



Bosch in Vietnam: **Strong growth in 2010 and inauguration of first Software and Engineering Center in Southeast Asia**

11 May 2011

RBVN/COM

- ▶ Sales increase of 50 percent in 2010
- ▶ USD 4.5 million (3.4 million euros) invested in software and engineering center
- ▶ Vietnam as R&D and manufacturing hub for Bosch in Southeast Asia
- ▶ Bosch workforce to increase more than fourfold by 2015

11 May 2011, Ho Chi Minh City, Vietnam – The Bosch Group - a leading global supplier of innovative technologies and services in the areas of automotive and industrial technology, consumer goods and building technology - achieved a 15 percent year on year sales increase in the first quarter of 2011. In fiscal 2010, Bosch generated USD 63 billion (47.3 billion euros) in sales worldwide, an increase of 24 percent from 2009. This is the highest level of annual sales in the 125 years of the company's history.

In Asia Pacific, Bosch sales grew by 43 percent to just under USD 15 billion (11 billion euros) year over year. This represents 23 percent of the Bosch Group's sales, making it the second most important region for sales after Europe. This share is expected to rise to 30 percent by 2015.

"Southeast Asia contributed more than USD 630 million (480 million euros) to sales in Asia Pacific. With the rapid expansion of the market, we see many opportunities for further growth," said Martin Hayes, President and Managing Director of Robert Bosch (South East Asia) Pte Ltd.

Continued expansion of local presence

In Vietnam, Bosch generated sales of some USD 20 million (15 million euros) in 2010, 50 percent higher than 2009. Total net sales of Bosch in Vietnam, including shipments to other Bosch entities, even reached USD 120 million (90 million euros).

“The strong growth of our sales in Vietnam proves that we have been focusing our investment and business activities in the right direction. To support the continual growth, we are looking to increase our workforce in Vietnam by more than fourfold to employ 1,400 associates by 2015,” said Vo Quang-Hue, Managing Director of Robert Bosch Vietnam Co., Ltd.

The Thermotechnology division of Bosch entered the Vietnamese market in 2010. This year, business activities in Solar Energy began. In addition, this April, Bosch officially opened its CVT push belt manufacturing plant.

First Software and Engineering Center in Southeast Asia

The newly established Robert Bosch Engineering and Business Solutions Vietnam Company Limited (RBVH) offers hi-tech software and engineering solutions such as embedded software and mechanical design, as well as IT and IT enabled services. As an expansion of the operations of Robert Bosch Engineering and Business Solutions Limited in India, the new center currently employs some 60 engineers and targets to hire some 500 engineers by 2015.

Vijay Ratnaparkhe, Managing Director of RBEI and Chairman of RBVH added, “RBVH compliments our existing technology investments. It will improve our ability to support customers in the region. It will also help us to accelerate innovation, as well as research and development.”

With an initial investment of USD 4.5 million (3.4 million euros), Bosch plans to continue it’s investment into RBVH in the coming years. “Further investment will be channeled into infrastructure development, and the recruitment and training of new local talents. With its proximity to automotive original equipment manufacturers in Japan, Korea and China, the center is poised to be our software and engineering development hub for the region. It will also contribute to Vietnam’s plans to develop further as a software hub,” said Sudhakar Kunte, Managing Director of RBVH.

RBVH engineers will work with the world’s best engineering pool at Bosch and develop products with cutting-edge technology. Current projects

include software development for Diesel and Gasoline Electronic Control Unit systems, braking systems and SAP projects.

Growth in all business divisions in Vietnam

The Power Tools division saw a 42 percent increase in sales compared to the year before, predominantly due to investment in training as well as the cultivation of strong business partnerships.

The Security Systems division increased its sales by more than 55 percent from 2009. This growth is largely attributed to a growing team, training of associates and partners, as well as expansion of its distribution network into remote provinces.

Automotive Aftermarket maintained a consistent growth rate of 11 percent year on year. Since October last year, the division has been supporting the local market through a local logistics facility to better serve local customers.

The Drive and Control division saw eight percent rise in sales compared to the previous year. To strengthen growth, the division will be setting up a training and customer service center to provide a higher level of local technical support.

Thermotechnology, a new business division to Bosch Vietnam, also demonstrated potential growth in its business operations.

Call for local talent continues

With the opening of the new Software and Engineering Center, Bosch is keen to employ and develop local talents for specialized know-how.

“The decision to set up RBVH in Vietnam was based on the availability of skilled manpower graduating from the excellent engineering colleges in the vicinity. At Bosch, we provide opportunities to work with sophisticated technology in an international context. We are confident that we offer a compelling value proposition to talented engineers in the region,” said Mr Kunte.

Bosch Vietnam will collaborate with the Ho Chi Minh City University of Technology and the Vietnamese-German University to enhance the industry relevance of their university curriculum. It targets to extend this cooperation with other universities. This form of industry-academia collaboration will support engineering graduates with an easier transition to industry.

Bosch Vietnam also supports vocational education through scholarship awards, such as to the Bach Khoa University; as well as partnering Saigon Times Foundation to provide scholarship grants to financially-challenged students.

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About Bosch in Vietnam

The Bosch Group has been present in Vietnam since 1994. In April 2008, it set up the 100% foreign-owned subsidiary, Robert Bosch Vietnam Co. Ltd in Ho Chi Minh City, with branch offices in Hanoi and a branch for manufacturing in Long Thanh, Dong Nai province (Gasoline Systems division). Today, the Bosch Group supplies a wide range of technology products including Automotive components, diagnostic tools and equipment, Drive and Control Technology, Power Tools, Security Systems, Thermotechnology and Solar Energy. Bosch also manufactures push belts for Continuously Variable Transmissions of automobiles in Long Thanh, Dong Nai Province since August 2008. Additional information can be accessed at www.bosch.com.vn.

About the Bosch Group

The Bosch Group is a leading global supplier of technology and services. According to preliminary figures, some 283,500 associates generated sales of 47.3 billion euros in the areas of automotive and industrial technology, consumer goods and building technology in fiscal 2010. The Bosch Group comprises Robert Bosch GmbH and its more than 300 subsidiaries and regional companies in over 60 countries. If its sales and service partners are included, then Bosch is represented in roughly 150 countries. This worldwide development, manufacturing, and sales network are the foundation for further growth. Bosch spent some 4 billion euros for research and development in 2010, and applied for over 3,800 patents worldwide. With all its products and services, Bosch enhances the quality of life by providing solutions which are both innovative and beneficial. Additional information can be accessed at www.bosch.com.