



Bosch strengthens energy and building technology business with Climatec acquisition

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Purchase of leading U.S. energy, building, and security solutions provider expands global footprint

- ▶ Bosch becomes single-source provider of energy, building automation and security solutions for public, commercial and industrial customers in the US
- ▶ Combined portfolio meet demands of growing market
- ▶ Climatec to operate as a largely independent entity

Farmington Hills, MI - Robert Bosch North America Corporation has acquired Climatec, LLC, a leading provider of energy efficiency, building automation, security and life-safety solutions for the U.S. market. Headquartered in Phoenix, AZ, Climatec, LLC generated sales of 170 million dollars (128 million euros) in 2013. According to preliminary figures, Climatec increased its sales in 2014 to about 190 million dollars (143 million euros). The company employs some 670 associates at a total of twelve offices across Arizona, California, Nevada and Texas. Climatec has been majority-owned by Pegasus Capital Advisors, L.P. since April 2012. Terms of the transaction were not disclosed.

“With the addition of Climatec, we are expanding our global presence especially in the growing North American market, strengthening our portfolio and becoming a comprehensive supplier of solutions in the area of energy, building automation and security services,” said Dr. Stefan Hartung, member of the Bosch board of management responsible for the Energy and Building Technology business sector. “The entrepreneurial spirit, industry expertise, customer focus and shared cultural values that have made Climatec successful are an excellent match for Bosch. Our heating, energy service, security systems, software, sensors and storage technology expertise, combined with the Climatec portfolio, positions Bosch to achieve Energy and Building Technology business sector sales of ten billion dollars (eight billion euros) in 2020.”

“Over its 40-year history, Climatec has established itself as a trusted provider of building comfort, safety and efficiency solutions across nearly all building segments. I was immediately impressed by Bosch’s determination to create an

environment that would preserve our business model and customer focus,” said Terry Keenen, president, Climatec, LLC. “I am confident that this acquisition will strengthen our position for sustained growth, benefitting our customers and employees.”

Integrated competencies for a growing market

The market for integrated energy services, building automation systems and system integration is growing significantly in the U.S. and around the world. As global energy needs have doubled over the last four decades, customer demand for energy efficiency has increased. And recent years have seen greater demand for comfort, connectivity and security. Rising energy costs, increasingly complex energy systems and a changing regulatory environment foster major growth opportunities in the residential and commercial building sector as well as the services segment.

The Bosch Energy and Building Technology business sector combines several areas of expertise: broad technical systems know-how in video surveillance systems, intrusion and fire detection, access control, alarms, evacuation and public address systems, professional audio and conference systems, as well as water heating and comfort heating systems. As the global market leader in microelectromechanical sensors (MEMS), Bosch offers software and sensor technology for internet of things connectivity. The company also offers services for energy management, remote monitoring, and the handling of business processes.

Climatec is recognized in the building industry as an independent single-source integrator of critical building systems including energy services, building automation and security system integration in the U.S. market. The company provides consulting, planning, implementation and 24/7 remote management of comprehensive comfort, security, safety and efficiency solutions. Climatec is active in several market segments and industries including education, healthcare, the public sector, industrial/manufacturing, computing services, office buildings, federal, state and local government, hospitality and energy.

Combining these strengths, Bosch can now offer customers a complete portfolio of networked and efficient energy, building automation and security solutions.

Climatec continues as largely independent entity

Climatec will operate as a largely independent entity, maintaining its offices in Arizona, California, Nevada and Texas. Operations will continue to be run by the same management team. Climatec will continue to represent and integrate numerous leading manufactures’ product lines across its wide range of services,

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including Bosch products. As before, the Bosch Security Systems division, Fairport, NY, will continue to sell their security and safety products in the North American market through leading distributors and system integrators.

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About Bosch

In the U.S., Canada and Mexico, the Bosch Group manufactures and markets automotive original equipment and aftermarket solutions, industrial drives and control technology, power tools, security and communication systems, packaging technology, thermotechnology, household appliances, healthcare telemedicine and software solutions. Having established a regional presence in 1906, Bosch employs 24,600 associates in more than 100 locations, with consolidated sales of \$10.4 billion in 2013. For more information, visit www.boschusa.com, www.bosch.com.mx and www.bosch.ca.

The Bosch Group is a leading global supplier of technology and services. In 2013, its roughly 281,000 associates generated sales of 46.1 billion euros (\$61.2 billion). 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 more than 360 subsidiaries and regional companies in some 50 countries. If its sales and service partners are included, then Bosch is represented in roughly 150 countries. This worldwide development, manufacturing, and sales network is the foundation for further growth. In 2013, Bosch invested some 4.5 billion euros (\$6.0 billion) in research and development and applied for some 5,000 patents worldwide. The Bosch Group's products and services are designed to fascinate, and to improve the quality of life by providing solutions which are both innovative and beneficial. In this way, the company offers technology worldwide that is "Invented for life." Additional information on the global organization is available online at www.bosch.com, www.bosch-press.com, and <http://twitter.com/BoschPresse>.

*Due to a change in accounting policies, 2013 figures can only be compared to a limited extent with 2012 figures. The decision to forego the application of proportionate consolidation affects mainly BSH Bosch und Siemens Hausgeräte GmbH and ZF Lenksysteme GmbH (2013 consolidated sales volume of some \$9.7 billion). 2014 exchange rate: 1 EUR = \$1.32850. 2013 exchange rate: 1 EUR = \$1.32812.

About Climatec

Founded in 1975, Climatec is a leading provider of advanced building technologies and energy efficiency solutions. It serves building owners across nearly all market segments including education, health care, office, hospitality, industrial, federal, state and local government. Climatec's automation and efficiency solutions improve building comfort and deliver significant energy and operational savings. Its life-safety and security solutions create productive environments that protect building occupants and business assets. Climatec is headquartered in Phoenix with offices across Arizona, California, Nevada and Texas, and has over 600 full-time employees. Visit www.climatec.com for more information.

About Pegasus Capital Advisors

Pegasus Capital Advisors, L.P. is a private equity fund manager that has been providing creative capital and strategic solutions to companies across a variety of industries since 1996. Pegasus partners with management teams of growth companies, with a focus on those that benefit from the business implications of global resource scarcity. Sectors where this trend is most pronounced are food, water, energy, health & wellness and security. Pegasus currently manages approximately \$2.0 billion in assets. Visit www.pcalp.com for more information.

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