

PRESS RELEASE

Internet of Things and Industry 4.0: Software AG enters innovation partnership with Bosch—both companies plan joint sales activities

Darmstadt, Germany, October 14, 2016 – Software AG (Frankfurt TecDAX: SOW) has entered a strategic innovation partnership with Robert Bosch GmbH ("Bosch") to develop new joint services and solutions for the Internet of Things (IoT) and Industry 4.0. Furthermore, both companies today agreed to collaborate on sales activities in order to extend <u>Bosch's IoT cloud</u> user base. Especially partners and customers in manufacturing, logistics and retail will reap the benefits of Industry 4.0 and the rapidly growing IoT market through the partnership.

Dr. Volkmar Denner, Chairman of the Board of Management at Robert Bosch GmbH, stated, "As technology partners, we will be able to offer our customers innovative solutions with the Bosch IoT Cloud even faster and more efficiently than before."

Karl-Heinz Streibich, Software AG's Chief Executive Officer, added, "Our objective is to optimally combine the comprehensive expertise of Bosch as an innovation leader with our software know-how in the cloud market. With this step, we are also strengthening Germany as a technology hub with the goal of expanding its global leadership in IoT and Industry 4.0." The partnership is based on a joint agile innovation cycle with design-thinking methods to address the new requirements of IoT solutions and deliver relevant target-oriented functionality guickly.

Core Objective of the Partnership: Development of Predictive Analytics Tools

Software AG's leading Digital Business Platform will be a highly scalable component of the Bosch IoT cloud with modules for real-time data analytics and decision making. The ability to process, analyze and visualize decision-critical data in real time is essential in data-intensive IoT solutions. The availability of predictive analytics tools, which can be realized with Software AG's Digital Business Platform, is also a core objective of this partnership. In addition, Bosch will employ Software AG's in-memory data storage and processing solutions to enable real-time assessment. The scalability of the Bosch IoT cloud is a key element in offering an open ecosystem for many different partners and users. Software AG's universal messaging integration module—already in use at Bosch—ensures the seamless integration and smooth operation of all components. It guarantees that the entire IoT ecosystem can communicate in real time via the Bosch IoT cloud.

Bosch is the only company in the world actively addressing all three levels of the Internets of Things. The company offers key integration technologies such as sensors and software while also developing new services based on those technologies. The technology and services supplier runs different applications in the Bosch IoT Cloud for connected mobility, connected industry and connected home and buildings.

Smart Solutions for Manufacturing and Logistics

For customers and partners of both companies, the strategic partnership means easier and faster development, use and marketing of new IoT services based on the Bosch IoT cloud. The primary benefits for customers and partners are the ongoing functional enhancement of the platform and the development of new IoT solutions, which ultimately leads to a stronger competitive advantage.



Manufacturing, logistics and retail are three key sectors which will particularly benefit from future IoT solutions. Real-time data analytics using environmental sensors and risk assessment systems coupled with predictive analytics tools provide the foundation and make supply, production and logistics processes faster, more efficient and more secure. Smart IoT solutions give the necessary information edge and proactively help prevent inefficiencies in value chains. With a combination of real-time analytics sensors and components, the two companies have developed a joint application, for example, that reduces the need for testing in the manufacturing sector. Based on sensor data, the decision can be made whether or not a part should undergo an additional quality assurance testing process.

About Bosch

The Bosch Group is a leading global supplier of technology and services. It employs roughly 375,000 associates worldwide (as of December 31, 2015). The company generated sales of 70.6 billion euros in 2015. Its operations are divided into four business sectors: Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Building Technology. The Bosch Group comprises Robert Bosch GmbH and its roughly 440 subsidiaries and regional companies in some 60 countries. Including sales and service partners, Bosch's global manufacturing and sales network covers some 150 countries. The basis for the company's future growth is its innovative strength. Bosch employs 55,800 associates in research and development at 118 locations across the globe. 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."

Further information is available online at www.bosch-press.com, http://twitter.com/BoschPresse.

About Software AG

The digital transformation is changing enterprise IT landscapes from inflexible application silos to modern software platform-driven IT architectures which deliver the openness, speed and agility needed to enable the digital real-time enterprise. Software AG offers the first end-to-end Digital Business Platform, based on open standards, with integration, process management, in-memory data, adaptive application development, real-time analytics and enterprise architecture management as core building blocks. The modular platform allows users to develop the next generation of application systems to build their digital future, today. With over 45 years of customer-centric innovation, Software AG is ranked as a leader in many innovative and digital technology categories. Software AG has more than 4,300 employees, is active in 70 countries and had revenues of €873 million in 2015. Learn more at www.softwareag.com.

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