



Annual press conference 2021 in Japan **Bosch achieves positive results for 2020 in Japan amid the COVID-19 crisis**

June 17, 2021
C/CGR-JP-2021-07

- ▶ 269 billion yen (2.2 billion euros) in third party sales in Japan
- ▶ Strong commitment to supporting Japanese automakers in their leading role in the global market
- ▶ iBooster production to start in Japan from 2022, showing strong commitment to the Japanese market
- ▶ Celebrating 110 years of Bosch in Japan

Tokyo – Bosch, a leading global supplier of technology and services, ended its 2020 fiscal year with 269 billion yen (2.2 billion euros) in consolidated sales to third parties in Japan. While sales in Japan were significantly impacted by the coronavirus pandemic, Bosch was able to achieve a positive EBIT (earnings before interest and taxes). As business picked up in the second half of the year, Bosch in Japan registered much better results than predicted in the beginning of the year.

For the current business year, Bosch forecasts a healthy double-digit increase of sales compared to the previous year. The company had a good start in the first quarter of 2021, however, several risks such as those related to the coronavirus, the delay of vaccinations and global semiconductor shortage may impact business developments in the current year. “Due to the current situation we expect a challenging year also in Japan, but we remain committed to the local market and its long-term potential. We will further expand our portfolio in Japan according to our slogan ‘Invented for life,’ and provide innovative technologies that benefit people and society,” said Klaus Meder, president and representative director of Bosch Corporation, Japan, at the press conference.

The number of associates employed at Bosch in Japan stood at around 6,500 as of December 31, 2020.

Strong commitment to the Japanese market with 110 years of history

Even amid the coronavirus pandemic, Japanese automakers have kept their strong presence in the market with a 30 percent share of the automotive production worldwide. Bosch foresees that Japanese automakers will continue to maintain at this level for the next ten years. 2021 marks Bosch's 110th anniversary in Japan, showing the company's strong commitment to supporting and meeting the needs of Japanese automakers throughout the years with its technologies and solutions. "We will continue to support Japanese automakers in these times of transformation to keep their cars attractive both domestically and globally," said Christian Mecker, executive vice president and member of the board of directors of Bosch Corporation.

Choice of Japan as production location shows strong commitment

As one example of Bosch's strong commitment to the Japanese market, the company announced that it will start the manufacturing of its iBooster in Japan from the second half of 2022. The iBooster is a modern braking system that enables high level of braking functionality such as vacuum independence, customized pedal feel, improved automatic emergency braking performance and brake redundancy under automated driving. Bosch sees the market of electromechanical brake boosters to grow at a compound annual growth rate of over 20 percent from 2020 until 2027. Japanese automakers, who are at the forefront of automation and electrification, are customers with a strong affinity for the key benefits of the iBooster. Thus, the start of manufacturing in Japan will enable Bosch to react to Japanese customers' demands with stronger focus on Monozukuri culture, as well in Japan as in other production locations of Bosch's global production network. In addition, the company has developed a smaller variant, the iBooster Compact, to meet Japanese automakers' demands for compact vehicles. The series production will begin in 2022, and the assessment with various automakers is ongoing at this time. In addition to iBooster, the company will also manufacture the iBooster Compact in Japan. Bosch expects that as the number of cars equipped with the iBooster increases, more cars will be able to stop more quickly in emergencies and will lead to a safer road traffic. Bosch Japan plans to invest 3 billion yen (24.6 million euros) in plant and equipment to start production of the next-generation flagship product, iBooster.

Sustainable growth with climate neutrality and electromobility

Bosch is pressing ahead with its climate action targets as planned, and has reached a major milestone with the climate-neutral status of its more than 400 locations worldwide in spring 2020. This has already been confirmed by independent auditing. As a result, Bosch is the first global industrial company whose own locations no longer leave a carbon footprint – this also includes the sites in Japan.

Now the company is taking further actions. By 2030, Bosch aims to reduce CO₂ emissions along its entire value chain, from suppliers to customers, by 15 percent from their 2018 level – a reduction of 67 million metric tons of carbon dioxide emissions. New approaches such as heat and electricity from hydrogen, including solid-oxide fuel cell (SOFC) technology, are also part of the actions. Following a fuel cell pilot plant in Germany, Bosch in Japan has established a dedicated team for SOFC in 2020. The team is currently searching for the possibility to cultivate business in Japan. A mock-up of the Bosch SOFC device is on display at the company's showroom at its Shibuya office until the beginning of September. Bosch takes climate action on the road as well. The company has been preparing for powertrains of the future in electromobility. Bosch will invest some 700 million euros for electromobility this year. Total upfront investments have reached 5 billion euros thus far. Not only relying on batteries, the company is taking an open and broad approach to technologies and focusing on various powertrain concepts for a sustainable, individual and affordable mobility. This includes development of new powertrain components for hybrid, battery-electric, and fuel-cell vehicles, as well as improving the efficiency of combustion engines along with the use of synthetic fuels called e-fuels.

Bosch to become a leading AI•IoT company

Bosch is committed to further establishing its position as a leading global supplier of technology and services with its strategic objective “Invented for life.” One of the new technologies is “People Counting” developed by Bosch’s Building Technologies division against the coronavirus pandemic. In November 2020, Bosch Security Systems Ltd. together with Philips launched “People Counting Visualization System” with “People Counting” and Philips display for digital signage in Japan. “People Counting Visualization System” uses Bosch’s intelligent cameras to count the number of people entering and leaving a specific area. The digital signage from Philips displays a warning when the number exceeds a preset value. With this solution the owner of the premises such as shopping malls and airports can manage crowds and support social distancing amid the coronavirus pandemic. Bosch expects that AI•IoT, the combination of the internet of things (IoT) and artificial intelligence (AI), will create growth opportunities in markets worth billions of euros. Bosch is now on track to become a leading AI•IoT provider. The company has already sold some ten million connectivity-enabled power tools, home appliances, and heating systems, and the number of active users is growing. From 2025 at the latest, every Bosch product will either contain AI or will have been developed or manufactured with its help. Not only providing AI sensors for consumer goods, the company also believes that artificial intelligence is particularly beneficial in manufacturing. For example, some 50 Bosch powertrain plants worldwide in 2021 will deploy an AI-based system that detects anomalies and malfunctions in the manufacturing process at an early stage. It is expected that AI solutions will make factories more efficient, more productive, more eco-friendly and will also lead to even more improved products. As such, Bosch aims to become the leading AI•IoT company in every area it operates in.

Bosch Group: Global outlook for 2021 and strategic course

The Bosch Group achieved a positive result in 2020 despite the coronavirus pandemic and had a successful start to the first quarter of 2021. "Bosch came through the first year of the coronavirus pandemic well," said Dr. Volkmar Denner, the chairman of the board of management of Robert Bosch GmbH. However, the company expects another challenging year, primarily due to ongoing pandemic risks. To develop new business opportunities on the back of the profound technological and ecological changes currently occurring, Bosch is combining the internet of things (IoT) with artificial intelligence (AI) and is concentrating on electromobility. "We are one of the winners in the transition to electromobility, and we are significantly expanding our software business by tying in artificial intelligence," said Denner.

Contact persons for press inquiries:

Kiyohiko Sumiya

Aiko Furuichi

phone: +81-3-5485-3393

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 2020, Bosch Japan achieved sales to third parties of some 269 billion yen and employed approximately 6,500 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 395,000 associates worldwide (as of December 31, 2020). The company generated sales of 71.5 billion euros in 2020. 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 some 60 countries. Including sales and service partners, Bosch's global manufacturing, engineering, and sales network covers nearly every country in the world. With its more than 400 locations worldwide, the Bosch Group has been carbon neutral since the first quarter of 2020. The basis for the company's future growth is its innovative strength. At 129 locations across the globe, Bosch employs some 73,000 associates in research and development, of which nearly 34,000 are software engineers.

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

Note: one Euro = 121.8438 JPY