

(Convenience Translation)

**Declaration of the Board of Management and of the Supervisory Board of  
Bayerische Motoren Werke Aktiengesellschaft  
with respect to the recommendations of the  
“Government Commission on the German Corporate Governance Code”  
pursuant to §161 German Stock Corporation Act**

The Board of Management and Supervisory Board of Bayerische Motoren Werke Aktiengesellschaft (“BMW AG”) declare the following regarding the recommendations of the “Government Commission on the German Corporate Governance Code”:

Since issuance of the last Declaration in December 2011, BMW AG has complied with all of the recommendations published officially on 2 July 2010 in the electronic Federal Gazette (Code version dated 26 May 2010).

BMW AG will comply with all of the recommendations published officially on 15 June 2012 in the electronic Federal Gazette (Code version dated 15 May 2012), with the exception of the amended recommendation contained in section 5.4.6 paragraph 2 sentence 2 (“If members of the Supervisory Board are promised performance-related compensation, it shall be oriented toward sustainable growth of the enterprise.”).

The Articles of Incorporation of BMW AG provide for the members of the Supervisory Board to receive, in addition to a fixed compensation component, a performance-related compensation component which is subject to a cap and which is based on earnings per share of common stock in the past financial year. This regulation in the Articles of Incorporation, which was resolved by the shareholders at the Annual General Meeting in 2008, complied with the previous recommendation of the Government Commission contained in section 5.4.6 paragraph 2 sentence 1 (“Members of the Supervisory Board shall receive fixed as well as performance-related compensation.”, Code version dated 26 May 2010).

The Board of Management and Supervisory Board will submit a proposal at the Annual General Meeting 2013 to amend the Articles of Incorporation with a view to changing the basis for Supervisory Board compensation. In line with the Code's revised recommendation on supervisory board compensation, the performance-related compensation component will in future take more than one financial year into account and will be oriented toward sustainable growth of the enterprise.

Munich, December 2012

Bayerische Motoren Werke Aktiengesellschaft

On behalf of the Supervisory Board

On behalf of the Board of Management

Prof. Dr.-Ing. Dr. h.c. Dr.-Ing. E.h.  
Joachim Milberg  
Chairman

Dr.-Ing. Dr.-Ing. E.h. Dr. Norbert Reithofer  
Chairman