
The intelligent car

*Embedded Systems, a success story for the
German job market*


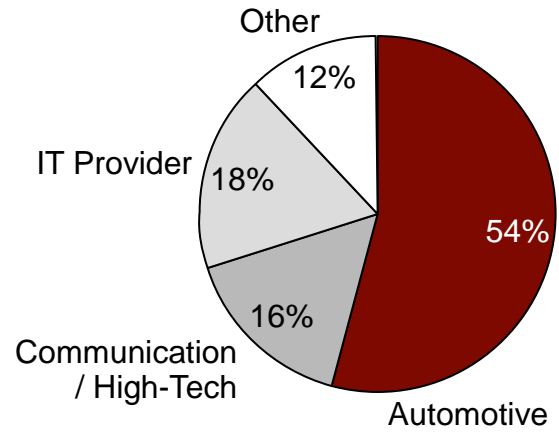
A.T. Kearney Study Overview

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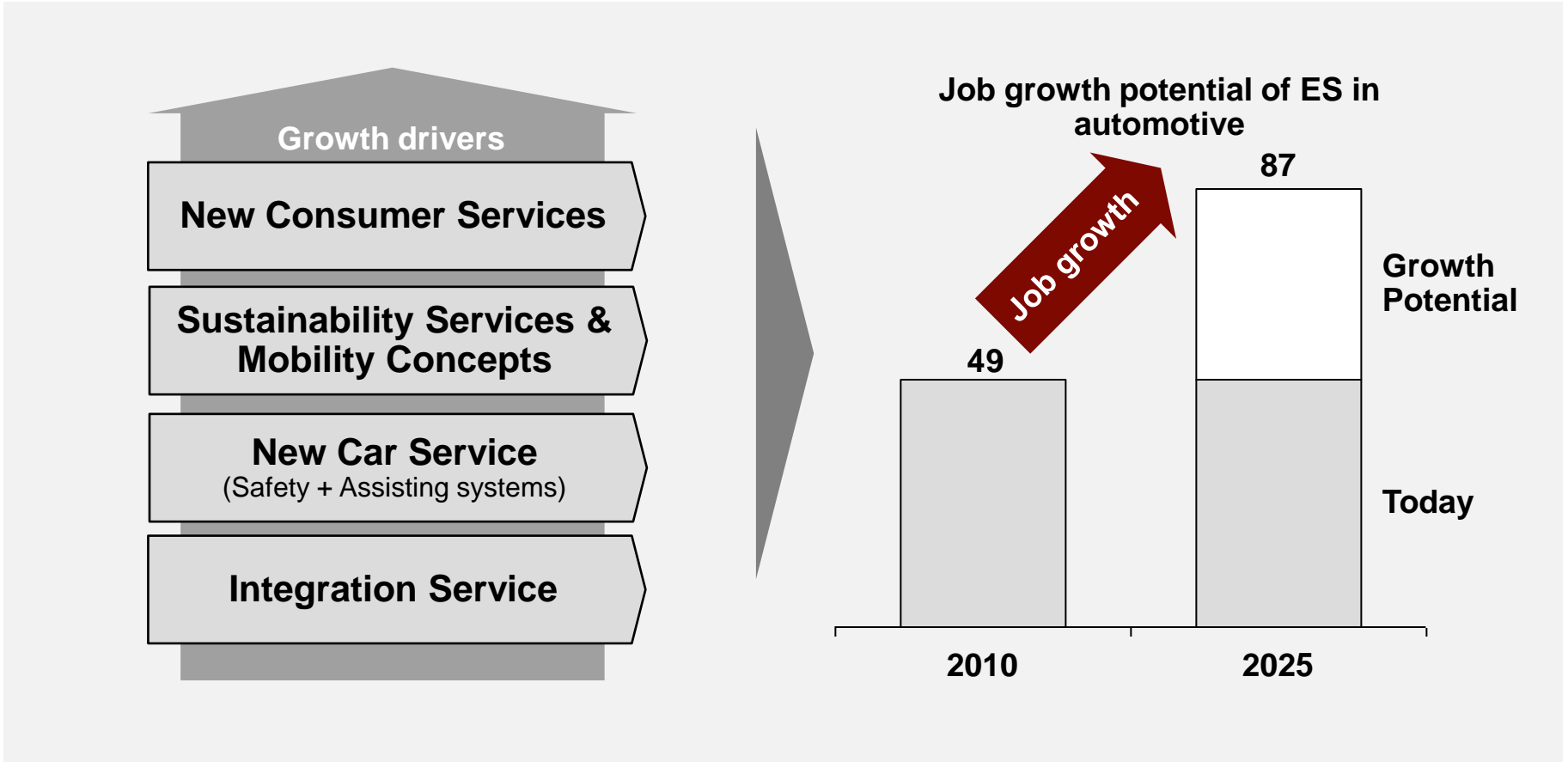
The study considers CXOs' views as well as external expert experiences and covers multiple industries and countries

Study background

Method												
<ul style="list-style-type: none"> • >50 interviews with Embedded Systems management representatives from business units and IT and based on a detailed questionnaire (45 – 60 minutes) • Interviewees from top (80%) – and middle (20%) management • 80 consumer feedbacks • Enhanced by research of relevant press releases and studies 												
Geographic scope	Industry scope	Selected participants										
	 <table border="1"> <caption>Industry Scope Data</caption> <thead> <tr> <th>Industry</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Automotive</td> <td>54%</td> </tr> <tr> <td>IT Provider</td> <td>18%</td> </tr> <tr> <td>Communication / High-Tech</td> <td>16%</td> </tr> <tr> <td>Other</td> <td>12%</td> </tr> </tbody> </table>	Industry	Percentage	Automotive	54%	IT Provider	18%	Communication / High-Tech	16%	Other	12%	<ul style="list-style-type: none"> • Continental • Bosch • BMW • Daimler • Porsche • Audi • Volkswagen • Airbus • DTAG • T-Systems • Siemens • Technical University Munich • BitKom • Smaller Software companies
Industry	Percentage											
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We expect that iCar can create ~40,000 new jobs in the German Auto industry by 2025

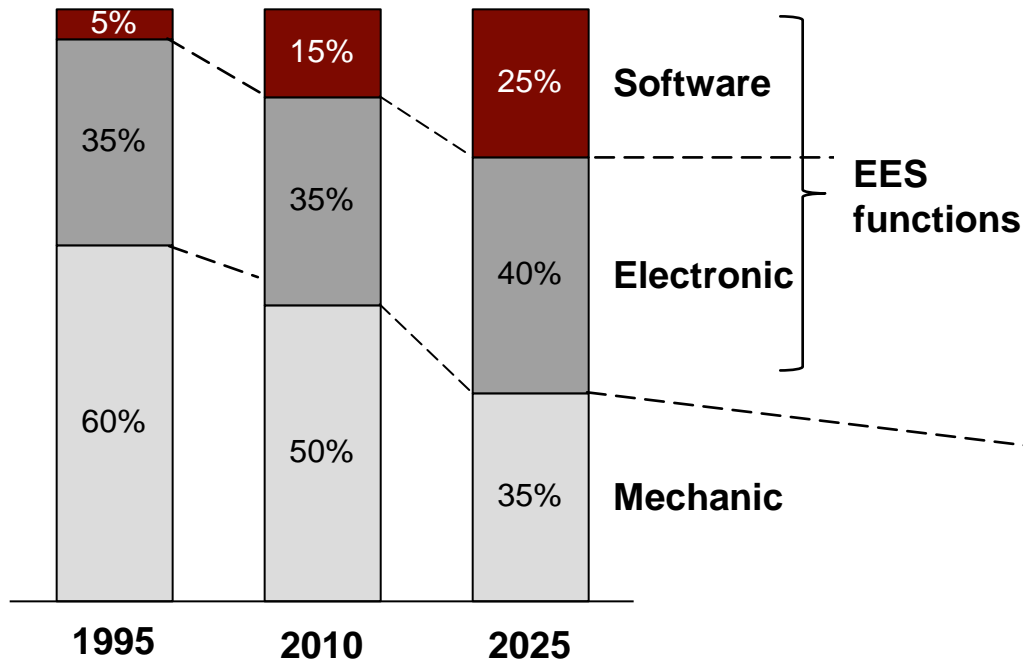
Development of jobs related to Embedded Electronic Systems in Germany
(in '000)



Automotive EES functions increase in share of value add per vehicle to 65% in 2025

Development of share in EES cost of the final product for automotive

Study Example



- Software instead of hardware
- Software offerings will enable new revenue streams (e.g. pay per use, product add-on via remote update)
- Electrical components as essential precondition for software components and -mobility
- Currently ~€ 150 bn of electric components are build each year with a prospect growth of 6% p.a.
- Not anymore the key differentiator
- Will be sourced as commodity

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