

Press release

Annual press conference 2019 **Bosch Limited reports double-digit PAT growth for FY 2018-19**

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- ▶ Investment increased by 29.7 percent to INR 597 crores in 2018-19
- ▶ Total revenue from operations grew by 4.9 percent to INR 12,258 crores
- ▶ The Net Profit after Tax (PAT) is 1,598 crores, an increase of 16.6 percent over the previous year
- ▶ Dividend of INR 105 per share proposed
- ▶ Bosch to reduce carbon footprint to zero at its 400 locations around the globe by 2020

Bengaluru – Bosch Limited, a leading supplier of technology and services, ended its fiscal year 2018-19 with a total revenue from operations of INR 12,258 crores (1.49 billion euros), thus registering an increase of 4.9 percent compared to the previous fiscal year. “Bosch India remains focused on achieving a sustainable and profitable growth. Through targeted investments, infrastructural developments within the organization and adaptation of technology we look to secure our business in challenging times for the automotive industry in the country,” said Soumitra Bhattacharya, Managing Director, Bosch Ltd.

The Profit Before Tax (PBT) grew by 14.7 percent to INR 2,341 crores, or 19.1 percent of total revenue from operations. The profit growth was mainly due to improved operational efficiency, investment income as well as one time exceptional expense in pervious year. The Net Profit after Tax (PAT) increased by 16.6 percent to 1,598 crores in fiscal 2018-19. There were major investments made last year, summing upto approx. INR 597 crores in 2018-19. Bosch Limited had an average employee strength of 9,400 in 2018.

In the quarter ending on March 31, 2019, Bosch Limited posted a total revenue from operations of INR 2,749 crores, thus registering a decrease of 12.9 percent compared to the same quarter of the previous fiscal year. The PBT for the last quarter of 2018-19 stood at INR 561 crores, 20.4 percent of total revenue from operations compared to 19.9 percent of the same quarter of the previous year.

The decline in profit is mainly attributable to the lower sales volume in view of negative market sentiments and an unfavorable development of exchange rates. PAT stood at 15 percent of total revenue from operations compared to 13.7 percent of the last quarter of previous year. “The results in the last quarter of fiscal 2018-19 must be contextualized within the predominant weakness of the overall automotive market. Bosch Limited has always been at the forefront of integrated automotive solutions and we are currently supporting our customers in developing vehicles that are compliant with BS VI emission standards from April 2020 on as per the ruling of the Supreme Court”, Bhattacharya said.

Total revenue of Bosch Limited’s Mobility Solutions Business sector decreased by 15.7 percent in the quarter ending on March 31, 2019. Within this business sector, total revenue of the Powertrain division declined by 19.2 percent. Exports as well as the domestic Mobility Solutions business witnessed a decline of 6.3 percent and 16.4 percent respectively on account of poor market sentiments. The overall automotive industry is facing significant market, technological, and regulatory headwinds. The Bosch Beyond Mobility business sectors have shown a mixed performance of profit and revenue loss in the last financial year.

Bosch business development in 2018-19

Bosch Limited’s Mobility Solutions business sector increased the total revenue by 3.3 percent in 2018-19, based on positive business sentiments during the first two quarters of the fiscal year. Domestic sales increased by 4.0 percent while export sales decreased by 4.5 percent. Within the Mobility Solutions business, the Powertrain Solutions division registered a moderate growth of 2.4 percent driven by the overall automotive market development during the fiscal year. Aside from Mobility Solutions, Energy and Building Technologies, and machine building division, posted a double-digit growth and registered overall growth of 16.4 percent.

Considering the company’s performance, the Board of Directors recommended a dividend of INR 105 per share for this twelve-month period.

Outlook 2019-20: Growth despite decline in automotive market

Speaking about the outlook for the upcoming fiscal year, Bhattacharya commented: “India’s mobility sector is rapidly transforming and it is assumed to experience a significant growth with electric mobility in coming years. The Indian automotive components industry is to become the third-largest in the world by

2025. This fiscal year 2019-20 Bosch will be seen to contribute significant innovations to the industry. The company is preparing for the future of digital transformation by embracing IoT and boosting the Mobility Solutions business sector.”

Bosch has always been committed to deliver the best-in-class automotive solutions. As India gears up to achieve BS-VI implementation from April 2020 onwards and adopt electromobility solutions built for Indian conditions, Bosch is ready to support the implementation of these norms with innovative mobility solution plans. The company is shaping the future of connected, automated, and electric driving by combining expertise in hardware and software. The company’s continuous contribution and growth in building innovative mobility solutions is a result of its unwavering commitment to solving problems that will benefit society.

Bosch Group outlook 2019: climate action and air-quality measures

The Bosch Group expects global economic development to be subdued in 2019. Despite the difficult environment in industries and regions that are important for the company, Bosch expects its sales in the current year to slightly exceed their 2018 levels. Regardless of the short-term prospects, the company is intensifying its efforts to combat climate change and improve air quality.

Bosch India is pursuing carbon neutrality by tapping locally available, natural sources of energy. The Nashik plant has around 50,000 solar panels generating close to 20 percent of the power required. Bidadi plant is also covering around 30 percent of its energy needs with a photovoltaic. Rain water is also being harvested at this location, which runs into a small lake to replenish the water supply for the local population.

“Climate change is not science fiction; it’s really happening. If we are to take the Paris Agreement seriously, then climate action needs to be seen not just as a long-term aspiration. It needs to happen in the short term,” said Dr. Volkmar Denner, chairman of the board of management of Robert Bosch GmbH, at the annual press conference in Renningen, Germany. “We’re also committed to meeting public demand for good air quality in cities. As an innovation leader, we want to deliver technological solutions to ecological problems.”

This is why, on the one hand, Bosch is intensifying its already successful efforts to reduce its CO₂ output. “We will be the first major industrial enterprise to achieve the ambitious goal of carbon neutrality in a little over a year,” Denner announced. “All 400 Bosch locations across the globe will be carbon neutral from 2020.” On the other hand, Bosch is also pursuing an ambitious target when it

comes to air quality: “We want to reduce air pollution from traffic to virtually zero. To do this, we’re looking beyond the car’s hood,” Denner said. In this endeavor, the company will be basing its activities on three pillars: it is developing low-pollutant powertrain technologies, working with municipal governments on projects to maintain steady traffic flow, and implementing a company mobility management system at its own locations.

Contact persons for press inquiries:

Mr. Uday Philip

Phone: +91 80 675 21340

Uday.Philip@in.bosch.com

About Bosch in India

In India, Bosch is a leading supplier of technology and services in the areas of Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Building Technology. Additionally, Bosch has in India the largest development center outside Germany, for end to end engineering and technology solutions. The Bosch Group operates in India through twelve companies, viz, Bosch Limited, Bosch Chassis Systems India Private Limited, Bosch Rexroth (India) Private Limited, Robert Bosch Engineering and Business Solutions Private Limited, Bosch Automotive Electronics India Private Limited, Bosch Electrical Drives India Private Limited, BSH Home Appliances Private Limited, ETAS Automotive India Private Limited, Robert Bosch Automotive Steering Private Limited, Automobility Services and Solutions Private Limited, Newtech Filter India Private Limited and Miviv Engg. Technologies Private Limited. In India, Bosch set-up its manufacturing operation in 1951, which has grown over the years to include 18 manufacturing sites, and seven development and application centers. Bosch Group in India employs over 31,000 associates and generated consolidated revenue of about ₹.21,450 crores (2.66 billion euros) in 2018 of which ₹. 15,824 crores*(1.96 billion euros) from third party. The Group in India has close to 18,000 research and development associates.*

In India, Bosch Limited is the flagship company of the Bosch Group. It earned revenue of over ₹. 12,460 crores (1.54 billion euros) in 2018. Additional information can be accessed at www.bosch.in

About Bosch Group

The Bosch Group is a leading global supplier of technology and services. It employs roughly 410,000 associates worldwide (as of December 31, 2018). The company generated sales of 78.5 billion euros in 2018. 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 create solutions 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 460 subsidiary and regional companies in over 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 nearly 130 locations across the globe, Bosch employs some 68,700 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.

Bosch Limited
Post Box No 3000
Hosur Road Adugodi
Bangalore- 560 030
Karnataka-India

E-mail uday.philip@in.bosch.com
Phone +91 80 675 21340

Corporate Communications,
Brand Management, and Sustainability:
Mr. Ameet Shashikant Rele
www.bosch-press.com