

(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”:

1. Since issuance of the last Declaration in December 2013, BMW AG has complied with all of the recommendations published officially on 10 June 2013 (Code version dated 13 May 2013), to the extent that they were already applicable.
2. BMW AG will in future comply with all of the recommendations published on 30 September 2014 in the electronic Federal Gazette (Code version dated 24 June 2014), with the following exception:

It is recommended in section 4.2.5 paragraph 3 sentences 5 and 6 of the Code that specified information pertaining to management board compensation be disclosed in the Compensation Report. These recommendations will not be complied with, due to uncertainties with respect to their interpretation and doubts as to whether the supplementary use of model tables would be instrumental in making the BMW Group's Compensation Report transparent and generally understandable in accordance with generally applicable financial reporting requirements (see section 4.2.5 sentence 3 of the Code).

Munich, December 2014

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. Norbert Reithofer
Chairman