



Media Information
15 March 2011

BMW Group aims to further increase earnings in 2011

EBIT margin of over 8% expected in Automobiles segment
Sales volume of well in excess of 1.5 million vehicles targeted
Margin of 8% to 10% for Automobiles confirmed for 2012

Munich. The BMW Group can look ahead with confidence at the current financial year thanks to its attractive range of models. “We intend to further improve our Group earnings in the current year”, stated Norbert Reithofer, Chairman of the Board of Management of BMW AG on Tuesday in Munich. “We aim to achieve an EBIT margin of over 8% in our Automobiles segment. Sales volume is expected to rise to well over 1.5 million units, a new all-time high, with the BMW, MINI and Rolls-Royce brands all achieving new sales volume records“, he added. With this performance, the BMW Group intends to reinforce its position as the world’s leading manufacturer of premium cars.

In the financial year 2012, the BMW Group aims to achieve an unchanged EBIT margin of eight to ten percent in the Automobiles segment and a return on equity of at least 18% in the Financial Services segment. “We believe there is also good chance of achieving our target corridor of 8% to 10% in the Automobiles segment beyond the year 2012”, continued Reithofer. This target is based on the assumption that the global economy will continue to make stable progress. It is also possible, however, depending on political and economic developments that the actual EBIT margin will be higher or lower than the targeted range for the period after 2012.

The company achieved new records for revenues and group profit in 2010. Revenues climbed by 19.3% to euro 60,477 million (2009: euro 50,681 million). The profit before tax (EBIT) rose steeply to euro 4,836 million (2009: euro 413 million). The Group reports a profit before financial result (EBIT) of euro 5,094 million (2009: euro 289 million) and a record net profit for the year of euro 3,234 million (2009: euro 210 million).

In the light of this strong performance, the Board of Management and the Supervisory Board will propose to shareholders at the Annual General Meeting

Company
Bayerische
Motoren Werke
Aktiengesellschaft

Postal Address
BMW AG
80788 München

Telephone
+49 89 382-24118

Internet
www.bmwgroup.com



Media Information

Date 15 March 2011

Subject BMW Group aims to further increase earnings in 2011

Page 2

on 12 May 2011 that the dividend be increased to euro 1.30 (2009: euro 0.30) per share of common stock and euro 1.32 (2009: 0.32) per share of preferred stock, in both cases representing new all-time highs.

“We are extremely pleased with developments over the past financial year. We have set new records for revenues and group earnings and have more than achieved our targets for the full year. Continued rigorous implementation of our Strategy Number ONE has enabled us to make good progress in terms of profitability and efficiency. Our attractive range of models and strong sales volume growth have also contributed to the growth in earnings“, continued Reithofer.

In terms of sales volumes, the BMW Group registered the second-best ever performance in its history with the total number of BMW, MINI and Rolls-Royce brand vehicles delivered to customers rising by 13.6% to 1,461,166 units (2009: 1,286,310 units). As a result, the BMW Group easily achieved its target of raising sales volume for the full year 2010 to over 1.4 million units.

Free cash flow of euro 4,471 million generated in Automobiles segment

Significantly higher sales volume figures, a high-value model-mix, better transaction prices and lower material costs resulted in a significant improvement in earnings in the Automobiles segment. Revenues rose by 23.8% to euro 54,137 million (2009: euro 43,737 million). The segment's EBIT improved to euro 4,355 million (2009: loss of euro 265 million), while the profit before tax increased to euro 3,887 million (2009: loss before tax of euro 588 million).

The segment EBIT margin segment was therefore 8.0%: compared to the full-year EBIT margin of over 7% previously forecast for the Automobiles segment. As a result of these positive developments, free cash flow for the year rose to euro 4,471 million (2009: euro 1,456 million).



Media Information

Date 15 March 2011

Subject BMW Group aims to further increase earnings in 2011

Page 3

Sales of BMW brand cars rose by 14.6% to 1,224,280 units (2009: 1,068,770 units) in 2010 thanks to new attractive models. The new BMW 5 Series for instance recorded a sales volume increase of 35.5% with 238,454 units sold (2009: 175,983 units): this model has been market leader in its segment since the fourth quarter. The BMW X1 also performed extremely well, with approximately 100,000 units sold during its first full year on the markets.

Demand for BMW's flagship, the 7 Series, and for the remaining X-models also remained strong. BMW 7 Series sales rose by 24.9% over the year to 65,814 units (2009: 52,680 units), driven by strong demand in Asia and the gradual recovery of the American market. Sales of the BMW X5, which remains the market leader in its segment, rose by 15% to 102,178 units (2009: 88,851 units). 46,404 units (2009: 41,667 units) of the BMW X6 were sold, 11.4% more than in the previous year.

The MINI brand continues to perform well, registering a new sales volume record in 2010 of 234,175 units (2009: 216,538 units; +8.1%). This performance was helped by the MINI Countryman (14,337 units) launched in September, by the MINI Hatch with 155,841 units sold (2009: 150,043; +3.9%) and the MINI Convertible which achieved a sales volume of 32,680 units (2009: 28,303; +15.5%).

The Rolls-Royce brand also set a new sales record, with the number of vehicles sold in 2010 rising to 2,711 units (2009: 1,002 units; +170.6%).

The BMW Group was able to increase sales volumes in almost all markets in 2010. Germany remained the largest single market, with 267,160 BMW and MINI brand cars sold. In fact, BMW was the only premium brand to have recorded an increase in new car registration figures in Germany in 2010.



Media Information

Date 15 March 2011

Subject BMW Group aims to further increase earnings in 2011

Page 4

In the company's second largest single market, the USA, the BMW Group was able to increase sales by 10.1% to 266,580 units, thus making BMW once again the best-selling European premium brand in the USA in 2010.

Strong growth rates were also achieved in China, the company's third largest market. The number of cars sold in this region (including Hong Kong and Taiwan) jumped by 85.3% to 183,328 units.

Impetus for growth also came from other regions of the world. The number of cars sold in important emerging markets such as Russia, South Korea, Brazil, India and Turkey all increased at double digit rates.

EBIT of euro 71 million for Motorcycles segment in 2010

Despite continuing unfavourable market conditions, the Motorcycles segment recorded sales volume, revenues and earnings growth in 2010. Revenues increased by 22.0% to euro 1,304 million (2009: euro 1,069 million), EBIT improved to euro 71 million (2009: euro 19 million) and the profit before tax rose to euro 65 million (2009: euro 11 million). In total, 110,113 BMW and Husqvarna brand motorcycles were sold in 2010 (2009: 100,358 units; +9.7%).

Sharp rise in earnings of Financial Services segment

The Financial Services segment benefitted in 2010 from its attractive range of products, favourable refinancing conditions and an improved risk profile. Segment revenues increased by 5.2% to euro 16,617 million (2009: euro 15,798 million) while the profit before tax improved to euro 1,214 million (2009: euro 365 million).

The number of new financing and lease contracts signed (1,083,154) was 6.6% up on the previous year. Compared to the previous year, lease business grew by 3.2% and credit financing by 8.1%. Leasing accounted for 28.8% of new business, credit financing for 71.2%. The proportion of new BMW and MINI



Media Information

Date 15 March 2011

Subject BMW Group aims to further increase earnings in 2011

Page 5

brand cars financed by the Financial Services segment was 48.2%, down by 0.8 percentage points compared to the previous year.

Workforce of approximately 95,500 employees at end 2010

The BMW Group's workforce decreased slightly over the past year as a result of a combination of natural attrition, pre-retirement part-time working arrangements and voluntary employment contract termination agreements. The BMW Group workforce comprised 95,453 employees at the end of the year (2009: 96,230 employees; -0.8%) worldwide. At the beginning of the new training year, a total of 1,124 young people were given apprenticeships with the BMW Group.

* * *

Media Information

Date 15 March 2011

Subject BMW Group aims to further increase earnings in 2011

Page 6

The BMW Group – an Overview

		2010	2009	Change in %
Deliveries to customers				
Automobiles		1,461,166	1,286,310	13.6
Thereof:				
BMW	units	1,224,280	1,068,770	14.6
MINI	units	234,175	216,538	8.1
Rolls-Royce	units	2,711	1,002	-
Motorcycles	units	110,113	100,358	9.7
Thereof:				
BMW	units	98,047	87,306	12.3
Husqvarna	units	12,066	13,052	-7.6
Workforce at the end of the year¹		95,453	96,230	-0.8
Revenues	euro million	60,477	50,681	19.3
Thereof:				
Automobiles	euro million	54,137	43,737	23.8
Motorcycles	euro million	1,304	1,069	22.0
Financial Services	euro million	16,617	15,798	5.2
Profit before financial result	euro million	5,094	289	-
Thereof:				
Automobiles	euro million	4,355	-265	-
Motorcycles	euro million	71	19	-
Financial Services	euro million	1,201	355	-
Profit before tax	euro million	4,836	413	-
Thereof:				
Automobiles	euro million	3,877	-588	-
Motorcycles	euro million	65	11	-
Financial Services	euro million	1,214	365	-
Income taxes	euro million	-1,602	-203	-
Net profit	euro million	3,234	210	-
Earnings per share²	euro	4.91/4.93	0.31/0.33	-
Dividend per share of common/ preferred stock	euro	1.30/1.32	0.30/0.32	-

¹ figures exclude dormant employment contracts, employees in the work and non-work phases of pre-retirement part-time arrangements and low wage earners

² earnings per share in accordance with IAS 33 for common and preferred stock shares



Media Information

Date 15 March 2011

Subject BMW Group aims to further increase earnings in 2011

Page 7

The BMW Group

With its three brands -- BMW, MINI and Rolls-Royce – the BMW Group is one of the world's most successful premium manufacturers of cars and motorcycles. It operates internationally with 24 production sites in 13 countries and a global sales network with representation in more than 140 countries.

During the financial year 2010, the BMW Group sold 1.46 million cars and more than 110,000 motorcycles worldwide. The profit before tax for 2010 was euro 4.8 billion on revenues amounting to euro 60.5 billion. At 31 December 2010, the BMW Group had a workforce of approximately 95,500 employees.

Long-term thinking and responsible action have long been the foundation of the BMW Group's success. Striving for ecological and social sustainability along the entire value-added chain, taking full responsibility for our products and giving an unequivocal commitment to preserving resources are prime objectives firmly embedded in our corporate strategies. For these reasons, the BMW Group has been sector leader in the Dow Jones Sustainability Indices for the last six years.

For questions please contact:

Corporate and Governmental Affairs

Mathias Schmidt, Finance Communications
Telephone: (+ 49 89) 382-24118, Fax: (+ 49 89) 382-24418

Internet: www.press.bmwgroup.com
e-mail: presse@bmw.de