ANALYST AND INVESTOR CONFERENCE
HARALD KRÜGER
CHAIRMAN OF THE BOARD OF MANAGEMENT OF BMW AG
AGENDA.

Introductory remarks.


Key decisions within Strategy NUMBER ONE > NEXT.

First new products in our model offensive.
AGENDA.

Introductory remarks:
What is important to me?
Where is the BMW Group heading?


Key decisions within
Strategy NUMBER ONE > NEXT.

First new products in our model offensive.
AGENDA.

Introductory remarks.


Key decisions within Strategy NUMBER ONE > NEXT.

First new products in our model offensive.
## BMW GROUP.
### KEY RESULTS FOR THE FINANCIAL YEAR 2016.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group revenues</td>
<td>94,163</td>
<td>+ 2.2 %</td>
</tr>
<tr>
<td>Group earnings before tax</td>
<td>9,665</td>
<td>+ 4.8 %</td>
</tr>
<tr>
<td>Group net profit</td>
<td>6,910</td>
<td>+ 8.0 %</td>
</tr>
<tr>
<td>EBIT margin Automotive</td>
<td>8.9 %</td>
<td></td>
</tr>
</tbody>
</table>
ANNUAL ACCOUNTS PRESS CONFERENCE

DR. NICOLAS PETER
MEMBER OF THE BOARD OF MANAGEMENT OF BMW AG, FINANCE
BMW GROUP. GROUP EBT MARGIN ABOVE 10% SINCE 2011.

EBT margin (in %)

- 2010: 8.0%
- 2011: 10.7%
- 2012: 10.2%
- 2013: 10.4%
- 2014: 10.8%
- 2015: 10.0%
- 2016: 10.3%
POSITIVE BUSINESS DEVELOPMENT DESPITE CHALLENGING POLITICAL AND ECONOMIC CONDITIONS.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive deliveries (units)</td>
<td>2,367,603</td>
<td>2,247,485</td>
<td>+ 5.3</td>
</tr>
<tr>
<td>Revenues – Group</td>
<td>94,163</td>
<td>92,175</td>
<td>+ 2.2</td>
</tr>
<tr>
<td>Earnings before tax – Group</td>
<td>9,665</td>
<td>9,224</td>
<td>+ 4.8</td>
</tr>
<tr>
<td>EBT margin (in %) – Group</td>
<td>10.3</td>
<td>10.0</td>
<td>-</td>
</tr>
<tr>
<td>Net profit – Group</td>
<td>6,910</td>
<td>6,396</td>
<td>+ 8.0</td>
</tr>
</tbody>
</table>
AS ANTICIPATED HIGH INVESTMENTS HAVE IMPACTED EARNINGS IN THE 4TH QUARTER 2016.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive deliveries (units)</td>
<td>620,965</td>
<td>602,675</td>
<td>+ 3.0</td>
</tr>
<tr>
<td>Revenues – Group</td>
<td>24,934</td>
<td>24,978</td>
<td>- 0.2</td>
</tr>
<tr>
<td>Earnings before tax – Group</td>
<td>1,924</td>
<td>2,110</td>
<td>- 8.8</td>
</tr>
<tr>
<td>EBT margin (in %) – Group</td>
<td>7.7</td>
<td>8.4</td>
<td>-</td>
</tr>
<tr>
<td>Net profit – Group</td>
<td>1,499</td>
<td>1,552</td>
<td>- 3.4</td>
</tr>
<tr>
<td>EBIT margin Automotive segment (in %)</td>
<td>8.3</td>
<td>9.6</td>
<td>-</td>
</tr>
</tbody>
</table>
CAPITAL EXPENDITURE OF € 3.7 BILLION. CAPEX RATIO ON TARGET AT <5%.

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital Expenditure (in m€)</th>
<th>Capex Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>4,601</td>
<td>5.7%</td>
</tr>
<tr>
<td>2015</td>
<td>3,826</td>
<td>4.2%</td>
</tr>
<tr>
<td>2016</td>
<td>3,731</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

Target: < 5%

*excluding capitalised development costs
R&D EXPENDITURE OF € 5.2 BILLION. R&D RATIO AT 5.5% IN TARGET RANGE.

R&D ratio (HGB) BMW Group

Target range: 5 – 5.5%

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio</td>
<td>5.1%</td>
<td>6.3%</td>
<td>5.7%</td>
<td>5.6%</td>
<td>5.5%</td>
</tr>
</tbody>
</table>
**DIVIDEND INCREASE OF € 0.30 PROPOSED. PAYOUT RATIO OF 33.3%.

<table>
<thead>
<tr>
<th>Dividend per common share (in €)</th>
<th>Total dividend payout (in m€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.50 (2016)</td>
<td>2,300 (2016)</td>
</tr>
</tbody>
</table>
### AUTOMOTIVE SEGMENT.
**EBIT MARGIN IN TARGET RANGE OF 8-10% AS FORECAST.**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries (units)</td>
<td>2,367,603</td>
<td>2,247,485</td>
<td>+ 5.3</td>
</tr>
<tr>
<td>Revenues</td>
<td>86,424</td>
<td>85,536</td>
<td>+ 1.0</td>
</tr>
<tr>
<td>Earnings before interest and tax (EBIT)</td>
<td>7,695</td>
<td>7,836</td>
<td>- 1.8</td>
</tr>
<tr>
<td>EBIT margin (in %)</td>
<td>8.9</td>
<td>9.2</td>
<td>-</td>
</tr>
<tr>
<td>Earnings before tax (EBT)</td>
<td>7,916</td>
<td>7,523</td>
<td>+ 5.2</td>
</tr>
</tbody>
</table>
AUTOMOTIVE SEGMENT: 2015 TO 2016 EBIT BRIDGE.

\[ \text{EBIT margin} \quad 9.2\% \quad \text{2015} \]

\[ +200 \quad \text{Net effect from exchange rates/commodities} \]

\[ +89 \quad \text{Volume/Mix/Market} \]

\[ -70 \quad \text{Other operating income and expenses} \]

\[ -143 \quad \text{Depreciation} \]

\[ -217 \quad \text{Other cost changes} \]

\[ \text{EBIT margin} \quad 8.9\% \quad \text{2016} \]

\[ 7,836 \]

\[ 7,695 \]
AUTOMOTIVE SEGMENT FREE CASHFLOW SIGNIFICANTLY ABOVE TARGET OF > € 3 BILLION.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target: &gt; € 3 bn</td>
<td>5,404</td>
<td>5,792</td>
</tr>
</tbody>
</table>

In m€
**STRONG GROUP LIQUIDITY POSITION SUPPORTS FINANCIAL FLEXIBILITY.**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>6,122</td>
<td>7,880</td>
</tr>
<tr>
<td>Marketable securities</td>
<td>5,261</td>
<td>5,287</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>11,383</td>
<td>13,167</td>
</tr>
</tbody>
</table>

In m€
FINANCIAL SERVICES SEGMENT.
SUCCESSFUL FINANCIAL YEAR 2016.

<table>
<thead>
<tr>
<th>In m€</th>
<th>2016</th>
<th>2015</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>New customer contracts (units)</td>
<td>1,811,157</td>
<td>1,655,961</td>
<td>+ 9.4</td>
</tr>
<tr>
<td>Total volume of new customer contracts</td>
<td>55,327</td>
<td>50,606</td>
<td>+ 9.3</td>
</tr>
<tr>
<td>Earnings before tax (EBT)</td>
<td>2,166</td>
<td>1,975</td>
<td>+ 9.7</td>
</tr>
<tr>
<td>Return on equity (in %)</td>
<td>21.2</td>
<td>20.2</td>
<td>-</td>
</tr>
<tr>
<td>Penetration rate (in %)</td>
<td>49.6</td>
<td>46.3</td>
<td>-</td>
</tr>
</tbody>
</table>
STABLE RISK SITUATION UNCHANGED FROM THE PREVIOUS YEAR. CREDIT LOSS RATIO IMPROVED AT 0.32%.

<table>
<thead>
<tr>
<th>Year</th>
<th>Credit Loss Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>0.67</td>
</tr>
<tr>
<td>2011</td>
<td>0.51</td>
</tr>
<tr>
<td>2012</td>
<td>0.48</td>
</tr>
<tr>
<td>2013</td>
<td>0.46</td>
</tr>
<tr>
<td>2014</td>
<td>0.50</td>
</tr>
<tr>
<td>2015</td>
<td>0.37</td>
</tr>
<tr>
<td>2016</td>
<td>0.32</td>
</tr>
</tbody>
</table>
MOTORCYCLES SEGMENT. INCREASE IN DELIVERIES, REVENUES AND EARNINGS.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries (units)</td>
<td>145,032</td>
<td>136,963</td>
<td>+ 5.9</td>
</tr>
<tr>
<td>Revenues</td>
<td>2,069</td>
<td>1,990</td>
<td>+ 4.0</td>
</tr>
<tr>
<td>Earnings before interest and tax (EBIT)</td>
<td>187</td>
<td>182</td>
<td>+ 2.7</td>
</tr>
<tr>
<td>EBIT margin (in %)</td>
<td>9.0</td>
<td>9.1</td>
<td>-</td>
</tr>
<tr>
<td>Earnings before tax (EBT)</td>
<td>185</td>
<td>179</td>
<td>+ 3.4</td>
</tr>
</tbody>
</table>
GROWING FINANCIAL SERVICES BUSINESS INCREASES INTERCOMPANY PROFIT ELIMINATIONS.

<table>
<thead>
<tr>
<th>In m€</th>
<th>2016</th>
<th>2015</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automobiles</td>
<td>7,916</td>
<td>7,523</td>
<td>+ 5.2</td>
</tr>
<tr>
<td>Motorcycles</td>
<td>185</td>
<td>179</td>
<td>+ 3.4</td>
</tr>
<tr>
<td>Financial Services</td>
<td>2,166</td>
<td>1,975</td>
<td>+ 9.7</td>
</tr>
<tr>
<td>Other Entities</td>
<td>170</td>
<td>211</td>
<td>- 19.4</td>
</tr>
<tr>
<td>Eliminations</td>
<td>-772</td>
<td>-664</td>
<td>- 16.3</td>
</tr>
<tr>
<td>BMW Group</td>
<td>9,665</td>
<td>9,224</td>
<td>+ 4.8</td>
</tr>
</tbody>
</table>
### OUTLOOK FOR 2017:
**POSITIVE BUSINESS DEVELOPMENT EXPECTED.**

<table>
<thead>
<tr>
<th><strong>BMW Group</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Slight increase in EBT compared with previous year</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Automotive Segment</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Slight increase in deliveries and revenues compared with previous year</td>
<td>EBIT margin in the target range of 8-10%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Financial Services Segment</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Return on Equity of at least 18%, slight decrease compared with previous year</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Motorcycles Segment</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Significant increase in deliveries compared with previous year</td>
<td>EBIT margin in the target range of 8-10%</td>
<td></td>
</tr>
</tbody>
</table>
BMW GROUP.
VISION VEHICLES PROVIDE A GLIMPSE INTO THE FUTURE.
BMW GROUP.
ACES ARE A CORE ELEMENT OF STRATEGY NUMBER ONE > NEXT.
AGENDA.

Introductory remarks.


Key decisions within Strategy NUMBER ONE > NEXT.

First new products in our model offensive.
BMW GROUP.
BALANCED GLOBAL SALES BY REGIONS IN 2016.

Europe: 1,092,155
Asia: 747,291
Americas: 460,398
Rest of World: 67,759
BMW GROUP.
EUROPE, CHINA AND USA – THE PILLARS OF OUR PRODUCTION NETWORK.

- Moses Lake
- Spartanburg
- Hams Hall
- Oxford
- Swindon
- Goodwood
- Berlin
- Dingolfing
- Eisenach
- Landshut
- Leipzig
- Munich
- Regensburg
- Wackersdorf
- Dadong
- Tiexi
- New Engine Plant
- Kaliningrad
- Cairo
- Chennai
- Rayong
- Kulim
- Jakarta
- Manaus
- Araquari
- Rosslyn
- Born
- Steyr
- Graz
- Kaliningrad
- Berlin
- Dingolfing
- Eisenach
- Landshut
- Leipzig
- Munich
- Regensburg
- Wackersdorf

Legend:
- Production plant
- Assembly plant
- Joint venture
- Contract manufacturing
We are NUMBER ONE.
We inspire people on the move:
We shape tomorrow’s individual premium mobility.
BMW GROUP.
CONSISTENT REDUCTION OF OUR CO$_2$ FLEET EMISSIONS.

- 40% since 1995

124 g/km

EU fleet emissions
BMW Group
end of 2016
BMW GROUP.
ELECTRIFICATION SUCCESS STORY.

BEV

- BMW i3
- MINI BEV
- BMW i3 BEV
- BMW iNEXT

PHEV

- BMW i8
- BMW 225xe iPerformance
- BMW 330e iPerformance
- BMW 530e iPerformance
- BMW i8 Roadster

- MINI Cooper S E Countryman ALL4
- BMW X1 xDrive 25Le iPerformance (China only)
- BMW X5 xDrive40e iPerformance
- BMW 740e/Le iPerformance

2018

- BMW i8 Roadster
BMW GROUP.
BMW i3 (94Ah) AND BMW C EVOLUTION WITH EXTENDED RANGE.
BMW GROUP.
DRIVETRAIN MIX.

BEV / Plug-in-Hybrid

Fuel Cell

Combustion engine
BMW GROUP.
FURTHER DEVELOPMENT OF VEHICLE ARCHITECTURES.
BMW GROUP.
BMW iNEXT AS SPEARHEAD OF INNOVATION.

Connectivity

lightweight design

Interior of the future

Highly automated driving

New sportiness

Autonomous driving

Electrification

Artificial intelligence

Purpose-built

Sustainability

BMW iNEXT

New sportiness
BMW GROUP.
CAR AS A LIVING SPACE.
BMW GROUP.
« BMW i INSIDE FUTURE » WITH HOLOACTIVE TOUCH.
BMW GROUP.
RAPID PROGRESS IN AUTONOMOUS DRIVING.

Driver

No assistance
Assisted
Partially automated
Highly automated
Fully automated
Autonomous

Eyes off
Mind off
Passenger

Transfer of responsibility

Human
Machine
BMW GROUP.
INDIVIDUAL MOBILITY AS ATTRACTIVE AREA FOR FUTURE ACTIVITY.
BMW GROUP.
IN-HOUSE EXPERTISE PAIRED WITH STRONG PARTNERSHIPS.

BMW Companion
BMW ConnectedDrive

AUTONOMOUS
CONNECTED
ELECTRIFIED
SERVICES

HPC
OEMs
charge point
HUBject
chargemaster

BMW i
BMW iPerformance

Now Family
ChargeNow
ReachNow
DriveNow
ParkNow
here
BMW GROUP.
EXPANDING OUR MOBILITY SERVICES.
BMW GROUP.
GOAL: 100 MILLION CUSTOMERS IN 2025.

Traditional vehicle business

Traditional vehicle business + services + vehicle-independent services

100 million

30 million

customers worldwide

2016

2025
BMW GROUP.
EMPLOYER ATTRACTIVENESS: TOP AUTOMOTIVE MANUFACTURER WORLDWIDE.

Most respected global study: students surveyed in 2016

<table>
<thead>
<tr>
<th>Engineers / IT worldwide</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top automotive manufacturer</td>
</tr>
<tr>
<td>Only automobile manufacturer in top 10</td>
</tr>
<tr>
<td>4th place overall</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Engineers / IT Europe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top automotive manufacturer</td>
</tr>
<tr>
<td>4th place overall</td>
</tr>
</tbody>
</table>
AGENDA.

Introductory remarks.


Key decisions within Strategy NUMBER ONE > NEXT.

First new products in our model offensive.
BMW GROUP.
THE NEW BMW 5 SERIES.
BMW GROUP.
THE BMW X2 CONCEPT.
BMW GROUP.
THE NEW BMW X3.
BMW GROUP.
THE NEW MINI COUNTRYMAN.
BMW GROUP.
ROLLS-ROYCE WRAITH AND GHOST BLACK BADGE.
BMW GROUP.
BMW MOTORRAD MODEL OFFENSIVE.
BMW GROUP.
FOUR STRONG PREMIUM BRANDS.
This document contains forward-looking statements that reflect BMW Group’s current views about future events. The words “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “may,” “can,” “could,” “plan,” “project,” “should” and similar expressions are used to identify forward-looking statements.

These statements are subject to many risks and uncertainties or may be affected by factors outside BMW Group’s control, including adverse developments in global economic conditions resulting in a decline in demand in BMW Group’s key markets, including China, North America and Europe; a deterioration in credit and financial markets; a shift in consumer preferences affecting demand for BMW Group’s products; changes in the prices of fuel or raw materials; disruption of production due to shortages of materials, labor strikes or supplier insolvencies; the effective implementation of BMW Group’s strategic goals and targets; changes in laws, regulations and government policies, particularly those relating to vehicle emissions, fuel economy and safety; and other risks and uncertainties, including those described under the heading “Report on Risks and Opportunities” in BMW Group’s most recent Annual Report.

If any of these risks and uncertainties materializes or if the assumptions underlying any of BMW Group’s forward-looking statements prove to be incorrect, actual results may be materially different from those BMW Group expresses or implies by such statements. BMW Group does not intend or assume any obligation to update these forward-looking statements.