



The Bosch Group has increased its turnover in Hungary as well

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The Group is planning long-term presence, further significant R&D investments and a firm support of education for Hungary

In accordance with the international trend, last year the Bosch Group increased its turnover in Hungary as well. The company that has 13 subsidiaries in Hungary realized a turnover of EUR 1.470 million in 2007, which exceeded the revenue of the previous year by approximately 28%. Last year the domestic turnover of the company grew by 70% thus reaching EUR 323 million. At the beginning of 2008 the number of full-time employees at the Group reached around 7500. Compared to the previous year it means an increase of 500. The extent of investment Bosch realized in Hungary amounted to approximately EUR 80 million in 2007. The majority of this amount was invested in the Miskolc and Hatvan factories.

The Bosch Group has spent high amounts on research and development related activities again this year. At the international level the company has allotted 8% of its revenues on R&D activities; as for automotive technology this rate exceeds even 10%. In Hungary Bosch spent EUR 25 million on research and development in 2007 exceeding last year's spending by approximately 50 percent. Bosch has a confidence in the continuation of this tendency, as both the factories and the Budapest Engineering Centre of Bosch will allocate significant amounts on development activities.

As Thomas E. Beyer, the Hungarian representative of the Group said: "Similarly to other European countries there is a growing demand for qualified experts in Hungary, thus in accordance with the international goals of the Group we would like to lay significant emphasis upon the support of education and training of experts in Hungary as well."

Thomas E. Beyer also pointed out that he regards the support of education as important for a number of reasons. Bosch has been assisting the technical higher education of Hungary for years and it has been trying to adapt it to the market needs. In the spirit of this the company has been assisting the selected universities with significant amounts, professional lectures and specialized textbooks, and it also tries

to give more and more opportunities for the students to acquire on-the-job training within the branches of the Group. He said that the Bosch Group is planning for the long run in Hungary, thus it regards education and training as the best investment for boosting growth.

The Bosch Budapest Engineering Centre is one of the most modern institutions of the region dealing with automotive developments. Currently 320 engineers of 5 different divisions carry out developments for numerous big car manufacturers of the world. The Budapest Development Centre of Bosch is planning to extend its workforce with 130 people in 2008. By December this year the company would like to employ 450 people related to development activities backing the intention of increasing the number of development related orders and establish new development divisions. Here there are currently 30 engineers developing constructive solutions in the field of electric drives and it is waiting for the application of further engineers. The Bosch Budapest Engineering Centre is working in close co-operation with the Hungarian factories of the Group.

The automotive electronics factory of Hatvan, regarded as the biggest factory in Hungary, was expanded with a new production hall last year as a part of an investment of EUR 90 million. Since then the manufacturing is performed in four production halls in Hatvan with 3,200 employees on an area of 89,000 m². A wide range of high tech automotive products are manufactured: from instrument clusters with night vision function making driving at night safer, yaw rate sensors for ESP systems making driving safer, and engine control units, making driving environmentally sound and more economical. Daily more than 160,000 products are shipped to car manufactures. This year the factory is counting on hiring 500 new employees, including nearly 100 engineers and graduate economists, 50 technicians and 350 semi-skilled labourers during the year. This year on 28th June Robert Bosch Elektronika Kft. will celebrate its tenth anniversary, and for this reason they are organizing the day of the settlement together with the city of Hatvan.

The main activity of the Miskolc automotive electronics factory of the Bosch Group is the manufacturing of wiper drives and climate control components, but last year the manufacturing of automatic starters was given significant emphasis. The ten millionth starter rolled down from the production line this spring and they are expecting significant orders for various automatic starters for this year as well. Apart from the traditional products there is an ever growing demand for the modern, environmentally sound Start-Stop Technology working with lower CO₂ emission. This year's plans of the factory include the manufacturing of the 25 millionth climate control servo unit and hiring altogether 170 employees - engineers, technicians and semi-skilled labourers. The manufacturing unit has entered the market with two new products in 2007: the production of wiper drives and engine cooler began in 2008, and a new

development division has also been established in the factory where there are 30 engineers working on the development of climate control servo units.

The Miskolc power tool factory of Bosch opened five years ago and it has delivered outstandingly good performance since then. Robert Bosch Power Tool Kft. is the number one manufacturer of portable electric power tools in the world, and it is number two in the continent with regards to garden equipment. The factory that originally started with 300 employees currently employs 1,700 people and the 25 millionth power tool will roll down from the production line this year. The company together with the Miskolc automotive electronics plant have recently established the Bosch Award at the University of Miskolc, where the company has been trying to support education for 3 years – with the help of the Bosch Department of Mechatronics established in a unique manner in Hungary.

The factory tries to increase its role in the field of social responsibility as well, thus several public interest organizations can account on its both financial and physical help during the year.

The Bosch Rexroth subsidiary has two Hungarian locations. The specialist of drive and control manages the Hungarian trade from Budapest and offers electric, hydraulic, mechatronic and pneumatic components and systems. With its long years of presence and experience in the Hungarian market Bosch Rexroth has had numerous application projects of high standards. The grand stage of the National Theatre of Hungary is a good example, where the most modern methods of the technique of stage production have been deployed by Rexroth.

In Eger Bosch Rexroth runs a plant for pneumatic products and currently employs 370 people. Pneumatics manufacturing has a history of more than 40 years in Eger. Its main activity is the manufacturing of different types of pneumatic valves, cylinders and ship valves parts. Most of its customers are from the field of machine industry, textile industry, transportation industry, automotive industry, food industry, printing industry packaging industry and marine systems and controls.

The commercial branches of the Bosch Group dealing with power tools, thermotechnology, security systems, car parts and accessories and car-diagnostics are operating within Robert Bosch Kft., whose headquarters are also in Budapest. The sales of batteries resulted in record revenue last year and the selling of spare parts and accessories is also continuously on the increase. The reason behind is the deepening strategic relations with national wholesale partners in Hungary and in case of batteries the significant increase in the price of the raw materials and the expressive expansion of the customer base. It praises the results of the business line that the Bosch Car Service network has become the best-known not brand-related car service network of Hungary. Bosch provides access to an Internet-based knowledge-base for its own service network; this knowledge-base contains international, controlled and approved

service guides. It is an advantage of the database that it provides online access, thus the services can receive immediate solution for the technical issues they are concerned with. As for car parts and accessories, the company wishes to preserve its leading role both in Hungary and in the region with regards to sales and the Bosch Car Service network.

The security systems branch of Bosch deals with the sales of access-control, fire-alarm, closed circuit television (CCTV) systems, public address and conference systems. Besides Hungary the branch sells in the countries of the former Yugoslavia and Albania, and it operated a wholesale network in Hungary; it is one of the biggest distributors of security systems in Hungary. Here the company also pays especial attention to research and development, thus the products of Bosch contain forward-looking innovations in the field of security technology as well, thus among its entire offer approximately 150 products are protected by patents. According to the market expectations the demand for close circuit television (CCTV) systems – and within it the demand for IP-based systems - will multiple in the coming years. After having realized this market trend, the Axis Communications, the Bosch Security Systems and the Sony Corporation announced that they co-operate in the establishment of an open forum for drawing up a standard for the connection interface of the network video technology equipment. The unified open standard gives bigger freedom for the end users and the manufacturers, the software developers and the independent software sellers are given support in guaranteeing the compatibility and joint operation of the products. The forum established by the three companies will be open for all companies and syndicates that wish to participate in the work of standardization.

Junkers, the thermotechnological branch of Bosch has been a member of the Group for 75 years. Among the East-European markets showing an outstanding performance in 2007 condensation technology and renewable energies represented the focal point in Hungary. With the continuous increase of gas prices the economical and environmentally sound solutions are becoming more and more popular in Hungary as well. The gas prices of 2002 has shown an increase of 120 percent in 2008, and it motivates the customers for energy conscious and economical consuming. Having realized this tendency Junkers became the main supporter of the so-called “home label campaign” of Hungary. Within the frames of this campaign the building energetic certificate of residential real estates are registered with the aim of making consumers realize how important conscious energy consumption is. It is regulated by Directive 2002/91/EC; the decrees based on this directive related to the certification of the buildings’ energetic characteristics and the control of furnaces and boilers are expected to come into force in January 2009. Junkers wishes to pay especial attention to the training of experts. After the opening of the first Junkers Education Centre in Győr, this year the Povolny Ferenc Institute of Professional Studies will home the first Junkers training centre of the region. These institutions provide a unique opportunity

for the students, teachers and experts of the region, and here they have the possibility to perform test measures with the most up-to-date equipment and become acquainted with recent technical solutions.

The power tools commercial business line of Robert Bosch Kft. realized 50% growth in 2007 in the domestic trade of accessories. Growing motivated by the success this year they are focusing again on accessories, and they are targeting to increase the sales up to 40%.

As of Q3 2008 the business line is launching a new product category called Rotozip, specialized at free-hand tiles cutting.

There are two main lines within the power tools business line of Bosch. One of these is the so-called “green” line that can be used at home by anybody; it contains easy-to-use products from electric power tools to garden equipment. The other one is the so-called “blue” line celebrating its 80th anniversary; it trades with products manufactured for professional users. This year the Li-Ion range traded in Hungary will be completed with 11 new products.

The commercial business line has realized double digit growth in sales in the Hungarian market in the past 3 years in a row, and it wants to keep this tendency in sales. In order to do so it is improving its internal processes in the future, and plans to introduce new software for the more efficient and flexible reaction towards its clients.

The Bosch Group would like to strengthen its presence in Hungary even further. Bosch, recorded as the biggest automotive manufacturer of the world makes all efforts in Hungary as well to get ahead of the increasing requirements of the age with its developments and manufacturing. Its main goal is to provide environmentally sound, economical and secure solutions in all fields for the users and its partners alike.

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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 271,000 associates generated sales of 46.3 billion euros in fiscal 2007. The Bosch Group comprises Robert Bosch GmbH and its more than 300 subsidiaries and regional companies in roughly 50 countries. This worldwide development, manufacturing, and sales network is the foundation for further growth. Each year, Bosch spends more than 3 billion euros for research and development, and applies for over 3,000 patents worldwide. The company was set up in Stuttgart in 1886 by Robert Bosch (1861-1942) as “Workshop for Precision Mechanics and Electrical Engineering.”

The special ownership structure of Robert Bosch GmbH guarantees the entrepreneurial freedom of the Bosch Group, making it possible for the company to plan over the long term and to undertake significant up-front investments in the safeguarding of its future. Ninety-two percent of the share capital of Robert Bosch GmbH is held by Robert Bosch Stiftung GmbH, a charitable foundation. The majority of voting rights are held by Robert Bosch Industrietreuhand KG, an industrial trust. The entrepreneurial ownership functions are

carried out by the trust. The remaining shares are held by the Bosch family and by Robert Bosch GmbH.

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