BMW GROUP
Corporate Communications

Press release
6 May 2026

Solid start to the year: BMW Group achieves Group EBT margin at previous full-year level

- Group pre-tax return on sales at 7.6% in line with FY25
- Automotive segment EBIT margin of 5.0% within full year guidance corridor
- Costs, investments and research & development expenditure reduced further as planned
- Outlook for the full year 2026 confirmed
- Positive development of Free cash flow in the Automotive segment
- Zipse: "Consistent strategy of technology openness, operational excellence and a high degree of flexibility pay off"

Munich. Parallel to the ramp-up of the Neue Klasse, the BMW Group has released solid financial figures in the first quarter: The Munich-based premium automaker reported an **EBT** of **€ 2,348 million** – surpassing the two previous quarters (Q3/Q4 2025). **Group EBT margin** of **7.6 %** was on par with the figure for the full year 2025 (7.7 %). **Free cash flow** in the Automotive segment totalled **€ 777 million**, significantly above the same quarter of the previous year (+88.1 %).

As such, the BMW Group has maintained its positive momentum from the previous year in the first quarter of 2026. The company's attractive product portfolio, technology-open approach and resilience in key global regions ensure it maintains its successful course.

"Once again, our earnings for the first quarter demonstrate the value of strategic consistency, operational strength and a high degree of flexibility. We are well positioned to deliver continued success, despite challenging conditions," said

Firma
Bayerische
Motoren Werke
Aktiengesellschaft

Postanschrift
BMW AG
80788 München

Telefon
+49-151 601 18364

Oliver Zipse, Chairman of the Board of Management of BMW AG.

Order intake in Europe reaches record levels

The BMW brand achieved its highest ever order intake figure for a single quarter in Sales Region Europe. From January to March, orders for all-electric vehicles increased by more than 60% in Europe compared to the previous year. The **BMW iX3*** alone secured more than **50,000 orders** since its design premiere in September by the end of March.

"During the first three months on the year, we received more orders in Europe than in any other quarter in the Company's history. The key to our success lies in our broad product range: with our strong brands, we serve key segments and allow customers to select from the full range of drivetrains," said **Zipse**. "The successful launch of the BMW iX3 and the positive feedback on the BMW i3 confirm that we made the right decisions with the Neue Klasse. Every future BMW model will feature the new technology clusters and use the new design language – regardless of drivetrain. Thus, we are elevating our product portfolio to a whole new level."

The BMW Group delivered a total of **565,780 vehicles** to customers worldwide in the first quarter. This represents a slight decrease of -3.5% compared with the same period last year. The **BMW brand** delivered a total of **496,006 vehicles** to customers across the world in the first quarter of 2026 (-4.6%). One in ten of all BMW units delivered was a **BMW M model**.

MINI maintains its growth trajectory

The **MINI brand** increased its global sales for the fifth consecutive quarter, delivering **68,503 vehicles** – growth of +6.0%. **BEVs accounted for 35.1%** of all

MINI deliveries.

The **Rolls-Royce brand** delivered a total of **1,271 vehicles** to customers in the first quarter (-8.0%). **BMW Motorrad** delivered **42,735 motorcycles and scooters** to customers over the same period (-4.2%).

BEV demand growing in Europe

The BMW Group's vehicle deliveries increased by 3.1% across all drivetrains in **Europe, its largest sales region.** Battery-electric vehicles accounted for 25.3% of all sales in Europe (global: 15.5%). The BMW Group remains confident that it will meet the EU (27 + 2) CO_2 targets for 2026.

In the **Americas sales region**, which slightly declined by -4.0%, the decline in deliveries of all-electric BMW automobiles was largely offset by increased deliveries of vehicles with combustion engines. In **China**, where the total market contracted sharply by -17.5%, BMW Group deliveries performed somewhat better, falling by -10.0% during the reporting period.

Currency effects weigh on revenues

Group revenues totalled € 31,007 million (2025: € 33,758 million; -8.1%; adjusted for currency translation effects: -4.3%) highlighting the persistently intense competition in the automotive sector – particularly in China – as well as the slight decline in sales. Furthermore, adverse currency effects had a negative impact, primarily the Chinese renminbi and the US dollar.

Disciplined cost management continues to deliver results

The BMW Group successfully delivered nominal costs reductions in the first quarter to tackle external challenges. The **cost of sales went down** by -6.4%, while **administrative and sales expenses** fell by -5.1% across the Group. As planned, the Company reduced its **research & development expenditure** from the 2024 peak to **€ 1,755 million** (Q1/2025: € 1,984 million; -11.5%). The **research & development expenditure ratio** (German Commercial Code) fell to **5.7%** (Q1/2025: 5.9%). **Investments** also decreased in the first quarter to **€ 1,723 million** in line with planning (Q1/2025: € 2,819 million; -38.9%). The **capital expenditure ratio** came in at **2.0%** (Q1/2025: 3.6%).

"Flexibility and speed of execution are two of the BMW Group's strengths. That's abundantly clear with the Neue Klasse – a stringent and comprehensive renewal of our entire vehicle portfolio in record time. The automotive innovations coming to market will strengthen our competitive position and improve our profitability," said **Chief Financial Officer Walter Mertl**. "In a demanding economic environment, we remain highly focused on costs, leveraging multiple opportunities across the company with an approach designed to deliver sustained results."

Share buyback on track

The Annual General Meeting in May 2025 authorised the Board of Management to buy back up to 10% of BMW AG's share capital over the next five years. Based on this new authorisation, the Board of Management approved a third share buyback programme with a volume of up to € 2 billion, to be completed no later than 30 April 2027. The first tranche of shares worth € 750 million were repurchased by December 2025. The second tranche of shares, amounting to € 625 million, is on track to be purchased by 31 August 2026. On 31 March 2026, BMW AG held shares with a nominal value of € 12,225,269 million. This corresponds to 1.99% of the share capital on the same date.

Group EBT well over € 2 billion again despite the tariffs burden

The **Group** achieved **earnings before tax (EBT)** of **€ 2,348 million** in the first three months of the year (Q1/2025: € 3,113 million; -24.6%). In doing so, the company delivered earnings of more than € 2 billion in a demanding economic environment once again. The EBT margin for the period was **7.6%** (Q1/2025: 9.2%). **Group net profit** amounted to **€ 1,672 million** (Q1/2025: € 2,173 million; -23.1%).

EBIT margin in the annual guidance corridor of 4–6%

The Automotive segment achieved an **EBIT** of **€ 1,345 million** (Q1/2025: € 2,024 million; -33.5 %) and an **EBIT margin of 5.0 %** (Q1/2025: 6.9 %; -1.9 percentage points) – in the middle of the forecast annual range of 4–6% – and extra tariffs accounted for a 1.25 percentage point reduction in the EBIT margin in the quarter. This was a significantly larger hit than the same quarter in the previous year, in which only EU import tariffs were due on battery-electric vehicles from China. The EBIT margin was also affected by **depreciation and amortisation from the BBA purchase price allocation** amounting to 1.2 percentage points.

Fierce competition across major automotive markets, especially in China, impacted pricing and sales volumes, weighing on EBIT. As anticipated, **currency and raw material price effects** dampened the company's first-quarter earnings performance.

Free cash flow in the **Automotive** segment increased significantly to **€ 777 million** in the first three months of the year (Q1/2025: € 413 million). The marked reduction of capital expenditure compared with prior-year figures had a positive impact on free cash flow. Conversely, the typical seasonal increase in inventories weighed on working capital. The segment's free cash flow is expected to **exceed € 4.5 billion** for the full year.

Financial Services: slight growth in new contracts with end customers

The **Financial Services segment** secured **420,212 new credit financing and leasing contracts** with end customers in the first quarter. The growth of 4.3 % compared to the same quarter last year is largely attributable to the changes in the competitive landscape in the Chinese market since mid-2025. The **penetration rate**** – the share of BMW Group vehicles either leased or financed through the Financial Services segment – increased to **51.6%** in the reporting period (Q1/2025: 43.0%; +8.6%).

The segment generated a **profit before tax (PBT)** of **€ 381 million** in the first three months of the year (Q1/2025: € 650 million; –41.4%). The decline was primarily driven by an increase of the existing risk provision for cross-sector compensation schemes for motor finance customers in the United Kingdom.
Moreover, the income from the resale of end-of-lease vehicles was lower.

Outlook for the 2026 financial year confirmed

The BMW Group confirms its full-year forecast after the first quarter, in a deteriorating economic environment. Forecasts for the global economy and automotive markets have been revised downwards in recent weeks. The global automotive market is now expected to see a slight decrease.

For the 2026 financial year, the BMW Group continues to expect a higher level of volatility related to tariffs. The company anticipates a negative impact from higher tariffs of around 1.25 percentage points on the EBIT margin in the Automotive segment.

The geopolitical situation in the Middle East is currently characterised by a high degree of uncertainty due to the ongoing conflict in the region. The outlook assumes that the conflict will not be enduring.

The BMW Group continues to see overall growth potential in Europe and the United States. In China, the company looks to balance sales volume, transaction prices and dealer profitability.

Globally, the company forecasts that **deliveries** will be **on a par with the previous year** and that **fully-electric vehicles will account for the same share of sales as 2025**.

The BMW Group remains disciplined in cost management. In the 2026 financial year, the company will further reduce capital expenditure, manufacturing costs, research & development spending, as well as sales & administrative expenses. Compared to the prior year, the BMW Group expects a lower additional burden from tariffs as previously outlined. This will be offset by increasing depreciation resulting from investments and the capitalization of development costs in previous years. Additionally, earnings will be negatively impacted by adverse currency and raw material effects, by pricing and product measures to stabilize transaction prices in China, by a significantly lower capitalization rate resulting from the development portfolio structure, and by overall lower revenues related to the used-car market. The BMW Group will partially offset these higher burdens through the afore-mentioned cost reductions.

Regarding forecast KPIs: The **EBIT margin** for the **Automotive Segment** is forecast to be within the **range of 4–6%. Return on Capital Employed** (RoCE) will be between **6–10%.**

In the **Financial Services Segment, Return on Equity** (RoE) is projected to be between **13–16%**.

In the **Motorcycles Segment**, deliveries are forecast to be on a par with the previous year, with an **EBIT margin** within the range of **4.0–6.0%** and a **Return on Capital Employed** (RoCE) of **10–14%.**

In light of the forecast developments, a **moderate decline** in **Group earnings before tax** is expected for 2026.

The BMW Group's actual business performance may deviate from these expectations – for example, due to changes in political and macroeconomic conditions.

* * *

BMW Group – overview Q1 2026		Q1 2026	Q1 2025	Change in %
Deliveries to customers				
Automotive[1]	units	**565,780**	**586,117**	**-3.5**
thereof: BMW	units	496,006	520,121	-4.6
MINI	units	68,503	64,615	6,0
Rolls-Royce	units	1,271	1,381	-8.0
Motorcycles	units	**42,735**	**44,609**	**-4.2**
Employees (as of 31 Dec. 2025)		**154,540**		
EBIT margin Automotive Segment	percent	5.0	6.9	-1.9 %-pts.
EBIT margin Motorcycles Segment	percent	11.4	9.4	+2.0 %-pts.
EBT margin BMW Group[2]	percent	**7.6**	**9.2**	**-1.6 %-pts.**
Free cash flow Automotive Segment	€ million	**777**	**413**	**88.1**
Revenues	€ million	**31,007**	**33,758**	**-8.1**
thereof: Automotive	€ million	27,159	29,211	-7.0
Motorcycles	€ million	779	806	-3.3
Financial Services	€ million	9,837	10,126	-2.9
Other Entities	€ million	3	3	0.0
Eliminations	€ million	-6,771	-6,388	6.0
Profit before financial result (EBIT)	€ million	**2,004**	**3,142**	**-36.2**
thereof: Automotive	€ million	1,345	2,024	-33.5
Motorcycles	€ million	89	76	17.1
Financial Services	€ million	353	652	-45.9
Other Entities	€ million	2	-6	-
Eliminations	€ million	214	396	-46.0
Profit before tax (EBT)	€ million	**2,348**	**3,113**	**-24.6**
thereof: Automotive	€ million	1,266	1,904	-33.5
Motorcycles	€ million	88	75	17.3
Financial Services	€ million	381	650	-41.4
Other Entities	€ million	233	295	-21.0
Eliminations	€ million	70	189	-63.0
Group income taxes	€ million	**-676**	**-940**	**28.1**
Net profit	€ million	**1,672**	**2,173**	**-23.1**
Earnings per share (ordinary/preferred)[3]	€	**2.68/2.68**	**3.38/3.38**	**-20.7**

[1] Deliveries include the joint venture BMW Brilliance Automotive Ltd., Shenyang.

[2] Ratio of Group earnings before taxes to Group revenues.
[3] Earnings per share of preferred shares are calculated by distributing the earnings required to cover the additional dividend of € 0.02 per preferred share proportionally over the quarters of the corresponding financial year.

*** Fuel consumption/emissions data:**
BMW iX3 50 xDrive: energy consumption combined: 17,9–15,1 kWh/100 km (WLTP); CO_2-emissions combined: 0 g/km (WLTP); CO_2 class(s): A; electrical range: 678–805 km (WLTP)

****** Starting in the 2026 financial year, the **penetration rate** will also include financing and leasing contracts for young used vehicles that are sold to end customers for the first time in the reporting year.

GLOSSARY – explanatory comments on key performance indicators

Deliveries to customers
A new or used vehicle is recorded as a delivery once it is handed over to the end user (which also includes leaseholders under lease contracts with BMW Financial Services). In the US and Canada, end users also include (1) dealers when they designate a vehicle as a service loaner or demonstrator vehicle and (2) dealers and other third parties when they purchase a company vehicle at auction and dealers when they purchase company vehicles directly from the BMW Group. Deliveries may be made by BMW AG, one of its international subsidiaries, a BMW Group retail outlet, or independent third-party dealers. The vast majority of deliveries – and hence the reporting of deliveries to the BMW Group – is made by independent third-party dealers. Retail vehicle deliveries during a given reporting period do not correlate directly to the revenues that the BMW Group recognises in respect of that particular reporting period.

Payout ratio
The payout ratio is preliminary. Although the Board of Management and the Supervisory Board will propose a fixed dividend per share at the Annual General Meeting, the number of shares entitled to a dividend is expected to fall by the Annual General Meeting due to the ongoing share buy-back programme. Accordingly, the total amount to be distributed to shareholders is also still expected to change by 13 May.
EBIT
Profit before financial result. Profit before financial result comprises revenues less cost of sales, less selling and administrative expenses and plus/minus net other operating income and expenses.

EBIT margin
Profit/loss before financial result as a percentage of revenues.

EBT
EBIT plus financial result.

PHEV
Plug-in-hybrid electric vehicle - hybrid vehicle with petrol engine and electric drive.

Media website: www.press.bmwgroup.com/deutschland
Email: presse@bmwgroup.com

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 services. The BMW Group production network comprises over 30 production sites worldwide; the company has a global sales network in more than 140 countries.

In 2025, the BMW Group sold 2.46 million passenger vehicles and more than 202,500 motorcycles worldwide. The profit before tax in the financial year 2025 was € 10.2 billion on revenues amounting to € 133,5 billion. As of 31 December 2025, the BMW Group had a workforce of 154,540 employees.

The economic success of the BMW Group has always been based on long-term thinking and responsible action. Sustainability is a key element of the BMW Group's corporate strategy and covers all products – from the supply chain through production to the end of their useful life.

www.bmwgroup.com
LinkedIn: http://www.linkedin.com/company/bmw-group/
YouTube: https://www.youtube.com/bmwgroup
Instagram: https://www.instagram.com/bmwgroup
Facebook: https://www.facebook.com/bmwgroup