

**BMW  
GROUP**



**ROLLS-ROYCE**  
MOTOR CARS LTD

# INVESTOR PRESENTATION

APRIL 2022



Investor Relations

# WHY INVEST IN BMW?



**FIRST-CLASS INDIVIDUAL MOBILITY** – We play a **pioneering role** in setting standards for the individual **premium** mobility of tomorrow. It **combines pleasure and responsibility** without compromise.



**SUSTAINABILITY** – The BMW Group is a **holistically sustainable company** taking **responsibility for sustainable future mobility**. Every investment in BMW is a **sustainable investment**.



**INNOVATION & FLEXIBILITY** – The BMW Group is an **innovation pioneer** in the automotive industry. Our business model is based on **constant transformation** and **flexibility** – successful for over 100 years.



**ELECTRIFICATION** – Due to our **flexibility** and **permanently transformed plants**, we will have a **convincing battery-electric vehicle** offer **covering 90%** of our current market segments from 2023.



**DIGITALIZATION** – We set standards in the **digitalization** and **connectivity** of our vehicles and use our **competitive edge in remote software upgrades**.



**FINANCIAL PERFORMANCE** – We offer **financial stability** due to our strong **balance sheet** and industry-leading **credit ratings\***. We set **ambitious profitability** and **cash flow targets** and are a **reliable dividend payer**.

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# BMW GROUP STRATEGY.

THE BMW GROUP STANDS FOR FIRST CLASS INDIVIDUAL MOBILITY AND CONTRIBUTES TO THE SUSTAINABLE DEVELOPMENT OF OUR PLANET.

## WHAT FOR? POSITION.

We stand for first class individual mobility and contribute to the sustainable development of our planet. We reconcile economy, ecology and society. As a result, our customers enjoy outstanding products and demonstrate responsibility.

## WHAT? DIRECTION.

We offer thrilling products – today and for future generations. High profitability secures our independence as a company. We use our powerful innovations and our passion to shape the future of sustainable mobility.



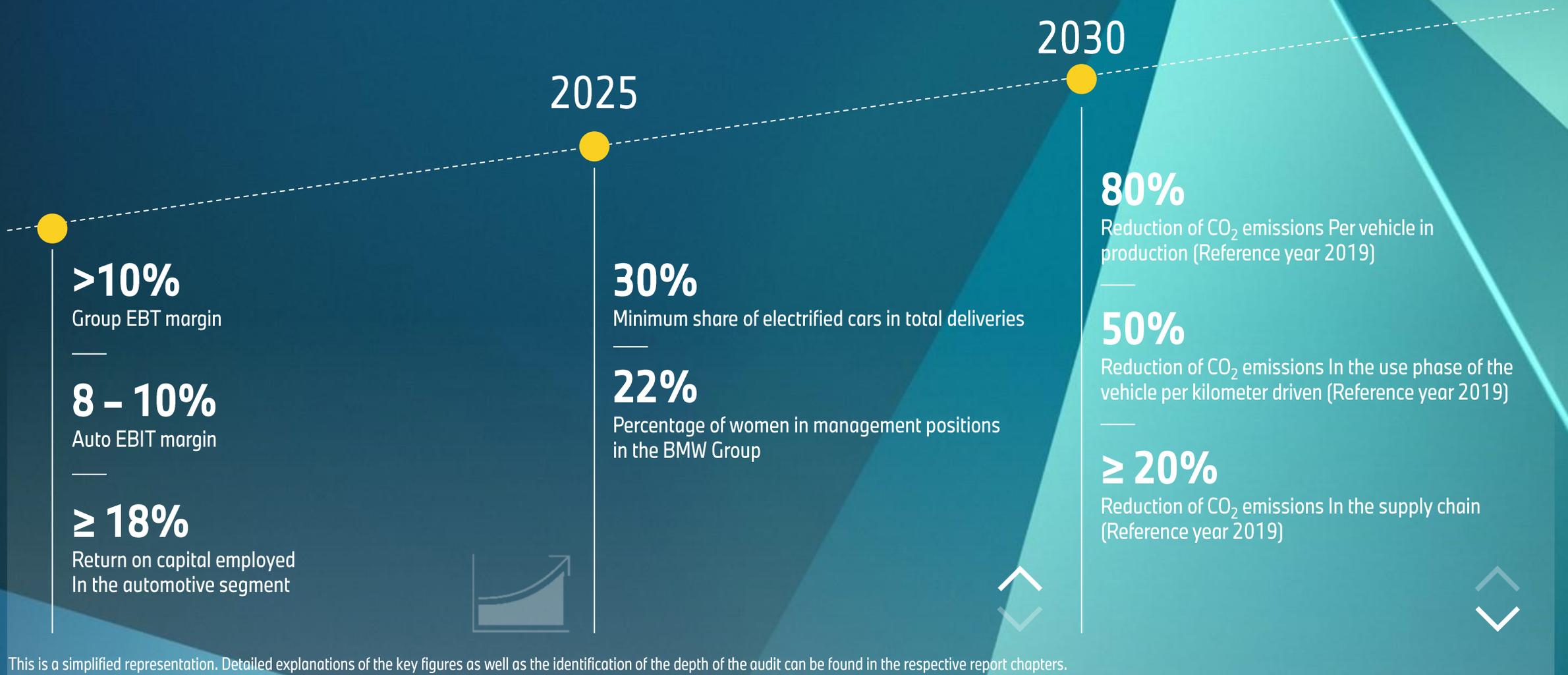
## WHERE? STRATEGIC APPROACH.

We focus on our customers and meet their needs which differ across the world.. We combine technologies, emotional products and personalized customer support to create a unique overall experience.

## HOW? COOPERATION.

We deliver top performance. Our values are the basis for cooperation. We work hard hand in hand internally and with our external partners. In doing so, we achieve maximum effectiveness, and together bring success to the company.

# ENSURE LONG-TERM SUCCESS. BMW GROUP STRATEGIC OBJECTIVES.



This is a simplified representation. Detailed explanations of the key figures as well as the identification of the depth of the audit can be found in the respective report chapters.

\*With effect from the reporting year 2022, a simplified definition of capital employed will be applied to make the calculation of RoCE more comprehensible and transparent. Further information is available in the BMW Group Report 2021, page 45.

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# SUSTAINABILITY IS CENTRAL TO EVERYTHING WE DO. BMW HAS PURSUED AMBITIOUS SUSTAINABILITY GOALS FOR YEARS.



## SUSTAINABILITY. SELECTED MILESTONES.

**1973**

First environmental manager in the automotive industry

**2001**

1<sup>st</sup> Sustainable Value Report

**2009**

Sustainability is a corporate target

**2012**

We set ten sustainability goals for the end of 2020

**2020**

We set ambitious CO<sub>2</sub> reduction targets across the entire value chain by 2030

**2021**

1<sup>st</sup> Integrated Report

**2050**

Climate-neutral business model across the entire value chain

**2000**

Sustainability is a guiding principle of the BMW Group's corporate strategy

**2011**

Sustainability is an integral part of our procurement process and an essential purchasing criterion

**2020+**

We are making sustainability central to the strategic direction of the BMW Group

**2030**

CO<sub>2</sub> reduction by at least 40% across the value chain

FUTURE

# SUBSTANTIAL CO<sub>2</sub> REDUCTION BY AT LEAST 40% PER VEHICLE ACROSS THE ENTIRE VALUE CHAIN UP TO 2030.

2030

**+40%**

Avoid increase per vehicle  
and reverse trend.

**-20%**

CO<sub>2</sub> per vehicle vs. 2019  
in the supply chain.



2030

**-80%**

substantial CO<sub>2</sub> reduction  
per vehicle vs. 2019.

**2021**

CO<sub>2</sub>-neutral production.



2030

**-50%**

CO<sub>2</sub> per vehicle  
vs. 2019.

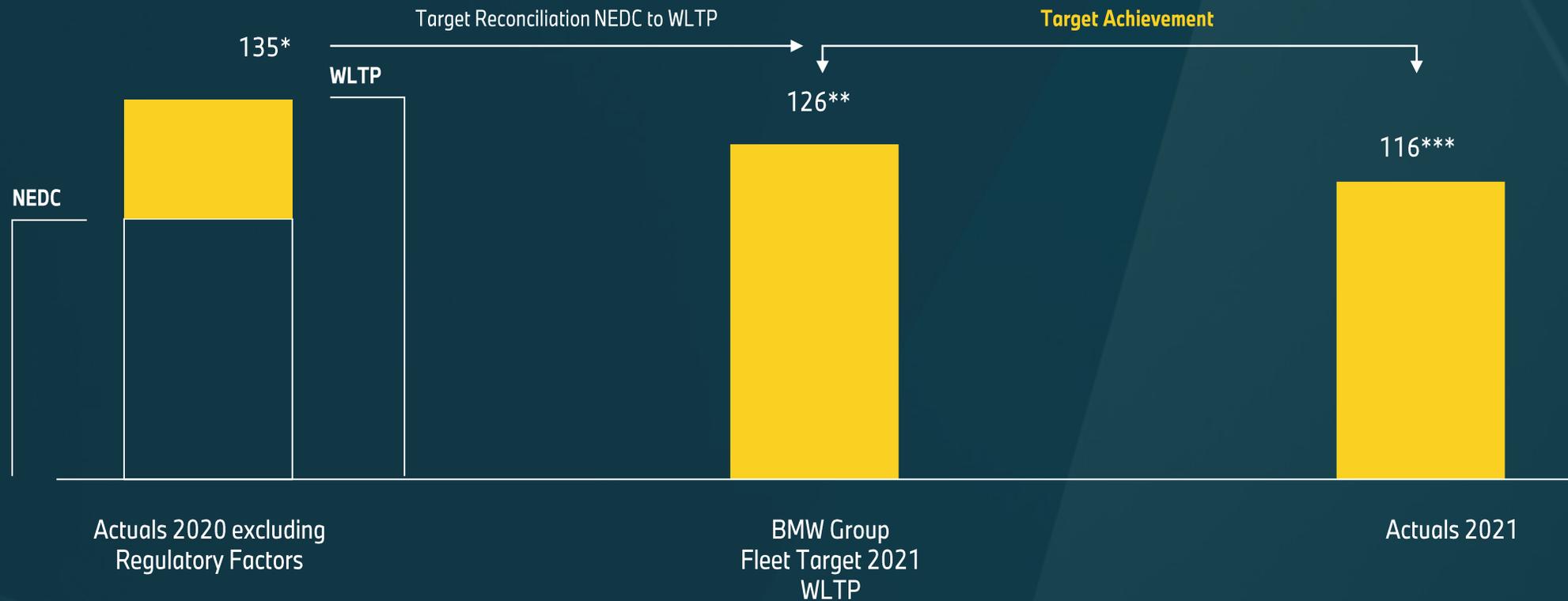
**Continued rollout**

of electro mobility, reduction  
of real emissions.



# CO<sub>2</sub> EU FLEET TARGET 2021 BASED ON WLTP. THE BMW GROUP HAS CLEARLY ACHIEVED THE CO<sub>2</sub> FLEET TARGET IN 2021.

## BMW, MINI, Rolls Royce, BMW M



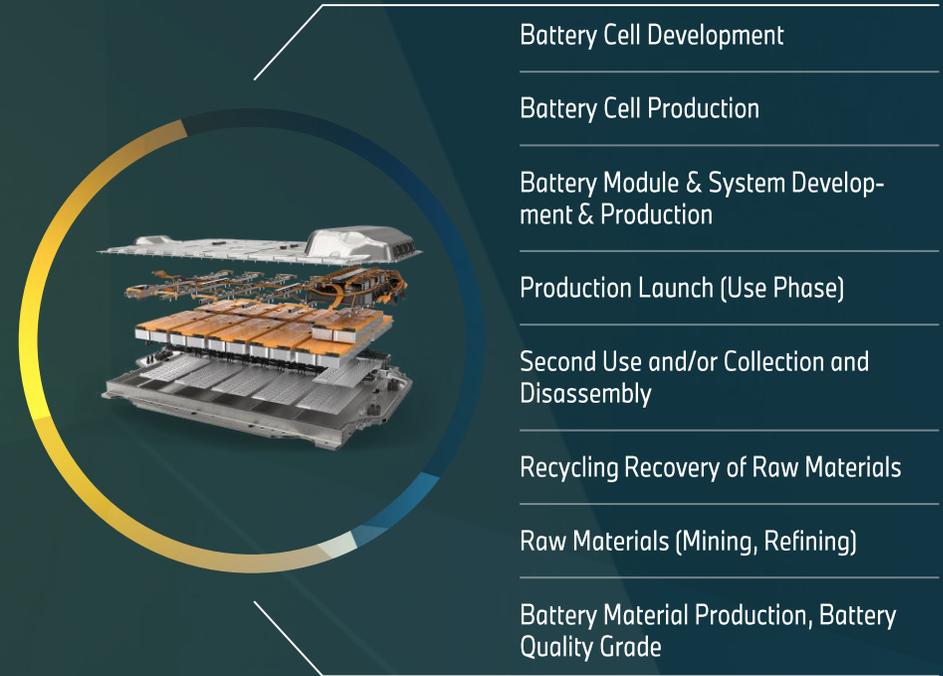
\* For better comparability the 2020 figure has been converted internally from an NEDC basis to a WLTP basis excluding regulatory factors | \*\* Fleet target 2021 has been internally converted from NEDC to WLTP |

\*\*\* BMW internal calculation (official EU-com.-data will be not communicated until end of 2022)

# SUSTAINABILITY IN BATTERY CELLS: THE COMPLETE VALUE CHAIN AND LIFE CYCLE HAS TO BE CONSIDERED.



- Cobalt and lithium from **certified mines** in Australia and Morocco. Usage of **secondary material**.
- **Production** of battery cells with **100% power from renewable sources**.
- Taking back batteries worldwide at the end of battery life.
- **Enabling second use e.g. in battery storage farms**.
- Pushing the limits of material **recycling** and **returning materials efficiently into the production cycle**.



Battery Cell Development

Battery Cell Production

Battery Module & System Development & Production

Production Launch (Use Phase)

Second Use and/or Collection and Disassembly

Recycling Recovery of Raw Materials

Raw Materials (Mining, Refining)

Battery Material Production, Battery Quality Grade

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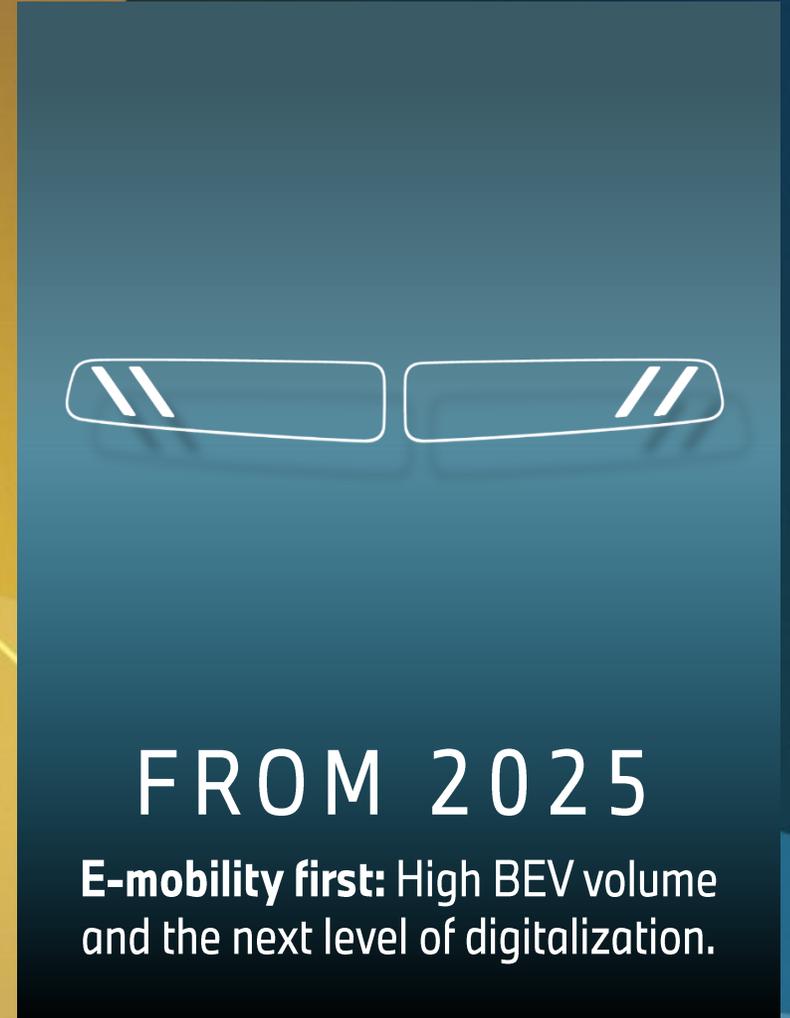
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# OUR THREE PHASES OF TRANSFORMATION.



# BY 2023 90% OF OUR SEGMENTS ARE COVERED BY AT LEAST ONE BEV. OUR CLEAR E-MOBILITY ROADMAP.

## PHASE I Pioneering e-mobility



BMW i3



MINI Electric



BMW i8  
(PHEV)

## PHASE II Electrification across our segments



BMW iX



BMW iX3



BMW i4



BMW X1 BEV\*



BMW 5 series BEV\*



BMW 7 series BEV\*

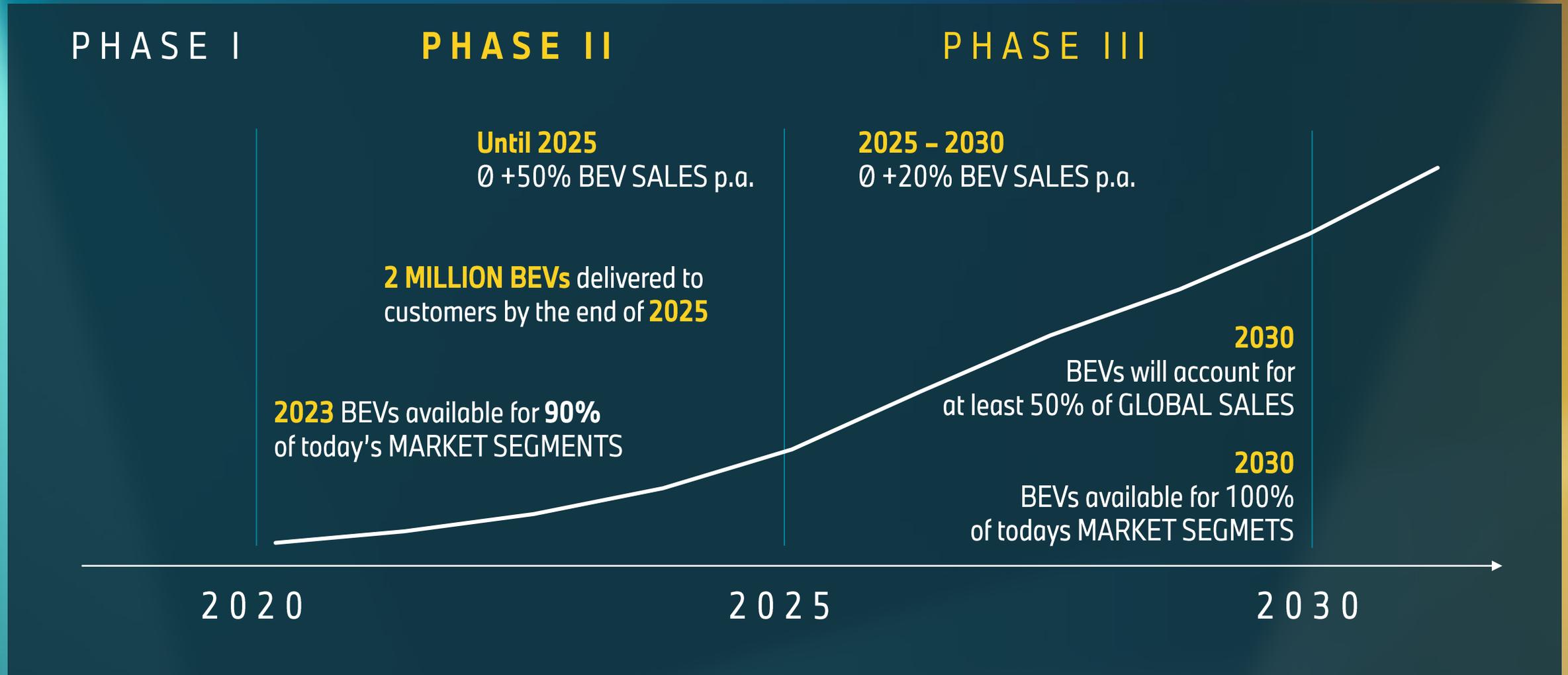


MINI Countryman BEV\*



\*Schematic illustration of future launch dates

# 10 MILLION BEVS ON THE ROAD WITHIN THE NEXT TEN YEARS. LEADING PROVIDER OF BATTERY-ELECTRIC VEHICLES.



# E-MOBILITY RAMPUP FURTHER ACCELERATES IN Q1 2022, AS PLANNED.



## GLOBAL SALES. ELECTRIFIED CARS.



## GLOBAL SALES Q1 2021.

28% xEV INCREASE OVER PREVIOUS YEAR.  
15% ELECTRIFIED.

## EUROPEAN SALES Q1 2022.

20% xEV INCREASE OVER PREVIOUS QUARTER.  
28% ELECTRIFIED.



THE FIRST EVER BMW i4 – MARKET LAUNCH GOT UNDERWAY  
IN DECEMBER 2021 WITH TWO MODEL VARIANTS.

## BMW i4

5TH GENERATION  
BMW eDRIVE

WITHOUT ANY RARE  
EARTHS.

BUILT IN MUNICH.



### BMW i4 M50

- The first purely electric M performance car.
- Up to 510 km range (WLTP).
- 400 kw/544 hp.
- 0 to 100 km/h in 3.9 seconds.

### BMW i4 eDrive40

- Up to 591 km range (WLTP).
- 250 kw/340 hp.
- 0 to 100 km/h in 5.7 seconds.

# BMW iX – TECHNOLOGY FLAGSHIP FOR SUSTAINABLE MOBILITY. PRODUCTION OF THE FULLY-ELECTRIC BMW iX STARTED IN JULY 2021.

## BMW iX

5TH GENERATION  
BMW eDRIVE

WITHOUT ANY  
RARE EARTHS.

ELECTRIC ALL-WHEEL DRIVE  
WITH TWO ELECTRICALLY  
DRIVEN AXLES.



### BMW iX xDrive50

- Up to 620 km range (WLTP).
- 385 kw/523 hp.
- 0 to 100 km/h in 4.6 seconds.

### BMW iX xDrive40

- Up to 425 km range (WLTP).
- 240 kw/326 hp.
- 0 to 100 km/h in 6.1 seconds.

# NEUE KLASSE 2025.

## UNCOMPROMISINGLY ELECTRIC, DIGITAL AND CIRCULAR.



### **ELECTRIC FIRST.**

Uncompromisingly designed and optimized for electric drivetrains – we call it BEV-only. Aim to match range and contribution margin of state-of-the-art combustion engines with comparable performance.

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### **SECONDARY FIRST.**

Proportion of secondary materials will be sharply increased. Focus on greatly reducing resource consumption.

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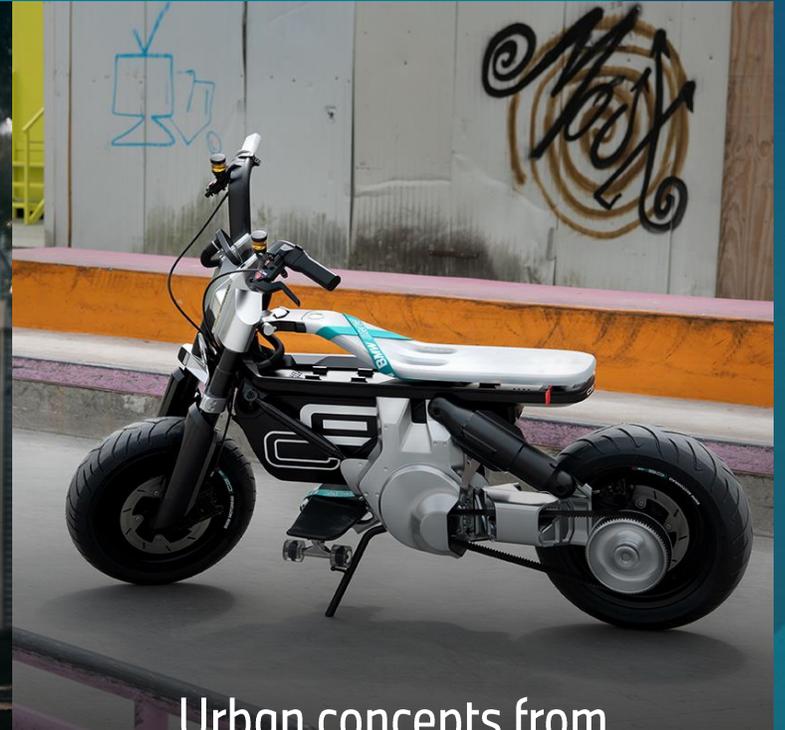
### **DIGITAL FIRST.**

Completely novel user experience. Even more individually configurable and bookable features.

# ALL OF OUR BRANDS ARE BECOMING ELECTRIC.

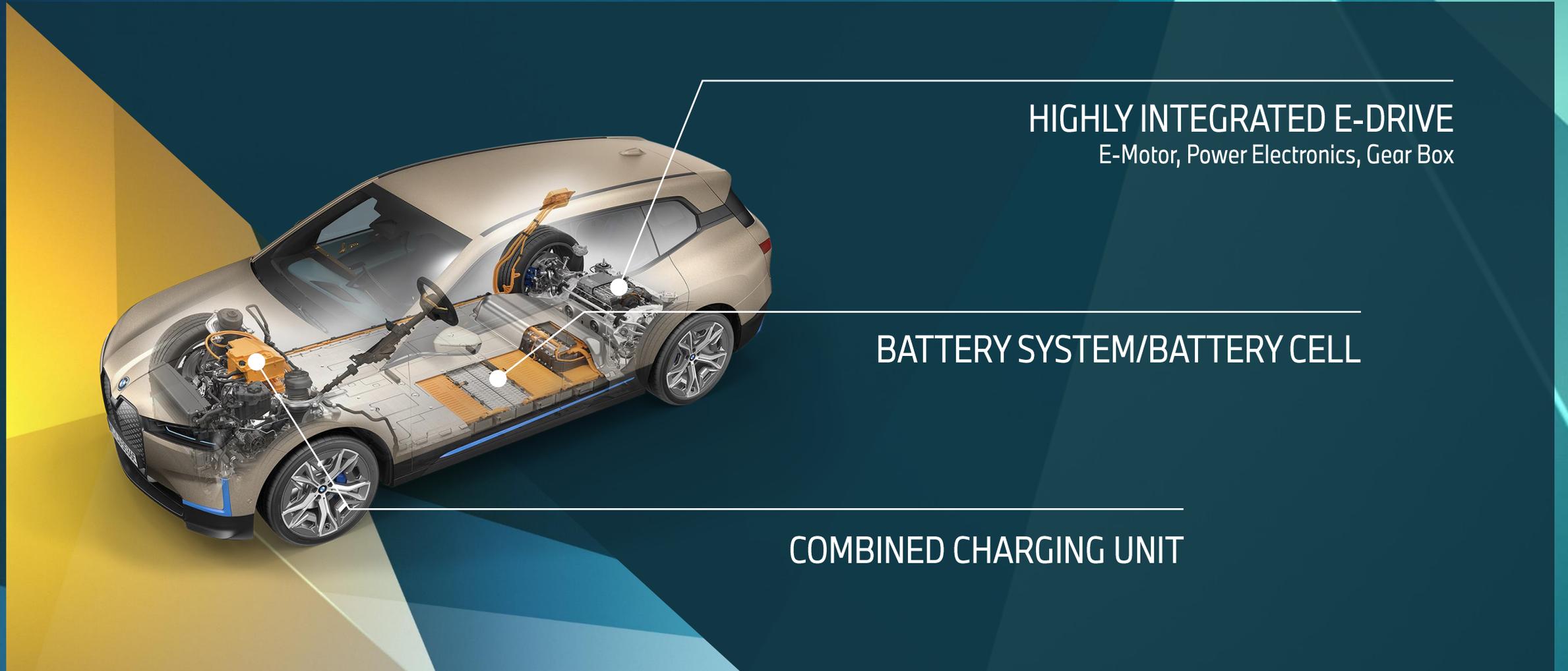


**MINI and Rolls-Royce  
electric only from 2030.**



**Urban concepts from  
BMW Motorrad  
that are only all-electric.**

# IN-HOUSE DEVELOPMENT AND PRODUCTION OF KEY COMPONENTS.



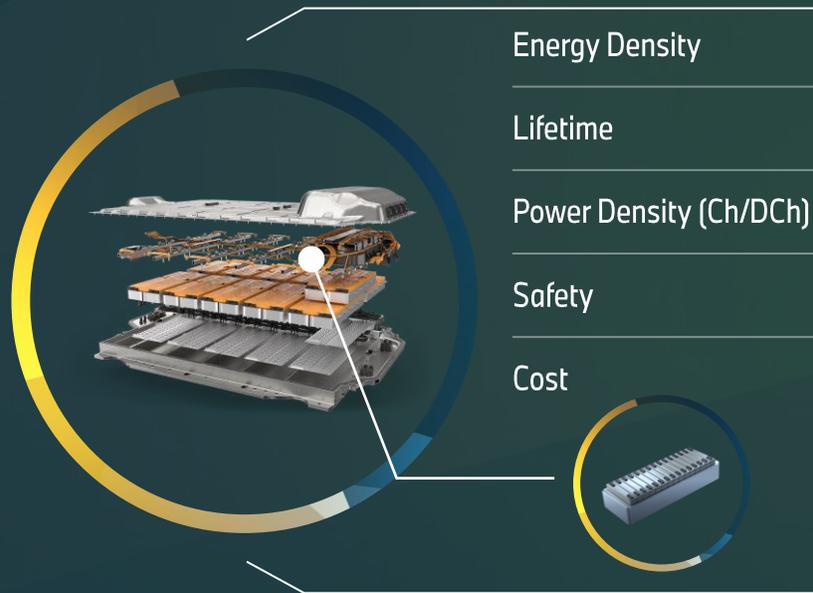
**HIGHLY INTEGRATED E-DRIVE**  
E-Motor, Power Electronics, Gear Box

**BATTERY SYSTEM/BATTERY CELL**

**COMBINED CHARGING UNIT**

# BATTERY CELL IS KEY COMPONENT FOR FUTURE SUCCESS OF BMW.

## BATTERY KPI DETERMINE VEHICLE CHARACTERISTICS



# CA. 40%

OF TOTAL VEHICLE COST IS COST FOR THE BATTERY PACK (E.G. I4).



MODUL- & SYSTEM COST

20%

BATTERY CELL COST

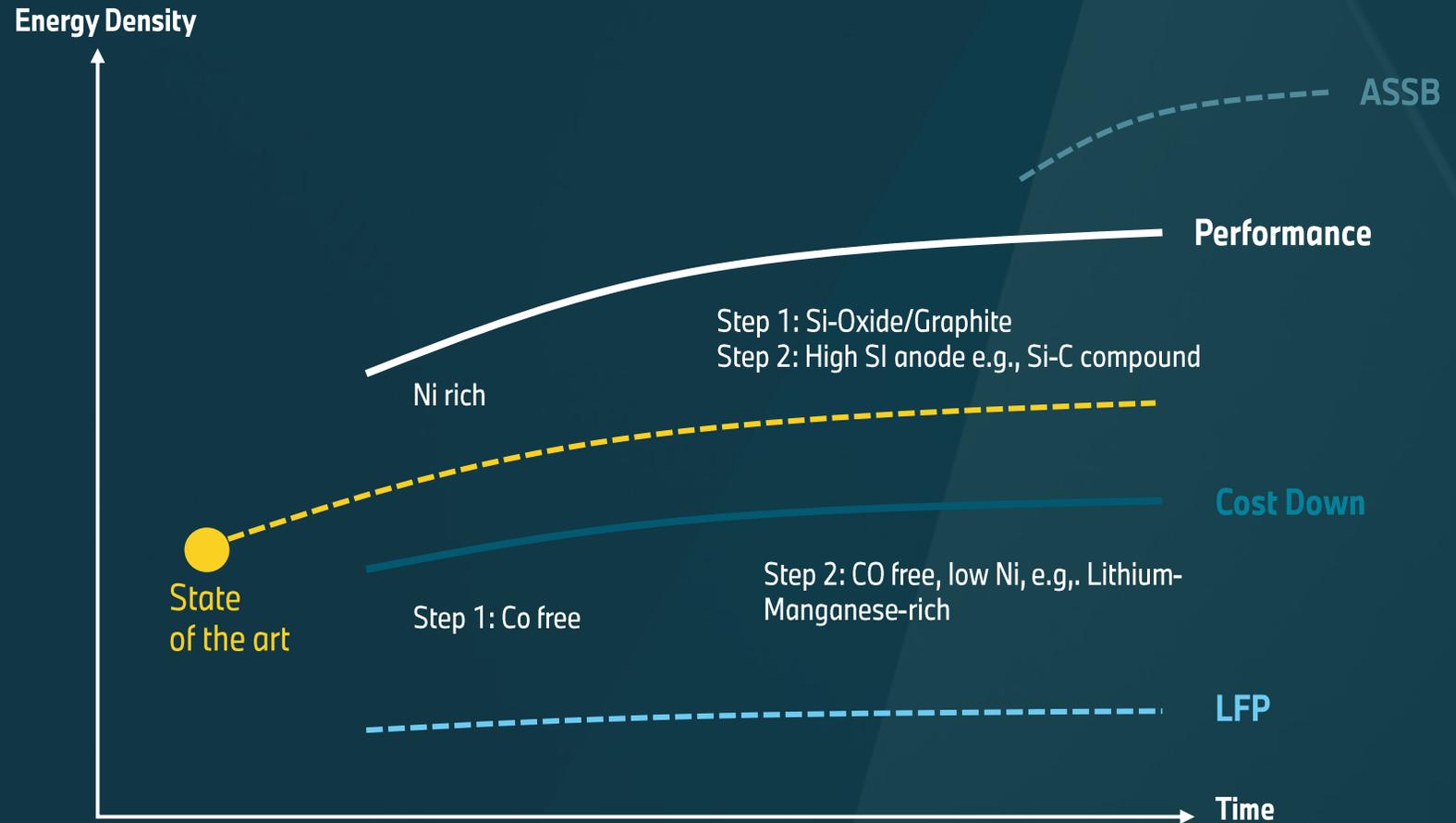
80%

20% CELL PRODUCTION COST

80% MATERIAL COST

# BATTERY TECHNOLOGY ROADMAP.

TRANSITION FROM  
performance/range  
maximization towards  
**PORTFOLIO  
ORIENTED**  
(performance vs. low cost).



# DEVELOPING EXPERTISE AND STRUCTURES THROUGHOUT THE PROCESS CHAIN OF E-MOBILITY.

Battery Cell  
Competence Centre



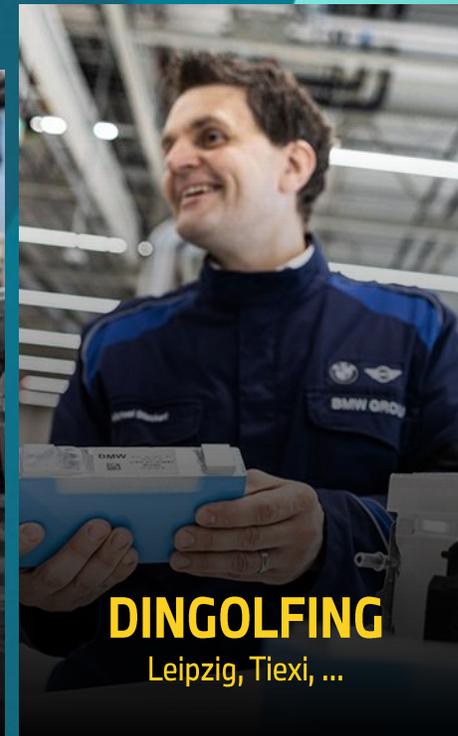
Battery cell pilot plant



Competence Centre  
E-Drive Production (HEAT)



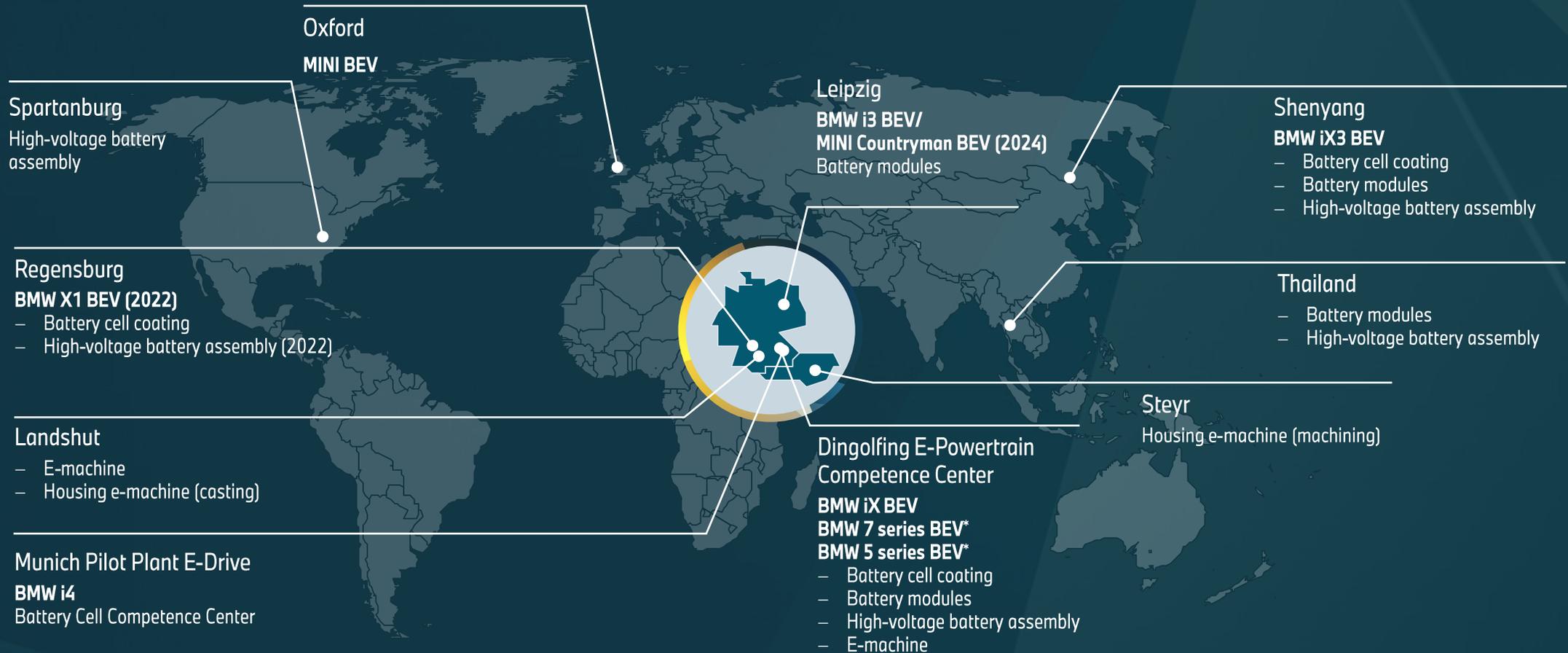
Module production



High-voltage  
battery production



# TRANSFORMATION TO E-MOBILITY IS IN FULL SWING.



\* Product launch schedule to be announced at a later date.

# BMW CHARGING IS THE MOST COMPREHENSIVE OFFERING OF ITS KIND IN THE MARKET FOR CHARGING AT HOME AND ON THE GO.

## HOME CHARGING



- Flexible Fast Charger
- Choose and Charge in 29 markets until 2022
- BMW Wallbox 3.0
- Smart partner wallbox (market-specific)
- Installation integrated (option)

## WORKPLACE CHARGING



- Charging portfolio for fleets:**
- Requirement analysis for fleetoperator
  - Hardware installation and operations
  - Billing solutions
- Blueprint: BMW Employee Charging**

## PUBLIC CHARGING



- Public Charging cable (EU) ex factory
- Access to **biggest** charging infrastructure with > 450,000 **charging points**
- Improved pricing logic for BMW Charging in EU decided for rollout
- No base fee in first year
- High Power Charging (HPC)
- Access to >350 IONITY HPC stations in EU (built up by end of 2021); 2,300 charging points in total
- IONITY pricing
- No base fee in first year

# THE BMW GROUP USES ...

## ... INDUSTRY & CROSS-INDUSTRY COOPERATION & PARTNERSHIPS

to prepare itself for future technologies and business opportunities.

Solid Power

umicore

Qualcomm

Arriver



northvolt

IONITY

Ansys

STELLANTIS

Critical  
Techworks

THE RETAIL PERFORMANCE COMPANY

e.on

HUBJECT

Tencent 腾讯

TTTech

ENCORY



SAMSUNG  
SAMSUNG SDI



NAVINFO  
四维图新

Continental

a joint venture of BMW Group and ALBA Group.

Mobimeo



• APTIV •



An Intel  
Company

amazon  
web services

amazon



YOUR NOW  
Joint Venture.

BA TechWorks  
A BMW and Archemid Technology Company

FREENOW

SHARENOW

CHARGENOW

REACHNOW

ELECTRIFICATION & CELL TECH

AUTONOMOUS DRIVING

DIGITAL & MOBILITY SERVICES

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# "DIGITAL EVERYWHERE" 10,000 COLLEAGUES IN A GLOBAL DEVELOPMENT NETWORK.



The BMW Group integrates **SOFTWARE DEVELOPMENT** directly in established vehicle development processes.

# DIGITALIZATION ADDRESSES THE OVERALL COMPANY. CONSISTENT DIGITALIZATION TO EXPLOIT POTENTIALS IN ALL BUSINESS SEGMENTS.

## Business Processes



- Smart logistics
- Innovative automation & assistance systems
- Virtualization
- Quantum computing
- Catena-x automotive network

## Products



- Remote software upgrade
- Automated driving
- Connectivity

## Customer Interaction.



- Digital customer experience
- Digital aftersales upgrades
- Digital personalization of the vehicle
- Digital financing process at financial services

**FOCUS ON CUSTOMER CENTRICITY**

# APPROACHES TO DIGITALIZATION. ENABLERS FOR BMW i FACTORY.

## DATA SCIENCE.

End-to-end data from component to customer.

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Real-time data in all business processes.

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Data-based automation of processes.

## ARTIFICIAL INTELLIGENCE.

Potential for automation in logistics  
and quality processes.

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Group-wide platform for standardised use  
of AI applications in production.

## VIRTUALISATION.

Validation spanning  
Research&Development/Purchase/Production.

---

Virtual planning and commissioning –  
collaboration in real time.

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Virtual training of plant staff.



STATE-OF-THE-ART DRIVING AND PARKING ASSISTANCE SYSTEMS PROVIDE OUR CUSTOMERS WITH THE BEST DRIVING EXPERIENCE.

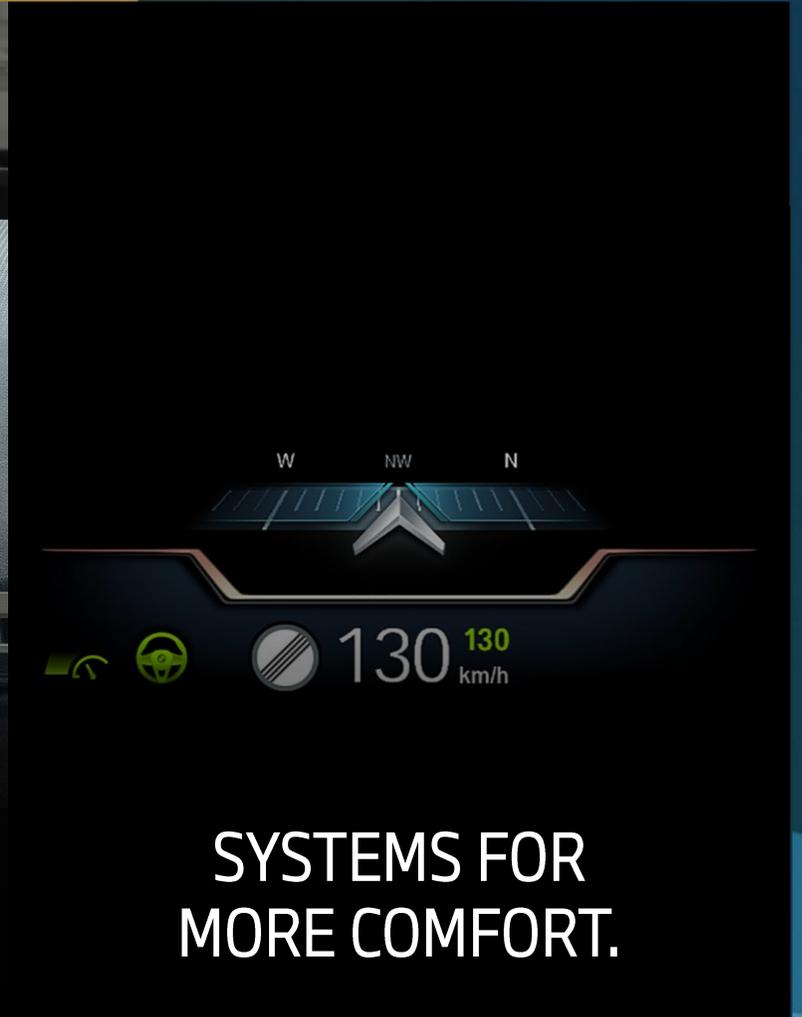
## DRIVING & PARKING.

MORE THAN 40 FEATURES.

ACTIVE SAFETY SYSTEMS.



PARKING SYSTEMS.



SYSTEMS FOR MORE COMFORT.

# TODAY, WE OFFER OUR CUSTOMERS A WIDE RANGE OF DRIVER ASSISTANCE AND ACTIVE SAFETY SYSTEMS.

## MORE THAN 40 FEATURES.

### DRIVING SYSTEMS.

---

#### ACTIVE SAFETY SYSTEMS.

- Rear Collision warning
- Emergency Break Assistant
- Front cross traffic warning with brake function
- Lane Change Warning with active guidance and Turn Across Path
- Passenger/Cyclists warning incl. turn off
- Rear cross traffic warning with brake function
- Safe Exit
- Evasive Assistant
- Cross Traffic Alert
- Wrong-way warning
- Left-turn warning
- Collision warning
- Right-of-way Warning
- Integrated Collision Avoidance (AWA)
- Rescue Lane Assistant (only active in 7 EU countries)
- Lane Change Warning with Return and two-way traffic
- Collision Warning with oncoming traffic
- Lane Keeping Assistant (Side collision protection)

#### COMFORT SYSTEMS.

- Lane-Change Assistant
- Urban Cruise Control with traffic light detection (DE only)
- Steering and Lane Guidance Assistant
- Advanced functions LSA (bottleneck assistant, active navigation)
- Hands Off Option up to 60 km/h
- (Automated) Speed Limit Assist
- Assisted View
- Speed Limit Info
- Active Cruise Control 210

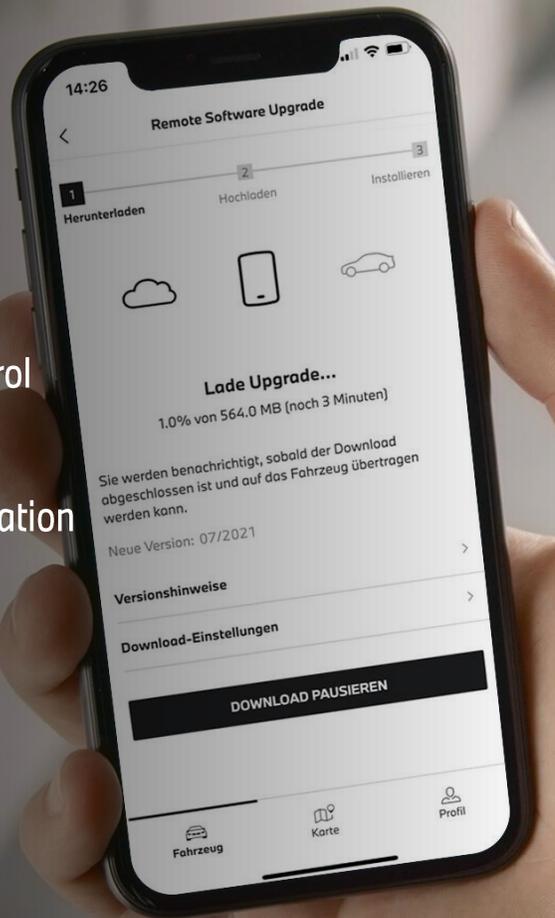
### PARKING SYSTEMS.

- Automated Manoeuvre Assistant
- Panorama View
- Remote control with seamless mode switching
- Reversing Assistant
- Active PDC
- Trailer Mode
- Remote 360
- 3D Top View
- Parking Assistant Professional
- Parking approach monitoring
- Parking assistant incl. head-in parking spaces
- PDC
- Rear view camera with Panorama View
- Reversing Assistant Professional

# REGULAR OVER-THE-AIR UPDATES (OTA). BMW HAS THE WORLD'S LARGEST FLEET.

## NEW FUNCTIONS, e.g.,

- Active and Urban Cruise Control
- Dangerous Curve Assistant
- Parking Maneuver Assistance
- BMW ID Login and Personalisation
- Smart Opener
- eDrive Zones
- Amazon Alexa
- Android Auto
- BMW Maps



## WORLD'S LARGEST UPGRADABLE FLEET

- 2m cars updated with most recent release
- Upgradable fleet of **2.5m cars**

## 50 FEATURE UPGRADES (performed in the past 3 years)

- For all functional domains
- Infotainment/driving assistant/security/powertrain/privacy

## > 30 MODELS WORLDWIDE IN SCOPE

All powertrains (ICE, PHEV, BEV) and configurations.

## 20 MINUTES INSTALLATION (Up to 1.8 GB)

Download directly into the vehicle (eSIM) or by using my BMW app

# BMW OPERATING SYSTEM 8 IS THE MOST POWERFUL AND EXTENSIVE TECHNOLOGY STACK EVER CREATED BY BMW.

**Fast, reliable data transmission using 5G mobile technology**



**Over-the-air retrofitting: Functions on Demand**



**Centralised network architecture and Gigabit Ethernet**

**Always up to date: Remote Software Upgrade**



**More apps, greater diversity: optimized third-party integration**

**BMW iDrive**  
THE INTELLIGENT  
FUSION OF SENSING

**BMW Digital Key Plus with ultra-wideband radio technology**

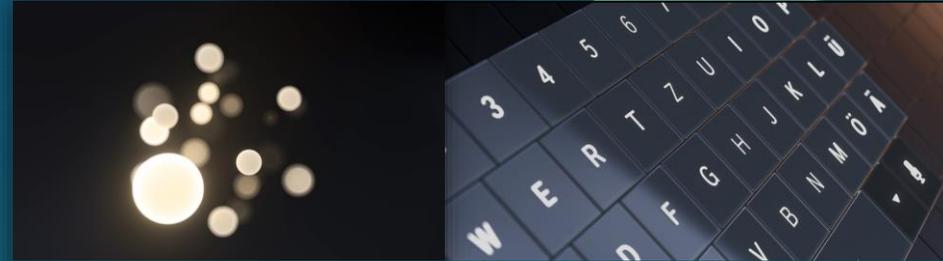
# THE ALL-NEW iDRIVE – READY FOR THE FUTURE. INDIVIDUAL, INTUITIVE, INTELLIGENT, PROACTIVE, HIGH-RESOLUTION.

## PIXEL PERFECT DESIGN



## THE ALL-NEW BMW iDRIVE.

The easiest and most joyful user interaction ever built by BMW. Powered by BMW Operating System 8, the most powerful technology stack we ever created.



## PERSONAL AND NATURAL



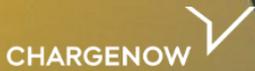
## INTELLIGENT AND EMPOWERING



## CONNECTED AND CONSTANTLY GROWING

# YOUR NOW JV: STATE-OF-THE-ART DIGITAL MOBILITY SERVICES WITH A SIGNIFICANT CUSTOMER BASE AND COVERAGE.

Mercedes-Benz **BMW GROUP**

	 <b>FREENOW</b>  <b>BEAT</b>	 <b>REACHNOW</b> 	 <b>SHARENOW</b>  	 <b>CHARGENOW</b>  	<b>GMV RR</b> in € billion n/a <b>FY - 2021</b>
<b>Interactions</b> in € million	137.3	0.4	14.4	2.3	154.4
<b>Customers*</b> in € million	54.5	0.3	3.3	0.3	58.4
<b>Cities*</b>	152	4	16	n/a	172

\* Partially data summation w/o consideration of possible redundancies.

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# BMW, MINI, ROLLS-ROYCE AND BMW MOTORRAD DELIVERIES\* FY 2021. BMW BRAND, ROLLS-ROYCE AND MOTORRAD REPORTS ALL-TIME SALES HIGH.



**2,213,790**  
+9.1%



**194,261**  
+14.8%



**302,138**  
+3.3%



**5,586**  
+48.7%



\* Retail vehicle delivery data for 2020 and 2021 are not directly comparable to the data presented for previous years. See Retail vehicle delivery data in the BMW Group Report 2021, pp.96ff. for further information.

# BMW, MINI, ROLLS-ROYCE AND BMW MOTORRAD DELIVERIES\* Q1 2022. STABLE DEVELOPMENT DESPITE HIGHLY VOLATILE ENVIRONMENT.



**519,796**

-7.3%



**47,403**

+11.3%



**75,487**

+1.1%



**1,624**

+17.7%



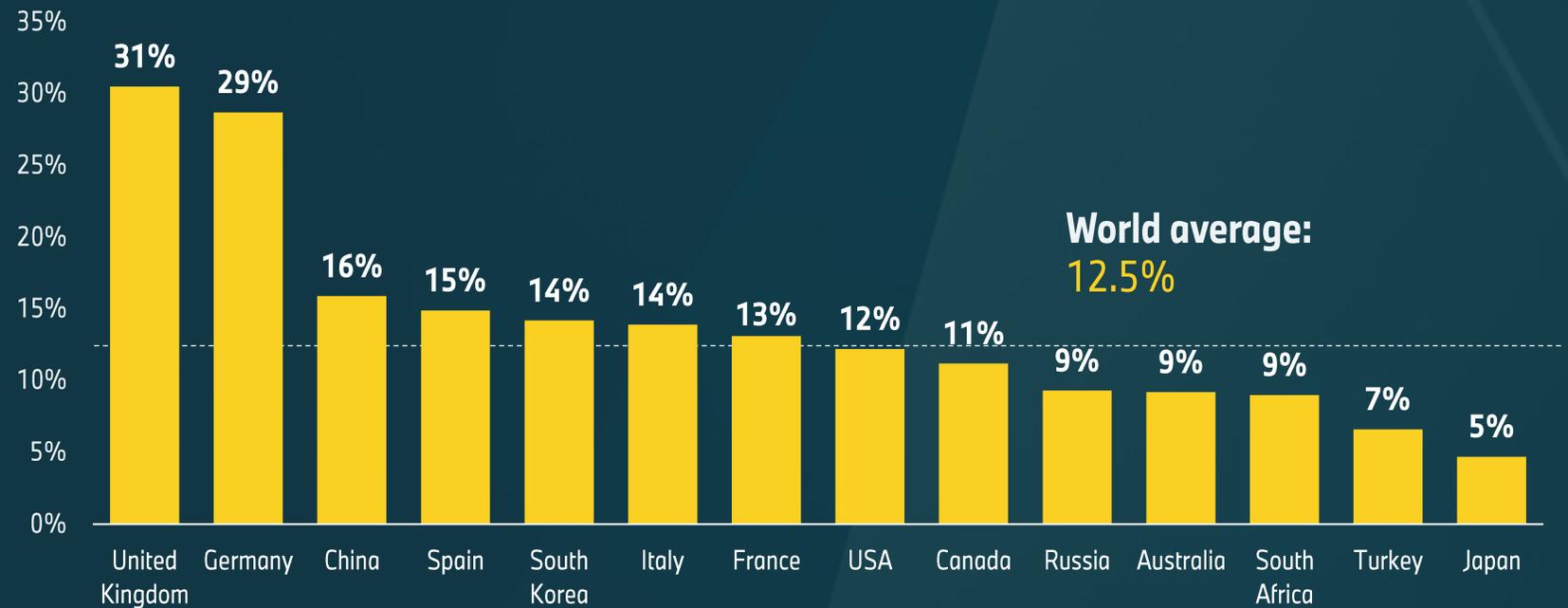
# BMW GROUP AUTOMOTIVE. DELIVERIES TO CUSTOMERS Q1 2022.

<b>DELIVERIES OF AUTOMOBILES</b>		<b>Q1 2022</b>	<b>Q1 2021</b>	<b>CHANGE IN %</b>
<b>Europe</b>		<b>220,076</b>	238,761	-7.8
thereof	Germany*	61,552	67,939	-9.4
	United Kingdom	39,781	42,156	-5.6
<b>Americas</b>		<b>98,718</b>	95,961	+2.9
thereof	USA	80,590	77,718	+3.7
<b>Asia</b>		<b>264,235</b>	286,968	-7.9
thereof	China Mainland	208,507	229,748	-9.2
	thereof BBA retail sales	168,707	175,838	-4.1
<b>Rest of the World (incl. Rolls Royce)</b>		<b>13,878</b>	14,916	-7.0
<b>TOTAL</b>		<b>596,907</b>	636,606	-6.2
thereof	Plug-in Hybrid Electric Vehicles (PHEV)	54,380	56,046	-3.0
	Battery Electric Vehicles (BEV)	35,289	14,161	+149.2

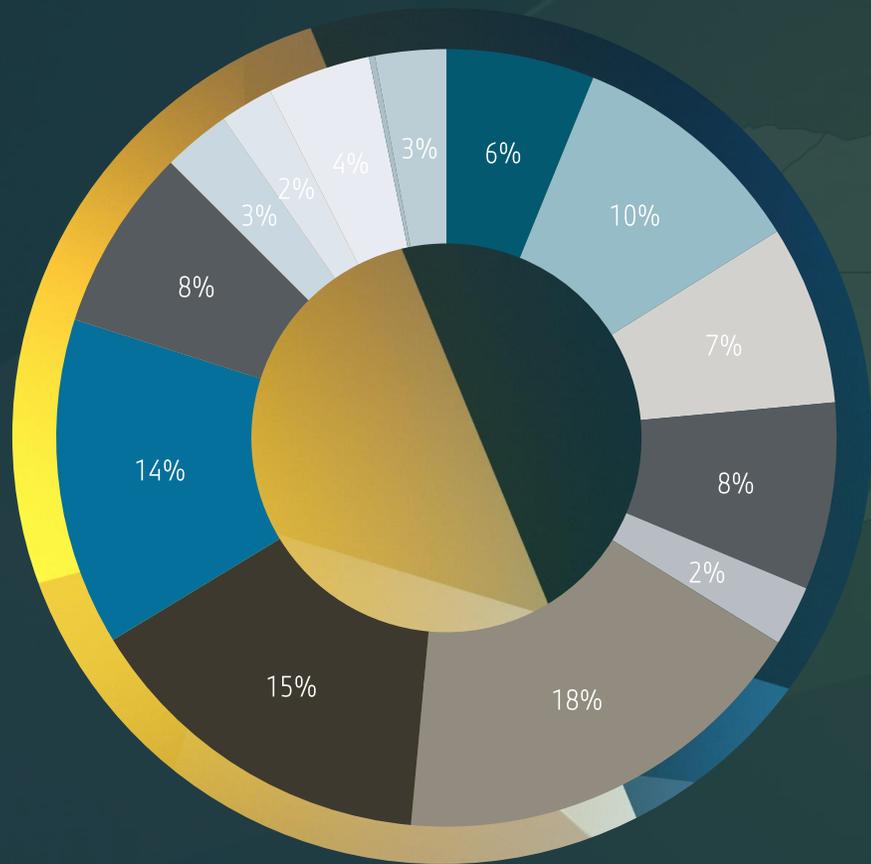
\* Registrations.

# PREMIUM SEGMENT SHARE.

## TOTAL MARKET 2021.



# GLOBAL PRODUCTION NETWORK FY 2021. OFFERING HIGH FLEXIBILITY.



■ Munich, Germany	BMW 3, 4 series, i4, BMW M	151,154
■ Dingolfing, Germany	BMW 3, 4, 5, 6, 7, 8 series, BMW M, iX	244,734
■ Regensburg, Germany	BMW 1, 2, 3, 4 series, X1, X2	183,485
■ Leipzig, Germany	BMW 1, 2 series, i3, BMW M	191,604
■ Rossllyn, South Africa	BMW X3	61,580
■ Spartanburg, USA	BMW X3, X4, X5, X6, X7, BMW M	433,810
■ Dadong, China*	BMW 5 series, X3, iX3	365,466
■ Tiexi, China*	BMW 1, 2, 3 series, X1, X2	335,311
■ Oxford, UK	MINI, MINI Clubman, MINI Cooper SE	186,883
■ San Luis Portosj, Mexico	BMW 2, 3 series	69,149
■ Graz, Austria (Magna Steyr)**	BMW 5 series	54,547
■ Born, Netherlands (VDL Nedcar)**	MINI Convertible, MINI Countryman, BMW X1	105,214
■ Goodwood, UK	Rolls-Royce	5,912
■ Assembly plants		72,420
<b>Sum</b>		<b>2,461,269</b>

\*Joint venture BMW Brilliance Automotive Ltd., Shenyang | \*\* Contract production

# THE BMW GROUP HAS A STRONG FOOTPRINT IN CHINA.



High voltage battery assembly



2 vehicle plants  
1 engine plant  
+ 3 new vehicle plants



4 development sites



300+ 1<sup>st</sup> tier Suppliers



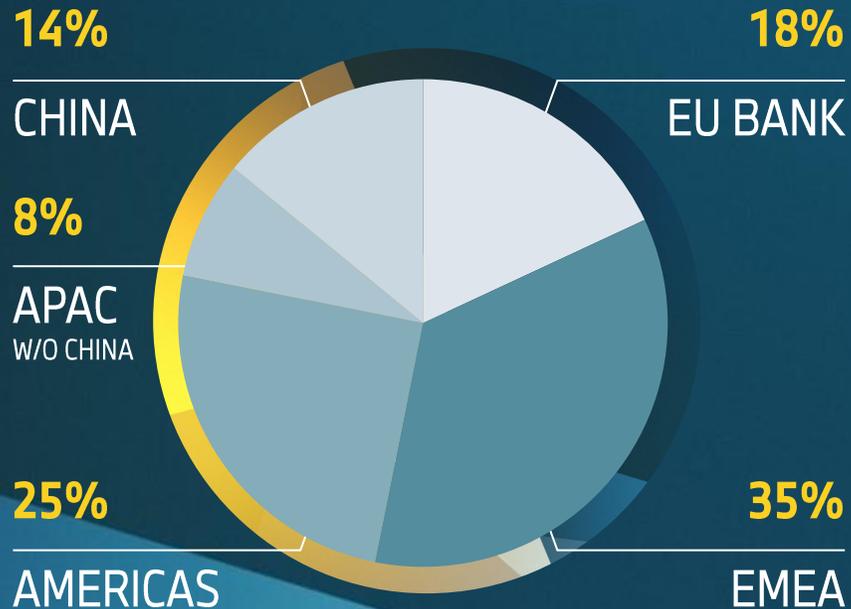
5 Regional Offices & 600+ sales outlets



# FINANCIAL SERVICES AT A GLANCE. FY 2021.

Global operations in  
**~50**  
countries.

Serviced retail contracts  
**~5.6**  
million.



## BUSINESS LINES (PORTFOLIO SIZE)



**€ 110.0 BN**



**€ 13.1 BN**



**€ 6.6 BN**



**€ 14.1 BN**



**4.0 MN CONTRACTS**



**€ 11.0 BN**

# BMW MOTORRAD. ONE BRAND. ONE PASSION. SIX WORLDS OF EXPERIENCE.



# BMW GROUP. Q4 2021 KEY FINANCIALS.

<b>BMW GROUP</b>	<b>Q4 2021</b>	<b>Q4 2020</b>	<b>CHANGE IN %</b>
Earnings before tax – Group (in m€)	<b>2,907</b>	2,260	+28.6
EBT margin (in %) – Group	<b>10.2</b>	7.7	+2.5% points
<b>AUTOMOTIVE SEGMENT</b>			
Sales (units)*	<b>589,290</b>	687,012	-14.2
Earnings before interest and tax (EBIT) (in m€)	<b>1,925</b>	2,010	-4.2
EBIT margin (in %)	<b>7.7</b>	7.7	+0.0% points
<b>MOTORCYCLES SEGMENT</b>			
Sales (units)*	<b>37,625</b>	39,673	-5.2
Earnings before interest and tax (EBIT) (in m€)	<b>-96</b>	-8	-
EBIT margin (in %)	<b>-19.8</b>	-1.4	-18.4% points
<b>FINANCIAL SERVICES</b>			
Earnings before tax (EBT) (in m€)	<b>829</b>	686	+20.8

\* Retail vehicle delivery data for 2020 and 2021 are not directly comparable to the data presented for previous years. See Retail vehicle delivery data in the BMW Group Report 2021, pp.96ff. for further information.

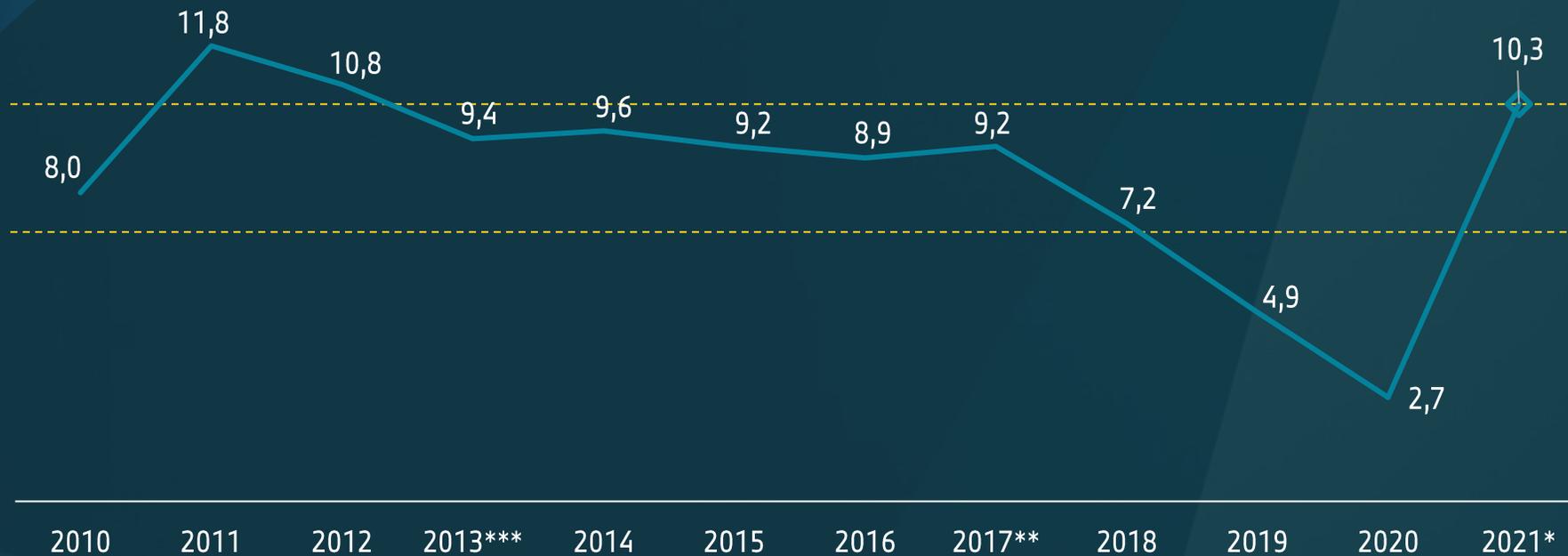
# BMW GROUP. FY 2021 KEY FINANCIALS.

<b>BMW GROUP</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>CHANGE IN %</b>
Earnings before tax – Group (in m€)	16,060	5,222	-
EBT margin (in %) – Group	14.4	5.3	+9.1% points
Payout Ratio (in %) – Group	30.7	32.5	-1.8% points
<b>AUTOMOTIVE SEGMENT</b>			
Sales (units)*	2,521,514	2,325,179	+8.4
Earnings before interest and tax (EBIT) (in m€)	9,870	2,162	-
EBIT margin (in %)	10.3	2.7	+7.6% points
Free Cash Flow (in m€)	6,354	3,395	+87.2
Net financial assets (m€)	22,362	18,462	+21.1
<b>MOTORCYCLES SEGMENT</b>			
Sales (units)*	194,261	169,272	+14.8
Earnings before interest and tax (EBIT) (in m€)	227	103	-
EBIT margin (in %)	8.3	4.5	+3.8% points
<b>FINANCIAL SERVICES</b>			
Earnings before tax (EBT) (in m€)	3,753	1,725	-
Return on Equity (in %)	22.6	11.2	+11.4% points
Penetration rate (in %)	50.5	49.8	+0.7% points
Credit loss ratio (in %)	0.18	0.21	-0.03% points

\* Retail vehicle delivery data for 2020 and 2021 are not directly comparable to the data presented for previous years. See Retail vehicle delivery data in the BMW Group Report 2021, pp.96ff. for further information.

# AUTOMOTIVE SEGMENT.

## EBIT MARGIN. (in %)



Guidance for 2022  
**7% - 9%.**

Mid-term target  
**8% - 10%.**

\* Including an increase by around 1 percentage point due to the revaluation of the provision for the ongoing EU antitrust proceedings. | \*\* Adjusted value for 2017 in accordance with IFRS 15. | \*\*\* 2013 figures have been adjusted in accordance with IAS 8.

# CONSISTENTLY RELIABLE DIVIDEND PAYOUTS TO OUR SHAREHOLDERS. STRATEGIC TARGET PAYOUT RATIO: 30-40%.

**Total Dividend**  
payout to BMW AG  
shareholders.  
[in m€]



<sup>1</sup>Payout ratio: total dividend payout to BMW AG shareholders divided by Group net profit. | <sup>2</sup>Preferred stock, to which no voting rights are attached, bear an additional dividend of € 0.02 per share. | <sup>3</sup>Proposed dividend by management.

# THE BMW GROUP IS COMMITTED TO PLAYING A KEY ROLE IN TOMORROW'S MOBILITY.

## R&D

Expenditure.\*  
R&D Ratio.\*\*  
[in m€, HGB]

The R&D ratio is expected within our target corridor of 5% - 5.5% in 2022.  
The capitalization ratio in 2022 is expected to be within a corridor of 35% - 40%.



Long-term target ratio 5% - 5.5%.

HGB: German Commercial Code. | \*R&D Expenditure: Research and development expenses plus capitalized research and development cost minus amortization of capitalized development costs. | \*\* R&D Ratio: R&D expenditure divided by Group revenues. | \*\*\* 2013 figures have been adjusted in accordance with IAS 8.

# TIGHT MANAGEMENT OF CAPITAL EXPENDITURE TO ACHIEVE TARGET RATIO.

## BMW Group Capital Expenditure.\*

[in m€]

## Capex Ratio.\*\*

[in %]

For 2022 we expect a ratio in the area of the 5% threshold.



Long-term target ratio <5%

\* Capital Expenditure: additions to property, plant and equipment and other intangible assets (definition has been changed in 2016). | \*\* Capital expenditure ratio: Capital expenditure divided by Group revenues. | \*\*\* Capital expenditure – mainly for property, plant and equipment – rose to 5.65 billion euros in 2019. This reflects the recognition of right-of-use assets in the balance sheet for the first time, according to IFRS 16.

# SIGNIFICANT CONTRIBUTION OF FINANCIAL SERVICES TO BMW GROUP PROFIT.

**Earnings before Tax  
(EBT) Financial  
Services.**

[in m€]

**Return on  
Equity.**

[in %]

**We expect the RoE for 2022 in a corridor of 14 and 17% -  
above the strategic target of at least 14%.**



# BMW GROUP FINANCIAL SERVICES. DEVELOPMENT OF CREDIT LOSS RATIO.

**Credit  
loss ratio.\***  
[in %]

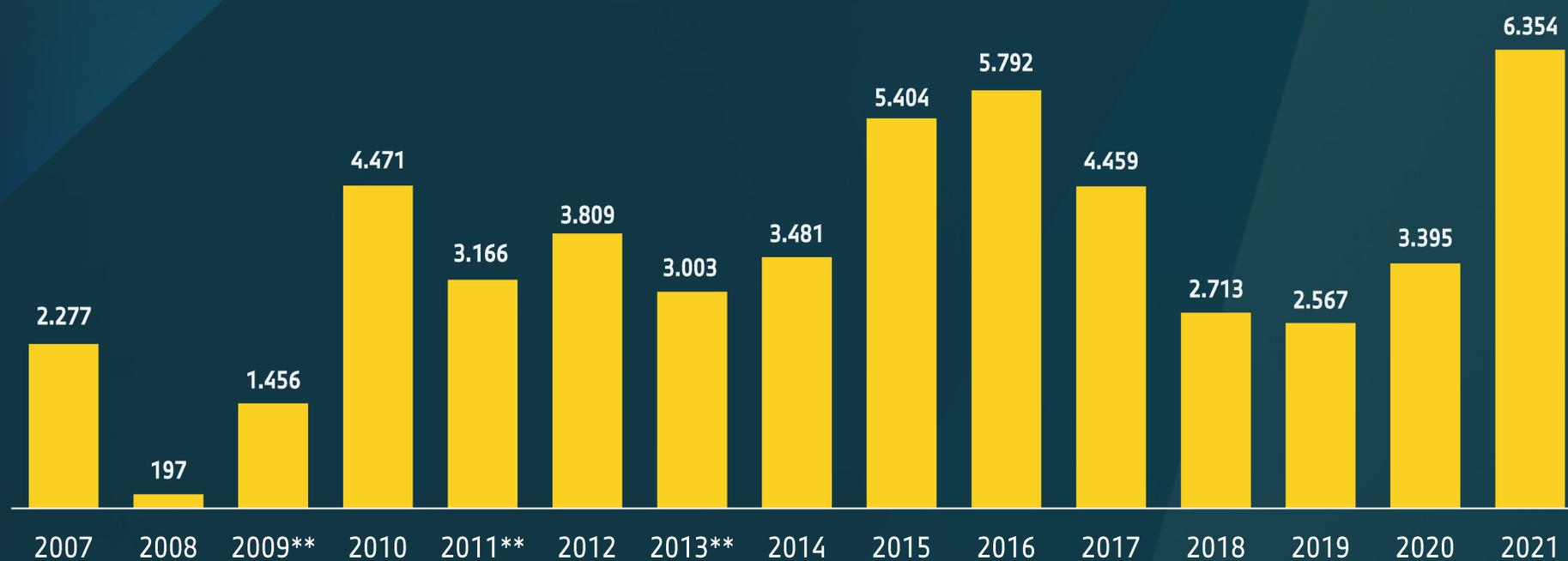


\* Loss Ratio : credit losses in relation to the average serviced portfolio. Credit losses: all write offs, meaning Definition Credit the lost receivable including accumulated interest and other costs less utilized collateral. Income related to the recovery process after write off is also taken into consideration.

# FREE CASH FLOW. AUTOMOTIVE SEGMENT.

## Free Cash Flow (Automotive).\* [in m€]

The free cash flow is expected to reach at least 12 billion euros in FY 2022.



Long-term  
target  
>7 billion euros.

\*Definition: Free cash flow corresponds to the cash inflow from operating activities of the Automobiles segment less the cash outflow for investing activities of the Automobiles segment adjusted for net investment in marketable securities and term deposits. 2009 – 2015 as reported, 2007 & 2008 calculated according to above definition from reported figures. No cash flow reporting on segment level in 2006. | \*\* 2009, 2011, 2013 figures have been adjusted in accordance with IAS 8.

# THE PERFORMANCE PROGRAMME CONTRIBUTES SUBSTANTIALLY TO OUR EARNINGS AND FREE CASHFLOW.



Steering of **sales activities even more granular** and in **real time** – at the level of sales channel, markets and models.  
Re-allocating **volumes to markets** with **high contribution margins** and reducing cost of retail.  
**Worldwide rollout** of all performance levers on track.



Optimization of **drive train variants** to fulfill the customer requirements and to speed up the transformation to e-mobility.

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Customer centric **offer structure**: more transparency for customers, **easier vehicle configuration and better equipped base vehicle.**



Continuation of our measures to **optimize our real estate expenses** and **reduce costs** with long-term effect.

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Further **increase** of the **efficiency** and **speed of internal processes** in all departments of the company.



Optimization of **product planning** at early stage for **efficient plant integration** and **investment.**

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**Increase** share of **modular systems** with additional effects in purchasing through **economies of scale.**

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Further **optimization of working capital** (e.g., in finished goods).

**Further development of the programme with additional content will continue to show its effects in 2022 and subsequent years.**

# BMW PROPOSES SHARE BUYBACK AUTHORISATION AT THE UPCOMING AGM.\* STRINGENT CAPITAL MANAGEMENT AND SUSTAINED BUSINESS FOCUS.

## **BMW's Board of Management and Supervisory Board will seek an authorisation for a share buyback via the stock exchange at the AGM-2022 creating the option to improve its capital structure.**

- The profitable business development in recent years resulted in a very strong balance sheet, which reveals a healthy equity ratio and a solid level of net financial assets for the automotive segment
- At the same time the BMW Group will continue to strategically invest in the transformation of its business, particularly in the further ramp-up of emissions-free mobility and digitalization taking into account its strong potential for further organic growth

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### **Key parameters of authorisation**

- Allows to **buyback BMW shares** (BMW ordinary and/or BMW preferred shares) via the stock exchange **up to 10% of the share capital** over a **5-year period** (authorisation will end 10<sup>th</sup> May 2027)
- The **BMW Group may repurchase and use** either BMW ordinary shares or BMW preference shares or shares of both categories for the objectives granted
- The **purchase price paid** (excluding ancillary costs) **must not exceed or be less than 10% of the opening price at the XETRA trading system** or a comparable successor system at the Frankfurt stock exchange at the purchase date

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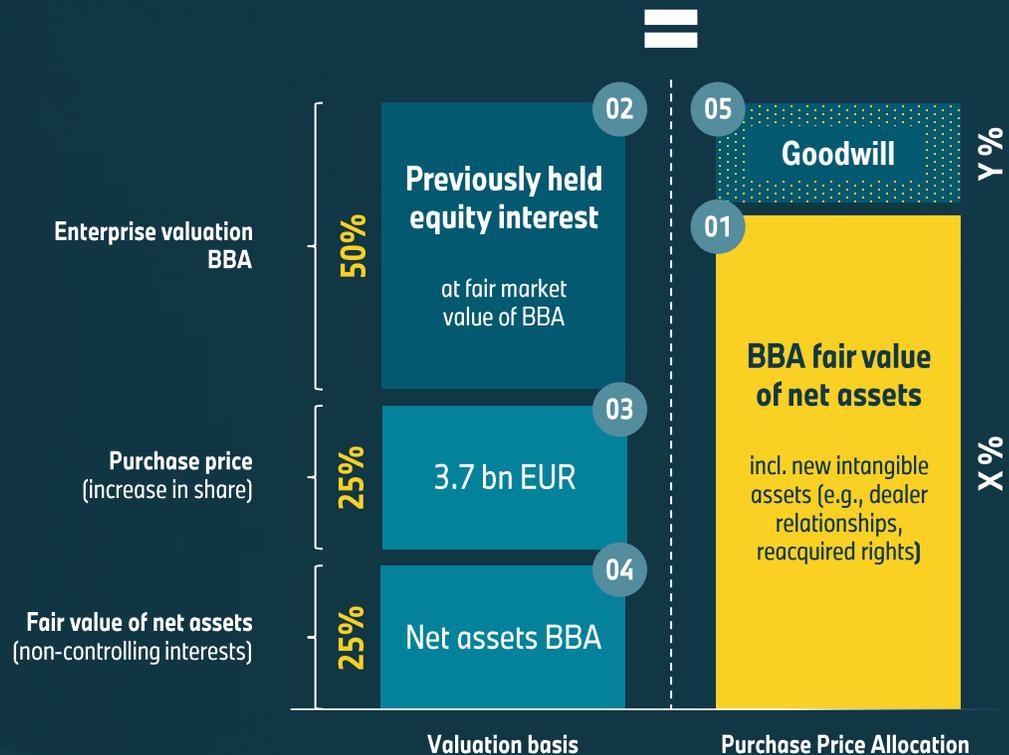
### **Usage options**

- **Cancelling of repurchased BMW shares**, which will result in a reduction of the issued share capital and a relative improvement of certain KPIs, most importantly **earnings per share (EPS)**
- **Reissuing repurchased BMW shares** to its employees as part of the **BMW employee stock program**
- Usage of repurchased shares as **consideration in-kind** in case of **company mergers, acquisitions of companies or equity investments**
- Repurchased BMW shares can be **resold via the stock exchange or by offer to all shareholders**. In both cases an equal treatment of shareholders is guaranteed

\* Abridged overview. The wording of the agenda item and the proposed resolution as published in the Federal Gazette (Bundesanzeiger) by end of March 2022 shall be authoritative

# BBA JOINT VENTURE FULL CONSOLIDATION. STEPS TO CONSOLIDATION IN ACCORDANCE WITH IFRS 3.

## Accounting for acquisition method according to IFRS 3



## Overview

### Full consolidation

#### 01 | Identification

of assets and liabilities and measurement at fair value (work in progress).

#### 02 | Measurement

at fair market value of previously held equity interest and realization of the effect in the financial result.

#### 03 | Purchase price

#### 04 | Valuation

of non-controlling interests in accordance with step 1 (work in progress).

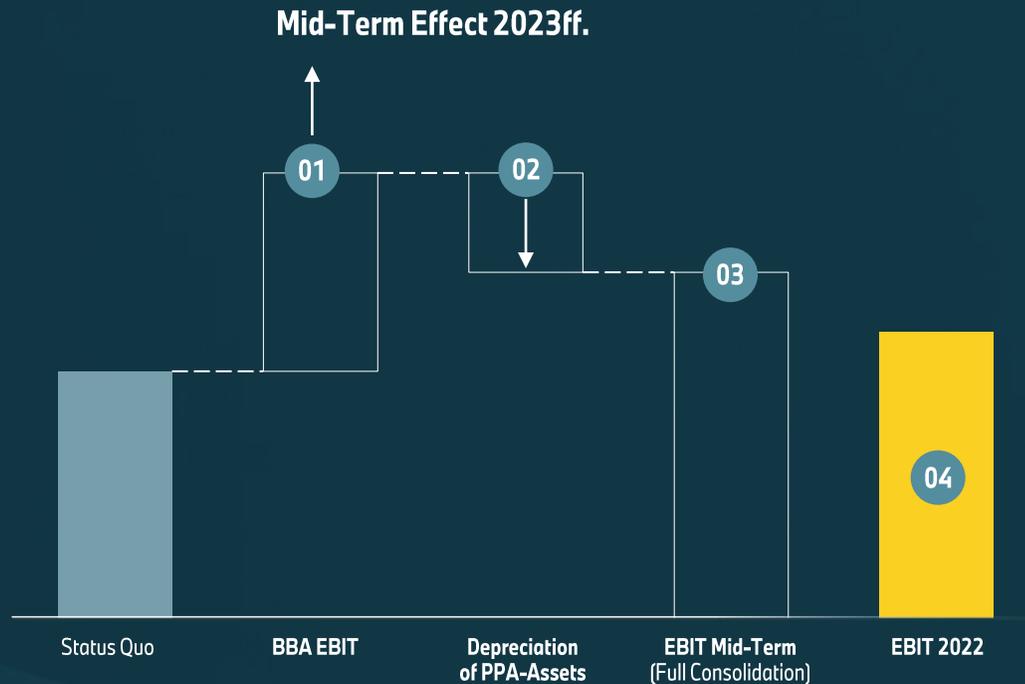
#### 05 | Goodwill

as balancing figure.

# IMPACT OF BBA CHINA JOINT VENTURE FULL CONSOLIDATION ON AUTOMOTIVE EBIT.

## EBIT Automotive Segment (€)

Flowchart only used for illustration purpose. Effects cannot be quantified based on the size of the columns.



### 01 | INCREASE

by inclusion of BBA EBIT.

### 02 | DEPRECIATION

from PPA for several years.

### 03 | MID-TERM

increase due to BBA EBIT.

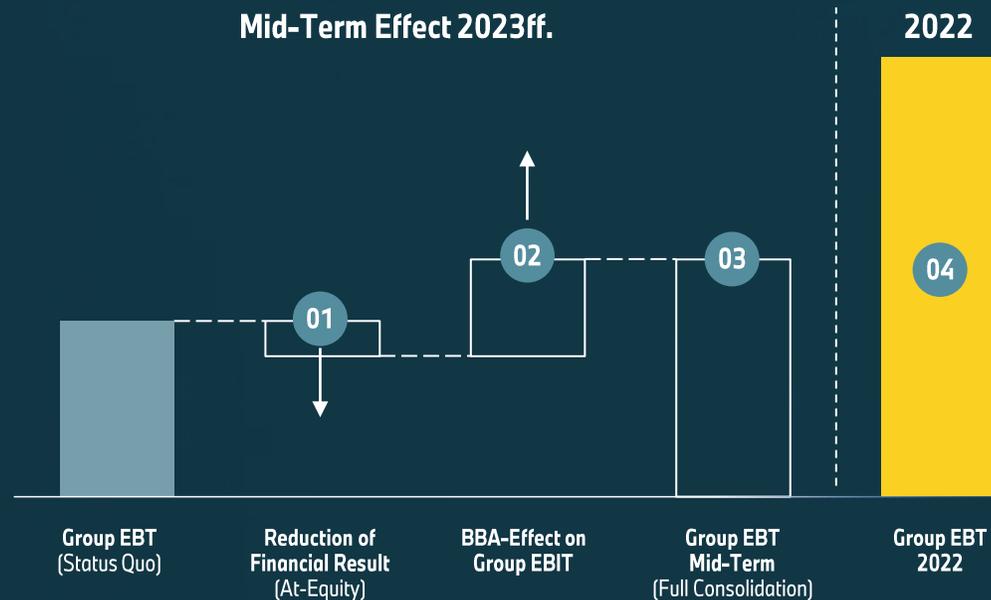
### 04 | EBIT 2022

Negative impact related to first time profit elimination on EBIT and EBIT margin in 2022.

# IMPACT OF BBA FULL CONSOLIDATION ON GROUP EBT.

## Group EBT (€)

Flowchart only used for illustration purpose. Effects cannot be quantified based on the size of the columns.



### 01 | FINANCIAL RESULT

Decrease due to „loss“ of BBA's At-Equity contribution.

### 02 | GROUP EBT

increases by full consolidation of BBA's result.

### 03 | MID-TERM

Increase due to full inclusion of BBA results.

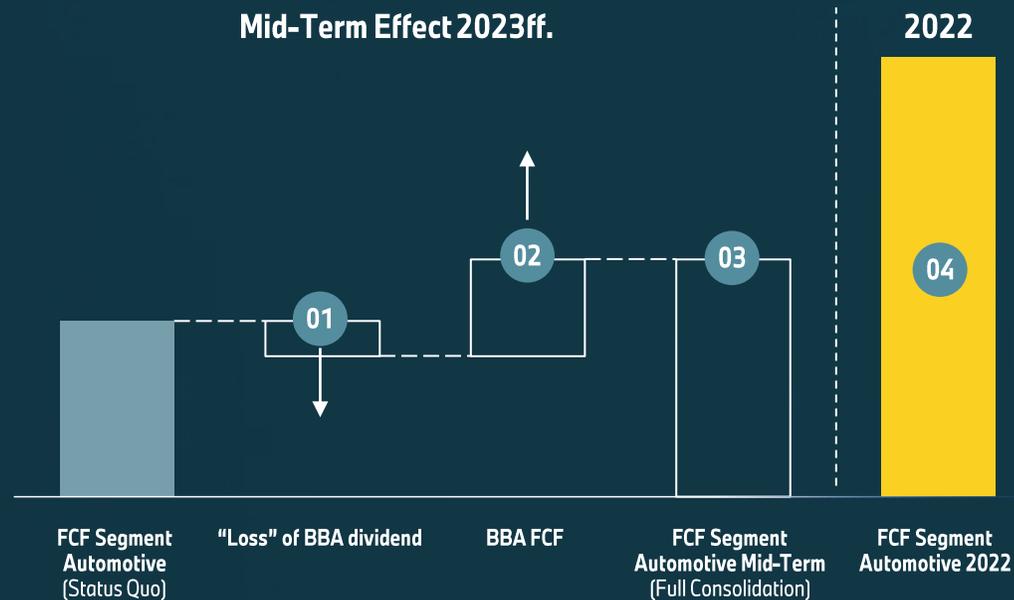
### 04 | EBT 2022

Significant Group EBT increase in 2022 due to revaluation of previously held equity interest in BBA (financial result).

# IMPACT OF BBA FULL CONSOLIDATION ON AUTOMOTIVE FREE CASH FLOW.

## Free Cash Flow (FCF) Segment Automotive (€)

Flowchart only used for illustration purpose. Effects cannot be quantified based on the size of the columns.



### 01 | BBA DIVIDEND

from At-Equity consolidation no longer included.

### 02 | BBA FREE CASH FLOW

fully consolidated.

### 03 | MID-TERM

Increase due to inclusion of BBA free cash flow.

### 04 | FCF 2022

Positive one-off impact due to consolidation of BBA cash less purchase price.

# OUTLOOK 2022.

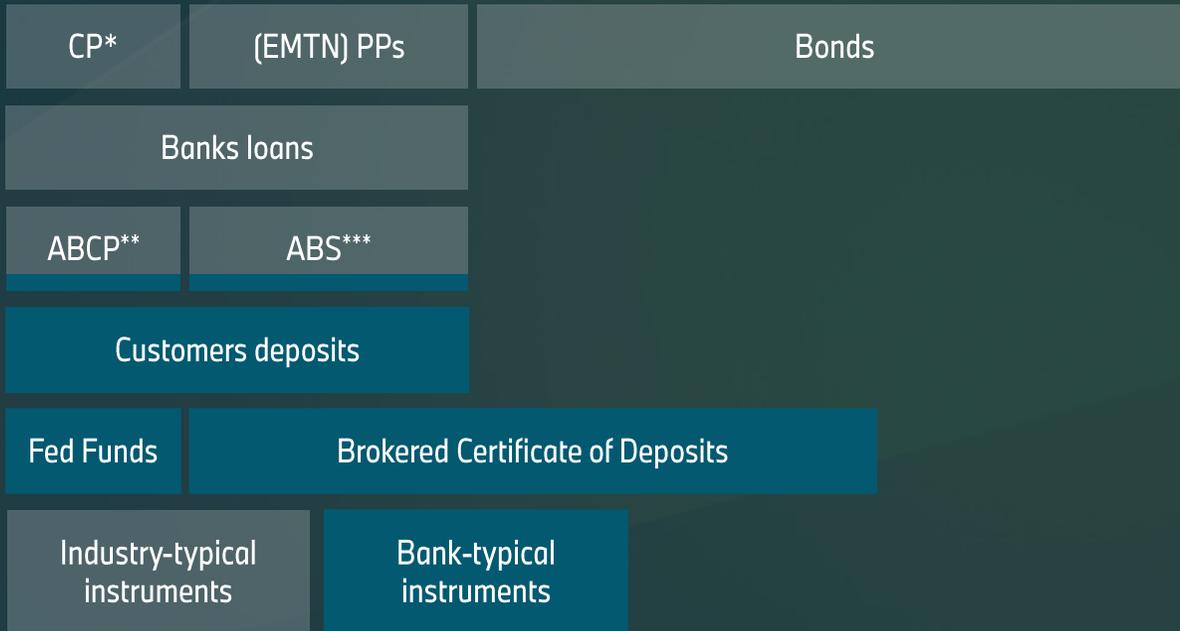
## BMW GROUP KEY PERFORMANCE INDICATORS.

Group		2021 Actuals	2022 Outlook
Earnings before tax	m€	16,060	Significant increase
Workforce at year-end		118,909	Significant increase
Share of women in management positions in the BMW Group	%	18.8	Slight increase
<b>AUTOMOTIVE SEGMENT</b>			
Deliveries to customers <sup>1</sup>	units	2,521,514	In line with last year's level
Share of electrified vehicles in deliveries	%	13.0	Significant increase
CO <sub>2</sub> emissions EU New Vehicle Fleet <sup>2</sup>	g/km	115.9	Slight decrease
CO <sub>2</sub> emissions per vehicle produced <sup>3</sup>	tons	0.33	Slight decrease
EBIT margin	%	10.3	Between 7 and 9
Return on Capital Employed (RoCE) <sup>4</sup>	%	24.0	Between 14 and 19
<b>MOTORCYCLES SEGMENT</b>			
Deliveries to customers	units	194,261	Slight increase
EBIT margin	%	8.3%	Between 8 and 10
Return on Capital Employed (RoCE) <sup>4</sup>	%	21.9	Between 19 and 24
<b>FINANCIAL SERVICES SEGMENT</b>			
Return on Equity (RoE)	%	22.6	Between 14 and 17

1 Deliveries including the joint venture BMW Brilliance Automotive Ltd., Shenyang (2021: 651,236 units). | 2 EU-27 countries including Norway and Iceland; with effect from 2021, values are calculated on a converted basis in line with WLTP (Worldwide Harmonised Light Vehicles Test Procedure). | 3 Efficiency ratio calculated on the basis of Scope 1 and Scope 2 CO<sub>2</sub> emissions (i.e., a market-based method according to GHG Protocol Scope 2 guidance; but excluding climate-changing gases other than carbon dioxide from vehicle production (BMW Group manufacturing sites incl. joint venture BMW Brilliance Automotive Ltd. and motorcycles, but excluding contract manufacturers). As well as BMW Group non-manufacturing sites, (e.g. Research centre, Sales centre, offices) divided by the number of vehicles (excluding motorcycles) produced (BMW Group manufacturing sites incl. joint venture BMW Brilliance Automotive Ltd., excluding contract manufacturers). | 4 New method of calculation applied with effect from 2022. Previous year's figure adjusted. 2021 reported for Automotive Segment: 59.9%; Motorcycles Segment: 35.9%.

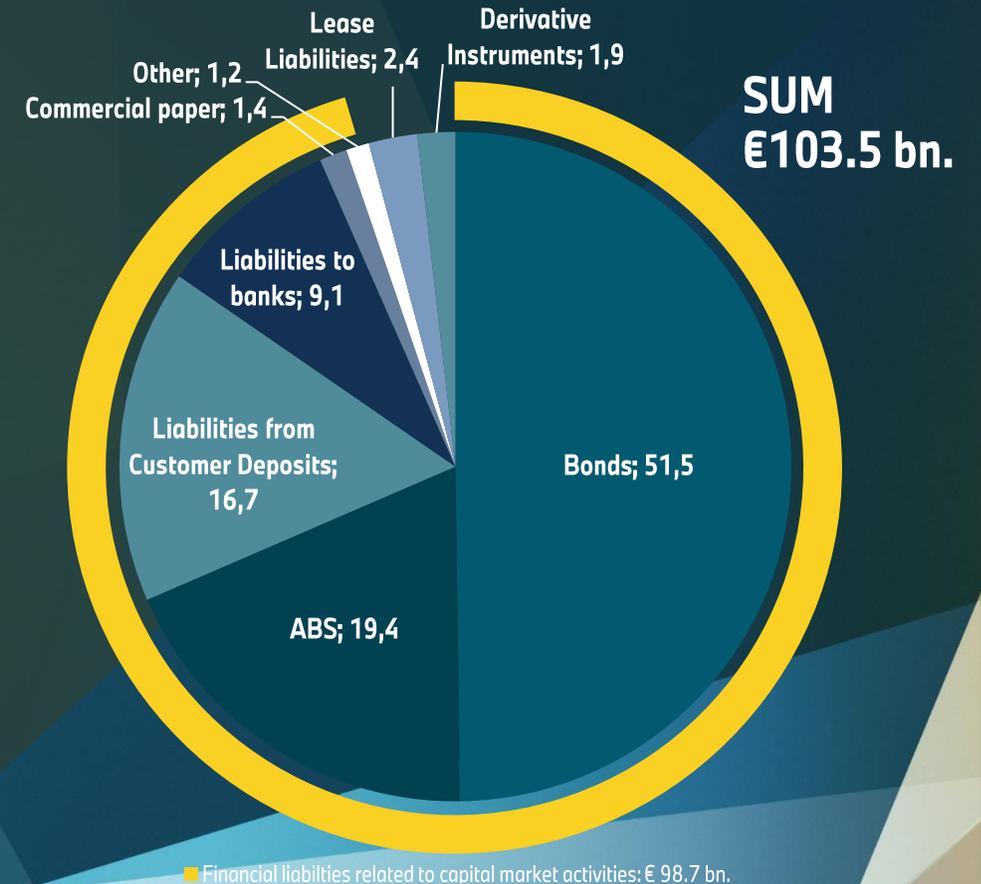
# DIVERSIFIED FUNDING MIX WITH A COMBINATION OF INDUSTRY AND BANK-TYPICAL FINANCING INSTRUMENTS.

## FUNDING INSTRUMENTS



BMW Group continues to target a well diversified debt structure

## FINANCIAL DEBT AS OF FY 2021



\* Commercial Paper | \*\* Asset Backed Commercial Paper | \*\*\* Asset Backed Securities

# CORPORATE FINANCE ENSURES SOLVENCY AT ANY TIME. MANAGING RISK ALONG THE ENTIRE VALUE CHAIN.

RESEARCH &  
DEVELOPMENT



SUPPLY  
CHAIN



PRODUCTION



SALES &  
MARKETING



FINANCIAL  
SERVICES



## Financial Risk

## Strategic Direction

## Operational Implementation

## Liquidity Funding

Solvent  
Independent  
Flexible  
Value Oriented

Minimum Liquidity Concept  
Target Debt Structure  
Financing Follows Markets

## Currencies Commodities Interest Rates

Increasing planning security  
Reducing earnings risk  
Maintaining opportunities

Selective Approach  
Relative Value  
Natural Hedging

## Asset- Management

Yield oriented  
Risk optimized  
Chances

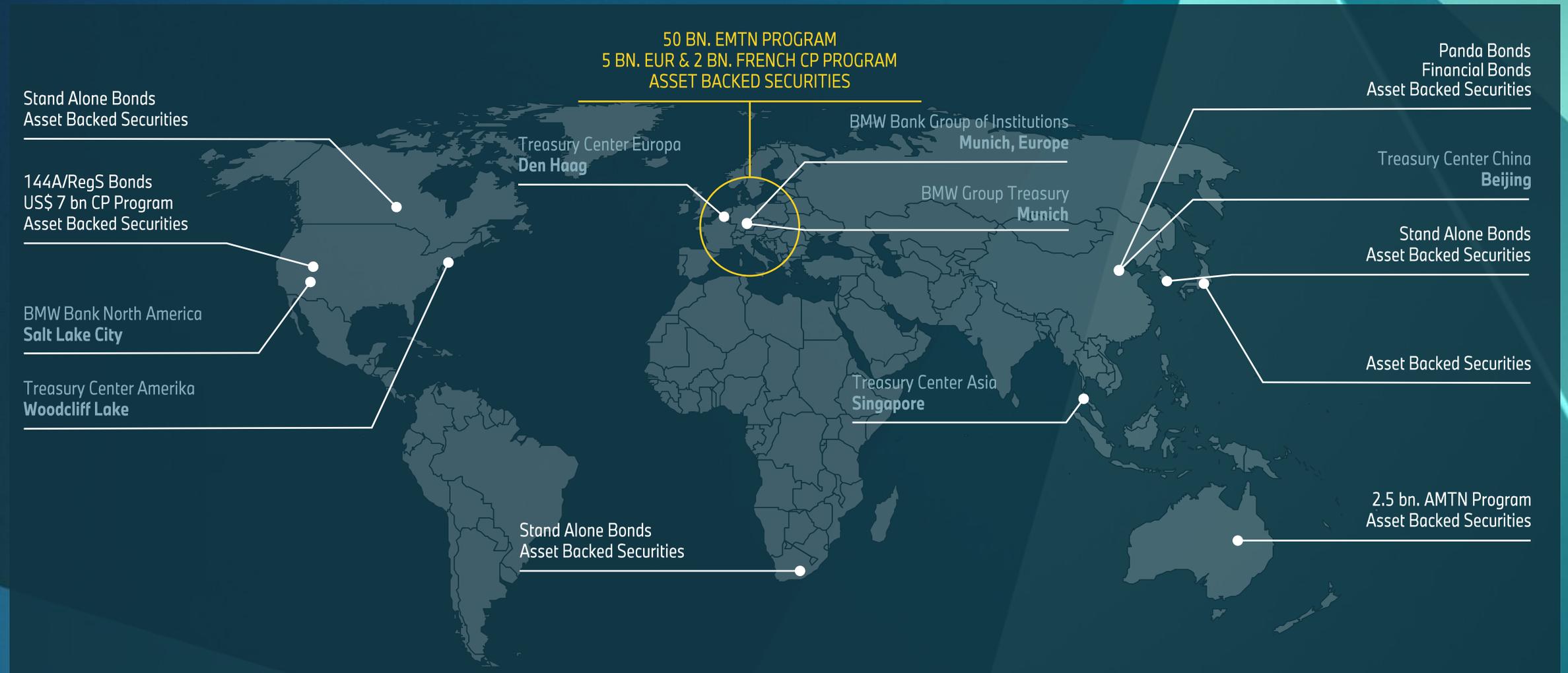
Asset-Liability-Studies  
Liability-driven investment  
Lifecycle concept



SUSTAINABILITY & GOVERNANCE



# GLOBAL MARKETS ACCESS. TREASURY ORGANIZATION ENSURES 24 HOUR MARKET COVERAGE.



# BMW GROUP INVESTOR RELATIONS. CONTACTS.



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# BMW GROUP INVESTOR RELATIONS. FINANCIAL CALENDAR 2022.

**16.03.2022**

BMW Group Report 2021

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**17.03.2022**

Virtual BMW Group Annual Conference – Analyst and Investor Day

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**05.05.2022**

Quarterly Statement to 31 March 2022

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**11.05.2022**

Annual General Meeting 2022

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**03.08.2022**

Half-Year Report to 30 June 2022

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**03.11.2022**

Quarterly Statement to 30 September 2022

# BMW GROUP INVESTOR RELATIONS. EVENTS, CONFERENCES & ROADSHOWS H1-2022.

- |                         |  |
|-------------------------|--|
| <b>13. – 14.04.2022</b> | CFO Roadshow, US East Coast                              |
| <b>19.04.2022</b>       | <b>Preview Event of the all-new BMW 7 Series, Munich</b> |
| <b>20.05.2022</b>       | Virtual Citi Auto Conference                             |
| <b>24. – 25.05.2022</b> | dbAccess German Corporate Conference, Frankfurt          |
| <b>01.06.2022</b>       | Kepler Cheuvreux Digital ESG Conference                  |
| <b>07. – 08.06.2022</b> | JPM Annual Auto Conference, London                       |
| <b>21.-22.06.2022</b>   | Virtual ODDO BHF Sustainability Forum                    |
| <b>22.06.2022</b>       | Virtual Unicredit Automotive Credit Conference           |

# DISCLAIMER.

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.

For consumption and emissions data, please visit our homepage: [www.bmw.com](http://www.bmw.com)