BMW GROUP
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- Check against delivery –

Statement
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Member of the Board of Management of BMW AG, Finance
Conference Call Quarterly Statement to 30 September 2026
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SLIDE 2: BMW Group Quarterly Statement to 30 September 2026

Ladies and Gentlemen,
Good morning.

The BMW Group continued to operate in a challenging global market environment in the third quarter, with significant differences across regions.

Volume growth in Europe and the US partially offset the decline in China and Asia-Pacific.

In this environment, we remain focused on the factors that we can directly influence, with continued discipline on costs and operational performance. Against this backdrop, our third-quarter financial performance was in line with expectations.

SLIDE 3: BMW Group Performance in Q3 and YTD September 2026

Let me start with an overview of our Group performance in the third quarter.

Group revenues amounted to more than 30 billion euros in the quarter and almost 93 billion euros after nine months.
Our diversified business model once again supported our Group result. Group earnings before tax totalled 2.1 billion euros in Q3, benefiting from both our Financial Services business and the positive development of interest rate derivatives.

After nine months, Group EBT amounted to 6.1 billion euros.

Accordingly, the Group EBT margin stood at 6.8 percent in the third quarter and 6.6 percent year-to-date.

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In the Automotive Segment, EBIT amounted to 901 million euros in the third quarter, corresponding to a reported EBIT margin of 3.4 percent.

The margin benefited from the settlement reached with our supplier in connection with the IBS brake system warranty case.

At the same time, the margin also included two familiar items:
First, elevated tariffs had an impact of around 1.25 percentage points.

And second, depreciation from the BBA purchase price allocation reduced the margin by 1.2 percentage points.

The expenses related to our workforce restructuring program will be recognized in the P&L in the fourth quarter. They will impact the full-year EBIT margin by around 1.25 percentage points.

After nine months, Automotive EBIT amounted to around 2.9 billion euros, with an EBIT margin of 3.5 percent.

SLIDE 4: Automotive Retail Units, BEV Units and Auto Revenue

Let me now provide more detail on the performance of the Automotive Segment.

In the third quarter, the BMW Group delivered around 551,000 BMW, MINI and Rolls-Royce vehicles to customers, 6.3 percent less than in the same quarter last year.

Automotive Segment revenues declined by 6.5 percent to 26.7 billion euros, largely reflecting lower vehicle deliveries and the continued competitive intensity in several markets.

While overall deliveries and revenues were below the prior-year level, our BEV retail sales gained further momentum in the third quarter, as demand remained strong across key markets.

With over 110,000 deliveries, an increase of 7.2 percent year-on-year, our all-electric models accounted for one in five units sold worldwide.

Including plug-in hybrids, sales of electrified vehicles amounted to more than 150,000 units, which corresponds to an electrified vehicle share of 27.4 percent.

SLIDE 5: BMW Group Regional Sales – Growth in Europe and the US partially offset declines in China and APAC

Let's now take a closer look at our sales performance across the major regions.

In Europe, our largest sales region, retail sales increased by 2.6 percent year-on-year.
Europe also remains the main BEV growth driver. Here more than one in three vehicles sold were all-electric.
Including plug-in hybrids, the European electrification ratio came close to 50 percent.

In the US, retail sales grew by 2.5 percent in the third quarter and 3.5 percent after nine months, outperforming a declining overall market.
In China, weak consumer demand continued to weigh on large parts of the automotive market, particularly in the non-electrified vehicle segment.
In this environment, BMW Group retail sales declined by 24.8 percent in the third quarter. This was in line with the overall market, which was down 24.6 percent.

We continue to focus on balancing volumes, pricing and profitability in this highly competitive market.
At the same time, we are preparing for the market launch of the long-wheelbase BMW iX3* in November, followed by further Neue Klasse models throughout 2027.

In our sales region Asia-Pacific, Eastern Europe, Middle East, and Africa, retail sales declined by around 8,000 units, or 10.9 percent year-on-year.
Several markets in the region were affected by weaker consumer sentiment resulting from the ongoing conflict in the Middle East, as well as increasing competitive pressure linked to spillover effects from China.
Let's now take a closer look at the year-on-year development of Automotive EBIT on the following slide.

SLIDE 6: Automotive Segment EBIT in Q3 2026

Changes in currencies reduced EBIT by around 100 million euros year-over-year, while raw material positions were broadly neutral.
As expected, the year-over-year currency headwind was significantly lower in Q3 than in the first two quarters of the year.

The net effect of volume, model mix and pricing had a negative impact of around 600 million euros compared to the third quarter of 2025.

This mainly reflects lower volumes in China and continued pricing pressure in several markets.

Total Group R&D expenditure remained below the prior-year level at 1.8 billion euros, decreasing by 6.8 percent year-on-year.

Research and development expenses recognized in the P&L, however, increased by around 200 million euros, mainly due to higher depreciation on capitalized development costs from previous years.

The R&D ratio according to the German Commercial Code came in at 5.9 percent for both the third quarter and the first nine months.

We continue to make progress in reducing our operating cost base. As a result, selling and administrative expenses decreased by around 100 million euros year-on-year in the third quarter.
Other Cost Changes had a positive EBIT impact of 400 million euros, mainly reflecting the settlement reached with our supplier in connection with the IBS brake system warranty case.

As a result, Automotive EBIT amounted to 901 million euros in the third quarter and 2.9 billion euros after nine months.

SLIDE 7: Automotive Segment Free Cash Flow in Q3 2026

Let's switch to Free cashflow in the Automotive Segment, starting with earnings before tax of around 900 million euros.

The net change in working capital contributed around 600 million euros, mainly reflecting lower inventories as we have adjusted production schedules in line with market demand.

The net effect of capital expenditure and depreciation contributed positively by around 600 million euros, as depreciation continued to exceed capital expenditure.
We expect depreciation to remain above capital expenditure for the full year 2026 and beyond.

The capex ratio was 3.9 percent for the first nine months.

The change in provisions reduced free cashflow by around 900 million euros in Q3, mainly reflecting the consumption of provisions for warranties and bonus payments.

Other items reduced free cashflow by 1.8 billion euros.
This mainly reflects timing effects, as some of the accruals that supported free cashflow in the second quarter reversed in the third quarter.

In total, Automotive Free cashflow amounted to minus 566 million euros in the third quarter.

After nine months, it stood at 724 million euros.

As you know, the BMW Group is steering Automotive free cashflow on an annual basis.
For the full year, we continue to target more than 2.5 billion euros of Automotive free cashflow.
In the fourth quarter, we expect significant positive cash contributions from further working capital reduction and tariff refunds.

Ladies and Gentlemen,

the BMW Group remains committed to its shareholder return strategy, combining attractive dividend payments with share buybacks.

The third and final tranche of our current third share buyback program is expected to be completed in November.

With this, we will have completed the entire 2-billion-euro program five months ahead of the original schedule.
This reflects our disciplined approach to capital allocation and our focus on creating value for our shareholders.

Under the current program, we will have returned around 1.25 billion euros to shareholders through share buybacks in 2026.

News on share buyback program four will follow in due course. As stated at our Capital Market Day at the end of September, we are currently reviewing our shareholder return framework.

SLIDE 8: Financial Services Segment YTD September 2026

In our Financial Services Segment, new business remained at a high level.
During the first nine months, we concluded around 1.3 million new contracts with retail customers, a slight increase of 1.3 percent year-on-year.
Adjusted for FX effects, total new business volume grew by 3.3 percent to around 49.4 billion euros.

At the same time, the penetration rate for lease and loan products increased to 53.7 percent.

This development was supported by a more favourable competitive environment in China since mid-2025.
Our Financial Services balance sheet volume reached 159 billion euros at the end of September.
This represents an increase of more than 5 percent year-on-year, driven by retail financing and leasing contracts.

Quarterly earnings were stable year-on-year, with segment EBT amounting to 639 million euros.

For the first nine months, segment earnings totalled 1.65 billion euros, down 10.3 percent year-on-year.
This decline results from an addition to an existing provision in the first quarter, which was related to a consumer compensation program in the UK.

Overall, the segment continued to grow and made an important contribution to Group earnings.

The credit loss ratio across the entire credit portfolio increased to 0.35 percent at the end of September.
This reflects the sale of non-performing loans in the third quarter.

SLIDE 9: Motorcycles Segment in Q3 2026

In the Motorcycles Segment, deliveries declined by 12.5 percent year-on-year to 46,600 units.

Segment EBIT for the third quarter totalled 33 million euros, resulting in an EBIT margin of 4.8 percent.

SLIDE 10: Outlook 2026

Ladies and Gentlemen,

Building on our solid Q3 results that I just outlined, we took the decision yesterday to expand and intensify our portfolio and structural measures in the financial year 2026.

As we successfully ramp up the Neue Klasse, we will gradually phase out previous vehicle and technology generations earlier.

In addition, we are further accelerating the organizational realignment of the company.

Considering these measures, we have changed our outlook for the financial year 2026 for the following KPIs:

In the Automotive Segment, we now expect the EBIT margin to come in within a range of minus 0.5 percent to (plus) 0.5 percent.

I would like to reiterate that this full-year Auto EBIT margin includes our portfolio and structural measures.
Their impact on the margin was originally expected to be 1.25 percentage points.

After our decision to expand these measures, we now anticipate a total burden of around 2.5 percentage points.
That means that – without these measures – the Auto EBIT margin is still expected to be above 2 percent.

Accordingly, the Return on Capital Employed (RoCE) in the Automotive segment is expected in a corridor between minus 1 percent and (plus) 1 percent.

Given the changes to our 2026 outlook, we will consider the impact of our portfolio and structural measures when determining the level of shareholder returns for the 2026 financial year.

SLIDE 11: Based on solid Q3 results, BMW Group expands and intensifies measures.

Ladies and Gentlemen,

Our diversified global business model enables us to manage diverging developments across regions and support the overall performance of the Group.
On this basis, the BMW Group achieved earnings before tax of more than 6 billion euros in the first nine months of 2026.

For the full year 2026, we continue to expect an Automotive EBIT Margin above 2 percent before portfolio and structural measures and an Automotive Free Cashflow of more than 2.5 billion euros.

At the same time, we are seeing positive momentum from the initiatives we launched in 2026.

We are now moving into the next phase of our transformation: rolling out the technologies of the Neue Klasse across our portfolio, simplifying structures and processes, and further reducing complexity across the company.
Artificial intelligence will play an increasingly important role in driving these changes.

Going forward, we will further reduce operational costs as well as R&D and capital expenditure to improve our long-term profitability.
For the full year 2026, we expect both R&D and capex to be below prior-year levels.
In 2027, we will be heading back towards our strategic corridors, which are 4 to 5 percent for R&D and less than 5 percent for capex.

As outlined at our Capital Market Day, we are targeting an Automotive EBIT margin of 3 to 5 percent in 2028 and aim to return to our strategic target range of 8 to 10 percent by the beginning of the next decade.

The decision that we took yesterday is an important step towards achieving these targets.

On that basis, we will create sustained value for all our stakeholders.

Thank you.

***Fuel consumption/emissions data:**
BMW iX3 50 xDrive: energy consumption combined: 19,4–16,1 kWh/100 km (WLTP); CO_2 emissions combined: 0 g/km (WLTP); CO_2 class: A; electric range: 666–806 km (WLTP)