Statement
Dr. Norbert Reithofer
Chairman of the Board of Management of BMW AG
Conference Call Interim Report to 30 September 2013
5 November 2013, 10:00 a.m.

Good morning, ladies and gentlemen,

We remain on track to achieve our targets for the business year 2013:

- A new sales record at Group level
- A pre-tax profit similar to last year’s.

This is assuming that the economic and political conditions do not worsen significantly.

Where do we stand after the first nine months?

- Worldwide we sold more than 1.4 million cars. That’s a new BMW Group sales record.
- Our Group pre-tax profit was more than 6 billion Euros, which is around the same high level we achieved in the same period last year.
- Group net profit stood at more than 4 billion Euros – which is slightly higher than last year.
- And the EBIT margin in our Automotive segment was 9.5 percent – which is at the upper end of the target range we set ourselves for profitability.

We achieved this despite the continued decline in total market sales in Europe.

Buyer hesitation in southern Europe seems to have extended to Central Europe. But as a global company, we continue to profit from an approach based on a balanced worldwide growth.

Between January and September, we achieved growth on nearly every continent: in Europe, in Asia and China and in the Americas and the USA.
The BMW Group remains the market leader in the global premium segment. Every one of our core series vehicles is segment leader – the BMW 1 Series, the 3, 5 and 7 Series, the 6 Series and the X1.

Many of you came to see us at the Frankfurt Motor Show. There, we showed you the strength of the product portfolio of the BMW Group. And as an independent multi-brand automotive company, our focus remains solely on the premium sector.

That’s what our BMW, MINI and Rolls-Royce automobiles and our BMW Motorrad motorcycles stand for. In Frankfurt we also showed customers what they can expect from us in the not too distant future. The BMW 4 Series Coupé, the third generation BMW X5 and the Rolls-Royce Wraith are just a few examples.

In the year 2013, we will have launched a total of 14 new models. We are offering our customers a young, attractive product portfolio. Further attractive models will be introduced in 2014 – including several high-performance M models.

At the same time we are breaking new ground in technology.

- We are setting new milestones in our company’s history: the BMW brand will introduce front-wheel drive. And a new range of three-cylinder engines is set to power the new MINI.
- With our BMW i8, we are launching a real brand-shaper for plug-in hybrid technology.
- Plug-in hybrid technology can also reduce fuel consumption in Sports Activity Vehicles. The BMW Concept X5 eDrive demonstrates this, using just 3.8 litres of fuel per 100 kilometres.
BMW Motorrad will also enter the world of electric mobility with the launch of the C evolution in 2014.

In just a few days from now – on the 16th of November – we will launch the all-electric BMW i3. The radical approach behind this car makes it an enabler and pace-setter in the consistent application of lightweight construction. Our BMW i brand is opening up new opportunities for carbon technologies in the series production of conventional vehicles. Not only does carbon assist in bringing CO\textsubscript{2} emissions down even further, it is also making vehicles safer.

With regard to the future, a few areas of focus are: developing new technologies; investing in our facilities and production plants; creating innovative mobility services and offering the right training for our associates. We are making these investments from a position of strength. And we are making them early. This is consistent with the long-term focus of the BMW Group.

Despite these extensive upfront investments in our future, and despite the volatility of the markets, we want to remain profitable. That means: An EBIT margin in the automotive segment of between 8 and 10 percent. The business segments BMW Motorrad and our Financial Services will also contribute to the Group's success.

Last month, BMW Motorrad celebrated its 90th anniversary. As you know, the first ever BMW built back in 1923 was not a car but a motorcycle. Since that time, BMW Motorrad has sold more than 2.8 million motorcycles to customers around the world. And – in perfect time for its anniversary celebration – BMW Motorrad is at the top of its game. Sales figures for the first nine months are at new record levels, totalling more than 93,000 units. We achieved this despite the fact that the motorcycle markets relevant to us have continued to decline. Our Motorrad business will continue to grow profitably and it remains an integral part of the BMW Group.
Another issue in securing our future is the need for appropriately qualified employees. First and foremost we need engineers, experts and specialists, as well as upcoming generations of young associates. In the third quarter of this year some 1,400 apprentices began their careers with the BMW Group. Of those, 1,200 work at locations in Germany. At the end of the third quarter, employee numbers have risen by five percent to reach more than 109,000 associates worldwide.

No matter where the BMW Group operates, we take our role of a responsible corporate citizen seriously. This holds true for the 140 countries in which we sell our cars. It is also true for every one of our 28 production plants in 13 countries.

As the leading player in the automotive industry’s premium sector, we will continue to shape not only our future but that of our industry. Through this, we will continue to strengthen the global reputation of “Made in Germany”.

Thank you very much.