

Bosch Malaysia returns to growth and strengthens investment in 2010

17 August 2010
RBMV/COM

- ▶ Strong 40 percent sales growth in first half of 2010 compared to the same period last year
- ▶ Malaysia is strong foothold for Bosch in Asean
- ▶ Poised to strengthen growth in Malaysia with plant expansion and setup of new R&D company

17 August 2010, Petaling Jaya - In fiscal year 2009, the Bosch Group's sales were at 38.2 billion euros worldwide, a 15 percent drop from 2008. With the economic recovery in 2010, the company is now making up for much of the loss of sales in 2009 and returning to positive results in 2010. In the first quarter of this year, sales were up about 25 percent. All in all, sales in the current fiscal year are expected to grow by more than 10 percent, to 42 billion euros.

For the first time, Asia Pacific contributed 20 percent of the Group's revenue in 2009, making it the second most important region for sales after Europe. Asia Pacific's share is expected to climb to 30 percent by 2015.

Bosch Malaysia contributed sales revenues of RM 396 million (95 million euro) in 2009, down by 21 percent compared to 2008, but currently enjoying a strong 40 percent sales growth in the first half of this year. Including internal sales, the revenue is RM 1,118 million (268 million euro) in 2009.

"2009 was undoubtedly a very difficult year in the region and especially in Malaysia. Sales dropped in 2009, but the recovery has been fast so far. In Malaysia, Bosch is employing some 2,500 associates, which comprises more than 60 percent of all associates in Southeast Asia, demonstrating our strong commitment to Malaysia," said Mr Cem Peksaglam, President and Managing Director of Robert Bosch (SEA) Pte Ltd, who is also Managing Director of Robert Bosch Sdn Bhd in Petaling Jaya.

Mr Peksaglam added, “We are looking to strengthen our presence further through expanding our production base, especially for future oriented innovative products, the establishment of a R&D company, as well as an increase of our market shares in our business fields in Malaysia.”

Ramp up of production, setup of new R&D company and investment into energy-efficient facilities in Penang

With the increased demand for vehicles, especially in Asia Pacific, automotive technology continues to make the greatest contribution to the Bosch Group’s growth.

In Malaysia and the region, Bosch is aiming to establish a strong presence in the car infotainment segment with a wide range of next generation multimedia systems customized for different car segments, ranging from compact and mid-size vehicles, to the luxury class.

These all-in-one car multimedia devices will be complete with applications such as dual view touch screen display, Bluetooth connectivity interfaces to iPhone and iPOD, as well as MP3, DVD, CD player support, TV, GPS navigation and an “eco mode” that offers fuel-efficient route guidance.

Bosch Car Multimedia division’s plant in Penang will be producing these next generation devices. By 2013, 70 percent of the plant’s production will primarily be car infotainment systems. Bosch is the first to manufacture these devices in Malaysia.

Mr Peksaglam, who said that the infotainment systems are targeted at carmakers, elaborated, “With the thriving global car market, Malaysia will be our manufacturing base in the region to produce our latest car multimedia systems for customers worldwide”.

To meet the growing demand for car infotainment systems in tandem with the recovery of the international automotive market, Bosch is setting up a new research and development company in Penang. Established in August this year, the new R&D company will focus on the development of navigation, radio and electronic components. The company will initially deploy 63 of its research engineers into this new setup. A progressive increase is expected to support growth.

As part of Bosch's commitment to environmental protection in Malaysia, Bosch is the first to have a 101 kilowatt-peak Photovoltaic (PV) installation on the rooftop of its manufacturing facilities in Penang. A total of 130 megawatt-hours of renewable energy can be generated yearly. The panels will also be used to study the sensitivity and performance level of solar cells in tropical climate. Mr Peksaglam said that this project aligns with Bosch's business philosophy in demonstrating social and environmental responsibility in its business operations.

He added that Bosch is also moving towards attaining green building status for its main administration building in Penang, along with the deployment of other forms of environmentally-friendly and energy-efficient measures throughout its entire manufacturing facilities, such as the use of modern LED lightings.

These projects contribute to a smaller carbon footprint of Bosch in Malaysia with a total reduction of 450 tonnes of carbon dioxide emission per year.

Growth and focus in 2010

All business divisions in Malaysia have shown promising performance for the first six months of 2010. Bosch's Drive and Control technology division, Bosch Rexroth, registered a 29 percent growth, compared to the same period of the previous year. Bosch Rexroth is currently focusing on progressive growth in hydraulics through end user strategies.

The Automotive Aftermarket business division saw a double digit spike for the first half of 2010, compared to the same period the year before. 2010 sees Bosch Automotive Aftermarket taking on a quality upgrade of its network of Bosch Car Service and Bosch Diesel Network service centers to even better attend to customers in the future.

Security Systems similarly achieved a double digit growth for the first half of 2010, versus the previous year. Bosch Security Systems benefitted from the finalizing of projects from the 9th Malaysian Plan. It also saw an increase in its market share of public address systems, due to a combination of innovative product features and competitive pricing. In 2010, Bosch Security Systems will focus on replacement markets in the oil and gas sector, as well as on small and medium enterprises to offer competitive product pricing.

The Power Tools division is targeting double digit sales increase in 2010. This year, Bosch Power Tools maintains focus on users and will continue to introduce innovative products, especially for cordless and measuring tools.



From left – right: Michael Kloss, Bosch Car Multimedia, Commercial Managing Director, Robert Bosch (M) Sdn Bhd, Mr Tan Chee Kiang, Bosch Car Multimedia, Commercial Managing Director, Robert Bosch (M) Sdn Bhd and Mr Cem Peksaglam, President and Managing Director, Robert Bosch (SEA) Pte Ltd & Managing Director Robert Bosch Sdn Bhd

Contact person for media inquiries:

Serena Sit
Corporate Communications Officer
Robert Bosch Sdn Bhd
DID : 03 – 7966 3137
Fax : 03 – 7958 4822
Email: serena.sit@my.bosch.com.my

Wenny Tay
MediaBond Sdn Bhd
DID : 03 – 7954 1588
Email: wenny@mediabond.com.my

About Bosch Malaysia

Bosch has been present in Malaysia since 1923, being currently represented in the country by Robert Bosch Sdn Bhd, with offices located in Selangor, Perak and Penang. Presently, Bosch is active in Automotive Aftermarket, Power Tools, Security Systems, Drive and Control, and Packaging Technology in Malaysia. Bosch has two manufacturing arms in Penang providing car multimedia systems and power tools. Bosch also operates joint ventures in Malaysia, namely BSH Home Appliances Sdn Bhd, FMP Automotive (Malaysia) Sdn Bhd and ZF Steering (Malaysia) Sdn Bhd.

Robert Bosch Sdn Bhd
8A, Jalan 13/6,
46200 Petaling Jaya
Malaysia

E-mail serena.sit@my.bosch.com
Phone +603 7966 3137
Fax +603 7958 4822

Serena Sit
Corporate Communications Officer
www.bosch.com.my

Additional information can be accessed at www.bosch.com.my.

About the Bosch Group

The Bosch Group is a leading global supplier of technology and services. In the areas of automotive and industrial technology, consumer goods, and building technology, some 275,000 associates generated sales of 38.2 billion euros in fiscal 2009. 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 is the foundation for growth. Each year, Bosch spends more than 3.5 billion euros for research and development, and applies for some 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.