

Supplementary information on agenda item 9.5:

**Annual Financial Statements for BMW INTEC Beteiligungs
GmbH as of 31 December 2019**

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ANNUAL ACCOUNTS OF BMW INTEC BETEILIGUNGS GMBH

Business year 2019

BMW INTEC Beteiligungs GmbH

Balance sheet as at 31 December

in €	Appendix	2019	2018
Assets			
Financial assets	1		
Shares in affiliated companies		8.227.838.346	7.833.422.785
Participations		1.092.493.259	28.229.413
Fixed assets		9.320.331.605	7.861.652.198
Receivables and other assets			
Receivables from affiliated companies	2	6.167.923.732	2.543.653.022
Receivables from companies in which participations are held	3	600.000	1.007.219
Other assets	4	5.197.975	-
Current assets		6.173.721.707	2.544.660.241
Balance sheet total		15.494.053.312	10.406.312.439
Liabilities			
Subscribed capital		27.000	27.000
Capital reserve		3.558.400.713	3.558.400.713
Equity		3.558.427.713	3.558.427.713
Other provisions	5	14.417.745	32.025
Provisions		14.417.745	32.025
Liabilities from deliveries and services		3.620	-
Amounts owed to affiliated companies	6	11.908.759.057	6.847.852.701
Other liabilities	7	12.445.177	-
Liabilities		11.921.207.854	6.847.852.701
Balance sheet total		15.494.053.312	10.406.312.439

BMW INTEC Beteiligungs GmbH

Profit and loss account

in €	Appendix	2019	2018
Other operating income	8	3.781.390	418.949
Other operating expenses	9	-487.474.372	-741.793
Income from investments	10	2.065.326.998	2.026.860.872
Financial result	11	-110.550.668	16.274.332
Result after taxes		1.471.083.348	2.042.812.360
Profit transferred under a profit and loss transfer agreement		-1.471.083.348	-2.042.812.360
Net profit for the year		0	0

BMW INTEC Beteiligungs GmbHAppendix
General information

The annual financial statements of BMW INTEC Beteiligungs GmbH are prepared in accordance with German commercial accounting regulations and the provisions of the German Limited Liability Companies Act and are stated in euros (€). BMW INTEC Beteiligungs GmbH, with its registered office in Munich, is registered with the Munich Register Court under the commercial register number HRB 78223.

The size-dependent exemptions of §§ 274a and 288 HGB are partially utilised.

The profit and loss account is prepared according to the cost of sales method. The financial year is the calendar year.

BMW INTEC Beteiligungs GmbH

Appendix

Accounting and valuation principles

In order to improve the clarity of presentation, individual items are summarised in the income statement and shown separately in the notes.

Shares in affiliated companies and participations are recognised at the lower of cost or fair value. If there are reasons for impairment, the fair value is determined within the framework of an impairment test by means of transaction prices achieved or suitable valuation methods, for example the discounted cash flow method. Uniform calculation methods are used to determine the discount rate. Write-ups due to the requirement to reinstate original values are made up to the acquisition costs if the reasons for impairment no longer apply. If shares in affiliated companies and participations are acquired by way of contribution in kind in exchange for shares, the option to continue the book value is used for the valuation of the shares acquired in accordance with the general principles of exchange.

Receivables and other assets are recognised at the lower of nominal value or current value. The option to offset receivables from and payables to affiliated companies will no longer be exercised from the 2019 financial year onwards in order to adapt to uniform group accounting guidelines and to improve the presentation of the actual asset situation.

Subscribed capital is accounted for at par value.

Provisions are recognised at the settlement amount and are measured in such a way that they take into account all identifiable risks.

Liabilities are recognised at the settlement amount on the balance sheet date.

Foreign currency receivables and liabilities are recorded at the mean spot exchange rate at the time of the transaction. Gains resulting from the reporting date valuation are only recognised for receivables and liabilities with a remaining term of one year or less. Losses from exchange rate changes are taken into account by revaluation on the balance sheet date.

BMW INTEC Beteiligungs GmbH

Appendix

Accounting and valuation principles

1 – Financial assets

The shares in Blitz 18-353 GmbH, Munich, (since 3 January 2020: YOUR NOW Holding GmbH) increased by € 1,077,553,071 in the 2019 financial year, mainly due to additional payments into the capital reserve and the contribution in kind of shares in financial assets in return for shares granted with a cash capital increase. In this context, the shares in the companies DriveNow GmbH & Co. KG, Munich, in the amount of € 250,828,650 and Digital Charging Solutions GmbH, Berlin, in the amount of € 23,271,500 were disposed of.

Furthermore, a contribution in kind was made to the capital reserve of BMW Beteiligungs GmbH & Co. KG, Munich, in the form of an assignment of withdrawal receivables plus interest in the amount of €602,547,820 (2018:20,866,664) was made.

Other additions relate to called-up and paid-up shares in an investment fund amounting to € 45,790,990 (2018:53,196,889) and an additional payment to the capital reserve of BMW High Power Charging GmbH, Munich, amounting to € 20,275,000 (2018: 30.650.000 €).

Unscheduled write-downs were made on the shares in Blitz 18-353 GmbH, Munich, and Digital Energy Solutions GmbH & Co KG, Munich.

2 – Receivables from affiliated companies

Receivables from affiliated companies are mainly due from the shareholder BMW AG, Munich, amounting to € 4,097,246,710 (2018:1,514,503,490) and BMW Beteiligungs GmbH & Co. KG, Munich, with € 1,505,943,452 (2018: 602.547.820 €). Due to the changed exercise of the option to offset receivables from and liabilities to affiliated companies from the 2019 financial year, the previous year's figures for receivables from affiliated companies must be increased by € 3,594,504,868 to ensure comparability. The receivables from affiliated companies are mainly financial receivables in the amount of € 5,804,211,933 (2018: 2.543.653.022 €). The receivables have a remaining term of less than one year.

3 – Receivables from companies in which participations are held

Receivables from companies in which participations are held relate to financial receivables from The Retail Performance Company GmbH, Munich with a value of 600.000 € (2018: 300.000 €). In the previous year, financial receivables from Digital Energy Solutions GmbH & Co. KG, Munich, amounting to € 707,219 were also reported. All receivables are due within one year (2018: 307.219 €).

4 – Other assets

Other assets include claims from subsequent purchase price adjustments from the sale of shares in financial assets amounting to 5.197.975 € (2018: 0 €). The receivables are due within one year.

5 – Other provisions

The other provisions mainly comprise subsequent obligations in connection with the disposal of financial assets and year-end closing costs amounting to 14.417.745 € (2018: 32.025 €). The provisions have a remaining term of up to one year.

BMW INTEC Beteiligungs GmbH

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Notes to the balance sheet

6 – Amounts owed to affiliated companies

Liabilities to affiliated companies mainly relate to € 11,891,515,022 (2018: 11,891,515,022) to the shareholder BMW AG, Munich. Due to the change in the exercise of the option to offset receivables from and liabilities to affiliated companies from the 2019 financial year onwards, the previous year's figures for liabilities to affiliated companies must be increased by € 3,594,504,868 to ensure comparability. The liabilities to affiliated companies are mainly financial liabilities in the amount of € 11,891,530,905 (2018: 7,212,378,609 €). The liabilities have a remaining term of less than one year.

7 – Other liabilities

Other liabilities include obligations from the acquisition and sale of shares in financial assets amounting to 12,445,177 € (2018: 12,445,177 €) and have a remaining term of less than one year.

BMW INTEC Beteiligungs GmbH

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Notes to the profit and loss account

8 – Other operating income

Other operating income mainly relates to income from the disposal of affiliated companies. Exchange rate gains from currency translation amount to € 276,495 (2018: 364.232 €).

9 – Other operating expenses

Other operating expenses mainly include losses from the disposal of financial assets. Exchange rate losses from currency translation are included in the amount of € 267,250 (2018: 263,496 €).

10 – Income from investments

in €	2019	2018
Income from participations	1.500.611.115	1.600.310.195
thereof from affiliated companies	1.500.011.115	1.600.010.195
Income from profit transfer agreements	564.731.765	426.600.532
Expenses from loss transfers	-15.882	-49.855
Income from investments	2.065.326.998	2.026.860.872

11 – Financial result

in €	2019	2018
Other interest and similar income	28.953.326	28.561.686
thereof from affiliated companies	27.831.276	28.552.424
Depreciation on financial assets	-126.848.926	-
Interest and similar expenses	-12.655.068	-12.287.354
thereof to affiliated companies	-12.655.068	-12.287.354
Financial result	-110.550.668	16.274.332

BMW INTEC Beteiligungs GmbH

Appendix
Other information

12 – Other financial obligations

There are other financial obligations due to remaining uncalled mandatory deposits amounting to € 336,401,820 (2018375,918,811) to an investment fund.

13 – Management

Dr Florian Weig (from 1 March 2020)
Head of Corporate Strategy at BMW AG, Munich

Dr Anton Heiss (until 29 February 2020)
Head of Corporate Strategy, BMW AG, Munich

Jonathan Townend
Head of Group Reporting, BMW AG, Munich

14 – Group affiliation

BMW INTEC Beteiligungs GmbH, Munich, is a wholly owned subsidiary of Bayerische Motoren Werke Aktiengesellschaft, Munich, and is included in its consolidated financial statements. A profit and loss transfer agreement exists with the parent company.

The Consolidated Financial Statements in accordance with International Financial Reporting Standards (IFRS) and the Group Management Report of Bayerische Motoren Werke Aktiengesellschaft, Munich, for the financial year 2019 are filed with the operator of the electronic Federal Gazette and are accessible via the website of the Company Register. This corresponds at the same time to the Company's largest and smallest group of consolidated companies.

The Consolidated Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS) and the Group Management Report of Bayerische Motoren Werke Aktiengesellschaft, Munich, simultaneously have an exempting effect pursuant to § 291 (2) of the German Commercial Code (HGB) with respect to sub-consolidated financial statements of BMW INTEC Beteiligungs GmbH, Munich.

15 – Supplementary report

On 30 January 2020, the World Health Organization (WHO) declared an international public health emergency due to the outbreak of the coronavirus. As of 11 March 2020, the WHO now classifies the spread of the coronavirus as a pandemic.

At the present time, no significant burdens on the assets, financial and earnings situation are known or can be estimated.

Munich, 6 May 2020

[SIGNATURE]
Dr Florian Weig

[SIGNATURE]
Jonathan Townend