



## **With its partner CRCI, ZMJ plans to acquire Robert Bosch Starter Motors Generators Holding GmbH**

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- ▶ ZMJ is a major automotive supplier in the field of starter motors and generators.
- ▶ All the just under 7,000 associates and 16 locations in 14 countries are to be transferred
- ▶ Headquarters will remain in Stuttgart, Germany
- ▶ Completion subject to approval by antitrust and other authorities

Stuttgart, Germany – Bosch plans to sell its subsidiary Robert Bosch Starter Motors Generators Holding GmbH, including all subsidiaries, to the purchaser consortium ZMJ (Zhengzhou Coal Mining Machinery Group Co., Ltd.), Zhengzhou, China, and CRCI (China Renaissance Capital Investment), Hong Kong, China.

ZMJ already operates in the automotive supply sector via various investment holdings. For starters and generators, as well as in its capacity as a manufacturer of engine components for commercial vehicles and passenger cars, ZMJ is a major Chinese automotive supplier. The purchaser now wishes to complement the Bosch activities hitherto in the starters and generators segment with its portfolio, and to use this for further internationalization. As ZMJ's long-standing business partner, the financial investor CRCI will support the company in this acquisition as well.

The purchase agreement was signed by Bosch, ZMJ, and CRCI on May 2, 2017. It has been agreed that the purchase price will not be disclosed. Consummation of the transaction is subject to approval by the antitrust and other official authorities, as well as to the associates at the German locations consenting to the transfer to a new company.

The purchaser intends to take on all the just under 7,000 SG associates, as well as all the SG locations.

Bosch and the German employee representatives' negotiating team have now reached an agreement that supplements the original agreement with provisions relating to the purchaser.

### **Prospects**

Explaining his company's decision, Chengyao Jiao, the CEO of ZMJ, says: "We are very pleased that we can now add to and successfully further extend our business with these new associates, their expertise, and the excellent products of the Starter Motors and Generators division. In the future, we want the Starter Motors and Generators division to play a central role in our company." Jiao adds: "Above all, we look forward to working with the existing management team to build up a business in the rapidly growing emerging markets. In addition, we want to further strengthen our position in the markets in which SG is already a leader." ZMJ will support SG in further expanding its competitive product portfolio. Improved regional presence, especially in Asia, will allow SG's business to be expanded sustainably and profitably.

"We have achieved our goal and found a purchaser offering a viable industrial concept and a long-term perspective for successfully taking this business forward internationally, and thus for associates," says Dr. Rolf Bulander, chairman of the Mobility Solutions business sector and member of the management board of Robert Bosch GmbH. Commenting on the sale, he says: "I am confident that, in this new constellation, the division can seize its opportunities for a positive future."

In mid-2015, Bosch announced it was examining strategic options for realigning the division. These included the search for a partner or buyer. Bosch is convinced that, in this constellation, the division's competitiveness can be increased and that further stimuli for growth can be created. Bosch has invested a lot in making this happen. The carve-out was the most complex one in the company's history.

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*The Bosch Group is a leading global supplier of technology and services. It employs roughly 390,000 associates worldwide (as of December 31, 2016). According to preliminary figures, the company generated sales of 73.1 billion euros in 2016. 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 industry. 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, and to improve 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 450 subsidiaries 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. The basis for the company's future growth is its innovative strength. At 120 locations across the globe, Bosch employs 59,000 associates in research and development.*

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