



## Annual Press Conference 2020 in Japan **Solid growth with sales of 330 billion yen in 2019**

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- ▶ Worldwide sales to Japanese automakers grew by 10.2 percent in 2019
- ▶ Subdued forecast for current year due to coronavirus pandemic
- ▶ Moving forward with automation, electrification, and connectivity technologies
- ▶ Bosch aims to grow into a world-leading AI-driven IoT company

**Tokyo** – Bosch, a leading global supplier of technology and services, ended its 2019 fiscal year with 330 billion yen (approximately 2.7 billion euros) in consolidated sales to third parties in Japan, thus registering growth of 1 percent compared to the previous year. Despite contraction of the global automotive market, with total production of passenger cars and commercial vehicles declining by 5.5 percent year on year to 92.1 million vehicles in 2019, and difficult business conditions, the company was able to keep a steady progress in Japan.

For the current business year, however, the company posts a subdued forecast, since it expects to be a very challenging year for the automotive industry and the situation remains very dynamic. “Even under the current challenging situation, we remain committed to the local customers, local market and its long-term potential,” said Klaus Meder, president and representative director of Bosch Corporation, Japan, at the press conference. “We remain committed to provide a variety of innovations for a better society and environment,” he added.

### **Development of business sectors**

The Mobility Solutions business sector, the main business in Japan, registered growth of approximately 1.5 percent in 2019, mainly due to increased sales of safety systems such as electronic stability control (ESC) and advanced driver assistance systems, as well as those of infotainment products. While sales of the Industrial Technology business sector did not reach the level of the previous year, the Consumer Goods and the Energy and Building Technology business sectors’ sales remained at a level similar to the previous year.

### **10.2 percent increase in sales to Japanese automakers worldwide**

Japanese automakers play an important role in the global market, with a share of 30 percent in automobiles production worldwide. Bosch Japan uses its international network, covering some 60 countries worldwide, to support not only the Japanese market but also automobile development and production for Japanese automakers in the overseas markets. While worldwide vehicle production by Japanese automakers decreased slightly over the previous year, Bosch global sales to Japanese automakers increased by approximately 10.2 percent in 2019 compared to the previous year. Sales include those for manufacturers of motorcycle, agriculture and construction machinery and tier suppliers. In 2020, due to the effects of the novel coronavirus, Japanese automakers have been forced to shut down plants temporarily and adjust production. Bosch is working closely with Japanese automakers to ensure that the company can respond promptly upon customers' request.

### **Automation: Advanced driver assistance systems equipped with corner radar**

Bosch aims to reduce road accidents to as close to zero as conceivably possible. According to Bosch's accident research, up to 41 percent of relevant passenger car accidents that currently occur at intersections in Germany could be prevented or could have reduced collision damage with Bosch's corner radar based assistance systems, front cross traffic assistance AEB and start prevention. Bosch plans to start series production of its new generation of corner radar in 2020. In 2019 sales for the ADAS business unit reached 2 billion euros, a 12 percent increase over the previous year, making Bosch a market leader in the field of automated driving.

Additionally for two-wheelers, Bosch develops advanced assistance systems that use radars (front and rear) for safer riding, known as advanced rider assistance systems (ARAS), for series production in 2020. As part of this effort, Bosch is expanding the area for the public road testing of ARAS, which began in March last year on highways in Tokyo, Kanagawa and Tochigi, to Saitama, to ensure that the systems more accurately responds to the complex road environment in Japan.

### **Electrification: Launch of proposals for Rolling Chassis integrating several solutions for electric vehicles**

In providing sustainable mobility that has minimum impact on global climate change and urban air quality, Bosch develops powertrains ranging from highly efficient internal combustion engines to electromobility and fuel cells, with a focus on providing them at affordable prices. Bosch started series production of components for 48V mild hybrids which are equipped in models of Japanese automakers released in Europe in spring 2020. In addition, in response to the increase of new players entering into the automotive market with electric vehicles

to offer new mobility services, Bosch began to propose a Rolling Chassis both domestically and globally. Rolling Chassis is a drivable platform with electric powertrain, electric braking system, electric steering and other solutions from Bosch. The Rolling Chassis makes it easier and faster for new players to bring their vehicles to the market.

### **Connectivity: Establishment of Connected Mobility Solutions division**

Bosch Japan established the Connected Mobility Solutions division in January 2020, to provide comprehensive connected services including the Over the Air framework for providing software and firmware distribution and updates via Internet to vehicles.

Bosch is also working on parking-related connectivity solutions. In February 2020, Bosch began to offer parking lot sensors (PLS), which transmit realtime network information on which parking spaces are open, in collaboration with MIRAITO Corporation, Kerlink and Synox. PLS allows drivers to check parking space availability online, which reduces the burden on drivers to find parking space as well as contributes to environmental conservation by reducing CO<sub>2</sub> emissions while searching for a space. Additionally, PLS can be attached to the ground using special adhesives, which helps to reduce the cost of building and maintaining parking lots for parking lot managers.

### **Growing into a world leading AI-driven IoT Company**

By 2025, Bosch aims all of its products to either contain Artificial Intelligence (AI) or have been developed or manufactured with its help. In addition, the company is pursuing innovative projects in a wide range of fields from mobility to manufacturing, logistics, smart homes and agriculture, as well as new business opportunities in digital services, with its aim to grow into a world-leading AI-driven IoT company.

In January 2020, the company established Bosch.IO, a new subsidiary that consolidates activities centered on the internet of things. With some 900 associates, Bosch.IO collaborates with approximately 30,000 Bosch software engineers and AI experts.

In Japan, Bosch.IO is expanding its business as a division and providing “Plantect,” a smart agriculture solution using AI technologies, as one of its solutions. Plantect, which started its service in 2017, is steadily expanding its market inside and outside of Japan, including an increase in the amount of shipped devices, expansion of distribution networks, and expansion into South Korea. In 2020, Bosch plans to expand its market to China and Australia.

Bosch.IO offers products other than Plantect to promote digital transformation in agriculture, and is looking for partners or investors to accelerate the comprehensive digital transformation of agriculture together.

### **Bosch Group: Outlook for 2020 and long-term strategic course**

In view of the coronavirus pandemic, Bosch anticipates considerable challenges for the global economy in the current business year. To achieve at least a balanced result, will take a supreme effort, the board of management of the Bosch Group announced during the recent Annual Press Conference in Germany. Despite the challenges of the current situation, Bosch is maintaining its long-term strategic course: the supplier of technology and services is continuing with its systematic pursuit of ambitious climate goals and is developing the activities required to support an expansion of sustainable mobility. “Although other issues are currently in the spotlight, we must not lose sight of the future of our planet,” said Bosch CEO Volkmar Denner. Bosch will reach its global climate action targets for 2020 and make all its 400 locations worldwide [climate-neutral](#). In addition, Bosch set itself the goal to make upstream and downstream activities along the value chain as climate neutral as possible – by 2030, the associated emissions (Scope 3) are expected to fall by 15 percent. Moreover, the company plans to pool the experience from more than 1,000 energy-efficiency projects of its own in a new advisory company, called Bosch Climate Solutions. As climate action is accelerating structural change in many sectors, hydrogen is becoming increasingly important, both in the automotive industry and in building technology. Bosch is therefore working with partners on mobile and stationary fuel cells. When it comes to mobility, what is important according to Denner, is a broad technology offensive that not only sets out a battery-electric path to sustainable mobility, but also takes into consideration efficient combustion engines and especially [renewable synthetic fuels](#) and fuel cells.

Wherever possible, Bosch wants to contribute to efforts to contain the pandemic, for instance through the newly developed rapid Covid-19 test for the Vivalytic analysis device. Bosch plans as well to shorten testing time from two-and-a-half hours to less than 45 minutes. Bosch intends to produce more than a million rapid tests in 2020, and to increase this to three million next year. Furthermore, Bosch produces facemasks and disinfectants in some regions, mainly used for the protection of its associates.

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*Bosch in Japan is currently represented in the country by Bosch Corporation, Bosch Rexroth Corporation and other affiliates. Bosch Corporation is responsible for the development, manufacturing, sales and services of automotive original equipment, automotive aftermarket products and power tools. Bosch Engineering K.K. provides engineering services, such as development and application for automotive systems. ETAS K.K. develops and provides engineering of development support tools of electrical control units. Bosch Rexroth Corporation develops and manufactures hydraulics, FA module components and other systems which contribute to industrial technologies. Bosch Security Systems Ltd. provides security and communication products and solutions to help secure the safety of lives, buildings and properties, and is also a supplier of professional sound systems. In 2019, Bosch Japan achieved sales to third parties of some 330 billion yen and employed approximately 6,700 associates.*

*Additional information is available online at*

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

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

*<https://www.facebook.com/bosch.co.jp> Bosch Japan facebook (Japanese and English)*

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

*The Bosch Group is a leading global supplier of technology and services. It employs roughly 400,000 associates worldwide (as of December 31, 2019). The company generated sales of 77.7 billion euros in 2019. Its operations are divided into four business sectors: Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Building Technology. As a leading IoT provider, Bosch offers innovative solutions for smart homes, Industry 4.0, and connected mobility. Bosch is pursuing a vision of mobility that is sustainable, safe, and exciting. 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 facilitate connected living with products and solutions that either contain artificial intelligence (AI) or have been developed or manufactured with its help. 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. Bosch employs some 72,600 associates in research and development at 126 locations across the globe, as well as roughly 30,000 software engineers.*

*Additional information is available online at [www.bosch.com](http://www.bosch.com), [www.iot.bosch.com](http://www.iot.bosch.com), [www.bosch-press.com](http://www.bosch-press.com), [www.twitter.com/BoschPresse](https://www.twitter.com/BoschPresse).*