

INCOME STATEMENT FOR GROUP AND SEGMENTS

[illegible]

STATEMENT OF COMPREHENSIVE INCOME FOR GROUP

| in € million | Note | 2020 | 2019 |
|--|------|--------------|--------------|
| Net profit/loss | | 3,857 | 5,022 |
| Remeasurement of the net liability for defined benefit pension plans | 32 | –354 | –1,254 |
| Deferred taxes | | 139 | 387 |
| Items not expected to be reclassified to the income statement in the future | | –215 | –867 |
| Marketable securities (at fair value through other comprehensive income) | | 7 | 42 |
| Derivative financial instruments | | 991 | –706 |
| Costs of hedging | | 201 | 125 |
| Other comprehensive income from equity accounted investments | | 106 | –3 |
| Deferred taxes | | –444 | 171 |
| Currency translation foreign operations | | –1,283 | 544 |
| Items that can be reclassified to the income statement in the future | | –422 | 173 |
| Other comprehensive income for the period after tax | 19 | –637 | –694 |
| Total comprehensive income | | 3,220 | 4,328 |
| Total comprehensive income attributable to minority interests | | 82 | 107 |
| Total comprehensive income attributable to shareholders of BMW AG | 31 | 3,138 | 4,221 |

BALANCE SHEET FOR GROUP AND SEGMENTS

| | | Group | | Automotive (unaudited supplementary information) | | Motorcycles (unaudited supplementary information) | | Financial Services (unaudited supplementary information) | | Other Entities (unaudited supplementary information) | | Eliminations (unaudited supplementary information) | |
|---|------|---------|---------|--|---------|---|-------|--|---------|--|---------|--|----------|
| in € million | Note | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| ASSETS | | | | | | | | | | | | | |
| Intangible assets | 21 | 12,342 | 11,729 | 11,809 | 11,212 | 155 | 127 | 377 | 389 | 1 | 1 | – | – |
| Property, plant and equipment | 22 | 21,850 | 23,245 | 21,371 | 22,749 | 401 | 407 | 78 | 89 | – | – | – | – |
| Leased products | 23 | 41,995 | 42,609 | – | – | – | – | 48,759 | 50,348 | – | – | –6,764 | –7,739 |
| Investments accounted for using the equity method | 24 | 3,585 | 3,199 | 3,585 | 3,199 | – | – | – | – | – | – | – | – |
| Other investments | | 735 | 703 | 4,711 | 5,144 | – | – | 20 | 1 | 6,938 | 6,847 | –10,934 | –11,289 |
| Receivables from sales financing | 25 | 48,025 | 51,030 | – | – | – | – | 48,082 | 51,079 | – | – | –57 | –49 |
| Financial assets | 26 | 2,644 | 1,370 | 559 | 131 | – | – | 161 | 139 | 1,939 | 1,168 | –15 | –68 |
| Deferred tax | 13 | 2,459 | 2,194 | 3,196 | 3,451 | – | – | 550 | 512 | 131 | 84 | –1,418 | –1,853 |
| Other assets | 28 | 1,216 | 1,325 | 2,861 | 2,203 | 33 | 36 | 2,929 | 3,351 | 41,860 | 38,919 | –46,467 | –43,184 |
| Non-current assets | | 134,851 | 137,404 | 48,092 | 48,089 | 589 | 570 | 100,956 | 105,908 | 50,869 | 47,019 | –65,655 | –64,182 |
| Inventories | 29 | 14,896 | 15,891 | 13,391 | 14,404 | 687 | 679 | 818 | 808 | – | – | – | – |
| Trade receivables | 30 | 2,298 | 2,518 | 1,979 | 2,228 | 219 | 186 | 100 | 103 | – | 1 | – | – |
| Receivables from sales financing | 25 | 36,252 | 41,407 | – | – | – | – | 36,252 | 41,407 | – | – | – | – |
| Financial assets | 26 | 5,108 | 5,955 | 4,152 | 4,772 | – | – | 612 | 1,009 | 392 | 187 | –48 | –13 |
| Current tax | 27 | 606 | 1,209 | 342 | 1,000 | – | – | 64 | 84 | 200 | 125 | – | – |
| Other assets | 28 | 9,110 | 11,614 | 33,747 | 33,492 | 2 | 1 | 5,952 | 5,106 | 52,625 | 64,692 | –83,216 | –91,677 |
| Cash and cash equivalents | | 13,537 | 12,036 | 9,522 | 9,077 | 5 | 11 | 2,863 | 2,075 | 1,147 | 873 | – | – |
| Current assets | | 81,807 | 90,630 | 63,133 | 64,973 | 913 | 877 | 46,661 | 50,592 | 54,364 | 65,878 | –83,264 | –91,690 |
| Total assets | | 216,658 | 228,034 | 111,225 | 113,062 | 1,502 | 1,447 | 147,617 | 156,500 | 105,233 | 112,897 | –148,919 | –155,872 |

| | | Group | | Automotive (unaudited supplementary information) | | Motorcycles (unaudited supplementary information) | | Financial Services (unaudited supplementary information) | | Other Entities (unaudited supplementary information) | | Eliminations (unaudited supplementary information) | |
|--|------|----------------|----------------|--|----------------|---|--------------|--|----------------|--|----------------|--|-----------------|
| in € million | Note | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| EQUITY AND LIABILITIES | | | | | | | | | | | | | |
| Subscribed capital | 31 | 660 | 659 | | | | | | | | | | |
| Capital reserves | 31 | 2,199 | 2,161 | | | | | | | | | | |
| Revenue reserves | 31 | 59,550 | 57,667 | | | | | | | | | | |
| Accumulated other equity | 31 | -1,518 | -1,163 | | | | | | | | | | |
| Equity attributable to shareholders of BMW AG | 31 | 60,891 | 59,324 | | | | | | | | | | |
| Minority interest | | 629 | 583 | | | | | | | | | | |
| Equity | | 61,520 | 59,907 | 41,117 | 40,174 | - | - | 15,555 | 15,545 | 21,389 | 21,972 | -16,541 | -17,784 |
| Pension provisions | 32 | 3,693 | 3,335 | 3,197 | 2,820 | 109 | 96 | 49 | 47 | 338 | 372 | - | - |
| Other provisions | 33 | 6,488 | 5,788 | 6,268 | 5,605 | 74 | 81 | 146 | 102 | - | - | - | - |
| Deferred tax | 13 | 509 | 632 | 697 | 543 | - | - | 2,812 | 3,804 | 78 | 34 | -3,078 | -3,749 |
| Financial liabilities | 35 | 67,390 | 70,647 | 2,087 | 2,680 | - | - | 17,730 | 18,170 | 47,588 | 49,865 | -15 | -68 |
| Other liabilities | 36 | 5,095 | 5,100 | 7,270 | 7,929 | 522 | 569 | 42,506 | 39,639 | 1,011 | 102 | -46,214 | -43,139 |
| Non-current provisions and liabilities | | 83,175 | 85,502 | 19,519 | 19,577 | 705 | 746 | 63,243 | 61,762 | 49,015 | 50,373 | -49,307 | -46,956 |
| Other provisions | 33 | 7,494 | 7,421 | 6,960 | 6,962 | 100 | 105 | 388 | 299 | 46 | 55 | - | - |
| Current tax | 34 | 747 | 963 | 537 | 704 | - | - | 192 | 184 | 18 | 75 | - | - |
| Financial liabilities | 35 | 38,986 | 46,093 | 897 | 1,929 | - | - | 25,178 | 26,938 | 12,959 | 17,239 | -48 | -13 |
| Trade payables | 37 | 8,644 | 10,182 | 7,365 | 8,814 | 378 | 413 | 892 | 943 | 9 | 12 | - | - |
| Other liabilities | 36 | 16,092 | 17,966 | 34,830 | 34,902 | 319 | 183 | 42,169 | 50,829 | 21,797 | 23,171 | -83,023 | -91,119 |
| Current provisions and liabilities | | 71,963 | 82,625 | 50,589 | 53,311 | 797 | 701 | 68,819 | 79,193 | 34,829 | 40,552 | -83,071 | -91,132 |
| Total equity and liabilities | | 216,658 | 228,034 | 111,225 | 113,062 | 1,502 | 1,447 | 147,617 | 156,500 | 105,233 | 112,897 | -148,919 | -155,872 |

CASH FLOW STATEMENT FOR GROUP AND SEGMENTS

| in € million | Group | | Automotive (unaudited supplementary information) | | Financial Services (unaudited supplementary information) | |
|---|---------------|--------------|---|--------------|---|---------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Profit/loss before tax ¹ | 5,222 | 7,118 | 2,722 | 4,467 | 1,725 | 2,272 |
| Income taxes paid | -1,605 | -3,389 | -382 | -1,984 | -1,513 | -345 |
| Interest received ² | 163 | 91 | 283 | 91 | 3 | - |
| Other interest and similar income / expenses ² | 104 | 51 | 152 | 61 | 1 | 3 |
| Depreciation and amortisation of tangible and intangible assets | 6,139 | 6,017 | 5,974 | 5,853 | 46 | 54 |
| Other non-cash income and expense items | 99 | -200 | 94 | -262 | 6 | 23 |
| Result from equity accounted investments | -920 | -136 | -920 | -136 | - | - |
| Gain/loss on disposal of tangible and intangible assets and marketable securities | - | 4 | - | 3 | - | - |
| Change in leased products | -1,016 | -3,825 | - | - | -311 | -3,600 |
| Change in receivables from sales financing | 4,192 | -3,560 | - | - | 4,184 | -3,589 |
| Changes in working capital | -996 | -1,117 | -841 | -831 | -76 | -222 |
| Change in inventories | 370 | -1,560 | 422 | -1,255 | -43 | -193 |
| Change in trade receivables | 160 | 14 | 191 | 43 | 1 | -11 |
| Change in trade payables | -1,526 | 429 | -1,454 | 381 | -34 | -18 |
| Change in provisions | 1,115 | 1,512 | 1,122 | 1,745 | 129 | -59 |
| Change in other operating assets and liabilities | 754 | 1,096 | -26 | 683 | -1,432 | 118 |
| Cash inflow / outflow from operating activities | 13,251 | 3,662 | 8,178 | 9,690 | 2,762 | -5,345 |

>>

The reconciliation of liabilities from financing activities is presented in ²note 35.

| in € million | Group | | Automotive (unaudited supplementary information) | | Financial Services (unaudited supplementary information) | |
|---|---------------|---------------|---|---------------|---|--------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Total investment in intangible assets and property, plant and equipment | -6,150 | -6,902 | -5,990 | -6,734 | -14 | -19 |
| Proceeds from subsidies for intangible assets and property, plant and equipment | 53 | 50 | 45 | 50 | 8 | 2 |
| Proceeds from the disposal of intangible assets and property, plant and equipment | 34 | 32 | 34 | 31 | - | 1 |
| Expenditure for investment assets | -176 | -1,598 | -199 | -1,557 | - | - |
| Proceeds from the disposal of investment assets and other business units ³ | 1,328 | 1,087 | 1,327 | 1,087 | - | 57 |
| Investments in marketable securities and investment funds | -925 | -775 | -829 | -507 | -91 | -268 |
| Proceeds from the sale of marketable securities and investment funds | 2,200 | 822 | 1,679 | 465 | 521 | 356 |
| Cash inflow / outflow from investing activities | -3,636 | -7,284 | -3,933 | -7,165 | 424 | 129 |
| Payments into equity | 28 | 33 | 28 | 33 | - | - |
| Payment of dividends for the previous year | -1,671 | -2,366 | -1,671 | -2,366 | - | - |
| Intragroup financing and equity transactions | - | - | -901 | 877 | -2,438 | 5,491 |
| Interest paid ² | -275 | -199 | -447 | -197 | -18 | -1 |
| Proceeds from issue of non-current financial liabilities | 164,478 | 150,517 | - | 173 | 153,823 | 132,408 |
| Repayment of non-current financial liabilities | -171,532 | -143,500 | -982 | -605 | -156,657 | -133,089 |
| Change in other financial liabilities | 718 | 305 | - | - | 2,782 | 491 |
| Cash inflow / outflow from financing activities | -8,254 | 4,790 | -3,973 | -2,085 | -2,508 | 5,300 |
| Effect of exchange rate on cash and cash equivalents | 180 | -28 | 130 | -22 | 110 | 6 |
| Effect of changes in composition of Group on cash and cash equivalents | -40 | -83 | 43 | 28 | - | - |
| Change in cash and cash equivalents | 1,501 | 1,057 | 445 | 446 | 788 | 90 |
| Cash and cash equivalents as at 1 January | 12,036 | 10,979 | 9,077 | 8,631 | 2,075 | 1,985 |
| Cash and cash equivalents as at 31 December | 13,537 | 12,036 | 9,522 | 9,077 | 2,863 | 2,075 |

¹ At the beginning of the financial year 2020, the starting point for determining cash flow was changed to profit / loss before tax; the previous year's figures have been adjusted accordingly.

² With the exception of interest for lease liabilities, interest relating to financial services business is classified as revenues / cost of sales.

³ Includes dividends received from investment assets amounting to €1,020 million (2019: €643 million).

STATEMENT OF CHANGES IN EQUITY FOR GROUP

| in € million | Note | Subscribed capital | Capital reserves | Revenue reserves | Translation differences | Marketable Securities | Accumulated other equity | | | Equity attributable to shareholders of BMW AG | Minority interest | Total |
|---|-----------|--------------------|------------------|------------------|-------------------------|-----------------------|----------------------------------|------------------|--|---|-------------------|---------------|
| | | | | | | | Derivative financial instruments | Costs of hedging | | | | |
| 1 January 2020 | 31 | 659 | 2,161 | 57,667 | -760 | 29 | 15 | -447 | | 59,324 | 583 | 59,907 |
| Net profit | | – | – | 3,775 | – | – | – | – | | 3,775 | 82 | 3,857 |
| Other comprehensive income for the period after tax | | – | – | -215 | -1,396 | 5 | 781 | 188 | | -637 | – | -637 |
| Comprehensive income at 31 December 2020 | | – | – | 3,560 | -1,396 | 5 | 781 | 188 | | 3,138 | 82 | 3,220 |
| Dividend payments | | – | – | -1,646 | – | – | – | – | | -1,646 | -25 | -1,671 |
| Subscribed share capital increase out of Authorised Capital | | 1 | – | – | – | – | – | – | | 1 | – | 1 |
| Premium arising on capital increase relating to preferred stock | | – | 38 | – | – | – | – | – | | 38 | – | 38 |
| Other changes | | – | – | -31 | – | – | 72 | -5 | | 36 | -11 | 25 |
| 31 December 2020 | 31 | 660 | 2,199 | 59,550 | -2,156 | 34 | 868 | -264 | | 60,891 | 629 | 61,520 |

| in € million | Note | Subscribed capital | Capital reserves | Revenue reserves | Accumulated other equity | | | | Equity attributable to shareholders of BMW AG | Minority interest | Total |
|---|-----------|--------------------|------------------|------------------|--------------------------|-----------------------|----------------------------------|------------------|---|-------------------|---------------|
| | | | | | Translation differences | Marketable Securities | Derivative financial instruments | Costs of hedging | | | |
| 1 January 2019 (as originally reported) | 31 | 658 | 2,118 | 55,862 | -1,326 | -1 | 558 | -569 | 57,300 | 529 | 57,829 |
| Effects of accounting policy change* | | - | - | -32 | - | - | - | - | -32 | - | -32 |
| 1 January 2019 (as adjusted due to accounting policy change) | | 658 | 2,118 | 55,830 | -1,326 | -1 | 558 | -569 | 57,268 | 529 | 57,797 |
| Net profit | | - | - | 4,915 | - | - | - | - | 4,915 | 107 | 5,022 |
| Other comprehensive income for the period after tax | | - | - | -867 | 566 | 30 | -551 | 128 | -694 | - | -694 |
| Comprehensive income at 31 December 2019 | | - | - | 4,048 | 566 | 30 | -551 | 128 | 4,221 | 107 | 4,328 |
| Dividend payments | | - | - | -2,303 | - | - | - | - | -2,303 | -63 | -2,366 |
| Subscribed share capital increase out of Authorised Capital | | 1 | - | - | - | - | - | - | 1 | - | 1 |
| Premium arising on capital increase relating to preferred stock | | - | 43 | - | - | - | - | - | 43 | - | 43 |
| Other changes | | - | - | 92 | - | - | 8 | -6 | 94 | 10 | 104 |
| 31 December 2019 | 31 | 659 | 2,161 | 57,667 | -760 | 29 | 15 | -447 | 59,324 | 583 | 59,907 |

* The 2018 figures were adjusted due to the change in accounting policy in conjunction with the adoption of IFRS 16 (see Annual Report 2019, Note 6 to the Group Financial Statements).