



BBA, July 2014

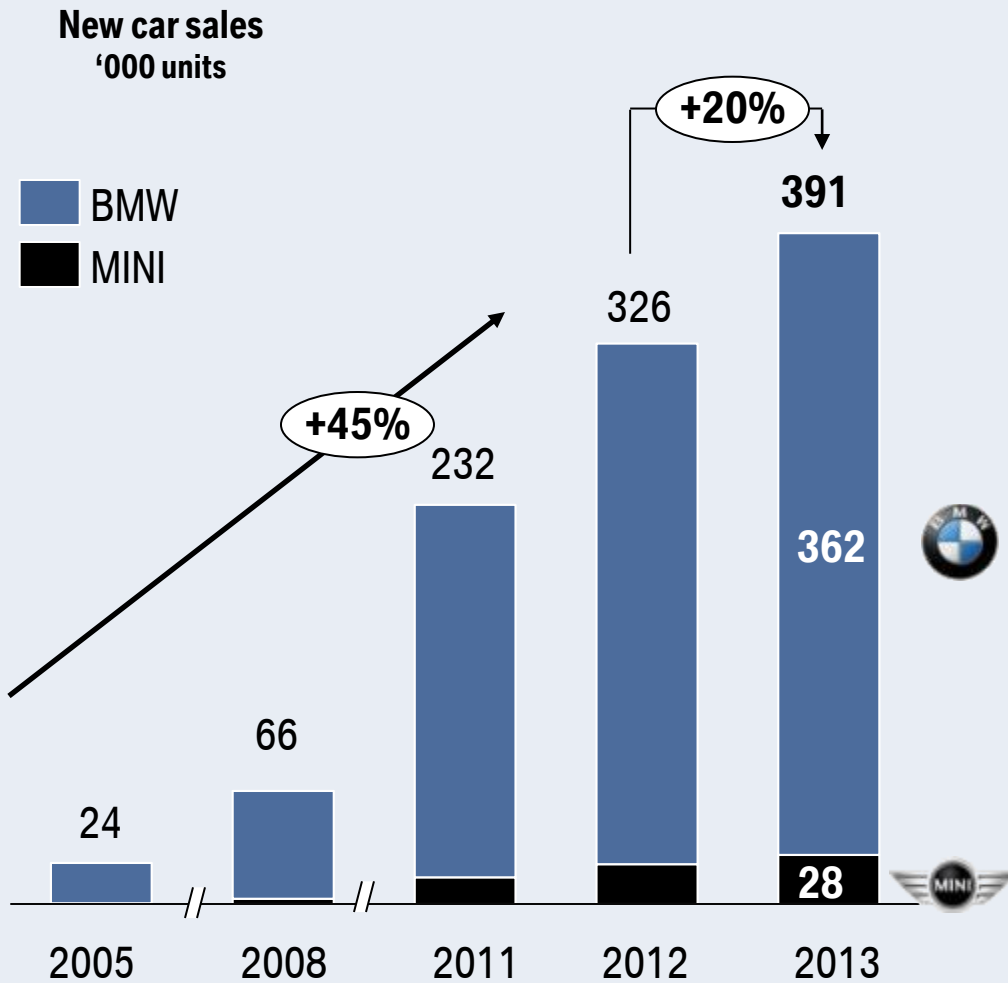
BMW BRILLIANCE AUTOMOTIVE: SUSTAINABLE FUTURE GROWTH WITH STABLE PROFITABILITY. SHENYANG, JULY 2014.

**OLAF KASTNER, PRESIDENT AND CEO.
DR. ANTON HEISS, SVP TECHNOLOGY AND MANUFACTURING.**

BMW Brilliance Automotive



BMW BRAND EXPERIENCED FAST SALES GROWTH AND GREAT SUCCESS IN CHINA IN RECENT YEARS.



OVER TEN YEARS OF MARKET EXPERIENCE. BMW GROUP IN CHINA.



BMW GROUP AND BRILLIANCE AUTO GROUP.



BMW Group

Three brands, one vision. Thanks to our uncompromising focus on premium, BMW Group automobiles and motorcycles inspire more people around the world today than ever before.

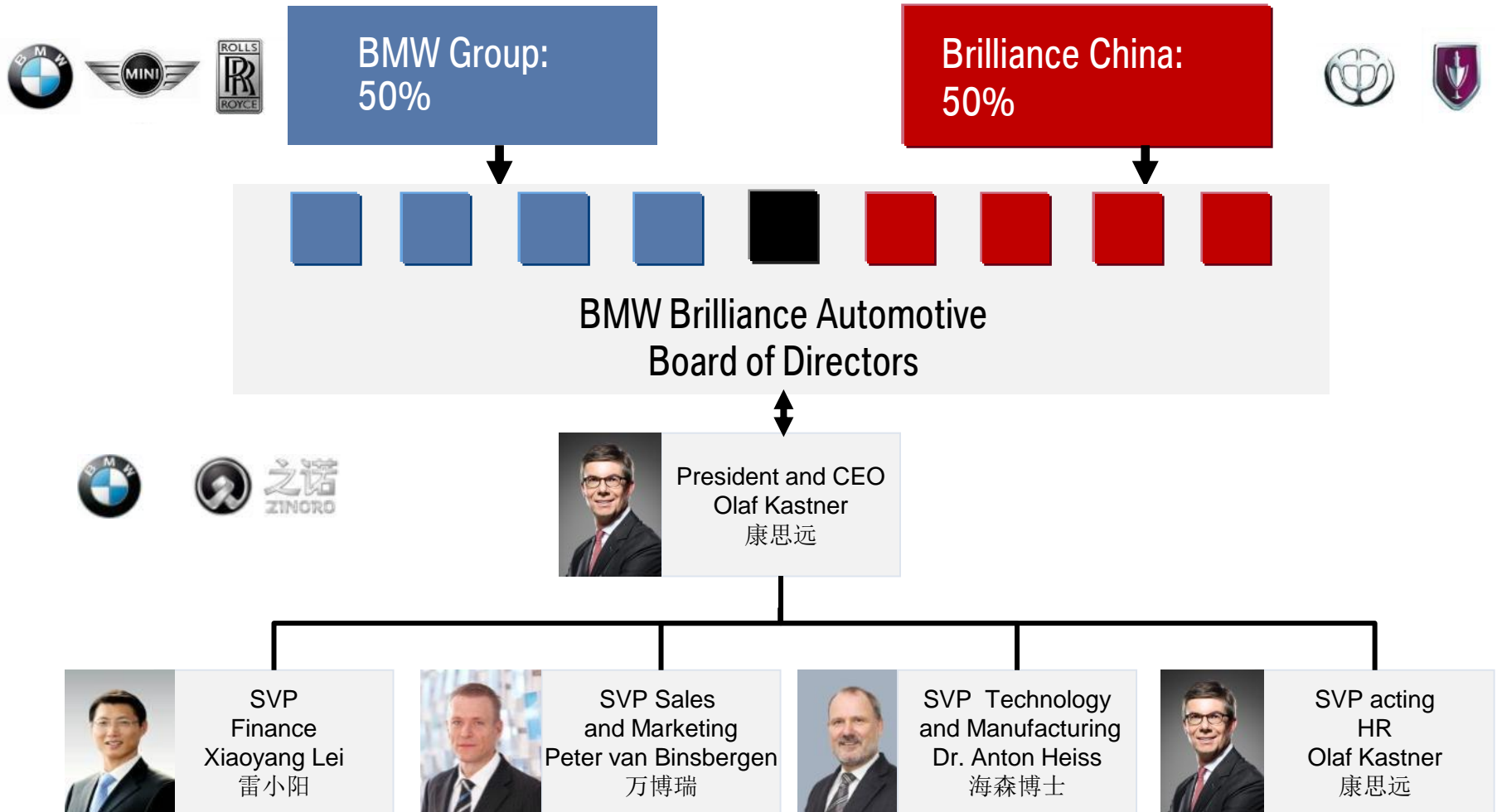


Brilliance Auto Group

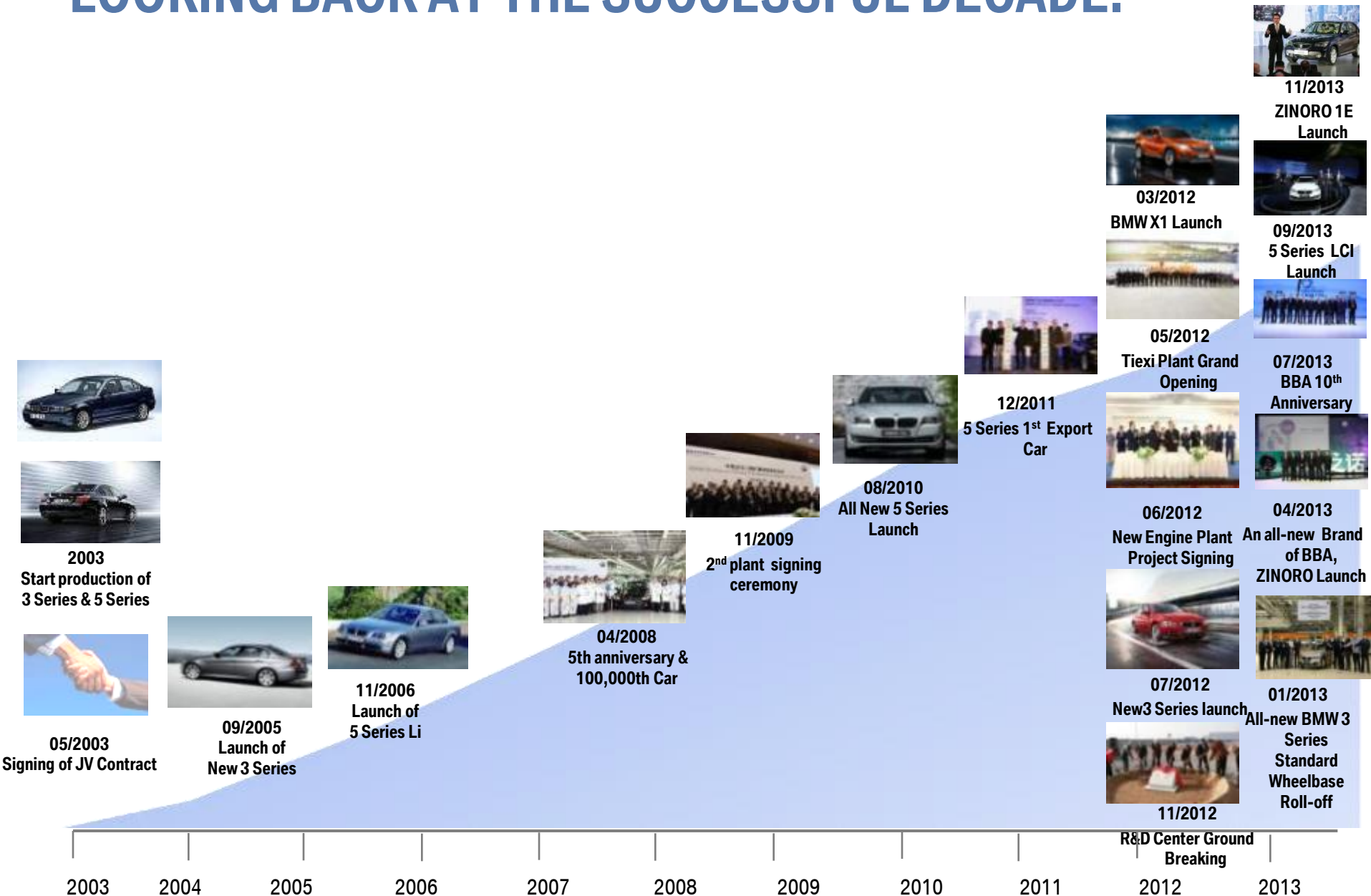
Brilliance Auto Group was approved by the government of Liaoning province in 2002. This young growing automobile manufacturer has become a large scale enterprise of RMB 30 billion assets and 35,000 employees, which produce complete vehicles, automotive parts, core automotive parts R&D, design, sales and finance management.



PARTNERSHIP AND BALANCE. THE ORGANIZATIONAL STRUCTURE OF BBA.



LOOKING BACK AT THE SUCCESSFUL DECADE.



BMW BRILLIANCE AUTOMOTIVE AT A GLANCE. INTERNAL SUCCESS FACTORS.

PEOPLE

Number of Associates: 13,000 (up to +10,000 in the last 4 years)



PRODUCTS

Retail Sales in 2013: 198,600
(over +150,000 units in the last 4 years)



PRODUCTION

Tiexi + Dadong + Powertrain + NEP





BBA IS AN ATTRACTIVE EMPLOYER WITH DEVELOPMENT OPPORTUNITIES WITHIN BMW CHINA.



**BE THE STRENGTH
BEHIND THE TEAM.**

PURSUE YOUR PASSION, DRIVE YOUR CAREER.



**BE THE BRAINS
BEHIND THE OPERATION.**

PURSUE YOUR PASSION, DRIVE YOUR CAREER.



**BE THE SPONSOR
BEHIND THE DREAM.**

PURSUE YOUR PAS



**BE THE POWER
BEHIND THE SALE.**

PURSUE YOUR PASSION, DRIVE YOUR CAREER.

**PURSUE YOUR PASSION,
DRIVE YOUR CAREER.**



**BE THE MASTER
BEHIND THE TECHNOLOGY.**

PURSUE YOUR PASSION, DRIVE YOUR CAREER.



**BE THE TALENT
BEHIND THE FUTURE.**

PURSUE YOUR PASSION, DRIVE YOUR CAREER.



**BE THE INSPIRATION
BEHIND THE INNOVATION.**

PURSUE YOUR PASSION, DRIVE YOUR CAREER.



QUALIFIED PERSONNEL AND SUSTAINABLE MOTIVATION FOR ASSOCIATES BUILD THE BASIS.





CREATING OUR CULTURE. BBA'S 5 LEADERSHIP ELEMENTS.



信任. 激励. 开放. 关爱. 超越
Trust. Inspire. Open. Care. Go Beyond

信任.
TRUST.

再接再厉, 共襄互证。
WE AT BBA BUILD TRUST THROUGH
RELIABILITY AND INTEGRITY.

BMW之悦.

激励.
INSPIRE.

不断激励, 共创未来。
WE AT BBA INSPIRE TO CREATE THE FUTURE.

BMW之悦.

开放.
OPEN.

开拓进取, 与时俱进。
WE AT BBA OPEN OUR MINDS TO EMBRACE
CHANGE AND BROADEN OUR HORIZON.

BMW之悦.

关爱.
CARE.

全心关爱, 以人为本。
WE AT BBA CARE ABOUT PEOPLE AS OUR
MOST VALUABLE RESOURCE.

BMW之悦.

超越.
GO BEYOND.

全力以赴, 勇于超越。
GO BEYOND TO REALIZE OUR FULL POTENTIAL.

BMW之悦.



JOURNEY TO EXCELLENCE TARGETS BETTER IMPROVE PROCESSES AND ENABLE PEOPLE TO BUILD THE FOUNDATION TO ENABLE FUTURE GROWTH.

JOURNEY TO EXCELLENCE



More efficient & effective processes

- Enhanced productivity
- Shorter throughput time
- Higher first time right ratio
- Better outcome



More enabled & satisfied employees

- Enhanced team capabilities
- Motivated employees



CSR ACTIVITIES IN CHINA.



BMW CHINA Corporate Citizenship

资源创新 / Resources



Contribute to the sustainable development of China by promoting innovations for resource efficiency and sustainable resource use with social benefits via using company core competences.

- Yushu ecological environment protection
- 5S dealership

文化交流 & 社会融合 / Intercultural Innovation & Social Inclusion



Promote cross-culture understanding and social inclusion.

- BMW China Culture Journey
- BMW JOY Home
- BMW JOY Future
- Yushu Care Initiative

教育 / Education



Provide engaging road safety and general safety education

- BMW Children's Traffic Safety Education
- BMW Brilliance Quality Education Open Course



BMW Warm Heart Fund

BMW China Corporate Citizenship Platforms

→ With Fund support, project initiation and process partners engagement



BMW BRILLIANCE AUTOMOTIVE LTD. OVERVIEW PRODUCTS.

BMW 3 Series



BMW 5 Series



BMW X1



N20 Engine



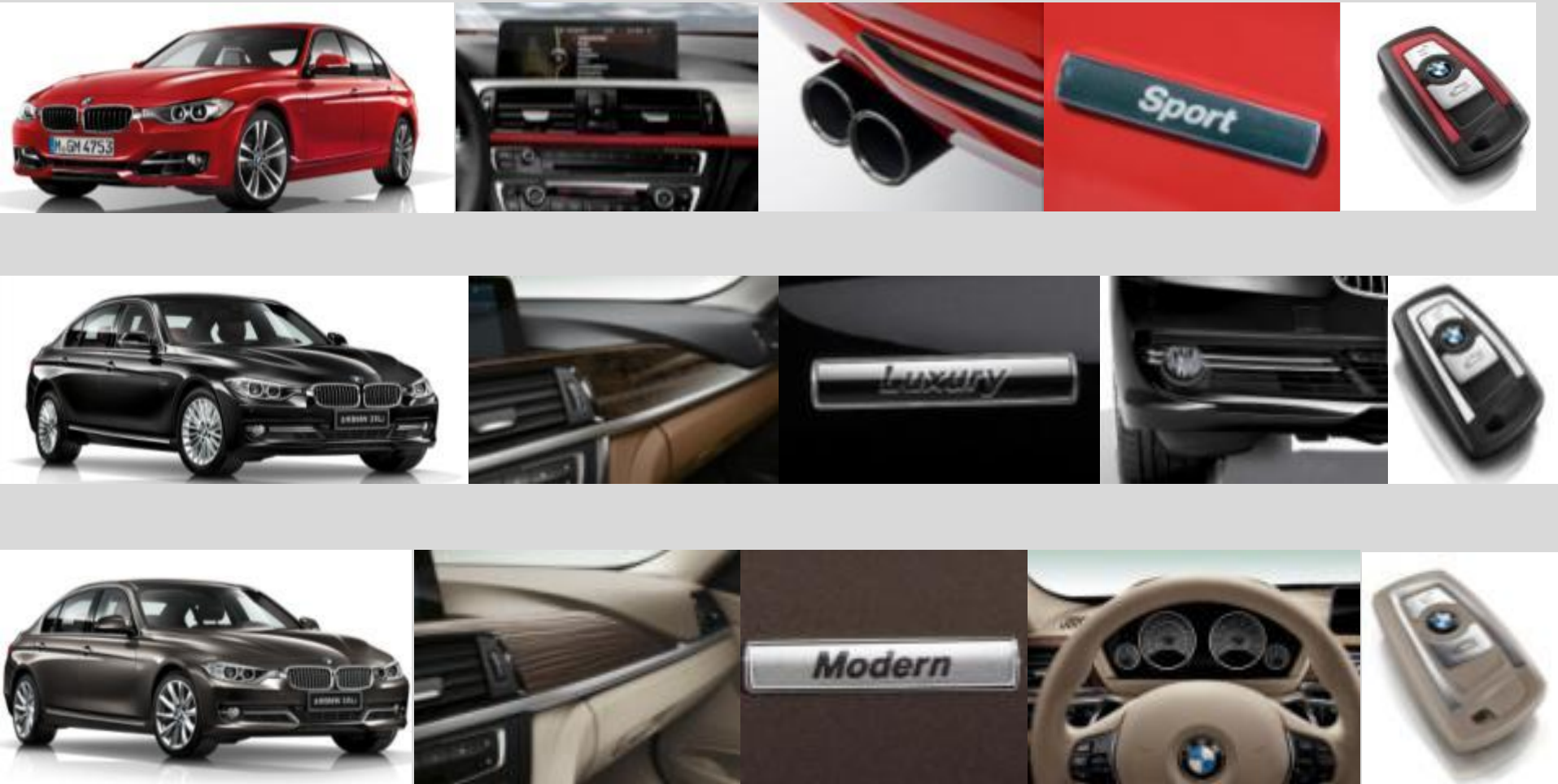


HUGE SUCCESS OF 5 SERIES LI SEDAN LONG WHEELBASE.





SUCCESSFUL 3 SERIES SINCE LAUNCH.





BBA LOCAL BRAND ZINORO. COMMITMENT TO THE CHINESE MARKET.



Symbolize **commitment, cooperation** and **trust**, within the future key market growth segment – the NEV

The 1st product, 1E, debuted on 2013/11/20 before Guangzhou Auto Show, with the first Chinese premium BEV locally produced in China



Rental as business model for the first product generation - with short- & long-term rental options



BBA R&D CENTER. MARKET SPECIFIC DEVELOPMENT ESTABLISHED.





BBA PRODUCTION CAPABILITIES. VEHICLE CUSTOMIZATION TO SUPPORT CUSTOMER SATISFACTION.



BMW BRILLIANCE AUTOMOTIVE LTD. OVERVIEW SHENYANG PRODUCTION LOCATIONS.



Plant 19.87 Powertrain

- Area: 90,000 m²
- Workforce: ~ 1,100
- SOP: March 2012



Plant 19.89 NEP

- Area: 900,000 m²
- SOP: 2016

Plant 19.10 Dadong

- Area: 270,600 m²
- Workforce: ~ 6,000
- SOP: May 2004



Plant 19.88 Tiexi

- Area: 2,070,000 m²
- Workforce: ~ 4,500
- SOP: December 2011

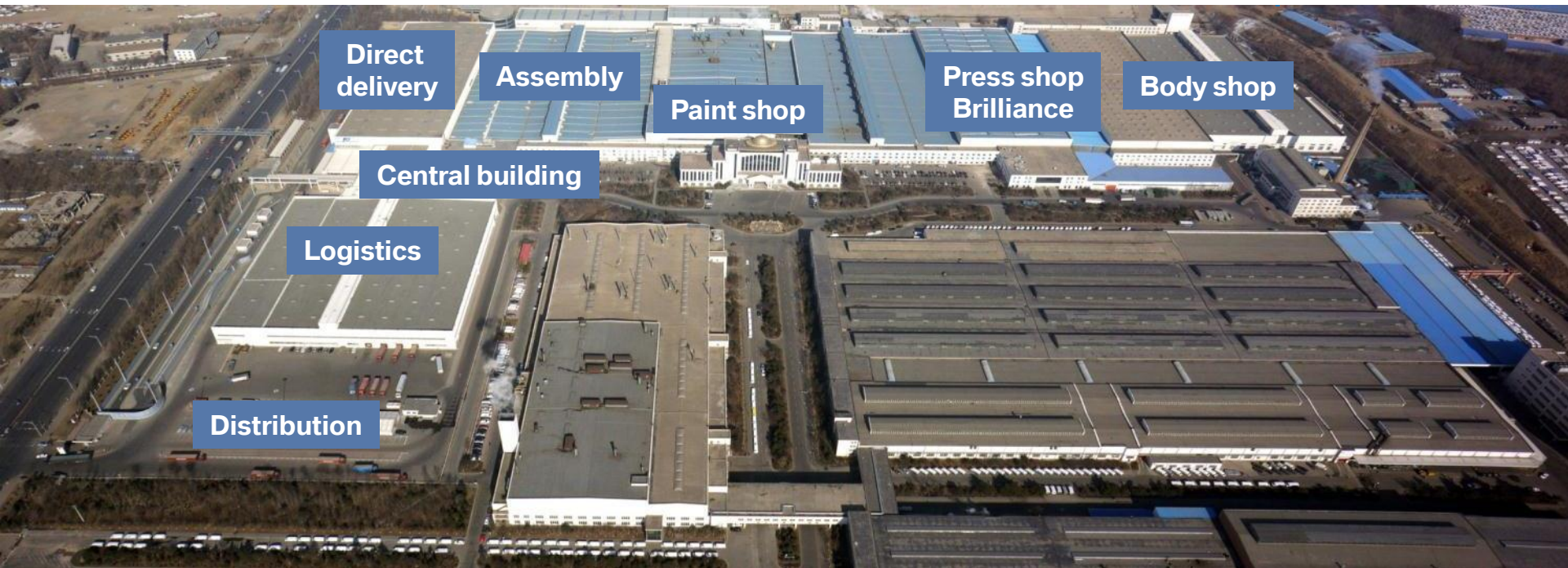




BMW BRILLIANCE AUTOMOTIVE A FULLY INTEGRATED PARTNER WITHIN BMW GROUP PRODUCTION NETWORK.



OVERVIEW PLANT DADONG. BBA FIRST PLANT IN SHENYANG.



PLANT DADONG TECHNOLOGY. BODY SHOP.



PLANT DADONG TECHNOLOGY. PAINTSHOP.





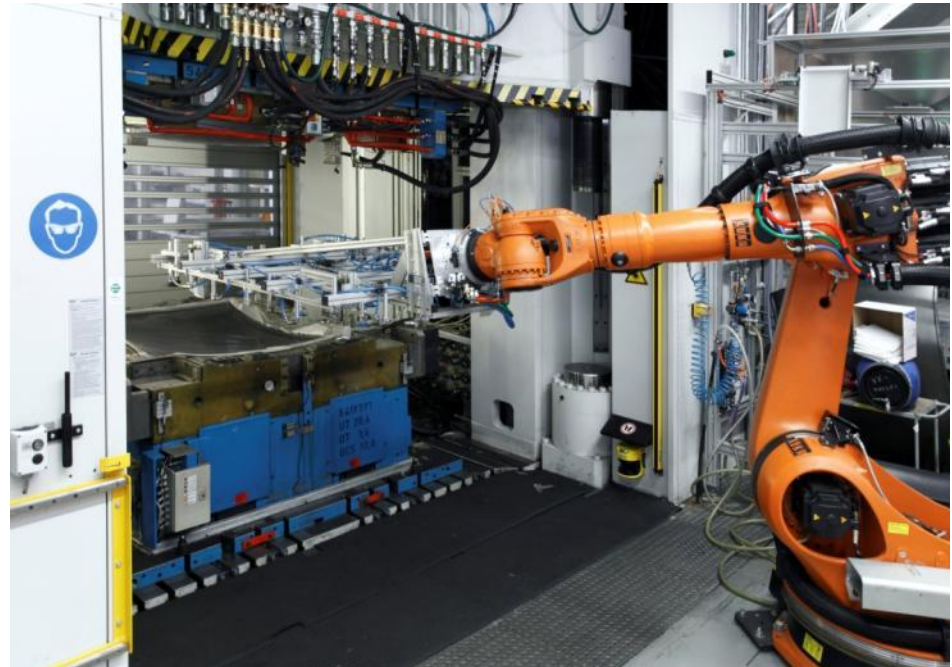
PLANT DADONG TECHNOLOGY. ASSEMBLY.



BBA PLANT TIEXI. OPENING IN 2012.



PLANT TIEXI TECHNOLOGY. PRESS SHOP.



PLANT TIEXI TECHNOLOGY. BODY SHOP.

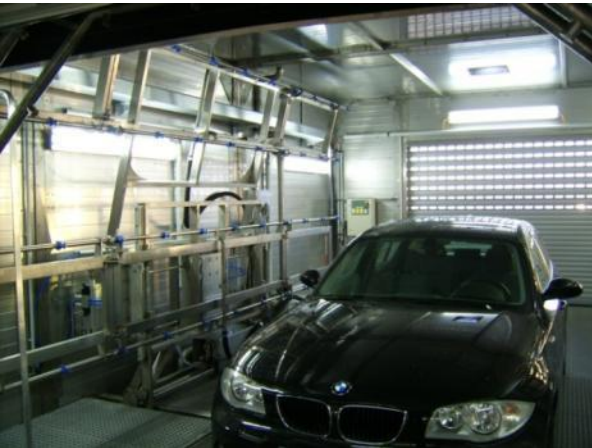




PLANT TIEXI TECHNOLOGY. PAINT SHOP.



PLANT TIEXI TECHNOLOGY. ASSEMBLY.



BBA PLANT POWERTRAIN. OPENING IN 2012.





BBA PLANT “NEP” – NEW ENGINE PLANT. START OF PRODUCTION IN 2016.





WITH CURRENT ACTIVITIES WE ARE SETTING THE GROUND FOR OUR FUTURE.



2 derivatives

4 derivatives

6 derivatives

more derivatives

Processes were designed when we were small.

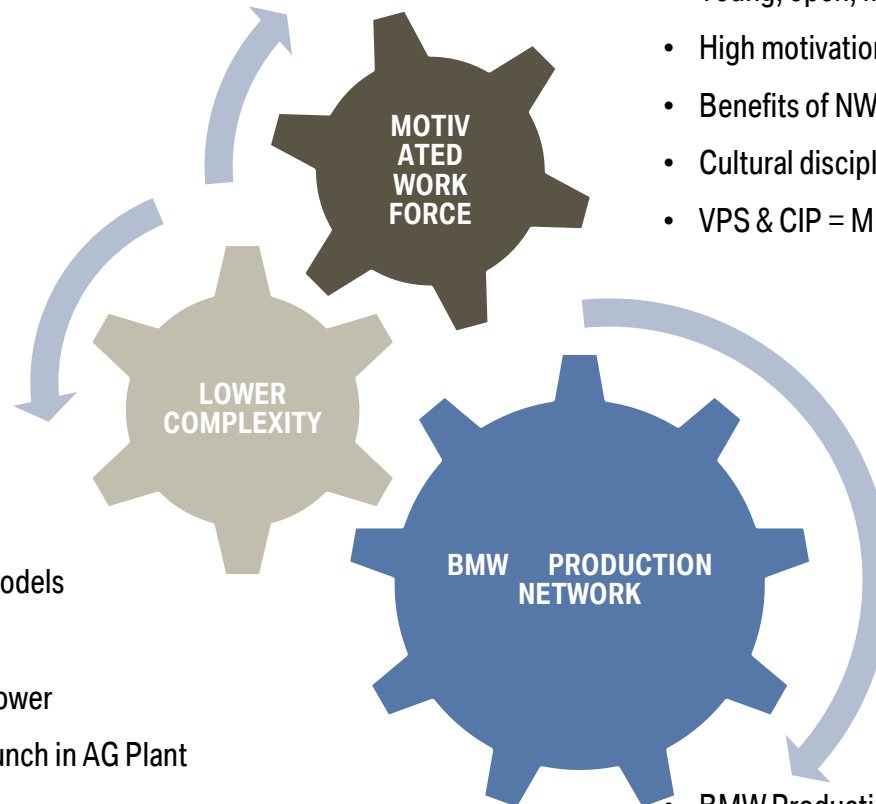
As we grow, scale and complexity grows.



We optimize our processes to support future growth.



STABLE GOOD QUALITY RESULTS AND HIGH DIRECT RUNNER DUE TO HIGHLY MOTIVATED WORKFORCE, LOWER COMPLEXITY AND PRODUCTION NETWORK.



- Young, open, flexible
- High motivation to learn and grow
- Benefits of NWS, PDCA, JDPower quickly understood.
- Cultural discipline = Potential for Standard Work
- VPS & CIP = Mindset

- Plants with only 1 or 4 Models
- Low option flexibility
- Automation level partly lower
- Model launches after launch in AG Plant

- BMW Production Standards implemented
- AG Expat team for growth and competence build up
- BMW processes NWS, PDCA, JDPower, etc.
- Further Network Integration with Resident Teams (W2 & W10)



THE APPROACH CONFIRMED BY J.D. POWER.

BMW 5 Series Li
Ranked No.1
J.D. Power IQS 2010



BMW 3 Series
Ranked No. 1
J.D. Power IQS 2011



BMW X1 Series
Ranked No. 1
J.D. Power IQS 2013

