

Media Information

10 March 2022

**Expanding the portfolio:****BMW Group acquires the ALPINA brand**

- Pieter Nota: "Top-quality car cachet"
- Long-term future of ALPINA brand secured
- Andreas Bovensiepen: "This marks the beginning of a new chapter for ALPINA and BOVENSIEPEN"
- Existing cooperation agreement expires at end of 2025
- New direction at Buchloe site

**Munich.** The BMW Group welcomes a new addition to its portfolio, as the ALPINA brand becomes part of the company. The BMW Group will secure the rights to the ALPINA brand – bringing even greater diversity to its own luxury-car range. BMW AG and ALPINA Burkard Bovensiepen GmbH + Co. KG have reached an agreement to this effect that will secure the long-term future of the ALPINA brand as well as the Burkard Bovensiepen GmbH und Co. KG.

The conclusion of the transaction is still subject to various suspensive conditions – in particular, approval by the responsible antitrust authorities. The long-standing cooperation agreement, which was extended for another five years in late 2020, will expire on 31 Dec. 2025. Both parties have agreed not to disclose any financial details. No shares in the company will be acquired.

Over half a century, BMW and the small-series manufacturer from Buchloe, outside of Munich, have forged a close cooperation built on the highest level of trust. Now, the transformation of the automotive industry enters a new chapter.

"The automotive industry is in the midst of a far-reaching transformation towards sustainable mobility. For that reason, existing business models need to be re-examined on a regular basis. For over fifty years, the Buchloe firm has demonstrated how to deliver top-quality car cachet through meticulous attention to detail. The BMW Group is also driven by this same passion for cars that capture the imagination. That is why we are now embarking on a new chapter in our long-standing partnership. Acquiring the trademark rights will allow us to shape the long-term course of this brand steeped in tradition. We are delighted to welcome the ALPINA brand to the BMW family," said Pieter Nota, member of the Board of Management responsible for Customer, Brands and Sales.

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The transformation towards electromobility and increasing regulation worldwide – particularly emissions legislation, software validation and requirements for driver assistance and monitoring systems – result in significantly higher risks for small-series manufacturers. The management of ALPINA Burkard Bovensiepen GmbH + Co. KG is addressing this with a strategic realignment that will secure the long-term viability of the Buchloe operations.

Andreas Bovensiepen, co-managing director of ALPINA Burkard Bovensiepen GmbH + Co. KG, explains: "We recognised the challenges facing the automotive industry early on and are now setting the right course for ALPINA and for our family firm, BOVENSIEPEN. This marks the beginning of a new chapter. Both the ALPINA brand and our company are extremely desirable. We made a conscious decision not to sell ALPINA to just any manufacturer, because BMW and ALPINA have worked together and trusted one another for decades. That is why it is the right decision strategically for the ALPINA brand to be managed by the BMW Group in the future."

The cooperation will continue – but in a different form: The company owned by the Bovensiepen family will continue to use its engineering expertise in developing, manufacturing, and selling BMW ALPINA vehicles within the existing cooperation until the end of 2025. This results in base BMW cars receiving extensive modification by the ALPINA team - including the engine and transmission, as well as the chassis, aerodynamics, and interior equipment. BMW ALPINA vehicles are pre-assembled on BMW production lines before final assembly of the vehicles taking place in workshops in Buchloe, also comprising individual interiors built to customer specifications.

The service, parts and accessories business for the existing and legacy BMW ALPINA vehicle portfolio will continue at the Buchloe location in the long term. There will be no changes to the existing aftersales cooperation. As part of a strategic cooperation between the two companies, there will be a further expansion of the existing development services business for BMW out of Buchloe. The wine business that also forms part of the family firm will be unaffected.

"BMW and ALPINA are a perfect fit! The ALPINA brand has matured alongside BMW over the past 50 years and has everything it takes to make the heart of an

automotive connoisseur beat faster all over the world. It finds the right balance between cultivated sportiness, luxury, and exclusivity. We are delighted to acquire the trademark rights to ALPINA and add new vehicle capturing DNA to the BMW portfolio," said Jens Thiemer, Senior Vice President Customer and Brand BMW.

2021 was the most successful year in the history of ALPINA Burkard Bovensiepen GmbH + Co. KG. Building on this strong foundation, the family business will strategically realign going forwards in order to address regulatory challenges and technological change in the industry. This will secure the location of Buchloe for the long term.

"We will continue our father's life's work and invest in the equally well-known name of BOVENSIEPEN. With our expertise and high standards of quality, we will bring other convincing mobile offerings to the market in the future," explains co-managing director Florian Bovensiepen: "Without our creative, highly capable, and loyal employees, ALPINA's success story would not have been possible. We are relying on the strength of our company, our team, and our families to pivot at the right time. At the same time, we acknowledge, with the BMW Group, our social responsibility towards our workforce and will do our best to cushion the potential impact resulting from this reorganisation."

The sale of trademark rights to BMW and the resulting discontinuation of the current ALPINA vehicle programme at the end of 2025 will have implications for existing jobs at the Buchloe site. BMW will support ALPINA with the necessary adjustments to the workforce at the Buchloe location over the coming years. Up until the end of 2025, BMW will work with ALPINA to offer those employees who will not be able to continue working at the Buchloe site a new position with the BMW Group and also help them find new jobs with suppliers and development partners.

ALPINA Burkard Bovensiepen GmbH + Co. KG, a German vehicle manufacturer based in Buchloe, was officially founded on 1 January 1965. ALPINA was active in BMW tuning and motorsports from the 1960s onwards and began manufacturing passenger cars based on BMW AG products in 1978. Since 1983, the company based in Buchloe in the Ostallgäu district of Bavaria has been registered as an official automotive manufacturer with the German Federal Motor Transport

Authority in Flensburg and employs around 300 people. Around 2,000 vehicles were produced in Buchloe in 2021. In addition to Germany and Europe, Japan, the US, and the Middle East are also important markets for ALPINA. The family company's second main area of activity is the ALPINA wine business.

### **The BMW Group**

With its four brands BMW, MINI, Rolls-Royce and BMW Motorrad, the BMW Group is the world's leading premium manufacturer of automobiles and motorcycles and also provides premium financial and mobility services. The BMW Group production network comprises 31 production and assembly facilities in 15 countries; the company has a global sales network in more than 140 countries.

In 2021, the BMW Group sold over 2.5 million passenger vehicles and more than 194,000 motorcycles worldwide. The profit before tax in the financial year 2021 was € 16.1 billion on revenues amounting to € 111.2 billion. As of 31 December 2021, the BMW Group had a workforce of 118,909 employees.

The success of the BMW Group has always been based on long-term thinking and responsible action. The company set the course for the future at an early stage and consistently makes sustainability and efficient resource management central to its strategic direction, from the supply chain through production to the end of the use phase of all products.

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