Good morning, Ladies and Gentlemen!

The BMW Group is on track for success.

Our strategy is paying off and is our guideline for successful and profitable development within a volatile business environment.

In 2011, we are on the right path toward reaching our targets.

This means:

- New record sales of more than 1.6 million cars.
- A new Group pre-tax record significantly above last year’s level.
- An EBIT margin in the Automotive Segment of over 10 per cent.

Back in 2007, when we launched our strategy, we put forward specific profitability targets for 2012.

- The business year 2011 is the last benchmark on our way towards achieving these targets.
- In 2012, we want to achieve an EBIT margin of 8 to 10 per cent in the Automotive Segment.
- Following this milestone, we want to remain on a high profitability level over the long term.

This highlights our sustainable approach in both our plans and actions.
This is true:

- in an economic and strategic sense as well as
- concerning ecological and social issues.

Regarding strategy, we are facing two major challenges:

1. We are presently facing various risks in the global economic cycle. Obviously, we have re-evaluated our strategic assumptions this year, given the current situation. Our long-term planning considers various scenarios for economic development. This approach allows us to react quickly and flexibly. Thanks to our lean structures and low cost base, we are well-prepared for potential volatility. What’s more, we are focusing on achieving balanced growth across different markets. We are also strategically expanding our global production network.

2. We have to master evolution and revolution at the same time. We are further expanding our range of combustion engine cars with cutting-edge technologies through our Efficient Dynamics program. Without a doubt, Efficient Dynamics is the most advanced technology available. While some of our competitors are advertising lower CO₂ emissions, they forget to mention they are cutting power from their engines at the same time. This certainly is not our approach. The BMW Group fleet average is around 152 grams of CO₂ per kilometer with an average output of over 137 kilowatts. That’s 186 horsepower – more than any core competitor! We will always stand by our promise of Sheer Driving Pleasure. Dynamics and efficiency — that is BMW.

At the same time, we are offering our customers new drive technologies, highly innovative car concepts and attractive mobility services, which we
will lead to market success. A good example here is our car sharing project DriveNow. In Munich and Berlin, within a very short period, around 8,000 members have already registered. We expect one million users worldwide for our services by 2020.

So, what have we achieved in the first nine months of the business year 2011?

- A pre-tax result of 6.16 billion Euros.
- A Group net profit of 4.1 billion Euros.
- An EBIT margin in the Automotive Segment of 12.8 per cent.

These are all new record highs for the BMW Group for the first nine months of a year.
The same is true of our sales figures from January to September:

- Over 1.23 million cars from the BMW, MINI and Rolls-Royce brands.
- Almost 93,000 motorcycles from the BMW and Husqvarna brands.

Customers worldwide are enthusiastic about our models. In Europe, North America and Asia, we managed to increase sales in the two-digit percentage range between January to September.

This growth is based on our attractive product line-up – the youngest amongst our competitors.

- Following the Convertible, the new BMW 6 Series is now also available as a Coupe.
- The BMW M5 will arrive in December.
- The MINI Coupe arrived at dealerships on October 1st.
The new BMW 1 Series has been available since September 17. This car brings a variety of innovations to the compact class. Thanks to Connected Drive, the BMW 1 Series is the best-connected car in its segment.

In mid-October, we presented the sixth generation of the new 3 Series Sedan in Munich. “World star from Munich” wrote Munich-based tz. “The pride of the Bavarians” was the headline in Frankfurter Allgemeine Sonntagszeitung.

The new 3 Series will be on the market from February 11, 2012. The three lines “Sport”, “Modern” and “Luxury” will provide customers with further options to customize their car.

Our portfolio will become increasingly versatile – including drivetrains.

Today, our BMW 7 Series and BMW X6 customers can choose between highly efficient combustion engines and a hybrid drive.

From spring 2012, we will be offering the BMW 5 Series Sedan as a hybrid as well.

And the BMW ActiveHybrid 3, the world’s first full hybrid in the premium segment of compact sports sedans, will follow in fall. This is our hybrid offering to the customers in our best-selling series, the BMW 3 Series.

From 2013 on, we are complementing our product portfolio with an electric-drive.

At the Frankfurt Motor Show, we presented electric-cars for all three brands, which we developed to gain experiences in this field:

- the MINI E,
- the BMW ActiveE
- and the Experimental Car, the Rolls-Royce 102EX.
We also showed the first two concept cars in the BMW i range – the BMW i3 and BMW i8.

But let’s move on to my second point: ecological and social responsibility.

With BMW i, we are breaking completely new ground when it comes to eco-friendly and resource-efficient production.

For the first time, we have determined mandatory sustainability targets along the entire value chain – from the first steps of development to recycling.

In late October, we celebrated what we call a “Richtfest” or roofing ceremony for the BMW i production site at our Leipzig Plant.

The assembly of the BMW i3 and i8 will be completely CO₂ neutral. The energy is derived entirely from regenerative sources. This is an absolute first in our industry.

We plan to build a wind farm at our Leipzig site. And now that we have the first set of permits, we look forward to beginning construction soon. The generated eco-power will be fed directly into the plant.

I’m convinced that truly sustainable mobility can only arise from a holistic approach.

This is an inherent part of our premium claim.
And this will keep us in the forefront as the leading premium car company in our industry.
The BMW Group has been in leading positions in all relevant sustainability rankings for years. Two examples:

1. In the Dow Jones Sustainability Index, we have been listed as the segment leader for the seventh year in a row.
2. In the Carbon Disclosure Project (CDP), we have achieved our best result so far – 96 of 100 possible points. As the number one among automakers, we are also in the top ten of all companies worldwide participating in the CDP Global 500 Ranking.

These first-rate positions have to be earned again and again. To this effect, we also believe in having an open dialogue with our stakeholders.

- Our most recent sustainability report was certified by independent auditors for the first time.
- And at our Stakeholder Roundtable in New York City in early October, we discussed the possible design of future urban mobility with a variety of social groups.

Our future tasks will be both complex and challenging. For that we need to have the best and most qualified people on board.

In the areas of electro-mobility and CFK technology we are hiring engineers and other experts – a total of 3,500 people this year.

Up to the end of September, our company employed 100,389 people – 4.7 per cent up from the reference period 2010.
This figure includes the 1,220 employees which we added by acquiring ING Car Lease for our Financial Services division.

Just like every year, over 1,600 young people started their apprenticeship with our company in September – more than 1,000 of them in Germany alone.

Ladies and Gentlemen –

Even though business environment might be volatile, we continue to follow our own path – The BMW Way and this has brought us success.
We are further striving to reach our targets for the business year 2011.

This will position us now to achieve our profitability targets for 2012.

- We are building a sound base – in technological and market strategy terms.
- We are acting responsibly and sustainably.
- We are shaping the future of individual mobility in the premium segment.

Thank you very much for your attention.