



## Bosch strengthens its operations in Africa with acquisition in industrial technology

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### All shares acquired in Hytec, its longstanding marketing partner

- ▶ Hytec: sales of some 86 million euros in 2017 and 770 associates
- ▶ Leading specialist for marketing hydraulic and automatic solutions in sub-Saharan Africa to become wholly owned Bosch Rexroth AG subsidiary
- ▶ Africa offers huge potential as a future market

Stuttgart, Germany, and Johannesburg, South Africa – The Bosch Group is strengthening its business in Africa and further expanding its industrial technology portfolio on the continent. Effective February 28, 2018, Bosch Rexroth AG has acquired all shares in Hytec Holdings (Pty.) Ltd., Johannesburg, South Africa. Hytec specializes in the marketing of hydraulic and automation solutions, and is the leading company in the field in sub-Saharan Africa. In 2017, the company and its roughly 770 associates generated sales of some 86 million euros. Hytec has about 40 branch operations, not only in South Africa, but also in Mozambique, Namibia, Zambia, Botswana, Ghana, and Kenya. In a first phase, Bosch Rexroth acquired a 50 percent stake in its marketing partner Hytec in 2014.

“For Bosch, Africa has a lot of potential as a strategic market of the future,” says Uwe Raschke, the Bosch management board member responsible for Europe, the Middle East, and Africa. “In the years ahead, we want to significantly increase our sales in Africa,” Raschke adds. Considerable opportunities are offered by the heavy investments being made in infrastructure projects in areas such as construction and power generation. “Together with Hytec, we can take better advantage of the market opportunities in the African growth industries,” says Rolf Najork, the managing director of Bosch Rexroth. The region is characterized by a lot of end-

user business, such as servicing and spare parts for users of machinery. With its new subsidiary, Bosch Rexroth hopes to further expand this business. Hytec has a well-established marketing network in sub-Saharan Africa, and its associates are well familiarized with what local customers want. “We are combining this high level of regional marketing knowledge with Bosch Rexroth’s product expertise and technological prowess. This will be a significant boost to our business on the continent,” Najork says. Hytec will continue to market the products of other manufacturers. Its portfolio includes roughly 30 brands. It will also continue to do business as Hytec, since this is a strong, well-known brand in southern Africa.

### **Rapid population growth and urbanization are leading to increased demand**

Africa’s population is growing at a rapid pace, and according to the United Nations is expected to double [to 2.5 billion people](#) by 2050. The continent also has the fastest rate of urbanization in the world. Within the next ten years, it is expected that 187 million Africans – equivalent to half the U.S. population – will live in cities.

This means growing demand for drive and control solutions for industrial machinery, for mobile machinery such as construction vehicles, and for major construction projects. Even today, Bosch Rexroth and its marketing partner Hytec are successfully collaborating to serve the African market in areas such as power engineering. In one major project, for example, the two companies renewed the entire hydraulic equipment of the Roseires Dam in Sudan. At 1,800 megawatts, the output of this dam on the Blue Nile is comparable with that of a nuclear power station.

Bosch has been working with its marketing partner Hytec for more than 50 years. “The complete acquisition of Hytec gives us a welcome opportunity to extend this successful collaboration and to grow further in Africa,” says Tillmann Olsen, general manager of Bosch Rexroth in South Africa. In May 2018, Bosch Rexroth and its new subsidiary Hytec will move into new joint premises in Johannesburg. The premises will include new marketing and administration offices, as well as an assembly line, a service center, and a training center for courses in hydraulics and automation technology.

### **Bosch in Africa**

In recent years, the Bosch Group has systematically expanded its presence on the African continent. Today, it is represented in ten African countries. The company’s focus is on affordable solutions and services for local requirements. These include

training programs for tradespeople in Kenya, for example, or auto mechanics in Nigeria. According to preliminary figures, the company generated sales of some 460 million euros in Africa in 2017. Including the Hytec workforce, Bosch currently employs more than 1,500 associates on the continent. Bosch has been present in Africa since 1906. All four Bosch business sectors – Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Building Technology – are active there. In South Africa, the company produces automotive components at its production site in Brits. Bosch also actively promotes talented young people in sub-Saharan Africa. In 2008, it was one of the initiators of “Afrika kommt!”, an initiative of German industry for junior managers from sub-Saharan Africa.

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*The Bosch Group is a leading global supplier of technology and services. It employs roughly 400,500 associates worldwide (as of December 31, 2017). According to preliminary figures, the company generated sales of 78 billion euros in 2017. 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 deliver innovations 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 440 subsidiary and regional companies in 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 125 locations across the globe, Bosch employs 62,500 associates in research and development.*

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