

Media Information
15 March 2023

BMW Group expects profitable growth in 2023 – through dynamic BEV ramp-up and high-end premium segment

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Munich. With the prospect of profitable growth in a persistently challenging business environment, combined with a very dynamic increase in sales of electric vehicles, the BMW Group is looking ahead to financial year 2023, with tailwinds from last year's success — based on highly attractive and technologically outstanding products. The company is taking this momentum into the home straight as it prepares for the launch of its next product generation, the NEUE KLASSE, in two years. The proven strengths of the present and the focus on future-oriented technologies will lay the foundation for the success of this future product generation.

The main growth drivers in 2023 will be fully-electric (BEV) vehicles and models from the high-end premium segment — such as the new BMW 7 Series, the updated BMW X7 and the Rolls-Royce model family. In this upper segment, the BMW Group expects **growth in the mid-double-digit percentage** range for the current financial year, with BEV models even likely to **grow in the high double-digit percentage** range. Overall, the BMW Group expects its deliveries to customers worldwide to increase slightly in the Automotive Segment in 2023.

At the same time, the BMW Group is striving for a **high level of profitability** in its core business and is targeting an **EBIT margin of 8-10%** in the Automotive Segment for the financial year. It should be noted that since the full consolidation of BMW Brilliance Automotive, the EBIT margin is no longer directly comparable with competitors.

“The BMW Group shows a high degree of resilience, especially under challenging conditions. The company anticipates developments in the economic environment at an early stage and takes action accordingly,” said **Oliver Zipse**, Chairman of the Board of Management of BMW AG, in Munich on Wednesday. “A high level of flexibility, combined with our operational performance, proved to be an effective combination for ensuring the success of the BMW Group, even in the face of headwinds and taking advantage of opportunities for profitable growth.”

“The BMW Group is proving that it can do both — manage the company's biggest transformation, while maintaining its profitability. Our extremely strong product portfolio, in particular our impressive range of electrified vehicles and luxury-class models, makes both possible for us,” said **Nicolas Peter**, member of the Board of Management of BMW AG responsible for Finance. “We generate the expenditure for innovations from current cash flow. As before, our BMW approach remains focused on the profitable and sustainable future of the company.”

BEV offering strongest growth driver in 2023 – 15 percent BEV share

In the past year, the BMW Group more than doubled its BEV sales to over 215,000 units, underlining its role as a **pioneer in e-mobility**. The company once again delivered **significantly more fully-electric vehicles** to customers than its direct European



competitors and also significantly more than the **majority of Asian and US new entry players.**

In combination with the growing efficiency of its internal combustion engines, the BMW Group is thus contributing to climate protection and was able to noticeably **reduce CO₂ fleet emissions**, particularly in Europe: According to preliminary figures, EU fleet emissions fell to 105g CO₂/km in 2022. The BMW Group thus significantly outperformed the target value of 127.5 grams of CO₂/km for its fleet. A **further reduction is expected** in 2023.

With regard to sales growth for fully-electric vehicles, the BMW Group notes that not only are the company's existing customers switching to vehicles with fully-electric drive trains, but customers from other brands, in particular, are also opting for the BMW Group's BEV models. In this way, the company intends to continue to **gain market share** in the future.

"Substance is convincing — and this is where our models speak for themselves. That is why we are striving for further significant growth in fully-electric vehicles this year and expect them to account for 15% of our total sales," said **Zipse**.

In the first two months of the year, the BMW Group was able to more than double its sales of fully-electric vehicles, compared to the same period of the previous year. Growth was disproportionately strong in China, where the company's BEV sales more than tripled in the year to the end of February.

With the launch of the new **BMW 5 Series** and the **fully-electric BMW i5** this year, the BMW Group will have a BEV offering in virtually **every major segment** of its business. The range will be rounded out at the end of the year by the **fully-electric BMW iX2** and an absolute first next year, when the **very first fully-electric touring model** will make its debut in the BMW 5 Series.

MINI and Rolls-Royce will be electric-only brands in less than ten years

The MINI brand is on its way to a **fully electric future from the beginning of the 2030s**. A first glimpse of the new MINI family was provided in the summer by the **MINI Concept Aceman** — a new vehicle concept for the premium compact car segment: all-electric, chrome- and leather-free, and with a completely new design. The first electric vehicles in the **new MINI family are due to be launched** on the market this year.

Production of the **new MINI Countryman** will also begin in 2023 at BMW Group Plant Leipzig. The crossover model will be offered both with a pure electric drive train and with internal combustion engines. The **world's only convertible with a pure electric drive train** also comes from MINI: A limited edition of the **MINI Cooper SE Convertible*** will be available in Europe from April and guarantees an exclusive open-air go-kart feeling.

In 2030, the **Rolls-Royce** brand will also have an exclusively **all-electric offering** – starting with the first **all-electric Rolls-Royce Spectre**, which celebrated its world premiere in 2022, with the first vehicles delivered to customers this year.



BEV share will grow dynamically in coming years

With its range of around a dozen fully electric models already on offer, the BMW Group anticipates a **steep growth trajectory** in the coming years: In **2024, at least one in five of the company's new cars** will have a fully-electric drive train; by **2025; every fourth** new vehicle delivered should be a BEV and, by **2026, around one in three**.

From the BMW Group's perspective, the **NEUE KLASSE**, which will then be ramping up, has the potential to **further accelerate the market penetration of e-mobility** with its convincing product substance. Depending on the market conditions prevailing in the second half of the decade, the development of raw material prices and availability, and the pace at which a comprehensive charging infrastructure is being built, the BMW Group expects to reach more than **50% BEV share well ahead of 2030**.

The BMW Group aims to exceed the total of **10 million fully-electric vehicles** delivered to customers **by 2030**. An important milestone on this journey is expected in 2025, when the milestone of **two million fully electric vehicles** is likely to be passed.

"Proven strengths, future-oriented technologies and the NEUE KLASSE — that is our recipe for success in the coming years," said **Zipse**. "With this combination, we are in the right position to be able to respond precisely to different developments in the various regions of the world."

Kickstart for NEUE KLASSE: at least six model launches within 24 months

Based on a vehicle architecture uncompromisingly designed for electric drive trains (BEV-only) and featuring a new design language, the NEUE KLASSE will be characterised by three central aspects: a completely **newly developed wiring harness** with a fundamentally new **UX/UI concept**, a newly developed, high-performance **generation of electric drive trains and batteries** with **significant efficiency improvements** and a new level of **sustainability throughout the lifecycle**. The underlying technology will form the basis for the entire BMW model range to follow.

The NEUE KLASSE is intended to once again set standards for digitalisation and electrification, while evolving the characteristics of a typical BMW into the future — and thus further accelerating the rapidly growing demand for fully-electric BMW Group vehicles. At **IAA Mobility 2023** in Munich, the BMW Group will **present further steps and new details on the road to the NEUE KLASSE**.

The BMW Group is already able to provide a more concrete framework for the **start of standard production in the second half of 2025**: Production will get underway at the new plant in Debrecen (Hungary), which will exclusively produce NEUE KLASSE vehicles.

From **2026** on, NEUE KLASSE models will also be manufactured at the more than 100-year-old **main plant in Munich**, which is currently being comprehensively modernised for this start of standard production. Standard production of the NEUE KLASSE will begin in **2027** at Plant **San Luis Potosi**, where the BMW Group is invest-



ing € 800 million to integrate fully-electric models and build a local high-voltage battery assembly. Further NEUE KLASSE production sites will be announced shortly. The NEUE KLASSE will start out in the high-volume core of the BMW brand with a **Sports Activity Vehicle** and a **sedan in today's 3 Series** segment. In total, production of **at least six** NEUE KLASSE models will begin across the BMW Group's worldwide production network in the first **24 months**.

Head-Up Display of the future: BMW Panoramic Vision in the NEUE KLASSE

At the **CES** in Las Vegas in January, the BMW Group presented BMW i Vision Dee, a vision of the future of the digital experience inside and outside the car. However, the **advanced Head-Up Display across the entire width of the windshield** of BMW i Vision Dee, along with several other features, is not a distant vision, but a look ahead to the NEUE KLASSE. From 2025, this innovation will be available for the very first time as **"BMW Panoramic Vision"** in the NEUE KLASSE models.

"With BMW i Vision Dee, we are showing what is possible when hardware and software merge. For the NEUE KLASSE, we are exploiting the full potential of digitalisation to make the vehicle an intelligent companion," said **Zipse**.

Hydrogen fuel cell as additional pillar of drive technology

The BMW Group continues to assume that not all markets worldwide will have the **necessary framework conditions** for all customers to switch to pure electromobility in



the next decade. A range of highly efficient conventional drive technology will therefore be needed to **meet people's individual mobility needs** and, at the same time, **contribute to reducing CO₂** in the transport sector.

A growing percentage of the drive train mix is also likely to be provided by **hydrogen fuel cells** from the second half of this decade. The BMW Group is consistently pushing ahead with development of this technology as an additional option for sustainable individual mobility and sees the opportunity — depending on market requirements and conditions — for potential production vehicles in the second half of the decade. In the first quarter of 2023, a **pilot series** of the **BMW iX5 Hydrogen*** was presented for the first time to international media representatives. The fleet is now being used internationally for demonstration and testing purposes for various target groups.

With its **high-performance fuel cell** and optimised power battery, the BMW iX5 Hydrogen* has a **drive system that is unique worldwide**. The hydrogen required to supply the fuel cell is stored in two 700-bar tanks made of carbon fibre reinforced plastic (CFRP). Together, they contain six kilograms of hydrogen, which gives the BMW iX5 Hydrogen* a range of 504 km in the WLTP cycle. It only takes three to four minutes to fill up the hydrogen tanks, meaning that the BMW iX5 Hydrogen* offers typical BMW driving pleasure even over long distances with just a few short stops.

Sustainability anchored at the core of the strategy

In 2021, the BMW Group became the first German car manufacturer to join the **Business Ambition for 1.5°C** of the Science-Based Targets Initiative and has thus committed to the goal of **complete climate neutrality** across the entire value chain



by 2050 at the latest. By 2030, the BMW Group is already planning to reduce CO₂ emissions by at least 40% per vehicle over the entire lifecycle — supply chain, production and use phase — compared to 2019.

The BMW Group is therefore continuing to systematically reduce CO₂ emissions in its supply chain. A particular focus is on CO₂-intensive materials such as **aluminium and steel**. For example, the BMW Group intends to source significantly CO₂-reduced aluminium from Rio Tinto in Canada from 2024 and signed a corresponding declaration of intent to this effect in February. Compared to conventionally produced aluminium, the process **avoids around 70% of CO₂ emissions**. The planned delivery volume is to be used exclusively in vehicle production at BMW Group Plant Spartanburg.

The BMW Group is also significantly reducing its carbon footprint in steel purchasing: Following initial contracts with European suppliers, the BMW Group signed further agreements to supply CO₂-reduced steel in the US and China in 2022. From 2026, the company will supply more than **a third of its worldwide production network with CO₂-reduced steel**. In this way, the BMW Group is reducing the carbon footprint of its supply chain by around 900,000 tonnes annually and, at the same time, promoting the transformation of the steel industry.

Taking into account all aspects of **holistic sustainability**, the BMW Group intends to gradually increase the percentage of recycled and reused materials in its NEUE KLASSE vehicles from the current average of just under 30% using the **“Secondary First”** approach. The **BMW i Vision Circular** has already provided a glimpse of what individual, **sustainable and luxurious mobility in an urban environment** could look



like in 2040: created from **100% secondary material** and renewable raw materials and **100% recyclable**.

BMW Group concludes 2022 with all-time highs for financial key figures

The BMW Group met its targets for 2022 and thus delivered a strong operating performance in a difficult business environment. This positive development can be attributed to **improved pricing** and **positive product-mix effects**, as well as the **full consolidation** of the Chinese joint venture, BMW Brilliance Automotive Ltd. (BBA). The BMW Group once again outperformed its main financial key figures for the previous year, reporting **significant growth in revenues, Group earnings and net profit**.

As expected, **deliveries** were slightly lower than the previous year, at **2,399,632 units** (prev. yr.: 2,521,514 vehicles/ -4.8%). Consistently high customer demand was reflected in the company's strong order book. However, this could not be entirely fulfilled, due to difficulties with the supply of semiconductor components, supply chain disruptions and COVID lockdowns in China. **Electrified vehicles** – BEVs and PHEVs – accounted for a total of **18.1%** (433,792 units/ +32.1% YOY) of deliveries.

Group revenues climbed to **€ 142,610 million** (prev. yr.: € 111,239 million/ +28.2%), with integration of BBA revenues making a significant contribution to growth. The BMW Group also benefited from **improved pricing** – for both new vehicle sales and the resale of end-of-lease vehicles – as well as positive product-mix effects. The increase in costs for materials, commodities and logistics, higher refinancing costs due to higher interest levels, as well as effects from the consolidation

of BBA and a larger percentage of electrified vehicles, all contributed to higher costs.

R&D spending for new models and GEN 6 electric drive trains

The continuing transformation of the BMW Group is reflected in the moderate increase in research and development spending: **R&D costs in accordance with IFRS** totalled **€ 6,624 million** (prev. yr.: € 6,299 million/ +5.2%), mainly driven by new models, the NEUE KLASSE and the associated development of the sixth generation of electric drive trains. Additional investments were also made in digitalisation of the vehicle fleet and automated driving. However, with revenues up year-on-year, the **R&D ratio** (according to the German Commercial Code) was lower, at **5.0%** (prev. yr.: 6.2%).

Capital expenditure for property, plant and equipment and other intangible assets amounted to **€ 7,791 million** in 2022 (prev. yr.: € 5,012 million/ +55.4%). This increase reflects the initial consolidation of BBA investments and capital expenditure for new models like the BMW 7 Series and the BMW X1. Additional funds were channelled into the accelerated BEV ramp-up. The **capex ratio** stood at **5.5%**.

The BMW Group reported **earnings before financial result** of **€ 13,999 million** for the full year (prev. yr.: € 13,400 million/ +4.5%). **Group earnings before tax** saw a strong increase and, primarily as a result of valuation effects in connection with the full consolidation of BBA, reached a new all-time high of **€ 23,509 million** (prev. yr.: € 16,060 million/ +46.4%). The **Group EBT margin** came in at **16.5%** (prev.



yr.: 14.4%; +2.1 percentage points). Group **net profit** totalled **€ 18,582 million** (prev. yr.: € 12,463 million/ +49.1%).

Dividend of € 8.50 per share of common stock proposed

The Board of Management and Supervisory Board will propose a **dividend of € 8.50 per share of common stock** (prev. yr. € 5.80) and **€ 8.52 per share of preferred stock** (prev. yr. € 5.82) to the Annual General Meeting on 11 May. This represents a **payout ratio of 30.6%** (prev. yr.: 30.9%). In accordance with the authorisation issued at the Annual General Meeting in May 2022, the Board of Management elected to buy back shares with a value of up to 10% of BMW AG's share capital. As of December 2022, around **15.3 million common shares for €1,172 million** and around **1.4 million preferred shares for €106 million** had been repurchased and reported as own shares. These were recognised as treasury shares. BMW AG thus holds around 16.8 million treasury shares as of 31 December 2022 or 2.53% of the share capital.

Full consolidation has major impact in Automotive Segment

The **Automotive Segment** benefited once again in 2022 from increased sales of high-revenue models, better pricing and continuing positive development in used car markets. Revenues were also lifted by currency tailwinds. Due to the full consolidation of BBA, **segment revenues** were significantly higher, at **€ 123,602 million** (prev. yr.: € 95,476 million/ +29.5%). The cost of sales also rose: on the one hand, resulting from higher effects from the full consolidation of BMW Brilliance Automotive. On the other, the cost of sales was also negatively impacted by significantly higher material and logistics costs, especially due to the limited



availability of semiconductors and supply chain disruptions, as well as increases in raw material and energy prices.

Earnings before financial result (EBIT) for the reporting year amounted to **€ 10,635 million** (prev. yr. € 9,870 million/ +7.8%). At **8.6%** (prev. yr.: 10.3%; -1.7 percentage points), the **EBIT margin** for the segment was at the high end of the guidance range of 7-9%. Without the aforementioned **effects from the full consolidation of BBA**, the **EBIT margin** would have come in at **11.2%**.

The **segment's financial result** of **€ 8,283 million** was significantly higher year-on-year (prev. yr.: € 1,935 million/ +328.1%). This strong increase during the reporting year largely stems from the effects of the **revaluation of previously held equity interests in BMW Brilliance Automotive Ltd.** of just under **€ 7.7 billion** in the other financial result.

Segment earnings before tax (EBT) for financial year 2022 totalled **€ 18,918 million** and were therefore significantly higher than the figure for the previous year (prev. yr.: € 11,805 million/ +60.3%). **Free cash flow in the Automotive Segment** reached a very solid **€ 11,071 million** (prev. yr.: € 6,354 million/ +74.2%) at year end.

More competition and changes in risk situation for Financial Services

Intense competition, higher interest rates and inflation, as well as limited availability of vehicles, impacted new business in the financial services sector in 2022. The

percentage of BMW Group new vehicles leased or financed by the Financial Services Segment stood at **41.0%** for 2022 (prev. yr.: 50.5%/ -9.5 percentage points). Better transaction prices and an improved product mix resulted in a higher average financing volume per vehicle during the reporting period. The total **volume of new business** from financing and leasing contracts **with retail customers** was down **(-)12.6%** to **€ 55,449 million** (prev. yr.: € 63,414 million).

Pre-tax earnings (EBT) in the Financial Services Segment totalled **€ 3,205 million** at the end of the reporting year (prev. yr.: € 3,753 million/ -14.6%) – with the previous year being characterised by an exceptionally positive risk situation. Higher provisions for credit risks were recognised during the reporting year in response to geopolitical uncertainties and a weaker macroeconomic outlook. The **Financial Services Segment** achieved a return on equity **(RoE)** of **17.9%** (prev. yr.: 22.6%/ -4.7 percentage points).

Electrification offensive and continued growth for BMW Motorrad

In 2022, BMW Motorrad pressed ahead with electrification of the brand in the field of **urban mobility**, with the series introduction of the BMW CE 04 electric scooter. Deliveries in the Motorcycles Segment reached a new all time-high of **202,895 units** in 2022 (prev. yr.: 194,261 units/ +4.4%). Business performance benefited from this sales growth, combined with **positive pricing effects**. Higher material and logistics costs impacted the Motorcycles Segment during the reporting year. The segment posted **revenues** of € 3,176 million (prev. yr.: € 2,748 million/ +15.6%), with an **EBIT** of € 257 million (prev. yr.: € 227 million/ +13.2%). The **EBIT margin** came in at 8.1% (prev. yr.: 8.3%/ -0.2 percentage points).

Outlook 2023: Profitable growth forecast

Despite the current high level of inflation and interest rates as well as the global challenges described in the Integrated Group Report, the BMW Group is confident that demand will remain stable. **Deliveries to customers** are forecast to **increase slightly** compared with the previous year, with selling **prices remaining at a stable level**. The Group expects the situation in the used car markets to normalize in 2023 due to the increased availability of new cars.

Taking into account all of the aforementioned developments, an **EBIT margin** of between **8 and 10%** is forecast for the **Automotive segment** in 2023. This includes charges from consolidation effects currently amounting to around 1.4 billion euros. The BMW Group expects to achieve its target of **slightly reducing** the **carbon emissions** generated by its EU new vehicle fleet by continuously improving the overall fuel consumption of its products and an increasing number of vehicles with alternative drivetrain systems.

Motorcycles segment deliveries are predicted to **increase slightly**. The segment **EBIT margin** is expected to finish within a range between **8 and 10%**. The **RoE** in the **Financial Services segment** is predicted to finish within a range between **14 and 17%**. Compared with the financial year 2022, the favourable results from remarketing lease returns are expected to weaken in 2023.

Group profit before tax will decrease significantly. One of the main underlying reasons for this development is the **one-time gain** of € 7.7 billion recorded in 2022 in

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conjunction with the **remeasurement** of the BMW Group's previous equity interests in BMW Brilliance.

The aforementioned targets are to be met with a **slight growth** in the size of the **workforce**. Likewise, the **share of women in management positions** in the BMW Group is expected to increase slightly.

The outlook does not factor in the following: a deep recession in the BMW Group's key sales markets, a further escalation of the conflict between Russia and Ukraine, combined with an expansion of the war as well as an exacerbation of the pandemic situation in China and the resulting impact on the economic environment. In view of the growing unpredictability of political developments, actual macroeconomic developments in some regions may deviate from expected trends and outcomes. Potential sources of political uncertainty include policies affecting trade and customs tariffs, security developments and a possible worsening of international trade conflicts.

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The BMW Group – an overview		2022	2021	Change in %
Deliveries to customers				
Automotive¹	units	2,399,632	2,521,514	-4.8
thereof: BMW	units	2,100,689	2,213,790	-5.1
MINI	units	292,922	302,138	-3.1
Rolls-Royce	units	6,021	5,586	7.8
Motorcycles	units	202,895	194,261	4.4
Employees (compared to 31 Dec. 2021)				
		149,475	118,909	25.7
Automotive Segment EBIT margin	percent	8.6	10.3	-1.7%age points
Motorcycles Segment EBIT margin	percent	8.1	8.3	-0.2%age points
EBT margin BMW Group²	percent	16.5	14.4	2.1%age points
Revenues	€ million	142,610	111,239	28.2
thereof: Automotive	€ million	123,602	95,476	29.5
Motorcycles	€ million	3,176	2,748	15.6
Financial Services	€ million	35,122	32,867	6.9
Other Entities	€ million	8	5	60.0
Eliminations	€ million	-19,298	-19,857	-2.8
Profit before financial result (EBIT)	€ million	13,999	13,400	4.5
thereof: Automotive	€ million	10,635	9,870	7.8
Motorcycles	€ million	257	227	13.2
Financial Services	€ million	3,163	3,701	-14.5
Other Entities	€ million	-203	-8	-
Eliminations	€ million	147	-390	-
Profit before tax (EBT)	€ million	23,509	16,060	46.4
thereof: Automotive	€ million	18,918	11,805	60.3
Motorcycles	€ million	269	228	18.0
Financial Services	€ million	3,205	3,753	-14.6
Other Entities	€ million	995	531	87.4
Eliminations	€ million	122	-257	-
Income taxes	€ million	-4,927	-3,597	37.0
Net profit	€ million	18,582	12,463	49.1
Earnings per share (common/preferred share)	€	27.31/27.33	18.77/18.79	45.5/45.4

¹ including joint venture BMW Brilliance Automotive Ltd., Shenyang (1 January to 10 February 2022: 96,133 vehicles, 2021: 651,236 vehicles, 2020: 602,247 vehicles, 2019: 538,612 vehicles, 2018: 455,581 vehicles, 2017: 385,705 vehicles).

² Ratio of Group earnings before taxes to Group revenues.

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The BMW Group – an overview		Q4 2022	Q4 2021	Change in %
Deliveries to customers				
Automotive¹	units	651,794	589,290	10.6
thereof: BMW	units	566,823	510,722	11.0
MINI	units	83,651	77,300	8.2
Rolls-Royce	units	1,320	1,268	4.1
Motorcycles	units	43,562	37,652	15.7
Employees	(compared to 31 Dec. 2021)	149,475	118,909	25.7
<u>Automotive</u> Segment EBIT margin	percent	8.5	7.7	0.8%age points
<u>Motorcycles</u> Segment EBIT margin	percent	-9.4	-19.8	10.4%age points
EBT margin BMW Group²	percent	8.2	10.2	-2.0%age points
Revenues	€ million	39,522	28,408	39.1
thereof: Automotive	€ million	34,571	25,103	37.7
Motorcycles	€ million	691	486	42.2
Financial Services	€ million	9,086	8,688	4.6
Other Entities	€ million	2	2	0
Eliminations	€ million	-4,828	-5,871	17.8
Profit before financial result (EBIT)	€ million	3,500	2,487	40.7
thereof: Automotive	€ million	2,932	1,925	52.3
Motorcycles	€ million	-65	-96	32.3
Financial Services	€ million	536	832	-35.6
Other Entities	€ million	-16	-5	-
Eliminations	€ million	113	-169	-
Profit before tax (EBT)	€ million	3,253	2,907	11.9
thereof: Automotive	€ million	3,009	2,149	40.0
Motorcycles	€ million	-57	-96	40.6
Financial Services	€ million	533	829	-35.7
Other Entities	€ million	-263	153	-
Eliminations	€ million	31	-128	-
Income taxes	€ million	-1,078	-651	65.6
Net profit	€ million	2,175	2,256	-3.6
Earnings per share (common/preferred share)	€	3.43/3.44	3.39/3.40	1.2/1.2

¹ including the joint venture BMW Brilliance Automotive Ltd., Shenyang.

² Ratio of Group earnings before taxes to Group revenues.

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: Consumption/emissions data:*MINI Cooper SE Convertible:** Power consumption in kWh/100 km combined: 17.2 WLTP.**BMW iX5 Hydrogen:** H2 Consumption in kg/100 km: 1,19 WLTP.**GLOSSARY – explanatory comments on key performance indicators****Deliveries to customers**

A new or used vehicle is recorded as a delivery once it is handed over to the end user (which also includes leaseholders under lease contracts with BMW Financial Services). In the US and Canada, end users also include (1) dealers when they designate a vehicle as a service loaner or demonstrator vehicle and (2) dealers and other third parties when they purchase a company vehicle at auction and dealers when they purchase company vehicles directly from the BMW Group. Deliveries may be made by BMW AG, one of its international subsidiaries, a BMW Group retail outlet, or independent third-party dealers. The vast majority of deliveries – and hence the reporting of deliveries to the BMW Group – is made by independent third-party dealers. Retail vehicle deliveries during a given reporting period do not correlate directly to the revenues that the BMW Group recognises in respect of that particular reporting period.

EBIT

Profit before financial result. Profit before financial result comprises revenues less cost of sales, less selling and administrative expenses and plus/minus net other operating income and expenses.

EBIT margin

Profit/loss before financial result as a percentage of revenues.

EBT

EBIT plus financial result.

Payout ratio (see page 4)

The payout ratio is preliminary. Although the Management Board and Supervisory Board are proposing a fixed dividend per share to the general meeting, the number of dividend-entitled shares is expected to fall even further as a result of the ongoing share buy-back program between now and the Annual General Meeting. Accordingly, the total amount paid out to shareholders until May 11 presumably will also change.

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The BMW Group

With its four brands BMW, MINI, Rolls-Royce and BMW Motorrad, the BMW Group is the world's leading premium manufacturer of automobiles and motorcycles and also provides premium financial and mobility services. The BMW Group production network comprises over 30 production sites worldwide; the company has a global sales network in more than 140 countries.

In 2022, the BMW Group sold nearly 2.4 million passenger vehicles and more than 202,000 motorcycles worldwide. The profit before tax in the financial year 2022 was € 23.5 billion on revenues amounting to € 142.6 billion. As of 31 December 2022, the BMW Group had a workforce of 149,475 employees.

The success of the BMW Group has always been based on long-term thinking and responsible action. The company set the course for the future at an early stage and consistently makes sustainability and efficient resource management central to its strategic direction, from the supply chain through production to the end of the use phase of all products.

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