
<tr>
<td>Sept. 2008</td>
<td>5th Anniversary &amp; 100,000th Car Roll off</td>
</tr>
<tr>
<td>Nov. 12, 2009</td>
<td>Signing 2nd plant Investment Agreement with the Shenyang Municipal government</td>
</tr>
<tr>
<td>Jan. 2010</td>
<td>Go live Migration from CKD production to Transplant</td>
</tr>
<tr>
<td>Jun. 16, 2010</td>
<td>Start of Production E90 in second production site</td>
</tr>
<tr>
<td>Jul. 01, 2010</td>
<td>Launch of new 5 Series long wheel base</td>
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</tbody>
</table>
Producer of three vehicles:

- Sole producer of first Generation 5 Series Sedan Long Wheelbase in run out phase

- Producer of 3 Series

- Sole Producer of the second Generation of The New BMW 5 Series Sedan Long Wheelbase
Investor & Analyst Meeting.
Plant Shenyang Data.

- Size of used area in plant 280,000 square meters
- Production area: 200,000 square meters
- 2 Production sites (Dadong/Foresight)
- Plant Capacity in 2011: 75,000 cars per year
- 4,300 Employees
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The two locations in Shenyang & new plant Greenfield.
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Layout Plant Dadong & Foresight.
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Plant Layout Assembly 3 Series (Foresight).
Investor & Analyst Meeting.
Production Volume Development.

Production Volume 2003 - 2011.

Yearly Volume in units

- **3 Series**
- **5 Series**

<table>
<thead>
<tr>
<th>Year</th>
<th>3 Series</th>
<th>5 Series</th>
<th>Total</th>
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<tbody>
<tr>
<td>2003</td>
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<tr>
<td>2004</td>
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<td>2006</td>
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<tr>
<td>2007</td>
<td>33,700</td>
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<td>2008</td>
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<tr>
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<tr>
<td>2010</td>
<td>~50,000</td>
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<tr>
<td>2011</td>
<td>~75,000</td>
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Forecast
### Investor & Analyst Meeting

**Shift Model.**

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
<th>Saturday</th>
<th>Sunday</th>
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<tbody>
<tr>
<td>00:00</td>
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<td>C</td>
<td>C</td>
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<tr>
<td></td>
<td>MTNC</td>
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<tr>
<td>06:00</td>
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<td>A</td>
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<tr>
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<td>A</td>
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<td>B</td>
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<td>B</td>
<td>B</td>
<td>B</td>
<td>B</td>
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<tr>
<td></td>
<td>B</td>
<td>break</td>
<td>break</td>
<td>break</td>
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<tr>
<td>18:00 - 18:45</td>
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</table>

**Working hour:**
- Monday: 24:00 (Midnight)
- Tuesday: 06:00 (6 AM)
- Wednesday: 10:30 (10:30 AM)
- Thursday: 14:00 (2 PM)
- Friday: 18:00 (6 PM)
- Saturday: 22:00 (10 PM)
- Sunday: 24:00 (Midnight)

**Shift Group Distribution:**
- Shift Group A
- Shift Group B
- Shift Group C

**Shift Group Hours:**
- Shift Group C: 18:00 - 18:45 (6 PM - 7 PM)
- Shift Group B: 02:00 - 02:45 (2 AM - 2:45 AM)
- Shift Group A: 00.00 (Midnight)

**Breaks:**
- Monday: 24:00 (Midnight)
- Tuesday: 06:00 (6 AM)
- Wednesday: 10:30 (10:30 AM)
- Thursday: 14:00 (2 PM)
- Friday: 18:00 (6 PM)
- Saturday: 22:00 (10 PM)
- Sunday: 24:00 (Midnight)

**MTNC Times:**
- Monday: 06:00 (6 AM)
- Tuesday: 10:30 (10:30 AM)
- Wednesday: 14:00 (2 PM)
- Thursday: 18:00 (6 PM)
- Friday: 22:00 (10 PM)
- Saturday: 00.00 (Midnight)
- Sunday: 06:00 (6 AM)

**MTNC Hours:**
- 1st Week: 130.50 hours

**Current Plan:**
- 3.5h Work Time Account per associate and week

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<table>
<thead>
<tr>
<th>Shift Group</th>
<th>1st Week</th>
<th>2nd Week</th>
<th>3rd Week</th>
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</thead>
<tbody>
<tr>
<td>Shift Group A</td>
<td>43.5</td>
<td>43.5</td>
<td>43.5</td>
</tr>
<tr>
<td>Shift Group B</td>
<td>43.5</td>
<td>43.5</td>
<td>43.5</td>
</tr>
<tr>
<td>Shift Group C</td>
<td>43.5</td>
<td>43.5</td>
<td>43.5</td>
</tr>
</tbody>
</table>

3.5h Work Time Account per associate and week
Investor & Analyst Meeting
Technology Overview.

Logistics:
~ 30,000 m²
~ 800 Production associates

Body Shop (3 and 5 Series)
~ 70,000 m² (incl. logistics operation)
~ 1000 Production associates
- F18 Body Shop on latest BMW standard

Paint Shop
~ 50,000m²
~ 500 Production Associates

Assembly (Dadong & Foresight)
~ 50,000m²
~ 1400 Production Associates
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Customer Oriented Sales and Production Process was implemented beginning 2010.

- Improved Customer Orientation (faster response to market demand)
- Reduction of VDC Stock (potential savings)
- Better Competitiveness due to Flexible Options
Over 160 suppliers in China by 2012.
• Plant has around 4,300 employees (BBA 2,920; Flexible 1,380).

• The average age of the highly motivated and skilled associates is around 27 years old.

• Over 69.8% of all employees have at least a college degree.

Well Educated

- University: 14.7%
- Master: 5.4%
- Doctor: 0.2%
- Others: 2.8%
- Below College: 27.4%
- College: 44.3%

Flexible

- Permanent: 68%
- Flexible: 32%
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Long Term Targets & new Products for Plant Shenyang/Dadong.

• Continue to produce World Class Quality

• Continuous Capacity Increases at Plant Dadong/Foresight and new plant in Tiexi up to 300,000 units/year (depending on the marked demand)

• Continue Sustainable Efficiency Increase (average 10-12 %/a)

• Continue Environmental Sustainability
  • Energy was reduced by ~40% 2008-today
  • VOC was reduced by ~20% 2008-today
  • Water Consumption was reduced by ~60% 2008-today
  • Process Waste Water was reduced by ~30% 2008-today
  • Waste for Disposal was reduced by 70% 2008-today

• Production of New Energy Vehicle together with our Partner Brilliance, in keeping with the priorities of the Chinese Government (10 year development plan for Fuel Efficiency and New Energy Vehicles)

• Continue with sustainable Corporate Social Contribution Activities for Chinese/Shenyang Society
  • Educational Support; e.g.: BMW China Excellent University Students Award or BMW China Children’s traffic Safety education
  • Environmental Protection, e.g.: Environmental Sustainability in Production or Earthquake-hit area Environmental Protection Programs integrated into other events (e.g. eco-bag)
  • Cultural Promotion, e.g.: BMW China Culture Journey or BMW China Culture Night
  • Corporate Governance, e.g.: ASR projects or Employees care and development