

## **Bayerische Motoren Werke Aktiengesellschaft, Munich.** Notice of Annual General Meeting.\*

We hereby give notice to shareholders of Bayerische Motoren Werke Aktiengesellschaft, Munich, that the 93<sup>rd</sup> Annual General Meeting of the Company will take place

**on Tuesday 14 May 2013, at 10:00 a.m. local time (CEST), at the Olympiahalle of the Olympiapark, Coubertinplatz, 80809 Munich, Federal Republic of Germany.**

### **I. Agenda.**

#### **1. Presentation of the Company Financial Statements and the Group Financial Statements for the financial year ended 31 December 2012, as approved by the Supervisory Board, together with the Combined Group and Company Management Report, the Explanatory Report of the Board of Management on the information required pursuant to § 289 (4) and § 315 (4) and § 289 and § 315 (2) no. 5 HGB (German Commercial Code) and the Report of the Supervisory Board.**

The documents listed above will be explained at the Annual General Meeting and will be available for inspection at the meeting. They will also be available before the Annual General Meeting, including access and download via the BMW Group Internet website at the address "www.bmwgroup.com" using the link "Annual General Meeting". They will also be sent to shareholders on request. Requests should be submitted electronically to [Geschaeftsberichte@bmwgroup.com](mailto:Geschaeftsberichte@bmwgroup.com) or by post to: Bayerische Motoren Werke Aktiengesellschaft, Dept. FF-2, 80788 Munich. You may also submit your request by telephone at the number +49 (0)89/382-0.

In accordance with statutory provisions, no resolution is proposed to be adopted on this Agenda point at the Annual General Meeting.

\* (Non-binding convenience translation)

The Supervisory Board has already approved the Company Financial Statements and Group Financial Statements drawn up by the Board of Management; the Company Financial Statements have therefore been adopted. Adoption of the Company Financial Statements and approval of the Group Financial Statements by the Annual General Meeting are therefore not required.

#### **2. Resolution on the utilisation of unappropriated profit.**

The Board of Management and the Supervisory Board propose that the unappropriated profit for the financial year 2012 amounting to € 1,639,987,696.24 be utilised as follows:

Payment of a dividend of € 2.52 per share of preferred stock, each with a par value of € 1, on the preferred stock entitled to receive a dividend (53,571,312 shares of preferred stock), amounting to: € 134,999,706.24

Payment of a dividend of € 2.50 per share of common stock, each with a par value of € 1, on the common stock entitled to receive a dividend (601,995,196 shares of common stock), amounting to: € 1,504,987,990.00

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| Unappropriated profit available for distribution | € 1,639,987,696.24 |
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The number of shares entitled to receive dividends shown above is based on the situation at 31 December 2012 and may change prior to the Annual General Meeting. In this case, the Board of Management and Supervisory Board will put forward an updated resolution at the Annual

General Meeting based on the same dividend rates and will propose to carry forward another amount of unappropriated profit not to be paid as a dividend.

### **3. Ratification of the acts of the Board of Management.**

The Board of Management and the Supervisory Board propose that the acts of the members of the Board of Management in the financial year 2012 be ratified for this period.

### **4. Ratification of the acts of the Supervisory Board.**

The Board of Management and the Supervisory Board propose that the acts of the members of the Supervisory Board in the financial year 2012 be ratified for this period.

### **5. Election of the auditor.**

On the recommendation of the Audit Committee, the Supervisory Board proposes that KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, be appointed  
(1.) as Company and Group external auditor for the financial year 2013 and  
(2.) as auditor to carry out a review of the Interim Group Financial Statements and Interim Group Management Report for the first six months of the financial year 2013.

### **6. Elections to the Supervisory Board.**

The term of office of four Supervisory Board members representing shareholders comes to an end at the close of the Annual General Meeting on 14 May 2013.

The Supervisory Board is composed in accordance with § 96 (1) and § 101 (1) of the German Stock Corporation Act (AktG) and § 7 (1) sentence 1 no. 3 of the German Co-Determination Act (MitbestG). The Annual General Meeting is not bound by nominations for election proposed by the Supervisory Board.

The Supervisory Board proposes that the following persons be elected as Supervisory Board members representing shareholders with effect from the close of the Annual General Meeting on 14 May 2013:

6.1 Prof. Dr. rer. nat. Dr. h.c. Reinhard Hüttel, Potsdam, Chairman of the Management Board and Scientific Board of GeoForschungsZentrum Potsdam (GFZ) Stiftung des öffentlichen Rechts and holder of the Chair for Soil Protection and Recultivation at the Brandenburg Technical University of Cottbus, for a term of office up to the close of the Annual General Meeting at which ratification of the acts of the Supervisory Board is resolved for the financial year 2017,

6.2 Dr. jur. Karl-Ludwig Kley, Cologne, Chairman of the Executive Management and personally liable shareholder of Merck KGaA, for a term of office up to the close of the Annual General Meeting at which ratification of the acts of the Supervisory Board is resolved for the financial year 2017,

6.3 Prof. Dr. rer. pol. Renate Köcher, Constance, Director of Institut für Demoskopie Allensbach Gesellschaft zum Studium der öffentlichen Meinung mbH, for a term of office up to the close of the Annual General Meeting at which ratification of the acts of the Supervisory Board is resolved for the financial year 2017,

6.4 Prof. Dr.-Ing. Dr. h. c. Dr.-Ing. E. h. Joachim Milberg, Baldham, Chairman of the Supervisory Board of BMW AG, for a term of office up to the close of the Annual General Meeting at which ratification of the acts of the Supervisory Board is resolved for the financial year 2015.

It is planned that the elections will be carried out individually.

The proposed nominations for election to the Supervisory Board are based on the recommendation of the Nomination Committee and take account of the targets decided upon by the Supervisory Board for its own composition.

In the Supervisory Board's opinion Dr. Karl-Ludwig Kley, as a former management board member for finances of another DAX company, fulfils the requirements of being an independent financial expert as defined by § 100 (5) AktG.

In accordance with section 5.4.3 sentence 3 of the German Corporate Governance Code, attention is drawn to the fact that Prof. Dr.-Ing. Joachim Milberg has expressed his willingness to be stand again for the position of Chairman, should he be re-elected to the Supervisory Board.

**7. Resolution regarding the amendment to § 15 of the Articles of Incorporation (Remuneration of the Supervisory Board).**

The remuneration of the Company's Supervisory Board has not been adjusted since the financial year 2008.

The proposed change to the Articles of Incorporation is intended to ensure that the performance-related component of the Supervisory Board's remuneration – currently linked to earnings per share of common stock for the past financial year – will, in future, take more than one financial year into account and be oriented toward sustainable growth of the enterprise. The proposed change is also intended to ensure that the Company complies with the revised recommendation on supervisory board compensation contained in section 5.4.6 paragraph 2 sentence 3 of the German Corporate Governance Code (version dated 15 May 2012). It is also proposed that the fixed remuneration component be raised at the same time. The performance-related compensation component is to be capped at twice the amount of the fixed remuneration.

The Supervisory Board and Board of Management therefore propose that a resolution be taken to amend § 15 of the Articles of Incorporation and reword it as follows:

“§ 15 Remuneration of the Supervisory Board

1.  
Each member of the Supervisory Board shall receive the following for each financial year (remuneration year)
  - a) a fixed amount of EUR 70,000 payable at the end of the financial year and
  - b) a performance-based remuneration of € 170 for each full € 0.01, by which the average of the (undiluted) earnings per share (EPS) reported in the Group Financial Statements for the remuneration year and the two preceding financial years exceeds a minimum amount of € 2.00, capped however at a maximum of twice the fixed annual remuneration pursuant to a). The performance-based remuneration shall be payable at the end of the Annual General Meeting at which the Group Financial Statements for the remuneration year are presented or at which the resolution concerning their approval is taken.

2.  
The Chairman of the Supervisory Board shall receive three times the amount resulting from point 1. Each Deputy Chairman of the Supervisory Board shall receive twice the amount resulting from point 1. Provided the relevant committee convened for meetings on at least 3 days during the financial year, the chairmen of the Supervisory Board's committees shall receive twice the amount resulting from point 1 and the members of those committees shall receive one and a half times the amount resulting from point 1. If a member of the Supervisory Board exercises more than one function that is subject to remuneration pursuant to sentence 1 or 2, the remuneration shall be measured only on the basis of the function which is remunerated with the highest amount.

3.  
In the event that a member of the Supervisory Board has only belonged to the Supervisory Board for a part of the financial year or has exercised more than one function that is subject to remuneration pursuant to point 2 sentence 1 or 2, the amount of remuneration payable to that member pursuant to points 1 and 2 shall be reduced on a time-apportioned basis.

4.  
In addition, each member of the Supervisory Board shall receive an attendance fee of € 2,000 for each full meeting of the Supervisory Board (Plenum) which the member has attended. These fees are payable at the end of the financial year. Attendance at more than one meeting on the same day is not remunerated separately.

5.  
The Company shall reimburse each member of the Supervisory Board for reasonable out-of-pocket expenses and the value added tax attributable to any remuneration. The Company may include the members of the Supervisory Board in the coverage provided by a Directors' and Officers' liability insurance policy maintained at the Company's cost.

6.  
This regulation shall apply for the first time for the financial year commencing on 1 January 2013 (remuneration year)”.  
”

## II. Other information.

### 1. Total number of shares and voting rights at the date of notice of the Annual General Meeting.

At the date on which notice of the Annual General Meeting is given, the Company's share capital amounts to € 655,989,413 and is sub-divided in 655,989,413 shares with a par value of € 1 each, comprising 601,995,196 shares of common stock, to which 601,995,196 votes are attached, and 53,994,217 non-voting shares of preferred stock. The voting power attached to each share for which the statutory minimum contribution has been paid up corresponds to the share's par value. Each € 1 of par value of share capital represented in a vote is entitled to one vote.

Only holders of common stock are entitled to vote on the Agenda points listed in section I above.

### 2. Prerequisites for attending the Annual General Meeting and for exercising voting rights.

Shareholders shall only be entitled to attend the Annual General Meeting and exercise their voting rights, either in person or represented by an authorised person (proxy), if, prior to the meeting, they have submitted notification of attendance in the form prescribed by § 126b of the German Civil Code, either in German or English.

Shareholders are also required to provide proof of their entitlement to attend and exercise their voting rights. For this purpose, documentary evidence of the shareholding, issued by the custodian bank (in the form prescribed by § 126b BGB), in either English or German, is required. The documentary evidence must be based on the situation at the beginning of the 21<sup>st</sup> day before the Annual General Meeting ("Record Date"), i.e. at 00.00 CEST on 23 April 2013. The entitlement to attend the Annual General Meeting and to exercise voting rights is based on shareholdings on that date; for the purposes of the relationship between shareholders and Company, the decisive criterion for attendance at the Annual General Meeting and the exercise of voting rights as a shareholder is whether evidence of shareholding has been registered as at the Record Date.

As with the notification of attendance, the documentary evidence of a shareholding must be received by the Company at the latest by the end of 7 May 2013 at the following address:

Bayerische Motoren Werke Aktiengesellschaft  
c/o UniCredit Bank AG  
CBS40GM  
80311 Munich  
Telefax: +49 (0)89 5400-2519  
E-Mail: [hauptversammlungen@unicreditgroup.de](mailto:hauptversammlungen@unicreditgroup.de)

Shares are not blocked as a result of notification of attendance at the Annual General Meeting. In other words, shares remain available for disposal once notification of attendance has been successfully registered.

Custodian banks normally make the notification of attendance and provide the documentary evidence of shareholdings on behalf of their customers after the customers concerned have requested an attendance card for the Annual General Meeting. Shareholders are therefore requested to contact their custodian bank and to apply for an attendance card as soon as possible.

### 3. Proxies; procedure for exercising voting rights via an authorised proxy.

Shareholders who do not wish to attend the Annual General Meeting and/or exercise their voting rights in person, may exercise their rights, and in particular their voting rights, via an authorised proxy, e. g. a bank or a shareholders' association.

The granting of proxy authorisations, their revocation and the communication of proof of proxy authorisation to the Company must be executed in text form or electronically using the procedure made available at [www.bmwgroup.com/ir/proxyvoting](http://www.bmwgroup.com/ir/proxyvoting).

Banks and shareholders' associations as well as persons and institutions which are deemed equivalent to such by the German Stock Corporation Act may, in conjunction with the special regulation (§ 135 AktG), stipulate different requirements with regard to their own appointment as proxies. Details of these requirements may be obtained from the relevant authorised proxies.

Bayerische Motoren Werke Aktiengesellschaft also offers holders of common stock the option of exercising their rights via representatives appointed by the Company who are bound to vote in accordance with the shareholder's instructions. If a proxy is granted to Company representatives, the appropriate voting instructions must be issued. The proxy authorisation is invalid if this is not done. The Company representatives are obliged to vote in accordance with the instructions given.

Proxy authorisations and instructions given to Company representatives can be submitted in advance of the Annual General Meeting using the proxy forms stipulated by the Company. Common stock shareholders will receive these proxy forms together with the attendance card. In this case, the completed proxy forms must be sent to reach Bayerische Motoren Werke Aktiengesellschaft, Dept. FF-2, 80788 Munich by 10 May 2013, 24:00 (CEST) at the latest. Proxy authorisations and instructions may also be given to Company representatives electronically via the Internet, using the procedure made available at [www.bmwgroup.com/ir/proxyvoting](http://www.bmwgroup.com/ir/proxyvoting). This procedure will remain available until 13 May 2013, 12:00 (CEST).

#### **4. Procedure for exercising voting rights by postal vote.**

Common stock shareholders may cast their votes either in writing or electronically (postal voting) without attending the Annual General Meeting.

Common stock shareholders wishing to use the postal voting option should use the form sent to them with the attendance card. In this case, the completed postal voting form must be sent to reach Bayerische Motoren Werke Aktiengesellschaft, Dept. FF-2, 80788 Munich by 10 May 2013, 24:00 (CEST) at the latest. It is also possible to cast votes electronically using the procedure made available by the Company at [www.bmwgroup.com/ir/proxyvoting](http://www.bmwgroup.com/ir/proxyvoting). This procedure will remain available until 13 May 2013, 12:00 (CEST).

#### **5. Requests for items to be added to the Agenda.**

Pursuant to § 122 (2) AktG shareholders, whose aggregate holdings amount to at least one-twentieth of the share capital or the amount of € 500,000 (equivalent to 500,000 shares each with a nominal value of € 1) may request that certain items be included on the Agenda and announced as such. Each new item must be accompanied by a statement of reasons or a draft resolution. Such requests are to be addressed to the Company's Board of Management ("Vorstand") in writing and submitted to the following address:

Bayerische Motoren Werke Aktiengesellschaft  
The Board of Management  
Postal address: 80788 Munich  
or  
Office address: Petuelring 130, 80809 Munich

The request must have been received by the Company at least 30 days before the meeting i.e. by the expiry of 13 April 2013 at the latest.

#### **6. Countermotions and proposals for election.**

Each shareholder has the right to propose countermotions at the Annual General Meeting to the resolutions proposed by the Board of Management and/or the Supervisory Board on specific Agenda items and to propose nominations for Agenda items 5 (Election of the Auditor) and 6 (Elections to the Supervisory Board) (§ 126 (1), § 127 AktG). If countermotions are submitted in advance they must be addressed solely to:

Bayerische Motoren Werke Aktiengesellschaft  
Dept. FF-2  
Postal address: 80788 Munich  
Telefax: +49 (0)89 382-14661  
or  
E-Mail: [hv@bmw.de](mailto:hv@bmw.de)

Countermotions must be provided with a statement of reasons. Nominations for election do not require a statement of reasons.

All countermotions and nominations received at least 14 days before the meeting (i.e. received at this address by no later than the expiry of 29 April 2013), and which are required to be made accessible to the other shareholders, will, upon proof of shareholder status be published without delay on the Internet at [www.bmwgroup.com](http://www.bmwgroup.com) and can be accessed via the link "Annual General Meeting".

#### **7. Right to information.**

Pursuant to § 131 (1) AktG upon request, each shareholder shall be provided with information at the Annual General Meeting by the Board of Management on the Company's affairs, the legal and business relationships of the Company with affiliated companies and on the situation of the Group and of the companies included in the Group Financial Statements to the extent that such information is necessary for a proper evaluation of an item on the Agenda.

#### **8. Supplementary disclosures with respect to item 6 of the Agenda (Elections to the Supervisory Board).**

Further information about the nominees, including curriculum vitae, can be found on the Company's website at [www.bmwgroup.com](http://www.bmwgroup.com) via the link "Annual General Meeting".

- 8.1 Details of membership in other statutory supervisory boards (□) and membership of equivalent national or foreign company boards ○).

Prof. Dr. rer. nat. Dr. h.c. Reinhard Hüttl:  
None

Dr. jur. Karl-Ludwig Kley:

- Bertelsmann Management SE
- Bertelsmann SE & Co. KGaA
- 1. FC Köln GmbH & Co. KGaA

Dr. Karl-Ludwig Kley has also agreed to be nominated for election to the Supervisory Board of Deutsche Lufthansa Aktiengesellschaft.

Prof. Dr. rer. pol. Renate Köcher:

- Allianz SE
- Infineon Technologies AG
- Robert Bosch GmbH
- Nestlé Deutschland AG

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

- Bertelsmann Management SE (Deputy Chairman)
- Bertelsmann SE & Co. KGaA (Deputy Chairman)
- FESTO Aktiengesellschaft (Chairman)
- FESTO Management Aktiengesellschaft (Chairman)
- Deere & Company

- 8.2 Disclosures relating to personal or business relations of nominees pursuant to section 5.4.1 paragraphs 4 to 6 of the German Corporate Governance Code.

The nominees proposed by the Supervisory Board are already members of the Supervisory Board and Prof. Dr.-Ing. Joachim Milberg is the current Chairman of the Supervisory Board. Based on the Supervisory Board's evaluation, none of the aforementioned nominees have personal or business relations with the Company or Group entities, its executive bodies or a shareholder holding a material interest in the Company,

who – based on the appraisal of the Supervisory Board – a shareholder judging objectively would consider authoritative for his/her election decision within the meaning of section 5.4.1 paragraph 5 of the German Corporate Governance Code.

## 9. Information available on website; transmission of speech of the Chairman of the Management Board; additional information.

Notice of the Annual General Meeting, documents and information and other explanations of shareholders' rights pursuant to § 122 (2), § 126 (1), §§ 127, 131 (1) AktG as well as information relating to item 6 on the Agenda can be found on the Company's website at [www.bmwgroup.com](http://www.bmwgroup.com) via the link "Annual General Meeting". The voting results will also be published there after the Annual General Meeting.

Shareholders and other interested parties will also be able to listen to the speech of the Chairman of the Management Board on 14 May 2013 live over the Internet at [www.bmwgroup.com](http://www.bmwgroup.com). The speech will also be available as a replay after the Annual General Meeting.

Further information with respect to attendance at the Annual General Meeting and the exercising of voting rights, including postal voting, the issuance of proxies and instructions as well as proxy and postal voting forms will be sent to shareholders with their attendance card.

The Notice of the Annual General Meeting was published in the Federal Gazette on 26 March 2013.

Munich, 26 March 2013

**Bayerische Motoren Werke  
Aktiengesellschaft**

The Board of Management