Stephan Schaller, President BMW Motorrad
March 19, 2015

ANALYST AND INVESTOR CONFERENCE 2015
BMW MOTORRAD
THE MOTORCYCLE MARKET >500 CCM HAS BEEN CUT IN HALF DURING THE LAST SEVEN YEARS.

OUR MARKET SHARE HAS DOUBLED IN THE SAME PERIOD.
MARKET SHARE VS. MARKET DEVELOPMENT
INITIAL SIGNS OF A MARKET RECOVERY (G7 MARKETS)

<table>
<thead>
<tr>
<th>Year</th>
<th>MC &amp; SC &gt; 500cc</th>
<th>MA% MR &amp; SC</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>1,169</td>
<td>7.2%</td>
</tr>
<tr>
<td>2002</td>
<td>1,199</td>
<td>7.7%</td>
</tr>
<tr>
<td>2003</td>
<td>1,226</td>
<td>7.6%</td>
</tr>
<tr>
<td>2004</td>
<td>1,305</td>
<td>7.1%</td>
</tr>
<tr>
<td>2005</td>
<td>1,372</td>
<td>6.7%</td>
</tr>
<tr>
<td>2006</td>
<td>1,501</td>
<td>7.1%</td>
</tr>
<tr>
<td>2007</td>
<td>1,508</td>
<td>6.8%</td>
</tr>
<tr>
<td>2008</td>
<td>1,417</td>
<td>7.2%</td>
</tr>
<tr>
<td>2009</td>
<td>891</td>
<td>8.8%</td>
</tr>
<tr>
<td>2010</td>
<td>881</td>
<td>11.1%</td>
</tr>
<tr>
<td>2011</td>
<td>858</td>
<td>12.2%</td>
</tr>
<tr>
<td>2012</td>
<td>855</td>
<td>12.4%</td>
</tr>
<tr>
<td>2013</td>
<td>829</td>
<td>13.9%</td>
</tr>
<tr>
<td>2014</td>
<td>850</td>
<td>14.1%</td>
</tr>
</tbody>
</table>

*2014 global market size number is still preliminary.
BMW MOTORRAD
THE ULTIMATE RIDING MACHINE – SINCE 1923

2014: 123,495 units
+ 7.2% previous year
2014 – PRODUCT HIGHLIGHTS
5 PRODUCT LAUNCHES 2014

R nineT
S 1000 R
C evolution
R 1200 RT
R 1200 GS Adventure
WE ARE MARKET LEADER IN 26 COUNTRIES NOW UP FROM 16 IN 2013
SUCCESSFUL FINANCIAL YEAR FOR BMW MOTORRAD WITH STRONG INCREASE IN EARNINGS

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (units)</td>
<td>123,495</td>
<td>115,215</td>
<td>+ 7.2</td>
</tr>
<tr>
<td>Revenues</td>
<td>1,679</td>
<td>1,504</td>
<td>+ 11.6</td>
</tr>
<tr>
<td>Earnings before interests and taxes (EBIT)</td>
<td>112</td>
<td>79</td>
<td>+ 41.8</td>
</tr>
<tr>
<td>EBIT margin (in %)</td>
<td>6.7</td>
<td>5.3</td>
<td>-</td>
</tr>
<tr>
<td>Earnings before taxes (EBT)</td>
<td>107</td>
<td>76</td>
<td>+ 40.8</td>
</tr>
</tbody>
</table>
2015 – PRODUCT HIGHLIGHTS
5 LAUNCHES IN 2015

BMW R 1200 R
BMW R 1200 RS
BMW S 1000 XR
BMW S 1000 RR
BMW F 800 R
AMBITIOUS TARGETS TILL 2020

2014: 123,495 units
BMW MOTORRAD
ACTIVELY SHAPE THE FUTURE – OPERATIONAL EXCELLENCE, ENABLER

stable, profitable growth

Brand values and premium positioning

Brand Management

Value creation strategy

Core products

Customer acquisition

Operational Excellence, Enabler
BMW MOTORRAD – WE ARE COMMITTED !!!
ALL EMPLOYEES ARE TRAINED IN STRATEGY

More than 1,400 employees were trained in two academies (additionally more than 100 managers in the role of a trainer)

Very positive response from our employees

Feedback after the event: 90% of the participants evaluate their new knowledge about the strategy as (very) good
QUALITY TRAINING FOR CUSTOMER ORIENTATION
TRAINING FOR 1500 EMPLOYEES TILL THE END OF 2015

Start:
Berlin: July - Dec. 2015
BMW MOTORRAD
ACTIVELY SHAPE THE FUTURE – CORE PRODUCTS

stable, profitable growth

Brand values and premium positioning

Brand Management

Value creation strategy

Core products

Customer acquisition

Operational Excellence, Enabler
OUR STARTING POINTS CONTINUE TO STRENGTHEN THE CORE SEGMENTS
BMW MOTORRAD
ACTIVELY SHAPE THE FUTURE – CUSTOMER ACQUISITION

stable, profitable growth

Brand values and premium positioning

Brand Management

Value creation strategy

Core products

Customer acquisition

Operational Excellence, Enabler
OUR STARTING POINTS
EXPANSION OF MARKET POTENTIAL

Total market > 500 cc in 2014:
Ca. 850,000 units

Expansion of market potential to 2-3 mn units through entry into new ccm segments

Market volume
(Powered Two Wheelers)

??? mn*
*incl. Electro und Pedelecs
BMW MOTORRAD
ACTIVELY SHAPE THE FUTURE - SEGMENTS

stable, profitable growth

Brand value and premium positioning

Brand Management

Value creation strategy

Core products

Operational Excellence, Enabler

- <500cc
- New Heritage
- Urban Mobility
- E-Mobility
ENTRY IN SEGMENT UNDER 500 CCM PREMIUM PRODUCT INNOVATIONS
OUR STARTING POINTS
SEGMENT NEW HERITAGE AND LIFESTYLE
SEGMENT ‘URBAN MOBILITY’
EXPANSION OF THE SCOOTER SEGMENT IN LOWER DISPLACEMENT

Space required to transport 60 people

| car | bicycle/bike | bus |

BMW C 600 Sport / C 650 GT
SEGMENT ‘URBAN MOBILITY’
FUTURE SUSTAINABILITY THROUGH E-MOBILITY

1. Step C-Evolution

48 HP, 72 Nm, 100 km reach, completely charged in max. 4 h or 2:15 h (80%)

2. Step Expansion E-Mobility
BMW MOTORRAD
ACTIVELY SHAPE THE FUTURE – VALUE CREATION STRATEGY

Stable, profitable growth

Brand values and premium positioning

Brand Management

Value creation strategy

Core products
Customer acquisition

Operational Excellence, Enabler
BMW MOTORRAD PRODUCTION 10 YEARS AGO
FOCUS ON GERMANY/EUROPE

Germany/ Plant Berlin

Germany/ Headquarter Munich
BMW MOTORRAD PRODUCTION TODAY
A WORLDWIDE PRODUCTION NETWORK

- Germany/Plant Berlin
- Germany/Headquarter Munich
- Brasil/Manaus, Assembly Partner
- India/Bangalore, OEM Partner
- Thailand/Rayong, Assembly BMW
- China/Chongqing, OEM Partner
BMW MOTORRAD
ACTIVELY SHAPE THE FUTURE – BRAND MANAGEMENT

Stable, profitable growth

Brand values and premium positioning

Brand Management

Value creation strategy

Core products

Customer acquisition

Operational Excellence, Enabler
BRAND LEADERSHIP
THE EVOLUTION OF THE BRAND BMW MOTORRAD

Starting as a conventional Brand…

…becoming a dynamic and emotional brand…

…right up to a lifestyle and experience brand.

BRAND PERCEPTION:
RIDERS’ EQUIPMENT BECOMES A LIFESTYLE ISSUE
BRAND PERCEPTION AT THE POINT OF SALE
“MAKE LIFE A RIDE”

BMW Motorrad Brand Concept Store Donford, Cape Town
BMW MOTORRAD
EXPANSION OF DEALER NETWORK

2013: 1,050
2014: 1,121
Target 2020:
2015 – MORE TO COME
PURE AND CRAFTED FESTIVAL
THANK YOU AND DON’T FORGET TO …

MAKE LIFE A RIDE.