

# **BMW Group.**

## **Press Conference on the Company's Strategic Realignment.**

September 27th, 2007



**BMW Group**

Rolls-Royce  
Motor Cars Limited



# **BMW Group.**

## **Strategic Realignment.**

**Profitability and value growth**

**Long-term growth**

**Shareholders to benefit to a greater extent**

**Program to tap into efficiency potential**

**New technologies for future mobility**

**Even stronger focus on the customer**

**Success and independence of BMW Group**



# **BMW Group.**

## **Acting from a Position of Strength.**



### **Strong Brands**



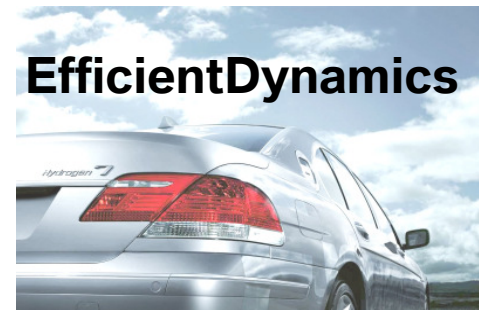
### **Attractive Employer**



### **Sustainability**



### **EfficientDynamics**



# **BMW Group.**

## **Challenges of the Future.**

**Adverse currency effects**

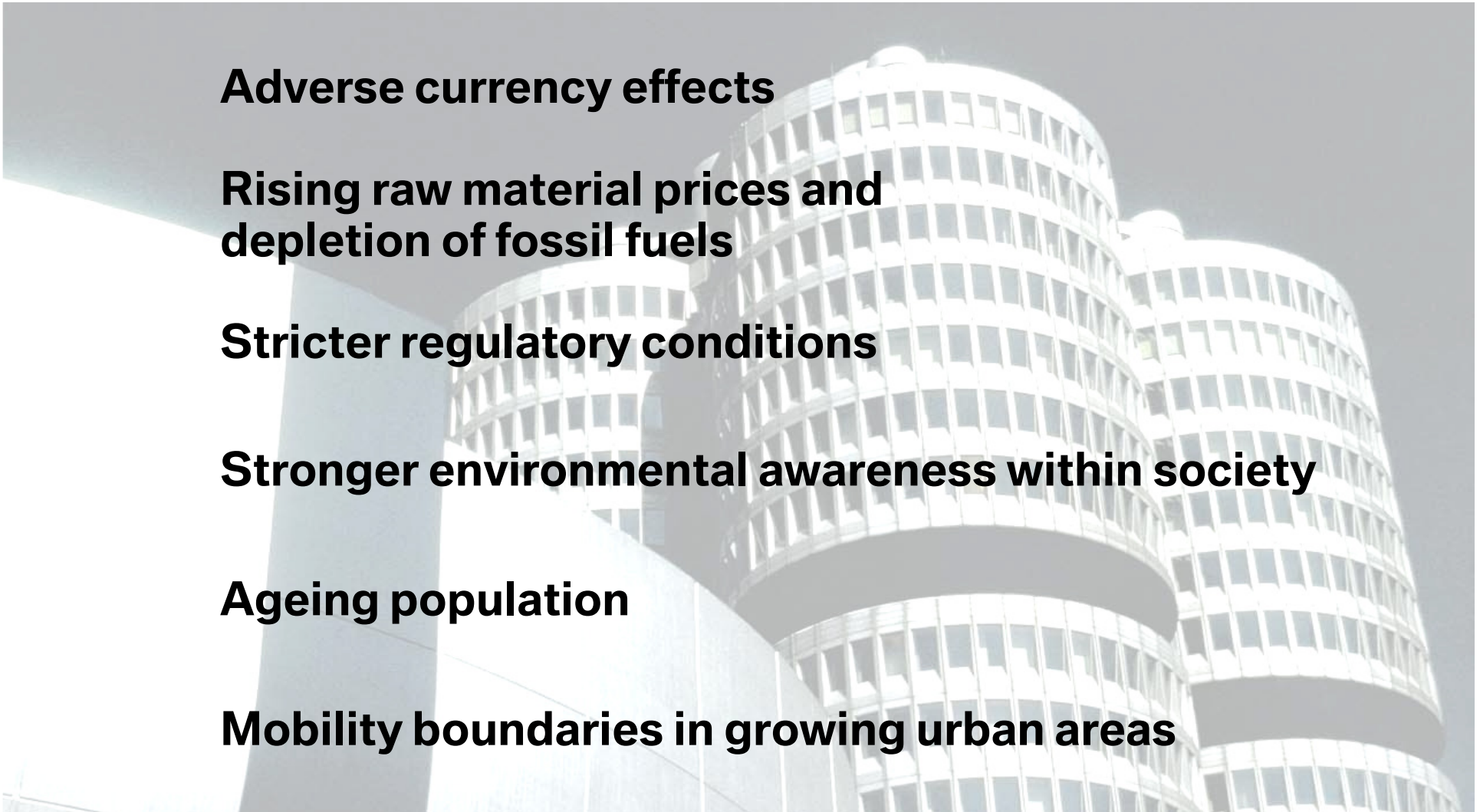
**Rising raw material prices and depletion of fossil fuels**

**Stricter regulatory conditions**

**Stronger environmental awareness within society**

**Ageing population**

**Mobility boundaries in growing urban areas**







**BMW Group.**  
**Strategic Objective.**

**The BMW Group is the leading provider of premium products and premium services for individual mobility.**

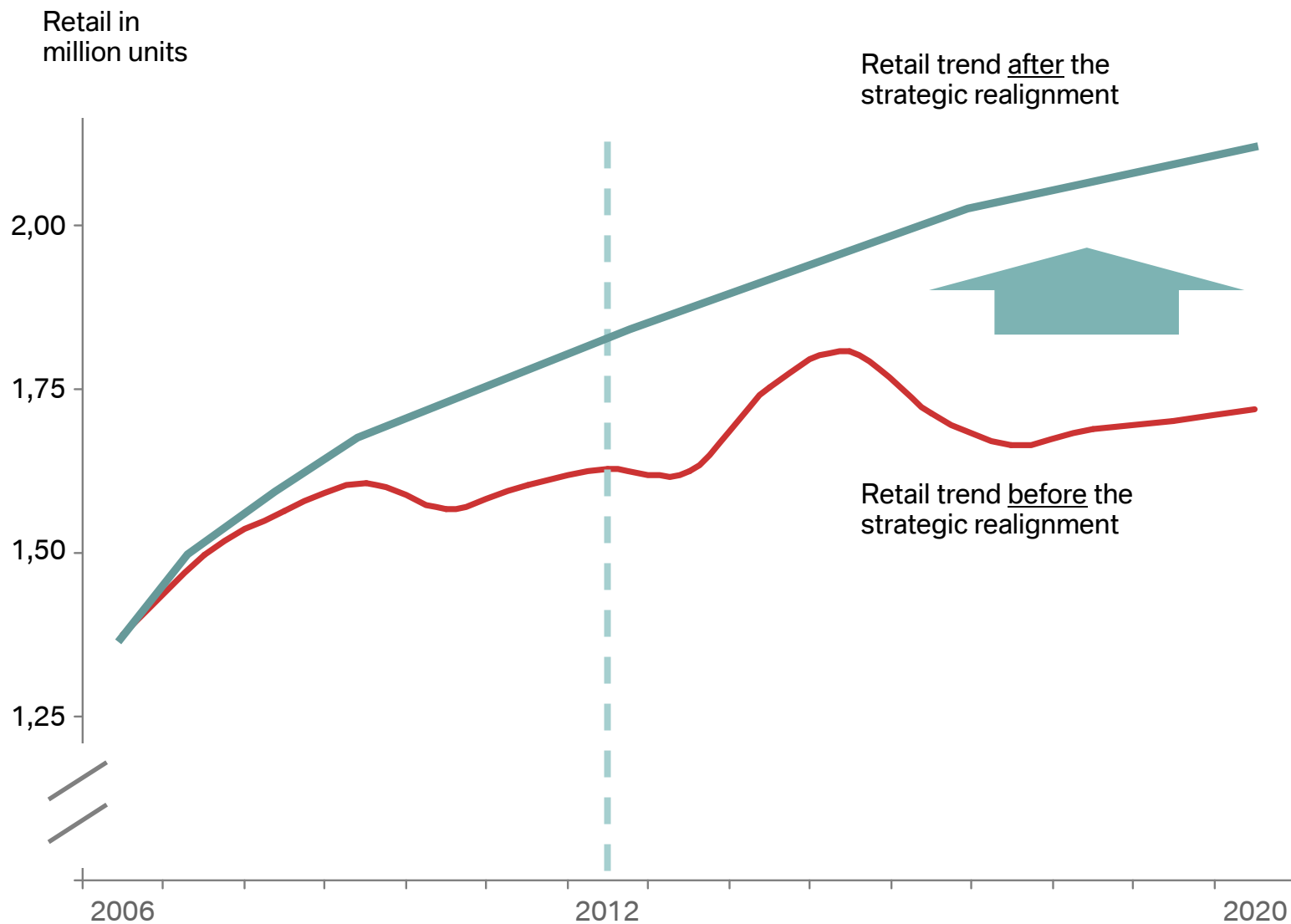
# BMW Group.

## Key Figures - The BMW Group in 2012.

BMW Group	2006	2012	2020
Automobile retail (in thousands)	1,374	1,800	
Motorcycle retail (in thousands)	100	150	
Automobile Segment			
RoCE (%)	21.7	26	
Return on Sales (%)	6.3	8 - 10	

# BMW Group.

## BMW Group Retail Sales Trend - Automobiles.





# **BMW Group.**

## **Program to tap into efficiency potential.**

### **Less Input:**

- **At least 5% annual productivity growth**
- **Cost structures**
- **Costs, capital expenditure and capital employed per vehicle**
- **Economies of scale through co-operations**
- **Standardization of processes**
- **Measures to counter adverse currency effects**

**EUR 6 bn  
efficiency  
potential  
by 2012**

### **More Output:**

- **Earnings potential by expanding operations and launching new activities**
- **Consistent premium positioning**
- **Product initiative**
- **Market initiative**

**Growth with current personnel level**



# BMW Group.

## Acquisition of Husqvarna Motorcycle.



# **BMW Group.**

## **Growth with New Models.**

**Expansion of BMW X model series with BMW X1**

**BMW Gran Turismo based on the CS Concept**

**BMW Progressive Activity Sedan**

**Rolls-Royce Phantom Coupe**

**Expansion of Rolls-Royce range with smaller model**

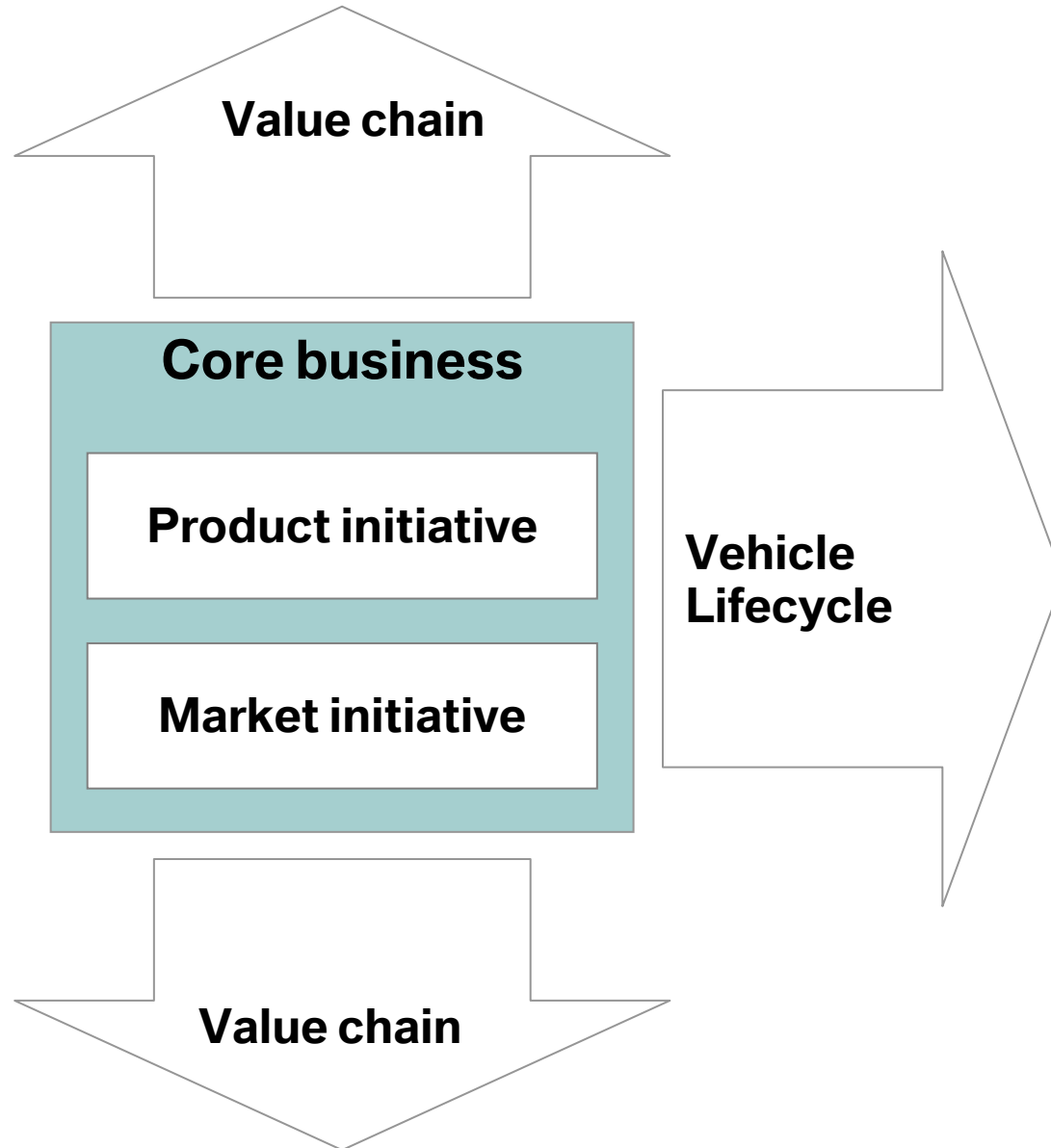
**MINI Sports Activity Vehicle**

**Product range expansion of BMW Motorrad and  
Husqvarna Motorcycles**



# **BMW Group.**

## **Growth in the Core Business and Beyond.**



# **BMW Group.**

## Investing in the Future.

**The BMW Group will invest substantially in future technologies with the goal of developing entirely new individual mobility solutions. This applies to design, concept and drive systems.**





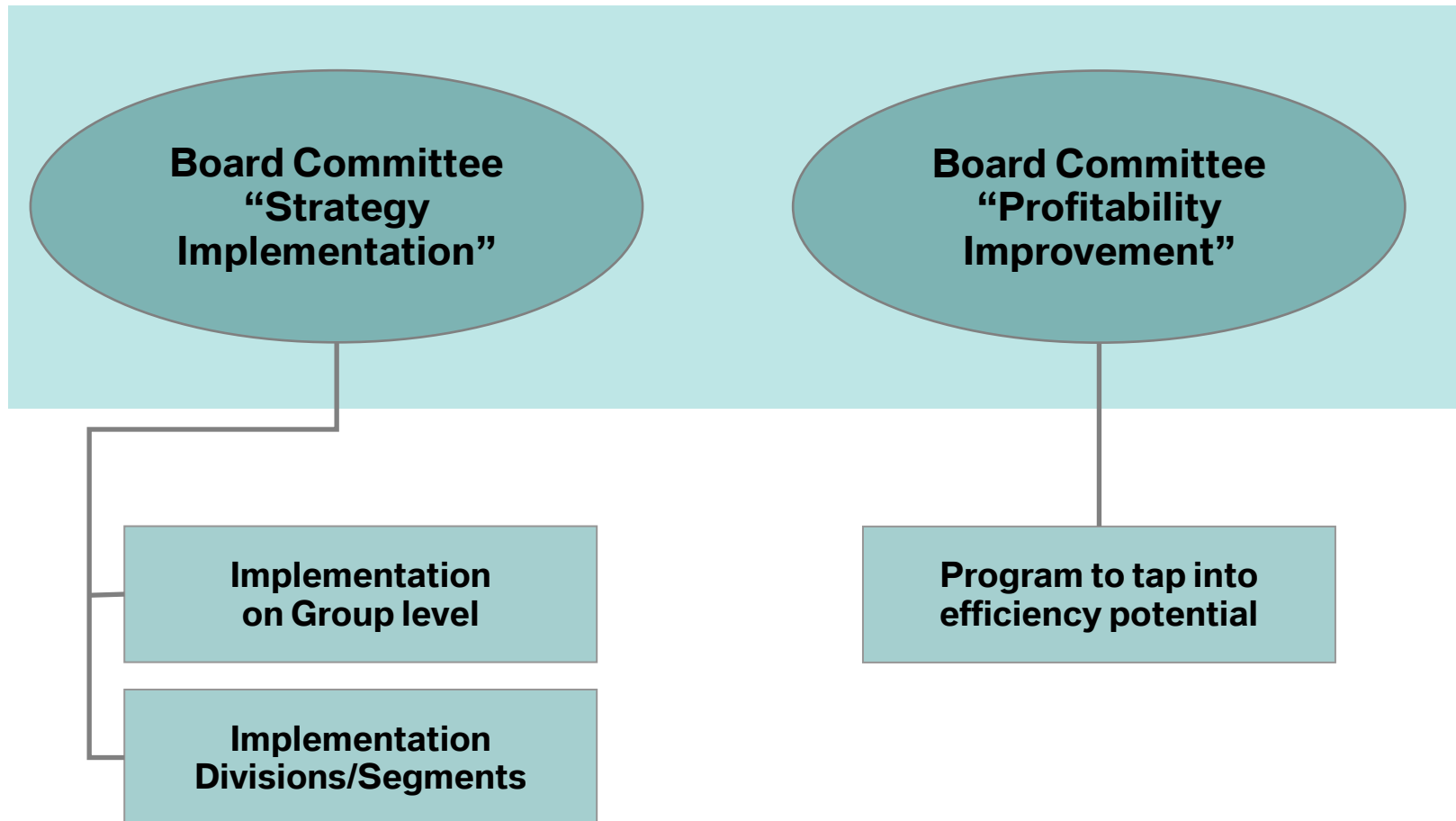
# **BMW Group.**

**The BMW Group assumes responsibility:**

- 
- |  |          |   |
|--|----------|---|
| <b>1. for its products</b>                   | <b>→</b> | <b>Zero-emissions driving<br/>EfficientDynamics</b> |
| <b>2. as an industrial<br/>enterprise</b>    | <b>→</b> | <b>Responsible use of<br/>natural resources</b>     |
| <b>3. as an active<br/>corporate citizen</b> | <b>→</b> | <b>Corporate social<br/>responsibility</b>          |
| <b>4. within the<br/>organization</b>        | <b>→</b> | <b>Basic principles</b>                             |

# **BMW Group.**

## **Implementation of Strategic Realignment.**



# **BMW Group.**

## **Board of Management BMW AG.**



**Dr.-Ing. Norbert  
Reithofer**  
Chairman of the  
Board



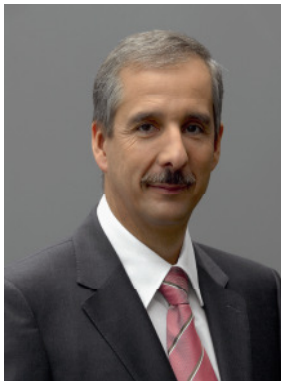
**Frank-Peter Arndt**  
Production



**Ernst Baumann**  
Human Resources,  
Industrial Relations  
Director



**Dr. Herbert Diess**  
Purchasing and  
Supplier Network



**Dr.-Ing. Klaus Draeger**  
Development



**Dr. Friedrich Eichiner**  
Corporate and  
Brand Development



**Dr. Michael Ganal**  
Finance



**Stefan Krause**  
Sales and  
Marketing