



Annual press conference 2018 in Tokyo **Bosch registers double-digit growth in Japan** Connectivity drives further business development

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- ▶ Sales in Japan increased by 10 percent in 2017 to 295 billion yen
- ▶ Bosch's global sales to Japanese auto makers* grew by 11 percent in 2017
- ▶ Investments in connectivity contributed to business expansion

Tokyo – The Bosch Group, a leading global supplier of technology and services, ended its 2017 fiscal year in Japan with consolidated sales to third parties of around 295 billion yen (roughly 2.3 billion euros), thus increasing strongly by 10 percent compared to the previous year. The Mobility Solutions business sector, which accounts for a major portion of Bosch's sales in Japan, expanded steadily. In the Industrial Technology business sector, sales of inspection and packaging equipment for medical products increased. Sales of products used in drive units for industrial equipment also achieved growth supported by a recovery in business conditions in Asia. “Bosch made a giant leap forward in Japan in 2017. Sales increased twice as fast as the automobile production volume. Looking ahead, we plan to continue expanding our business by accelerating initiatives in automation, electrification, and connectivity for mobility, while outside of the mobility field we will also promote the utilization of IoT solutions”, said Klaus Meder, president and representative director of Bosch Corporation.

For 2018, Bosch forecasts sales revenue in Japan to grow by 3 to 5 percent with the steady expansion of the Mobility Solutions business. First quarter sales for 2018 have increased by more than 6 percent year on year, making a good start towards further growth for the current business year.

Business with Japanese auto makers* continued to expand steadily

In addition to steady growth of sales in Japan, Bosch's global sales to Japanese auto makers increased by 11 percent year on year. This result exceeded the three-percent increase in Japanese auto makers' global production volumes by a significant margin. This result was mainly driven by products for the powertrain and the safe driving assistance fields including driver assistance systems. Business also expanded for car navigation products and gateway computers, a

part of connectivity and a cybersecurity countermeasure that has become an urgent global priority. Sales to Japanese auto makers have grown briskly year on year at a double-digit pace since 2013, and Bosch expects growth to continue going forward. Bosch's increasing business with Japanese auto makers is also indicated by the expansion of its R&D and production capacity in the ASEAN region. Japanese auto makers hold about a 90 percent share of the ASEAN market. To support their business, Bosch opened the new Hemaraj plant in Thailand at the end of 2017 with a total investment of 80 million euros. At the new smart factory, the company develops and manufactures fuel injection products. In Vietnam, Bosch plans to further invest around 60 million euros to expand production capacity at its Dong Nai Plant for manufacturing pushbelts for continuously variable transmissions. This will also contribute to activities of Japanese auto makers.

Connected mobility: partnership with Fujitsu to sell retrofit eCall devices

Under its corporate slogan 'Invented for life', Bosch has been working to develop technologies that help people in their everyday lives. Recently, Bosch has been focusing on using the IoT to realize safe and comfortable mobility. One of the results of this is eCall, the emergency call service, which automatically calls for help when an accident happens. In the European Union (EU), eCall systems became mandatory on all newly registered vehicles from the end of March 2018 onward. In Japan, the systems are already provided in car navigation systems for certain models. Bosch offers a wide range of eCall solutions, including the Telematics eCall Plug, an aftermarket device that can be plugged into a vehicle's cigarette lighter socket to enable the use of eCall. In addition to eCall, the plug can be used to monitor the driving behaviour to enable provision of driver services such as telematics insurance with premiums determined based on driver behaviour data collected by the plug. In Japan, Bosch has made an agreement with Fujitsu Limited to jointly promote sales in the telematics eCall business. Fujitsu Limited has extensive experience in developing IT solutions, and the partnership will enable Bosch to provide eCall for swifter, more accurate emergency response services and driver behaviour monitoring widely throughout Japan using the Telematics eCall Plug.

Business expansion with IoT: solutions for Industry 4.0 and smart agriculture

Bosch is promoting use of the Internet of Things (IoT) in fields outside of mobility as well. For instance when it comes to smart manufacturing, the [Production Performance Manager \(PPM\)](#) is a solution for monitoring manufacturing equipment in real time to enable predictive maintenance. In 2017, it was adopted both in and outside of the Bosch Group. At Bosch's Tochigi plant in Japan, PPM is used to predict faults in processing equipment for the ESP automotive electronic stability control. Bosch estimates that introducing PPM can prevent

around 5.8 million yen of losses per year. PPM incorporates Bosch's accumulated expertise from the use in its own manufacturing plants. This enables Bosch to provide external customers with a system that includes not only the collection and analysis of data, but also support for utilizing the results of the analysis. Bosch has solutions that utilize its knowledge in manufacturing connectivity, accumulated in-house over many years. Looking ahead, Bosch will focus even more on selling these solutions externally.

Another example for Bosch's expansion with the IoT business in Japan is the [Plantect](#) disease prediction service for greenhouse growers which was introduced in 2017 as a smart agriculture solution. Since its launch in August last year, its market share has increased and Bosch has now shipped approximately 2,000 devices including sensors and gateway in total. Bosch has been steadily implementing steps aiming to provide support for around 10% of greenhouse growers in Japan by 2020. In 2019, Bosch will add disease prediction services for strawberries and cucumbers to the existing service for tomatoes. Increasing the range of target crops is expected to help expand Plantect's market share.

Bosch Group: Global strategy and business outlook for 2018

Bosch is aiming for further growth in 2018, despite the difficult economic climate. After achieving record results in 2017, and in light of economic and geopolitical risks, the Bosch Group expects its sales revenue to grow by 2 to 3 percent in 2018. In the first three months, the sales revenue generated by the company matched the high level of the same period of the previous year, and even increased by around 5 percent when adjusted for exchange-rate effects. "Our company is unequalled when it comes to combining comprehensive connectivity expertise with broad industry and product know-how. This is the Bosch Group's unique selling proposition," said the Bosch CEO Dr. Volkmar Denner, speaking at the annual press conference in Renningen. Denner sees improving the quality of life and contributing to eco- and climate-friendliness at the top of Bosch's agenda: "Our 'Invented for life' ethos is our motivation for developing the best possible technologies for environmental protection. We want to help keep people mobile, while improving air quality." To make low-emissions traffic reality, the company is making heavy investments – both in making electromobility a market success and in enhancing the combustion engine. Bosch has now achieved a breakthrough in diesel technology: with their new diesel technology, Bosch engineers have succeeded in getting NOx emissions down massively. On average, test vehicles equipped with the enhanced technology already emit no more than 13 milligrams of NOx per kilometer. "There's a future for diesel. It will remain integral to tomorrow's mobility solutions," the Bosch CEO said. [More detailed information on these technological advances [can be found here.](#)]

**Japanese auto makers include manufacturers of motorcycles as well as agricultural and construction machinery.*

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Additional information is available online at

<http://www.bosch.co.jp> Bosch Japan Website (Japanese)

<https://twitter.com/BoschJapan> Bosch Japan Twitter (Japanese)

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<https://www.youtube.com/boschjp> Bosch Japan Youtube (Japanese)

The Bosch Group is a leading global supplier of technology and services. It employs roughly 402,000 associates worldwide (as of December 31, 2017). The company generated sales of 78.1 billion euros in 2017. Its operations are divided into four business sectors: Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Building Technology. As a leading IoT company, Bosch offers innovative solutions for smart homes, smart cities, connected mobility, and connected manufacturing. It uses its expertise in sensor technology, software, and services, as well as its own IoT cloud, to offer its customers connected, cross-domain solutions from a single source. The Bosch Group's strategic objective is to deliver innovations for a connected life. Bosch improves quality of life worldwide with products and services that are innovative and spark enthusiasm. In short, Bosch creates technology that is "Invented for life." The Bosch Group comprises Robert Bosch GmbH and its roughly 440 subsidiary and regional companies in 60 countries. Including sales and service partners, Bosch's global manufacturing, engineering, and sales network covers nearly every country in the world. The basis for the company's future growth is its innovative strength. At 125 locations across the globe, Bosch employs some 64,500 associates in research and development.

Additional information is available online at www.bosch.com, www.iot.bosch.com, www.bosch-press.com, www.twitter.com/BoschPresse.