



Beijing October 19, 2012

CAPITAL MARKETS DAY CHINA 2012

DR. FRIEDRICH EICHINER
MEMBER OF THE BOARD OF MANAGEMENT OF BMW AG, FINANCE

BMW
GROUP

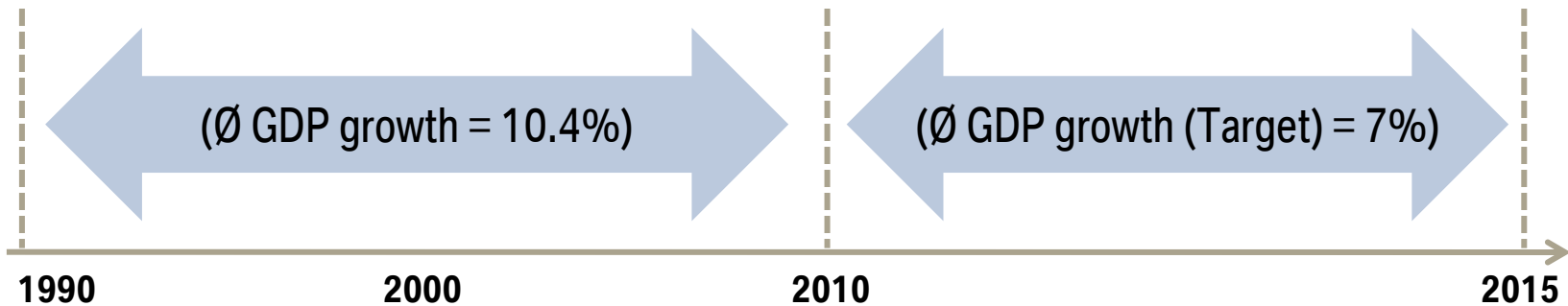


Rolls-Royce
Motor Cars Limited

CHINA IS A SUCCESS STORY FOR THE BMW GROUP DOUBLE-DIGIT GROWTH BY YEAR-END 2012.



CHINA'S ECONOMIC DEVELOPMENT. THE 12TH FIVE-YEAR PLAN (2011–2015) AIMS AT A MORE MODERATE GROWTH PATH.



**Economic growth
from export/
investment driven to
consumption driven**



**Income
redistribution and
improving people's
living standards**



**Urbanization and
regional
development**



**Energy saving and
environmental
protection**



CONTENT.

- 1 Status BMW Group
- 2 Status BMW Group in China
- 3 Outlook
- 4 Summary



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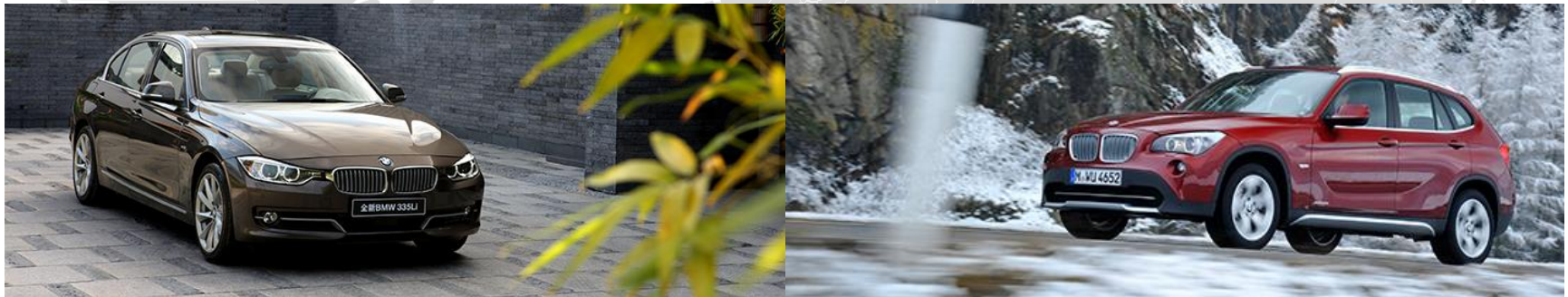
ON TRACK TO MEET OUR GUIDANCE: SALES VOLUME ABOVE PREVIOUS YEAR.

BMW Group
Sales development (units)

**September
2012**

1.335 million

+ 8.3 %



**Sales
by continent**

America

+6.3% YTD

Europe

+0.8% YTD

Asia

+27.2% YTD

MARKET CONDITIONS WILL BE MORE DIFFICULT IN 2013.



European markets will worsen in 2013

Additional costs for future investments

Staying the strategic course

Start of electromobility with the BMW i3

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GROWING SIGNIFICANCE OF CHINA.



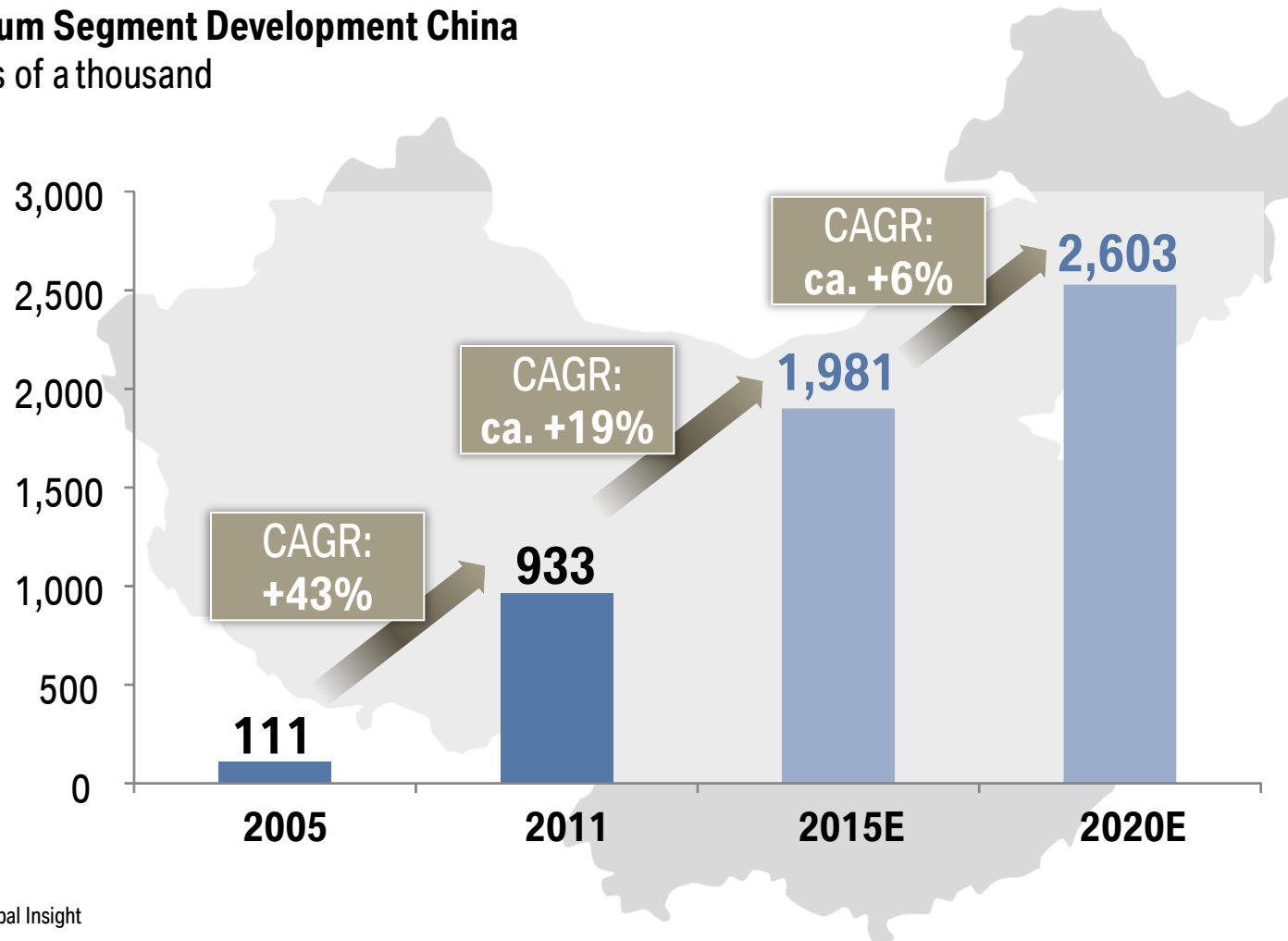
China has great potential for the future as well.

China's significance for the BMW Group continues to grow.



GLOBAL INSIGHT DATA: CHINESE PREMIUM SEGMENT SHOWS SOLID GROWTH, IN MEDIUM-TERM AT A LOWER PACE. OUR OWN GROWTH EXPECTATIONS ARE LOWER.

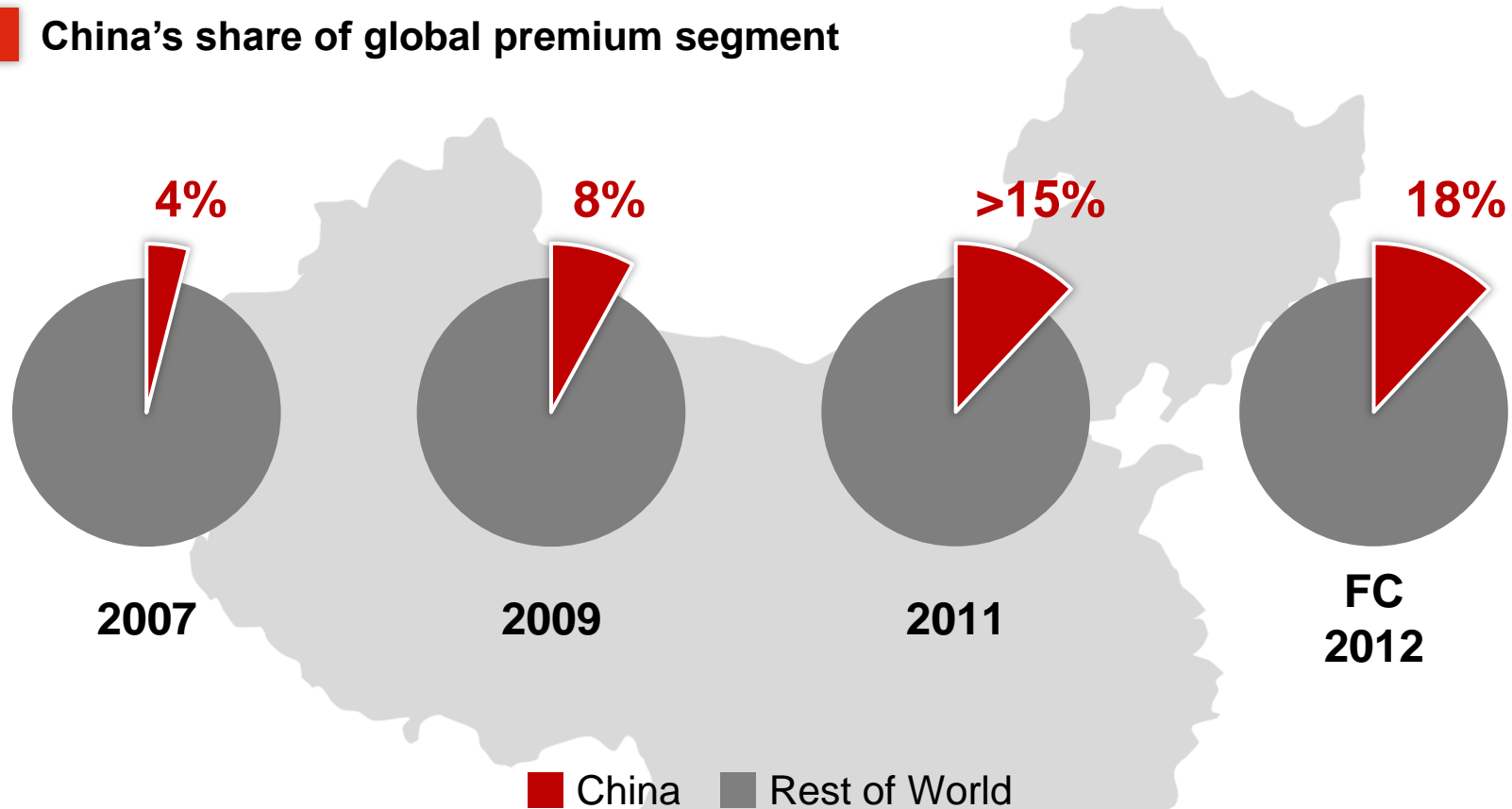
Premium Segment Development China in units of a thousand



Source: Global Insight

CHINA HAS BECOME A MAJOR ENGINE FOR THE GROWTH OF GLOBAL PREMIUM SEGMENT.

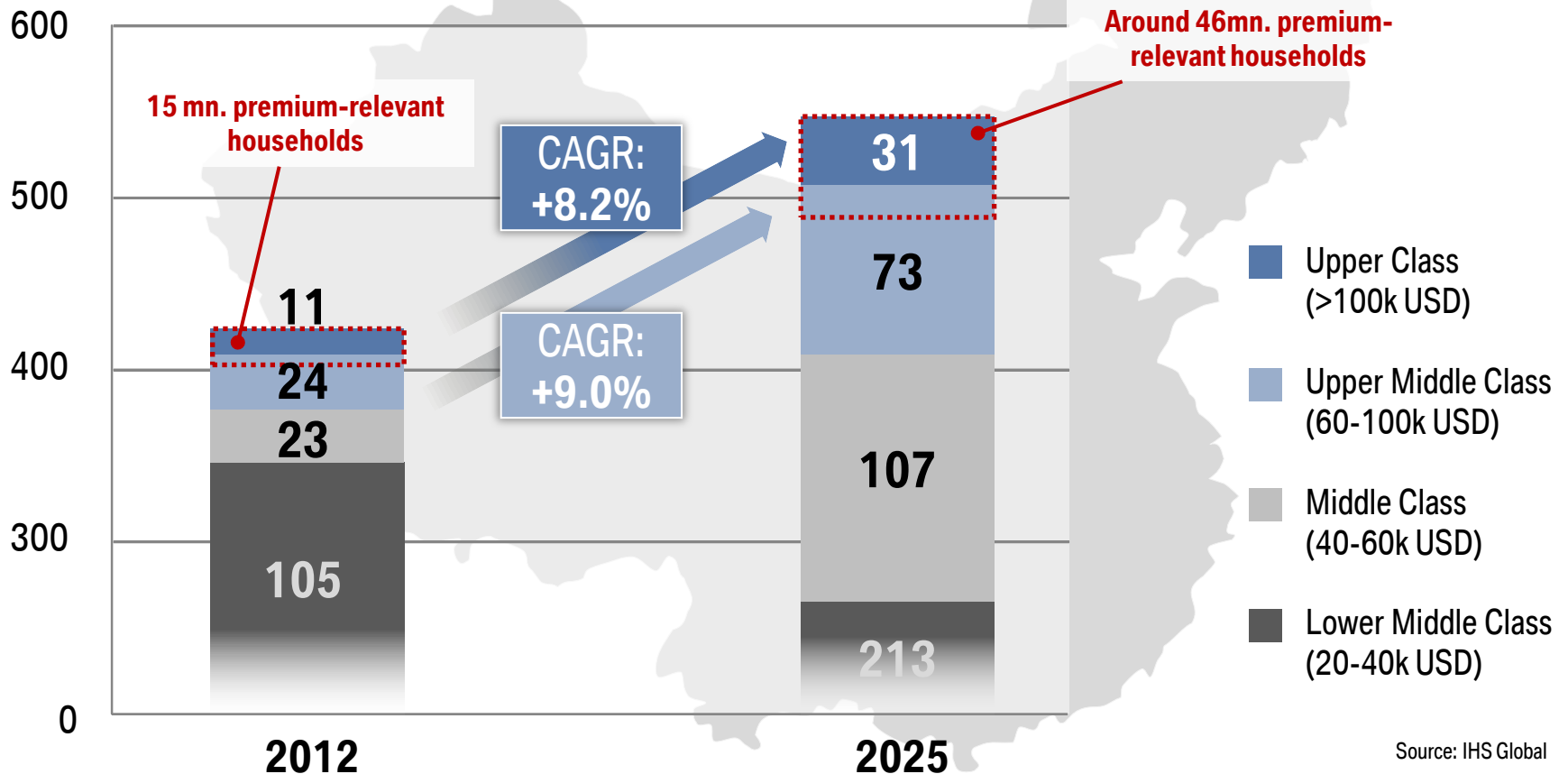
 **China's share of global premium segment**



Source: Global Insight Data

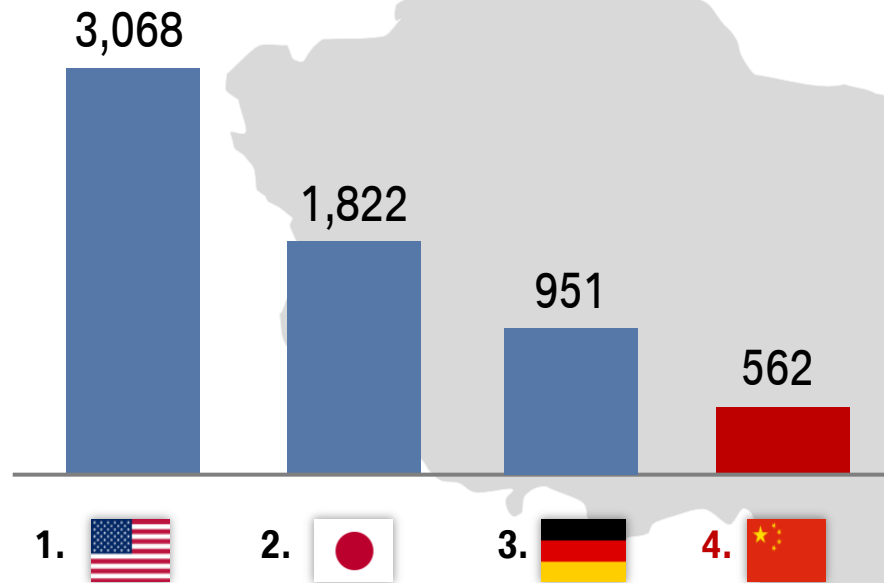
INCOME DISTRIBUTION: FURTHER GROWTH OF PREMIUM-RELEVANT UPPER AND UPPER MIDDLE CLASS.

Income class definition by annual household income
(inflation and purchasing power parity adjusted, base year 2005)



GROWING HNWI NUMBER IN MAINLAND CHINA – CUSTOMERS HAVE A CLEAR PREFERENCE FOR LUXURY GOODS.

Total Number of High Net Worth Individuals (HNWI) with net worth of US\$ 1 Million or more in 2011 (unit: Thousands)



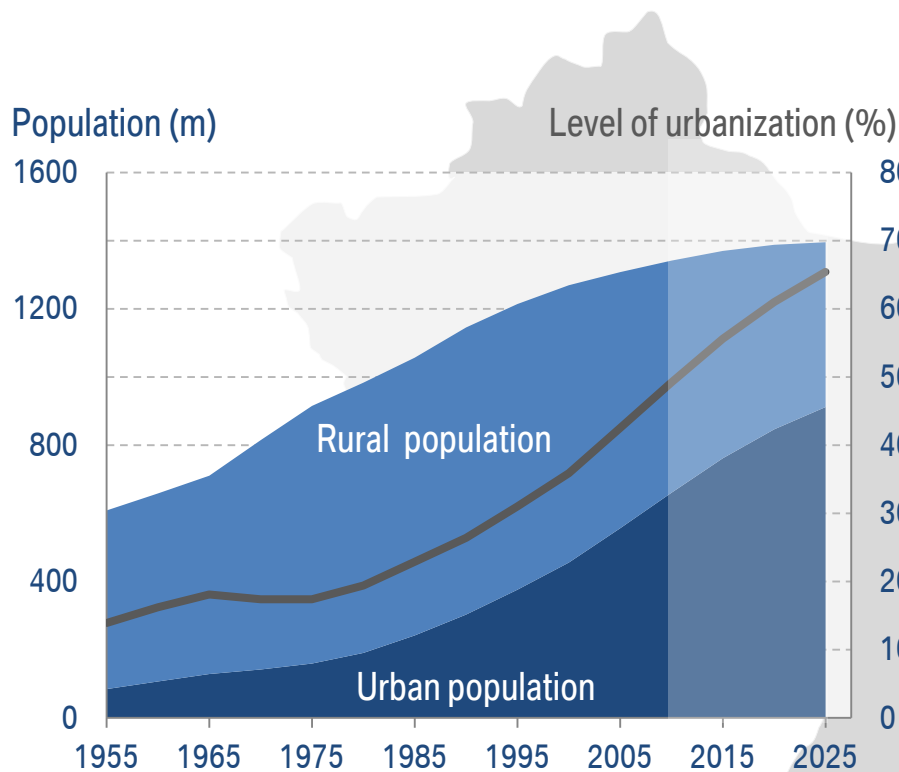
Source: 2012 Global Wealth Report, by Capgemini and RBC Wealth Management

MAINLAND CHINA: URBANIZATION IN FAST MOTION.

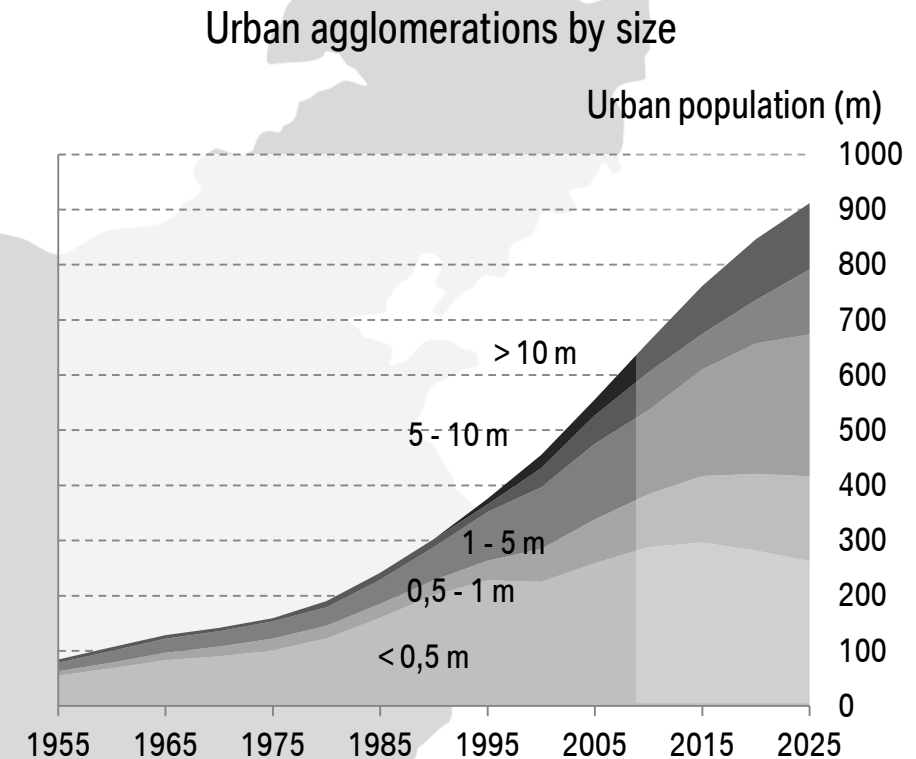


Level of urbanization already at 50%.

Urbanization is driven by medium sized cities.



Source: UN 2011



BMW BRILLIANCE AUTOMOTIVE – A JOINT SUCCESS STORY.



CHINA'S DEALER NETWORK – BY END OF SEPTEMBER 332 BMW OUTLETS AND 76 MINI OUTLETS. ROLLS-ROYCE HAS 13 DEALERS IN EAST AND CENTRAL CHINA.



BMW X1 AND 3 SERIES LONG WHEEL BASE FROM LOCAL PRODUCTION, AS WELL AS BMW 7 SERIES SUPPORT GROWTH. BMW 5 SERIES LWB CONTINUES SUCCESS.



FURTHER EXPANSION OF PRODUCTION CAPACITY. LOCAL PRODUCTION OF ABOUT 150,000 UNITS BY END OF 2012.



BMW FINANCIAL SERVICES CHINA – PROFITABLE GROWTH WITH PARTNERS.

Business volume of 10 billion RMB (~1.2 billion Euros)

Penetration rate in August 2012 was ~12%

Contracts are partly concluded with cooperation partners

Growth by expansion of portfolio



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THE BMW GROUP IS ON GROWTH TRACK IN CHINA.



Double-digit Sales Growth in the coming years

Growing local production

Further growth in our market presence, across all tier cities

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CHINA WILL REMAIN OUR GROWTH DRIVER IN ASIA. OUR TARGET IS A BALANCED GLOBAL MARKET APPROACH.





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