

Press Release

BSH Has Record Sales in Fiscal Year 2017 and Is on Track to Become a Hardware+ Company

- **Growth worldwide: BSH sales revenue up in all regions; all brands and appliance categories make gains**
- **BSH workforce tops 60,000 for first time, with almost 3,500 new jobs, 1,825 of them in Europe**
- **Spending on capital investments and R&D increases again**
- **BSH transforming into Hardware+ company – smart home appliances, digital services, Industry 4.0**

Munich, March 13, 2018 (BSH) – BSH Hausgeräte GmbH has continued its trend of successes, reporting record sales revenue for the eighth time in a row. In fiscal year 2017, the globally operating, multi-brand company boosted sales to EUR 13.8 billion, growing considerably faster than the market. The worldwide home appliance market gained an average of two percent last year, while BSH sales revenue climbed a substantial 5.8 percent from the prior year (3.5 percent in 2016), thus expanding the company’s market lead as Number 1 in Europe. At the same time, BSH again increased its worldwide expenditures on capital investments as well as on research and development, putting itself on course for sustained growth.

“We’re right on track to achieve our long-term growth targets, while at the same time pursuing the cultural and digital transformation of BSH,” says Karsten Ottenberg, Chairman of the Management Board at BSH. By 2025, the company plans to expand Group sales revenue to EUR 20 billion. The BSH brand portfolio comprises 14 different brands of home appliances all over the world (including Bosch, Siemens, Gaggenau, and Neff). Digital services for smart home appliances, marketed under Home Connect, are playing an increasingly important role. They offer consumers customizable added value, and tap additional sources of income for BSH with new, digital business models.

“The way people live, cook and do housework is changing. We want to remain consumers’ first choice all over the world, so we’re aiming to offer people exciting new possibilities. That’s why BSH continues to pursue its transformation into a Hardware+ company that provides not just excellent home appliances, but an increasing range of digital, individual services,” Ottenberg explains. “It’s why, for example, last year we acquired 65 percent of the shares of Berlin startup Kitchen Stories. This global food platform, whose recipes we’re gradually incorporating into our digital ecosystem Home Connect, lets us offer our consumers new experiences in all aspects of cooking within an increasingly connected kitchen world,” he says. Kitchen Stories is already being used by people in 150 countries.

All regions and brands contribute to record year

BSH sales grew in every region in 2017. In its two saturated markets, **Europe and North America**, the home appliance company enjoyed slight revenue gains¹ (Europe: + 2.1 percent; North America: + 0.1 percent). BSH expanded its market share in Europe, consolidating its position as the region's market leader. In BSH's other three regions² it generated double-digit revenue increases in 2017. Performance both in the **Asia-Pacific** (+ 14.6 percent) and **Greater China** (China, Hong Kong, Taiwan (+ 14.1 percent)) were especially outstanding. Sales revenue in the **T-MEA-CIS** region (Turkey, Middle East, Africa and CIS countries) also showed extremely good performance, gaining 14 percent. On a local-currency basis, this BSH region even gained 25.1 percent, benefiting from vigorous sales growth in Turkey (+ 31 percent on a local-currency basis).

Net of currency effects, sales revenue for every BSH brand grew – and in every category of home appliances and services.

BSH workforce bigger than ever

In 2017, the workforce at BSH achieved a new record size. At the end of the fiscal year, the company had **61,856 employees** worldwide, about 3,500 more than in the previous fiscal year. The company created new jobs in every region – 1,825 in Europe, some 400 of which were in Germany.

Profitable business performance supports record investment

As in previous years, BSH invested vigorously in the future again in fiscal year 2017. Investments (about EUR 637 million, or about 4.6 percent of revenue) and spending on research and development (about EUR 622 million, or about 4.5 percent of revenue) set new records. Three new factories started operations last year, two in Poland and one in China. Giengen, Germany, the pace-setter in Industry 4.0 excellence for the entire global BSH Group and the industry in general, saw operations start up at one of the world's most up-to-date, fully connected production facilities within the home appliance industry. BSH also boosted its investments in 2017 in ways to offer consumers a seamless brand and service experience – both online and off. One example: BSH opened numerous brand stores and showrooms both in metropolitan centers like Vienna, Shanghai and Chicago and in growth markets, specifically in booming cities like Cape Town, Marrakesh and Mumbai. The company is also testing services that enable consumers who use heavily frequented social networks (like WeChat in China) to custom-configure their home appliances online.

“We want to become faster in the smart kitchen segment. To do that, we need not only to keep increasing our innovative abilities and capital expenditures, but to just plain start working differently. In that connection we're counting more on mobile work environments that permit agile action. And we have three new organizational units to focus even more sharply on three key topics: first, our digitalization strategy. Second, strategic capital expenditures. Third, our transformation into a Hardware+ company,” Ottenberg says. “That development is based on our firm belief that everything we do should improve our consumers' quality of life, all over the world. That also means entering new markets – with completely different, tailored products for people in emerging-market countries, for example.”

¹ Consolidated, in EUR

² See press graphic

You can find further press materials from the press conference at the Newsroom: <https://www.bsh-group.com/newsroom/>. Find out the latest about BSH's worldwide topics at <http://stories.bsh-group.com>.

BSH Hausgeräte GmbH, with revenue of some EUR 13.8 billion in 2017 and more than 61,800 employees, is a global leader in the home appliance sector. BSH manufactures its products at around 40 factories and is represented by nearly 80 companies in approximately 50 countries. BSH is a Bosch Group company.

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