

Preliminary Consolidated Financial Statements 2023

The following results and amounts are preliminary statements that have not yet been approved or adopted by the Supervisory Board.

Continental Group

€ millions	2023	2022	Δ in %
Sales	41,420.5	39,408.9	5.1
EBITDA	4,078.9	3,966.1	2.8
in % of sales	9.8	10.1	
EBIT	1,853.8	754.8	145.6
in % of sales	4.5	1.9	
Net income attributable to the shareholders of the parent	1,156.4	66.6	1,635.3
Basic earnings per share in €	5.78	0.33	1,635.3
Diluted earnings per share in €	5.78	0.33	1,635.3
Adjusted sales ¹	41,302.2	39,335.6	5.0
Adjusted operating result (adjusted EBIT) ²	2,517.2	1,912.6	31.6
in % of adjusted sales	6.1	4.9	
Free cash flow	1,159.0	90.6	1,179.3
Net indebtedness	4,037.9	4,499.4	-10.3
Gearing ratio in %	28.6	32.8	
Total equity	14,125.1	13,735.0	2.8
Equity ratio in %	37.4	36.2	
Number of employees as at December 31 ³	202,763	199,038	1.9
Dividend per share in €	2.20 ⁴	1.50	
Share price at year end ⁵ in €	76.92	55.98	37.4
Share price at year high ⁵ in €	78.26	99.80	
Share price at year low ⁵ in €	59.20	44.31	

¹ Before changes in the scope of consolidation.

² Before amortization of intangible assets from purchase price allocation (PPA), changes in the scope of consolidation, and special effects.

³ Excluding trainees.

⁴ Subject to the approval of the Annual Shareholders' Meeting on April 26, 2024.

⁵ All market prices are quotations of the Continental share in the Xetra system of Deutsche Börse AG. Data source: Bloomberg.

Development of the Group Sectors: Automotive

Automotive in € millions	2023	2022	Δ in %
Sales	20,295.4	18,321.6	10.8
EBITDA	982.1	962.5	2.0
in % of sales	4.8	5.3	
EBIT	-57.4	-970.1	94.1
in % of sales	-0.3	-5.3	
Research and development expenses (net) ^{1, 2}	2,384.8	2,273.1	4.9
in % of sales ^{1, 2}	11.8	12.4	
Depreciation and amortization ³	1,039.5	1,932.6	-46.2
thereof impairment ⁴	13.1	880.9	-98.5
Capital expenditure ⁵	1,226.3	1,342.0	-8.6
in % of sales	6.0	7.3	
Operating assets as December 31	8,844.1	8,321.9	6.3
Operating assets (average)	9,221.1	8,746.7	5.4
ROCE in %	-0.6	-11.1	
Number of employees as at December 31 ⁶	102,413	97,575	5.0
Adjusted sales ⁷	20,295.4	18,321.2	10.8
Adjusted operating result (adjusted EBIT) ⁸	388.2	-62.6	719.8
in % of adjusted sales	1.9	-0.3	

1 In the year under review, the presentation of income and expenses in connection with specific warranties, restructuring measures, severance payments, as well as impairment and reversal of impairment losses on intangible assets and property, plant and equipment was changed. They are now assigned to the relevant functional areas. The comparative period has been adjusted accordingly.

2 The assignment of income and expenses from certain business activities within the functional areas has been adjusted. The comparative period has been adjusted accordingly.

3 Excluding impairment on financial investments.

4 Impairment also includes necessary reversals of impairment losses.

5 Capital expenditure on property, plant and equipment, and software.

6 Excluding trainees.

7 Before changes in the scope of consolidation.

8 Before amortization of intangible assets from purchase price allocation (PPA), changes in the scope of consolidation, and special effects.

Development of the Group Sectors: Tires

Tires in € millions	2023	2022	Δ in %
Sales	13,958.0	14,005.2	-0.3
EBITDA	2,585.8	2,644.7	-2.2
in % of sales	18.5	18.9	
EBIT	1,742.6	1,723.6	1.1
in % of sales	12.5	12.3	
Research and development expenses (net) ¹	336.0	320.8	4.8
in % of sales ¹	2.4	2.3	
Depreciation and amortization ²	843.2	921.1	-8.5
thereof impairment ³	42.4	82.3	-48.4
Capital expenditure ⁴	966.6	818.6	18.1
in % of sales	6.9	5.8	
Operating assets as December 31	7,074.6	7,369.3	-4.0
Operating assets (average)	7,596.5	7,508.2	1.2
ROCE in %	22.9	23.0	
Number of employees as at December 31 ⁵	56,349	56,987	-1.1
Adjusted sales ⁶	13,958.0	13,933.6	0.2
Adjusted operating result (adjusted EBIT) ⁷	1,887.0	1,831.3	3.0
in % of adjusted sales	13.5	13.1	

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² Excluding impairment on financial investments.

³ Impairment also includes necessary reversals of impairment losses.

⁴ Capital expenditure on property, plant and equipment, and software.

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⁶ Before changes in the scope of consolidation.

⁷ Before amortization of intangible assets from purchase price allocation (PPA), changes in the scope of consolidation, and special effects.

Development of the Group Sectors: ContiTech

ContiTech in € millions	2023	2022	Δ in %
Sales	6,841.5	6,594.3	3.7
EBITDA	693.0	486.4	42.5
in % of sales	10.1	7.4	
EBIT	380.1	166.5	128.3
in % of sales	5.6	2.5	
Research and development expenses (net) ¹	175.1	169.2	3.5
in % of sales ¹	2.6	2.6	
Depreciation and amortization ²	312.9	319.9	-2.2
thereof impairment ³	1.5	3.4	-54.3
Capital expenditure ⁴	209.6	199.8	4.9
in % of sales	3.1	3.0	
Operating assets as December 31	3,125.5	3,169.4	-1.4
Operating assets (average)	3,284.4	3,275.8	0.3
ROCE in %	11.6	5.1	
Number of employees as at December 31 ⁵	41,949	41,798	0.4
Adjusted sales ⁶	6,723.2	6,593.0	2.0
Adjusted operating result (adjusted EBIT) ⁷	448.3	312.8	43.3
in % of adjusted sales	6.7	4.7	

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² Excluding impairment on financial investments.

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⁴ Capital expenditure on property, plant and equipment, and software.

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Development of the Group Sectors: Contract Manufacturing

Contract Manufacturing in € millions	2023	2022	Δ in %
Sales	512.4	665.6	-23.0
EBITDA	28.9	44.7	-35.4
in % of sales	5.6	6.7	
EBIT	5.1	9.5	-46.0
in % of sales	1.0	1.4	
Research and development expenses (net) ¹	0.0	0.1	-37.4
in % of sales ¹	0.0	0.0	
Depreciation and amortization ²	23.8	35.2	-32.5
thereof impairment ³	0.3	0.0	1,254.0
Capital expenditure ⁴	6.7	9.9	-32.5
in % of sales	1.3	1.5	
Operating assets as December 31	395.6	531.2	-25.5
Operating assets (average)	459.7	635.2	-27.6
ROCE in %	1.1	1.5	
Number of employees as at December 31 ⁵	1,478	2,192	-32.6
Adjusted sales ⁶	512.4	665.6	-23.0
Adjusted operating result (adjusted EBIT) ⁷	8.0	2.9	177.3
in % of adjusted sales	1.6	0.4	

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² Excluding impairment on financial investments.

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⁴ Capital expenditure on property, plant and equipment, and software.

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⁶ Before changes in the scope of consolidation.

⁷ Before amortization of intangible assets from purchase price allocation (PPA), changes in the scope of consolidation, and special effects.

EBITDA

EBITDA	€ millions		in % of sales	
	2023	2022	2023	2022
Automotive	982.1	962.5	4.8	5.3
Tires	2,585.8	2,644.7	18.5	18.9
ContiTech	693.0	486.4	10.1	7.4
Contract Manufacturing	28.9	44.7	5.6	6.7
Other/Holding/Consolidation	-210.8	-172.3	–	–
Continental Group	4,078.9	3,966.1	9.8	10.1

EBIT

EBIT	€ millions		in % of sales	
	2023	2022	2023	2022
Automotive	-57.4	-970.1	-0.3	-5.3
Tires	1,742.6	1,723.6	12.5	12.3
ContiTech	380.1	166.5	5.6	2.5
Contract Manufacturing	5.1	9.5	1.0	1.4
Other/Holding/Consolidation	-216.6	-174.7	–	–
Continental Group	1,853.8	754.8	4.5	1.9

Adjusted Operating Result (Adjusted EBIT)¹

Adjusted operating result (adjusted EBIT) ¹	€ millions		in % of adjusted sales ²	
	2023	2022	2023	2022
Automotive	388.2	-62.6	1.9	-0.3
Tires	1,887.0	1,831.3	13.5	13.1
ContiTech	448.3	312.8	6.7	4.7
Contract Manufacturing	8.0	2.9	1.6	0.4
Other/Holding/Consolidation	-214.3	-171.8	–	–
Continental Group	2,517.2	1,912.6	6.1	4.9

¹ Before amortization of intangible assets from purchase price allocation (PPA), changes in the scope of consolidation, and special effects.

² Before changes in the scope of consolidation.

Key Figures of the Continental Share

€ (unless otherwise specified)	2023	2022
Basic earnings per share	5.78	0.33
Diluted earnings per share	5.78	0.33
Dividend per share	2.20 ¹	1.50
Dividend payout ratio (%)	38.1 ¹	— ²
Dividend yield ³ (%)	3.2 ¹	2.3
Share price at year end	76.92	55.98
Annual average share price	67.70	66.01
Share price at year high	78.26	99.80
Share price at year low	59.20	44.31
Number of outstanding shares, average (in millions)	200.0	200.0
Number of outstanding shares as at December 31 (in millions)	200.0	200.0

All market prices are quotations of the Continental share in the Xetra system of Deutsche Börse AG. Data source: Bloomberg.

¹ Subject to the approval of the Annual Shareholders' Meeting on April 26, 2024.

² Not applied.

³ Dividend per share at the annual average share price.

Consolidated Statement of Income

€ millions	2023	2022
Sales	41,420.5	39,408.9
Cost of sales ^{1,2}	-32,612.6	-31,827.6
Gross margin on sales^{1,2}	8,808.0	7,581.3
Research and development expenses ^{1,2}	-4,125.7	-4,056.8
Selling and logistics expenses ^{1,2}	-2,527.7	-2,412.4
Administrative expenses ¹	-1,354.9	-1,091.7
Other income ¹	1,837.0	1,851.2
Other expenses ¹	-829.2	-1,145.9
Income from equity-accounted investees	45.3	28.3
Other income from investments	1.2	0.8
EBIT	1,853.8	754.8
Interest income	103.4	83.6
Interest expense	-419.4	-234.8
Effects from currency translation	78.8	-59.6
Effects from changes in the fair value of derivative instruments, and other valuation effects	1.4	12.8
Financial result	-235.8	-198.0
Earnings before tax	1,618.0	556.8
Income tax expense	-424.1	-444.6
Net income	1,193.9	112.2
Non-controlling interests	-37.5	-45.5
Net income attributable to the shareholders of the parent	1,156.4	66.6
Basic earnings per share in €	5.78	0.33
Diluted earnings per share in €	5.78	0.33

1 In the year under review, the presentation of income and expenses in connection with specific warranties, restructuring measures, severance payments, as well as impairment and reversal of impairment losses on intangible assets and property, plant and equipment was changed. They are now assigned to the relevant functional areas. The comparative period has been adjusted accordingly.

2 The assignment of income and expenses from certain business activities within the functional areas has been adjusted. The comparative period has been adjusted accordingly.

Consolidated Statement of Financial Position

Assets

€ millions	Dec. 31, 2023	Dec. 31, 2022
Goodwill	3,187.5	3,218.2
Other intangible assets	820.3	973.7
Property, plant and equipment	11,722.1	11,467.2
Investment property	11.3	11.5
Investments in equity-accounted investees	298.6	305.1
Other investments	117.6	170.0
Deferred tax assets	2,511.8	2,059.2
Defined benefit assets	110.7	93.1
Long-term derivative instruments and interest-bearing investments	88.8	105.8
Long-term other financial assets	272.5	270.0
Long-term other assets	23.9	114.8
Non-current assets	19,165.0	18,788.7
Inventories	6,276.5	6,729.6
Trade accounts receivable	7,569.0	7,767.7
Short-term contract assets	102.9	99.8
Short-term other financial assets	135.7	140.0
Short-term other assets	1,143.5	1,034.0
Income tax receivables	305.2	277.6
Short-term derivative instruments and interest-bearing investments	120.4	101.5
Cash and cash equivalents	2,923.2	2,988.0
Assets held for sale	11.4	–
Current assets	18,587.8	19,138.0
Total assets	37,752.8	37,926.7

Equity and liabilities

€ millions	Dec. 31, 2023	Dec. 31, 2022
Subscribed capital	512.0	512.0
Capital reserves	4,155.6	4,155.6
Retained earnings	10,766.9	9,910.5
Other comprehensive income	-1,758.6	-1,319.0
Equity attributable to the shareholders of the parent	13,675.9	13,259.1
Non-controlling interests	449.2	475.8
Total equity	14,125.1	13,735.0
Long-term employee benefits	3,147.9	2,623.5
Deferred tax liabilities	71.6	57.5
Long-term provisions for other risks and obligations	703.5	624.1
Long-term indebtedness	4,211.9	4,006.0
Long-term other financial liabilities	8.4	10.0
Long-term contract liabilities	6.4	7.8
Long-term other liabilities	27.7	31.0
Non-current liabilities	8,177.4	7,359.9
Short-term employee benefits	1,390.5	1,274.7
Trade accounts payable	6,875.1	7,637.0
Short-term contract liabilities	195.0	232.4
Income tax payables	541.3	525.7
Short-term provisions for other risks and obligations	1,081.3	1,036.8
Short-term indebtedness	2,958.3	3,688.7
Short-term other financial liabilities	1,670.0	1,763.8
Short-term other liabilities	738.7	672.8
Current liabilities	15,450.3	16,831.8
Total equity and liabilities	37,752.8	37,926.7

Consolidated Statement of Cash Flows

€ millions	2023	2022
Net income	1,193.9	112.2
Income tax expense	424.1	444.6
Financial result	235.8	198.0
EBIT	1,853.8	754.8
Interest paid	-279.5	-151.9
Interest received	115.8	61.5
Income tax paid	-725.5	-597.2
Dividends received	46.0	31.4
Depreciation, amortization, impairment and reversal of impairment losses	2,225.2	3,211.2
Income from equity-accounted investees and other investments, incl. impairment and reversal of impairment losses	-46.5	-29.1
Gains/losses from the disposal of assets, companies and business operations	43.9	-16.2
Changes in		
inventories	377.9	-1,644.9
trade accounts receivable	50.6	-821.9
trade accounts payable	-692.9	1,732.9
employee benefits and other provisions	333.2	-165.7
other assets and liabilities	25.6	-69.4
Cash flow arising from operating activities	3,327.6	2,295.5
Cash flow from the disposal of assets	107.4	73.4
Capital expenditure on property, plant and equipment, and software	-2,124.4	-2,132.8
Capital expenditure on intangible assets from development projects and miscellaneous	-18.3	-36.3
Cash flow from the disposal of companies and business operations	42.2	-0.6
Acquisition of companies and business operations	-175.5	-108.5
Cash flow arising from investing activities	-2,168.6	-2,204.9
Cash flow before financing activities (free cash flow)	1,159.0	90.6
Issuance of bonds	1,250.0	625.0
Redemption of bonds	-1,250.0	–
Repayment of lease liabilities	-306.9	-323.6
Change in other indebtedness	-451.8	822.2
Change in derivative instruments and interest-bearing investments	-27.2	22.9
Other cash changes	-19.6	-36.1
Dividends paid	-300.0	-440.0
Dividends paid to and cash changes from equity transactions with non-controlling interests	-23.9	-16.9
Cash flow arising from financing activities	-1,129.4	653.5
Change in cash and cash equivalents	29.6	744.1
Cash and cash equivalents at the beginning of the reporting period	2,988.0	2,269.1
Effect of exchange-rate changes on cash and cash equivalents	-94.5	-25.2
Cash and cash equivalents at the end of the reporting period	2,923.2	2,988.0

Segment Reporting

Segment report for 2023

€ millions	Automotive	Tires	ContiTech	Contract Manufacturing	Other/ Holding/ Consolidation	Continental Group
External sales	20,288.2	13,855.5	6,765.8	511.0	–	41,420.5
Intercompany sales	7.2	102.4	75.7	1.4	-186.8	–
Sales (total)	20,295.4	13,958.0	6,841.5	512.4	-186.8	41,420.5
EBIT (segment result)	-57.4	1,742.6	380.1	5.1	-216.6	1,853.8
in % of sales	-0.3	12.5	5.6	1.0	–	4.5
thereof income from equity-accounted investees	36.9	6.6	0.8	–	1.0	45.3
Depreciation and amortization ¹	1,039.5	843.2	312.9	23.8	5.8	2,225.2
thereof impairment ²	13.1	42.4	1.5	0.3	–	57.3
Capital expenditure ³	1,226.3	966.6	209.6	6.7	27.6	2,436.9
in % of sales	6.0	6.9	3.1	1.3	–	5.9
Internally generated intangible assets	17.6	–	–	–	–	17.6
Significant non-cash expenses/income	-81.2	0.6	-27.4	-3.6	1.9	-109.6
Segment assets	15,608.7	10,276.6	4,556.6	536.2	309.5	31,287.7
thereof investments in equity-accounted investees	182.7	80.6	23.1	–	12.2	298.6
Segment liabilities	6,764.6	3,202.0	1,431.2	140.6	199.0	11,737.4
Operating assets as at December 31	8,844.1	7,074.6	3,125.5	395.6	110.6	19,550.4
Operating assets (average)	9,221.1	7,596.5	3,284.4	459.7	152.4	20,714.2
ROCE in %	-0.6	22.9	11.6	1.1	–	8.9
Number of employees as at December 31 ⁴	102,413	56,349	41,949	1,478	574	202,763
Adjusted sales ⁵	20,295.4	13,958.0	6,723.2	512.4	-186.8	41,302.2
Adjusted operating result (adjusted EBIT) ⁶	388.2	1,887.0	448.3	8.0	-214.3	2,517.2
in % of adjusted sales	1.9	13.5	6.7	1.6	–	6.1

¹ Excluding impairment on financial investments.

² Impairment also includes necessary reversals of impairment losses.

³ Capital expenditure on property, plant and equipment, and software.

⁴ Excluding trainees.

⁵ Before changes in the scope of consolidation.

⁶ Before amortization of intangible assets from purchase price allocation (PPA), changes in the scope of consolidation, and special effects.

Segment report for 2022

€ millions	Automotive	Tires	ContiTech	Contract Manufacturing	Other/ Holding/ Consolidation	Continental Group
External sales	18,323.1	13,900.5	6,520.2	665.1	–	39,408.9
Intercompany sales	-1.5	104.7	74.1	0.5	-177.8	–
Sales (total)	18,321.6	14,005.2	6,594.3	665.6	-177.8	39,408.9
EBIT (segment result)	-970.1	1,723.6	166.5	9.5	-174.7	754.8
in % of sales	-5.3	12.3	2.5	1.4	–	1.9
thereof income from equity-accounted investees	25.2	1.8	0.2	–	1.1	28.3
Depreciation and amortization ¹	1,932.6	921.1	319.9	35.2	2.3	3,211.2
thereof impairment ²	880.9	82.3	3.4	0.0	–	966.6
Capital expenditure ³	1,342.0	818.6	199.8	9.9	56.1	2,426.4
in % of sales	7.3	5.8	3.0	1.5	–	6.2
Internally generated intangible assets	24.4	–	–	–	–	24.4
Significant non-cash expenses/income	-177.7	-26.0	-61.2	-4.7	4.4	-265.1
Segment assets	15,350.7	10,780.0	4,676.5	758.5	325.4	31,891.1
thereof investments in equity-accounted investees	190.1	82.8	21.2	–	11.0	305.1
Segment liabilities	7,028.8	3,410.7	1,507.1	227.3	161.7	12,335.6
Operating assets as at December 31	8,321.9	7,369.3	3,169.4	531.2	163.8	19,555.6
Operating assets (average)	8,746.7	7,508.2	3,275.8	635.2	107.0	20,272.9
ROCE in %	-11.1	23.0	5.1	1.5	–	3.7
Number of employees as at December 31 ⁴	97,575	56,987	41,798	2,192	486	199,038
Adjusted sales ⁵	18,321.2	13,933.6	6,593.0	665.6	-177.8	39,335.6
Adjusted operating result (adjusted EBIT) ⁶	-62.6	1,831.3	312.8	2.9	-171.8	1,912.6
in % of adjusted sales	-0.3	13.1	4.7	0.4	–	4.9

¹ Excluding impairment on financial investments.

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³ Capital expenditure on property, plant and equipment, and software.

⁴ Excluding trainees.

⁵ Before changes in the scope of consolidation.

⁶ Before amortization of intangible assets from purchase price allocation (PPA), changes in the scope of consolidation, and special effects.

Reconciliation of EBIT to Net Income

€ millions	2023	2022	Δ in %
Automotive	-57.4	-970.1	94.1
Tires	1,742.6	1,723.6	1.1
ContiTech	380.1	166.5	128.3
Contract Manufacturing	5.1	9.5	-46.0
Other/Holding/Consolidation	-216.6	-174.7	-24.0
EBIT	1,853.8	754.8	145.6
Financial result	-235.8	-198.0	-19.1
Earnings before tax	1,618.0	556.8	190.6
Income tax expense	-424.1	-444.6	4.6
Net income	1,193.9	112.2	964.3
Non-controlling interests	-37.5	-45.5	17.7
Net income attributable to the shareholders of the parent	1,156.4	66.6	1,635.3

Continental AG

€ millions	2023	2022
Net income	-423.4	983.4
Accumulated profits brought forward from the previous year	2,834.9	2,151.5
Retained earnings	2,411.5	3,134.9

A proposal will be made to the Annual Shareholders' Meeting on April 26, 2024, to distribute a dividend of €2.20 per share.

Financial Calendar

2024	
Annual Press Conference	March 7
Analyst and Investor Conference Call	March 7
Annual Shareholders' Meeting	April 26
Quarterly Statement as at March 31, 2024	May 8
Half-Year Financial Report as at June 30, 2024	August 7
Quarterly Statement as at September 30, 2024	November 11

2025	
Annual Press Conference	March
Analyst and Investor Conference Call	March
Annual Shareholders' Meeting	April 25
Quarterly Statement as at March 31, 2025	May
Half-Year Financial Report as at June 30, 2025	August
Quarterly Statement as at September 30, 2025	November

Continental Aktiengesellschaft

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