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From vision to business:

Connected driving is becoming a growth area

Presentation by Dr. Volkmar Denner,
chairman of the board of management of
Robert Bosch GmbH,
at the Bosch ConnectedWorld press briefing
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Ladies and gentlemen:

Connectivity is the future, and the future of mobility in particular. By that I mean not just modernizing the road and rail networks, but connecting all modes of transport via the internet. We are showcasing this and much more here at Bosch ConnectedWorld in Berlin. BCW is one of the world's largest conferences on the internet of things, and draws players at the forefront of digitalization. Here we can exchange views with nearly 4,000 IoT pioneers and implementers, and display the practical benefits of more than 60 IoT solutions. The German capital is the perfect setting for this: we just opened our IoT campus here one month ago, and the city is also home to 1,000 of the 3,500 e-scooters operated by our sharing service COUP. These Berlin examples demonstrate that we're not concerned with far-off visions of the connected world and the mobility of tomorrow, but are already delivering pioneering solutions for today's traffic problems. It is with these solutions that we plan to grow.

Creating our new division, Connected Mobility Solutions, sends a clear signal: we're converting our many service projects for tomorrow's mobility into a services business. For example, we have collaborated with partners in developing a multimodal mobility assistant that enables the planning, booking, and payment of car- and bike-sharing, rail, and bus services. And this year, our technology is making connected parking a reality for the first time – whether it is cars driving themselves to free spots in parking garages, or using their sensors to detect available curbside parking and feeding that information into an online map. Both of these solutions make city life easier. For realizing services such as these, we have our own software platform: the Bosch Automotive Cloud Suite. We are pooling all of this in our new division, which will be the new home for more than 20 services from shared mobility, multimodal mobility, and connectivity-based service offerings for drivers.

Bosch has over 600 associates in Connected Mobility Solutions at five locations in Germany and China. The business potential arises from the

growing fleet of connected vehicles, which is expected to number more than 470 million by 2025. Digital and mobility services aim to tap that potential. Their worldwide market volume is projected to grow from 47 to 140 billion euros within five years, meaning between 2017 and 2022. It is still a fragmented market. Bosch aims for significant double-digit growth with the solutions we offer.

One part of this plan is an acquisition in the U.S., which I would like to announce today. Bosch is entering the business of web-based ridesharing services: we have acquired the U.S. start-up SPLT, which offers such services specifically for commuters. This kind of connectivity also helps solve traffic problems of the here and now – problems shared by anyone trying to get from A to B. What makes the SPLT service special is that it is a B2B solution aimed not directly at potential carpoolers, but rather at their employers. SPLT operates a platform that can coordinate ridesharing offers for employees of companies, universities, or municipalities. Why does it make sense to offer this solution via the employer? The answer is simple: carpools are based on the idea that multiple people need to get to the same place at the same time. And where and when is that more often the case than on the way to the same workplace? This is precisely where SPLT comes in: an algorithm computes the best grouping of employees for the ride-share as well as the fastest route. Less stress during rush hour, good for the environment and the wallet – these are the objectives. SPLT already has some 140,000 users at companies and public authorities throughout the U.S., Mexico, and Germany – a number that is sure to multiply over the next few years.

Connectivity is not the only development path that Bosch is pursuing towards mobility of the future. In fact, we are moving forward on three paths: connecting, electrifying, and automating driving. The goal is to make driving as stress-free, emissions-free, and accident-free as possible. All in all, we have a comprehensive vision of future mobility in which connectivity is intertwined with the other two paths.

This is plain to see at this year's Bosch ConnectedWorld, especially in the interplay between electric and connected driving. Electromobility – from the beginning, Bosch has seen it as more than an alternative powertrain for cars. We first electrified cycling, and today are a leading supplier of e-bike systems in the premium segment. Our goal is to deliver electric drive solutions for everything from bicycles to trucks. In all that we do, we see ourselves as a systems supplier. For example, we have acquired our first orders for the e-axle, which integrates the transmission, electric motor, and power electronics in electric cars. But our systems expertise goes beyond hardware – we also connect electromobility with the 3 S's so crucial to the internet of things: sensors, software, and services. After all, electric driving, too, is best when connected. To that end, we are introducing a new concept at this Bosch ConnectedWorld: we call it system!e.

I would now like to hand over to Rainer Kallenbach, the president of our new Connected Mobility Solutions division, who will tell you more about it.