

|                                   |                                    |                   |                             |         |                     |                |
|-----------------------------------|------------------------------------|-------------------|-----------------------------|---------|---------------------|----------------|
| Retail Operator / General Manager | Sales – New Car                    | Sales - Pre-Owned | Business Manager (F&I)      | Service | Parts & Accessories | Administration |
| Date:                             | March 24, 2010                     | Source:           | Product Planning & Strategy |         | Replaces            | -              |
| Bulletin #:                       | B-1-0310-11-5 Series Sedan pricing | Name:             | Willem Rombauts             |         | Supersedes          | -              |
|                                   |                                    | Title:            | 5 Series Product Manager    |         |                     |                |
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## Product Planning & Strategy Bulletin

### Model Year 2011 535i and 550i Sedan Pricing

March 24, 2010

As recently announced, the all-new Model Year 2011 5 Series Sedan will launch on June 19<sup>th</sup>, 2010.

We are very excited to announce a substantial value improvement over the outgoing 5 Series models. The all-new 5 Series standard equipment level has been enhanced with features such as bigger base wheels, Lumbar support, a larger Moonroof and a no-cost 8-speed Automatic Transmission (6-speed manual transmission standard). The 550i has the exhilarating 400 hp TwinPower Turbo V-8 engine and Navigation system as standard. Also in comparison to the competition these features represent a major advantage.

As on any other BMW vehicle, BMW Ultimate Service, \$0 maintenance for the first 4 years or 50,000 miles, is included.

We are very pleased to announce that, despite the substantial equipment upgrades, the base prices of the all-new 535i and 550i have been considerably **lowered** versus the outgoing models. Pricing information is outlined below and is effective immediately.

Overall the new 5 Series is better equipped and better priced than its predecessor. We are confident that the newly designed exterior, interior, standard equipment enhancements and innovative optional features will help sustain the 6<sup>th</sup> generation BMW 5 Series as the market leader in the premium midsize sedan segment. With the substantial value improvement we also see tremendous opportunity to up-sell returning 528i owners to the all-new 535i Sedan as well as to attract non-BMW drivers to our brand.

#### Base Price

| <u>Model</u> | <u>Model Year 2011</u> | <u>Model Year 2010</u> |
|--------------|------------------------|------------------------|
| 535i Sedan   | \$49,600               | \$51,250               |
| 550i Sedan   | \$59,700               | \$60,600               |

#### Optional Equipment

The 5 Series Sedan comes with the following optional equipment:

| <b>Packages</b>                | <b>535i</b> | <b>550i</b> |
|--------------------------------|-------------|-------------|
| Active ventilated seat Package | \$2,950     | \$2,950     |
| Convenience Package            | \$1,700     | \$1,700     |
| Cold Weather Package           | \$1,050     | \$1,050     |
| Driver Assistance Package      | \$1,750     | \$1,750     |
| Dynamic Handling Package       | \$2,700     | \$2,700     |
| Premium Package                | \$1,800     | Std.        |
| Premium Package 2              | \$4,900     | \$2,800     |
| Sport Package                  | \$2,200     | \$2,200     |

| <b>Stand-alone options</b> | <b>535i</b> | <b>550i</b> |
|----------------------------|-------------|-------------|
| Metallic paint             | \$550       | NC          |

|  |         |         |
|--|---------|---------|
| 8-speed Automatic Transmission             | NC      | NC      |
| Leather Dakota                             | \$1,450 | Std.    |
| Nappa Leather                              | \$2,450 | \$1,000 |
| 8-speed Sport Automatic Transmission       | \$500   | \$500   |
| Rear-view camera                           | \$400   | \$400   |
| Split fold-down rear-seat                  | \$475   | \$475   |
| Heated front seats                         | \$500   | \$500   |
| Park Distance Control                      | \$750   | Std.    |
| Navigation system                          | \$1,900 | Std.    |
| Head-up Display                            | \$1,300 | \$1,300 |
| Satellite radio with 12 month subscription | \$350   | \$350   |
| Rear-seat entertainment                    | \$2,200 | \$2,200 |
| iPod/USB adapter                           | \$400   | \$400   |
| Smartphone integration                     | \$150   | \$150   |
| Integral Active Steering                   | \$1,750 | \$1,750 |
| Comfort Access                             | \$1,000 | \$1,000 |
| Rear sunshades                             | \$575   | \$575   |
| Multi-contour seats                        | \$1,300 | \$1,300 |
| Ski bag                                    | \$150   | \$150   |
| 4-zone automatic climate control           | \$500   | \$500   |
| Active Cruise Control                      | \$2,400 | \$2,400 |
| Night Vision with Pedestrian Detection     | \$2,600 | \$2,600 |

#### Lease and Retail Finance Program Support

In conjunction with this pricing announcement, BMW is also releasing supporting rates (lease and retail finance) and residuals. These tools help translate the tremendous value proposition that the new 5 Series offers. By providing you with these details now, BMW has placed you in excellent position to proactively manage your prospect base and build a significant sold order pipeline prior to the mid-June on sale date.

|                 | Lease Rate | 36 Month Residual | 60 Month Retail Finance |
|-----------------|------------|-------------------|-------------------------|
| 2011 535i Sedan | .00250     | 58%               | 4.9%                    |
| 2011 550i Sedan | .00230     | 54%               | 4.9%                    |

The new 5 Series will clearly establish BMW as the leader in this segment. It will once again become the benchmark in which all other mid-size sedans are judged.

The MY2011 Price Sheets Guides will be posted shortly on CenterNet.

Please communicate this pricing information including the great value improvement with your prospective 5 Series Sedan clients.