

Bosch buys ZF Friedrichshafen

BERLIN, GERMANY: German electronic car parts maker Bosch it had bought the share of ZF Friedrichshafen in their co-venture, which could pave the way for ZF to buy a US rival.



Bosch Chairman, Volkmar Denner says that the two groups will create a company with a turnover of about €30bn. Image: Bosch

ZF Friedrichshafen, Germany's third biggest car parts manufacturer, has sold its 50% stake in ZFLS, a steering systems producer, to its partner in the venture, Bosch, for an undisclosed sum, both companies said.

ZF, based on the shores of Lake Constance in southern Germany, announced in July that it was in talks with US firm TRW Automotive.

Their tie-up would create a new company with turnover of around €30bn, or nearly the same in the car parts sector as each of the market leaders, Germany's Continental and Bosch.

Media reports and analysts said the sale of the ZFLS stake was a condition for the purchase of TRW.

Bosch Chief Volkmar Denner told a teleconference that discussions on changing the ownership of ZFLS had been underway for several months.

He said Bosch would make ZLFS, which employs about 13,000 people and last year posted sales of around €4bn, a separate division.

Source: AFP via I-Net Bridge

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