

Bayerische Motoren Werke Aktiengesellschaft, Munich.

Annual General Meeting on 16 May 2012 – Notes on the rights of the shareholders.*

In accordance with Paragraph 121(3) no. 3 of the German Stock Corporation Act (“AktG”), the following notes explain the shareholders’ rights under Paragraphs 122(2), 126(1), 127, 131(1) German Stock Corporation Act (“AktG”). To the extent that the statement provides information that goes beyond the information that is statutorily prescribed in Paragraph 121(3) no. 3 German Stock Corporation Act (“AktG”), said information is provided without making any claim that it is complete.

1. Demand for Items to be Added to the Agenda.

Pursuant to Paragraph 122(2) German Stock Corporation Act (“AktG”) shareholders, whose aggregate holdings amount to at least one-twentieth of the share capital or the amount of EUR 500,000 (this corresponds to 500,000 shares having a nominal value of EUR 1) may demand that certain items be included on the agenda and published. Each new item must be accompanied by a statement of grounds or a draft resolution. The demand must be addressed to the Company’s board of management (“Vorstand”) in writing. It is requested that the following address be used:

Bayerische Motoren Werke Aktiengesellschaft
The Board of Management
Postal address: 80788 Munich, Germany
or
Office address: Petuelring 130, 80809 Munich, Germany

The demand must have been received by the Company by the expiry of 15 April 2012 at the latest.

By the analogous application of Paragraph 142(2) sentence 2 German Stock Corporation Act

(“AktG”) the petitioners must furnish evidence that they have been holders of at least 500,000 shares having a nominal value of EUR 1 for at least three months.

2. Counter-motions and nominations for election.

Each shareholder has the right to submit counter-motions in the shareholders’ meeting to the resolutions proposed by the board of management and/or the supervisory board on specific agenda items and to make nominations for agenda items 5 (Election of the Auditor) (Paragraphs 126(1), 127 German Stock Corporation Act (“AktG”). If counter-motions are submitted in advance they must be addressed solely to:

Bayerische Motoren Werke Aktiengesellschaft
Department FF-2
Postal address: 80788 Munich, Germany
Facsimile: +49 (0)89/382-14661
or
E-mail: hv@bmw.de

Counter-motions must be provided with a statement of reasons.

All counter-motions and nominations received at this address by no later than 1st May 2012, and which are required to be made accessible to the other shareholders, will, upon proof of shareholder status be published on the Internet promptly at www.bmwgroup.com and can be accessed via the link “Annual General Meeting”.

Pursuant to Paragraph 126(2) German Stock Corporation Act (“AktG”) a counter-motion and its statement of grounds do not need to be made accessible if

- (1) the board of management would thereby become liable to prosecution,
- (2) the counter-motion would result in a resolution of the shareholders' meeting that would be contrary to law or the articles of association,
- (3) the grounds contain statements which are obviously false or misleading in material respects or defamatory,
- (4) a counter-motion of such shareholder based on the same facts has already been made accessible to a shareholders' meeting of the Company pursuant to Paragraph 125 German Stock Corporation Act ("AktG"),
- (5) the same counter-motion of such shareholder on essentially identical grounds has already been made accessible pursuant to Paragraph 125 German Stock Corporation Act ("AktG") to at least two shareholders' meetings of the Company within the last five years and less than one-twentieth of the share capital represented voted in favour of such counter-motion at such meetings,
- (6) the shareholder indicates that it will neither attend nor be represented at the shareholders' meeting, or
- (7) if the shareholder has failed to propose a counter-motion it communicated or failed to have such counter-motion proposed on its behalf within the last two years at two shareholders' meetings.

Pursuant to Paragraph 127 sentence 3 German Stock Corporation Act ("AktG") a nomination for election also does not need to be made accessible if such nomination fails to contain the name, occupation and place of residence of the nominee (cf. Paragraph 124(3) sentence 4 German Stock Corporation Act ("AktG")). A nomination does not need to be supported by a statement of the grounds.

The statement of the grounds for a counter-motion or nomination does not need to be made accessible if it amounts to more than 5,000 characters in total.

3. Right to Information.

Pursuant to Paragraph 131(1) German Stock Corporation Act ("AktG") upon request, each shareholder shall be provided with information at the shareholders' meeting by the board of management on the Company's affairs, the legal and business relationships of the Company with affiliated companies and on the situation of the group and of the companies included in the consolidated financial statements to the extent that such information is necessary for a proper evaluation of an item on the agenda.

Pursuant to Paragraph 131(2) German Stock Corporation Act ("AktG") the information must comply with the principles of conscientious and accurate accounting.

Under Paragraph 131(3) German Stock Corporation Act ("AktG") the board of management may refuse to provide information

- (1) if according to sound business judgement, such information is likely to cause considerable damage to the Company or an affiliated company;
- (2) if such information relates to tax valuations or the amount of individual taxes;
- (3) on the difference between the value at which items are shown in the annual balance sheet and a higher value of such items, unless the shareholders' meeting is to approve the annual financial statements;
- (4) on the methods of accounting and valuation, if disclosure of such methods in the notes suffices to provide a true and fair view of the Company's assets, financial condition and profitability within the meaning of Paragraph 264(2) of the German Commercial Code ("Handelsgesetzbuch"); the foregoing does not apply if the shareholders' meeting is to approve the annual financial statements;
- (5) if, by providing the information, the board of management would become liable to prosecution;

- (6) if, in the case of credit institutions or financial services institutions, information need not be given on the applied methods of accounting and valuation and on the setoffs made in the annual financial statements, the management report, consolidated financial statements or the group management report;
- (7) if the information has been made accessible on the Company's webpage throughout a period of at least seven days before the beginning of, and in, the shareholders' meeting.

The provision of information may not be refused for any other reasons.

Pursuant to Paragraph 131(4) sentence 1 German Stock Corporation Act ("AktG") if information was given to a shareholder because of its status as a shareholder outside a shareholders' meeting, upon request, such information shall be given to any other shareholder at the shareholders' meeting, even if such information is not necessary for a proper valuation of an item on the agenda.

Pursuant to Paragraph 131(4) sentence 2 German Stock Corporation Act ("AktG") the board of management may in that case not refuse to provide such information on the grounds set out in (1) to (4) above.

Pursuant to Paragraph 131(5) German Stock Corporation Act ("AktG") a shareholder who has been denied information may demand that the request for information and the reason for the denial of the information be recorded in the minutes of the meeting.

Pursuant to Article 19(2) second sentence of the articles of association the chairperson can put a reasonable time limit on the shareholder's right to ask questions.

In addition, please note that the full text of the provisions of the German Stock Corporation Act ("AktG") mentioned above can also be inspected on the Internet, e.g. by visiting www.gesetze-im-internet.de/aktg/