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BMW Group and PSA Peugeot Citroën Expand Cooperation to Hybrid Systems

- Development of hybrid components for front-wheel-drive vehicles,
- Cooperation will leverage significant economies of scale

The BMW Group and PSA Peugeot Citroën intend to expand their successful cooperation by including hybrid components for front-wheel-drive vehicles .

A memorandum of understanding to this effect has been signed by Norbert Reithofer, Chairman of the Board of Management of BMW AG, and Philippe Varin, Chairman of the Managing Board of PSA Peugeot Citroën. Joint development, production or purchasing of components as well as joint purchasing will leverage significant economies of scale for both companies. It will also allow them to standardize key elements for the electrification of vehicles .

“This cooperation will deliver a major contribution towards a competitive cost structure in the field of electrification” said Norbert Reithofer. *“It also represents another important step on the road to sustainable mobility”*.

“We are pleased to broaden our long-standing cooperation based on the strong relationship that exists between our two companies,” added Philippe Varin. *“Combining both partners’ expertise in hybrid technologies will clearly create competitive advantage.”*

Both parties have agreed not to disclose financial details of the agreement.

The BMW Group and PSA Peugeot Citroën have been successfully cooperating on engines for several years. In February 2010, the two companies agreed to develop the next generation of their jointly designed 4-cylinder petrol engine, which will also meet EU 6 requirements. The joint engine is currently built into a number of MINI, Peugeot and Citroën brand models.

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