

Background

27 February 2025

Strategically positioned – flexibly managed: The BMW Group production network

Munich. All locations in the BMW Group production network are able to manufacture different drive train types and model variants on a single line – from internal combustion engines to plug-in hybrids to fully-electric drive trains. A combination of plant splits – where a model is produced at multiple locations, flexible substitution of drive train variants and smart distribution of vehicle concepts ensures good capacity utilisation at all sites.

The German plants lead the way on e-mobility in the BMW Group's production network: The sites in Munich, Dingolfing, Regensburg and Leipzig all produce at least one model for the global market alongside traditional drive technologies. Even in a volatile environment, the BMW Group continues to grow at its domestic locations, manufacturing over a million vehicles there last year (2024: 1,087,067; +16% YOY). The BMW Group thus accounts for a quarter of the automotive industry's total production volume in Germany.

However, electromobility is not just making inroads at the company's German plants. The BMW Group's Chinese plants have fully-electric vehicles in their production portfolio and Plant Spartanburg (USA) is gearing up for electrification. From 2026, it will build fully-electric vehicles alongside its existing production portfolio. Starting in 2027, Plant San Luis Potosí in Mexico will also ramp up the fully-electric vehicles of the NEUE KLASSE.

As one of the pioneers of e-mobility, the BMW Group soon recognised that the ramp-up would not be linear but would progress at varying speeds. In the initial phase of the ramp-up, it primarily relied on "flex-plants", which can manufacture both vehicles with internal combustion engines and electric drive trains. In this way the company is able to ensure its delivery capabilities in different market situations and maintain good capacity utilisation at individual locations.

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With increasing electrification of the product portfolio, the plant environment is also changing. By the end of the decade, the BMW Group expects a significant increase in the market shares of fully-electric vehicles. For this reason, the plant in Debrecen and, later, the main plant in Munich will be the first facilities dedicated exclusively to fully-electric vehicles, enhancing electrification capacities across the network. The fully-electric NEUE KLASSE will launch at the new plant in Debrecen, Hungary before the end of the year. Once refurbishment is complete, the main plant in Munich will also produce only fully-electric vehicles from 2027.

The ability to make flexible substitutions is also a feature at plants designed solely for electric vehicles: Shifts in drive train variant production can be managed within the network. This enables the production network to respond in an agile manner to different scenarios in the ongoing ramp-up of e-mobility.

In addition to flexible substitution, BMW Group production is also characterised by “flexibility elements”. Order flexibility enables customers to modify their vehicle configuration up until six days before production begins. Volume flexibility relies on the sites' flexible work-time models, which are constantly being refined. Measures include short-term tools, such as shift extensions and breaks, as well as medium-term modifications to shift models. Last year, a third shift was added at both the Regensburg and Leipzig plants.

Production follows the market – globally balanced plant capacity allocation

The main criterion for plant capacity allocation, i.e. determining which models are produced at which plants, is proximity to the market. For example, Plant Spartanburg is the Competence Centre for BMW X models, because the US is the main sales market for the BMW Group's Sports Activity Vehicles.

Production and sales volumes both totalled just under 400,000 units in 2024.

Almost 50 percent of all BMWs sold in the US in 2024 were built at Plant Spartanburg.

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The Chinese market accounts for more than a quarter of the BMW Group's total sales. The region is so large that the BMW Brilliance Automotive (BBA) joint venture produces vehicles almost exclusively for the local market. Here, also, sales and production volumes are closely aligned (2024 sales: 715,159; 2024 production: 695,579). Almost 90 percent of vehicles produced locally in China are also sold there.

The German plants in Munich, Regensburg and Leipzig manufacture UKL and compact-class vehicles primarily for the European market. Other locations, such as South Africa and Mexico, benefit from established free trade agreements.

The BMW Group's global distribution of value creation forms an important foundation for the resilience of its overall system, strengthening its ability to navigate trade policy and geopolitics. It also mitigates risks associated with currency fluctuations.

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