

BMW Finance N.V. Interim Report to June 30, 2009



BMW Group



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Dear Stakeholder,

BMW Finance N.V. (the "Company") was incorporated in The Netherlands and is a wholly owned subsidiary of BMW Holding B.V. who in turn is a wholly owned subsidiary of BMW Intec Beteiligungs GmbH, a wholly owned subsidiary of BMW AG. The Company's purpose is to assist the financing of activities conducted by companies of the BMW Group and its affiliates and to provide services in connection therewith. The core business of the Company comprises mainly financial transactions with related parties (BMW Group companies) and is in principle priced on an "at arm's length" basis. In 2008, relationships between the Company and other locations of the Treasury Centre Europe have been intensified to seize the opportunity of synergy and grew even stronger in the first half of 2009.

The Company's activities mainly consist of providing long term liquidity and inter-company funding for BMW Group companies and acting as manager of the Euro cash pool. The Company's aim is to minimize the connected risks from changes in interest rates and exchange rates. Firstly, protection against such risks is provided by so-called natural hedges that arise when the values of non-derivative financial assets and liabilities have matching maturities, amounts (netting), and other properties. Derivative financial instruments are used, such as interest rate swaps, foreign exchange swaps and forward rate agreements to reduce the risk remaining after taking into account the effects of natural hedges.

The consolidated net income before taxation decreased compared to the first half of 2008. The activities resulted in a negative net income before taxation of euro 11.5 million (2008: positive euro 72.6 million). The decrease is mainly caused by a worse result on fair value measurement of financial instruments and the lack of result contribution of the Spanish subsidiary BMW España Finance S.L.

During the first half year relevant interest rates decreased. Due to the combined effects of an increase in financing activities, the change in the market interest rate, and the new debt securities issued in the first half of 2009, the Company's consolidated interest margin deteriorated in the first half of 2009 to euro 14.0 million negative (2008: euro 12.0 million negative).

The financing activities of the Company grew again in the first half of 2009. The outstanding amount for financing increased in the first half of 2009 to euro 20.9 billion (2008: euro 19.7 billion).

The Euro Medium Term Note ("EMTN") Programme has been used successfully together with the euro 5.0 billion Multi Currency Commercial Paper during the first half of 2009 to refinance BMW Group companies. Under the EMTN Programme, BMW Finance N.V. issued new debt securities with a nominal amount of euro 4.3 billion. The net proceeds have been used for general BMW Group financing purposes.

For strategic reasons the Company has certain unhedged debt securities. These securities caused a positive foreign exchange result of euro 5.0 million (first half of 2008: euro 1.7 million). All other positions in foreign currencies are fully hedged through natural hedges or hedged with the use of derivatives. Hedge accounting is applied if appropriate. The Company is using professional software to further increase its ability to identify financial risks in an early stage and take measures accordingly.

Since 1 January 2005 the Company is in a fiscal unity together with the BMW Group companies located in the Netherlands.

During the first half year of 2009, the financial market environment continued to be pretentious and impacted corporate debt financing, leading to a rise in funding costs.

In the second half of 2009 the current financial market conditions are expected to continue and will most likely negatively impact the interest margin. The refinancing costs can probably be held at a competitive level.

During the first half of 2009 the Company employed 6 persons.

The Hague, 15 August 2009

E. Ebner von Eschenbach
Director

A.W. de Jong
Director

Dr. J. Hensel
Director

BMW Finance N.V.

Consolidated Interim Income Statement

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in euro thousand	Notes	1 January to 30 June 2009	1 January to 30 June 2008
Dividends from subsidiaries		–	30,000
Dividends from subsidiaries		–	30,000
Interest income BMW Group companies		345,762	373,164
Interest income Third parties		76,708	12,919
Interest income	[2]	422,470	386,083
Interest expense BMW Group companies		(10,590)	(124,643)
Interest expense Third parties		(425,942)	(273,444)
Interest expense	[2]	(436,532)	(398,087)
Interest margin		(14,062)	(12,004)
Net balance of other financial income and expenses	[3]	5,039	1,768
Net balance of fair value changes of financial instruments	[4]	(2,236)	53,210
Financial income		(11,259)	72,974
Miscellaneous income & expenses	[5]	(265)	(382)
Income before taxation		(11,524)	72,592
Taxes	[6]	4,347	(17,485)
Net income		(7,177)	55,107

BMW Finance N.V.
Consolidated Interim Balance Sheet
(Before appropriation of result)

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Assets	Notes	30.06.2009	31.12.2008
in euro thousand			
Tangible assets		8	9
Equity investments	[8]	55,355	55,355
Receivables from BMW Group companies	[9]	7,238,669	7,437,153
Income tax receivables		–	10,565
Deferred tax asset		19,229	18,712
Derivative assets	[19]	389,042	372,567
Non-current assets		7,702,303	7,894,361
Receivables from BMW Group companies	[9]	12,839,564	11,197,335
Income tax receivables		6,486	412
Derivative assets	[19]	38,933	166,879
Other receivables and miscellaneous assets	[10]	250,093	265,041
Cash and cash equivalents	[11]	25,480	194,045
Current assets		13,160,556	11,823,712
Total assets		20,862,859	19,718,073

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Equity and liabilities in euro thousand	Notes	30.06.2009	31.12.2008
Issued capital	[13]	1,750	1,750
Share premium reserve	[14]	36,226	36,226
Hedging reserve	[15]	338	5,824
Retained earnings		275,446	316,609
Undistributed income		(7,177)	(41,163)
Equity		306,583	319,246
Debt securities	[16]	13,037,308	9,600,937
Loans due to banks	[17]	1,700,000	1,300,000
Liabilities due to BMW Group companies	[30]	35	36
Derivative liabilities	[19]	213,312	236,296
Deferred tax liabilities	[12]	939	939
Income tax liabilities	[]	140	1,558
Non-current liabilities		14,951,734	11,139,766
Debt securities	[16]	4,394,222	5,489,453
Liabilities due to BMW Group companies	[30]	704,341	2,258,495
Income tax liabilities	[6]	49	37
Derivative liabilities	[19]	58,077	34,405
Other liabilities	[18]	447,841	476,671
Current liabilities		5,604,530	8,259,061
Total equity and liabilities		20,862,859	19,718,073

BMW Finance N.V.
Consolidated Cash Flow Statement

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in euro thousand	30.06.2009	30.06.2008
Net income for the first half of the year	(7,177)	55,107
Adjustments for non-cash items		
Amortization financial instruments	–	4,547
Unrealised foreign exchange losses/(gains)	5,039	(1,768)
Fair value measurement losses/(gains)	(7,723)	(53,210)
Current and non current tax	2,568	14,472
Other non cash items	1	(767)
Changes in operating assets and liabilities		
Receivables from BMW Group companies	(1,443,746)	(5,242,754)
Liabilities to BMW Group companies	(1,554,144)	1,799,460
Derivative assets	112,216	(126,640)
Derivative liabilities	1,435	262,902
Debt securities	2,336,844	2,789,331
Loans due to banks	400,000	394,766
Receivables and other assets	14,948	2,116
Other liabilities	(28,827)	8,336
Income tax paid	–	619
Cash flow from operating activities	168,565	(93,483)
Acquisition of subsidiaries	–	(1,235)
Cash flow from investing activities	–	(1,235)
Cash flow from financing activities	–	–
Net increase/decrease in cash and cash equivalents	168,564	(94,718)
Cash and cash equivalents at January 1	194,045	204,194
Cash and cash equivalents at June 30	25,480	109,476

See Note 21 of the Notes to the Consolidated Financial Statements.

BMW Finance N.V.
Consolidated Interim Statement of Changes in Equity
(Before appropriation of result)

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in euro thousand	Issued capital	Share premium reserve	Hedging reserve	Retained earnings	Undis-tributed income	Total
1 January 2008	1,750	36,226	7,116	275,026	41,583	361,701
Change in effective portion unrealised fair value						
change of cash flow hedge derivatives	–	–	(767)	–	–	(767)
Net income recognised directly in equity	–	–	(767)	–	–	(767)
Net income 2008	–	–	–	–	55,107	55,107
Total income and expenses recognised in the period	–	–	(767)	–	55,107	54,340
Appropriation of 2007 results	–	–	–	41,583	(41,583)	–
30 June 2008	1,750	36,226	6,349	316,609	55,107	416,041
1 January 2009	1,750	36,226	5,824	316,609	(41,163)	319,246
Change in effective portion unrealised fair value						
change of cash flow hedge derivatives	–	–	(5,486)	–	–	(5,487)
Net income recognised directly in equity	–	–	(5,486)	–	–	(5,487)
Net income 2009	–	–	–	–	(7,177)	(7,177)
Total income and expenses recognised in the period	–	–	(5,486)	–	(7,177)	(12,665)
Appropriation of 2008 results	–	–	–	(41,163)	(41,163)	–
30 June 2009	1,750	36,226	338	275,446	(7,177)	306,583

[1] Accounting principles and policies

BMW Finance N.V. (the "Company") was incorporated in The Netherlands and is a wholly owned subsidiary of BMW Holding B.V. who in turn is a wholly owned subsidiary of Bayerische Motoren Werke Aktiengesellschaft ("BMW AG"). The statutory seat of BMW Finance N.V. is The Hague. The Company was registered in the Commercial Register at 14 June 1983, number 27.106.340. The Company's purpose is to assist the financing of the activities conducted by companies of the BMW Group and its affiliates ("BMW Group companies") and to provide services in connection therewith. During the year the Company employed 6 persons. The Company has no Supervisory Board.

Statement of compliance

The financial statements of BMW Finance N.V. have been prepared in accordance with Dutch law and are in compliance with the International Financial Reporting Standards (IFRS) as endorsed by the European Union and issued by the International Accounting Standards Board (IASB) and valid at the balance sheet date. All interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly the Standing Interpretations Committee (SIC), were also applied.

A number of new standards, amendments to standards and interpretations is not yet effective for the half year ended 30 June 2009, and has not been applied in preparing these consolidated financial statements:

- Revised IAS 1 Presentation of Financial Statements (2007) introduces the term total comprehensive income, which represents changes in equity during a period other than those changes resulting from transactions with owners in their capacity as owners. Total comprehensive income may be presented in either a single statement of comprehensive income (effectively combining both the income statement and all non-owner changes in equity in a single statement), or in an income statement and a separate statement of comprehensive income. The statement of changes in equity already includes the total comprehensive income for the period to be presented under IAS 1 (revised).
- Amended IAS 27 Consolidated and Separate Financial Statements (2008) requires accounting for changes in ownership interests by a parent in its subsidiary, while maintaining control, to be recognised as an equity transaction with equity holders in their capacity as equity holders. The

amendments to IAS 27, which become mandatory for the Group's 2010 consolidated financial statements, are not expected to have a significant impact on the consolidated financial statements.

Solvency

Given the objectives of the Company, the Company is economically interrelated with the ultimate holding company, BMW AG, Germany. In assessing the solvency and general risk profile of the Company, the solvency of the BMW AG as a whole needs to be considered.

Basis of preparation

The financial year contains the period from 1 January to 31 December. The financial statements are presented in euro, rounded to the nearest thousand. They are prepared on the historical cost basis except the following assets and liabilities which are stated at their fair value: derivative financial instruments; the following assets and liabilities are stated at amortised cost: receivables, debt securities and other non-derivative liabilities. Recognised assets and liabilities that are part of fair value hedge relationships are stated at fair value in respect of the risk that is hedged. The changes in the fair values of these assets and liabilities are reported in the income statement.

Consolidation principles

The equity of subsidiaries is consolidated in accordance with IFRS 3 (Business Combinations). This standard however does not apply to business combinations under common control. For these acquisitions, the identifiable assets and liabilities acquired are measured initially at the same value as the carrying amount of the previous owner insofar these are based on IFRS. The excess of the Company's interest in the net fair value of the identifiable assets and liabilities acquired over cost is recognised as goodwill and is subjected to a regular review for possible impairment. In case of a deficit, the difference is recognised in income in the year of acquisition. Receivables, liabilities, provisions, income and expenses and profits between consolidated companies (inter-group profits) are eliminated on consolidation.

Investments in other companies are accounted for using the equity method, when significant influence can be exercised (IAS 28 Accounting for Investments in Associates). This is normally the case when voting rights of between 20% and 50% are held (associated companies). Under the equity method, investments are measured at the group's

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share of equity taking account of fair value adjustments on acquisition, based on the group's shareholding. Any difference between the cost of investment and the group's share of equity is accounted for in accordance with the purchase method.

Use of estimates

The preparation of the financial statements in accordance with IFRS requires management to make certain assumptions and estimates that affects the reported amounts of assets and liabilities, revenues and expenses and contingent liabilities. The assumptions and estimates relate principally to the group-wide determination of economic useful lives, the recognition and measurement of provisions and the recoverability of future tax benefits. Actual amounts could in certain cases differ from those assumptions and estimates. Where new information comes to light, differences are reflected in the income statement.

Due to the current financial market conditions, the estimates contained in this document concerning the operations, economic performance and financial condition of BMW Finance N.V. is subject to known and unknown risks, uncertainties and contingencies, many of which are beyond the control of the management of BMW Finance N.V., which may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Also, the estimates are based upon management's estimates of fair values

and of future costs, using currently available information. Factors that could cause differences include, but are not limited to:

- risks of economic slowdown, downturn or recession, especially in the EURO zone,
- risks inherent in changes in market interest rates and quality spreads, especially in an environment of unpredictable financial market conditions,
- lending conditions to companies turning to the worse, thereby increasing the cost of borrowing,
- changes in funding markets, including commercial paper and term debt,
- uncertainties associated with risk management, including credit, prepayment, asset/liability, interest rate and currency risks,
- changes in laws or regulations governing our business and operations, and
- changes in competitive factors.

Foreign currency

Transactions in foreign currencies are recorded at the rates of exchange prevailing at the dates of the individual transactions. At the end of the accounting period the unsettled balances on foreign currency receivables and liabilities are valued at the rates of exchange prevailing at the half year-end. Exchange rate differences arising on translation are recognised in the income statement.

The exchange rates of the major currencies have moved against the euro as follows:

	Closing rate		Average rate	
	30.06.2009	31.12.2008	2009	2008
USD	1.4033	1.3979	1.3340	1,5311
JPY	135.1939	126.7410	127.4753	160.5127
CHF	1.5255	1.4871	1.5056	1.6059
GBP	0.8520	0.9517	0.8948	0.7755
SKK	30.1260	30.1380	30.1260	32.2291

Financial instruments

Receivables from BMW Group companies, liabilities and receivables due to BMW Group companies, debt securities and other non-derivative liabilities classified as "other liabilities" are recognised at amortised cost. If hedge accounting is applied, subsequent to initial recognition the hedged risks of the financial instruments are stated at fair value.

The Company uses derivative financial instruments to hedge its exposure to foreign exchange

and interest rate risks arising from operational, financing and investment activities. In accordance with its treasury policy, the Company does not hold or issue derivative financial instruments for trading purposes. Derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are recognised initially at cost. Subsequent to initial recognition, derivative financial instruments are stated at fair value.

Financial instruments are classified as current (less than one year) or non-current (more than one year) based on their expected maturity date, unless, based on contractual agreements, the settlement of the financial instrument can be demanded by a counterparty. In this case, the instrument is classified as current as soon as this contractual right becomes due within one year.

All financial instruments are recorded on the settlement date, which is the date that the asset is delivered to the Company.

Fair valuing principles

Interest rate and currency swaps

Interest rate and currency swaps are valued by using discounted cash flow models. This method implements the discounting of future cash flows using yield curves of the cash flows' currency and relevant credit spreads. The changes in the fair values of these contracts are reported in the income statement. Fair value changes arising on cash flow hedges, to the extent that they are effective, are recognised directly in equity.

Forward foreign exchange contracts

Forward foreign exchange contracts are valued with the forward exchange rate. Changes in fair value are calculated by comparing this with the original amount calculated by using the contract forward rate prevailing at the beginning of the contract. Changes in the fair value on these instruments are reported in the income statement except to the extent that they qualify for cash flow hedge accounting.

Forward rate agreements

Fair values of forward rate agreements are calculated based on quoted market rates at the balance sheet date. Changes in the fair value on these instruments are reported in the income statement.

Equity derivatives

Fair values of cash settled equity derivatives are calculated by revaluing the contract at year-end quoted market rates. Changes in the fair value on these instruments are reported in the income statement.

Embedded derivatives

Embedded derivatives are identified and monitored and fair valued at the balance sheet date. In assessing the fair value of embedded derivatives the Com-

pany uses an external convertible pricing model, and makes assumptions that are based on market conditions existing at balance sheet date. The changes in the fair values of these contracts are reported in the income statement.

Hedge accounting

In those cases where hedge accounting is applied, effectiveness is periodically tested and changes in fair value are recognised either in income or directly in equity under hedging reserve, depending on whether the transactions are classified as fair value hedges or cash flow hedges. If, contrary to the normal practice within the Company, hedge accounting cannot be applied, the gains or losses from the fair value measurement of derivative financial instruments are recognised immediately in the line Net balance of fair value measurement of financial instruments of the income statement.

Fair value hedges

In the case of fair value hedges, the results of the fair value measurement of derivative financial instruments and the related hedged items are recognised in the line Net balance of fair value measurement of financial instruments of the income statement.

Cash flow hedges

In case of cash flow hedges, the unrealised changes in the fair value are recognised directly in equity (hedging reserve). The ineffective portion of the gains or losses from the fair value measurement is recognised immediately in the line Net balance of fair value measurement of financial instruments of the income statement. For foreign exchange forwards qualifying for cash flow hedge accounting the change in fair value is deferred in shareholders' equity to the extent that the hedge is effective. Accumulated fair value changes from qualifying hedges are released from shareholders' equity into the line Net balance of fair value measurement of financial instruments of the income statement, in the period when the hedged cash flow affects the income statement.

If the hedged cash flow is no longer expected to take place, all deferred gains or losses are released into the line Net balance of fair value measurement of financial instruments of the income statement immediately. If the hedged cash flow ceases to be highly probable, but is still expected to take place, accumulated gains and losses remain in equity until the hedged cash flow affects the income statement.

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Related party transactions

The transactions of the Company comprise mainly transactions with related parties (BMW Group companies) and are in principle priced on an "at arm's length" basis. An exemption to this standard may be applied for transfer of shares within the BMW Group. With the exception of these related party transactions, the Company did not enter into any contracts with members of the Board of Management or with other key management personnel in the BMW Group or with companies in whose representative bodies those persons are represented. The same applies to close members of the families of those persons.

Equity investments

The equity investments in which the Company has no significant influence are carried:

- At fair value when a quoted market price in an active market is available or when fair value can be estimated reliably using a valuation technique. Unrealized gains or losses are reported in the available for sale reserve net of applicable income taxes until such investments are sold, collected or otherwise disposed of, or until such investment is determined to be impaired. Foreign exchange differences are reported as part of the fair value change in shareholders' equity. On disposal of the available for sale investment, the accumulated unrealized gain or loss included in shareholders' equity is transferred to profit or loss.
- At cost or lower recoverable amount if the fair value cannot be estimated reliably. In line with IAS 39, the fair value of equity investments that do not have a quoted market price in an active market is only reliably measurable if:
 - the variability in the range of reasonable fair value estimates is not significant for that instrument; or
 - the probabilities of the various estimates within the range can be reasonably assessed and used in estimating the fair value.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Guarantees

The amended IAS 39 Financial Instruments: Recognition and Measurement requires certain financial guarantee contracts to be accounted initially at their fair value, and subsequently measured at the higher of:

- The amount of the obligation under the contract,

as determined in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets; and

- The amount initially recognized less, where appropriate, cumulative amortization recognized in accordance with the revenue recognition policies as set out in Interest income and Fee and commission income. These fees are recognized as revenue on an accrual basis over the commitment period.

Revenue recognition

Interest revenues are recognised on a time proportion basis and take into account the effective yield on an asset. Income from investments has been included in the accounts of the Company to the extent of dividends declared.

Cost recognition

Miscellaneous income and expenses, interest expense and similar expenses are accounted for in the period to which they relate.

Impairment

The carrying amounts of the Company's assets, other than deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. The Company's assets mainly consist of receivables from BMW Group companies and subsidiaries. If any indication to impairment exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Since the Company's (current and non-current) receivables mainly consist of balances due from companies of the BMW Group, valuation/collectibility of these receivables depends upon the financial position and credit worthiness of the involved companies and of the BMW Group as a whole.

Taxes

Income tax on the net income for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly to equity, in which case income tax is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

In accordance with IAS 12, deferred tax assets and liabilities are recognised on all temporary differences between the fiscal valuation of assets and liabilities and their respective book values. Deferred tax assets also include claims to future tax reductions that arise from the expected usage of existing tax loss carry forwards. Deferred taxes are computed using tax rates already enacted or expected to apply.

Dividends

Dividends proposed by the Board of Directors are not recorded in the financial statements until the Annual General Meeting of Shareholders has approved the proposal.

Euro cash pool

The form of the Euro cash pool is zero-balancing

where all account balances are automatically transferred to one control account held by the Company. Funds moving into this account create inter-company loans between the Company and the Euro cash pool participants.

Geographical segments

In accordance with IFRS 8, the Company presents segment information. Segment information is presented in respect of the Company's business and geographical segments. Due to the fact that the Company's activities consist only of financing activities, the geographical segment is considered to be the primary format. The clients of the Company are based all over the world. The tables below provide an overview of dividends, interest income and interest expense per geographical segment.

[2] Dividends

in euro thousand	1 January to 30 June 2009	1 January to 30 June 2008
Rest of World	–	30,000
Total	–	33,929

Interest income

in euro thousand	1 January to 30 June 2009	1 January to 30 June 2008
The Netherlands	32,625	43,724
Rest of Europe	359,944	327,657
USA	2,678	–
Asia	146	–
Africa	18,215	14,702
Rest of the world	8,862	–
Total	422,470	386,083

Interest expense

in euro thousand	1 January to 30 June 2009	1 January to 30 June 2008
The Netherlands	301	5,251
Rest of Europe	435,930	392,836
USA	80	–
Rest of World	221	–
Total	436,532	398,087

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[3] Net balance of other financial income and expenses

The item comprises a profit of euro 5.0 million (2008: euro 1.8 million) due to exchange rate

differences related mainly to liabilities Japanese Yen.

[4] Net balance of fair value measurement of financial instruments income & expenses

in euro thousand	1 January to 30 June 2009	1 January to 30 June 2008
Currency options BMW Group companies	(6,640)	(205)
Other	4,404	53,415
Total	(2,236)	53,210

BMW AG guarantees the currency risk related to the JPY 15.0 billion debt security until maturity. This agreement has been recognised as a currency option

and therefore valued at fair value. The security rate is fixed at EUR/JPY 121.88 and will mature in 2009.

[5] Miscellaneous income & expenses

in euro thousand	1 January to 30 June 2009	1 January to 30 June 2008
Salaries & social security charges	(466)	(258)
Pension premiums	(12)	(22)
Advisory	(129)	(86)
Other miscellaneous income & expenses	342	(16)
Total	(265)	(382)

[6] **Taxes**

Income taxes comprise the following:

in euro thousand	1 January to 30 June 2009	1 January to 30 June 2008
Current tax expense	5,709	(6,435)
Deferred tax expense attributable to temporary differences	(1,362)	(11,050)
Total tax income/(expense) in income statement	4,347	(17,485)

[7] **Remuneration of Board of Directors**

In 2008, the remuneration of the Board of Directors amounted euro 0.1 million (2007: euro 0.1 million).

[8] **Equity investments**

The following table shows the Company's equity investments in the Group's subsidiaries and associates:

Name	Country of incorporation	Proportion of issued capital held	30.06.2009	31.12.2008
Silent partnership with BMW Holding B.V.	Spain	28%	55,355	55,355

In December 2004 BMW España Finance S.L. (managing partner) and BMW Holding B.V. (silent partner) entered into a silent partnership agreement according to Spanish law ("Contrato de Cuentas en Participación" ("CCP")). The net income/loss will be shared between the partners based on their contribution, meaning that the Company will receive 28% of results.

Based on the silent partnership agreement the Company has no significant influence over their

share in the equity investments included in the CCP. The investments are therefore accounted for as equity investments under IAS 39.

In 2005 BMW Holding B.V. contributed in kind its subsidiary BMW España Finance S.L. in BMW Finance N.V. for euro 28.4 million, being the book value. The investments in the BMW Group companies included in the CCP are not consolidated in the balance sheet of BMW Finance N.V. as the Company has no control over the CCP.

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[9] Receivables from BMW Group companies

in euro thousand	Maturity within one year	Maturity between one and five years	Maturity later than five years	Total
30.06.2009	12,839,564	6,529,504	709,165	20,078,233
31.12.2008	11,197,335	6,692,760	744,393	18,634,488

Receivables from Parent (BMW Holding B.V.)

	Outstanding		Weighted average maturity period (in years)		Weighted average effective interest rates (in %)	
in euro thousand	30.06.2009	31.12.2008	30.06.2009	31.12.2008	30.06.2009	31.12.2008
Current receivables	325,000	325,000	0.08	0.08	2.61	3.48
Non current receivables	1,075,000	1,075,000	3.80	1.08	3.48	3.48

[10] Other receivables and miscellaneous assets

in euro thousand	30.06.2009	31.12.2008
Interest receivables Third parties	250,092	265,024
Other receivables	1	17
Total	250,093	265,041

[11] Cash and cash equivalents

Cash and cash equivalents include the items as stated below, all with maturity less than three months.

in euro thousand	Currency	30.06.2009	31.12.2008
Bank balances	EUR	25,480	159,045
Call deposits	EUR	–	35,000
Total		25,480	194,045

[12] **Deferred taxes**

Deferred tax assets and liabilities were attributable to the following balance sheet items:

in euro thousand	30.06.2009	31.12.2008
Derivatives – assets	(86,422)	(67,190)
Debt securities in a hedge relationship	92,539	78,607
Derivatives – liabilities	12,173	6,356
Net asset/(liability)	18,290	17,773

Deferred taxes recognised directly against equity amount to euro 0.1 million (2008: euro 2.0 million)

[13] **Issued capital**

Authorised share capital consists of 5,000 ordinary shares of euro 500 each of which 3,500 shares have been called up and fully paid-in. The holders of ordinary shares are entitled to execute the rights

under the Netherlands Civil Code without any restrictions. In comparison with the half year 2008, there were no changes in these figures. The Company generated a loss per share of euro 2,051 (half year 2009 profit: euro 15,745).

[14] **Share premium reserve**

The share premium reserve comprises additional paid-in capital on the issue of the shares.

In 2005 the Company acquired by means of a contribution in kind BMW España Finance S.L. from the shareholder, BMW Holding B.V.

[15] **Hedging reserve**

At 30 June 2009, the amount of the fair value measurement of financial instruments recognised directly in equity amounted to euro 0.5 million

(2008: euro 7.8 million) net of deferred taxes. The hedging reserve as at 30 June 2009 is related to cash flow hedges.

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[16] Debt securities

The following debt securities are part of a hedge relationship have either variable or fixed interest rates:

Security	Maturity	Issue volume in relevant currency (thousand)	Issue currency	Interest	Interest rate as of 30.06.2008	Type of hedge relation
EMTN	2009	61,000	USD	FLOAT	1.14	Fair value hedge
EMTN	2009	400,000	EUR	FIX	3.00	Fair value hedge
EMTN	2009	700,000	SEK	FIX	4.56	Fair value hedge
EMTN	2009	7,000,000	JPY	FIX	0.46	Fair value hedge
EMTN	2010	325,000	EUR	FIX	5.38	Fair value hedge
EMTN	2010	768,000	SKK	FLOAT	4.46	Fair value hedge
EMTN	2010	10,000,000	JPY	FLOAT	0.87	Fair value hedge
EMTN	2011	50,000	USD	FLOAT	1.66	Fair value hedge
EMTN	2011	150,000	USD	FIX	5.00	Cash flow hedge
EMTN	2011	200,000	USD	FIX	5.00	Fair value hedge
EMTN	2011	300,000	USD	FIX	5.00	Fair value hedge
EMTN	2011	300,000	USD	FIX	4.50	Fair value hedge
EMTN	2011	750,000	EUR	FIX	3.88	Fair value hedge
EMTN	2011	1,000,000	SEK	FIX	4.95	Fair value hedge
EMTN	2012	43,500	RON	FIX	11.35	Fair value hedge
EMTN	2012	250,000	EUR	FIX	4.13	Fair value hedge
EMTN	2012	300,000	USD	FIX	5.25	Fair value hedge
EMTN	2012	750,000	EUR	FIX	4.13	Fair value hedge
EMTN	2012	1,000,000	EUR	FIX	4.88	Fair value hedge
EMTN	2013	300,000	GBP	FIX	5.25	Fair value hedge
Security	2013	367,500	EUR	FIX	4.95	Fair value hedge
EMTN	2013	450,000	NOK	FIX	5.82	Fair value hedge
EMTN	2014	400,000	EUR	FIX	4.25	Fair value hedge
EMTN	2014	1,000,000	EUR	FIX	4.25	Fair value hedge
EMTN	2018	750,000	EUR	FIX	5.00	Fair value hedge

The following debt securities at amortised cost have either variable or fixed interest rates:

Security	Maturity	Issue volume in relevant currency (thousand)	Issue currency	Interest	Interest rate as of 30.06.2008	Type of hedge relation
EMTN	2009	25,000	EUR	FLOAT	1.70	None
EMTN	2009	50,000	EUR	FLOAT	1.66	None
EMTN	2009	50,000	EUR	FLOAT	4.25	None
EMTN	2009	53,000	EUR	FIX	5.52	None
EMTN	2009	150,000	EUR	FIX	5.50	None
EMTN	2009	150,000	EUR	FIX	5.50	None
EMTN	2009	250,000	EUR	FLOAT	1.64	None
EMTN	2009	360,000	EUR	FLOAT	1.73	None
EMTN	2009	15,000,000	JPY	FIX	5.13	None
EMTN	2010	15,000	EUR	FIX	3.60	None
EMTN	2010	32,000	EUR	FLOAT	2.45	None
EMTN	2010	150,000	EUR	FLOAT	2.78	None
EMTN	2010	150,000	EUR	FIX	3.00	None
EMTN	2010	175,000	EUR	FIX	3.10	None
EMTN	2010	215,000	EUR	FIX	3.60	None
EMTN	2010	250,000	EUR	FIX	–	None
EMTN	2010	400,000	EUR	FIX	4.63	None
EMTN	2011	11,500	EUR	FLOAT	2.31	None
EMTN	2011	150,000	EUR	FIX	3.75	None
EMTN	2011	158,500	EUR	FLOAT	2.31	None
EMTN	2011	275,000	EUR	FLOAT	2.05	None
EMTN	2011	600,000	EUR	FIX	5.25	None
Security	2012	145,646	EUR	FIX	7.13	None
Security	2012	15,000	EUR	FIX	6.00	None
Security	2012	20,000	EUR	FIX	6.02	None
Security	2012	35,000	EUR	FLOAT	5.26	None
EMTN	2012	111,828	EUR	FIX	4.95	None
EMTN	2012	1,250,000	EUR	FIX	6.13	None
EMTN	2013	500,000	EUR	FIX	8.88	None
EMTN	2013	750,000	EUR	FIX	8.88	None
Security	2013	985,500	EUR	FLOAT	2.16	None
Security	2014	25,000	EUR	FIX	6.13	None
Security	2014	42,000	EUR	FIX	6.13	None
Security	2017	102,179	EUR	FIX	7.25	None
Security	2018	150,000	EUR	FIX	5.85	None

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BMW AG unconditionally and irrevocably guarantees all debt securities of the Company, including debt securities issued under the EMTN Programme. BMW AG guarantees the currency risk related to the JPY 15.0 billion debt security until maturity. This agreement has been recognised as a currency option and therefore valued at fair value. The security rate is fixed at EUR/JPY 121.88.

The EMTN Programme of a total of euro 30.0 billion has been used in several currencies by the Company in the equivalent of euro 4.3 billion (2008: euro 4.3 billion). Further issuers are BMW AG, BMW US Capital, LLC, BMW Coordination Center V.O.F., BMW Australia Finance Limited, BMW (UK) Capital plc and BMW Japan Finance Corp. Furthermore the Company participates in the euro 5.0 billion

Multi-Currency Commercial Paper Programme established by BMW AG. BMW Finance N.V., BMW UK Capital, and BMW Coordination Center support flexible and broad access to capital markets. Since May 2006, the Company acts as an issuer under the euro 2.0 billion French Commercial Paper (Billets de Trésorerie) Programme established by the Company. Debt issuances under these programmes have unconditional and irrevocable guarantees from BMW AG.

The outstanding balances with respect to the commercial paper programs at year-end are fully related to the euro 5.0 Multi-Currency Commercial Paper Program. The average maturity and interest rates are presented in the table below:

in euro thousand	Outstanding		Weighted average maturity period (in years)		Weighted average effective interest rates (in %)	
	2009	2008	2009	2008	2009	2008
Total	1,589,317	1,874,484	0.11	0.11	1.61	4.39

[17] Loans due to banks

These loans bear an approximate average interest rate on half year 2009 of 1.88% (2008: euro 5.35%).

[18] Other liabilities

in euro thousand	30.06.2009	31.12.2008
Accrued interest Third Parties	445,127	476,511
Other liabilities	2,726	160
Total	447,853	476,671

[19] **Financial Instruments**

The carrying amounts and fair values of financial instruments are analyzed below by IAS 39 category, the derivatives that are part of a hedge relationship are recorded in the respective hedge accounting category:

30 June 2009 in euro thousand	Loans and receivables	Other Liabilities	Held for trading	Cash flow hedges	Fair value hedges	Total
Assets						
Financial assets						
Derivative instruments			80,949	–	347,026	427,975
Loans to third parties	250,092					250,092
Cash and Cash equivalents	25,480					25,480
Other assets						
Receivables from BMW Group companies	20,078,233					20,078,233
Total financial assets	20,353,805		80,949	–	347,026	20,78,780
Liabilities						
Financial liabilities						
Bonds	15,842,213					15,842,213
Liabilities to banks	1,700,000					1,700,000
Commercial paper	1,589,317					1,589,317
Derivative instruments			125,296	36,218	109,875	271,389
Other liabilities						
Liabilities to BMW Group companies	704,376					704,376
Other	447,103					447,103
Total financial liabilities	20,283,009		125,296	36,218	109,875	20,554,398

31 December 2008 in euro thousand	Loans and receivables	Other Liabilities	Held for trading	Cash flow hedges	Fair value hedges	Total
Assets						
Financial assets						
Derivative instruments			165,301	72	374,073	539,446
Loans to third parties	265,041					265,041
Cash and Cash equivalents	194,045					194,045
Other assets						
Receivables from BMW Group companies	18,634,488					18,634,488
Total financial assets	19,093,574		165,301	72	374,043	19,663,020
Liabilities						
Financial liabilities						
Bonds	13,215,906					13,215,906
Liabilities to banks	1,300,000					1,300,000
Commercial paper	1,874,484					1,874,484
Derivative instruments			98,744	38,350	133,607	270,701
Other liabilities						
Liabilities to BMW Group companies	2,258,531					2,258,531
Other	476,671					476,671
Total financial liabilities	19,125,592		98,744	38,350	133,607	19,396,293

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Cash flow hedges

The effect of cash flow hedges on equity was as follows:

in euro thousand	30.06.2009	31.12.2008
Balance at 1 January	7,818	9,552
Total changes during the period under report	(7,365)	(1,734)
Balance at end of period	453	7,818
Deferred taxation on cash flow hedge derivatives	(116)	(1,994)
Net unrealised fair value of cash flow hedge derivatives recognised in equity	338	5,824

During the period under report, no expense was recognised in the income statement to reflect the ineffective portion of cash flow hedges. Any fair value effects within equity are expected to be offset by future cash flows. At 30 June 2009, the company

held derivative instruments with terms of up to 91 months (2008: 66 months) to hedge currency risk and interest rate risk attached to future cash flows of bonds and other financial liabilities.

[20] Risk management

The exposure of the Company can be broken down into two main categories: financial and non-financial risks.

Financial Risks

The formal procedures and policies operated by the Company to cover banking, foreign exchange and other treasury matters are consistent with objectives and policies for financial risk management within the BMW Group. The Company's policy is not to take positions in derivative financial instruments with the aim of profit realisation. Financial risks arise mainly from credit risk, liquidity risk, and market risk.

Credit Risk

Credit risk result from the risk of default of internal or external counterparties. The amount recognised in the balance sheet of the Company for financial assets is, ignoring any collateral received, the maximum credit risk in the case that counterparties are unable to fulfil their contractual obligations. In the case of derivative financial instruments, the Company is also exposed to credit risk, which results from the non-performance of contractual agreement on the part of the counterparty. This credit risk is mitigated by entering into such contracts only with parties of first-class credit standing. Furthermore, the Company participates in a BMW Group wide limit system that continually assesses and limits the credit exposure to any single external counterparty.

All receivables from BMW Group companies are guaranteed by BMW AG when the losses on these receivables exceed Euro 2 million. As a result, impairment of intergroup receivables is substantially mitigated. The guarantee fee incurred by the Company has been recorded in the interest expense.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial liabilities when they come due, at reasonable costs and in a timely manner. As a result, the Company's borrowing capacity may be influenced and its financing costs may fluctuate. The cash and short-term deposits as well as the Multi Currency Revolving Credit Facility of the BMW Group mitigate the liquidity risk for the Company. Furthermore, the Company uses uncommitted credit lines with banks and bank loans to cover liquidity needs. The diversification of debt instruments for debt financing reflects the successful financial strategy of the BMW Group. BMW AG unconditionally and irrevocably guarantees all debt securities issued under the EMTN Programmes.

Capital management

In accordance with BMW Group's target debt structure, the Company maintains a solid target debt policy. Furthermore the Company has no prescribed dividend policy.

Market risk

The Company is exposed to market risk, which comprises interest rate risk and currency risk.

Interest rate risk

Interest rate risk refers to potential changes of value in financial assets, liabilities or derivatives in response to fluctuations in interest rates. The Company holds a substantial volume of interest rate sensitive financial assets, liabilities and derivatives for operational, financial and investment activities. Changes in interest rates can have adverse effects on the financial position and operating result of the Company. In order to mitigate the impact of interest rate risk the Company aims in general to change fixed to floating interest rates. Furthermore, the Company continually assesses its exposure to this risk by using gap analysis, value at risk analysis, and duration analysis. Interest rate risk is managed through natural hedges and hedged through the use of derivative financial instruments, such as interest rate swaps. To manage the maturity gaps appropriate interest rate derivatives are used.

Currency risk

Currency risk or exchange rate risk refers to potential changes of value in financial assets, liabilities or derivatives in response to fluctuations in exchange rates. Changes in exchange rates can have adverse effects on the financial position and operating result of the Company. In order to mitigate the impact of

currency risk arising from operational, financial and investment activities, the Company continually assesses its exposure to this risk. Currency risk is managed and hedged through the use of derivative instruments, such as forward contracts, options and cross currency swaps. For strategic reasons, the Company has minor unhedged foreign currency debt positions. These positions are responsible for the exchange rate result displayed in the profit and loss account as explained in Note 3 and Note 4.

Non-Financial Risks

Operating Risks

Non financial risks could arise from operating risks. Risks mainly result from the use of computer systems and information technology. The Company uses computer systems to monitor financial positions and daily cash flows and to process payments to internal and external counterparties. System failures can, therefore, lead to delays in payment processes. Further operating risks can arise in connection with the settlement of financial transactions. The management of daily cash flows at the Company depends on the timely receipt of funds from external institutions who act as counterparties to financial transactions, such as bonds, swaps or other derivative financial instruments. To avoid negative impacts of system failures, all key systems are set up in parallel and / or backup facilities or available within the BMW Group.

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[21] **Cash Flow**

The Cash Flow Statement shows how the cash and cash equivalents of the Company have changed in the course of the year as a result of cash inflows and cash outflows. In accordance with IAS 7, cash flows are classified into cash flows from operating, investing and financing activities.

The Company’s purpose is to assist the financing of the activities conducted by companies of the BMW Group. This assistance is considered to be an operating activity for the Company. Movements

related to debt securities, loans due to banks and liabilities to BMW Group companies are considered to be operating activities. The cash flow from operating activities is computed using the indirect method, starting from the net income of the Company. Under this method, changes in assets and liabilities relating to operating activities are adjusted for currency translation effects. The cash flows from investing and financing activities are based on actual payments and receipts.

The cash flow from interest received/paid in the respective period under review:

in euro thousand	1 January to 30 June 2009	1 January to 30 June 2008
Interest received	476,625	404,641
Interest paid	437,448	441,458

[22] **Related parties**

BMW Finance N.V. and consolidated group companies enter into related party transactions on a regular basis. The related parties primarily include BMW

Group companies. The terms of these transactions are in principle “at arm’s length”. The relevant transactions and resulting positions are clearly identified in the financial statements and the notes thereto.

in euro thousand	Notes	1 January to 30 June 2009	1 January to 30 June 2008
Interest income BMW Group companies		342,585	371,320
Interest income Third parties		76,824	12,068
Interest income		419,409	383,388
Interest expense BMW Group companies		(11,522)	(104,116)
Interest expense Third parties		(426,178)	(273,438)
Interest expense		(437,700)	(377,554)
Interest margin		(18,291)	5,834
Net balance of other financial income and expenses	[3]	6,724	1,768
Net balance of fair value measurement of financial instruments	[4]	(2,061)	53,758
Financial income		(13,628)	61,360
Miscellaneous income & expenses	[24]	(22)	(437)
Income before taxation		(13,650)	60,923
Taxes	[25]	3,481	(15,536)
Net income		(10,169)	45,387

BMW Finance N.V.
Interim Balance Sheet
(Before appropriation of result)

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Assets	Notes	30.06.2009	31.12.2008
in euro thousand			
Investments in subsidiaries	[26]	86,808	86,808
Receivables from BMW Group companies	[27]	7,238,669	7,437,153
Deferred tax asset		19,229	18,712
Derivative assets	[19]	389,127	372,567
Non-current assets		7,733,833	7,915,240
Receivables from BMW Group companies	[27]	12,744,362	11,114,580
Income tax receivables		3,599	412
Derivative assets	[19]	39,129	166,879
Other receivables and miscellaneous assets	[28]	240,753	265,024
Cash and cash equivalents	[29]	25,458	193,874
Current assets		13,053,301	11,740,769
Total assets		20,787,134	19,656,009

Equity and liabilities in euro thousand	Notes	30.06.2009	31.12.2008
Issued capital	[13]	1,750	1,750
Share premium reserve	[14]	36,226	36,226
Hedging reserves	[15]	338	5,824
Retained earnings		113,719	178,154
Undistributed income		(10,169)	(64,435)
Equity		141,864	157,519
Debt securities	[16]	13,037,308	9,600,937
Loans due to banks	[17]	1,700,000	1,300,000
Liabilities due to BMW Group companies	[30]	35	36
Derivative liabilities	[19]	213,557	245,295
Income tax liability		–	1,558
Non-current liabilities		14,950,900	11,147,826
Debt securities	[16]	4,394,222	5,489,453
Loans due to banks	[17]	–	–
Liabilities due to BMW Group companies	[30]	793,537	2,350,210
Derivative liabilities	[19]	58,807	34,405
Other liabilities	[31]	447,804	476,596
Current liabilities		5,694,370	8,350,664
Total equity and liabilities		20,787,134	19,656,009

BMW Finance N.V.

Cash Flow Statement

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in euro thousand	30.06.2009	30.06.2008
Net income for the first half year	(10,169)	45,387
Adjustments for non-cash items		
Amortization financial instruments	-	4,547
Unrealised foreign exchange losses/(gains)	(6,724)	1,768
Fair value measurement losses/(gains)	(3,425)	53,758
Current and non current tax	(5,262)	14,671
Other non cash items	-	(767)
Changes in operating assets and liabilities		
Receivables from BMW Group companies	(1,431,298)	(5,251,171)
Liabilities to BMW Group companies	(1,556,674)	1,814,908
Derivative assets	110,503	(126,561)
Derivative liabilities	(8,023)	158,553
Debt securities	2,347,177	2,785,795
Loans due to banks	400,000	394,766
Receivables and other assets	24,271	(141)
Other liabilities	(28,792)	9,179
Income tax paid	-	619
Cash flow from operating activities	(168,416)	(94,689)
Cash flow from investing activities	-	-
Cash flow from financing activities	-	-
Net increase/decrease in cash and cash equivalents	(168,416)	(94,689)
Cash and cash equivalents at January 1	193,874	204,142
Cash and cash equivalents at June 30	25,458	109,453

See Note 21 of the Notes to the Financial Statements.

BMW Finance N.V.
Interim Statement of Changes in Equity
(Before appropriation of result)

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in euro thousand	Issued capital	Share premium reserve	Hedging reserve	Retained earnings	Undis- tributed income	Total
1 January 2008	1,750	36,226	7,116	182,324	(4,170)	223,246
Change in effective portion unrealised fair value						
change of cash flow hedge derivatives	–	–	(767)	–	–	(767)
Net income recognised directly in equity	–	–	(767)	–	–	(767)
Net income 2008	–	–	–	–	45,387	45,387
Total income and expenses recognised in the period	–	–	(767)	–	45,387	44,620
Appropriation of 2007 results	–	–	–	(4,170)	4,170	–
30 June 2008	1,750	36,226	6,349	178,154	45,387	267,866
1 January 2009	1,750	36,226	5,824	178,154	(64,435)	157,519
Change in effective portion unrealised fair value						
change of cash flow hedge derivatives	–	–	(5,486)	–	–	(5,486)
Net income recognised directly in equity	–	–	(5,486)	–	–	(5,486)
Net income 2009	–	–	–	–	10,169	10,169
Total income and expenses recognised in the period	–	–	(5,486)	–	(10,169)	(15,655)
Appropriation of 2008 results	–	–	–	(64,435)	64,435	–
30 June 2009	1,750	36,226	338	113,719	(10,169)	141,864

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[23] Accounting principles and policies

The accounting principles of BMW Finance N.V. company's financial statements correspond with the accounting principles used in the consolidated financial statements of BMW Finance N.V. with the exception of investments.

Investments

The Company carries its investments in Group- and associated companies at historic cost less provision for any diminution in value deemed to be of a permanent nature. These provisions are determined on the following basis:

- Provisions for losses on disposal or liquidation of an investment are made when such losses can reasonably be foreseen.
- The value of the Company's investments, other than companies intended for disposal or liquidation, is assessed each year on an individual basis and any impairment loss is recognised on this basis.

Information regarding the Company's interest in the net asset value and its share in the earnings of BMW Group companies is given in Note 26.

[24] Miscellaneous income & expenses

in euro thousand	1 January to 30 June 2009	1 January to 30 June 2008
Salaries & social security charges	(292)	(251)
Pension premiums	(12)	(22)
Advisory	(122)	(78)
Other miscellaneous income & expenses	404	(86)
Total	(22)	(336)

[25] Taxes

Income taxes comprise the following:

in euro thousand	1 January to 30 June 2009	1 January to 30 June 2008
Current tax expense	4,842	(4,486)
Deferred tax expense attributable to temporary differences	(1,361)	(11,050)
Total tax income/(expense) in income statement	3,481	(15,536)

The Company, a member of the fiscal unity headed by BMW Holding B.V., is jointly and severally liable for the payment of any tax liability of the fiscal unity.

[26] **Investments in subsidiaries**

The Group has the following investments in Group and associate companies carried at cost:

In euro thousand	Country	Ownership	30.06.2009	30.06.2008
BMW Overseas Enterprises N.V.	The Netherlands	100%	58,424	58,424
BMW España Finance S.L.	Spain	100%	28,384	28,384
Balance at end of June			86,808	86,808

The Company's interest in the net asset value of the BMW Group companies amounts to approximately euro 235.0 million as at 30 June 2008, which exceeds the above-mentioned book value by approximately euro 148.2 million. This interest in the

net asset value has been calculated in accordance with the principles as applied in the aggregation of the accounts of the BMW AG Group of companies.

No changes in investments in subsidiaries occurred during the first half of 2008.

[27] **Receivables from BMW Group companies**

In euro thousand	Maturity within one year	Maturity between one and five years	Maturity later than five years	Total
30.06.2009	12,744,362	6,529,504	709,165	19,983,031
31.12.2008	11,114,580	6,692,760	744,393	18,551,733

[28] **Other receivables and miscellaneous assets**

In euro thousand	30.06.2009	31.12.2008
Interest receivables Third parties	240,753	265,024
Other receivables	–	–
Total	240,753	265,024

[29] **Cash and cash equivalents**

Cash and cash equivalents include the items as stated below, all with maturity less than three months.

In euro thousand	Currency	30.06.2009	31.12.2008
Bank balances	EUR	25,458	158,874
Call deposits	EUR	–	35,000
Total		25,458	193,874

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[30] Liabilities due to BMW Group companies

in euro thousand	Maturity within one year	Maturity between one and five years	Maturity later than five years	Total
30.06.2009	793,537	35	–	793,572
31.12.2008	2,350,210	36	–	2,350,246

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[31] Other liabilities

in euro thousand	30.06.2009	30.06.2008
Accrued interest Third Parties	445,127	476,511
Other liabilities	2,677	85
Total	447,804	476,596

The Hague, 15 August 2009

E. Ebner. von Eschenbach
Director

A.W. de Jong
Director

Dr. J. Hensel
Director

To the best of our knowledge, and in accordance with the applicable reporting principles of International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code, the Annual Report gives a true and fair view of the assets, liabilities, financial position and profit or loss of BMW Finance N.V., and

the BMW Finance N.V. Directors' Report includes a fair review of the development and performance of the business and the position of BMW Finance N.V., together with a description of the principal opportunities and risks associated with the expected development of BMW Finance N.V.

BMW Finance N.V.

E. Ebner von Eschenbach
Director

A.W. de Jong
Director

Dr. J. Hensel
Director

The Hague, 15 August 2009