Good morning, Ladies and Gentlemen!

In the coming years, the automotive industry will be changing, bringing with it new opportunities and groundbreaking developments. In this time of profound transition, the BMW Group is assuming an active role as an innovator and a driver of change. We are making our contribution to ensure the successful development of this key industry in Germany and around the world.

Today I would like to focus on four topics:
1. The current performance of the BMW Group.
2. Efficient Dynamics.
3. Electric mobility.
4. Digitalization.

To my first point:
Within a volatile business environment, we have set ourselves ambitious targets for 2015: A solid increase in Group sales; A solid increase in pre-tax Group result; An EBIT margin in the Automotive segment in the target range of 8 to 10 percent.

Our key financials for the first nine months of the current business year are as follows: The pre-tax Group result was over 7.1 billion euros, up 4.3 percent year-on-year. This is the first time we have passed the seven billion euro mark in a nine-month period. The Group net profit reached more than 4.8 billion euros. Again, this is a new record. At 9.0 percent, the EBIT margin in the Automotive segment was within our profitability range of 8 to 10 percent.
These key financials are the result of the high demand for our products and services. In the first nine months of this year, we delivered a total of over 1.64 million vehicles worldwide. This is an increase of 7.5 percent compared with the same period last year.

The Group, as well as the BMW and MINI brands and BMW Motorrad – each achieved new all-time highs for a nine-month period. The BMW brand remains number one in the premium segment. The X5, as well as the BMW 4, 5, and 6 Series are also leading their respective segments. This positive sales development continued in October.

Once again, our sales are well balanced globally, with growth in all major world regions. In Europe, our deliveries were up by more than ten percent. In Asia, sales rose by over four percent year-on-year. Growth in China stood at close to two percent. In the Americas – as well as in the U.S. – the share of customers who decided to buy a BMW, MINI or Rolls-Royce went up seven percent.

All of these figures show that we are on track to meet our targets for the full business year 2015. Nevertheless, there can be no doubt that our business environment is still facing many challenges and uncertainties. The slowdown in growth momentum in China presents certain risks for the development of the global economy. These risks could also affect our business development and forecast.

However, our new models should offset this and will support our positive sales development. A few days ago, we launched the new BMW 7 Series and the second generation of the BMW X1. Thanks to its intelligent mix of materials, the BMW 7 Series is the world’s lightest luxury sedan. On top of that, it is currently also the best connected vehicle in the world. In a nutshell: pure modern luxury.
At MINI, the new Clubman just went on sale. And the new MINI Convertible celebrated its world premiere at the Tokyo Motor Show a few days ago. This model is the next generation of the first and only premium convertible in the small car segment. Rolls-Royce has announced a new model called Dawn.

Now to my second topic: Efficient Dynamics.
Over the past years, we have cut the CO₂ emissions of our new car fleet in Europe by more than one third. We have completely realigned our model portfolio and our engine line-up. Because of this, we have achieved notable results in current test cycles and reduced real consumption. Today, our fleet stands at 130 grams of CO₂ per kilometer. Customers can choose from 86 models within the BMW Group portfolio that emit less than 120g of CO₂ per kilometer in the current EU test cycle.

An important element of Efficient Dynamics is our state-of-the-art diesel technology. Diesel is one of the cleanest and most efficient drive trains in the industry. Without diesel powertrains, we would not have been able to meet the strict CO₂ limits in Europe. Many customers appreciate the advantages a diesel has to offer. At present, our customers are not showing any changes in their buying behavior towards diesel.

For us at the BMW Group, it remains a matter of course that we strictly adhere to the legal regulations and existing test cycles in every country. We act according to the mandatory procedures and compliance guidelines we have established. As I see it, a company’s corporate and leadership culture is a crucial aspect in this context. Allowing for discussions and open discourse, as well as a clear corporate compliance policy, is an important element to prevent fundamental misconduct.

As a global business, the BMW Group operates in over 140 countries around the world.
Therefore, it is necessary to have common standards for technical systems – in Europe and worldwide – in order to provide a stable planning basis for manufacturers’ investment decisions. With a uniform system, we would no longer need to meet different technical requirements in different regions anymore. That is why we support the rapid implementation of new test cycles. This includes the new WLTP test cycle and the Real Drive Emission test procedure RDE. Our customers know the value they get from our vehicles and their trust is the cornerstone of our business.

So let’s move on to my third topic.

We remain committed to our pursuit in developing alternative drivetrains. That is why we created the BMW i brand for electric mobility. Today, one in four electric cars sold in Germany is a BMW i3. In the U.S., every sixth e-car is an i3. In Norway, the i3 accounts for an impressive one in five BMWs sold. In China, customers are now exempt from paying sales tax on the i3. This means new opportunities for us in China, one of the most important markets for e-mobility.

We will invest further in our BMW i family and therefore we will launch another model under BMW i. As previously announced, we are consistently transferring BMW i’s innovative drive systems to our BMW series models. In 2016, we will launch plug-in hybrid versions in high-volume model series – namely the BMW 7, 3 and 2 Series. The X5 with eDrive has been available in the U.S. since early October and will be launched in Germany and further markets this month. No other carmaker in the world offers customers such a wide range of alternative drive trains and highly efficient combustion engines.

To my fourth topic: Digitalization.

The future of the automotive industry will be decided in the fields of vehicle connectivity and autonomous driving. Digitalization is transforming our entire business model – from customer touch points to mobility concepts and services, as well as to digitally-supported production.
We want our customers to be able to make full use of their smartphone’s features in the car as well. Thus, we are going to integrate Apple’s ‘CarPlay’ and Google’s ‘Android Auto’ into our vehicles. Obviously, it is not in the interest of our customers to give third-party providers access to their data. For us, the protection of our customers’ data is top priority.

The digitalization of mobility offers an exciting potential for growth in our industry. Over the past decades, the car has become a highly complex technological machine. So, whether you want to offer mobility “Made in Silicon Valley” or “Made in Bavaria” – the same regulatory requirements and challenges apply to everybody.

Our focus at the BMW Group has always been on the long-term and will remain so in the future. In our strategy process, we simultaneously consider two time periods: First, which operational actions can efficiently guide us up to 2020? Second, and I would say this is the decisive question: What do we need to remain successful within our competitive environment in 2025 and beyond?

We are convinced that we have the right skill set at our disposal to shape the future of individual mobility. In doing so, we rely on our innovative strength and experience. At the same time, we want to develop cutting-edge technologies for new products and tap into new business areas. All these activities follow our claim of being the leading provider of individual mobility and services in the premium segment. Guided by a clear strategy, our course towards the future remains stable – and with confidence we will move the BMW Group forward successfully.

Thank you very much for your attention.