



## **More chips: Bosch to invest on extending semiconductor production in Reutlingen** **Over \$296 million for new manufacturing facilities**

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- ▶ Bosch chairman Stefan Hartung: “This investment will benefit our customers and help combat the crisis in the semiconductor supply chain”
- ▶ New investment comes on top of \$473 million of capital expenditure already earmarked for expansion of global semiconductor production in 2022
- ▶ Extension is response to growing demand for Bosch semiconductors and MEMS sensors
- ▶ Bosch has been developing and manufacturing semiconductors for over 60 years

Reutlingen, Germany – In an additional move to combat the ongoing global chip shortage, Bosch plans to further extend its wafer fab in Reutlingen. More than a quarter of \$1.2 billion is to be invested in creating new production space and the necessary clean-room facilities between now and 2025. This will give Bosch the firepower to meet the continuously growing demand for chips used in mobility and IoT applications. “We are systematically expanding our manufacturing capacity for semiconductors in Reutlingen,” says Dr. Stefan Hartung, chairman of the board of management of Robert Bosch GmbH. “This new investment will not only strengthen our competitive position, but will also benefit our customers and help combat the crisis in the semiconductor supply chain.” The construction of a new extension in Reutlingen will create an additional 38,750 square feet of ultramodern clean-room space. As of 2025, this additional capacity will produce semiconductors based on technology already in place at the Reutlingen plant. Bosch is also extending an existing power supply facility and will construct an additional building for media supply systems serving both the new and existing production areas. The new production area is scheduled to go into operation in 2025.

In October 2021, Bosch announced it would be spending more than \$473 million in 2022 alone on expanding its semiconductor operations in Dresden and Reutlingen, Germany, and in Penang, Malaysia. Around \$59 million of this sum is earmarked for the wafer fab in Reutlingen. In addition, Bosch also announced plans to invest a total of \$177 million in the creation of additional clean-room

space in existing buildings at the Reutlingen facility over the period from 2021 to 2023. The further expansion of the site, which will see a new extension to the manufacturing facilities, will now supplement these measures. All in all, clean-room space in Reutlingen is set to grow from around 376,737 square feet at present to over 473,612 square feet by the end of 2025.

### **State-of the-art semiconductor manufacture**

The Reutlingen wafer fabs use 6- and 8-inch technology, while the Dresden plant makes chips on 12-inch wafers. Both employ cutting-edge manufacturing methods based on data-driven process control. “AI methods combined with connectivity have helped us achieve continuous, data-driven improvement in manufacturing and thereby produce better and better chips,” says Markus Heyn, member of the board of management of Robert Bosch GmbH and chairman of the Mobility Solutions business sector. This includes the development of software to enable automated classification of defects. Bosch is also using AI to enhance materials flows. With its high level of automation, this state-of-the art production environment in Reutlingen will safeguard the plant’s future and the jobs of the people working there.

### **Growing demand for semiconductors**

Bosch has been developing and manufacturing semiconductors for over 60 years, and for more than 50 of those years in Reutlingen – both for automotive applications and for the consumer electronics market. Bosch-manufactured semiconductor components include application-specific integrated circuits (ASICs), microelectromechanical systems (MEMS sensors), and power semiconductors. The further expansion of the Reutlingen site will primarily serve the growing demand for MEMS in the automotive and consumer sectors and for silicon-carbide power semiconductors. “Bosch is already a leading chip manufacturer for automotive applications,” Heyn says. “And this is a position we intend to consolidate.” Measures to achieve this include the development and manufacture of chips made of silicon carbide, which Bosch has been producing since December 2021. Chips made of this innovative material are destined to play an increasingly important role in electromobility. Bosch is currently the only automotive supplier worldwide manufacturing power semiconductors made of silicon carbide.

The Reutlingen plant currently employs around 8,000 associates. They work in the development and production of semiconductors and electronic control units, in administration, and in the eBike Systems division.

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### **About Bosch**

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