

Information relating to item 10 of the AGM agenda:

**Profit and Loss Transfer Agreement between
Bayerische Motoren Werke Aktiengesellschaft and its subsidiary
BMW Bank GmbH dated 15 March 2010.**

Profit and Loss Transfer Agreement

between

Bayerische Motoren Werke Aktiengesellschaft with its registered office in Munich and entered in the Commercial Register of Munich District Court under HRB 42243,

– hereinafter referred to as the “Controlling Entity” –

and

BMW Bank GmbH, with its registered office in Munich and entered in the Commercial Register of Munich District Court under HRB 82381,

– hereinafter referred to as the “Controlled Entity” –

– The Controlling Entity and the Controlled Entity are hereinafter also referred to individually as the
the
“Party” or collectively as the “Parties” –

Preamble

The Controlling Entity is the sole shareholder of the Controlled Entity. In continuation of an existing fiscal unity within the meaning of §§ 14, 17 Corporate Income Tax Act (KStG) between the Controlled Entity and the Controlling Entity, the previously existing Profit and Loss Transfer Agreement between the Parties shall be amended as a whole as follows.

1. Profit transfer

1.1

The Controlled Entity undertakes to transfer its entire profit to the Controlling Entity. The provisions of § 301 of the German Stock Corporation Act (AktG) shall apply in full as amended from time to time.

1.2

Accordingly, subject to the formation or release of reserves pursuant to Sections 1.3 and 1.4 below – profit is the total annual net profit arising without the profit transfer, reduced by any loss carried forward from the previous year and reduced by the other deductions listed in § 301 AktG, as amended from time to time, insofar as they are applicable for the Controlled Entity.

1.3

The Controlled Entity may only allocate amounts from the net profit for the year to revenue reserves (§ 272 (3) HGB) – with the exception of the statutory reserves, to the extent relevant – (hereinafter “other revenue reserves”) to the extent that this is economically justified based on a reasonable commercial assessment.

1.4

Other revenue reserves formed during the term of the agreement must be dissolved at the request of the Controlling Entity and used to offset a net loss for the year or transferred as profit.

1.5

The claim to profit transfer shall become due with the adoption of the annual financial statements of the Controlled Entity. The Controlling Entity may request an advance transfer of profits if and to the extent that an advance distribution could be paid.

2. Loss compensation

2.1

The provisions of § 302 AktG shall apply in full as amended from time to time.

2.2

In particular, the Controlling Entity shall be obliged pursuant to § 302 (1) AktG to compensate any net loss for the year otherwise arising during the term of this agreement, unless such net loss is offset by withdrawing amounts from the other revenue reserves which were allocated to such other revenue reserves during the term of this agreement.

2.3

In particular, the Controlled Entity may, in analogous application of § 302 (3) AktG, neither waive nor settle the claim for loss compensation before expiry of a period of three years after the day on which the entry of the termination of this agreement in the commercial register has been announced within the meaning of § 10 HGB. This does not apply if the Controlling Entity is illiquid and settles with its creditors in order to avoid insolvency proceedings or if the obligation to pay compensation is regulated in an insolvency plan.

3. Effective date and duration of the Agreement

3.1

This Agreement is concluded subject to the approval of the Annual General Meeting of the Controlling Entity and the approval of the shareholders' meeting of the Controlled Entity. It becomes effective upon entry in the commercial register of the Controlled Entity and applies for the period from the beginning of the fiscal year of the entry.

The profit and loss transfer agreement currently existing between the Parties shall be replaced by the present agreement without transition when the present agreement becomes effective as from the beginning of the fiscal year of the entry.

3.2

The Agreement is concluded for a fixed term until the end of 31.12.2014 (minimum term five years). If the entry in the commercial register of the Controlled Entity is not made by 31 December 2010 at the latest, the minimum term pursuant to Sentence 1 shall be extended until the expiry of five years from the beginning of the fiscal year of the Controlled Entity in which the entry is made in the commercial register of the Controlled Entity.

The Agreement shall be extended for further periods of one year each following the minimum term unless it is terminated by one Party at least six weeks before its expiry.

3.3

The right of each Party to terminate the Agreement for good cause without notice shall remain unaffected.

4. Final provisions

Should individual provisions of this Agreement be or become invalid, or should this Agreement contain loopholes, this shall not affect the validity of the remaining provisions.

In such a case, insofar as a supplementary interpretation of the Agreement is not possible, the Parties shall agree on the provision which would have been agreed taking into account the purpose of the Agreement if the ineffectiveness of the provision or the loophole had been known from the outset.

Munich, 15 March 2010

Bayerische Motoren Werke Aktiengesellschaft

Dr. Friedrich Eichiner

ppa Dr. Thomas Wittig

BMW Bank GmbH

Dr. Hans-Jürgen Cohrs

Eberhard Schrempf