BSH Successfully Continues Strategic Transformation into Hardware+ Company





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• Amid a challenging market overall, sales revenues reach EUR 13.4 billion
• Revenues up one percent after adjustment for currency conversion effects
• Profitability stable, rising research and development spendings
• Special focus on consumer-centered approach, digital technologies and innovation

Bangkok – Amid a challenging market environment impacted by fluctuating exchange rates and worldwide volatility, in fiscal 2018, BSH Hausgeräte GmbH generated EUR 13.4 billion, the second-highest sales revenues in its history. After adjustment for currency conversion effects, the figure represents a gain of just under one percent; a slight decrease of 3.2 percent from the prior year on a euro basis. Research and development expenditures for 2018 were up 8.2 percent from the prior year, to EUR 673 million. At 5.0 percent of revenues, they are at a record level. To speed up innovation and accelerate BSH's development as Hardware+ company, the company is also reinforcing its cooperation with startups.
"Following eight years of vigorous growth, the economic environment changed considerably last year. Our markets have become more volatile; at the same time we have been seeing a sharp increase in competition from Asia, as well as challenges and changes in retail," says BSH CEO Karsten Ottenberg. "BSH has held its ground well in this environment and our Hardware+ strategy is addressing the right issues for the future."
"Our sustainable success requires that we continue to impress our consumers worldwide with excellent, innovative appliances. Increasingly, however, we also want to convince them with digital and individually tailored additional services. In that regard, we are focusing on products that meet our consumers' needs, which can vary greatly in the five regions we serve around the world. And besides innovations for our core markets, that also includes becoming more involved in emerging markets."
Regional Results Vary

The global home appliance market in 2018 continued to feel the effects of a diverse range of political and economic developments. At BSH, this is evident in the revenue development in the company's various regions. While Asia-Pacific (+11.3 percent) regions performed well,
All in all, at the end of 2018, BSH had a stable workforce of about 61,000 employees worldwide.
Record Expenditures on R&D – Investments Remain at Prior-Year Level
BSH continued to spend heavily on research and development in 2018. The focus once again was on digital technologies and innovation. Last year, in addition to spending 5.0 percent of total sales revenues on research and development, the home appliance manufacturer also spent EUR 619 million (4.6 percent of total sales revenues) on investments.
BSH also invested heavily in its existing and new locations again in 2018, namely in a total of ten technology centers and factories around the world. Chuzhou, China, saw the opening of a new dishwasher plant, and construction began on a new plant for dryers and ovens. Technology centers and production sites were both expanded and established in North America, Europe and the Asia-Pacific region: three in the USA, one in India, two in Poland, and the technology center for electronics development at the Traunreut site in Germany.
Home Connect and Digital Business Unit Continue to Expand

Since back in 2014, BSH has been benefiting from Home Connect – the world's largest digital ecosystem for the connected kitchen. At present the Home Connect platform is available in 34 countries and includes 37 partners who offer their services for connected home appliances. More countries and partners are scheduled to join over the course of the year. Consumers will be able to choose what channel they want to use to connect with Home Connect – whether via app, voice control, Facebook Messenger, or wearables like the Fitbit smart watch. Home Connect thus enables consumers to enter the world of individual additional services for their connected home appliances in a personally efficient way.

In order to accelerate its transformation into a Hardware+ company, BSH founded a Digital Business Unit last year. This unit currently runs both the Future Home Accelerator Program, which BSH launched together with startup specialist Techstars, and the BSH Venture Client Initiative BSH Startup Kitchen. The Accelerator program serves first and foremost to identify and further develop innovative digital services for consumers with selected startups. On May 9, 2019, the ten finalist teams will be presenting their products and solutions to BSH and potential investors. BSH CEO Karsten Ottenberg says, "We are certain that we can benefit from the transparency and curiosity of young companies, and from exchanging knowledge with them. Our BSH Startup Kitchen and our Accelerator program encourage innovation – always with the aim of better understanding consumers' needs and meeting them as quickly as possible with our products and services."

You can find out the latest news about all aspects of BSH worldwide at https://stories.bsh-group.com/en/.

BSH Hausgeräte GmbH, with 2018 sales revenues of some EUR 13.4 billion and about 61,000 employees, is a global leader in the home appliance industry. The company's brand portfolio includes 13 well-known appliance brands like Bosch and Siemens as well as the ecosystem brand Home Connect and service brands like Kitchen Stories. BSH produces at roughly 40 factories, and is represented by about 80 companies in some 50 countries.
BSH is a Bosch Group company.

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