

JOY CREATES NEW ERA.

JOCHEN GOLLER
PRESIDENT & CEO, BMW GROUP REGION CHINA.

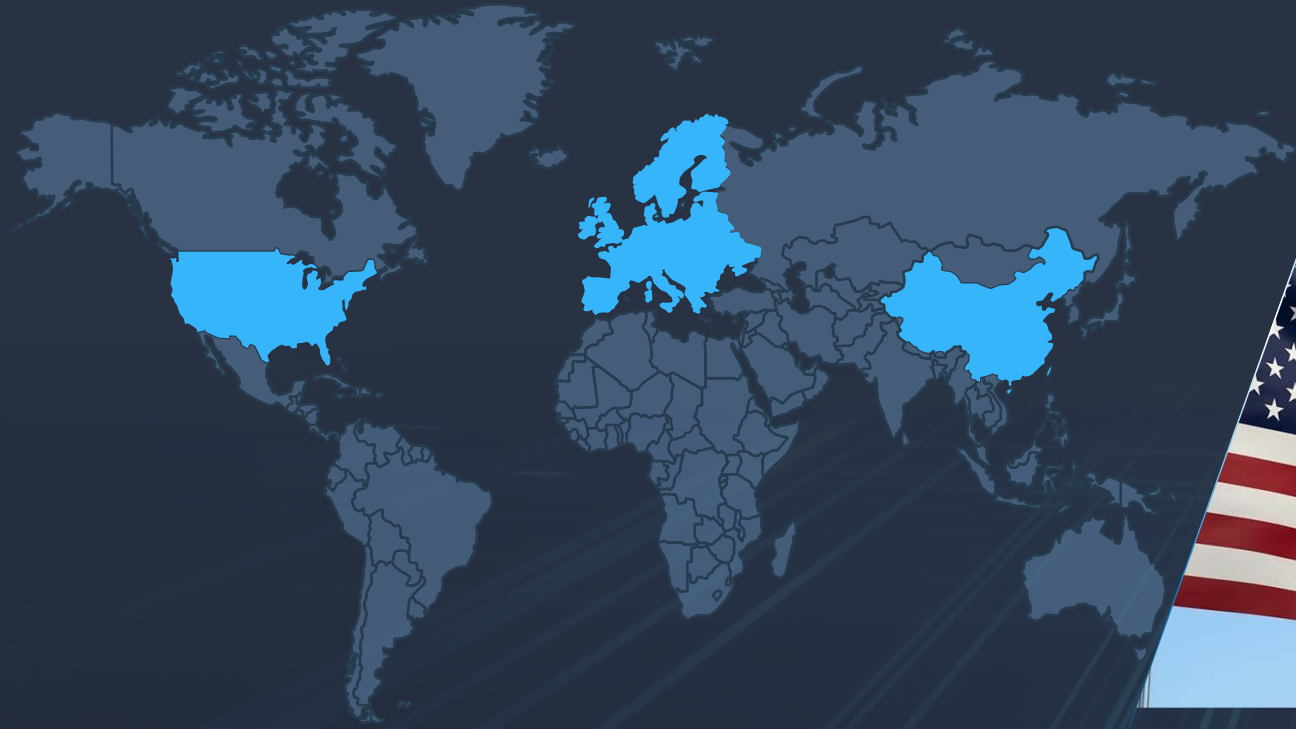
#NEXT/GEN



Capital Markets Day
July, 2019



ECONOMIC VOLATILITY

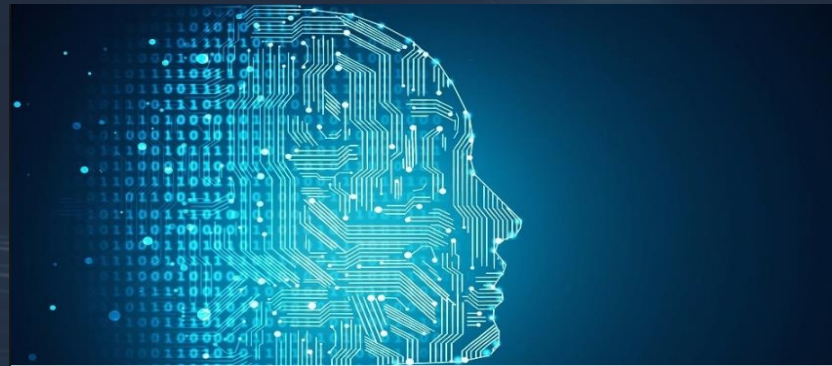


IS THE NEW NORMAL.

NEW TECHNOLOGIES ARE EMERGING WITH HIGH SPEED.



Autonomous Drive



Artificial Intelligence



Big Data



Face Recognition



Virtual Reality



Block Chain

CHINA: COMPREHENSIVE STRATEGY DECIDED DURING 19TH CPC NATIONAL CONGRESS.

19th CPC NATIONAL CONGRESS

Politics



China Dream



People Focused

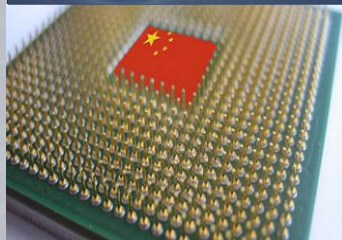


Combat Corruption

Economy



Innovation-driven Dev.



Made in China 2025 Initiative



Regional Integration

Digitalization



Big Data Strategy



Internet Thinking



Internet Power Strategy

Environment



"Beautiful Country" Initiative



Ecological Reform



Green Development

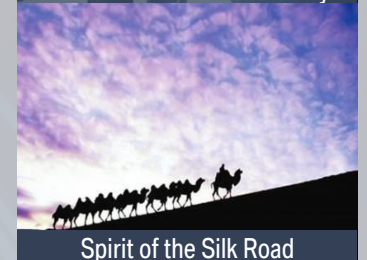
Diplomacy & Trade



The Belt and Road Initiative



"Shared Future" Community



Spirit of the Silk Road

AIM FOR BUILDING DIGITAL CHINA.

A nighttime photograph of the Shanghai skyline, featuring prominent skyscrapers like the Oriental Pearl Tower and the Shanghai Tower. The city lights are reflected in the water of the Huangpu River. Overlaid on the image are several glowing white arcs that connect various points across the skyline, symbolizing digital connectivity and data flow.

5G COMMUNICATION

IoT

**ARTIFICIAL
INTELLIGENCE**

SMART CITY

CYBER SECURITY LAW

**SOCIAL CREDIT
SYSTEM**

DIGITAL SILK ROAD

IN 2018, BMW GROUP POSTED GLOBAL RECORD SALES FOR 8TH YEAR IN A ROW, ESPECIALLY WITH STRONG GROWTH IN CHINA.



Worldwide [units (YoY)]

BMW Group **2,490,664** (+1.1%)

BMW Group electrified **142,617** (+38.4%)

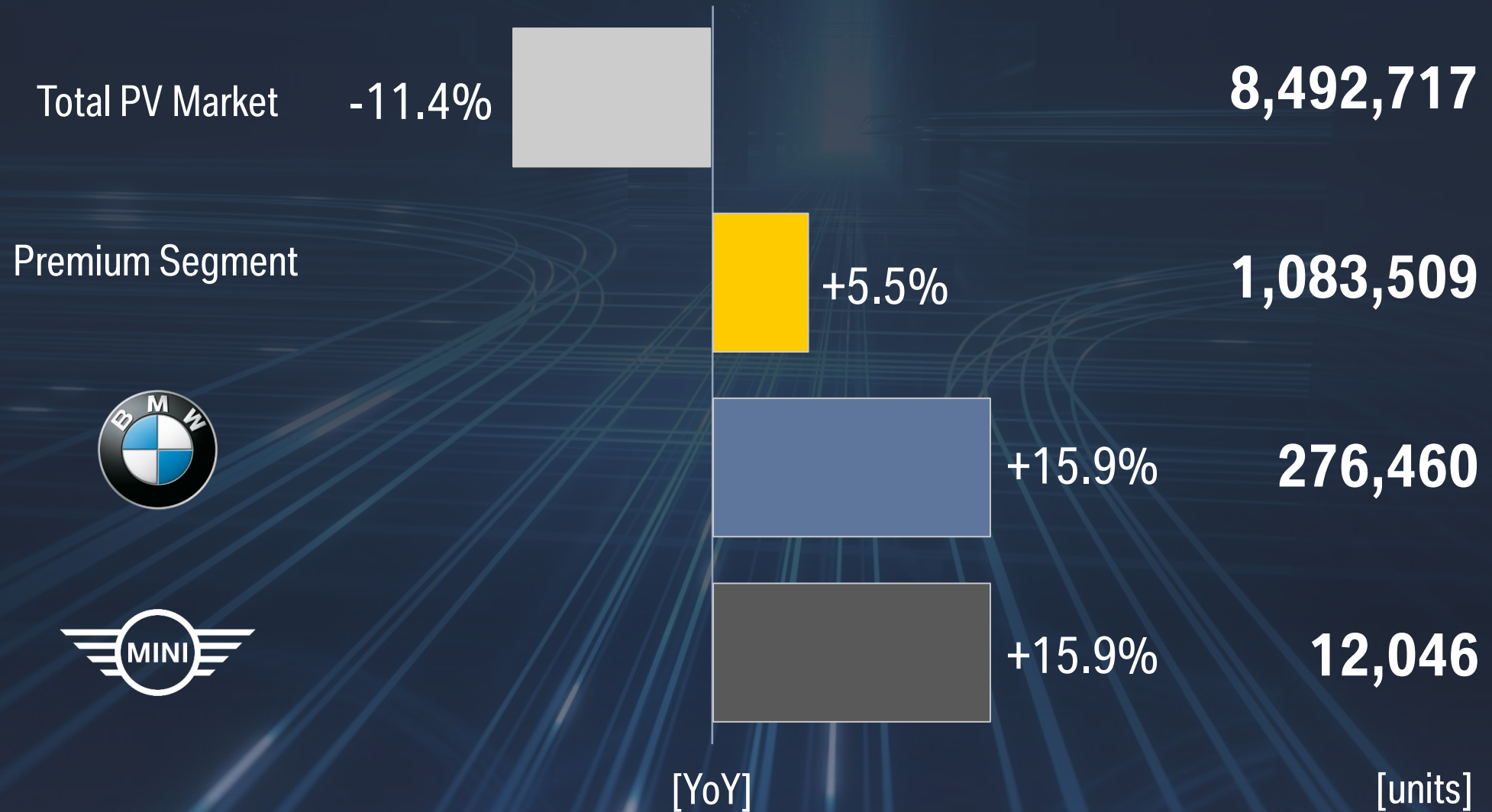


Mainland China [units (YoY)]

BMW Group **640,803** (+7.7%)

BMW Group electrified **23,384** (+454%)

2019 YTD MAY, BMW / MINI NEW CAR SALES CONTINUES TO EXCEL IN CHINA.



BMW IS STRONGEST AUTOMOTIVE PREMIUM BRAND IN CHINA, AND ALSO A HIGHLY ATTRACTIVE EMPLOYER.



#1 in Premium Segment

BRI 2018



Brand of the Year

Best Cars 2018



Most Attractive Employer Brand

IN AUTO INDUSTRY
Universum 2018



#1 in Brand Strength

BMW Group Brand Monitor Report 2017



#1 Auto Brand

2018 ZAKER Brand Influence List

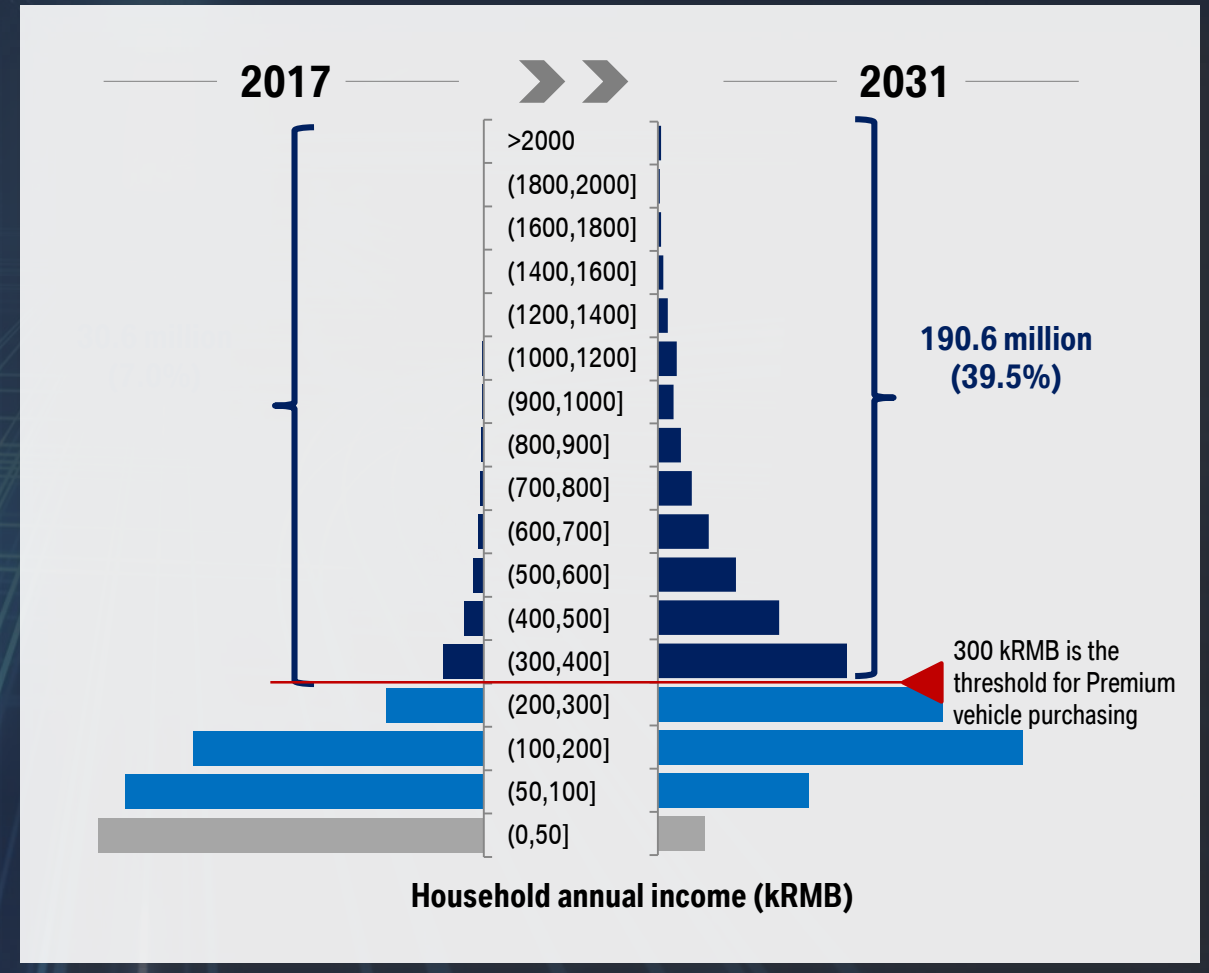
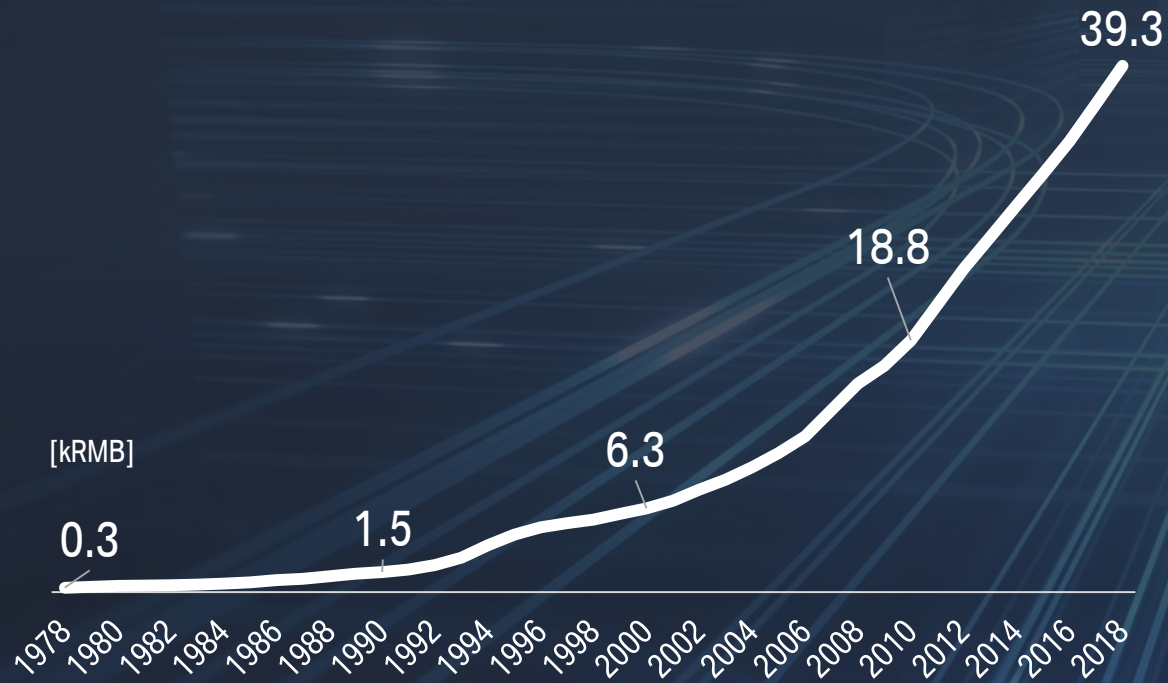


CHINA BEST EMPLOYER #2

IN ALL INDUSTRIES
ZHAOPIN 2018

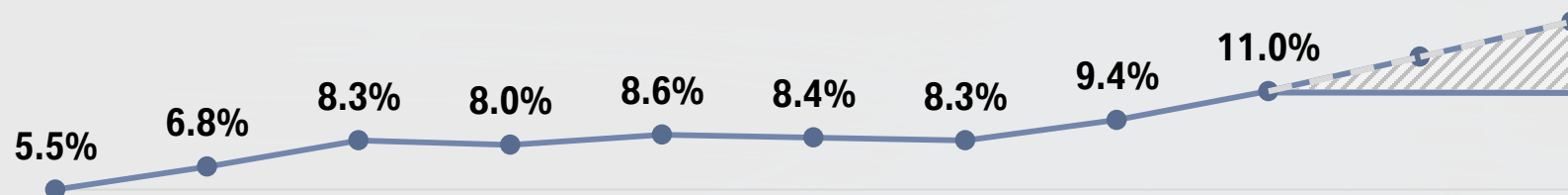
HOUSEHOLD INCOME WILL CONTINUE TO GROW IN THE NEXT 10 YEARS.

Per capita disposable income of urban residents grew rapidly after the reform and opening-up



PREMIUM SEGMENT THEREFORE WITH POSITIVE OUTLOOK.

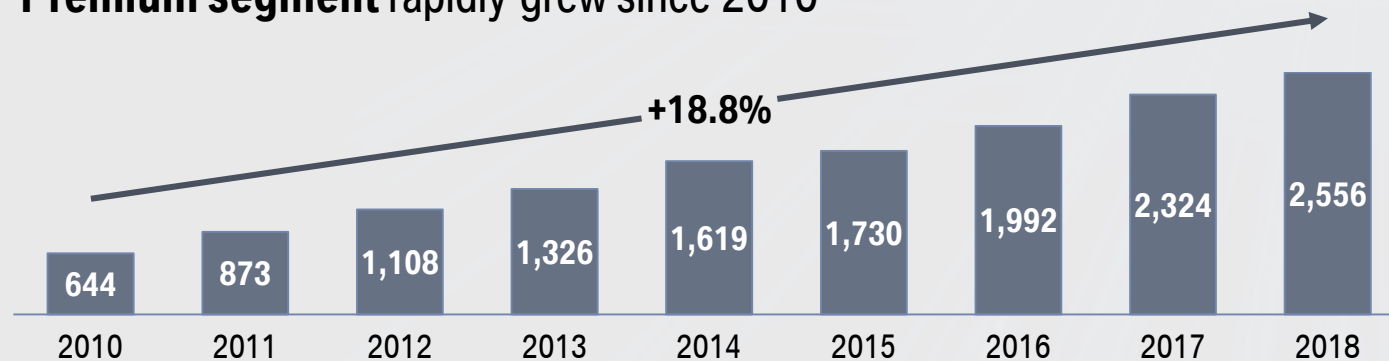
Premium penetration rate in total PV market



DEMAND: Increased Buying power

- Income increase
- Consumption upgrade
- Urbanization acceleration

Premium segment rapidly grew since 2010



SUPPLY: Rich product portfolio

- More New models
- More location production
- More NEVs

OUR 2+4 STRATEGIC APPROACH.



Brilliance Auto
华晨汽车



Autonomous

Connected

Electrified

Shared



WE ARE EXPANDING OUR FOOTPRINT IN CHINA.



**2 VEHICLE PLANTS,
1 ENGINE PLANT,
+ 2 NEW PLANTS.**



**HIGH VOLTAGE BATTERY
ASSEMBLY.**



3 DEVELOPMENT SITES.



300+ 1ST TIER SUPPLIERS.



**5 REGIONAL OFFICES &
600+ SALES OUTLETS.**

2 NEW LEGAL ENTITIES TO FURTHER STRENGTHEN A.C.E.S. IN CHINA.



**BMW Brilliance
Automotive Ltd.
(BBA)**

2003

**BMW China
Automotive
Trading Ltd.**

2005

**BMW Automotive
Finance (China)**

2010

**BMW China
Services Ltd.**

2011

**Herald Int.
Financial Leasing
Co., Ltd.**

2016

**BMW Mobility
Services Ltd.**

2018

**Ling Yue Digital
Inform. Techn.
Co. Ltd.**

2019

STEPPING UP CHINA SPECIFIC A.C.E.S. IMPLEMENTATION.

Autonomous



First international OEM to receive AD test license in China (2018/05)



BMW joining Baidu Apollo (2018/06)



First premium OEM to integrate intelligent Tmall Genie (2019/01)

Connected



MoU signed with Tencent



1.5 million BMW Connected App users in China (YTD 2018/12)



BMW Vision iNEXT World Flight station Beijing (2018/09)

Electrified



#1 NEV premium brand in 2018



Long Term Contract signed with CATL (2018/07)



First international OEM to receive Online Taxi License in China (2018/11)

Shared



Launch Car Sharing with EV Card (2018/01)

D-ACES

Design



VISUAL SPORTINESS



VISUAL LUXURY



VISUAL TECHNOLOGY

CONTINUING THE STRONG MODEL OFFENSIVE.

2018

2019

2020+

Year of X



X2

X3

X5

X7

The 7

The 8

Year of
Luxury



iX3



The 3

X3M

X4M

Year of
Sportiness



BMW i3



BMW i8 Roadster



X1 PHEV LCI



X5 PHEV

NEV
Upgrade



iNEXT

“近者悦 远者来”

- 孔子《论语·子路第十三》 -

**“MAKE THOSE AROUND YOU HAPPY,
AND THOSE FAR AWAY WILL COME.”**

- Confucius in the book “Lun Yu” -



PREMIUM CUSTOMER EXPERIENCE AT THE PHYSICAL TOUCHPOINT.



BMW NETWORK TRANSFORMATION

LINGYUE DIGITAL COMPANY HAS BEEN SETUP TO DELIVER SEAMLESS DIGITAL SOLUTIONS / SERVICES IN AN AGILE WAY.



DELIGHTING OUR CUSTOMERS WITH BMW ECOSYSTEM PRODUCTS & SERVICES ACROSS ALL TOUCHPOINTS.



TOUCHPOINTS

myBMW



MY CAR



MY JOURNEY



MY LIFE

A futuristic exhibition space featuring three BMW concept cars. The central car is silver with red accents, flanked by two bronze-colored cars. The background is a large digital wall with blue and green bokeh effects and a grid pattern. The hashtag #NEXT/GEN is displayed on the left wall.

#NEXT/GEN

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