

# BMW Group

## Financial Performance in 2019

BMW Group announced a net profit of EUR 4,915 mil in 2019, down 29.5% when compared to the last year. Sales increased 7.59% yoy to EUR 104,210 mil, EBITDA rose 3.17% to EUR 16,378 mil and net margin amounted to 4.72%. BMW Group stock appreciated 8.91% in 2019 to EUR 69.3 per share and the stock traded at 12-month trailing PE of 9.28 and EV/EBITDA of 6.34x at the end of 2019.

- ✓ Sales increased 7.59% yoy to EUR 104,210 mil in 2019. That's compared to average growth of 3.44% in the last three years and 7.47% when compared to the average annual increase in the last decade.
- ✓ EBITDA amounted to EUR 16,378 mil and grew 3.17% when compared to last year. EBITDA margin reached 15.7%, down 1.12 pp when compared to 5-year average.
- ✓ Company's indebtedness rose when measured by Net Debt/Equity and reached 94.7% at the end of the year. When compared to EBITDA, net debt rose to 3.46x.
- ✓ BMW Group netted EUR 4,915 mil to its shareholders in the last year, down 27.1% when compared to the average seen in the last five years. The company produced a return on capital of 2.75% and return on equity of 8.35% in the last year.
- ✓ BMW Group stock traded at EUR 69.3 per share at the end of 2019 implying a market capitalization of USD 54,051 mil and enterprise value of USD 117,651 mil. This puts the stock at the 12-month trailing price to earnings of 9.28x and EV/EBITDA of 6.34x as of the end of 2019. Over the last five years, the stock price has increased by 0.036% a year on average and the firm generated its shareholders an average return on equity of 13.8%.

<b>Sector:</b>	Automotive
<b>Country:</b>	Germany
<b>Share Price:</b>	EUR 69.3
<b>Market Capitalization:</b>	USD 54,051 mil
<b>Shares Outstanding:</b>	658 mil
<b>Enterprise Value:</b>	USD 117,651 mil
<b>Net Debt:</b>	EUR 56,725 mil
<b>Net Debt / Equity:</b>	94.7%
<b>EBITDA Margin:</b>	15.7%
<b>Net Margin:</b>	4.72%

Data tells a story

KEY FIGURES									
	SALES	EBITDA	NET PROFIT	EPS	EPS GROWTH	PER	EV/EBITDA	ROCE	DEBT/EBITDA
	EUR mil	EUR mil	EUR mil	EUR	%			%	
2019	104,210	16,378	4,915	7.47	-29.5	9.28	6.34	2.75	3.46
2018	96,855	15,875	6,974	10.6	-18.9	6.00	5.60	4.23	2.80
2017	98,282	16,891	8,589	13.1	25.1	5.72	6.04	5.41	2.27
2016	94,163	16,082	6,863	10.5	7.73	7.03	5.94	4.54	2.42
2015	92,175	16,435	6,369	9.70	9.85	7.98	5.82	4.69	2.31

Source: Company Data, Helgi Analytics, Valuation multiples calculated based on historical prices



## 1 Company Overview

Bayerische Motoren Werke (BMW) is a German automobile, motorcycle and engine manufacturing company founded in 1917. BMW is headquartered in Munich, Bavaria, Germany. It also owns and produces the Mini marque, and is the parent company of Rolls-Royce Motor Cars. BMW produces motorcycles under the BMW Motorrad and Husqvarna brands. In 2010, the BMW group produced 1.5 mil automobiles and 112,271 motorcycles across all its brands. BMW was established as a business entity following a restructuring of the Rapp Motorenwerke aircraft manufacturing firm in 1917. The first car which BMW successfully produced and the car which launched BMW on the road to automobile production was the Dixi; it was based on the Austin 7. The circular blue and white BMW logo or roundel evolved from the circular logo of the Rapp Motorenwerke company, combined with the blue and white colours of the flag of Bavaria.

BMW Group has been growing its sales by 5.32% a year on average in the last 5 years. EBITDA has grown on average by 1.15% a year during that time to total of EUR 16,378 mil in 2019, or 15.7% of sales. That's compared to 16.8% average margin seen in last five years.

The company netted EUR 4,915 mil in 2019 implying ROE of 8.35% and ROCE of 2.75%. Again, the average figures were 13.8% and 4.32%, respectively when looking at the previous 5 years.

BMW Group's net debt amounted to EUR 56,725 mil at the end of 2019, or 94.7% of equity. When compared to EBITDA, net debt was 3.46x, up when compared to average of 2.65x seen in the last 5 years.

BMW Group stock traded at EUR 69.3 per share at the end of 2019 resulting in a market capitalization of USD 54,051 mil. Over the previous five years, stock price grew by 0.178% or 0.036% a year on average. The closing price put stock at a 12-month trailing EV/EBITDA of 6.34x and price to earnings (PE) of 9.28x as of 2019.

FINANCIALS		2012	2013	2014	2015	2016	2017	2018	2019
Sales	EUR mil	76,848	76,059	80,401	92,175	94,163	98,282	96,855	104,210
EBITDA	EUR mil	14,813	13,665	15,466	16,435	16,082	16,891	15,875	16,378
Net Profit	EUR mil	5,085	5,303	5,798	6,369	6,863	8,589	6,974	4,915
Total Assets	EUR mil	131,835	138,377	154,803	172,174	188,535	195,506	208,938	228,034
Working Capital	EUR mil	26,440	26,060	29,119	34,227	36,382	37,756	45,825	49,634
Net Debt	EUR mil	27,131	28,397	36,591	38,021	38,919	38,359	44,378	56,725
Equity	EUR mil	30,606	35,600	37,437	42,764	47,363	54,107	57,829	59,907

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
ROE	%	17.6	16.0	15.9	15.9	15.2	16.9	12.5	8.35
ROCE	%	4.85	4.82	4.85	4.69	4.54	5.41	4.23	2.75
EBITDA Margin	%	19.3	18.0	19.2	17.8	17.1	17.2	16.4	15.7
Net Margin	%	6.62	6.97	7.21	6.91	7.29	8.74	7.20	4.72
Net Debt/EBITDA		1.83	2.08	2.37	2.31	2.42	2.27	2.80	3.46
Net Debt/Equity	%	88.6	79.8	97.7	88.9	82.2	70.9	76.7	94.7

VALUATION		2012	2013	2014	2015	2016	2017	2018	2019
Market Capitalisation	USD mil	63,136	77,116	71,310	69,677	61,509	68,594	53,243	54,051
EV/EBITDA		4.81	5.89	5.49	5.82	5.94	6.04	5.60	6.34
Price/Earnings (P/E)		6.80	7.89	7.84	7.98	7.03	5.72	6.00	9.28
EV/Sales		0.926	1.06	1.06	1.04	1.01	1.04	0.918	0.996

Source: Company Data, Helgi Analytics

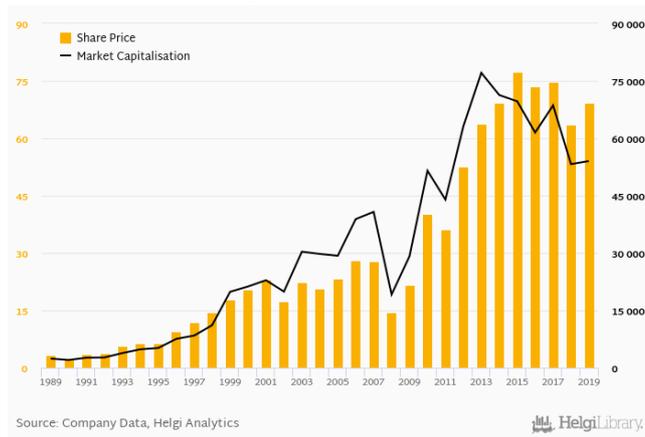


## 2 Valuation

BMW Group stock traded at EUR 69.3 per share at the end of 2019 translating into a market capitalization of USD 54,051 mil. Over the previous year, the stock appreciated by 8.91%. Over the previous three years, stock price declined by 5.66% or 1.92% a year on average. That's compared to an average ROE of 12.6% the company generated for its shareholders:

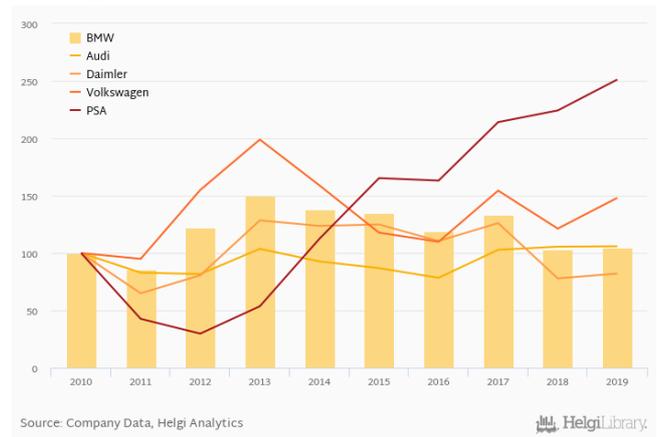
### Stock Price & Market Capitalization

Share Price (EUR) & Market Capitalisation (USD mil)



### Market Capitalization Peers Comparison

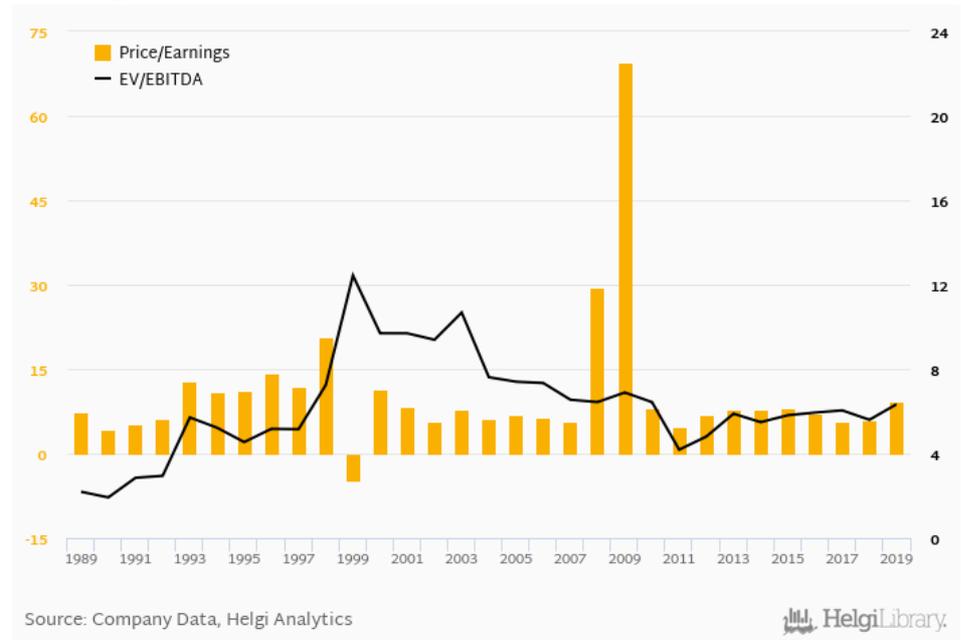
Market Capitalization (Rebased to 100)



The last price puts the company at the 12-month trailing price to earnings (PE) of 9.28x and enterprise value to EBITDA (EV/EBITDA) of 6.34x as of the end of 2019.

### Price to Earnings & EV/EBITDA

Price/Earnings & EV/EBITDA





Within the last five years, the PE multiple reached a high of 9.28x in 2019 and a low of 5.72x in 2017 with an average of 7.20x.

PE MULTIPLE COMPARISON											
NAME	COUNTRY	Mkt Cap (USD mil)	2011	2012	2013	2014	2015	2016	2017	2018	2019
Dongfeng Motor Group	China	8,108	7.85	8.26	7.38	5.58	5.97	3.89	4.80	4.10	4.55
Chongqing Changan Automobile	China	6,163	15.8	18.1	13.5	8.66	6.87	6.18	8.02	47.0	-18.2
BAIC Motor Corporation	China	4,548	...	...	...	10.2	14.6	7.03	30.3	6.81	8.40
FAW Jiefang Group	China	2,330	65.6	-17.7	19.0	162	499	-18.4	61.9	52.8	308
Renault	France	14,007	2.60	4.84	21.8	7.20	7.53	5.84	3.95	4.21	-81.1
Tata Motors	India	8,538	8.25	6.58	8.66	9.12	12.8	11.3	21.2	12.4	-2.05
Mitsubishi Motors Corporation	Japan	7,900	53.7	34.3	23.1	9.19	8.12	10.5	-3.80	10.0	6.46
Mazda Motor Corporation	Japan	7,041	-4.68	-2.18	21.2	8.77	8.01	6.89	9.27	7.14	11.8
Kia Motors Corporation	South Korea	15,378	6.66	5.05	5.15	6.23	7.21	5.28	13.2	11.4	9.72
<b>BMW Group</b>	<b>Germany</b>	<b>54,051</b>	<b>4.85</b>	<b>6.80</b>	<b>7.89</b>	<b>7.84</b>	<b>7.98</b>	<b>7.03</b>	<b>5.72</b>	<b>6.00</b>	<b>9.28</b>
Weighted Average			9.49	7.28	11.1	11.1	18.7	6.81	9.92	8.53	2.43
Median			7.85	6.58	13.5	8.72	8.00	6.53	8.64	8.59	7.43

BMW GROUP'S PREMIUM/DISCOUNT TO:											
Weighted Average			-48.9%	-6.54%	-28.9%	-29.2%	-57.3%	3.24%	-42.3%	-29.6%	282%
Median			-38.2%	3.41%	-41.4%	-10.1%	-0.213%	7.61%	-33.8%	-30.1%	24.9%

Source: Company Data, Helgi Analytics

In terms of EV/EBITDA, BMW Group was trading at 6.34 at the end of 2019. Over the last five years, the multiple reached a high of 6.34x in 2019 and a low of 5.60x in 2018 with an average of 5.95x.

EV/EBITDA MULTIPLE COMPARISON											
NAME	COUNTRY	Mkt Cap (USD mil)	2011	2012	2013	2014	2015	2016	2017	2018	2019
Dongfeng Motor Group	China	8,108	4.46	-60.8	-226	38.5	23.8	11.0	53.6	397	73.1
Chongqing Changan Automobile	China	6,163	-32.3	1,720	-739	88.2	42.6	34.7	19.1	10.7	15.4
BAIC Motor Corporation	China	4,548	...	...	...	23.2	7.05	2.90	2.69	0.651	0.211
FAW Jiefang Group	China	2,330	17.4	-8.40	12.2	29.2	30.5	-58.3	16.4	15.9	0.821
Renault	France	14,007	2.29	4.55	7.11	4.54	5.39	4.01	4.06	2.47	2.62
Tata Motors	India	8,538	4.67	4.84	3.66	4.40	6.22	5.41	8.21	8.04	6.76
Subaru Corporation	Japan	17,461	4.22	3.37	3.45	5.06	5.00	6.33	6.33	7.11	5.30
Mazda Motor Corporation	Japan	7,041	12.2	4.30	4.06	5.41	4.86	4.67	4.54	4.97	5.29
Kia Motors Corporation	South Korea	15,378	6.13	5.67	5.88	5.92	6.10	4.37	7.46	5.40	4.94
<b>BMW Group</b>	<b>Germany</b>	<b>54,051</b>	<b>4.18</b>	<b>4.81</b>	<b>5.89</b>	<b>5.49</b>	<b>5.82</b>	<b>5.94</b>	<b>6.04</b>	<b>5.60</b>	<b>6.34</b>
Weighted Average			4.49	50.8	-47.1	12.8	8.89	5.72	8.87	26.1	9.69
Median			4.46	4.55	4.06	5.71	6.16	5.04	6.89	6.35	5.29

Source: Company Data, Helgi Analytics

The detailed comparison of BMW Group's valuation multiples with its peers could be seen below:



VALUATION MULTIPLES		MKT CAP	ROE			PE			EV/EBITDA		
NAME	COUNTRY	(USD mil)	2017	2018	2019	2017	2018	2019	2017	2018	2019
Dongfeng Motor Group	China	8,108	12.8%	10.8%	9.93%	4.80	4.10	4.55	53.6	397	73.1
Chongqing Changan Automobile	China	6,163	15.7%	1.45%	-5.88%	8.02	47.0	-18.2	19.1	10.7	15.4
BAIC Motor Corporation	China	4,548	3.83%	6.70%	5.61%	30.3	6.81	8.40	2.69	0.651	0.211
FAW Jiefang Group	China	2,330	3.59%	2.52%	0.288%	61.9	52.8	308	16.4	15.9	0.821
Renault	France	14,007	16.1%	9.47%	-0.395%	3.95	4.21	-81.1	4.06	2.47	2.62
Tata Motors	India	8,538	11.6%	-36.8%	-19.4%	21.2	12.4	-2.05	8.21	8.04	6.76
Mitsubishi Motors Corporation	Japan	7,900	11.6%	13.5%	6.26%	-3.80	10.0	6.46	...	...	...
Mazda Motor Corporation	Japan	7,041	8.83%	5.28%	4.74%	9.27	7.14	11.8	4.54	4.97	5.29
Kia Motors Corporation	South Korea	15,378	3.62%	4.27%	6.50%	13.2	11.4	9.72	7.46	5.40	4.94
BMW Group	Germany	54,051	16.9%	12.5%	8.35%	5.72	6.00	9.28	6.04	5.60	6.34
Weighted Average			13.3	4.21	4.17	9.92	8.53	2.43	9.28	29.9	10.3
Median			11.6	5.99	5.17	8.64	8.59	7.43	7.46	5.60	5.29

BMW GROUP'S PREMIUM/DISCOUNT TO:											
Weighted Average			27.0%	196%	100%	-42.3%	-29.6%	282%	-34.9%	-81.3%	-38.6%
Median			45.5%	108%	61.4%	-33.8%	-30.1%	24.9%	-18.9%	0	19.9%

Source: Company Data, Helgi Analytics



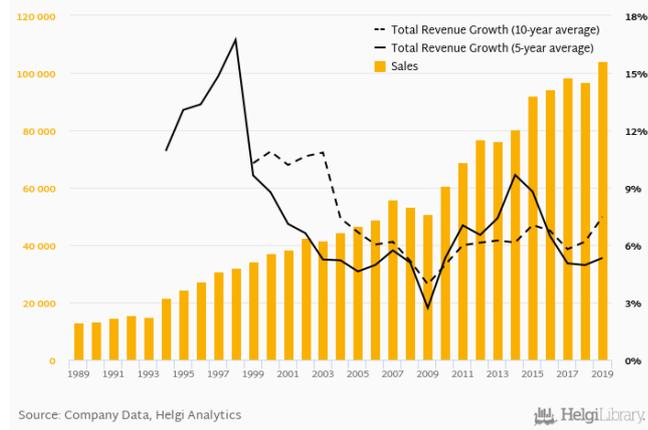
### 3 Sales, Production & Margins

#### 3.1 Sales & Production

BMW Group reached total sales of EUR 104,210 mil in 2019, up 7.59% when compared to the previous year. In the last five years sales have increased by 29.6%, or 5.32% a year.

##### Sales Momentum

Sales (EUR mil) vs. Revenue Growth (%)



#### 3.2 Margins

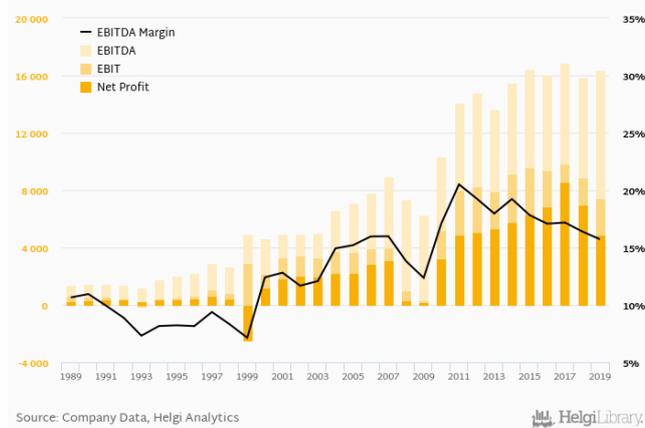
The company made a net profit of EUR 4,915 mil under revenues of EUR 104,210 mil in 2019, what translates into a net margin of 4.72%.

Between 1989 and 2019, the net margin has reached a high of 8.74% in 2017 and a low of -7.23% in 1999 with an average at 6.81% seen in the last decade.

On the operating level, the company produced EBITDA of EUR 16,378 mil, up 3.17% yoy. Over the last five years, company's EBITDA has grown 1.15% a year on average.

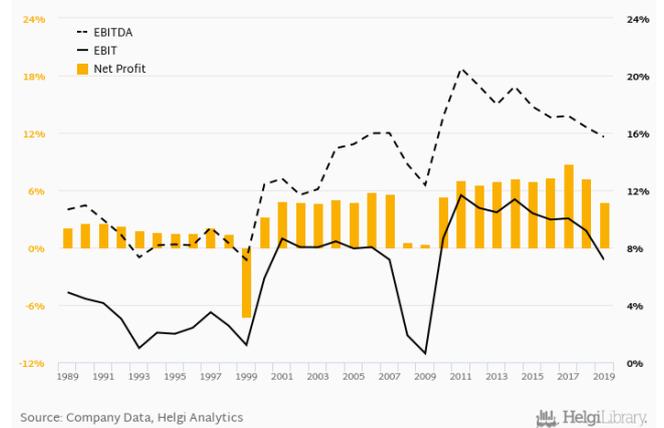
##### From EBITDA to Net Profit

Net Profit, EBIT & EBITDA (EUR mil)



##### Profit Margins

Net Profit, EBIT & EBITDA as % of Sales





When compared to a few selected peers, BMW Group has been operating with 52.7% higher EBITDA margin in 2019 than the weighted average of the group.

EBITDA MARGIN COMPARISON										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
Tata Motors	India	10.9%	10.2%	11.1%	11.7%	11.1%	9.33%	6.79%	4.74%	3.45%
Ferrari	Italy	...	...	21.4%	19.5%	25.2%	27.1%	26.9%	28.7%	29.4%
Honda Motor Company	Japan	8.89%	11.2%	13.0%	12.2%	9.96%	9.34%	10.2%	9.59%	9.11%
Nissan Motor Company	Japan	12.4%	10.9%	11.1%	12.2%	13.0%	13.5%	12.2%	11.9%	8.92%
Suzuki Motor Corporation	Japan	8.75%	8.98%	10.4%	10.6%	10.8%	12.4%	14.3%	13.3%	10.9%
Subaru Corporation	Japan	6.65%	8.00%	15.3%	17.0%	19.3%	15.9%	15.3%	12.4%	11.1%
Mazda Motor Corporation	Japan	1.26%	4.53%	8.23%	9.38%	8.88%	7.35%	6.39%	5.29%	4.19%
SEAT	Spain	1.37%	2.21%	1.85%	2.60%	3.65%	5.43%	6.04%	6.46%	6.69%
Jaguar Land Rover	UK	13.3%	12.6%	14.8%	15.0%	11.7%	9.26%	7.13%	-8.99%	5.35%
<b>BMW Group</b>	<b>Germany</b>	<b>20.5%</b>	<b>19.3%</b>	<b>18.0%</b>	<b>19.2%</b>	<b>17.8%</b>	<b>17.1%</b>	<b>17.2%</b>	<b>16.4%</b>	<b>15.7%</b>
Weighted Average		17.8	16.8	16.3	17.2	16.1	15.3	15.1	13.4	13.9
Median		8.89	10.2	12.1	12.2	11.4	10.9	11.2	10.7	9.02

BMW GROUP'S PREMIUM/DISCOUNT TO:										
Weighted Average		15.2%	14.4%	10.3%	11.6%	11.0%	11.4%	13.7%	22.1%	13.5%
Median		131%	88.5%	48.9%	57.5%	56.8%	56.9%	52.8%	52.5%	74.3%

Source: Company Data, Helgi Analytics



## 4 Indebtedness & Investments

### 4.1 Balance Sheet & Indebtedness

BMW Group's total assets reached EUR 228,034 mil at 2019, up 9.14% when compared to the previous year. Current assets amounted to EUR 90,630 mil, or 39.7% of total assets while cash reached EUR 17,991 mil at the end of 2019.

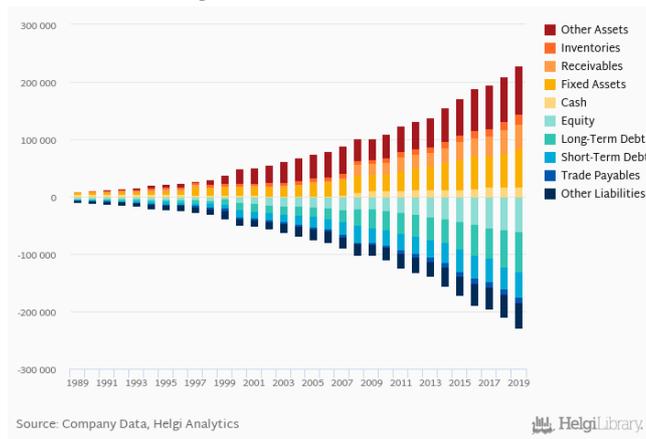
On the other hand, total debt reached EUR 114,644 mil at the end of 2019, or 50.3% of total assets while firm's equity amounted to EUR 59,907 mil. As a result, net debt reached EUR 56,725 mil in 2019 and accounted for 94.7% of equity.

Historically, between 1989 and 2019, the firm's net debt to equity reached a high of 320% in 1999 and a low of 28.6% in 1989.

When compared to EBITDA, net debt amounted to 3.46x at the end of 2019. The ratio reached a high of 6.53x in 2008 and a low of 0.544x in 1989 in the period of 1989 - 2019.

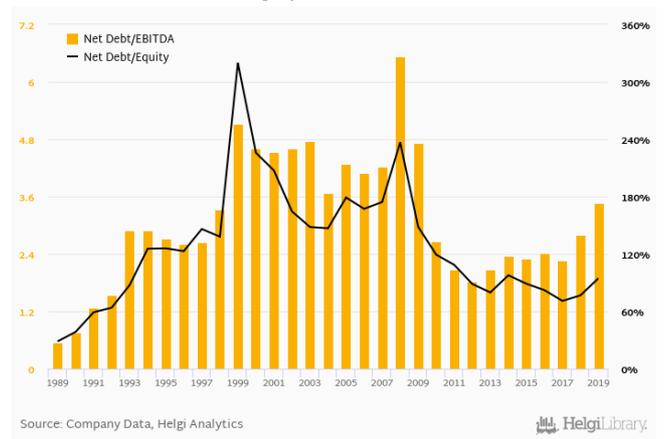
#### Balance Sheet

Assets and their Funding (EUR mil)



#### Indebtedness

Net Debt/EBITDA & Net Debt/Equity





When compared to the selected peers, BMW Group has been operating with 1.29 pp higher indebtedness measured by Net Debt/EBITDA at the end of 2019:

NET DEBT/EBITDA COMPARISON										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
Tata Motors	India	1.53	1.63	1.06	1.04	0.685	1.12	2.00	4.51	9.31
Ferrari	Italy	...	...	0.406	0.697	2.89	1.65	1.26	1.15	1.07
Honda Motor Company	Japan	3.91	3.19	3.20	3.62	3.66	3.95	3.16	3.27	3.46
Nissan Motor Company	Japan	-0.323	-0.348	-0.569	-0.856	-0.882	-0.691	-0.894	-0.934	-0.904
Suzuki Motor Corporation	Japan	-1.63	-1.53	-1.55	-1.60	-0.597	-0.849	-0.724	-0.487	-0.773
Subaru Corporation	Japan	1.19	0.003	-0.721	-0.806	-1.14	-1.47	-1.71	-2.07	-1.49
Mazda Motor Corporation	Japan	19.6	3.54	1.41	0.984	0.301	0.058	-0.257	-0.405	0.555
SEAT	Spain	-3.94	-0.354	-0.174	-2.20	-2.16	-1.75	-1.62	-1.50	-1.10
Jaguar Land Rover	UK	-0.052	-0.132	-0.281	-0.508	-0.367	-0.533	-0.017	-0.918	1.51
<b>BMW Group</b>	<b>Germany</b>	<b>2.09</b>	<b>1.83</b>	<b>2.08</b>	<b>2.37</b>	<b>2.31</b>	<b>2.42</b>	<b>2.27</b>	<b>2.80</b>	<b>3.46</b>
Weighted Average		1.91	1.56	1.63	1.78	1.81	1.87	1.72	2.10	2.87
Median		1.19	0.003	0.116	0.095	-0.033	-0.238	-0.137	-0.446	0.815

BMW GROUP'S PREMIUM/DISCOUNT TO:									
Weighted Average	9.37%	17.5%	27.7%	32.9%	28.0%	29.3%	31.9%	33.0%	20.5%
Median	74.9%	67,668%	1,692%	2,403%	7,119%	1,117%	1,756%	727%	325%

Source: Company Data, Helgi Analytics

## 4.2 Cash Flow & Investments

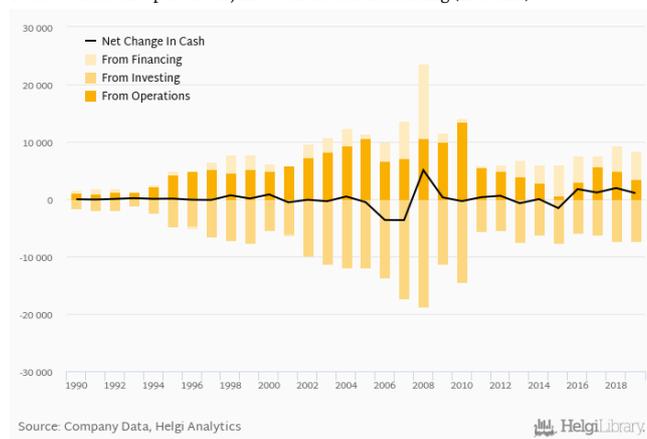
BMW Group's operating cash flow reached EUR 3,463 mil in 2019, down 29.5% when compared to the previous year. Historically, between 1990 and 2019, the firm's operating cash flow reached a high of EUR 13,428 mil in 2010 and a low of EUR 696 mil in 2015.

BMW Group's total investments reached EUR -7,284 mil and accounted for 6.54% of sales in 2019. This is compared to 6.83% seen on average in the last five years.

Since cash from financing amounted to EUR 4,906 mil, net cash the company generated in 2019 reached EUR 17,991 mil.

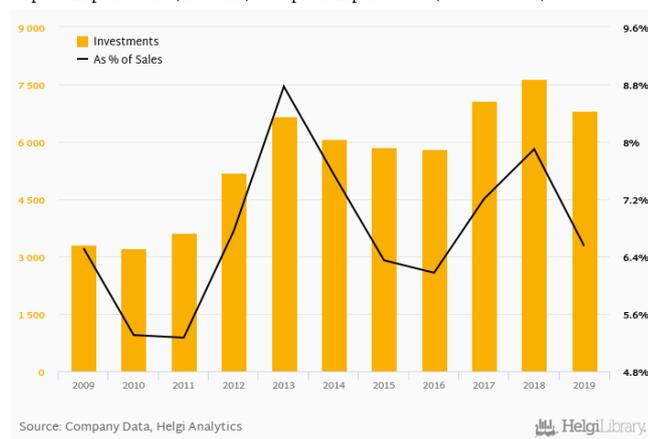
### Cash Flow

Total Cash from Operations, Investment and Financing (EUR mil)



### How Much Does BMW Group Invests?

Capital Expenditure (EUR mil) & Capital Expenditure (as % of Sales)

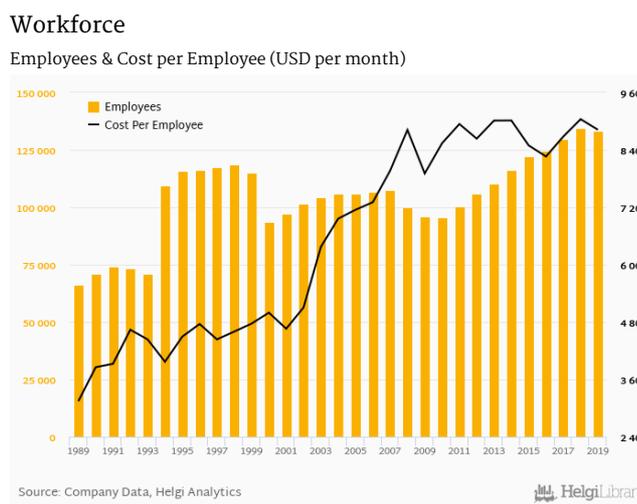




### 4.3 Workforce

BMW Group employed 133,282 persons in 2019, down up 1.04 when compared to the previous year. Historically, between 1989 and 2019, the firm's workforce hit a high of 134,682 in 2018 and a low of 66,267 in 1989.

Average cost reached EUR 7,785 per month per employee, 0.824% more than a year ago. This figure was EUR 5,686 per month some 10 years ago:



When compared to selected peers, cost per employee at BMW Group was 7.07% higher.

COST PER EMPLOYEE										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
Porsche AG	Germany	10,214	10,084	10,803	11,029	10,165	9,302	10,056	10,909	10,670
Tata Motors	India	3,748	4,138	4,604	4,641	4,857	4,508	4,722	5,004	12,935
Honda Motor Company	Japan	...	...	...	...	...	...	...	5,493	5,589
Nissan Motor Company	Japan	2,092	2,278	2,043	1,881	1,897	1,994	2,215	2,309	2,299
Subaru Corporation	Japan	1,873	1,918	1,667	1,508	1,452	1,436	1,508	1,554	1,576
Mazda Motor Corporation	Japan	2,698	2,673	2,248	1,960	1,788	1,724	1,794	1,905	1,937
Mitsubishi Motors Corporation	Japan	2,104	2,265	1,922	1,747	1,712	1,658	1,771	1,852	1,886
SEAT	Spain	5,371	5,289	5,667	5,780	5,418	5,267	5,586	5,846	6,138
Jaguar Land Rover	UK	5,689	6,584	7,002	7,462	7,459	7,005	6,700	7,269	7,174
<b>BMW Group</b>	<b>Germany</b>	<b>8,942</b>	<b>8,635</b>	<b>9,014</b>	<b>9,016</b>	<b>8,494</b>	<b>8,262</b>	<b>8,679</b>	<b>9,043</b>	<b>8,822</b>
Weighted Average		8,236	8,002	8,290	8,310	7,881	7,612	7,970	8,271	8,240
Median		3,748	4,138	4,604	4,641	4,857	4,508	4,722	5,249	5,863

Source: Company Data, Helgi Analytics



## 5 Profitability

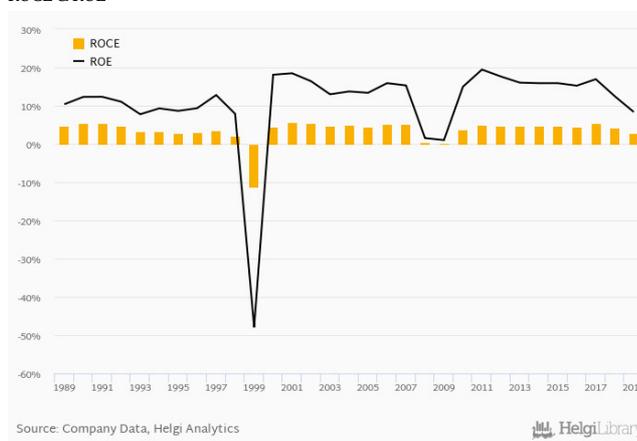
BMW Group made a net profit of EUR 4,915 mil in 2019, down 29.5% when compared to the previous year. Historically, between 1989 and 2019, company's net profit reached a high of EUR 8,589 mil in 2017 and a low of EUR -2,487 mil in 1999

The profit implies the company generated a return on equity of 8.35% and return on invested capital of 2.75% in 2019. That is compared to 13.8% and 4.32% average seen in the last five years.

Since 2014, net profit of the firm decreased by 15.2% or -3.25% a year on average.

### Profitability

ROCE & ROE



When compared to its peers, BMW Group's profitability is 0.322 pp above average when measured by the ROCE:

ROCE COMPARISON										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
Tata Motors	India	20.6%	12.2%	14.2%	11.9%	8.35%	4.84%	5.14%	-15.2%	-6.24%
Ferrari	Italy	...	...	...	15.5%	16.2%	21.5%	26.8%	35.6%	27.5%
Honda Motor Company	Japan	2.13%	3.92%	4.22%	4.46%	3.55%	2.76%	6.66%	4.58%	2.90%
Nissan Motor Company	Japan	3.95%	3.65%	3.71%	3.65%	4.14%	3.34%	5.43%	3.14%	0.281%
Suzuki Motor Corporation	Japan	4.54%	6.44%	10.0%	7.96%	8.93%	11.5%	13.3%	13.0%	5.38%
Subaru Corporation	Japan	4.23%	7.77%	32.3%	27.1%	50.1%	34.3%	22.6%	15.8%	9.79%
Mazda Motor Corporation	Japan	-15.6%	2.81%	7.42%	14.4%	10.7%	6.50%	6.79%	4.19%	3.54%
Mitsubishi Motors Corporation	Japan	5.59%	4.83%	18.7%	18.6%	17.4%	-49.1%	18.1%	15.4%	5.52%
SEAT	Spain	-2.97%	-1.30%	-6.15%	-2.95%	0.320%	44.5%	12.0%	11.3%	11.4%
<b>BMW Group</b>	<b>Germany</b>	<b>5.09%</b>	<b>4.85%</b>	<b>4.82%</b>	<b>4.85%</b>	<b>4.69%</b>	<b>4.54%</b>	<b>5.41%</b>	<b>4.23%</b>	<b>2.75%</b>
Weighted Average		4.51	4.63	5.04	5.37	5.40	5.45	6.35	4.95	3.28
Median		4.23	4.83	7.42	9.93	8.64	5.67	9.38	7.94	4.46
BMW GROUP'S PREMIUM/DISCOUNT TO:										
Weighted Average		13.0%	4.63%	-4.40%	-9.82%	-13.2%	-16.8%	-14.9%	-14.6%	-16.0%
Median		20.4%	0.405%	-35.0%	-51.2%	-45.7%	-20.0%	-42.4%	-46.8%	-38.3%

Source: Company Data, Helgi Analytics

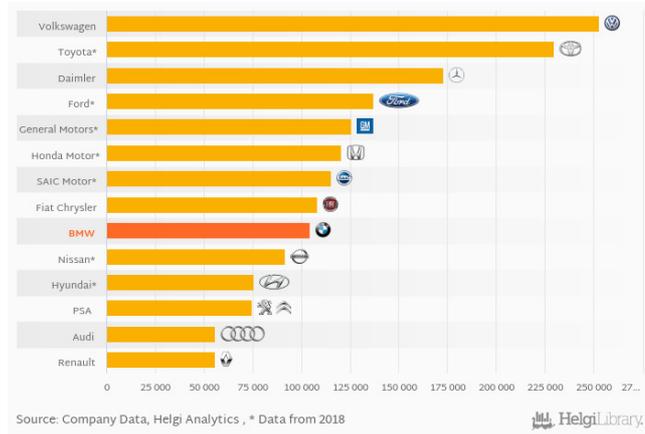


## 6 Relative Performance Compared to Peers

Based on last available data, following charts demonstrate BMW Group's relative performance when compared to selected peers:

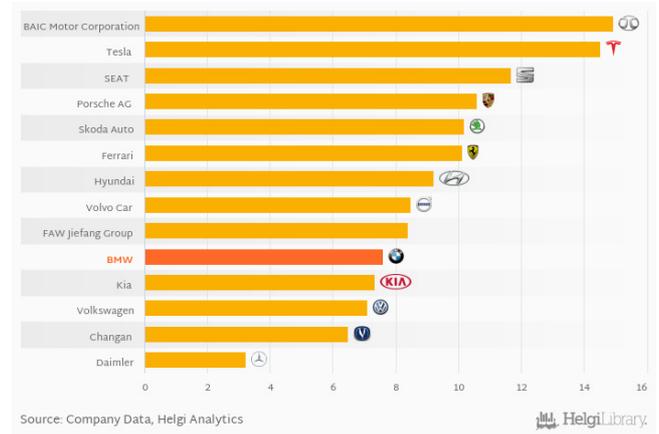
### Who Was the Largest by Sales?

Top Companies by Sales (EUR mil), 2019



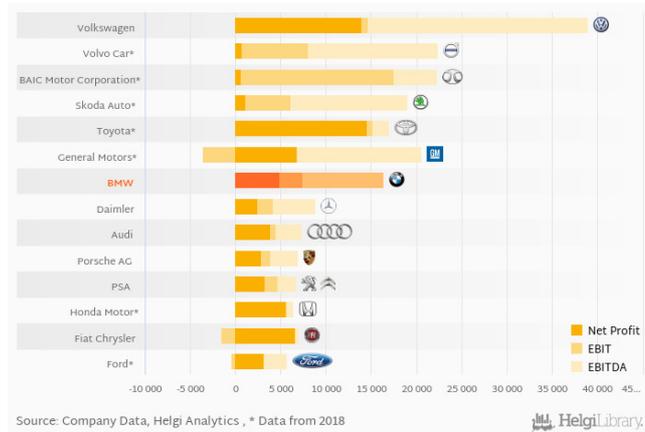
### Who Has Grown the Most in Sales?

Total Revenue Growth (%), 2019



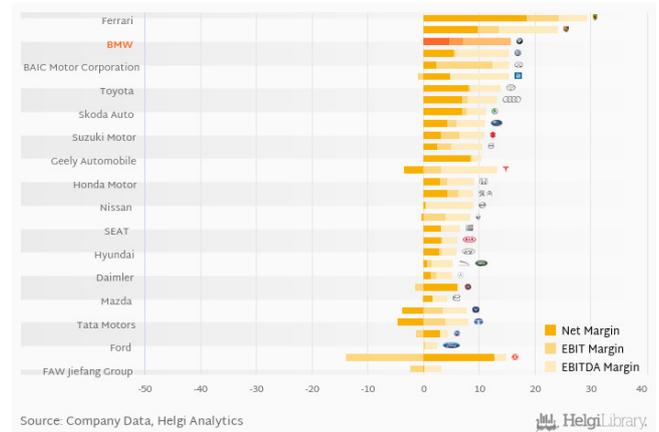
### Who Created the Largest EBITDA?

Top Companies by EBITDA (EUR mil), 2019



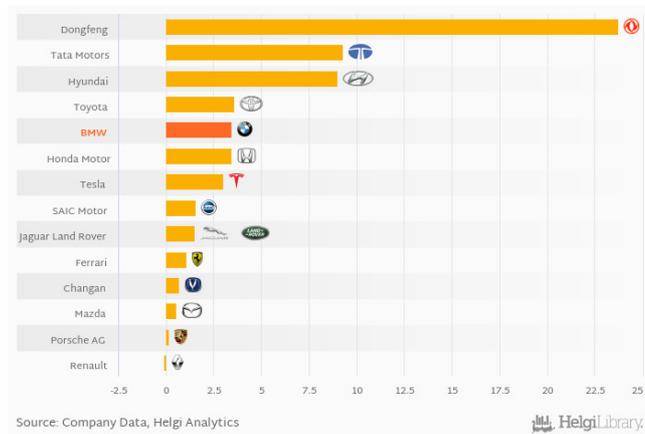
### Who Operated with the Highest Margins?

Top Companies by EBITDA Margin (%), 2019



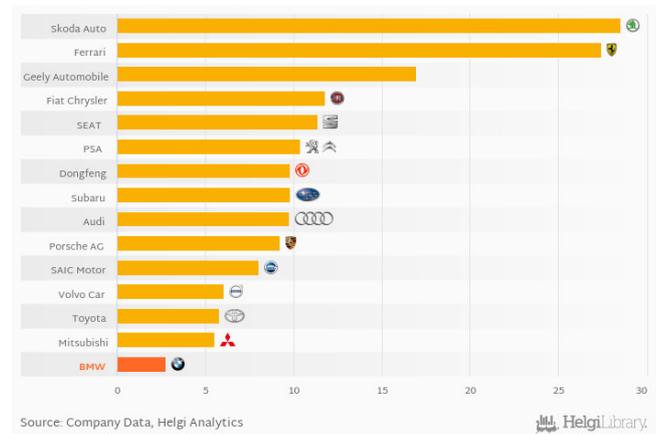
### Who Was the Most Indebted to EBITDA?

Net Debt / EBITDA Ratio, 2019



### Who Utilized Capital the Most?

Top Companies by ROCE (%), 2019





## Financial Data – Annual

### Income Statement – Annual

INCOME STATEMENT		2012	2013	2014	2015	2016	2017	2018	2019
Sales	EUR mil	76,848	76,059	80,401	92,175	94,163	98,282	96,855	104,210
Cost of Goods & Services	EUR mil	61,354	60,791	63,396	74,043	75,442	78,329	78,477	86,147
Gross Profit	EUR mil	15,494	15,268	17,005	18,132	18,721	19,953	18,378	18,063
Selling, General & Admin	EUR mil	7,032	7,257	7,892	8,633	9,158	9,560	9,568	9,367
Research & Development	EUR mil	3,952	4,793	4,566	5,169	5,164	6,108	6,890	6,419
Other Operating Expense	EUR mil	630	551	538	317	295	388	323	403
Staff Cost	EUR mil	8,537	8,992	9,764	10,870	11,535	12,052	12,479	12,451
Other Operating Cost (Income)	EUR mil	330	313	382	419	293	300	373	450
EBITDA	EUR mil	14,813	13,665	15,466	16,435	16,082	16,891	15,875	16,378
Depreciation	EUR mil	6,537	5,709	6,325	6,854	6,709	7,028	6,992	8,934
EBIT	EUR mil	8,276	7,956	9,141	9,581	9,373	9,863	8,883	7,444
Net Financing Cost	EUR mil	-13.0	147	126	238	131	211	-73.0	279
Financing Cost	EUR mil	211	330	326	423	327	412	324	458
Financing Income	EUR mil	224	183	200	185	196	201	397	179
FX (Gain) Loss	EUR mil	1.00	-22.0	23.0	-12.0	-13.0	-36.0	-50.0	33.0
(Income) / Loss from Affiliates	EUR mil	-271	-407	-655	-518	-441	-739	-632	-136
Extraordinary Cost	EUR mil	262	-267	108	-66.0	-619	-1,224	-1,068	-132
Pre-Tax Profit	EUR mil	7,803	7,893	8,707	9,224	9,665	10,675	9,627	7,118
Tax	EUR mil	2,692	2,564	2,890	2,828	2,755	2,000	2,530	2,140
Minorities	EUR mil	26.0	26.0	19.0	27.0	47.0	86.0	90.0	107
Net Profit	EUR mil	5,085	5,303	5,798	6,369	6,863	8,589	6,974	4,915
Net Profit Avail. to Common	EUR mil	5,085	5,303	5,798	6,369	6,863	8,589	6,974	4,915
Dividends	EUR mil	1,640	1,707	1,904	2,102	2,300	2,630	2,303	1,646

Source: Company Data, Helgi Analytics

### Growth Rates – Annual

GROWTH RATES		2012	2013	2014	2015	2016	2017	2018	2019
Total Revenue Growth	%	11.7	-1.03	5.71	14.6	2.16	4.37	-1.45	7.59
Staff Cost Growth	%	10.3	5.33	8.59	11.3	6.12	4.48	3.54	-0.224
EBITDA Growth	%	4.95	-7.75	13.2	6.27	-2.15	5.03	-6.02	3.17
EBIT Growth	%	3.19	-3.87	14.9	4.81	-2.17	5.23	-9.94	-16.2
Pre-Tax Profit Growth	%	5.69	1.15	10.3	5.94	4.78	10.5	-9.82	-26.1
Net Profit Growth	%	4.18	4.29	9.33	9.85	7.76	25.1	-18.8	-29.5

Source: Company Data, Helgi Analytics

### Ratios – Annual

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
ROE	%	17.6	16.0	15.9	15.9	15.2	16.9	12.5	8.35
ROA	%	3.98	3.93	3.96	3.90	3.81	4.47	3.45	2.25
ROCE	%	4.85	4.82	4.85	4.69	4.54	5.41	4.23	2.75
Gross Margin	%	20.2	20.1	21.2	19.7	19.9	20.3	19.0	17.3
EBITDA Margin	%	19.3	18.0	19.2	17.8	17.1	17.2	16.4	15.7
EBIT Margin	%	10.8	10.5	11.4	10.4	9.95	10.0	9.17	7.14
Net Margin	%	6.62	6.97	7.21	6.91	7.29	8.74	7.20	4.72
Payout Ratio	%	32.3	32.2	32.8	33.0	33.5	30.6	33.0	33.5

Source: Company Data, Helgi Analytics



## Balance Sheet – Annual

BALANCE SHEET		2012	2013	2014	2015	2016	2017	2018	2019
Cash & Cash Equivalents	EUR mil	12,982	13,230	13,072	12,757	14,945	17,004	17,654	17,991
Receivables	EUR mil	23,148	23,950	25,739	30,929	33,053	34,780	41,246	43,925
Inventories	EUR mil	9,725	9,595	11,089	11,071	11,841	12,707	14,248	15,891
Other ST Assets	EUR mil	4,675	5,409	6,944	7,074	7,025	9,051	11,588	12,823
Current Assets	EUR mil	50,530	52,184	56,844	61,831	66,864	73,542	84,736	90,630
Property, Plant & Equipment	EUR mil	37,809	41,082	47,347	52,724	55,749	54,728	58,060	65,854
LT Investments & Receivables	EUR mil	35,005	35,762	39,870	44,501	51,297	51,380	50,062	53,103
Intangible Assets	EUR mil	5,207	6,179	6,499	7,372	8,157	9,464	10,971	11,729
Goodwill	EUR mil	369	369	364	364	364	380	380	380
Non-Current Assets	EUR mil	81,305	86,193	97,959	110,343	121,671	121,964	124,202	137,404
Total Assets	EUR mil	131,835	138,377	154,803	172,174	188,535	195,506	208,938	228,034
Trade Payables	EUR mil	6,433	7,485	7,709	7,773	8,512	9,731	9,669	10,182
Short-Term Debt	EUR mil	29,547	30,428	35,552	39,962	40,670	40,727	38,179	44,944
Other ST Liabilities	EUR mil	10,236	10,173	13,298	15,335	16,926	19,249	22,405	26,536
Current Liabilities	EUR mil	48,395	51,134	59,078	65,591	67,989	71,765	71,411	82,625
Long-Term Debt	EUR mil	38,170	38,773	41,954	47,171	53,730	52,831	63,743	69,700
Other LT Liabilities	EUR mil	14,664	12,870	16,334	16,648	19,453	16,803	15,955	15,802
Non-Current Liabilities	EUR mil	52,834	51,643	58,288	63,819	73,183	69,634	79,698	85,502
Liabilities	EUR mil	101,229	102,777	117,366	129,410	141,172	141,399	151,109	168,127
Preferred Equity and Hybrid Capital	EUR mil	0	0	0	0	0	0	0	0
Share Capital	EUR mil	2,629	2,646	2,661	2,684	2,704	2,742	2,776	2,820
Treasury Stock	EUR mil	0	0	0	0	0	0	0	0
Equity Before Minority Interest	EUR mil	30,499	35,412	37,220	42,530	47,108	53,671	57,300	59,324
Minority Interest	EUR mil	107	188	217	234	255	436	529	583
Equity	EUR mil	30,606	35,600	37,437	42,764	47,363	54,107	57,829	59,907

Source: Company Data, Helgi Analytics

## Growth Rates – Annual

GROWTH RATES		2012	2013	2014	2015	2016	2017	2018	2019
Total Asset Growth	%	6.81	4.96	11.9	11.2	9.50	3.70	6.87	9.14
Shareholders' Equity Growth	%	12.9	16.3	5.16	14.2	10.8	14.2	6.88	3.59
Net Debt Growth	%	-7.82	4.67	28.9	3.91	2.36	-1.44	15.7	27.8
Total Debt Growth	%	3.39	2.19	12.0	12.4	8.34	-0.892	8.94	12.5

Source: Company Data, Helgi Analytics

## Ratios – Annual

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
Total Debt	EUR mil	67,717	69,201	77,506	87,133	94,400	93,558	101,922	114,644
Net Debt	EUR mil	27,131	28,397	36,591	38,021	38,919	38,359	44,378	56,725
Working Capital	EUR mil	26,440	26,060	29,119	34,227	36,382	37,756	45,825	49,634
Capital Employed	EUR mil	107,745	112,253	127,078	144,570	158,053	159,720	170,027	187,038
Net Debt/Equity	%	88.6	79.8	97.7	88.9	82.2	70.9	76.7	94.7
Net Debt/EBITDA		1.83	2.08	2.37	2.31	2.42	2.27	2.80	3.46
Cost of Financing	%	0.317	0.482	0.444	0.514	0.360	0.438	0.331	0.423
Current Ratio		1.04	1.02	0.962	0.943	0.983	1.02	1.19	1.10
Quick Ratio		0.747	0.727	0.657	0.666	0.706	0.722	0.825	0.749

Source: Company Data, Helgi Analytics



## Cash Flow – Annual

CASH FLOW		2012	2013	2014	2015	2016	2017	2018	2019
Net Profit	EUR mil	5,085	5,303	5,798	6,369	6,863	8,589	6,974	4,915
Depreciation	EUR mil	6,537	5,709	6,325	6,854	6,709	7,028	6,992	8,934
Non-Cash Items	EUR mil	-9,821	-9,331	-10,192	-13,602	-12,008	-11,228	-10,074	-11,040
Change in Working Capital	EUR mil	1,755	986	-551	-293	-104	166	-619	-1,117
Total Cash From Operations	EUR mil	4,974	4,005	2,779	696	3,055	5,744	4,915	3,463
Capital Expenditures	EUR mil	-5,194	-6,671	-6,063	-5,851	-5,813	-7,082	-7,649	-6,820
Net Change in LT Investment	EUR mil	-64.0	61.0	91.0	-531	-198	125	459	-511
Net Cash From Acquisitions	EUR mil	0	0	0	0	0	969	-209	0
Other Investing Activities	EUR mil	-175	-881	-144	-1,221	148	-175	36.0	47.0
Total Cash From Investing	EUR mil	-5,433	-7,491	-6,116	-7,603	-5,863	-6,163	-7,363	-7,284
Dividends Paid	EUR mil	-1,516	-1,653	-1,715	-1,917	-2,121	-2,324	-2,630	-2,366
Issuance Of Shares	EUR mil	0	0	0	0	0	0	0	0
Issuance Of Debt	EUR mil	2,551	4,461	4,966	7,162	6,612	4,023	7,037	7,322
Other Financing Activities	EUR mil	32.0	64.0	17.0	23.0	58.0	102	0	-50.0
Total Cash From Financing	EUR mil	1,067	2,872	3,268	5,268	4,549	1,801	4,407	4,906
Effect of FX Rates	EUR mil	-14.0	-89.0	86.0	73.0	17.0	-223	-19.0	-28.0
Net Change In Cash	EUR mil	594	-703	17.0	-1,566	1,758	1,159	1,940	1,057

Source: Company Data, Helgi Analytics

## Ratios – Annual

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
Days Sales Outstanding	days	110	115	117	122	128	129	155	154
Days Sales Of Inventory	days	57.9	57.6	63.8	54.6	57.3	59.2	66.3	67.3
Days Payable Outstanding	days	38.3	44.9	44.4	38.3	41.2	45.3	45.0	43.1
Cash Conversion Cycle	days	130	128	136	139	144	143	177	178
Cash Earnings	EUR mil	11,622	11,012	12,123	13,223	13,572	15,617	13,966	13,849
Free Cash Flow	EUR mil	-459	-3,486	-3,337	-6,907	-2,808	-419	-2,448	-3,821
Capital Expenditures (As % of Sales)	%	6.76	8.77	7.54	6.35	6.17	7.21	7.90	6.54

Source: Company Data, Helgi Analytics

## Other Ratios – Annual

OTHER RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
Employees		105,876	110,351	116,324	122,244	124,729	129,932	134,682	133,282
Employees (At Home)		105,876	110,351	116,324	122,244	124,729	129,932	...	...
Domestic Employees (As % Of Total)	%	100	100	100	100	100	100	...	...
Cost Per Employee	USD per month	8,635	9,014	9,016	8,494	8,262	8,679	9,043	8,822
Cost Per Employee (Local Currency)	EUR per month	6,719	6,790	6,995	7,410	7,707	7,730	7,721	7,785
Employee Turnover	%	3.87	3.47	1.41	2.08	2.70	2.64	2.78	3.40
Women (As % of Workforce)	%	17.3	17.4	17.8	18.1	18.7	19.3	19.9	19.8
Women (As % of Management)	%	...	...	...	...	...	...	...	...
Operating Cost (As % of Sales)	%	9.82	10.0	10.3	9.73	10.2	10.6	10.2	10.6
Research & Development (As % of Sales)	%	5.14	6.30	5.68	5.61	5.48	6.21	7.11	6.16
Staff Cost (As % of Sales)	%	11.1	11.8	12.1	11.8	12.3	12.3	12.9	11.9
Effective Tax Rate	%	34.5	32.5	33.2	30.7	28.5	18.7	26.3	30.1
Total Revenue Growth (5-year average)	%	6.53	7.41	9.67	8.79	6.47	5.04	4.95	5.32
Total Revenue Growth (10-year average)	%	6.12	6.24	6.13	7.05	6.75	5.78	6.18	7.47

Source: Company Data, Helgi Analytics



## Valuation – Annual

VALUATION		2012	2013	2014	2015	2016	2017	2018	2019
Market Capitalisation	USD mil	63,136	77,116	71,310	69,677	61,509	68,594	53,243	54,051
Enterprise Value (EV)	USD mil	91,501	106,811	109,409	109,565	102,450	114,643	104,124	117,651
Number Of Shares	mil	656	656	656	656	657	657	658	658
Share Price	EUR	52.7	63.8	69.2	77.4	73.5	74.8	63.6	69.3
EV/EBITDA		4.81	5.89	5.49	5.82	5.94	6.04	5.60	6.34
Price/Earnings (P/E)		6.80	7.89	7.84	7.98	7.03	5.72	6.00	9.28
Price/Free Cash Flow (P/FCF)		-75.3	-12.0	-13.6	-7.36	-17.2	-117	-17.1	-11.9
Price/Book Value (P/BV)		1.13	1.17	1.21	1.19	1.02	0.908	0.724	0.761
Dividend Yield	%	4.36	3.92	3.76	3.75	4.36	4.68	6.28	5.05
Free Cash Flow Yield	%	-0.934	-6.00	-6.03	-11.4	-4.89	-0.686	-5.39	-8.01
Earnings Per Share (EPS)	EUR	7.75	8.08	8.83	9.70	10.5	13.1	10.6	7.47
Cash Earnings Per Share	EUR	17.7	16.8	18.5	20.1	20.7	23.8	21.2	21.0
Free Cash Flow Per Share	EUR	-0.700	-5.31	-5.08	-10.5	-4.28	-0.638	-3.72	-5.81
Book Value Per Share	EUR	46.7	54.3	57.0	65.1	72.1	82.3	87.9	91.0
Dividend Per Share	EUR	2.30	2.50	2.60	2.90	3.20	3.50	4.00	3.50
EV/Sales		0.926	1.06	1.06	1.04	1.01	1.04	0.918	0.996
EV/EBIT		8.60	10.1	9.29	9.98	10.2	10.4	10.0	13.9
EV/Free Cash Flow		-155	-23.1	-25.4	-13.8	-34.0	-244	-36.3	-27.2
EV/Capital Employed		0.812	0.910	0.827	0.722	0.616	0.598	0.534	0.561
Earnings Per Share Growth	%	4.03	4.26	9.28	9.85	7.73	25.1	-18.9	-29.5
Cash Earnings Per Share	EUR	17.7	16.8	18.5	20.1	20.7	23.8	21.2	21.0
Book Value Per Share Growth	%	12.9	16.2	5.12	14.2	10.7	14.2	6.80	3.51

Source: Company Data, Helgi Analytics



## ABOUT HELGI ANALYTICS

Helgi Analytics is a consulting company based in the Czech Republic. The company mainly provides consultancy in the area of financial services and real estate and focuses primarily on the region of Central and Eastern Europe.

Helgi Analytics also runs a web application called Helgi Library, which is a database/library offering data and analyses on more than 99% of the world's economy and population. The Library aims to bring interesting statistical data and analyses to a wide audience under affordable conditions. If you wish to get more details, please visit [www.helgilibrary.com](http://www.helgilibrary.com) or contact us at [info@helgilibrary.com](mailto:info@helgilibrary.com).

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