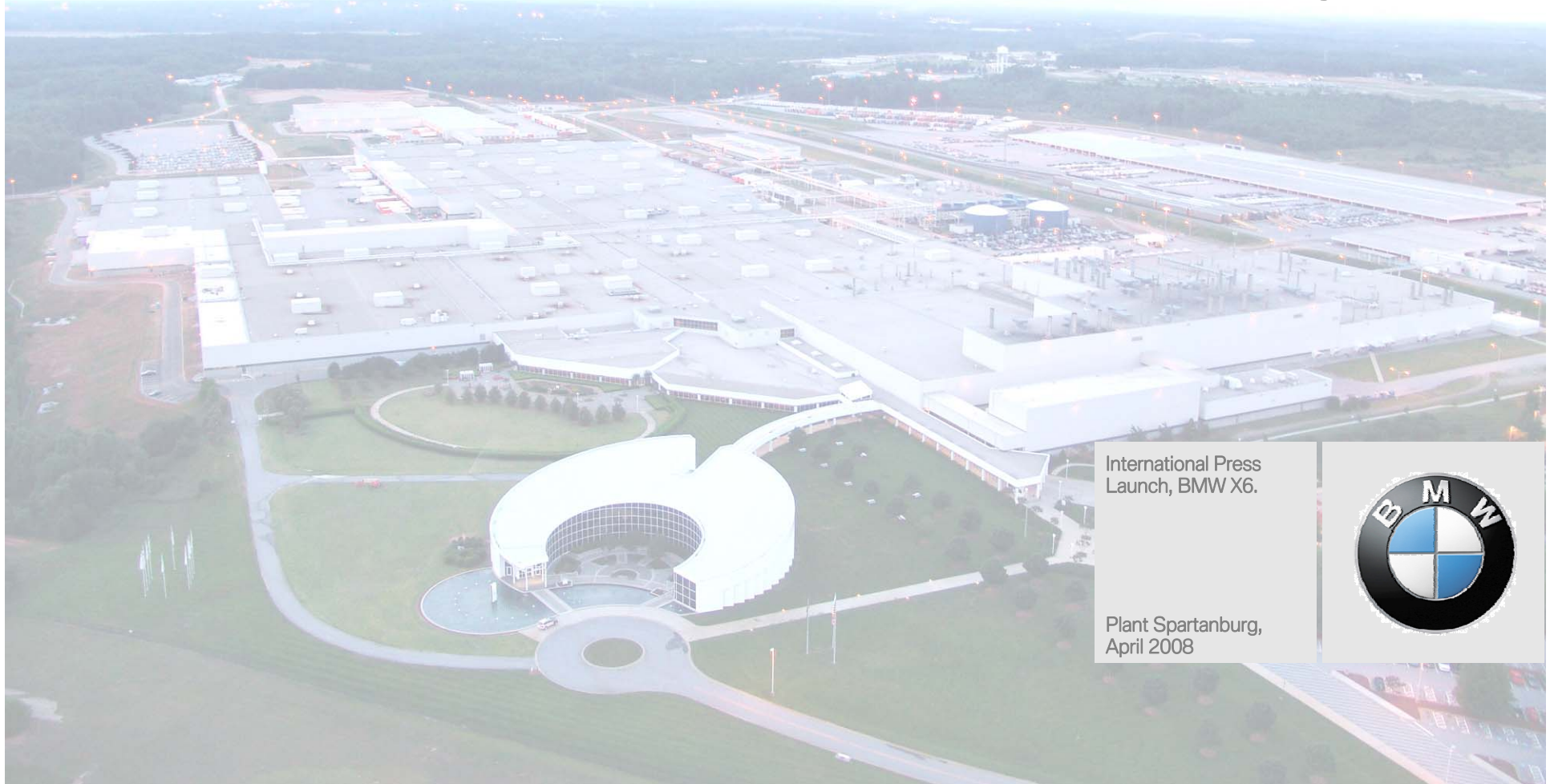


# BMW Group. Investor & Analyst Meeting.

Josef Kerscher, President BMW Manufacturing Co.



International Press  
Launch, BMW X6.

Plant Spartanburg,  
April 2008



# BMW Group.

## Historical Key Dates and Facts.

- Plant Spartanburg announced on June 22, 1992
- Officially opened in 1994 with 700 jobs
- Major plant expansion in 1998 for new X5 model
- Major construction of one line assembly in January 2006
- \$750 million plant expansion announced March 2008
- Cumulative investment will approximate \$4.2 billion by 2012



# BMW Group.

## Plant Spartanburg Vehicles.

- Sole global producer of six vehicles:

- X6 Sports Activity Coupe



- X5 Sports Activity Vehicle

- Z4 Roadster & M Roadster



- Z4 Coupe & M Coupe



# BMW Group.

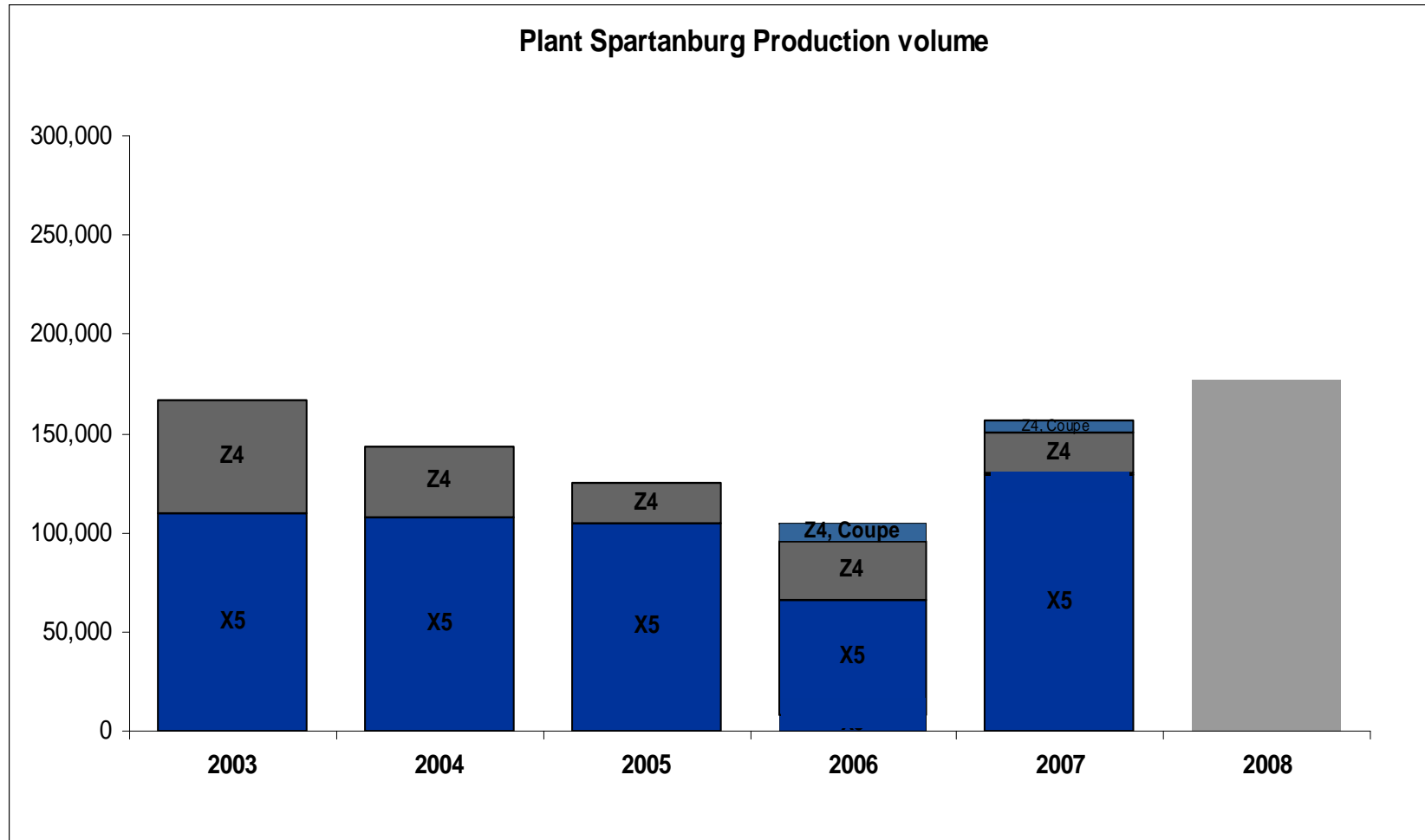
## Plant Spartanburg Data.

- Approx. 1,100 acres
- 2.4 million square foot facility (223 thousand square meters); expansion to add 1.5 million square feet (139 thousand square meters) over the next 3-years
- Plant capacity 160,000 units per year
- Flexible one line system
- Units built to customer order
- 5,400 jobs



# BMW Group.

## Production Volume.



# BMW Group.

## 2008 Weekly Work Schedule.

Shift	S	M	T	W	TH	F	S
“A”	Off	Work	Work	Work	Work	Work	Off A-shift Saturday OT
“B”	Work	Work	Work	Work	Work	Work	Off

- 110 Production Hours Per week: 50 A-shift; 60 B-shift
- 120 Production Hours with Saturday OT: 60 A-shift; 60 B-shift
- 320 units per shift

# FLEXIBILITY

# BMW Group.

## Technology Overview.

### Body Shop:

- Welding operations are more than 95% automated
- X5 and X6 bodies produced with the same equipment
- Stamped parts and add-on parts are supplied locally,
- X5 body-steel, aluminum, plastic

### Paint Shop:

- Using water-based primer and base coat since 1994
- Uses landfill gas to heat paint ovens
- New Paint Shop will have BMW's latest paint technology

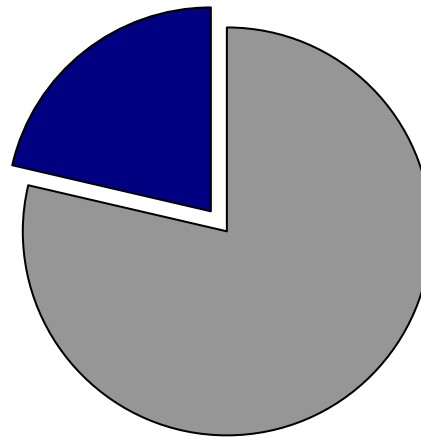
### Assembly:

- More than 3,000 employees
- All models produced on an one-line system; all units produced to customer order
- Takt time – 99 seconds

# BMW Group.

## Supplier Information.

Of 194 North American Suppliers, 52 are located in South Carolina



Current NAFTA parts volume is approximately 10% of the purchase volume of the BMW Group



# BMW Group.

## Long Term Plant Spartanburg Targets.

- Capacity increase to 240,000 units annually
- Increase efficiency by 7% per year
- Customer quality orientation
- Environmental sustainability

# BMW Group.

## New Models to come.

- Diesel X5 Sports Activity Vehicle for U.S. Market
- X6 Hybrid Sports Activity Coupe
- X3 Sports Activity Vehicle will move to Spartanburg from Austria

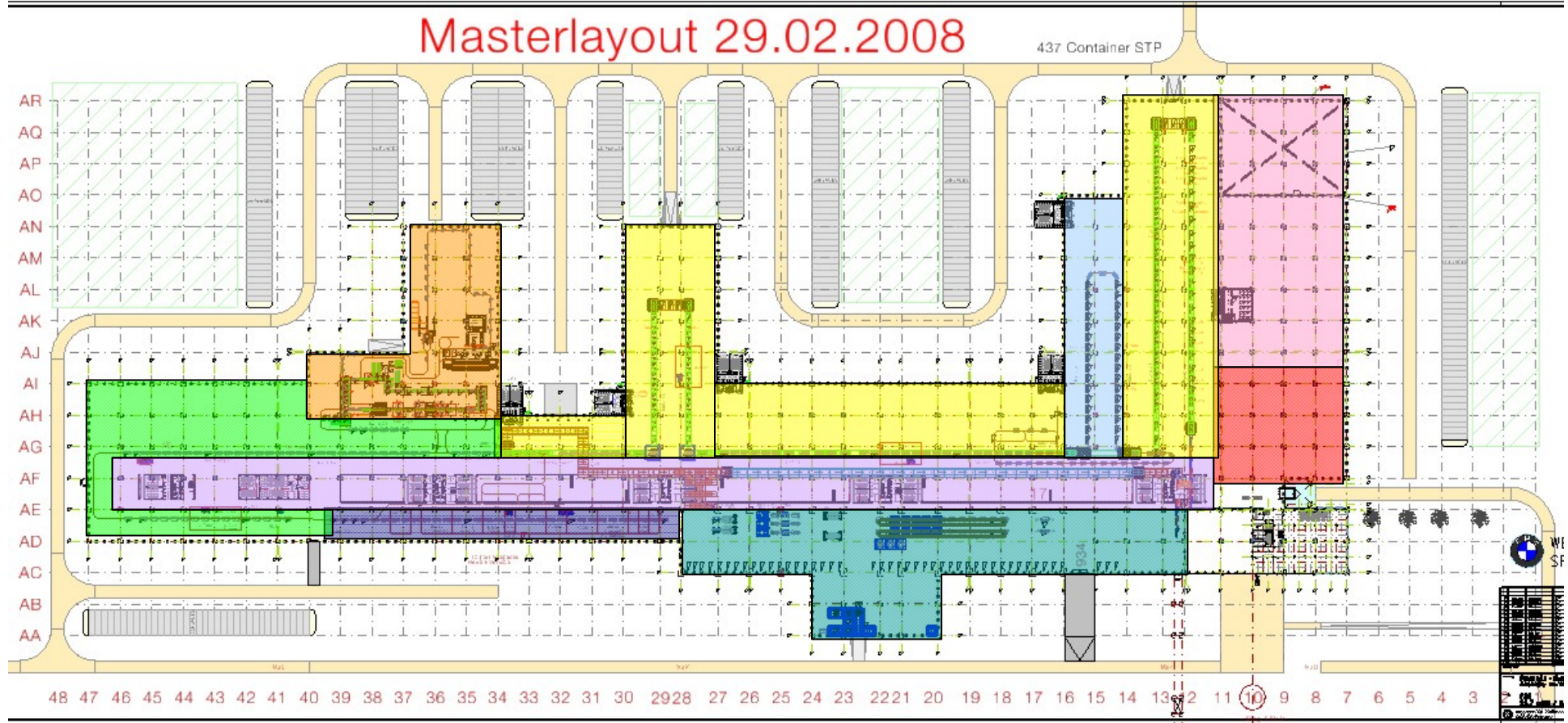
# BMW Group.

## Basic Plant Layout - New Paint Shop, New Assembly/Logistics North



# BMW Group.

## Spartanburg Plant: New Assembly / Logistics North.



Legend:

	Logistics Center		Fluid Fill Lines
	Trim Line		Finish Lines/Rework
	Underbody		Support/Offices
	Engine/Power train/Marriage		Door Sub-Assembly
	Trim 2 Line Underbody		

# BMW Group.

## Spartanburg Plant Associates.

- Motivation
- Qualification
- Safety



**Qualification**

**Motivation**

**Safety**

