



# Fact Book

## 2016

# Contents

## I. Continental at a Glance

Slide	Title	Page
1	Disclaimer	8
3	145 Years of Progress and Achievement	9
4	Continental Corporation – Sales, EBIT & Net Income	9
5	Continental Ranks No. 2 in Worldwide Supplier Ranking	10
6	Executive Board	10
7	Megatrends in the Automobile Industry	11
8	A Leading Global Supplier for Key Automotive Electronics Applications	11
9	A Leading Global Supplier of Tire and Non-Tire Rubber Products	12
10	Sales by Market	12
11	EBITDA by Group and Corporation	13
12	Consolidated Sales	13
13	Number of Employees	14

## II. Continental Strategy

Slide	Title	Page
15	Corporate Strategy at a Glance	15
16	Top Position for the 20 Fastest Growing Automotive Technologies through 2020	15
17	The Same Values Worldwide for a Shared Corporate Culture	16
18	Technological Balance	16
19	Sales OE Automotive/Non-OE Automotive	17
20	Continental Corporation Worldwide	17
21	Sustainable Value Creation	18
22	Cost Consciousness – Production in Best-Cost Countries	18
23	Balanced Distribution of Sales	19
24	More than €50 bn in Sales and >20% ROCE by 2020	19
25	Approaching Automated Driving: Three-Layer Model	20

# Contents

## III. Continental Megatrends

Slide	Title	Page
27	We Shape the Megatrends in the Automotive Industry	21
28	Environment: Electrification – Relative Value of Continental’s Content	21
29	Environment: Electrification Offers 3x More Content	22
30	Environment: Initiatives in EU, USA and Japan – Towards Lower CO <sub>2</sub> Emissions	22
31	Environment: Initiatives for Cleaner Mobility in Various Markets	23
32	Environment: Today’s Vehicle Emissions vs. Future Targets	23
33	Environment: Opportunities and Challenges – Electrification	24
34	Environment: Reduction of CO <sub>2</sub> Emissions: Solutions by Continental	24
35	Environment: How to Reach the European CO <sub>2</sub> Target of 75g/km	25
36	Information: Interior: Examples of Market-Specific Initiatives and Projects	25
37	Information: Interior: Information Management – Inside the Vehicle and Beyond	26
38	Information: Interior: Product Highlights for Intelligent Mobility	26
39	Information: Mobility Services	27
40	Information: VDA Agreement – Data Usage Categories	27
41	Safety: Market-Specific Initiatives – Towards Safer Mobility	28
42	Safety: Road Traffic Deaths per 100,000 Inhabitants by Region	28
43	Safety: Global Development of Active Safety Regulations & Ratings	29
44	Safety: Euro NCAP 5-Star Rating Requirements	29
45	Safety: History and Roadmap for Accident-Free Driving	30
46	Safety: Future Automotive Trends	30
47	Safety: From Basic to Complex Scenarios; from Single to Networked Systems	31
48	Safety: Automated Driving: Function and Sensor Scenarios	31
49	Safety: World Market Forecast for Driver Assistance Systems	32
50	Safety: Winter Tire Regulations	32
51	Safety and Environment: Tire Labeling Initiatives in Europe, USA, Japan, South Korea and Brazil	33
52	Safety and Environment: Tire Labeling Initiatives in Gulf Countries and China	33

# Contents

## IV. Sustainability at Continental

Slide	Title	Page
54	Our Policies and Guidelines	34
55	Corporate Environmental Key Performance Indicators	35
56	Emission Reduction – Electrification Tailored to Fit (48-Volt Eco Drive)	35
57	Emission Reduction – Electrification Tailored to Fit	36
58	Equal Opportunity	36
59	UERÈ Project in Rio de Janeiro, Brazil	37
60	Initiative Promotes Intercultural Exchange	37
61	Corporate Memberships	38
62	Ratings and Indices	38
63	Special Awards in the Sustainability Category	39
64	Materiality Matrix	39
65	Tires – ContiLifeCycle for Commercial Vehicle Tires (1)	40
66	Tires – ContiLifeCycle for Commercial Vehicle Tires (2)	40
67	Tires – ContiLifeCycle for Commercial Vehicle Tires (3)	41
68	Health and Occupational Safety	41
69	Two-Tier Board System – Corporate Bodies	42

## V. Continental Corporation

Slide	Title	Page
71	Key Consolidated Figures	43
72	Sales and Adjusted EBIT by Quarter	43
73	Key Historical Financials and Credit Metrics – IAS 19 (rev. 2011) applied	44
74	Net Indebtedness and Gearing Ratio	44
75	Gross Indebtedness by Source at YE 2016 (mn €)	45
76	Maturities for Bonds (mn €)	45
77	Purchasing – Production Materials 2016	46
78	Raw Material Prices	46

# Contents

## VI. Market Data

Slide	Title	Page
80	Installation Rates of Fuel Injection Systems	47
81	Development of Transmissions Technologies	48
82	Installation Rates of Turbochargers in Gasoline Engines	48
83	Installation Rates of Keyless Entry Systems	49
84	Installation Rates of Multimedia Systems	49
85	Sensors per car of Advanced Driver Assistance Systems	50
86	Rising Volumes of Head-Up Displays	50
87	Production of Passenger Cars and Light Commercial Vehicles (<6t)	51
88	Production of Medium and Heavy Commercial Vehicles (>6t)	51
89	Replacement Tires – Passenger Cars and Light Commercial Vehicles (<6t)	52
90	Replacement Tires – Medium and Heavy Commercial Vehicles (>6t)	52

## VII. Automotive Group

Slide	Title	Page
92	Key Figures	53
93	Sales and Adjusted EBIT by Division	54
94	Sales by Market	54
95	Order Intake (LTS) in the Automotive Group of >€35 bn in 2016	55
96	Order Intake Well Balanced	55
97	Strong Order Intake Causes Rise in R&D Expenses and Capex	56
98	Successful Transformation to Electronics and Software	56
99	Production of Passenger Cars and Light Trucks (<6t)	57
100	Opportunities and Challenges in the Medium Term	57

# Contents

## VII.1. Automotive Group – Chassis & Safety Division

Slide	Title	Page
102	Business Units and Key Products	58
103	Locations Worldwide	59
104	Key Figures	59
105	Sales by Market	60
106	Market Position for Electronic Brake Systems 2016	60
107	Market Position for Foundation Brake Systems 2016	61
108	Market Position for Actuation 2016	61
109	Market Position for Airbag Electronics 2016	62
110	Market Position for Advanced Driver Assistance Systems 2016	62

## VII.2. Automotive Group – Powertrain Division

Slide	Title	Page
112	Business Units and Key Products	63
113	Locations Worldwide	64
114	Key Figures	64
115	Sales by Market	65
116	Market Position for Diesel Injection Systems 2016	65
117	Market Position for Gasoline Injection Systems 2016	66
118	Market Position for Transmission Control Units 2016	66

## VII.3. Automotive Group – Interior Division

Slide	Title	Page
120	Business Units and Key Products	67
121	Locations Worldwide	68
122	Key Figures	68
123	Sales by Market	69
124	Market Position for Body & Security 2016	69
125	Market Position for Instrumentation & Driver HMI 2016	70
126	Market Position for Infotainment & Connectivity 2016	70
127	Market Position for Commercial Vehicle 2016	71

# Contents

## VIII. Rubber Group

Slide	Title	Page
129	Key Figures	72
130	Sales and Adjusted EBIT by Division	72
131	Sales by Market	73
132	Growth Opportunities – Replacement Tires Demand for PC & LT Tires	73
133	Growth Opportunities – Improving Tire Mix due to rising SUV & Pick-Up Share	74
134	Additional Tire Production Capacity of around 37mn Units by 2020/21	74
135	Update on Strategy 2025	75
136	Balanced Global Manufacturing Footprint	75
137	Drive Global Growth (mn units)	76
138	Relevant Market Offers and Growth Opportunities for ContiTech Products	76
139	Strong Track Record of Acquiring and Integrating Businesses	77

### VIII.1. Rubber Group – Tires Division

Slide	Title	Page
141	Business Units and Tire Brands	78
142	Key Figures	78
143	Sales by Markets	79
144	Market Share for Passenger and Light Truck Tires 2016	79
145	Market Share for Truck Tires 2016	80
146	Continental Worldwide PLT Production 2016	80
147	Continental European PLT Production 2016	81
148	Continental Worldwide Truck Tire Production 2016	81
149	Cost of Labor at Continental Manufacturing Sites	82
150	Passenger and Light Truck Tires: Product Mix Improvement	82
151	Passenger and Light Truck Tires: Unit Sales 2011 – 2016	83
152	Commercial Vehicle Tires: Unit Sales 2011 – 2016	83

# Contents

## VIII.2. Rubber Group – ContiTech Division

Slide	Title	Page
154	Business Units and Key Products	84
155	Forming a Global Player in Rubber and Plastics Technologies	85
156	Share of Sales 2016	85
157	Locations Worldwide	86
158	Key Figures	86
159	Sales by Market	87
160	Product Overview	87

## IX. Share & Bond Information

Slide	Title	Page
162	Share Data / ADR Data	88
163	Share Price Development vs. Major Stock Indexes	89
164	Common Stock	89
165	Shareholder Structure	90
166	Bond Data	90
167	Development of the Bonds	91
168	EPS, Dividend and Payout Ratio	91
169	Development of Continental's Credit Rating	92
170	10 Year Financial Overview	92

## X. Glossary

Slide	Title	Page
172	Financial Glossary	93
173	Product and Division Glossary	94
174	Contact Data	94
175	Investor Relations online	95
176	Financial Calendar	95

## Disclaimer

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All statements with regard to markets or market position(s) of Continental or any of its competitors are estimates of Continental based on data available to Continental. Such data are neither comprehensive nor independently verified. Consequently, the data used are not adequate for and the statements based on such data are not meant to be an accurate or proper definition of regional and/or product markets or market shares of Continental and any of the participants in any market.

Unless otherwise stated, all amounts are shown in millions of Euro. Please note that differences may arise as a result of the use of rounded amounts and percentages.

1

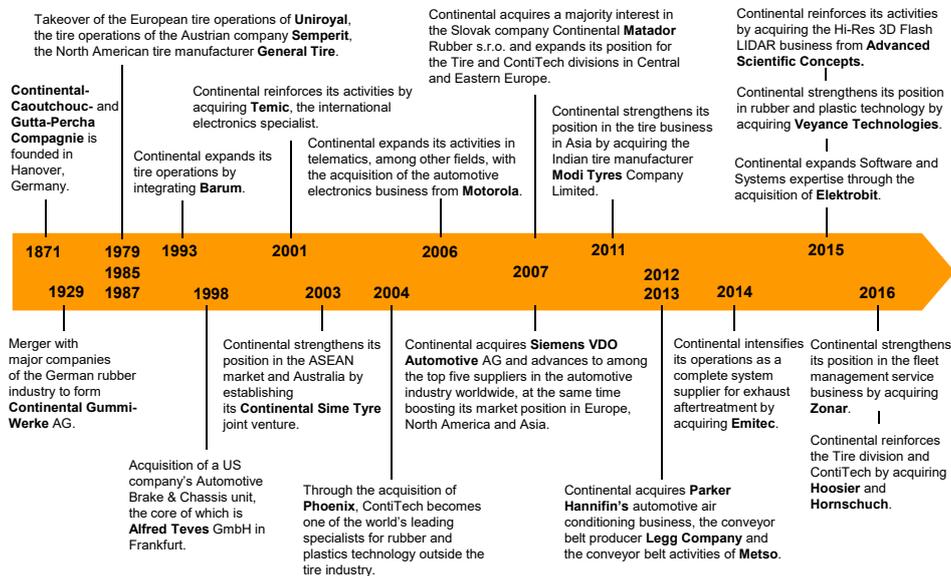
## Topics

<b>I.</b>	<b>Continental at a Glance</b>	<b>3</b>
<b>II.</b>	<b>Continental Strategy</b>	<b>15</b>
<b>III.</b>	<b>Automobile Megatrends</b>	<b>27</b>
<b>IV.</b>	<b>Sustainability at Continental</b>	<b>54</b>
<b>V.</b>	<b>Continental Corporation</b>	<b>71</b>
<b>VI.</b>	<b>Market Data</b>	<b>80</b>
<b>VII.</b>	<b>Automotive Group</b>	<b>92</b>
<b>VIII.</b>	<b>Rubber Group</b>	<b>129</b>
<b>IX.</b>	<b>Share and Bond Information</b>	<b>162</b>
<b>X.</b>	<b>Glossary</b>	<b>172</b>

2

## I. Continental at a Glance

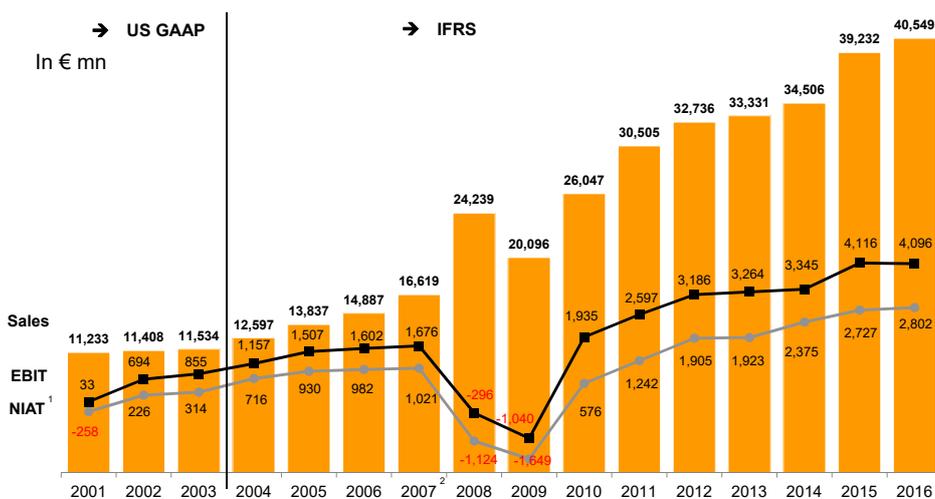
### 145 Years of Progress and Achievement



3

## I. Continental at a Glance

### Continental Corporation – Sales, EBIT & Net Income (NIAT<sup>1</sup>)

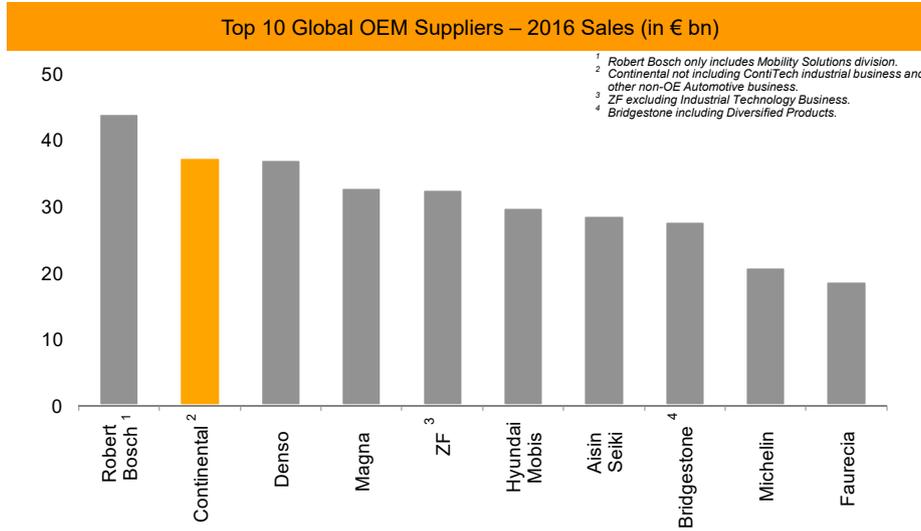


<sup>1</sup> Net income attributable to the shareholders of the parent, from 1998 until 2003 US GAAP / from 2004 onwards IFRS.  
<sup>2</sup> Siemens VDO incorporated starting December 1, 2007.  
 IAS 19 (rev. 2011) applied starting 2013. The 2012 figures have been restated accordingly.

4

## I. Continental at a Glance

### Continental Ranks No. 2 in Worldwide Supplier Ranking



Source: Company filings. Calendarized to December year-end. Based on average currency exchange rates 2016.

## I. Continental at a Glance

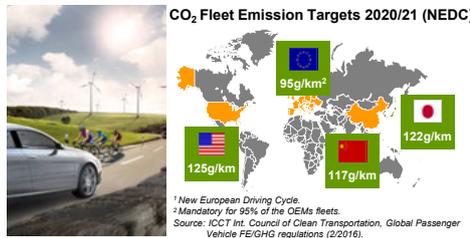
### Executive Board

<p><b>Dr. Elmar Degenhart</b>                  Chairman of the Executive Board                  Corporate Functions:                  Corporate Quality and Environment, Corporate Communications,                  Continental Business System, Automotive Central Functions</p>		<p><b>Dr. Ariane Reinhart</b>                  Corporate Functions:                  Human Relations, Director of Labor Relations, Sustainability</p>	
<p><b>Wolfgang Schäfer</b>                  Corporate Functions:                  Finance, Controlling, Compliance, Law, IT</p>	<p><b>Frank Jourdan</b>                  Chassis &amp; Safety Division</p>	<p><b>Nikolai Setzer</b>                  Tire Division</p>	<p><b>Dr. Ralf Cramer</b>                  Continental China</p>
<p><b>José A. Avila</b>                  Powertrain Division</p>	<p><b>Hans-Jürgen Duensing</b>                  ContiTech Division</p>	<p><b>Helmut Matschi</b>                  Interior Division</p>	

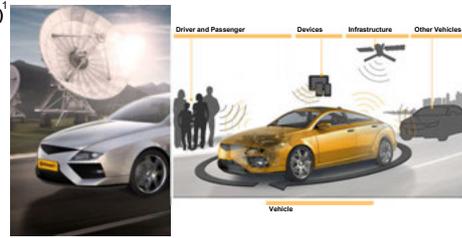
## I. Continental at a Glance

### Megatrends in the Automobile Industry

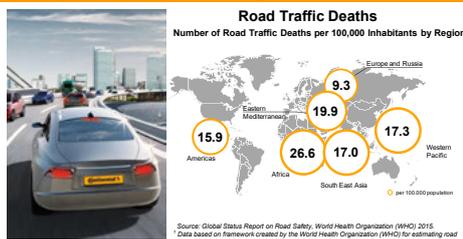
#### Environment – For Clean Power



#### Information – For Intelligent Driving



#### Safety – For Safe Mobility



#### Affordable Cars – For Global Mobility



7

## I. Continental at a Glance

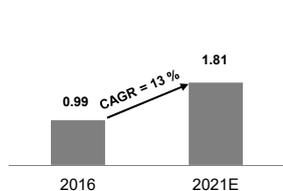
### A Leading Global Supplier for Key Automotive Electronics Applications

#### Chassis & Safety

- › Actuation
- › Advanced driver assistance systems (ADAS)
- › Airbag electronics
- › Electronic brake systems (EBS)
- › Foundation brake systems

Sales 2016	€8,978 mn
% of total	22%
Adj. EBIT <sup>1</sup>	€592 mn
Adj. EBIT margin	6.6%

ADAS<sup>2</sup> installation rate worldwide <sup>2</sup>

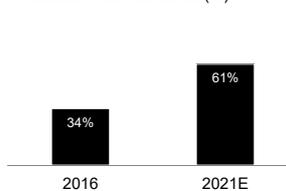


#### Powertrain

- › Diesel injection systems
- › Gasoline injection systems
- › Transmission control units
- › Turbochargers
- › 48 V and Plug-In Hybrid
- › Full Electric Vehicle

Sales 2016	€7,320 mn
% of total	18%
Adj. EBIT <sup>1</sup>	€398 mn
Adj. EBIT margin	5.5%

Gasoline direct injection systems installation rate worldwide (%)

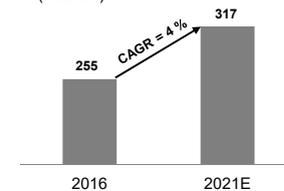


#### Interior

- › Body and security products
- › Commercial vehicle interiors
- › Device connectivity and telematics units
- › Instrumentation, displays and human machine interfaces
- › Intelligent Transport Systems

Sales 2016	€8,325 mn
% of total	20%
Adj. EBIT <sup>1</sup>	€642 mn
Adj. EBIT margin	7.8%

Market for Automotive Electronics<sup>3</sup> (USD bn)



<sup>1</sup> Before amortization of intangibles from PPA, consolidation and special effects.

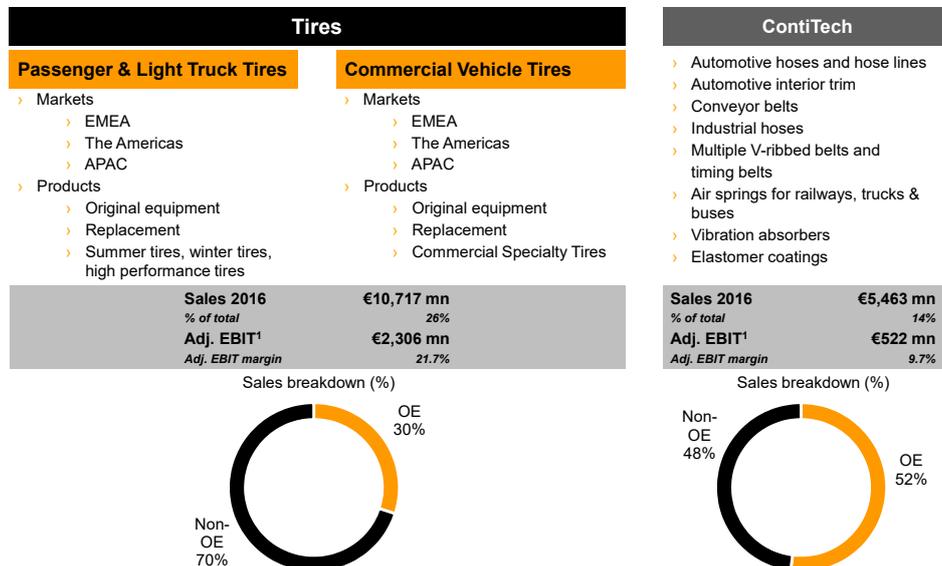
<sup>2</sup> ADAS: Advanced Driver Assistance System. Average amount of ADAS including sensing rear/surround view cameras but w/o parking assist functions based on ultrasonic

<sup>3</sup> Source: Strategy Analytics: Automotive Electronics System Demand Forecast 2012 to 2021, Jan 2015.

8

## I. Continental at a Glance

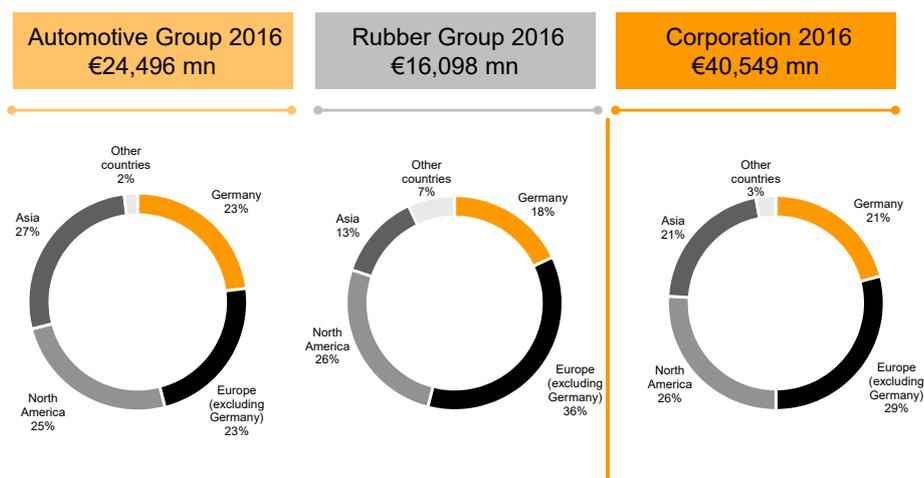
A Leading Global Supplier of Tire and Non-Tire Rubber Products



<sup>1</sup> Before amortization of intangibles from PPA, consolidation and special effects.

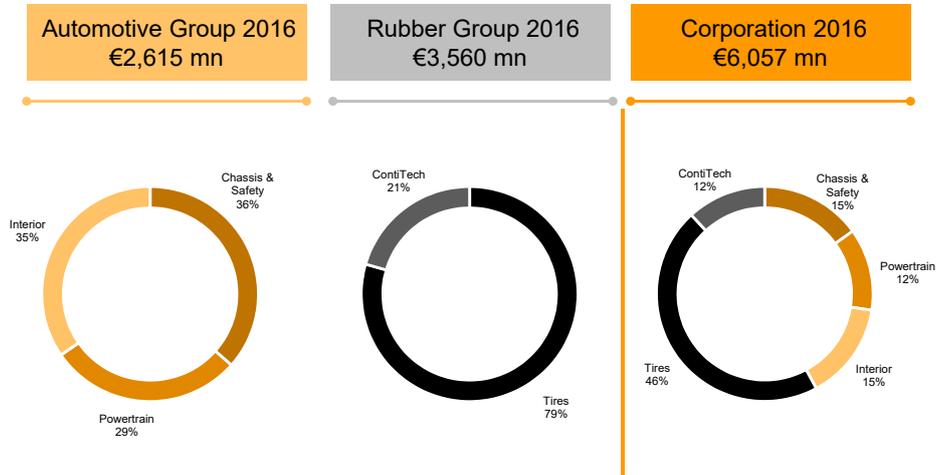
## I. Continental at a Glance

Sales by Market



### I. Continental at a Glance

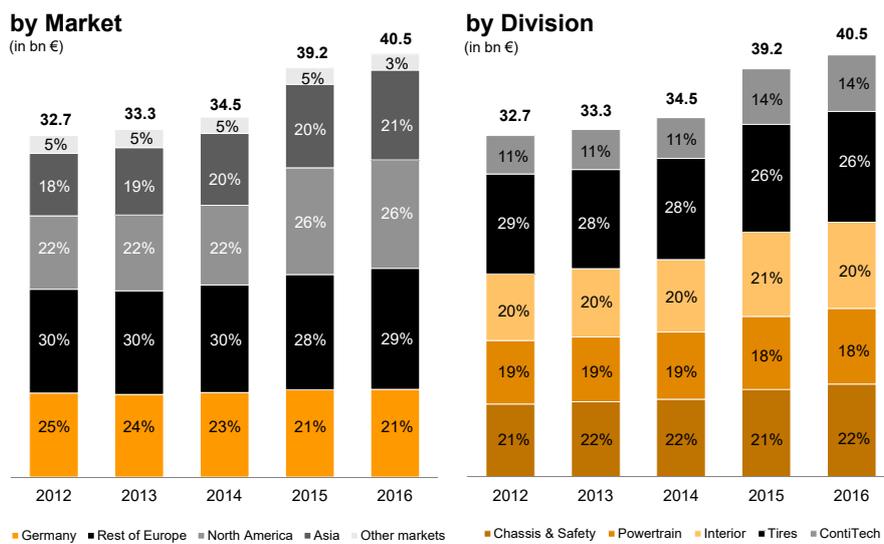
#### EBITDA by Group and Corporation



11

### I. Continental at a Glance

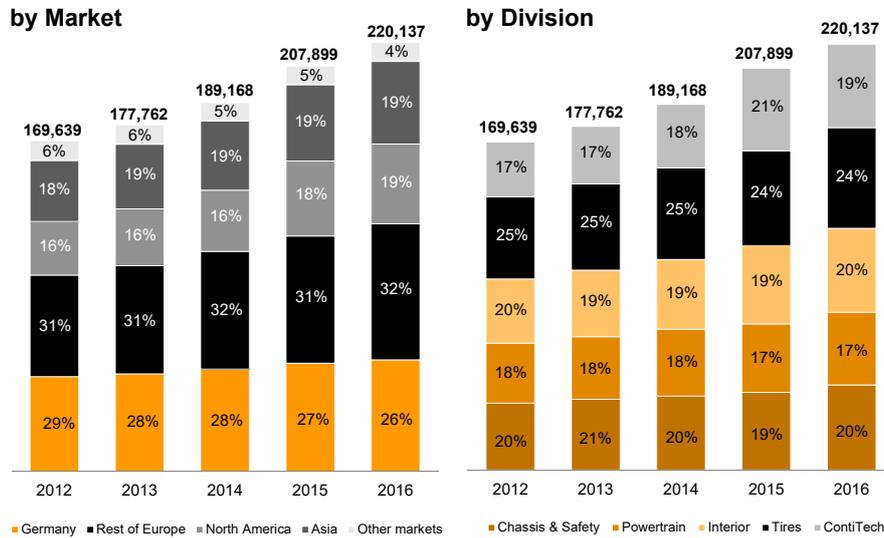
#### Consolidated Sales



12

## I. Continental at a Glance

### Number of Employees



## Topics

<b>I.</b>	<b>Continental at a Glance</b>	<b>3</b>
<b>II.</b>	<b>Continental Strategy</b>	<b>15</b>
<b>III.</b>	<b>Automobile Megatrends</b>	<b>27</b>
<b>IV.</b>	<b>Sustainability at Continental</b>	<b>54</b>
<b>V.</b>	<b>Continental Corporation</b>	<b>71</b>
<b>VI.</b>	<b>Market Data</b>	<b>80</b>
<b>VII.</b>	<b>Automotive Group</b>	<b>92</b>
<b>VIII.</b>	<b>Rubber Group</b>	<b>129</b>
<b>IX.</b>	<b>Share and Bond Information</b>	<b>162</b>
<b>X.</b>	<b>Glossary</b>	<b>172</b>

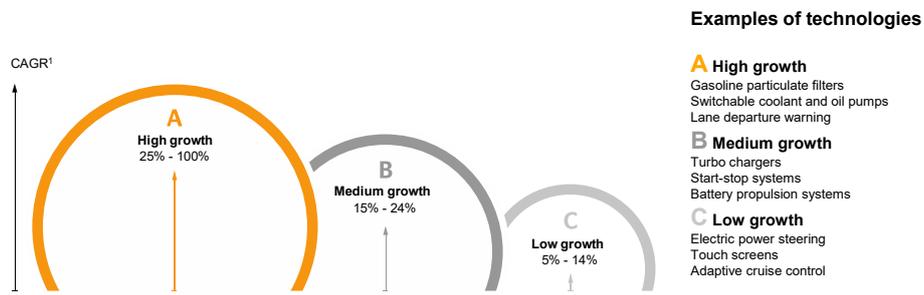
## II. Continental Strategy Corporate Strategy at a Glance



15

## II. Continental Strategy – Top Market Position

Top Position for the 20 Fastest Growing Automotive Technologies through 2020

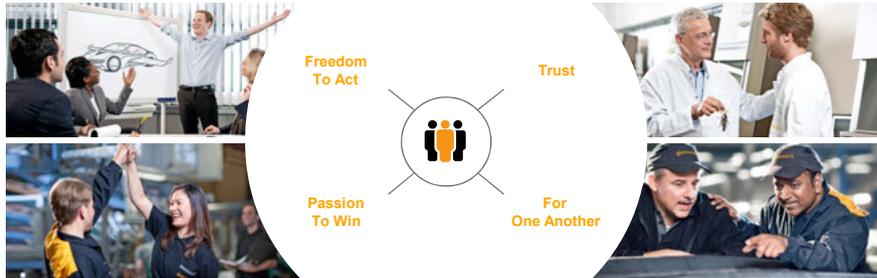


<sup>1</sup>Compound annual growth rate (CAGR).  
Source: Frost & Sullivan, November 2013 based on 2012 data – forecast of growth rates up to 2020.

16

## II. Continental Strategy – Great People Culture

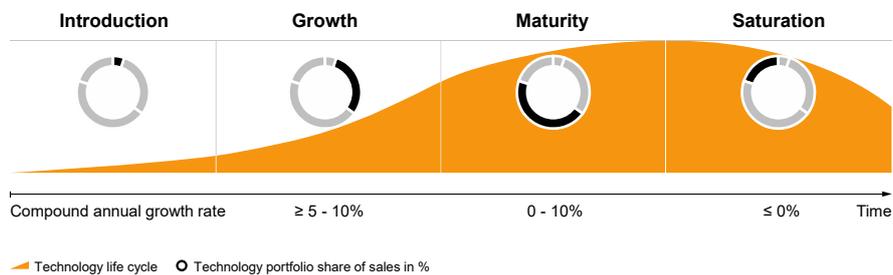
The Same Values Worldwide for a Shared Corporate Culture



17

## II. Continental Strategy – Technological Balance

Technological Balance



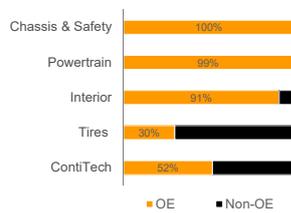
18

## II. Continental Strategy – Balanced Customer Portfolio

### Sales OE Automotive/Non-OE Automotive



2016: Sales OE Automotive/Non-OE Automotive by Division

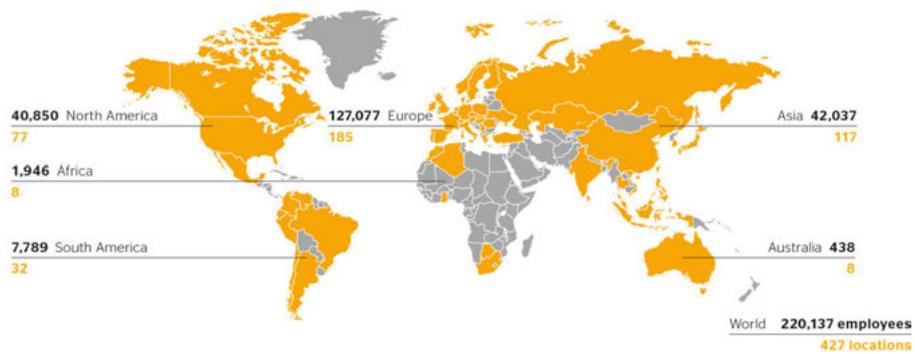


19

## II. Continental Strategy – In the Market for the Market

### Continental Corporation Worldwide

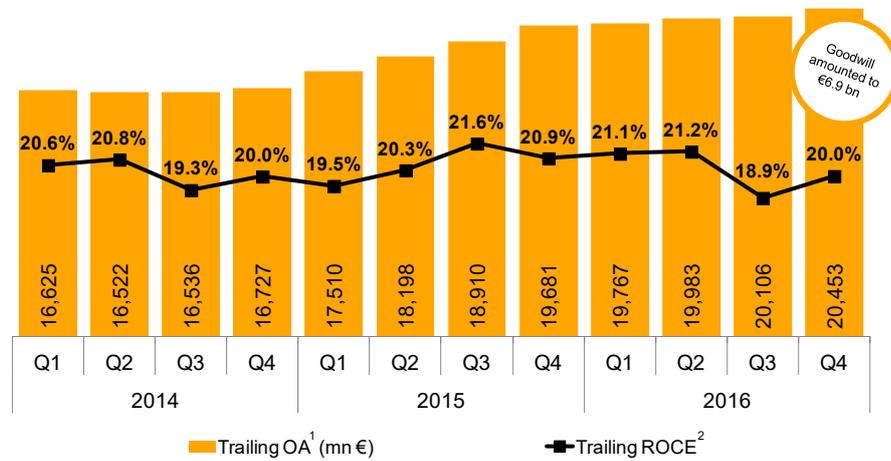
427 locations in 56 countries



20

## II. Continental Strategy – Value Creation

### Sustainable Value Creation

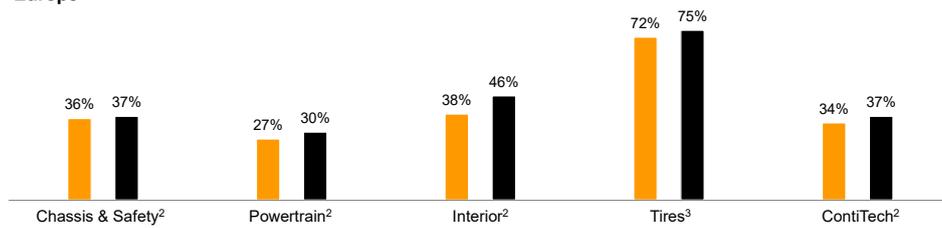


<sup>1</sup> Trailing operating assets are calculated as assets for the last twelve months (LTM)  
<sup>2</sup> Trailing ROCE is calculated as reported EBIT for the last twelve months (LTM) divided by trailing operating assets

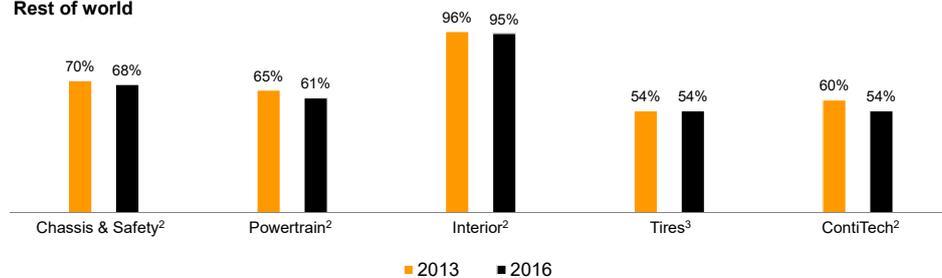
## II. Continental Strategy – Value Creation

### Cost Consciousness – Production in Best-Cost Countries<sup>1</sup>

#### Europe



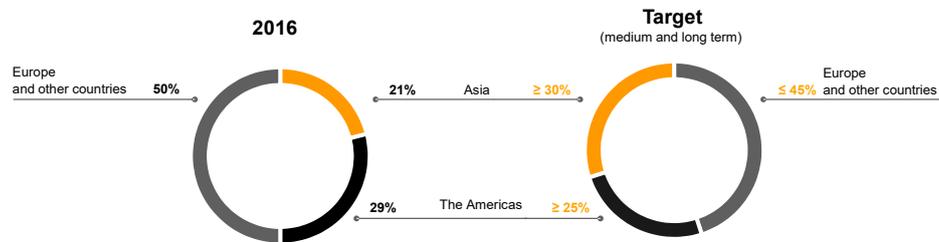
#### Rest of world



<sup>1</sup> All years restated based on new definition of best-cost countries.  
<sup>2</sup> Based on sales.  
<sup>3</sup> Based on units.

## II. Continental Strategy – Regional Sales Balance

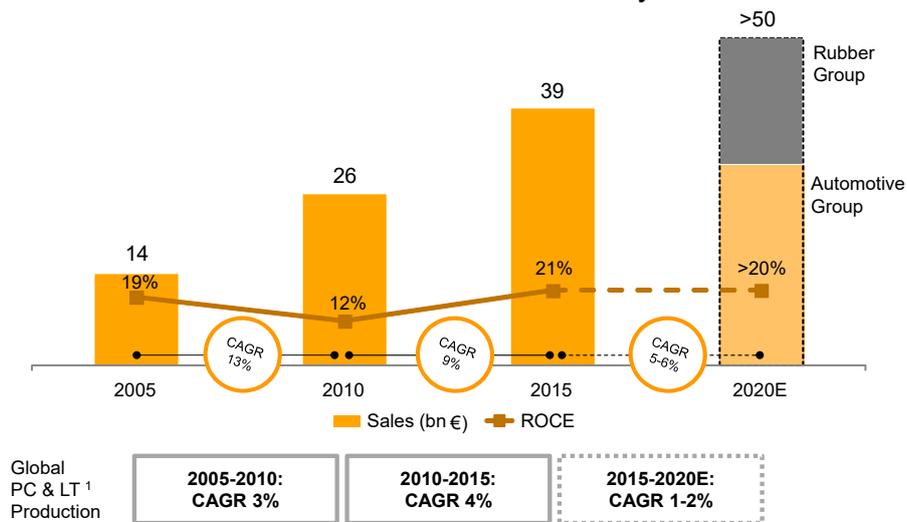
Balanced Distribution of Sales



23

## II. Continental Strategy – Outlook 2020

More than €50 bn in Sales and >20% ROCE by 2020

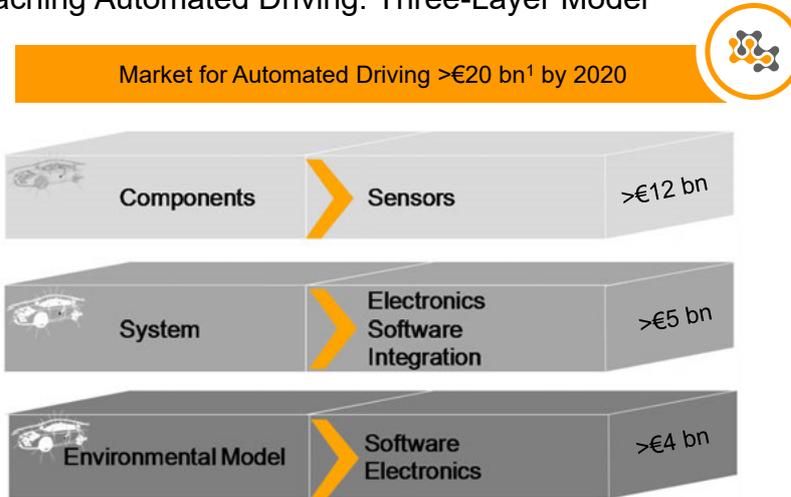


<sup>1</sup> Passenger car and light truck.

24

## II. Continental Strategy – Outlook 2020

### Approaching Automated Driving: Three-Layer Model



<sup>1</sup> Source: Continental estimates.

## Topics

<b>I.</b>	<b>Continental at a Glance</b>	<b>3</b>
<b>II.</b>	<b>Continental Strategy</b>	<b>15</b>
<b>III.</b>	<b>Automobile Megatrends</b>	<b>27</b>
<b>IV.</b>	<b>Sustainability at Continental</b>	<b>54</b>
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<b>VIII.</b>	<b>Rubber Group</b>	<b>129</b>
<b>IX.</b>	<b>Share and Bond Information</b>	<b>162</b>
<b>X.</b>	<b>Glossary</b>	<b>172</b>

### III. Automobile Megatrends

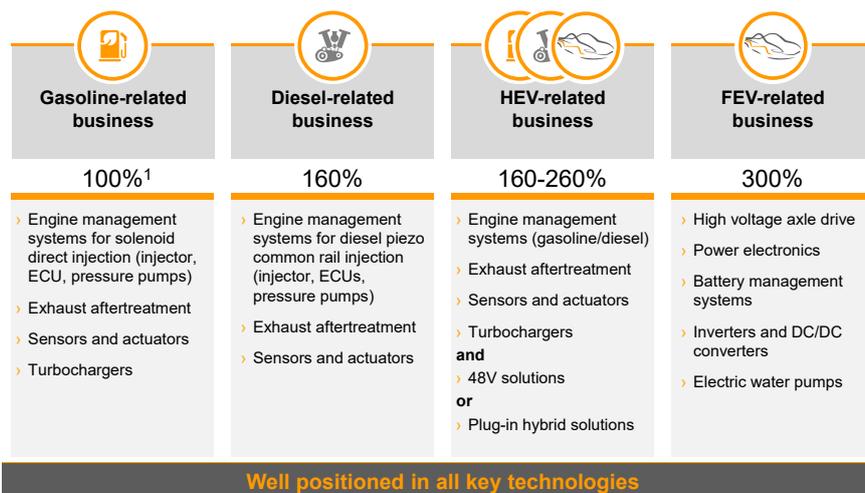
We Shape the Megatrends in the Automobile Industry



27

### III. Automobile Megatrend: Environment

Electrification – Relative Value of Continental’s Content<sup>1</sup>

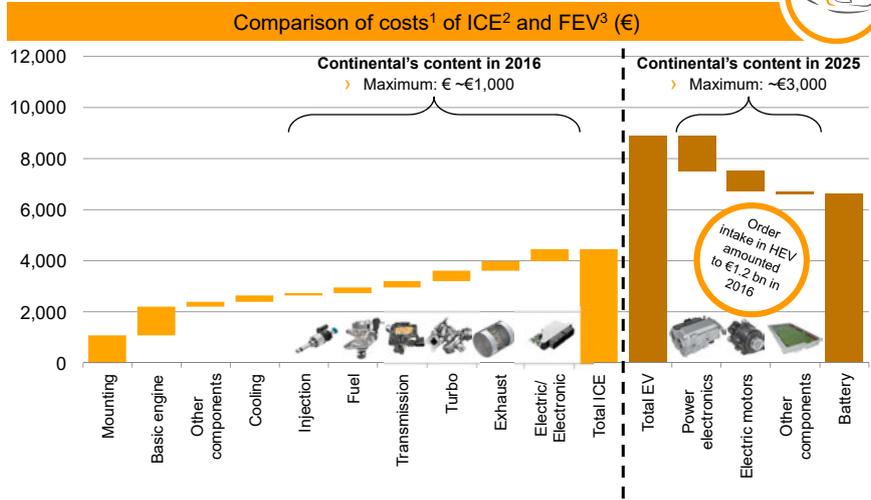


<sup>1</sup> Value of gasoline content per car is indexed at 100%; all other values are relative to the gasoline content.

28

### III. Automobile Megatrend: Environment

#### Electrification Offers 3x More Content



<sup>1</sup> Source: FEV.  
<sup>2</sup> Internal combustion engine (2016): 110kW, 250Nm, 7 gear DKG, ~ 962km range, costs ~ 4,400 €.  
<sup>3</sup> Full electric vehicle (2025): 80kW permanent / 130kW peak, 380Nm, ~ 600km range, costs ~ 8,900 €.

### III. Automobile Megatrend: Environment

#### Initiatives in EU, USA and Japan – Towards Lower CO<sub>2</sub> Emissions

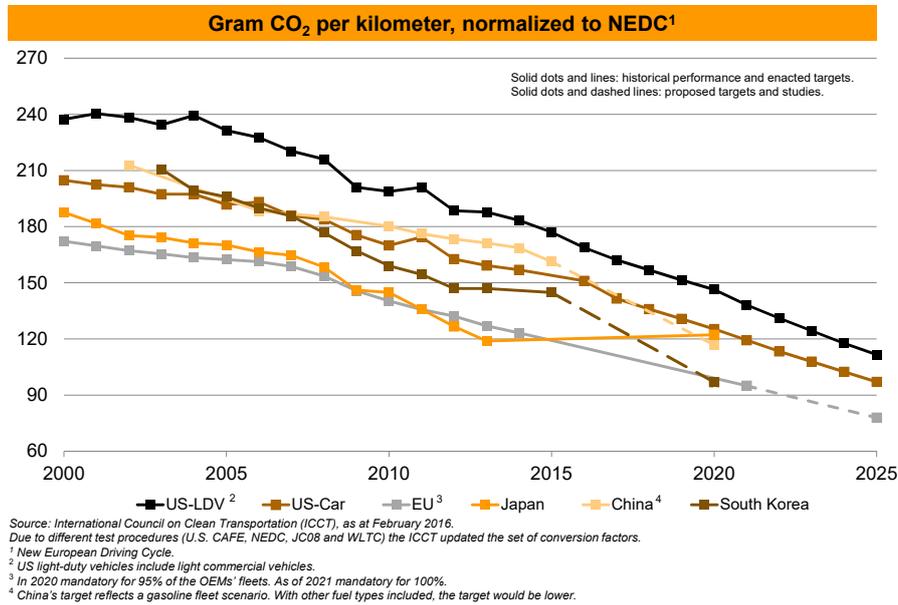
EU <sup>1</sup>	USA <sup>3,4</sup>	Japan <sup>8</sup>
EU vehicle CO <sub>2</sub> emissions targets are enacted:	Enacted CAFE <sup>7</sup> regulation defines fuel economy standards for vehicles:	ECCJ <sup>9</sup> aims to improve fuel efficiency standards by 23.5% 2015 vs. 2004:
<ul style="list-style-type: none"> <li>Average CO<sub>2</sub> emission target for new passenger car registrations:                             <ul style="list-style-type: none"> <li>130 g/km* (2015-2019)</li> <li>95 g/km from 2020<sup>2</sup> onwards</li> </ul> </li> <li>Average CO<sub>2</sub> emission target for new light commercial vehicle registrations:                             <ul style="list-style-type: none"> <li>175 g/km (2017-2019)</li> <li>147 g/km from 2020 onwards</li> </ul> </li> <li>Excess emissions premium for non compliance with fleet targets is defined</li> </ul>	<ul style="list-style-type: none"> <li>For passenger cars and light trucks combined, CAFE<sup>7</sup> targets to improve overall fleet average to:                             <ul style="list-style-type: none"> <li>35.5 mpg* by 2016</li> <li>54.5 mpg by 2025</li> </ul> </li> <li>CAFE<sup>7</sup> mandates annual fuel economy improvements</li> <li>For non compliance with CAFE<sup>7</sup> targets penalties are defined</li> </ul>	<ul style="list-style-type: none"> <li>For passenger cars, the aim is to increase average fuel efficiency to:                             <ul style="list-style-type: none"> <li>20.3 km/l by 2020 (JC08/WLTC)</li> </ul> </li> <li>For light commercial vehicles (GVW &lt;3.5t), the aim is to increase average fuel efficiency to:                             <ul style="list-style-type: none"> <li>17.9 km/l by 2020 (JC08/WLTC)</li> </ul> </li> <li>For medium / heavy-duty vehicles (GVW&gt;3.5t), the aim is to increase average fuel efficiency to (cycle: JE05):                             <ul style="list-style-type: none"> <li>Trucks 7.09 km/l by 2015</li> <li>Buses 6.30 km/l by 2015</li> </ul> </li> </ul>
Test cycle: NEDC (New European Driving Cycle)	Test cycle: Federal test procedure/Highway Fuel Economy Test	
* Gram per kilometer	* Miles per gallon	

Emerging Markets likely to Follow Europe/USA/Japan on Fuel Efficiency Standards

<sup>1</sup> Regulations (EC) No. 443/2009 and (EU) No. 510/2011.  
<sup>2</sup> 2020: 95% of fleet; 2021: 100% of fleet.  
<sup>3</sup> US Federal Register (May 7th, 2010): Light-Duty Vehicle Greenhouse "Gas Emission" Standards and Corporate Average Fuel Economy Standards; Final Rule.  
<sup>4</sup> US Federal Register (Oct. 15th, 2012): 2017 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions and Corporate Average Fuel Economy Standards; Final Rule.  
<sup>5</sup> NHTSA: National Highway Traffic Safety Administration.  
<sup>6</sup> EPA: Environmental Protection Agency.  
<sup>7</sup> CAFE: Corporate Average Fuel Economy.  
<sup>8</sup> Refers to "Act on the Rational Use of Energy" of the Ministry of Economics, Trade and Industry (METI), Ministry of Land, Infrastructure, Transport and Tourism (MLIT).  
<sup>9</sup> ECCJ: Energy Conservation Center Japan.

### III. Automobile Megatrend: Environment

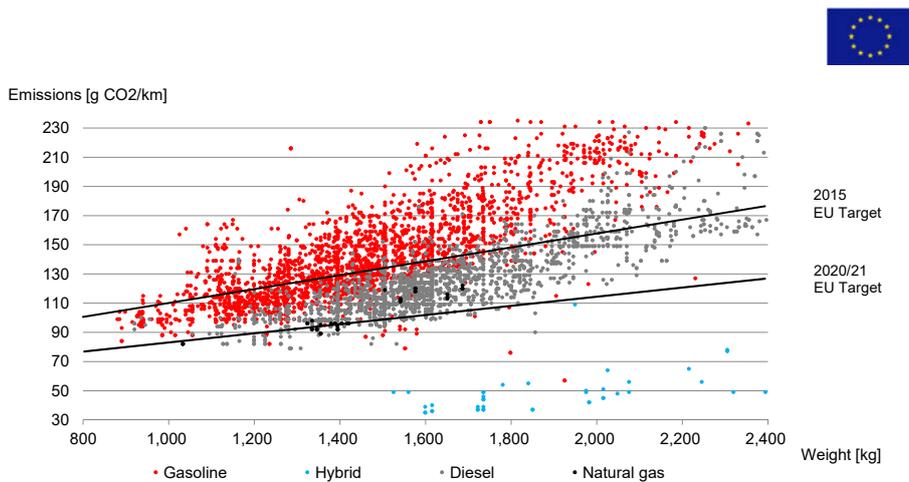
#### Initiatives for Cleaner Mobility in Various Markets



31

### III. Automobile Megatrend: Environment

#### Today's Vehicle Emissions vs. Future Targets



Source: DAT Group, <https://www.dat.de/leitfaden/LeitfadenCO2.pdf>, as of January 17, 2017.

32

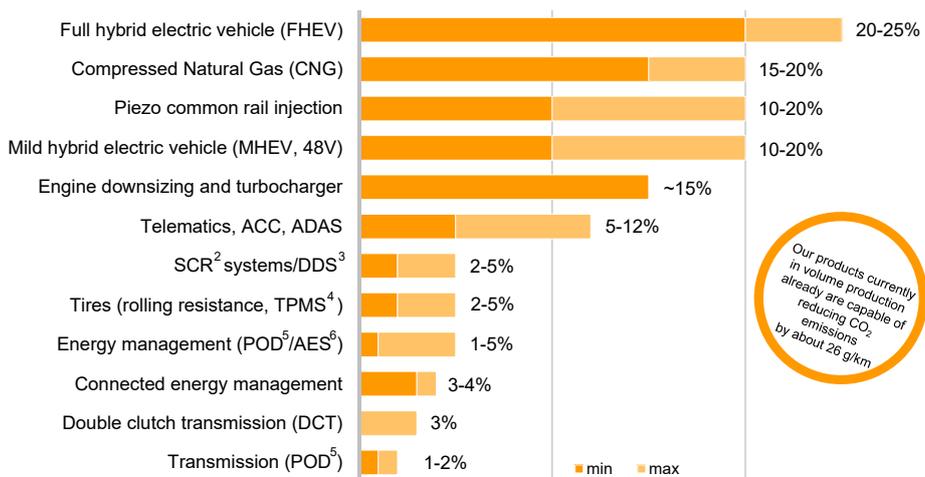
### III. Automobile Megatrend: Environment Opportunities and Challenges – Electrification

- › **Crucial points for electric mobility**
  - › Minimum battery range of 500 km
  - › Minimum battery lifetime of 200,000 km
  - › Charging time not longer than a coffee break
  - › Wireless charging via induction
  - › Battery cost per kilowatt-hour (kWh) has to decrease from €250–300 to below €100



Continental estimates for 2025: 110 mn PC&LT build.

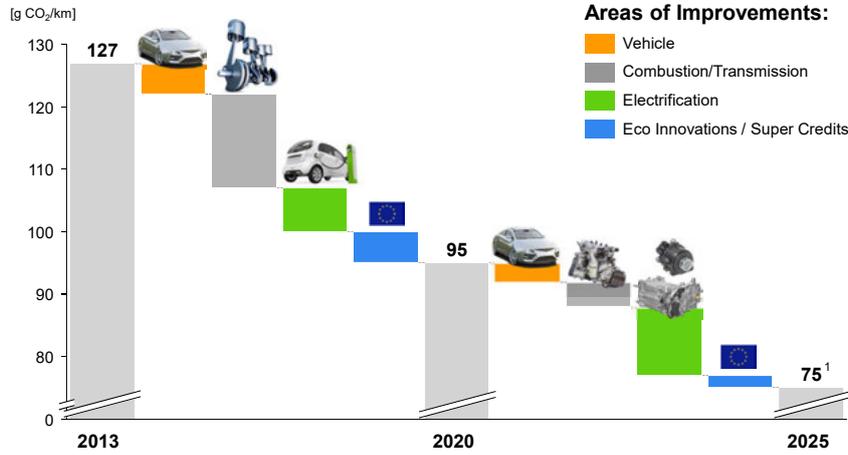
### III. Automobile Megatrend: Environment Reduction of CO<sub>2</sub> Emissions<sup>1</sup>: Solutions by Continental



<sup>1</sup> Saving potential compared with gasoline direct injection Euro 5 / NEDC.  
<sup>2</sup> SCR = Selective Catalytic Reduction.  
<sup>3</sup> DDS = DEKA injector for diesel dosing into exhaust gas.  
<sup>4</sup> TPMS = Tire Pressure Monitoring System.  
<sup>5</sup> POD = Power-On-Demand.  
<sup>6</sup> AES = Advanced Energy Supply.

### III. Automobile Megatrend: Environment

How to Reach the European CO<sub>2</sub> Target of 75g/km



<sup>1</sup> Assumptions for CO<sub>2</sub> target in the EU by 2025.

### III. Automobile Megatrend: Information

Interior: Examples of Market-Specific Initiatives and Projects



#### Environment

- › Tire Pressure Monitoring System (TPMS)<sup>1,2,3,4,5,6</sup>
- › Clean and efficient transport (eHorizon)<sup>7</sup>



#### Safety

- › Hands-free telephony<sup>8</sup>
- › Stolen vehicle tracking<sup>9</sup>
- › Rear detection system<sup>10,15</sup>
- › Camera vision (ProViu)<sup>15</sup>



#### Information

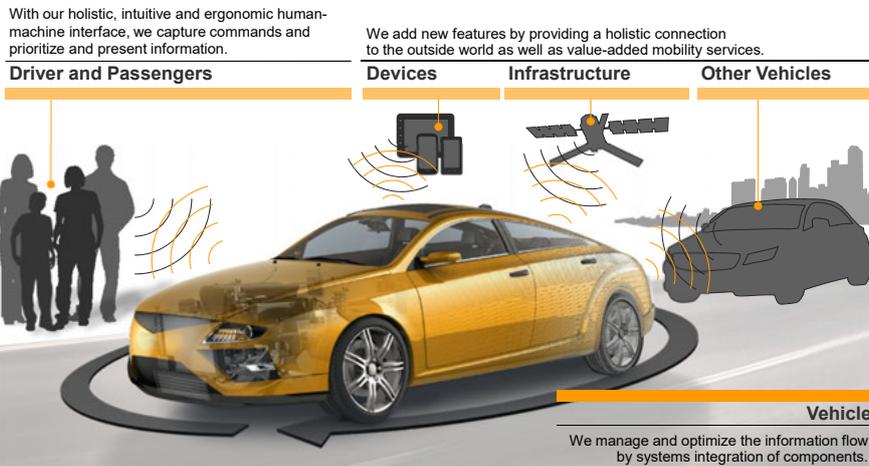
- › Digital Tachograph (DTCO)<sup>11</sup>
- › Electronic Logging Device (ELD)<sup>12</sup>
- › (Cooperate) Intelligent Transport Systems (C-ITS)<sup>7,13,14</sup>

<sup>1</sup> Regulation (EC) No. 661/2009 for passenger vehicles.  
<sup>2</sup> Federal Motor Vehicle Safety Standard No. 138 of NHTSA for passenger vehicles.  
<sup>3</sup> Source: Ministry of Land, Infrastructure, Transport and Tourism (MLIT) in Japan.  
<sup>4</sup> Korean Motor Vehicle Safety Standard (KMVSS) - MLTM Notification 2010-631.  
<sup>5</sup> House Bill for Commercial Vehicle Safety - H.R. 4348 29.06.2012 TPMS for motorcoaches.  
<sup>6</sup> DG CLIMA 2013 study on TPMS Cost / Benefit for commercial vehicles.  
<sup>7</sup> 2009/33/EC.  
<sup>8</sup> Several national laws and regulations in Asia/ Europe/ North America/ Africa.  
<sup>9</sup> CONTRAN 245/2007 - no final rule in place.  
<sup>10</sup> For single-unit trucks. FMVSS 111 - no final rule in place.  
<sup>11</sup> EU Regulation 165 2014 / EU Regulation 799 2016.  
<sup>12</sup> FMCSA 49 CFR Part 395, Subpart B December 2015.  
<sup>13</sup> Directive 2010/40/EU of the European Parliament and of the Council of July 2010.  
<sup>14</sup> C-ITS strategy COM(2016) 766.  
<sup>15</sup> EU Commission Staff Working Document SWD (2016) 431 final on the review of the GSR 661/2009.

- European Projects:**
- › ELVIRE = Electric vehicle communication to infrastructure, road services and energy supply.
  - › ID4EV = Intelligent dynamics for fully electric vehicles.
  - › ERTICO = European road transport telematics implementation coordination organisation.
  - › Sim-TD = Safe and intelligent mobility – field test Germany.

### III. Automobile Megatrend: Information

#### Interior: Information Management – Inside the Vehicle and Beyond



**Our mission: Information management inside the vehicle and beyond – a key element to realize “Clean Power” and “Zero Accidents.”**

### III. Automobile Megatrend: Information

#### Interior: Product Highlights for Intelligent Mobility

**We inform you well** > >

**We connect** > >

**All at lower cost** > >

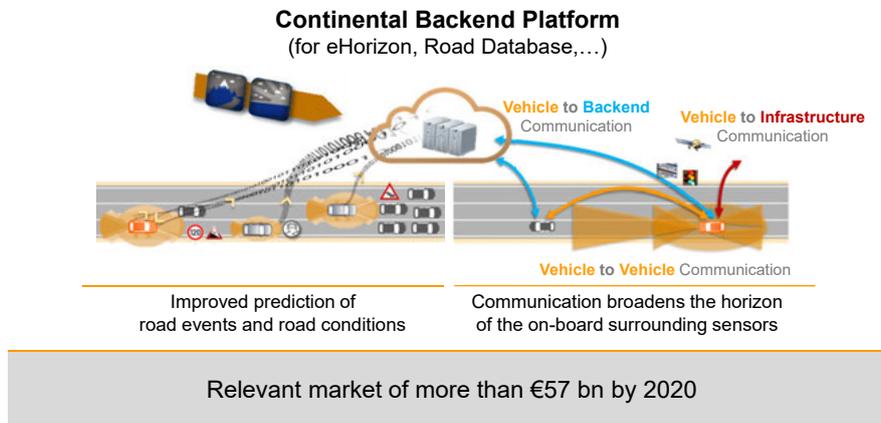
**Existing solutions:**

- > Full Digital Clusters
- > Head-up Displays
- > Multimedia and telematics platforms
- > Tachographs and fleet management systems
- > Tire Information System

**Innovations:**

- > Augmented-reality head-up displays
- > Integrated Interior Platform
- > Connected gateways
- > Virtual keys, NFC
- > eHorizon
- > Electronic control units for LED lighting
- > Services and apps for Intelligent Transportation Systems (ITS)

### III. Automobile Megatrend: Information Mobility Services



39

### III. Automobile Megatrend: Information VDA Agreement – Data Usage Categories

Category 1	Category 2	Category 3a	Category 3b	Category 4
<b>Data for improved traffic safety</b>	<b>Data for cross brand service</b>	<b>Data for brand specific services</b>	<b>Data for component analysis and product improvement</b>	<b>Personal Data</b>
Traffic safety relevant data	None differentiating vehicle data	Vehicle data differentiating and IP relevant for OEM	Vehicle data differentiating and IP relevant for OEM and supplier	"Right of access" granted only to the parties authorized to process data by law, contract or consent
Data for e.g. public traffic management institutions	Non-discriminatory data access to third parties <sup>2,3</sup>	OEM or Partner on OEMs behalf	OEM or Partner on OEMs behalf	Customer selected partner
Fire Department, Police, 911...	Product	Dealer, Subsidiary	Product	Customer
<b>The customer<sup>1</sup> will be informed of data usage and OEMs will provide the customer with decision options which the customer can reserve at any time, unless the function is required by law.</b>				

<sup>1</sup> The term customer is used uniformly and is to be interpreted broadly. Depending on the context, it compares drivers, owners and users.  
<sup>2</sup> Participation and technical adaption of the vehicle cannot be demanded of the OEM.  
<sup>3</sup> The guiding principles are to be observed when using the defined data interface Use of the interface incorporates rights and obligations.

40

### III. Automobile Megatrend: Safety

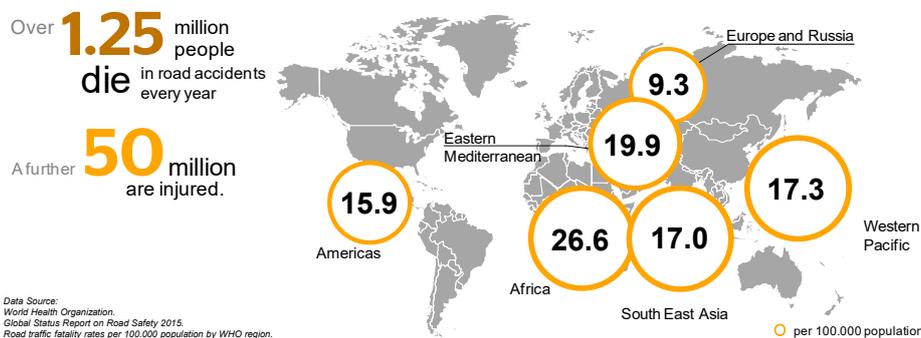
#### Market-Specific Initiatives – Towards Safer Mobility

EU	USA	Japan
<ul style="list-style-type: none"> <li>Electronic stability control (ESC)                             <ul style="list-style-type: none"> <li>mandatory as of Nov. 2011 for all new types of vehicles</li> <li>mandatory as of Nov. 2014 for all new vehicles<sup>1</sup></li> </ul> </li> <li>Tire pressure monitoring system (TPMS)                             <ul style="list-style-type: none"> <li>mandatory as of Nov. 2012 for all new types of passenger cars</li> <li>mandatory as of Nov. 2014 for all new passenger cars<sup>2</sup></li> </ul> </li> <li>Advanced emergency braking system and lane departure warning                             <ul style="list-style-type: none"> <li>mandatory as of Nov. 2013 for all new types of heavy commercial vehicles and buses</li> <li>mandatory as of Nov. 2015 for all new heavy commercial vehicles and buses<sup>3</sup></li> </ul> </li> <li>Brake assist system                             <ul style="list-style-type: none"> <li>mandatory as of Nov. 2009 for all new types of passenger cars</li> <li>mandatory as of Nov. 2011 for all new passenger cars<sup>3</sup></li> </ul> </li> <li>Motorcycle anti-lock brake system (ABS)                             <ul style="list-style-type: none"> <li>mandatory as of Jan. 2016 for all new types of vehicles</li> <li>mandatory as of Jan. 2017 for all new vehicles<sup>4</sup></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Electronic stability control (ESC)                             <ul style="list-style-type: none"> <li>mandatory since 2011 for all new light vehicles<sup>5</sup></li> </ul> </li> <li>Tire pressure monitoring system (TPMS)                             <ul style="list-style-type: none"> <li>mandatory as of Sept. 2007 for all new light vehicles<sup>6</sup></li> </ul> </li> <li>Rear Visibility                             <ul style="list-style-type: none"> <li>mandatory as of May 1, 2016 with a phase in schedule for all vehicles and low-speed vehicles with a gross vehicle weight rating (GVWR) of 10,000 pounds or less<sup>12</sup></li> </ul> </li> <li>Electronic stability control (ESC)                             <ul style="list-style-type: none"> <li>mandatory as of Jan. 2014 for all new types of light vehicles</li> <li>mandatory as of Jan. 2016 for all new light vehicles<sup>8</sup></li> </ul> </li> <li>Tire pressure monitoring system (TPMS)                             <ul style="list-style-type: none"> <li>mandatory as of Jan. 2016 for all new types of light vehicles<sup>9</sup></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Electronic stability control (ESC)                             <ul style="list-style-type: none"> <li>mandatory as of Oct. 2012 for all new types of passenger cars</li> <li>mandatory as of Oct. 2014 for all new passenger cars<sup>9</sup></li> </ul> </li> <li>Advanced emergency braking system and lane departure warning                             <ul style="list-style-type: none"> <li>expected to be mandatory for all new heavy commercial vehicles and buses following the EU decision<sup>10</sup></li> </ul> </li> </ul>
<b>Brazil</b>		
<ul style="list-style-type: none"> <li>Anti-lock brake system (ABS)                             <ul style="list-style-type: none"> <li>mandatory as of Jan. 2014 for all new passenger cars, after phase-in which began in 2010<sup>7</sup></li> </ul> </li> </ul>		
<b>South Korea</b>		
<ul style="list-style-type: none"> <li>Electronic stability control (ESC)                             <ul style="list-style-type: none"> <li>mandatory as of Jan. 2012 for all new light vehicles<sup>11</sup></li> </ul> </li> <li>Tire pressure monitoring system (TPMS)                             <ul style="list-style-type: none"> <li>mandatory as of Jan. 2013 for all new passenger cars<sup>11</sup></li> </ul> </li> </ul>		
<b>Other markets are following EU/USA on ESC and Motorcycle ABS regulation</b>		
<ul style="list-style-type: none"> <li>Electronic stability control (ESC): Australia (11/2011 for new car types, 11/2013 for all new cars), Turkey (02/2012 for new car types, 11/2014 for all new cars, 01/2015 for new heavy vehicle types, 01/2016 for all new heavy vehicles), New Zealand (07/2015 for all new cars), Malaysia (01/2016 for all new cars), Ecuador (01/2018 for new car types, 01/2020 for all new cars), Argentina (01/2018 for new car types, 01/2020 for all new cars), Brazil (01/2020 for new car types, 01/2022 for all new cars)</li> <li>Motorcycle anti-lock brake system (ABS): Brazil (01/2016: 10% of new motorcycles &gt; 300ccm, ramping up until 01/2019: 100% of new motorcycles &gt; 300ccm), India (04/2018 for new motorcycle types &gt; 125ccm, 04/2019 for all new motorcycles &gt; 125ccm, for motorcycles ≤ 125ccm same dates apply with requirement to have either ABS or a Combined Brake System)</li> </ul>		

<sup>1</sup> Regulation (EC) No. 661/2009, refers to all vehicles of category M and N.  
<sup>2</sup> Commission Implementing Regulation for (EC) No. 661/2009: 347/2012 (Advanced Emergency Braking Systems); 351/2012 (Lane Departure Warning).  
<sup>3</sup> Regulation (EC) No. 78/2009, refers to passenger cars for maximum 8 passengers plus driver.  
<sup>4</sup> COM(2016) 542 from Oct. 2016, ABS mandatory for motorcycles with engine capacity of > 125 ccm. ABS & combined brake system (CBS) mandatory for engine capacity of 125 ccm.  
<sup>5</sup> Federal Motor Vehicle Safety Standard (FMVSS) No. 126 of the National Highway Traffic Safety Administration (NHTSA), refers to vehicles with a gross vehicle weight of 54,536 l.  
<sup>6</sup> Federal Motor Vehicle Safety Standard (FMVSS) No. 138 of the National Highway Traffic Safety Administration (NHTSA), refers to vehicles with a gross vehicle weight of 54,536 l.  
<sup>7</sup> CONTRAN 312/2009.  
<sup>8</sup> Russia Decree 720/2009, refers to passenger cars, buses with a weight of ≤ 5 t and light trucks with a weight of ≤ 3.5 t.  
<sup>9</sup> Source: Ministry of Land, Infrastructure, Transport and Tourism (MLIT) in Japan.  
<sup>10</sup> Japan expected to adopt EU regulation, Final decision on timing pending.  
<sup>11</sup> G/TB/TW/KOP/036 and MLTM Notification 2010-431 (Ministry of Land, Transport and Maritime Affairs).  
<sup>12</sup> Federal Motor Vehicle Safety Standards; Rear Visibility, Final Rule, 49 CFR Part 571.

### III. Automobile Megatrend: Safety

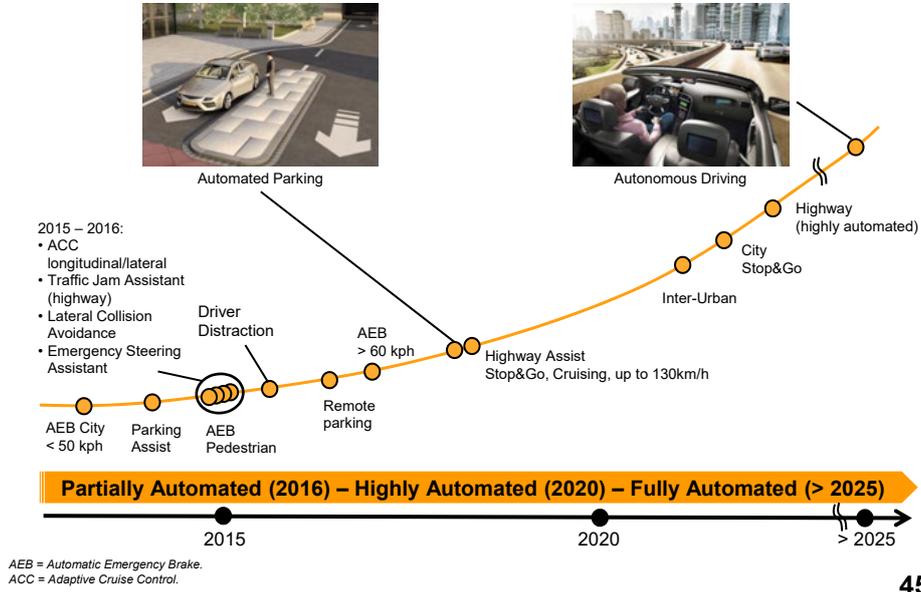
#### Road Traffic Deaths per 100,000 Inhabitants by Region<sup>1</sup>



Data Source:  
 World Health Organization,  
 Global Status Report on Road Safety 2015.  
 Road traffic fatality rates per 100,000 population by WHO region.



### III. Automobile Megatrend: Safety History and Roadmap for Accident-Free Driving

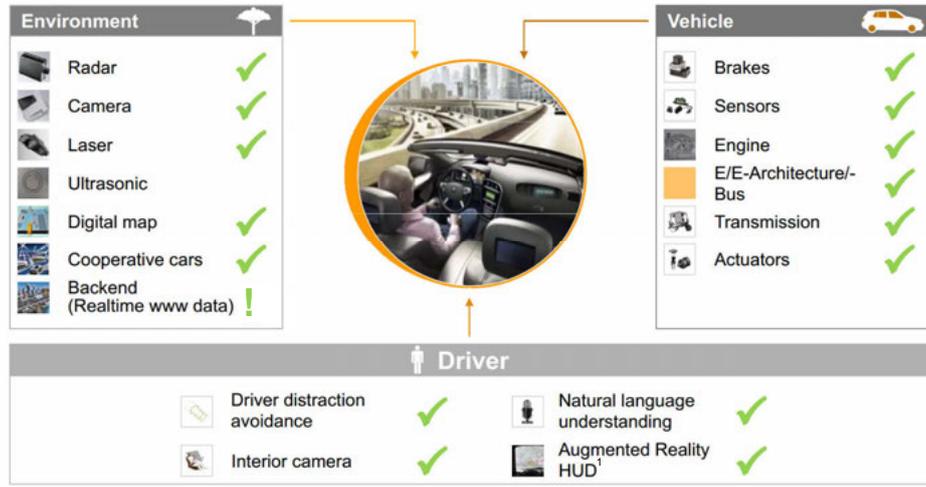


### III. Automobile Megatrend: Safety Future Automotive Trends



### III. Automobile Megatrend: Safety

From Basic to Complex Scenarios; from Single to Networked Systems



✓ = Continental's Portfolio    ! = In Progress

<sup>1</sup> Head-Up Display.

### III. Automobile Megatrend: Safety

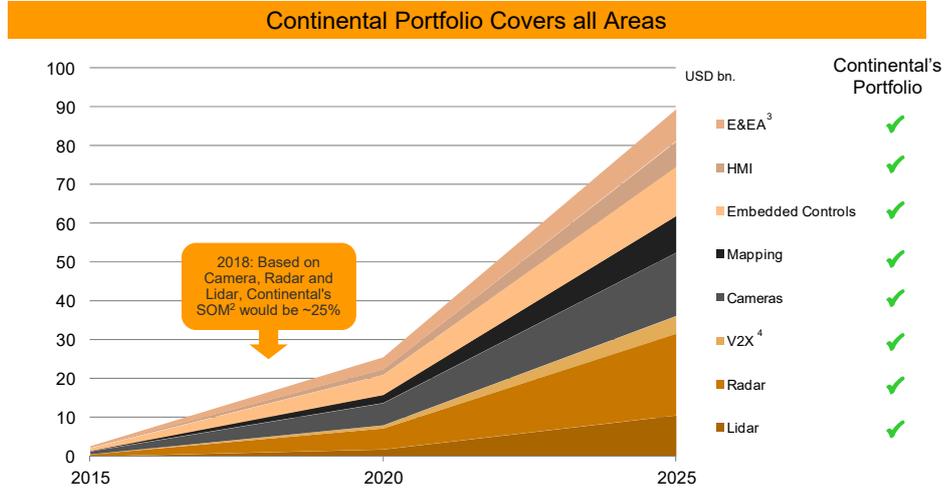
Automated Driving: Function and Sensor Scenarios<sup>1</sup>

Partially automated <b>L2</b>	Conditional automated <b>L3</b>	Highly / Fully automated <b>L4/5</b>
<ul style="list-style-type: none"> <li>› Autonomous Emergency Braking (incl. Intersections)</li> <li>› Lane Keeping Assist</li> <li>› Lane Change Assist</li> <li>› Adaptive Cruise Control (Anticipatory and Cooperative ACC)</li> <li>› Traffic Jam Assist</li> <li>› Back-up Assist</li> <li>› Parking Assist</li> </ul>	<p>Additionally to L2:</p> <ul style="list-style-type: none"> <li>› Cruising Chauffeur</li> <li>› Traffic Jam Chauffeur</li> <li>› Remote Parking</li> </ul>	<p>Additionally to L3:</p> <ul style="list-style-type: none"> <li>› Urban Chauffeur</li> <li>› Cruising Chauffeur (Enhanced)</li> <li>› Traffic Jam Chauffeur (Enhanced)</li> <li>› Automated Parking (e.g. Trained Parking, Valet Parking)</li> </ul>
<ul style="list-style-type: none"> <li>1x Camera</li> <li>4x Short Range Radar</li> <li>1x Long Range Radar</li> <li>1x Surround View System (4 cameras + 1 ECU)</li> <li>1x Rear View System (Option)</li> <li>1x ADCU (Option)</li> </ul>	<ul style="list-style-type: none"> <li>3x Camera</li> <li>6x Short Range Radar</li> <li>3x Long Range Radar</li> <li>1x Flash Lidar</li> <li>1x Surround View System (4 cameras; 1x ECU optional)</li> <li>1x Rear View System</li> <li>2x ADCU</li> </ul>	<ul style="list-style-type: none"> <li>3x Camera</li> <li>6x Short Range Radar</li> <li>3x Long Range Radar</li> <li>4x Flash Lidar</li> <li>1x Surround View System (4 cameras; 1x ECU optional)</li> <li>1x Rear View System</li> <li>2x Mirror View System</li> <li>3x ADCU</li> </ul>

<sup>1</sup> Depending on customers and future regulatory requirements.

### III. Automobile Megatrend: Safety

#### World Market Forecast<sup>1</sup> for Driver Assistance Systems



<sup>1</sup> Goldman Sachs Report, Cars 2025: Vol. 3; Monetizing the rise of Autonomous Vehicles; September 17, 2015.  
<sup>2</sup> Share Of Market.  
<sup>3</sup> Electrical & Electronic Architecture.  
<sup>4</sup> Vehicle to everything communication.

### III. Automobile Megatrend: Safety

#### Winter Tire Regulations<sup>1</sup>

**Europe: Winter Tires Mandatory or Situationally Mandatory**

November 1 to April 15 when winter weather conditions prevail	November 15 to April 1	December 1 to 28 February
November 15 to April 15 when winter weather conditions prevail	December 1 to end of February	November 1 to April 1
Mandatory when winter weather conditions prevail	November 1 to April 1	November 15 to March 31 when roads are snowy/icy
November 1 to March 31	Mandatory when winter weather conditions prevail	November 15 to March 15 when winter weather conditions prevail
December 1 to end of February	November 15 to March 15 when winter weather conditions prevail	December 1 to March 31 when winter weather conditions prevail
December 1 to end of February	Mandatory when winter weather conditions prevail; November 15 to March 31 for trucks	December 1 to April 1 for commercially used vehicles
Mandatory when winter weather conditions prevail	November 1 to March 31	November 1 to March 31

**Europe: Winter Tires Partly Mandatory**

France	Italy	Spain	Switzerland
Mandatory on certain roads, marked with signs			Drivers may be held liable, if they cause an accident with summer tires mounted when winter weather conditions prevail

**Canada: Winter Tires Partly Mandatory**

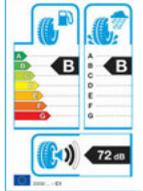
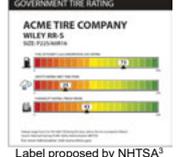
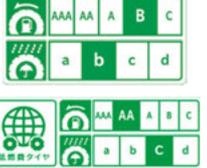
Canada: Mandatory in Québec December 15 to March 15; mandatory on certain roads in the mountains of Canada when winter weather conditions prevail

The snowflake symbol: A tire can be marked with this symbol (in addition to the M+S<sup>2</sup> marking), if its braking or traction performance on snow exceeds that of a standard reference tire by a certain margin.

<sup>1</sup> Source: Continental AG and websites of country ministries, automobile associations and ETRMA (European Tyre and Rubber Manufacturers' Association).  
<sup>2</sup> Mud + snow. The M+S marking is given by the manufacturer and is not linked to a performance definition.

### III. Automobile Megatrend: Safety and Environment

#### Tire Labeling Initiatives in Europe, USA, Japan, South Korea and Brazil

EU <sup>1</sup>	USA <sup>2</sup>	Japan <sup>3</sup>	South Korea <sup>4</sup>	Brazil <sup>5</sup>
	 <p>Label proposed by NHTSA<sup>3</sup></p>			
<ul style="list-style-type: none"> <li>Mandatory since November 2012</li> <li>Applies to all tires sold.</li> <li>Information to be shown: <b>rolling resistance</b> (fuel efficiency), <b>wet grip</b> (braking performance on wet roads) and <b>noise performance</b> (external rolling noise). Either directly on the tire by means of a label or in some other way</li> <li>Self-certification policy</li> <li>EU member states are responsible for market surveillance</li> </ul>	<ul style="list-style-type: none"> <li>Final decision pending</li> <li>The NHTSA Tire Fuel Efficiency Consumer Information Program proposes to inform consumers about the effect of tires on <b>fuel efficiency, safety, and durability</b></li> <li>The program aims to implement a national tire fuel efficiency rating system for replacement tires, with the information provided to consumers at the point of sale and online</li> </ul>	<ul style="list-style-type: none"> <li>Voluntary since 2010</li> <li>Introduced by JATMA<sup>4</sup></li> <li>Applies to replacement summer tires for passenger cars; includes information on <b>rolling resistance</b> and <b>wet grip</b> performance</li> <li>Tires with a grading of A and above for rolling resistance performance are defined as "fuel efficient tires" and are marked with an additional symbol (the lower of the symbols above)</li> </ul>	<ul style="list-style-type: none"> <li>Mandatory since November 2012</li> <li>Introduced by MKE<sup>5</sup></li> <li>Applies to all tires sold in South Korea (OE and replacement) for passenger cars and light trucks; includes information on <b>rolling resistance</b> and <b>wet grip</b> performance</li> <li>The label has to be attached to the tread of each tire; for OE tires the information has to be provided in the car manual</li> <li>Registration of all products required</li> </ul>	<ul style="list-style-type: none"> <li>Available as of April 2015</li> <li>Mandatory as of October 2016</li> <li>Introduced by INMETRO<sup>6</sup></li> <li>Applies to all tires sold (with certain exceptions). Includes information on <b>rolling resistance, wet grip</b> and <b>noise</b> performance</li> <li>Certification to be carried out by a product certification body accredited by INMETRO</li> </ul>

<sup>1</sup> Regulation (EC) No. 1222/2009 of the European Parliament and of the Council and Commission Regulations (EU) No. 228/2011 and (EU) No. 1235/2011. Also implemented in Norway, Switzerland , Turkey, Israel.

<sup>2</sup> Source: National Highway Traffic Safety Administration (NHTSA).

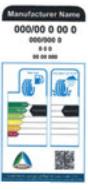
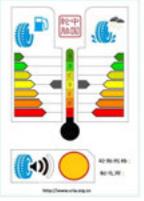
<sup>3</sup> Source: Japan Automobile Tyre Manufacturers Association (JATMA).

<sup>4</sup> Source: South Korean Ministry of Knowledge Economy (MKE).

<sup>5</sup> Source: National Institute of Metrology, Quality and Technology (INMETRO).

### III. Automobile Megatrend: Safety and Environment

#### Tire Labeling Initiatives in Gulf Countries and China

SASO <sup>1</sup>	GSO <sup>2</sup>	China
		
<ul style="list-style-type: none"> <li>Mandatory since November 2015 (truck tires as of Nov 2016).</li> <li>Applies to all replacement tires.</li> <li>Information to be shown: <b>rolling resistance</b> (fuel efficiency) and <b>wet grip</b> (braking performance on wet roads). Directly on the tire by means of a label.</li> <li>Registration of all products required</li> </ul>	<ul style="list-style-type: none"> <li>Mandatory since January 2016 (light truck and truck tires as of Jan 2017).</li> <li>Applies to all replacement tires</li> <li>Information to be shown: <b>rolling resistance</b> (fuel efficiency) and <b>wet grip</b> (braking performance on wet roads). Directly on the tire by means of a label.</li> <li>Registration of all products required</li> </ul>	<ul style="list-style-type: none"> <li>Voluntary as of 2017</li> <li>Introduced by CRIA<sup>3</sup></li> <li>Applies to all replacement tires for passenger cars</li> <li>Information to be shown: <b>rolling resistance</b> (fuel efficiency), <b>wet grip</b> (braking performance on wet roads) and <b>noise performance</b> (external rolling noise). Required</li> </ul>

Source:

<sup>1</sup> Saudi Standards, Metrology and Quality Organization Standard 2857/2015.

<sup>2</sup> Standardization Organization of the Gulf Cooperation Council Countries.

<sup>3</sup> Chinese Rubber Industry Association (CRIA).

## Topics

I.	Continental at a Glance	3
II.	Continental Strategy	15
III.	Automobile Megatrends	27
IV.	Sustainability at Continental	54
V.	Continental Corporation	71
VI.	Market Data	80
VII.	Automotive Group	92
VIII.	Rubber Group	129
IX.	Share and Bond Information	162
X.	Glossary	172

53

## IV. Sustainability at Continental

### Our Policies and Guidelines

**Principles of Our Corporate Social Responsibility**

Environmental Responsibility	Social Responsibility	Corporate Governance
 <p><b>ESH<sup>1</sup> Policy</b> – implements worldwide the responsibility for protecting the environment</p>	 <p><b>Code of Conduct</b> – standards for ethics, rules to avoid conflicts of interest</p> <p><b>OUR BASICS</b> – the guidelines, codex and basic principles of our business activities</p>	 <p><b>Corporate Governance Policy</b> – to further a responsible management of the company focused on value creation</p> <p><b>Risk Report</b> – overview of our Risk Management</p>

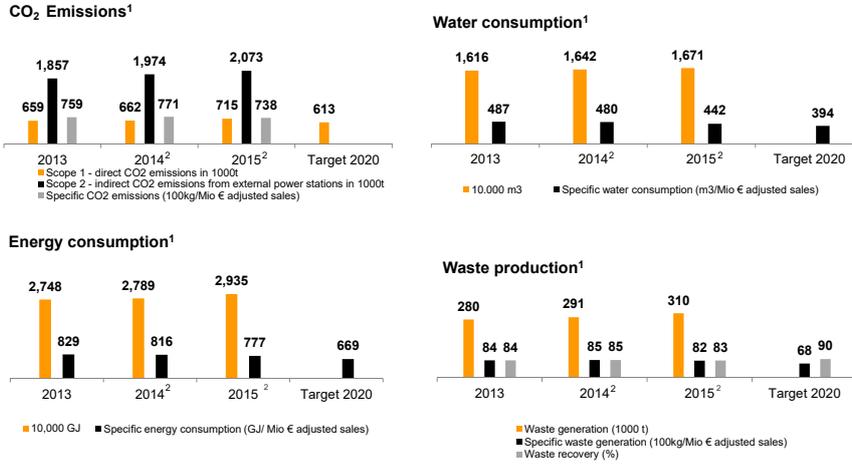
**OUR BASICS** Our Corporate Guidelines

<sup>1</sup> "Environment", "Security, Safety" and "Health".

54

## IV. Environmental Responsibility

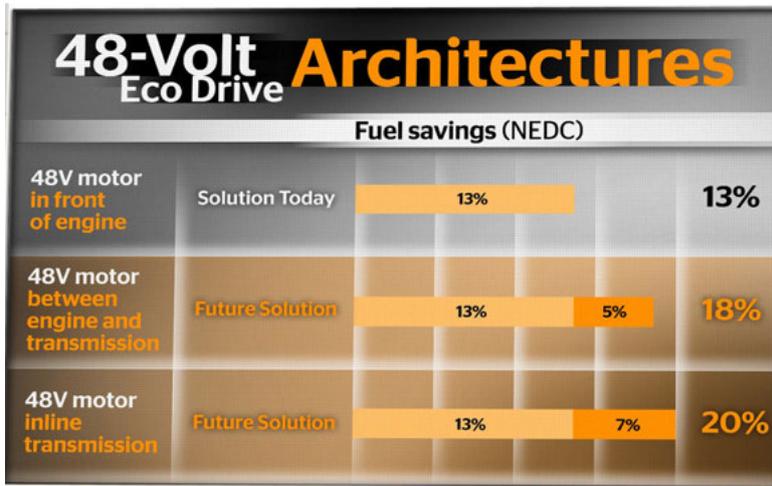
### Corporate Environmental Key Performance Indicators



<sup>1</sup> Changes to previous figures are due to changes in the data collection.  
<sup>2</sup> Reviewed by KPMG and verified with an ISAE 3000 certificate.

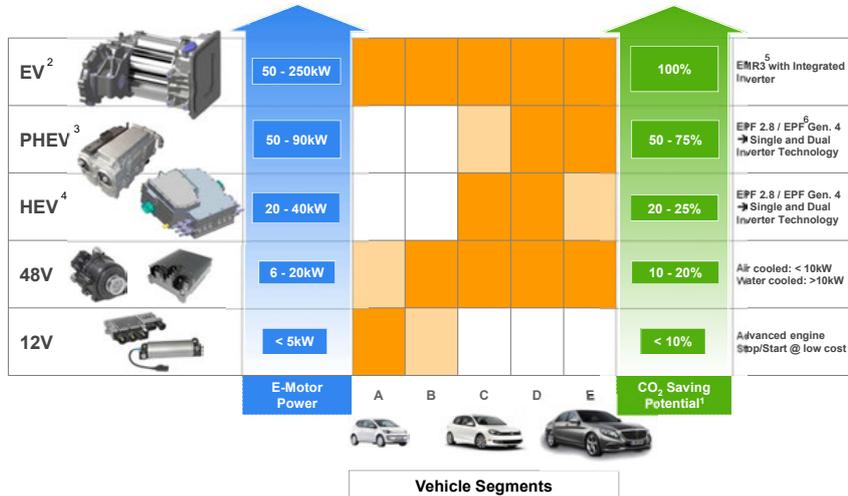
## IV. Environmental Responsibility

### Emission Reduction – Electrification Tailored to Fit (48-Volt Eco Drive)



## IV. Environmental Responsibility

### Emission Reduction – Electrification Tailored to Fit



<sup>1</sup> Saving Potential Tank-to-Wheel in New European Driving Circle.  
<sup>2</sup> Electric Vehicle.  
<sup>3</sup> Plug-in-Hybrid Electric Vehicle.  
<sup>4</sup> Hybrid Electric Vehicle.  
<sup>5</sup> Electric Machine Reducer.  
<sup>6</sup> Electronics Platform Fluid.

## IV. Social Responsibility – Responsible Employer

### Equal Opportunity



#### Workforce Diversity

The Continental team is made up of people with different backgrounds, cultures, religions, genders and ages. The diversity of different mindsets and points of views, skills and experiences makes us strong.

To promote diversity within the company, we focus on two key areas:

- > A balanced mix of men and women
- > Internationality

#### Demographics Program

A comprehensive concept designed to address the far-reaching changes as a result of the expected demographic trend focuses on four topics:

- > Workplace design
- > Health maintenance for longer employment
- > Targeted qualification measures
- > Motivation for a longer working life



## IV. Social Responsibility – Social Commitment

### UERÈ Project in Rio de Janeiro, Brazil



- › Since 2012 Continental has committed itself to the UERÈ education project for children and young people aged 4 to 18 from the slum district (known as 'Favelas') of Baixa do Sapateiro in Rio de Janeiro.
- › It is funding an e-learning module to raise the profile of the UERÈ de Mello method and also providing teaching staff and equipment for a children's football project.
- › UERÈ founder and principal Yvonne Bezerra de Mello explains the UERÈ de Mello method in her own words: "We tailored our concept quite specifically to the abilities and needs of our children. For example, we almost exclusively offer interactive learning modules with a duration of 20 minutes so that children who suffer from learning blocks as the result of some lasting trauma can also take in the content. We help all UERÈ children to become responsible citizens and our aim is to give them prospects so that they can lead worthwhile lives".
- › The Brazilian Government has awarded Bezerra de Mello the "Medaille Tiradentes" in June 2013 for her great achievements with this project.



59

## IV. Social Responsibility – Social Commitment

### Initiative Promotes Intercultural Exchange



- › Together with 18 other companies and the German Society for International Cooperation (GIZ), Continental is one of the founding members of the "AFRIKA KOMMT!" ("Africa is Coming!") initiative. The aim of the initiative, which has Federal President Joachim Gauck as its patron, is to invite young African managers from Sub-Saharan Africa (countries south of the Sahara) to Germany for one year in order to support them and familiarize them with the country. At the same time, the program paves the way for lasting economic cooperation in Africa.
- › The project's participants get to know the operational structures of German companies, expand their specialist and management skills, and acquire cultural and linguistic knowledge. This way, they can establish important contacts between Germany and Africa with their knowledge and expertise, and after completing the program they can assume managerial roles in their home countries.
- › The companies involved thus have personal contacts in the region, who know the German language and mentality and have intercultural skills.



60

## IV. Social Responsibility

### Corporate Memberships





- › Continental is a participant of the **United Nations Global Compact**.
- › Continental is a signatory company of the **Charter of Diversity**.
- › Continental is a signatory company of the **Luxembourg Declaration on Workplace Health Promotion (WHP)**.
- › Continental is a signatory company of the **European Road Safety Charter**.
- › Continental is a member of the **World Business Council for Sustainable Development (WBCSD)**.
- › Continental has endorsed the **Women's Empowerment Principles** since March 2015.
- › Continental is a member of a work group of the **Sustainable Natural Rubber Initiative**.



Source: [www.charta-der-vielfalt.de](http://www.charta-der-vielfalt.de) (German Federal Government Commissioner for Migration, Refugees and Integration); [www.luxemburger-deklaration.de](http://www.luxemburger-deklaration.de); [www.globalcompact.de](http://www.globalcompact.de); <http://www.wbcSD.org>; <http://www.erscharter.eu>; <http://www.wepinciples.org>

## IV. Social Responsibility

### Ratings and Indices



#### Indices

- › ECPI
- › FTSE4good global and FTSE4good Europe Index
- › Stoxx Global ESG Leaders & Stoxx Europe ESG Leaders
- › Stoxx Global Reported Low Carbon, Euro Stoxx Low Carbon

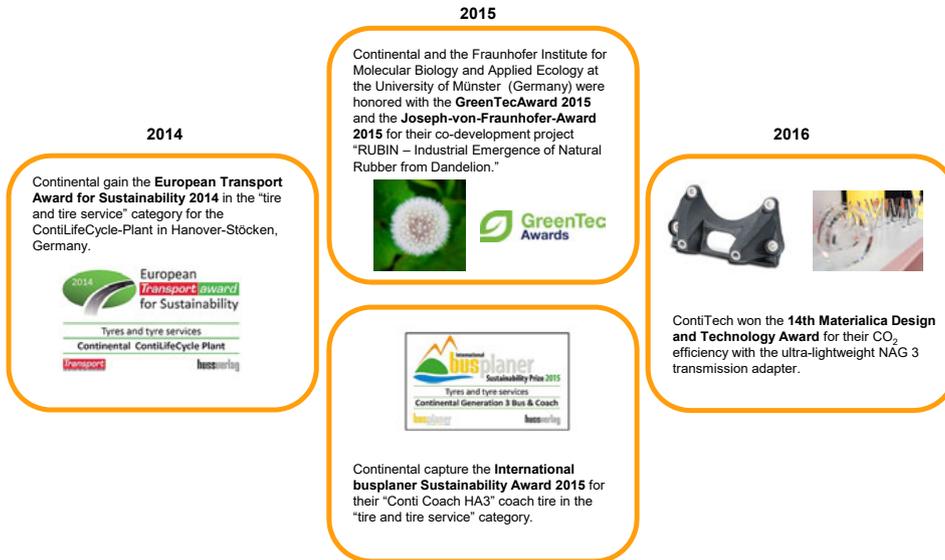
#### Ratings

- › CDP rated Continental in the **climate** category with 'Score B', in the **water** category with 'Score D' and in the **supply chain** category with 'Score C'.
- › Oekom research rated Continental with 'Prime (C+)'.  
www.oekom-research.com
- › Sustainalytics rated Continental with 76 points in the overall score.  
www.sustainalytics.com
- › MSCI rated Continental with 'BB'.



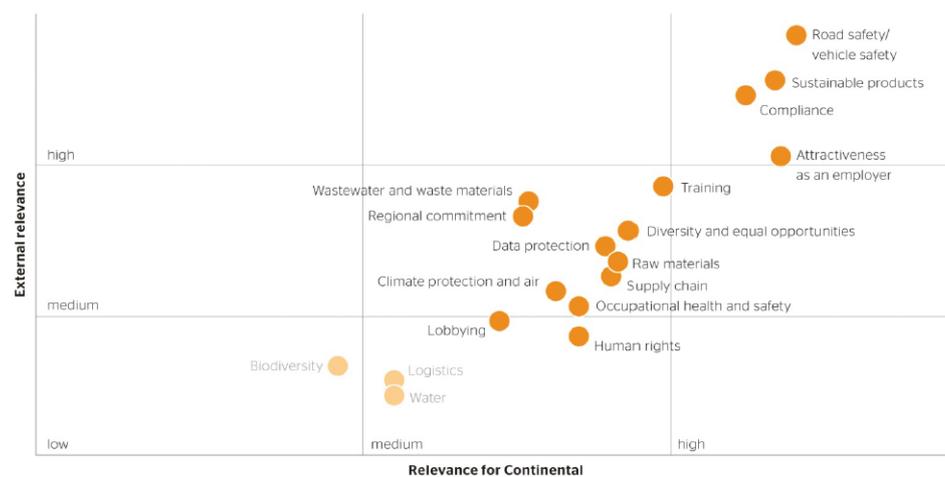
## IV. Social Responsibility

### Special Awards in the Sustainability Category



## IV. Social Responsibility

### Materiality Matrix



## IV. Social Responsibility

### Tires – ContiLifeCycle for Commercial Vehicle Tires (1)



#### > Acknowledgements



German Federal Ministry of Environment (BMU), Berlin



Umweltbundesamt, Berlin



KfW Bankengruppe, Bonn



Hannover Impuls GmbH, Hannover



65

## IV. Social Responsibility

### Tires – ContiLifeCycle for Commercial Vehicle Tires (2)



#### > General Information

Breathing life into tires a second and even a third time is the basic idea behind the ContiLifeCycle approach (CLC). What has worked with glass and metals for decades is now also possible for premium truck tires, with the world's first fully integrated recycling and retreading plant in Hannover-Stöcken.

The ContiLifeCycle Plant is a combined facility for hot and cold retreading of truck tires and recycling rubber from used tires.



#### > Coming round again for a cleaner world.

The Continental LifeCycle™ is a retreaded solid rubber tire using only casings that pass strict quality checks. The tread is completely replaced using materials identical to those used in the production of new tires.

- > Reduce the number of scrap tires
- > Reduce the amount of raw materials used
- > Energysaving
- > Eco-friendly

66

## IV. Social Responsibility

### Tires – ContiLifeCycle for Commercial Vehicle Tires (3)



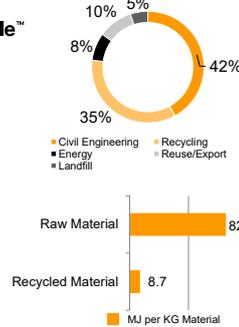
PLT<sup>4</sup> CVT<sup>4</sup>

#### End-of-life tires in the European Union<sup>1</sup>

A total of approximately 3 million tons of used tires accumulate in the EU per year. The majority of these tires are used for energy recovery in the cement industry and for material recycling (mainly downcycling). The rest is used for civil engineering, landfill and is reused or exported.

#### Recycling versus raw material<sup>2</sup>

The total amount of energy for producing one kilogram of tire compound is 82 megajoule, including other factors, such as logistics. The amount of energy needed to recycle one kilogram of used rubber is only 8.7 megajoule, or roughly 11% of the energy needed for one kilogram of new compound.



#### Rubber saving<sup>2</sup>

The recycling plant's annual material output results in the saving of 2,400 tons of rubber, which equals the annual production of roughly 1.3 million rubber trees.

#### CO<sub>2</sub> emissions<sup>3</sup>

By recycling 4,000 tons of used rubber in the recycling plant, an annual 8,000 tons of CO<sub>2</sub> emissions are saved. In order to achieve this CO<sub>2</sub> reduction by natural means, 625 hectares of pine forest (the size of 877 soccer fields) are needed.

<sup>1</sup> Source: ETRMA, 2011.

<sup>2</sup> Source: Continental Reifen Deutschland.

<sup>3</sup> Source: United States Environmental Protection Agency (EPA), September 2012.

<sup>4</sup> PLT = Passenger and Light Truck Tires; CVT = Commercial Vehicle Tires.

## IV. Social Responsibility

### Health and Occupational Safety

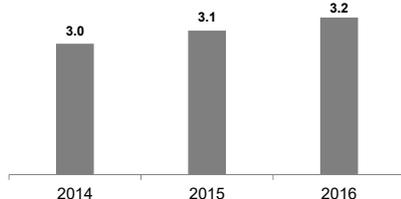


Our specialist department HISS ("Health, Industrial Hygiene, Safety & Security") sets protection standards, which apply across the entire Corporation.

Standards are the foundation for safety at work, secure production plants and processes, and reflect our responsibility to our employees and to the environment.

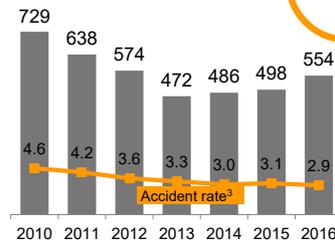


#### Absences due to sickness<sup>1</sup>



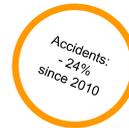
<sup>1</sup> Paid and unpaid absences due to sickness in relation to the contractual working hours in percent (for the corporation).

#### Hours lost due to accidents<sup>2</sup>



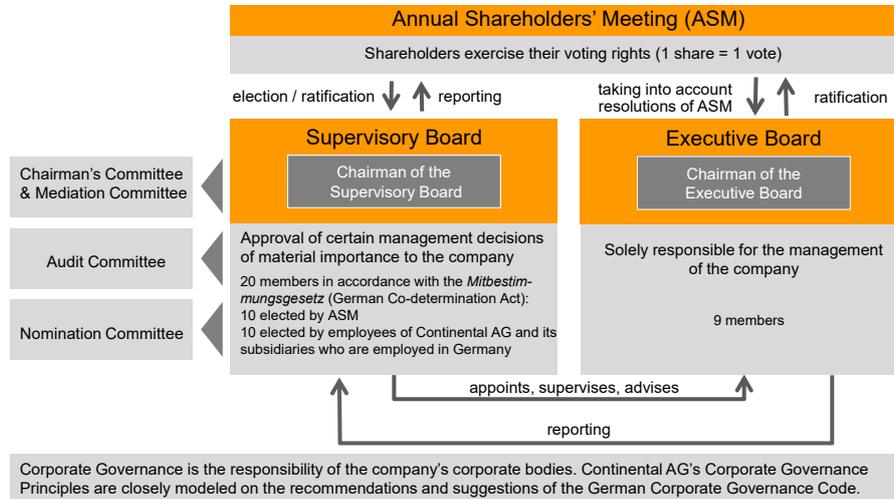
<sup>2</sup> Number of accident-related hours lost worldwide per million hours worked.

<sup>3</sup> Number of work-related accidents worldwide with one or more days lost per million hours worked.



## IV. Corporate Governance

### Two-Tier Board System – Corporate Bodies



## Topics

<b>I.</b>	<b>Continental at a Glance</b>	<b>3</b>
<b>II.</b>	<b>Continental Strategy</b>	<b>15</b>
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<b>IX.</b>	<b>Share and Bond Information</b>	<b>162</b>
<b>X.</b>	<b>Glossary</b>	<b>172</b>

## V. Continental Corporation

### Key Consolidated Figures

(in mn €)	2014	2015	2016
Sales	34,505.7	39,232.0	40,549.5
EBITDA	5,133.8	6,001.4	6,057.4
in % of sales	14.9	15.3	14.9
EBIT	3,344.8	4,115.6	4,095.8
in % of sales	9.7	10.5	10.1
EBIT adjusted <sup>1</sup>		4,369.0	4,341.2
in % of sales <sup>1</sup>		11.1	10.8
Operating assets (average)	16,726.5	19,680.7	20,453.1
ROCE	20.0	20.9	20.0
R, D & E expenses	2,137.7	2,449.6	2,811.5
in % of sales	6.2	6.2	6.9
Capex <sup>2</sup>	2,045.4	2,178.8	2,593.0
in % of sales	5.9	5.6	6.4
Depreciation & amortization <sup>3</sup>	1,789.0	1,885.8	1,961.6
in % of sales	5.2	4.8	4.8
thereof impairment <sup>4</sup>	178.9	93.6	58.6

<sup>1</sup> EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.

<sup>2</sup> Capital expenditure on property, plant and equipment, and software.

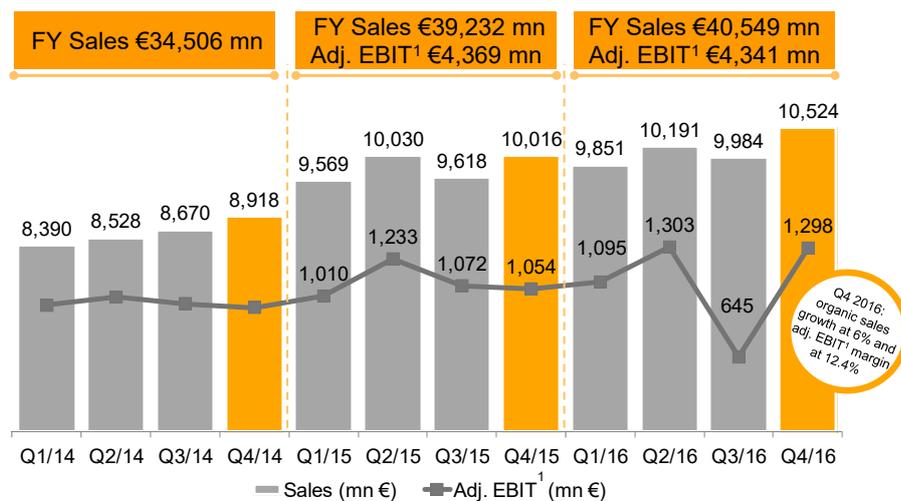
<sup>3</sup> Excluding impairment on financial investments.

<sup>4</sup> Impairment also includes necessary reversals of impairment losses.

71

## V. Continental Corporation

### Sales and Adjusted EBIT<sup>1</sup> by Quarter



<sup>1</sup> Before amortization of intangibles from PPA, consolidation and special effects

72

## V. Continental Corporation

### Key Historical Credit Metrics – IAS 19 (rev. 2011) applied<sup>6</sup>

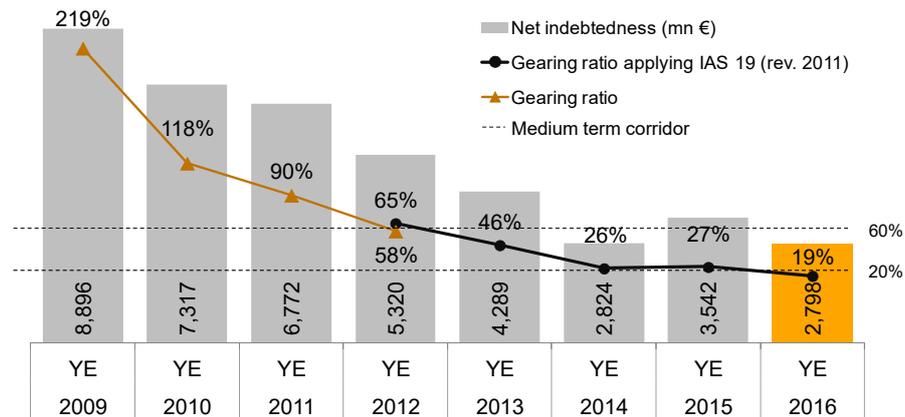
(mn €) <sup>1</sup>	2011	2012	2013	2014	2015	2016
<b>Statement of Cash Flows</b>						
Adjusted EBITDA <sup>2</sup>	4,247	4,822	5,094	5,318	6,094	6,125
Reported EBITDA	4,228	4,967	5,095	5,134	6,001	6,057
Net cash interest paid	-662	-575	-534	-158	-174	-112
Tax paid	-466	-684	-805	-775	-1,015	-1,047
Change in net working capital <sup>3</sup>	-556	564	-4	-207	-107	-210
Other <sup>4</sup>	-256	-488	-30	175	210	250
<b>Cash flow arising from operating activities</b>	<b>2,289</b>	<b>3,785</b>	<b>3,722</b>	<b>4,168</b>	<b>4,916</b>	<b>4,938</b>
<b>Cash flow arising from investing activities</b>	<b>-1,798</b>	<b>-2,132</b>	<b>-1,904</b>	<b>-2,153</b>	<b>-3,472</b>	<b>-3,167</b>
- thereof capex in PPE and intangibles	-1,813	-2,081	-2,024	-2,110	-2,265	-2,708
<b>Cash flow before financing activities</b>	<b>491</b>	<b>1,653</b>	<b>1,818</b>	<b>2,015</b>	<b>1,444</b>	<b>1,771</b>
<b>Statement of Financial Position</b>						
Cash and cash equivalents	1,541	2,397	2,045	3,244	1,622	2,107
Derivative instruments and interest-bearing investments	249	536	303	364	81	48
Total indebtedness	8,562	8,253	6,638	6,432	5,245	4,952
<b>Net indebtedness</b>	<b>6,772</b>	<b>5,320</b>	<b>4,289</b>	<b>2,824</b>	<b>3,542</b>	<b>2,798</b>
<b>Credit Ratios</b>						
<b>Net indebtedness / adjusted EBITDA<sup>2</sup></b>	<b>1.6x</b>	<b>1.1x</b>	<b>0.8x</b>	<b>0.5x</b>	<b>0.6x</b>	<b>0.5x</b>
<b>Net cash interest paid coverage (Ratio)<sup>5</sup></b>	<b>6.4x</b>	<b>8.4x</b>	<b>9.5x</b>	<b>33.7x</b>	<b>35.1x</b>	<b>54.8x</b>

<sup>1</sup> Amounts shown may contain rounding differences  
<sup>2</sup> Adjusted EBITDA starting 2011 as defined in syndicated loan but IAS 19 (rev. 2011) not applied in 2012  
<sup>3</sup> Includes changes in inventories, trade accounts receivable, trade accounts payable and discounted notes  
<sup>4</sup> Includes dividends received, income from at-equity accounted and other investments, incl. impairment and reversal of impairment losses, gains/losses from the disposal of assets, companies and business operations, other non-cash items as well as changes in employee benefits and other provisions and in other assets and liabilities  
<sup>5</sup> Adj. EBITDA to net cash interest paid  
<sup>6</sup> Since 2012

73

## V. Continental Corporation

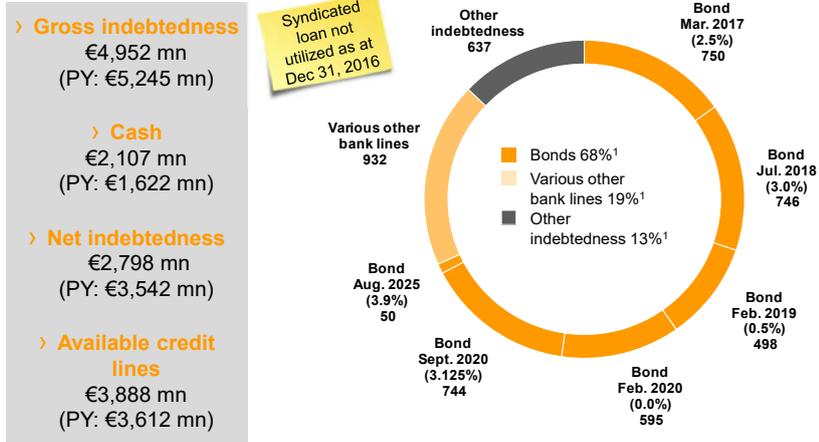
### Net Indebtedness and Gearing Ratio



74

### V. Continental Corporation

#### Gross Indebtedness by Source at YE 2016 (mn €)



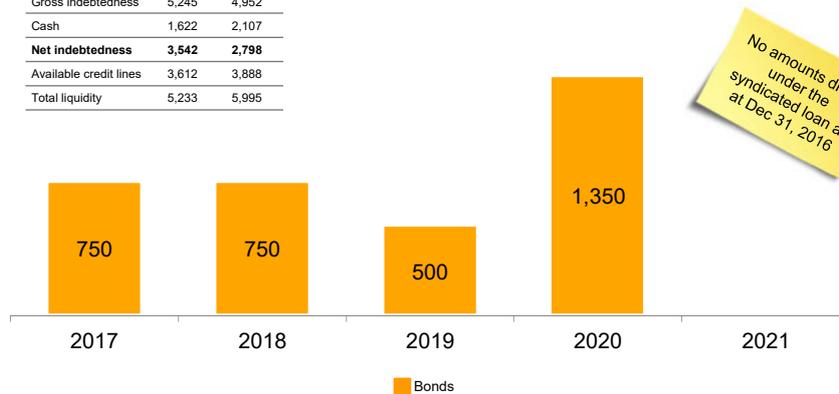
<sup>1</sup> Percentages are calculated as share of gross indebtedness

### V. Continental Corporation

#### Maturities for Bonds<sup>1</sup> (mn €)

As at December 31, 2016

(mn €)	FY 15	FY 16
Gross indebtedness	5,245	4,952
Cash	1,622	2,107
<b>Net indebtedness</b>	<b>3,542</b>	<b>2,798</b>
Available credit lines	3,612	3,888
Total liquidity	5,233	5,995

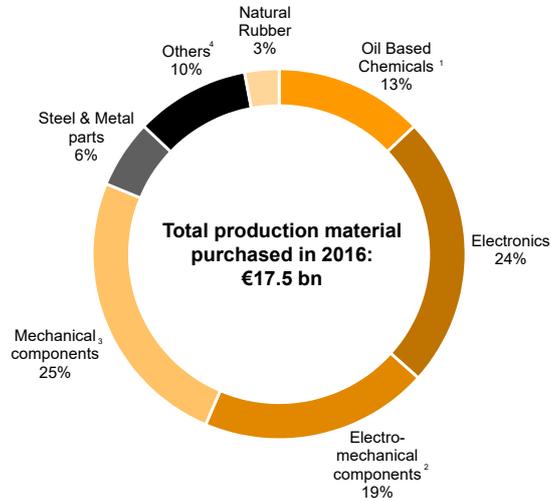


<sup>1</sup> All amounts shown are nominal values

## V. Continental Corporation Purchasing – Production Materials 2016

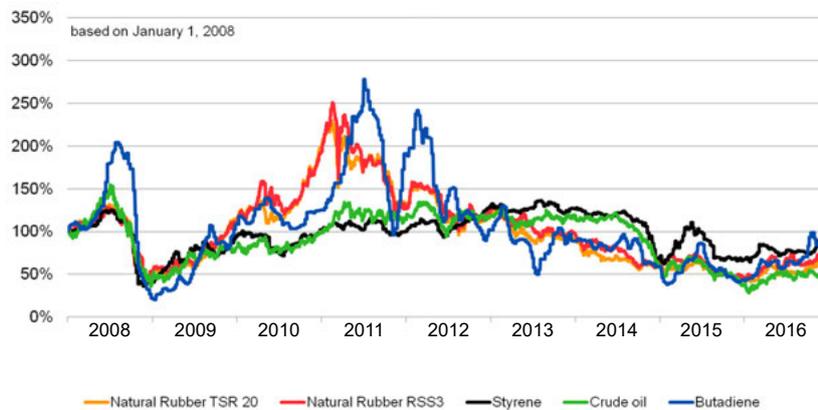
### Purchasing Contracts

- › Continental has a wide range of sources for production materials worldwide.
- › A specific strategy for each production material group is set up and the appropriate supplier panel is selected. This way we ensure the competitiveness and availability of the materials.
- › For some materials, like certain oil based chemicals or natural rubber, prices might have a long lead time until they become fully reflected in the cost of our final products.



<sup>1</sup> E.g. synthetic rubber, carbon black.  
<sup>2</sup> E.g. printed circuit boards, connectors, motors.  
<sup>3</sup> E.g. stamped parts, turn parts, castings.  
<sup>4</sup> E.g. textiles, plastics.

## V. Continental Corporation Raw Material Prices



Sources:  
 Natural Rubber: Rolling one-month contracts from the Singapore Exchange (U.S. \$ cents per kg).  
 Crude oil: Europe Brent Forties Oseberg Ekofisk price from Bloomberg (U.S. \$ per barrel).  
 Butadiene, Styrene: South Korea export price (FOB) from PolymerUpdate.com (U.S. \$ per metric ton).

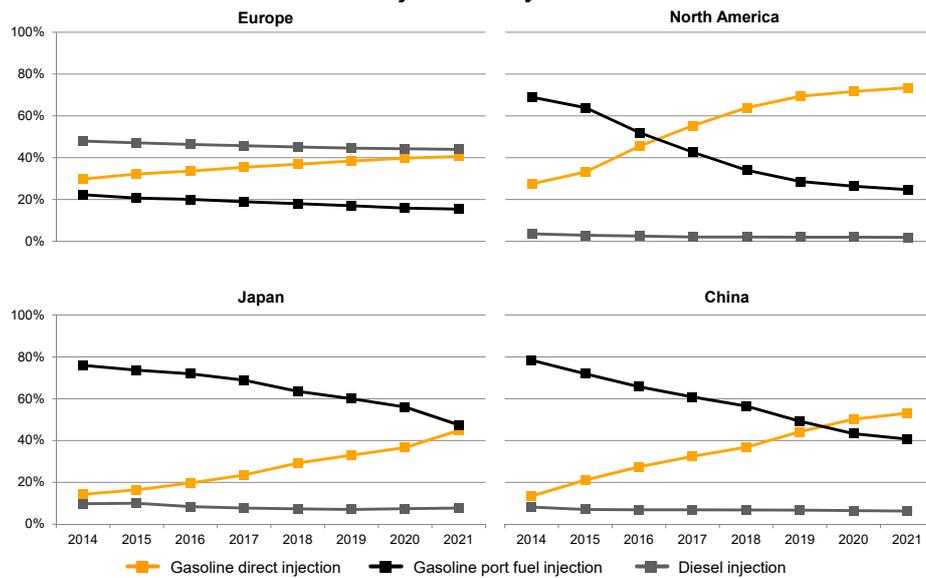
## Topics

<b>I.</b>	<b>Continental at a Glance</b>	<b>3</b>
<b>II.</b>	<b>Continental Strategy</b>	<b>15</b>
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<b>IX.</b>	<b>Share and Bond Information</b>	<b>162</b>
<b>X.</b>	<b>Glossary</b>	<b>172</b>

79

## VI. Market Data

### Installation Rates of Fuel Injection Systems<sup>1</sup>

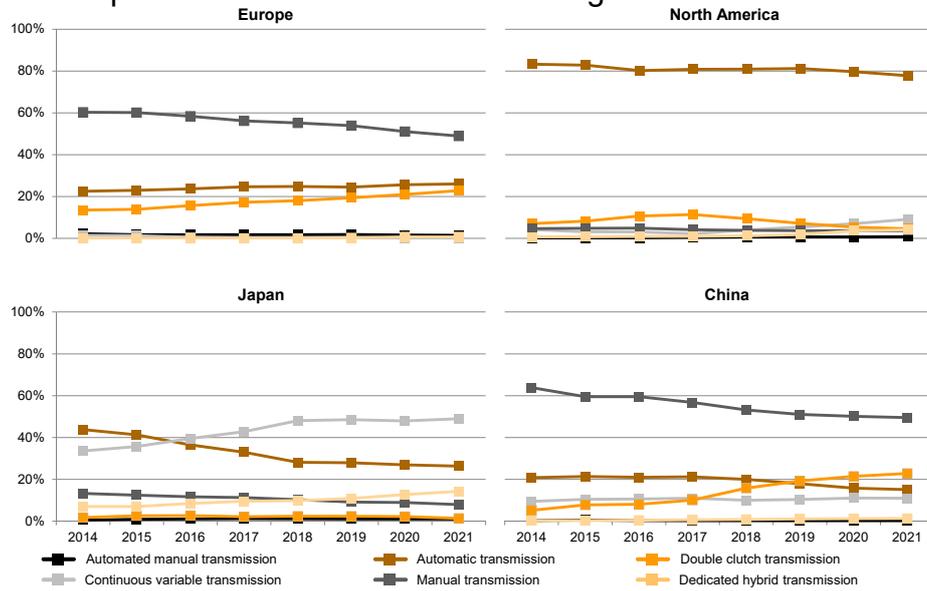


Source: Market Data and Continental estimates.  
<sup>1</sup> Based on production of diesel and gasoline engines for passenger cars & light vehicles.

80

## VI. Market Data

### Development of Transmissions Technologies<sup>1</sup>



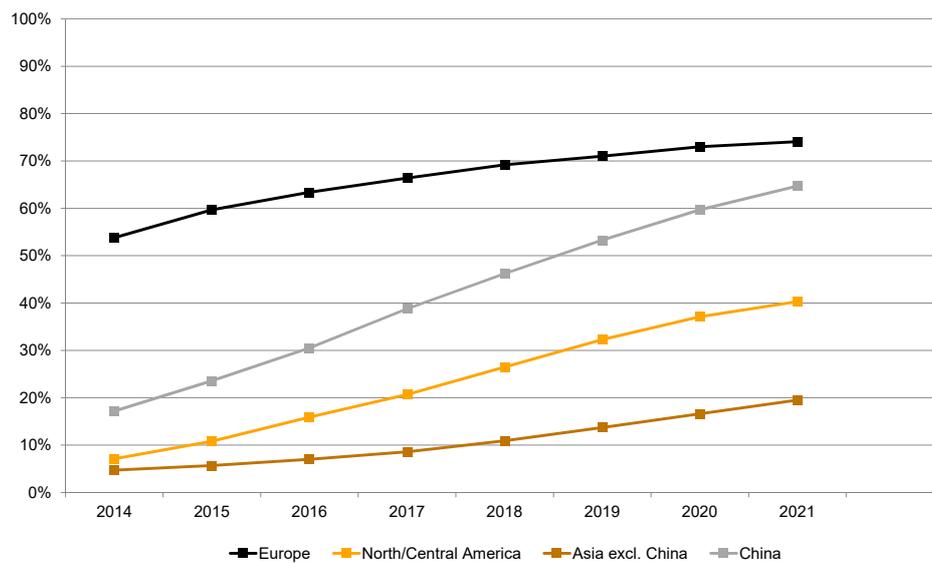
Source: Market Data and Continental estimates.

<sup>1</sup> Based on production of transmissions for passenger cars and light vehicles.

81

## VI. Market Data

### Installation Rates of Turbochargers in Gasoline Engines

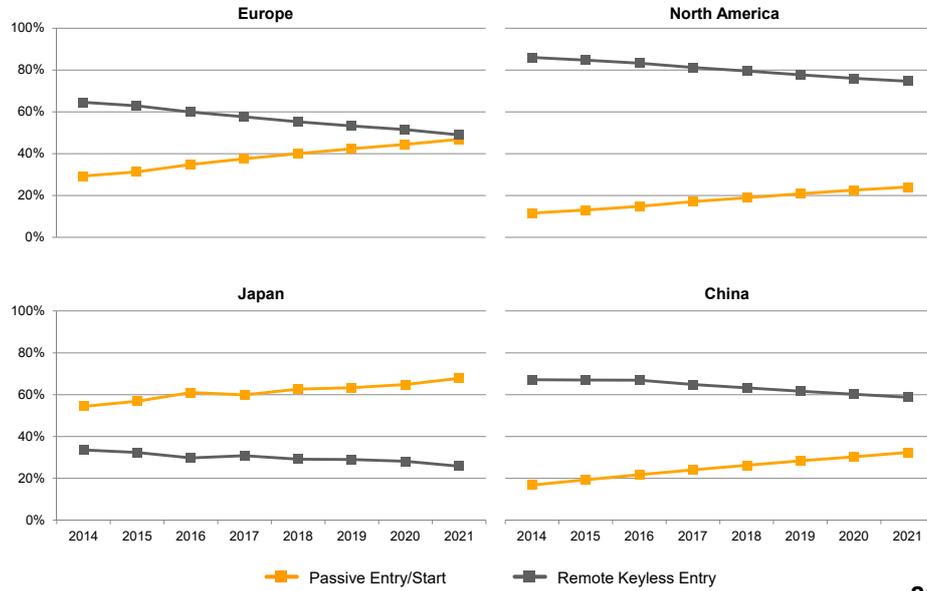


Source: IHS 01/2016.

82

## VI. Market Data

### Installation Rates of Keyless Entry Systems

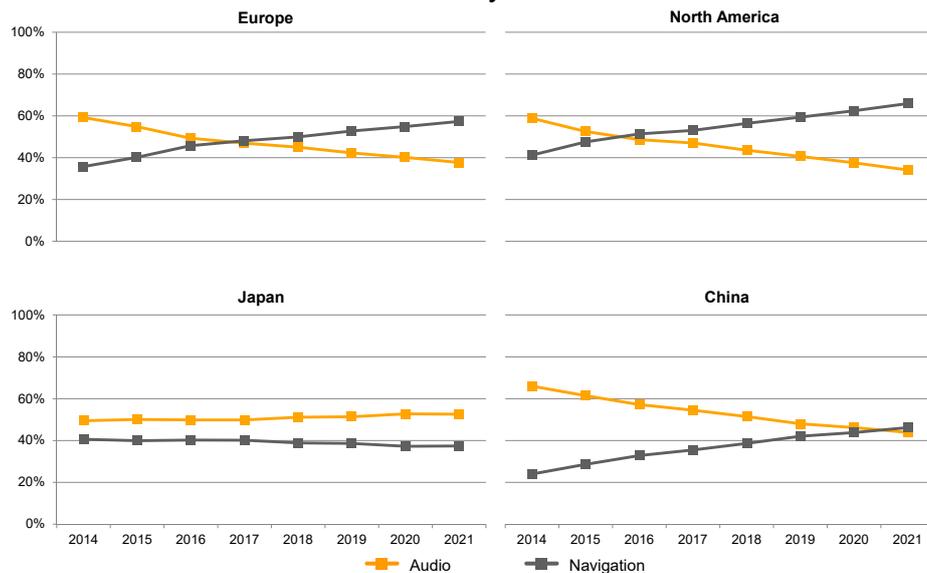


Source: Strategy Analytics and Continental estimates.

83

## VI. Market Data

### Installation Rates of Multimedia Systems<sup>1</sup>



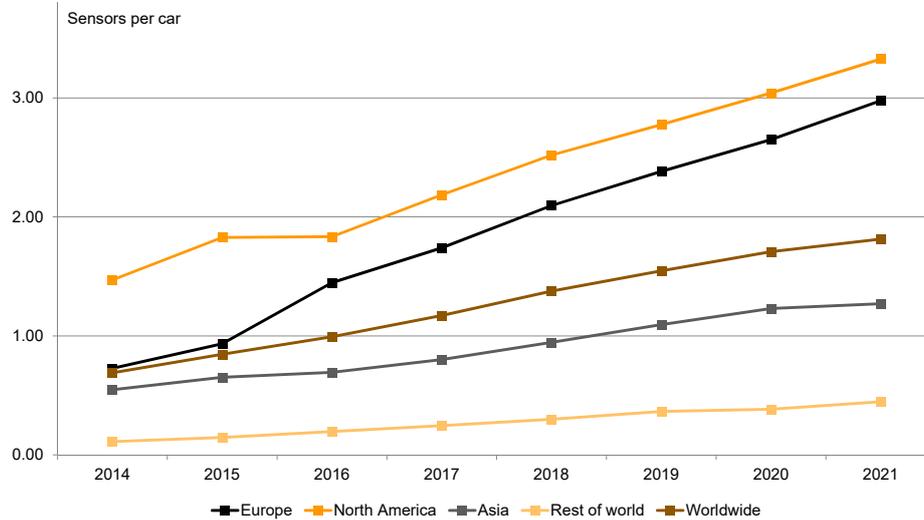
Source: Strategy Analytics, JD Powers, and Continental estimates.

<sup>1</sup> "Audio" refers to stand-alone radios. "Navigation" only to embedded navigation in the car, not connected navigation where e.g. a smartphone delivers navigation calculation and the screen of the car is used as a display.

84

## VI. Market Data

### Sensors per car of Advanced Driver Assistance Systems<sup>1</sup>



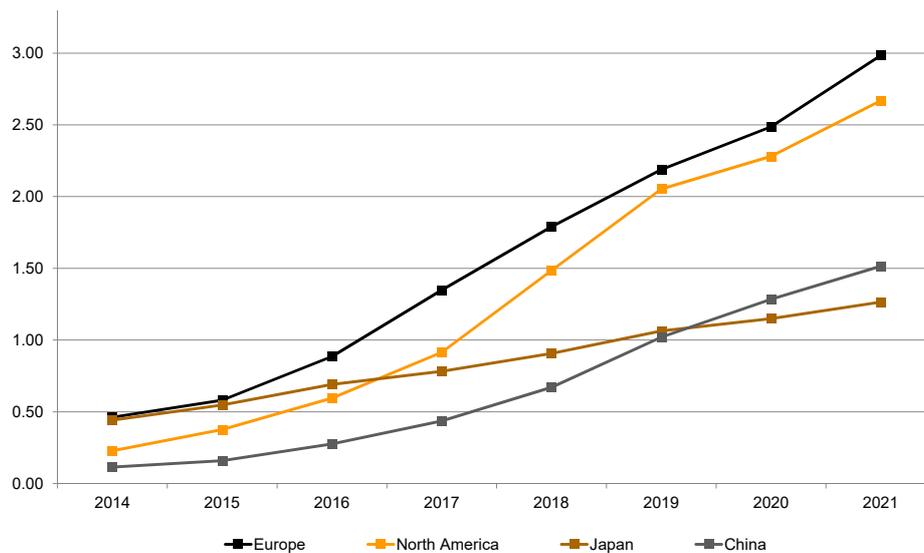
Source: Market Data and Continental estimates.  
<sup>1</sup> Market Definition: Average amount of ADAS including sensing rear/surround view cameras but w/o parking assist functions based on ultrasonic sensors.  
 Example: 2016 worldwide – Total number of produced cars: 92.5mn Average sensors per car: 0.99 92.5mn\*0.99 = 91.58mn

85

## VI. Market Data

### Rising Volumes of Head-Up Displays

(in million units)



Source: Market Data and Continental estimates.

86

## VI. Market Data

### Production of Passenger Cars and Light Commercial Vehicles (<6t)

(in millions of units)	2014	2015	2016	2017
<b>Europe<sup>1</sup></b>	<b>19.9</b>	<b>20.7</b>	<b>21.4</b>	<b>21.7</b>
<b>North America</b>	<b>17.0</b>	<b>17.5</b>	<b>17.8</b>	<b>17.4</b>
<b>South America</b>	<b>3.8</b>	<b>3.1</b>	<b>2.8</b>	<b>2.8</b>
<b>Asia<sup>2</sup></b>	<b>45.8</b>	<b>47.1</b>	<b>49.5</b>	<b>50.9</b>
<b>Other markets</b>	<b>0.9</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>
<b>Total</b>	<b>87.4</b>	<b>89.4</b>	<b>92.5</b>	<b>93.9</b>

Source: IHS and Continental estimates.

<sup>1</sup> West, Central and East incl. Russia and Turkey.

<sup>2</sup> Asia including Kazakhstan, Uzbekistan, Middle East and Oceania with Australia.

87

## VI. Market Data

### Production of Medium and Heavy Commercial Vehicles (>6t)

(in thousand units)	2014	2015	2016	2017
<b>Europe<sup>1</sup></b>	<b>569</b>	<b>609</b>	<b>625</b>	<b>613</b>
<b>North America</b>	<b>549</b>	<b>579</b>	<b>505</b>	<b>480</b>
<b>South America</b>	<b>184</b>	<b>104</b>	<b>80</b>	<b>81</b>
<b>Asia<sup>2</sup></b>	<b>1,840</b>	<b>1,633</b>	<b>1,789</b>	<b>1,861</b>
<b>Other markets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>3,143</b>	<b>2,924</b>	<b>2,999</b>	<b>3,034</b>

Source: IHS and Continental estimates.

<sup>1</sup> West, Central and East incl. Russia and Turkey.

<sup>2</sup> Asia including Kazakhstan, Uzbekistan, Middle East and Oceania with Australia.

88

## VI. Market Data

### Replacement Tires – Passenger Cars and Light Commercial Vehicles (<6t)

(in millions of units)	2014	2015	2016	2017
<b>Europe</b>	324	327	332	337
<b>North America</b>	277	278	283	287
<b>South America</b>	64	65	63	65
<b>Asia</b>	397	409	431	449
<b>Other markets</b>	41	43	45	45
<b>Total</b>	<b>1,103</b>	<b>1,122</b>	<b>1,154</b>	<b>1,182</b>

Source: LMC World Tyre Forecast Service and Continental estimates.

89

## VI. Market Data

### Replacement Tires – Medium and Heavy Commercial Vehicles (>6t)

(in millions of units)	2014	2015	2016	2017
<b>Europe</b>	23.4	22.9	23.7	24.1
<b>North America</b>	22.0	22.8	23.2	23.4
<b>South America</b>	14.0	13.5	13.6	13.8
<b>Asia</b>	84.8	83.4	86.9	90.0
<b>Other markets</b>	6.9	7.2	7.5	7.5
<b>Total</b>	<b>151.3</b>	<b>149.8</b>	<b>154.9</b>	<b>158.9</b>

Source: LMC World Tyre Forecast Service and Continental estimates.

90

## Topics

<b>I.</b>	<b>Continental at a Glance</b>	<b>3</b>
<b>II.</b>	<b>Continental Strategy</b>	<b>15</b>
<b>III.</b>	<b>Automobile Megatrends</b>	<b>27</b>
<b>IV.</b>	<b>Sustainability at Continental</b>	<b>54</b>
<b>V.</b>	<b>Continental Corporation</b>	<b>71</b>
<b>VI.</b>	<b>Market Data</b>	<b>80</b>
<b>VII.</b>	<b>Automotive Group</b>	<b>92</b>
<b>VIII.</b>	<b>Rubber Group</b>	<b>129</b>
<b>IX.</b>	<b>Share and Bond Information</b>	<b>162</b>
<b>X.</b>	<b>Glossary</b>	<b>172</b>

91

## VII. Automotive Group

### Key Figures

(in € millions)	2014	2015	2016
Sales	20,909.2	23,574.5	24,496.4
EBITDA	2,407.7	2,973.2	2,615.0
in % of sales	11.5	12.6	10.7
EBIT	1,189.3	2,014.4	1,526.6
in % of sales	5.7	8.5	6.2
EBIT adjusted <sup>1</sup>		2,038.4	1,632.2
in % of sales <sup>1</sup>		8.6	6.7
Operating assets (average)	10,504.0	11,237.5	11,978.3
ROCE	11.3	17.9	12.7
R, D & E expenses	1,835.5	2,097.2	2,430.9
in % of sales	8.8	8.9	9.9
Capex <sup>2</sup>	1,125.7	1,274.7	1,497.0
in % of sales	5.4	5.4	6.1
Depreciation & amortization <sup>3</sup>	1,218.4	958.8	1,088.4
in % of sales	5.8	4.1	4.4
thereof impairment <sup>4</sup>	178.9	0.7	21.4

<sup>1</sup> EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.

<sup>2</sup> Capital expenditure on property, plant and equipment, and software.

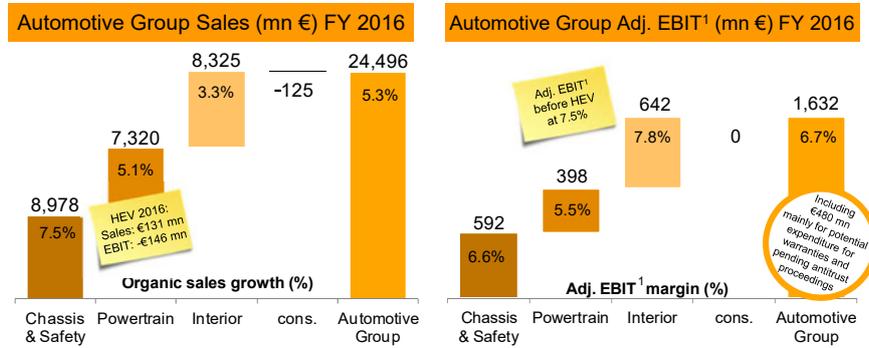
<sup>3</sup> Excluding impairment on financial investments.

<sup>4</sup> Impairment also includes necessary reversals of impairment losses.

92

## VII. Automotive Group

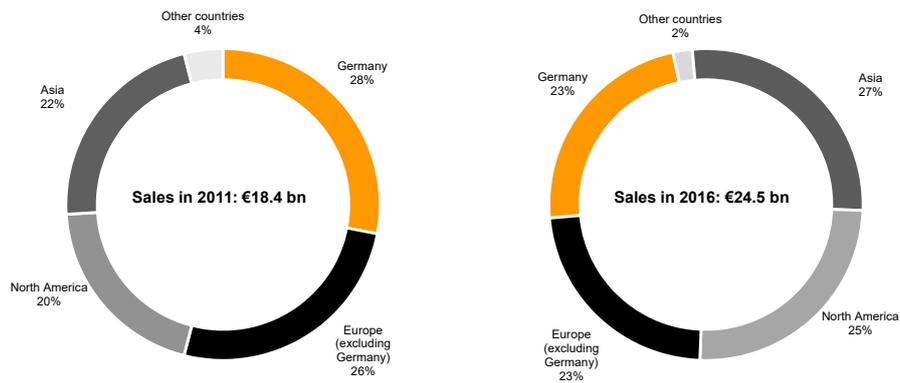
### Sales and Adjusted EBIT<sup>1</sup> by Division



<sup>1</sup> Before amortization of intangibles from PPA, consolidation and special effects.

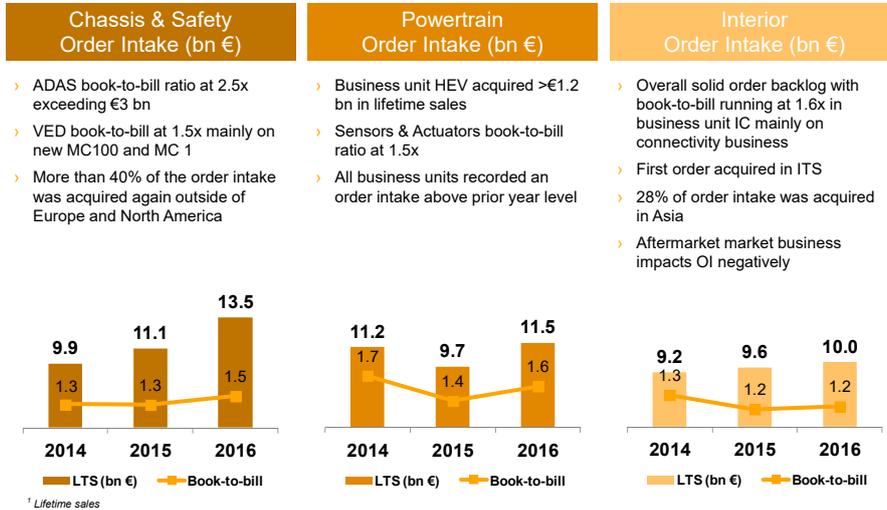
## VII. Automotive Group

### Sales by Market



## VII. Automotive Group

Order Intake (LTS<sup>1</sup>) in the Automotive Group of >€35 bn in 2016



95

## VII. Automotive Group

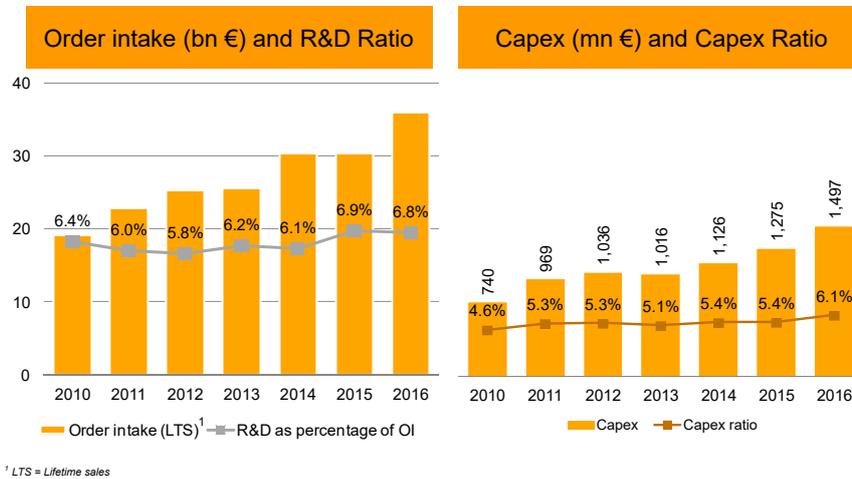
Order Intake Well Balanced



96

### VII. Automotive Group

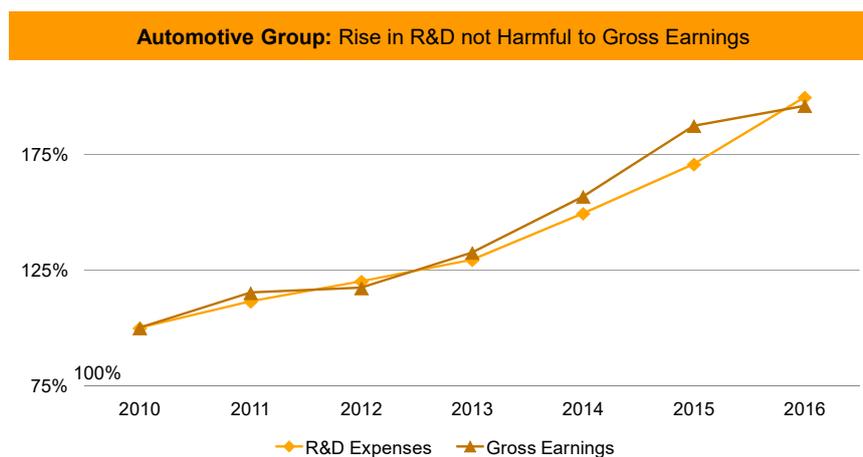
#### Strong Order Intake Causes Rise in R&D Expenses and Capex



97

### VII. Automotive Group

#### Successful Transformation to Electronics and Software

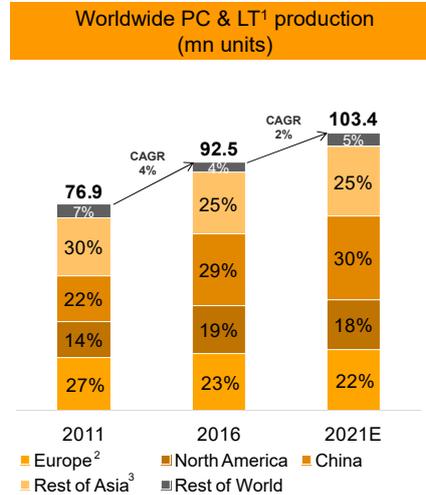


98

## VII. Automotive Group

### Production of Passenger Cars and Light Trucks (<6t)

- Worldwide PC&LT production showed a CAGR 2011-2016 of 4%.
- IHS forecasts 2021E 103.4 mn units (CAGR 2016-2021: 2%)
- China is the largest market for PC&LT vehicles produced. CAGR to slow to 3% from 2016-2021E from 9% during 2011-2016
- Europe and North America expected to show a CAGR 2016-2021E of ~1% each



<sup>1</sup> Passenger car & light truck (<6t); Source: IHS, January 2017 and Continental estimates.  
<sup>2</sup> West, Central and East incl. Russia and Turkey.  
<sup>3</sup> Asia including Kazakhstan, Uzbekistan, Middle East and Oceania with Australia.

## VII. Automotive Group

### Opportunities and Challenges in the Medium Term

Digitalization	Electric Mobility	Shared Mobility
<p><b>Conti's view/position:</b></p> <ul style="list-style-type: none"> <li>Market for automated driving is forecasted to exceed €20 bn by 2020</li> <li>60% of our Automotive sales in 2016 are derived from sensors, electronics or software products</li> <li>Vision Zero accidents achievable</li> </ul>	<p><b>Conti's view/position:</b></p> <ul style="list-style-type: none"> <li>FEV<sup>1</sup> sales to account for 10% of global car production by 2025</li> <li>Costs for battery will predominantly drive demand for FEV<sup>2</sup></li> <li>Conti so far invested more than €1 bn in electric mobility</li> </ul>	<p><b>Conti's view/position:</b></p> <ul style="list-style-type: none"> <li>VCP<sup>2</sup> to decrease but more intense use will lead to a greater VCP<sup>2</sup> turn</li> <li>Shared mobility therefore should not lead to a decrease in miles travelled individually</li> <li>According to our own survey<sup>3</sup>, the vast majority of people still wants to own a car</li> </ul>

**All medium-term mobility scenarios still foresee tires on vehicles**

<sup>1</sup> FEV = Full Electric Vehicle.  
<sup>2</sup> VCP = Vehicle Car Park.  
<sup>3</sup> Continental Mobility Study 2015.

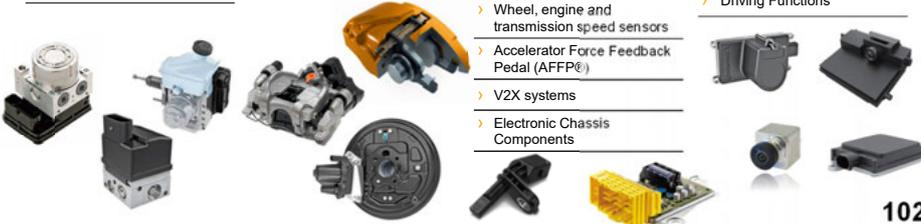
## Topics

<b>I.</b>	<b>Continental at a Glance</b>	<b>3</b>
<b>II.</b>	<b>Continental Strategy</b>	<b>15</b>
<b>III.</b>	<b>Automobile Megatrends</b>	<b>27</b>
<b>IV.</b>	<b>Sustainability at Continental</b>	<b>54</b>
<b>V.</b>	<b>Continental Corporation</b>	<b>71</b>
<b>VI.</b>	<b>Market Data</b>	<b>80</b>
<b>VII.</b>	<b>Automotive Group – Chassis &amp; Safety Division</b>	<b>102</b>
<b>VIII.</b>	<b>Rubber Group</b>	<b>129</b>
<b>IX.</b>	<b>Share and Bond Information</b>	<b>162</b>
<b>X.</b>	<b>Glossary</b>	<b>172</b>

101

## VII. Chassis & Safety Business Units and Key Products

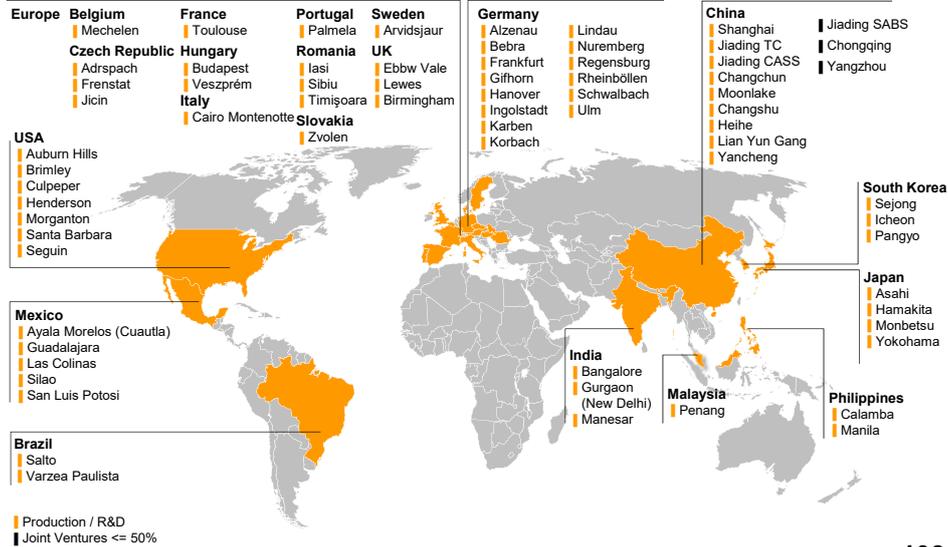
Vehicle Dynamics	Hydraulic Brake Systems	Passive Safety & Sensorics	Advanced Driver Assistance Systems
<ul style="list-style-type: none"> <li>&gt; Electronic Brake Systems                             <ul style="list-style-type: none"> <li>&gt; Passenger Cars / Motorcycles</li> <li>&gt; ABS / ESC / oCB</li> </ul> </li> <li>&gt; Software functions                             <ul style="list-style-type: none"> <li>&gt; Traction control</li> <li>&gt; Adaptive cruise control</li> <li>&gt; Regenerative brake system</li> <li>&gt; Active front steering</li> <li>&gt; Hill start assist</li> <li>&gt; Hydraulic brake assist</li> <li>&gt; Trailer stability assist</li> </ul> </li> <li>&gt; Suspension systems</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Calipers</li> <li>&gt; Drum brakes</li> <li>&gt; Brake hoses</li> <li>&gt; Boosters</li> <li>&gt; Tandem master cylinders</li> <li>&gt; Electric parking brakes</li> <li>&gt; Pedal modules</li> <li>&gt; Brake pressure regulators</li> <li>&gt; Washer systems</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Integrated vehicle safety development, safety testing &amp; validation</li> <li>&gt; Airbag control units / safety (domain) control units</li> <li>&gt; Crash sensors</li> <li>&gt; Inertial measurement units</li> <li>&gt; Chassis and driver intention sensors</li> <li>&gt; Battery and energy monitoring sensors</li> <li>&gt; Electronic components (1st tier customer)</li> <li>&gt; Wheel, engine and transmission speed sensors</li> <li>&gt; Accelerator Force Feedback Pedal (AFFP®)</li> <li>&gt; V2X systems</li> <li>&gt; Electronic Chassis Components</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Sensors                             <ul style="list-style-type: none"> <li>&gt; Camera</li> <li>&gt; Surround View</li> <li>&gt; Long Range Radar</li> <li>&gt; Short Range Radar</li> <li>&gt; High Resolution Flash Lidar</li> <li>&gt; Short Range Lidar</li> </ul> </li> <li>&gt; ADCU                             <ul style="list-style-type: none"> <li>&gt; Assisted Driving Control Unit</li> <li>&gt; Automated Driving Control Unit</li> </ul> </li> <li>&gt; Driving Functions</li> </ul>



102

## VII. Chassis & Safety Locations Worldwide

70 sites for production and R&D in 20 countries. Divisional headquarter in Frankfurt/Main, Germany.



103

## VII. Chassis & Safety Key Figures

(in € millions)	2014	2015	2016
Sales	7,514.9	8,449.7	8,977.6
EBITDA	1,018.1	1,160.3	954.6
in % of sales	13.5	13.7	10.6
EBIT	680.2	814.3	580.8
in % of sales	9.1	9.6	6.5
EBIT adjusted <sup>1</sup>		815.0	591.7
in % of sales <sup>1</sup>		9.6	6.6
Operating assets (average)	3,956.5	4,277.7	4,448.7
ROCE	17.2	19.0	13.1
R, D & E expenses	629.5	691.2	773.4
in % of sales	8.4	8.2	8.6
Capex <sup>2</sup>	411.6	470.3	523.7
in % of sales	5.5	5.6	5.8
Depreciation & amortization <sup>3</sup>	337.9	346.0	373.8
in % of sales	4.5	4.1	4.2
thereof impairment <sup>4</sup>	4.7	-0.1	1.5

<sup>1</sup> EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.

<sup>2</sup> Capital expenditure on property, plant and equipment and software.

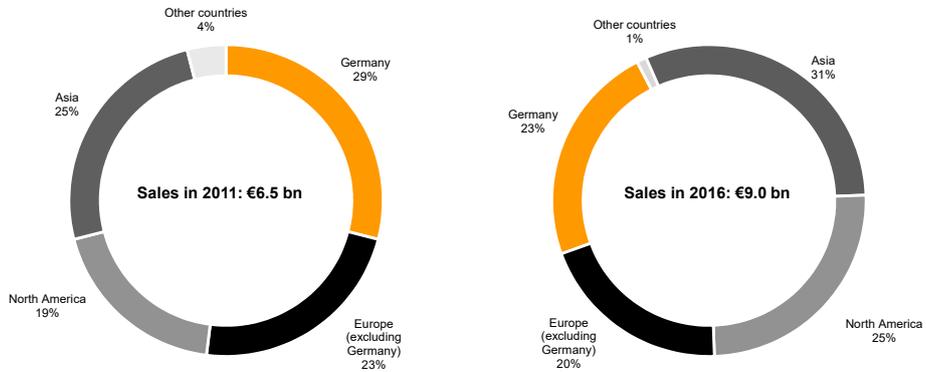
<sup>3</sup> Excluding impairment on financial investments.

<sup>4</sup> Impairment also includes necessary reversals of impairment losses.

104

## VII. Chassis & Safety

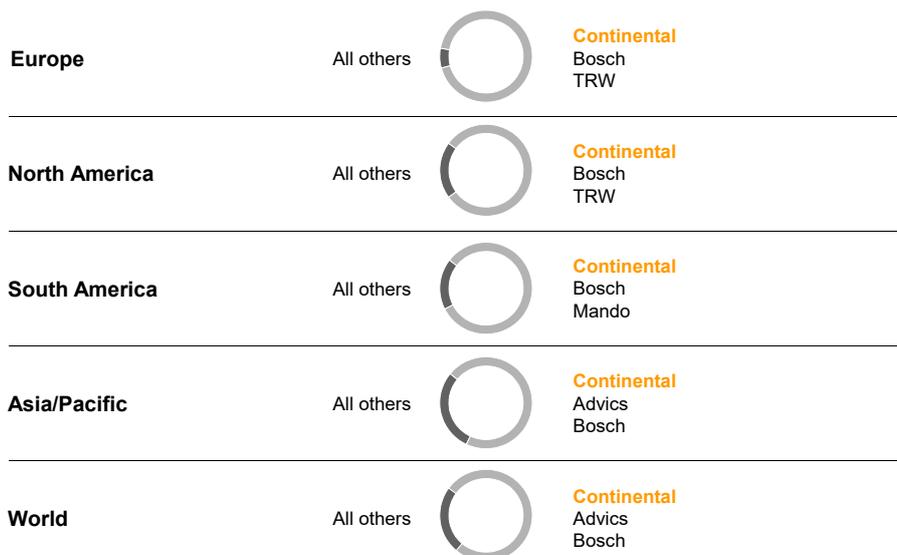
### Sales by Market



105

## VII. Chassis & Safety

### Market Position for Electronic Brake Systems 2016



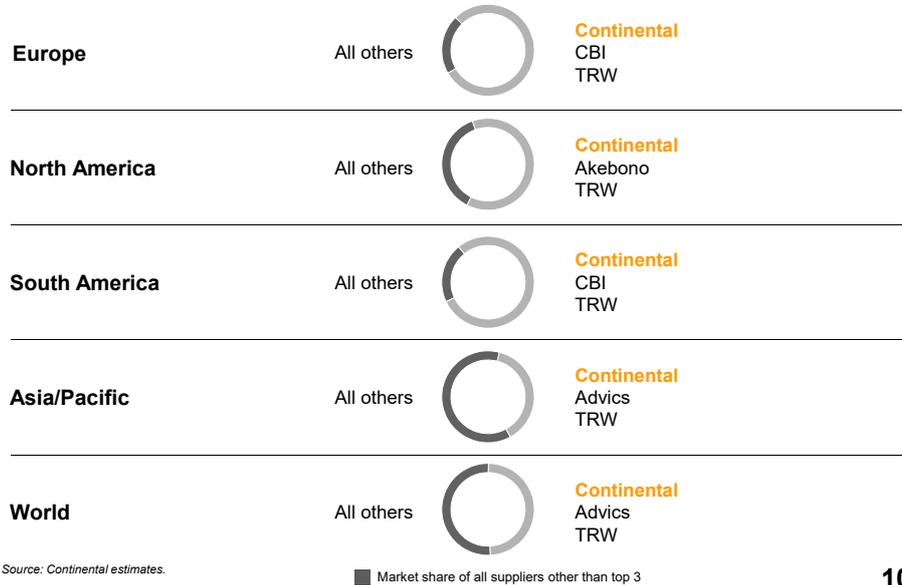
Source: Continental estimates.

■ Market share of all suppliers other than top 3

106

## VII. Chassis & Safety

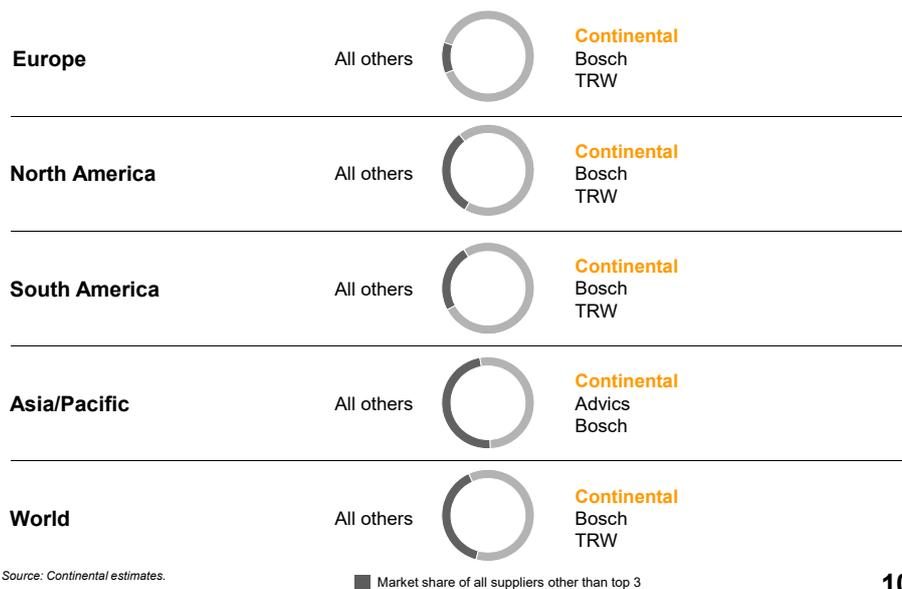
### Market Position for Foundation Brake Systems 2016



107

## VII. Chassis & Safety

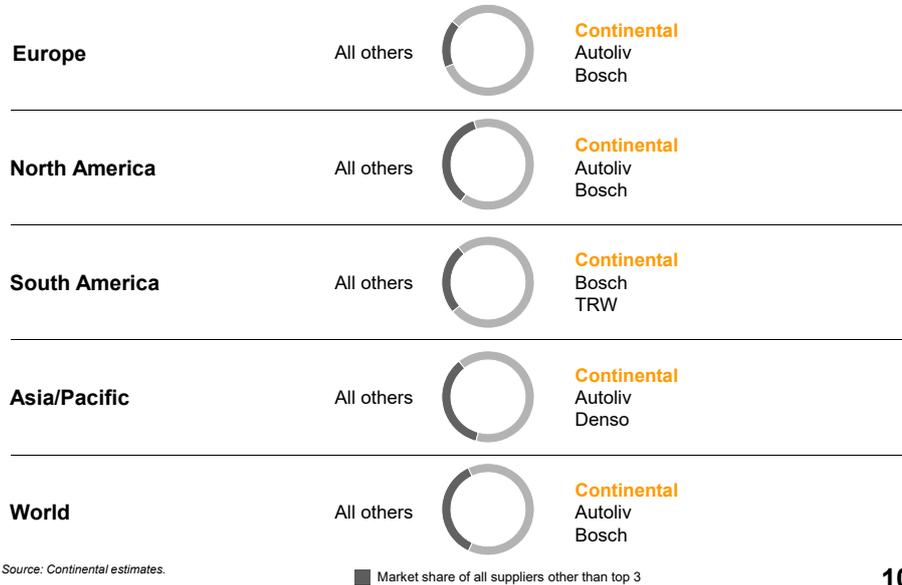
### Market Position for Actuation 2016



108

## VII. Chassis & Safety

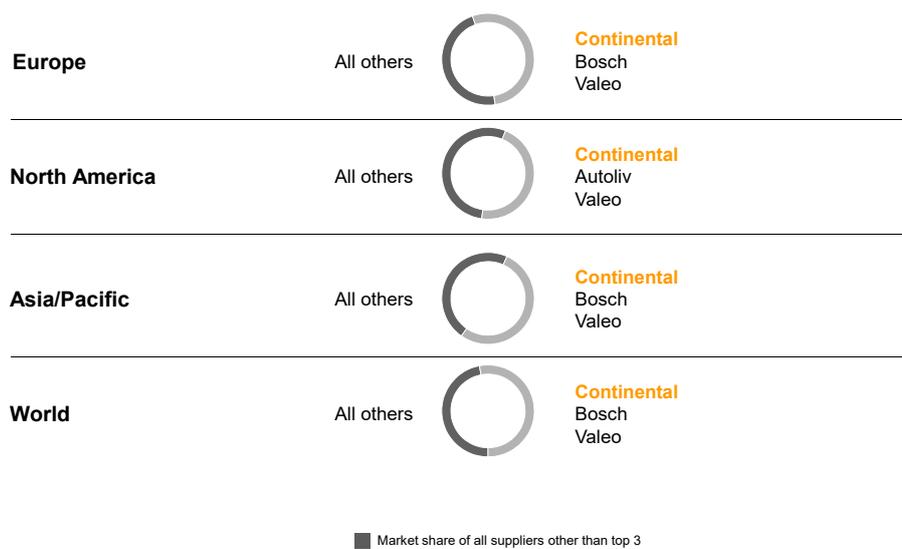
### Market Position for Airbag Electronics 2016



109

## VII. Chassis & Safety

### Market Position for Advanced Driver Assistance Systems 2016



110

## Topics

<b>I.</b>	<b>Continental at a Glance</b>	<b>3</b>
<b>II.</b>	<b>Continental Strategy</b>	<b>15</b>
<b>III.</b>	<b>Automobile Megatrends</b>	<b>27</b>
<b>IV.</b>	<b>Sustainability at Continental</b>	<b>54</b>
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<b>VI.</b>	<b>Market Data</b>	<b>80</b>
<b>VII.</b>	<b>Automotive Group – Powertrain Division</b>	<b>112</b>
<b>VIII.</b>	<b>Rubber Group</b>	<b>129</b>
<b>IX.</b>	<b>Share and Bond Information</b>	<b>162</b>
<b>X.</b>	<b>Glossary</b>	<b>172</b>

111

## VII. Powertrain

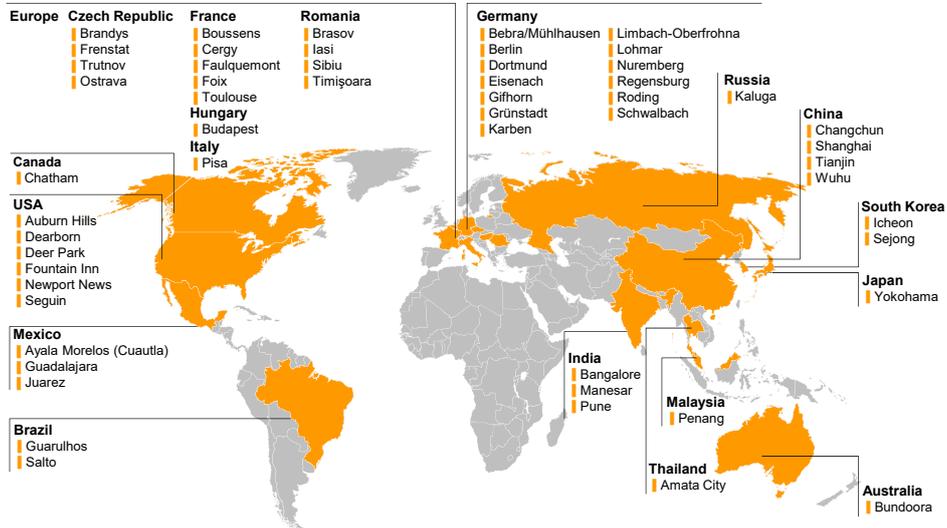
### Business Units and Key Products

Engine Systems	Transmission	Hybrid Electric Vehicle	Sensors & Actuators	Fuel & Exhaust Management
<ul style="list-style-type: none"> <li>Engine Management Systems and fuel components for</li> <li>Diesel Piezo Common Rail Injection System</li> <li>Gasoline Solenoid Direct Injection</li> <li>Gasoline Port Injection</li> <li>Liquefied Petroleum Gas (LPG) and Compressed Natural Gas (CNG)</li> <li>Exhaust Aftertreatment</li> <li>Engine Management Systems and exhaust after-treatment products for commercial vehicle applications</li> <li>Turbochargers for gasoline engines</li> </ul>	<ul style="list-style-type: none"> <li>Control units for</li> <li>Automatic transmission</li> <li>Double clutch transmission</li> <li>Automated manual transmission</li> <li>Continuously variable transmission</li> <li>Control units for 4x4 and AWD applications</li> <li>Transfer cases</li> <li>Differentials</li> <li>Limited slip coupling</li> <li>Axle disconnect</li> </ul>	<ul style="list-style-type: none"> <li>Power electronics</li> <li>Electric motors</li> <li>Battery management systems</li> <li>Energy management</li> <li>Power net systems</li> </ul>	<ul style="list-style-type: none"> <li>Actuators for</li> <li>Electric pumps</li> <li>Electric throttle &amp; air control</li> <li>Exhaust &amp; emission</li> <li>General purpose</li> <li>Exhaust &amp; emission sensors for</li> <li>Exhaust gas</li> <li>Fluids: Oil level, fuel, UREA</li> <li>Temperature</li> <li>Engine &amp; transmission sensors</li> <li>Airflow</li> <li>Combustion</li> <li>Position</li> <li>Pressure</li> <li>Door handle sensors</li> </ul>	<ul style="list-style-type: none"> <li>Fuel delivery modules</li> <li>Fuel level sensors</li> <li>Fuel pumps</li> <li>Electronics for fuel pump control</li> <li>Fluid level sensor with sealed contact system</li> <li>Catalysts and filters</li> <li>Tank-integrated UREA dosing system</li> </ul>

112

## VII. Powertrain Locations Worldwide

54 sites for production and R&D in 18 countries. Divisional headquarters in Regensburg, Germany.



113

## VII. Powertrain Key Figures

(in € millions)	2014	2015	2016
Sales	6,494.3	7,068.5	7,319.5
EBITDA	443.3	730.7	756.2
in % of sales	6.8	10.3	10.3
EBIT	-96.8	395.6	378.0
in % of sales	-1.5	5.6	5.2
EBIT adjusted <sup>1</sup>		404.7	398.5
in % of sales <sup>1</sup>		5.7	5.5
Operating assets (average)	2,733.0	2,767.8	3,015.8
ROCE	-3.5	14.3	12.5
R, D & E expenses	635.1	708.7	701.5
in % of sales	9.8	10.0	9.6
Capex <sup>2</sup>	428.0	468.4	544.4
in % of sales	6.6	6.6	7.4
Depreciation & amortization <sup>3</sup>	540.1	335.1	378.2
in % of sales	8.3	4.7	5.2
thereof impairment <sup>4</sup>	168.4	0.5	8.3

<sup>1</sup> EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.

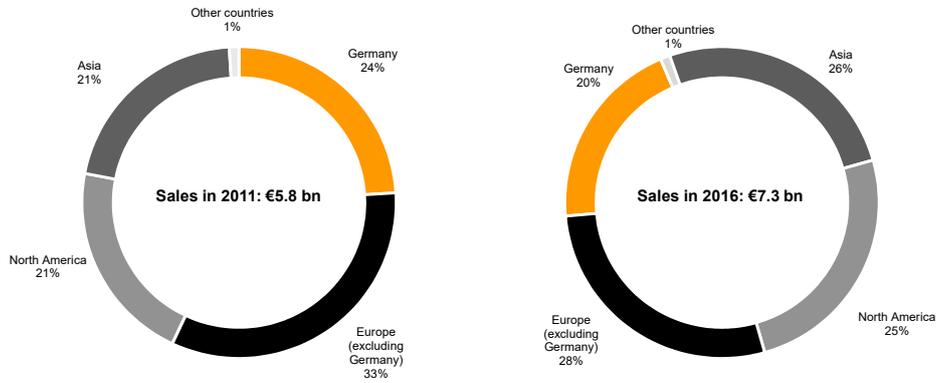
<sup>2</sup> Capital expenditure on property, plant and equipment, and software.

<sup>3</sup> Excluding impairment on financial investments.

<sup>4</sup> Impairment also includes necessary reversals of impairment losses.

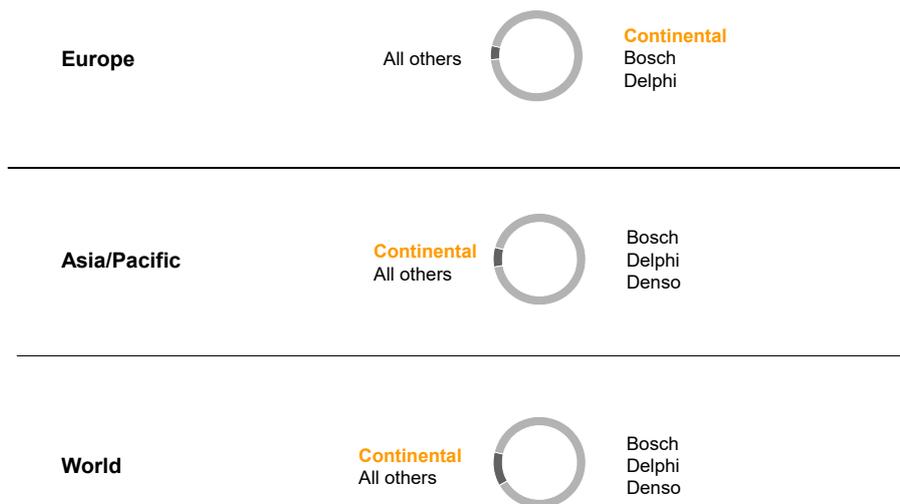
114

## VII. Powertrain Sales by Market



115

## VII. Powertrain Market Position for Diesel Injection Systems<sup>1</sup> 2016



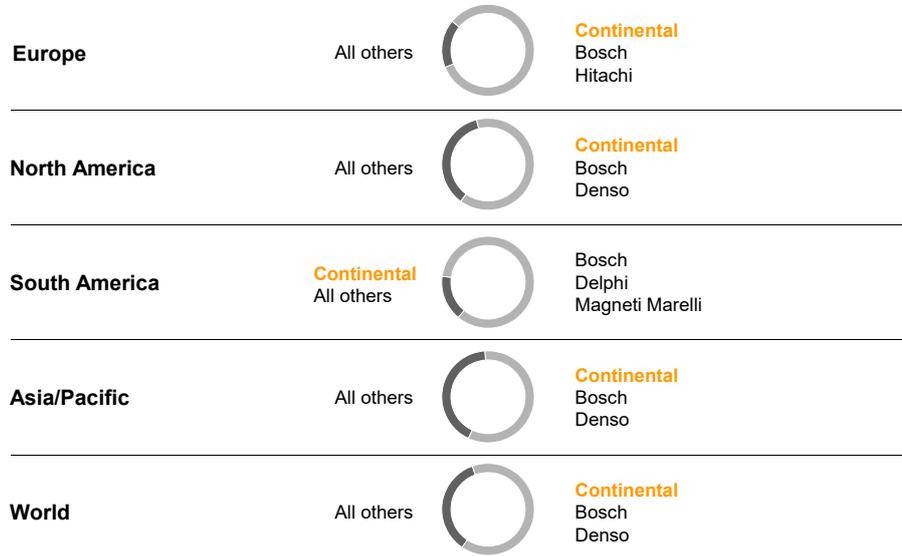
Source: Continental estimates.  
<sup>1</sup> For passenger cars & light trucks.

■ Market share of all suppliers other than top 3

116

## VII. Powertrain

### Market Position for Gasoline Injection Systems<sup>1</sup> 2016

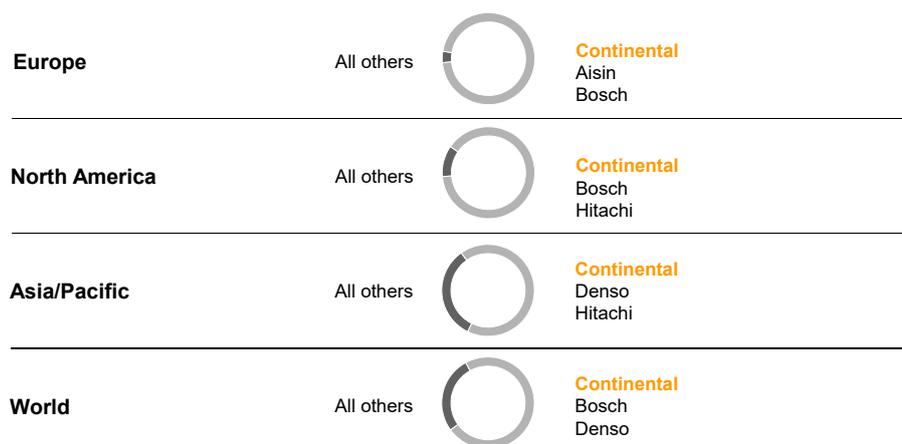


Source: Continental estimates.  
<sup>1</sup> For passenger cars & light trucks.

■ Market share of all suppliers other than top 3

## VII. Powertrain

### Market Position for Transmission Control Units<sup>1</sup> 2016



Source: Continental estimates.  
<sup>1</sup> For passenger cars & light trucks.

■ Market share of all suppliers other than top 3

## Topics

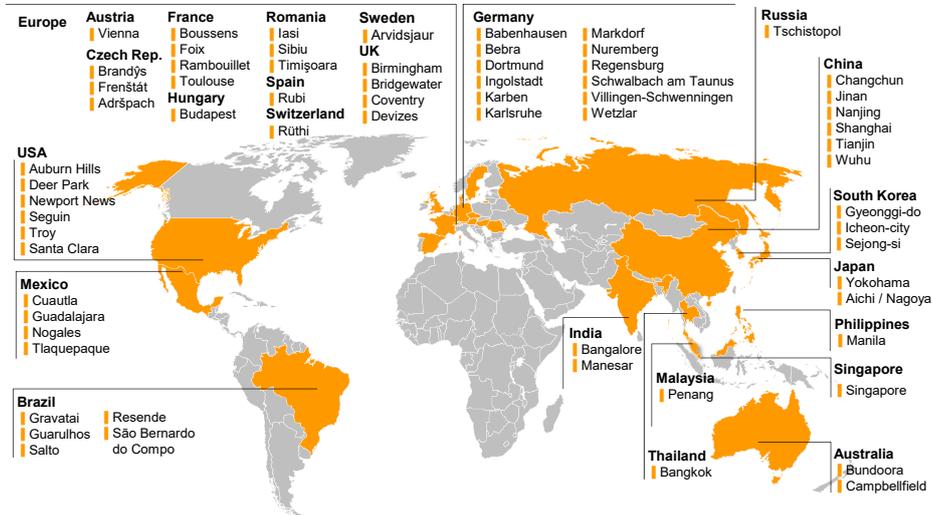
<b>I.</b>	<b>Continental at a Glance</b>	<b>3</b>
<b>II.</b>	<b>Continental Strategy</b>	<b>15</b>
<b>III.</b>	<b>Automobile Megatrends</b>	<b>27</b>
<b>IV.</b>	<b>Sustainability at Continental</b>	<b>54</b>
<b>V.</b>	<b>Continental Corporation</b>	<b>71</b>
<b>VI.</b>	<b>Market Data</b>	<b>80</b>
<b>VII.</b>	<b>Automotive Group – Interior Division</b>	<b>120</b>
<b>VIII.</b>	<b>Rubber Group</b>	<b>129</b>
<b>IX.</b>	<b>Share and Bond Information</b>	<b>162</b>
<b>X.</b>	<b>Glossary</b>	<b>172</b>

## VII. Interior Business Units and Key Products

Instrumentation & Driver HMI	Infotainment & Connectivity	Intelligent Transportation Systems	Body & Security	Commercial Vehicles & Aftermarket
<ul style="list-style-type: none"> <li>&gt; Instrument clusters</li> <li>&gt; Display solutions</li> <li>&gt; Head-up displays</li> <li>&gt; Haptic controls</li> <li>&gt; Interior cameras</li> <li>&gt; Cockpit modules</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Radios</li> <li>&gt; Infotainment</li> <li>&gt; Connectivity &amp; telematics</li> <li>&gt; Software &amp; connected solutions</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Commercial fleet operations &amp; logistics</li> <li>&gt; Emergency management</li> <li>&gt; Maintenance management</li> <li>&gt; Advanced public transportation systems</li> <li>&gt; Advanced traveler information systems</li> <li>&gt; Advanced traffic management systems</li> <li>&gt; Safety</li> <li>&gt; Traffic payment</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Body control modules</li> <li>&gt; Access control systems</li> <li>&gt; Door control units</li> <li>&gt; Seat comfort systems</li> <li>&gt; Power closures</li> <li>&gt; Tire information systems</li> <li>&gt; Gateways</li> <li>&gt; Power stabilization</li> <li>&gt; LED light control units</li> <li>&gt; Intelligent antenna modules</li> <li>&gt; Smart device integration</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Tachographs, telematics and services</li> <li>&gt; Visual and haptic human-machine interface</li> <li>&gt; Chassis, body, and transmission electronics</li> <li>&gt; Wear parts, spare parts, tools, services, and multi-brand vehicle diagnostics for the independent aftermarket, as well as diagnostics and services for vehicle manufacturers</li> <li>&gt; Original equipment services</li> </ul>
				

## VII. Interior Locations Worldwide

73 sites for production and R&D in 23 countries. Divisional headquarters in Regensburg, Germany.



121

## VII. Interior Key Figures

(in mn €)	2014	2015	2016
Sales	7,002.5	8,154.8	8,324.7
EBITDA	946.3	1,082.2	904.2
in % of sales	13.5	13.3	10.9
EBIT	605.9	804.5	567.8
in % of sales	8.7	9.9	6.8
EBIT adjusted <sup>1</sup>		818.7	642.0
in % of sales <sup>1</sup>		10.0	7.8
Operating assets (average)	3,814.5	4,192.0	4,513.8
ROCE	15.9	19.2	12.6
R, D & E expenses	570.9	697.3	956.0
in % of sales	8.2	8.6	11.5
Capex <sup>2</sup>	286.1	336.0	428.9
in % of sales	4.1	4.1	5.2
Depreciation & amortization <sup>3</sup>	340.4	277.7	336.4
in % of sales	4.9	3.4	4.0
thereof impairment <sup>4</sup>	5.8	0.3	11.6

<sup>1</sup> EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.

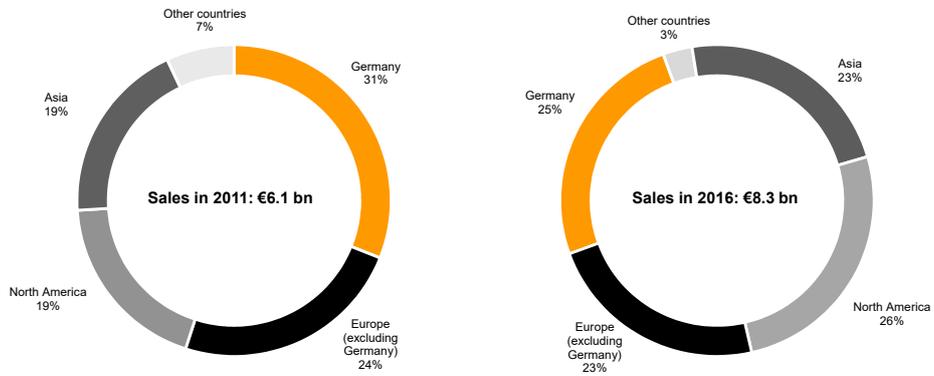
<sup>2</sup> Capital expenditure on property, plant and equipment, and software.

<sup>3</sup> Excluding impairment on financial investments.

<sup>4</sup> Impairment also includes necessary reversals of impairment losses.

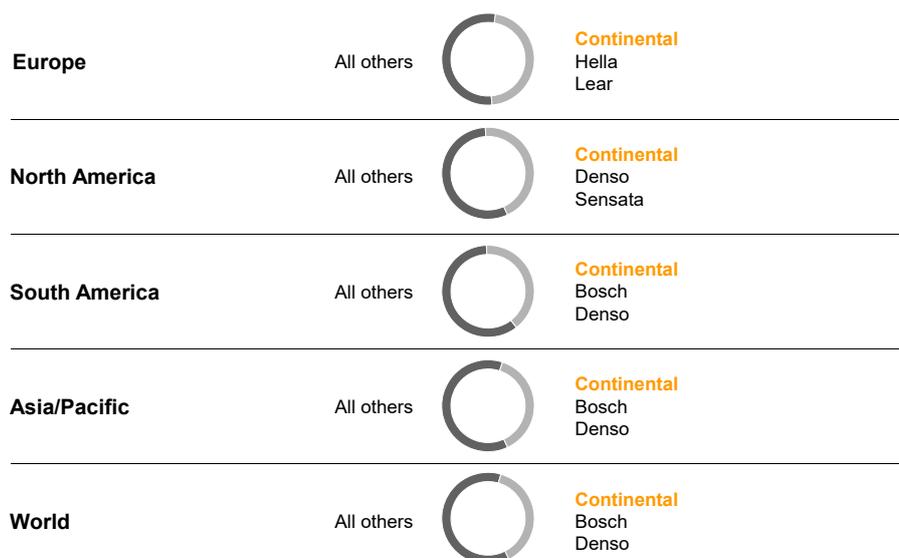
122

## VII. Interior Sales by Market



123

## VII. Interior Market Position for Body & Security 2016



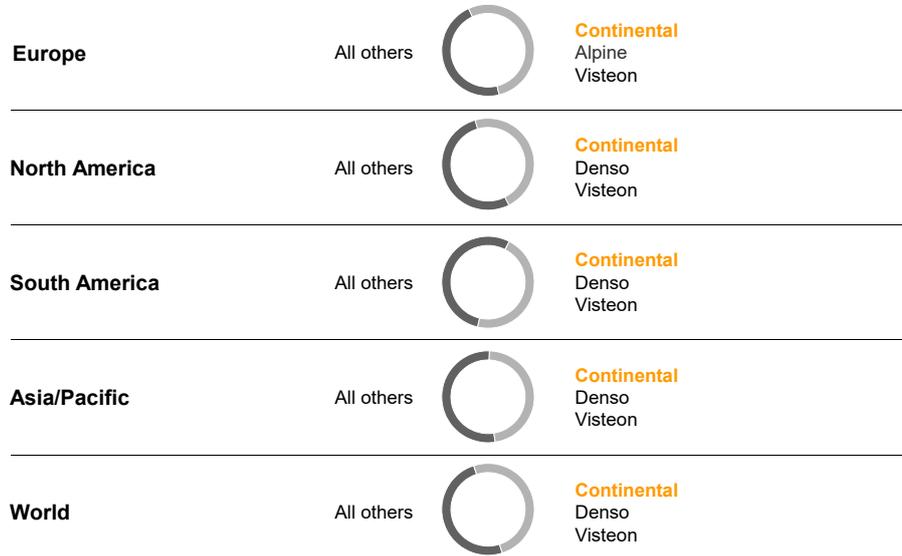
Source: Continental estimates.

■ Market share of all suppliers other than top 3

124

### VII. Interior

#### Market Position for Instrumentation & Driver HMI<sup>1</sup> 2016



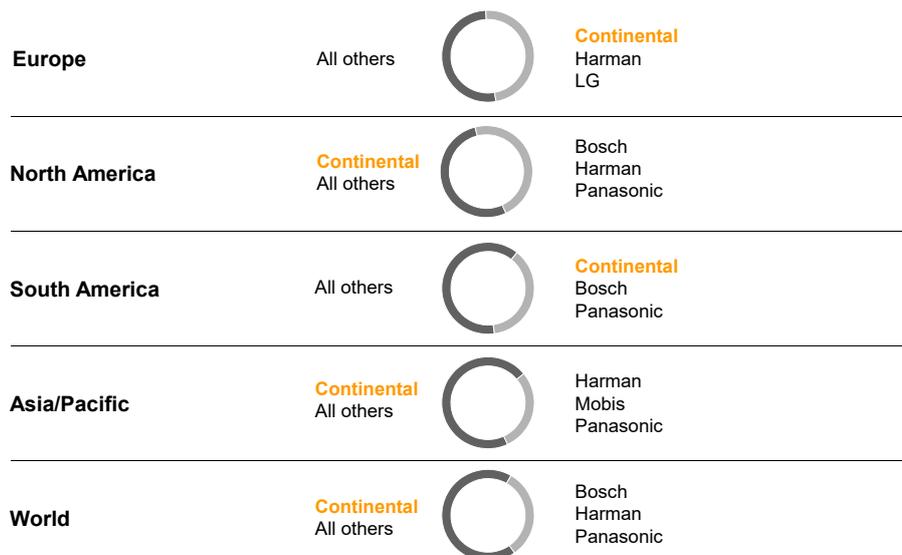
Source: Continental estimates.  
<sup>1</sup> Excluding cockpit modules.

■ Market share of all suppliers other than top 3

125

### VII. Interior

#### Market Position for Infotainment & Connectivity 2016



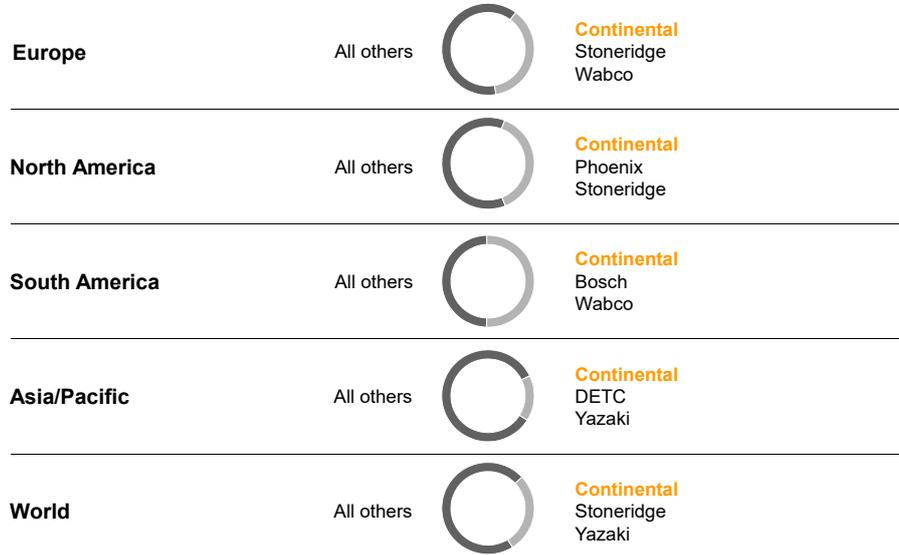
Source: Continental estimates.

■ Market share of all suppliers other than top 3

126

## VII. Interior

### Market Position for Commercial Vehicles<sup>1</sup> 2016



Source: Continental estimates.

<sup>1</sup> Market shares for commercial vehicle business as described in BU structure excluding automotive aftermarket.

## Topics

I.	Continental at a Glance	3
II.	Continental Strategy	15
III.	Automobile Megatrends	27
IV.	Sustainability at Continental	54
V.	Continental Corporation	71
VI.	Market Data	80
VII.	Automotive Group	92
VIII.	Rubber Group	129
IX.	Share and Bond Information	162
X.	Glossary	172

## VIII. Rubber Group

### Key Figures

(in mn €)	2014	2015	2016
Sales	13,637.6	15,704.6	16,097.6
EBITDA	2,832.6	3,181.5	3,559.6
in % of sales	20.8	20.3	22.1
EBIT	2,262.7	2,255.8	2,688.6
in % of sales	16.6	14.4	16.7
EBIT adjusted <sup>1</sup>		2,485.2	2,828.4
in % of sales <sup>1</sup>		15.8	17.8
Operating assets (average)	6,339.2	8,556.6	8,561.4
ROCE	35.7	26.4	31.4
R, D & E expenses	302.2	352.4	380.6
in % of sales	2.2	2.2	2.4
Capex <sup>2</sup>	914.9	903.4	1,094.1
in % of sales	6.7	5.8	6.8
Depreciation & amortization <sup>3</sup>	569.9	925.7	871.0
in % of sales	4.2	5.9	5.4
thereof impairment <sup>4</sup>	—	92.9	37.2

<sup>1</sup> EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.

<sup>2</sup> Capital expenditure on property, plant and equipment and software.

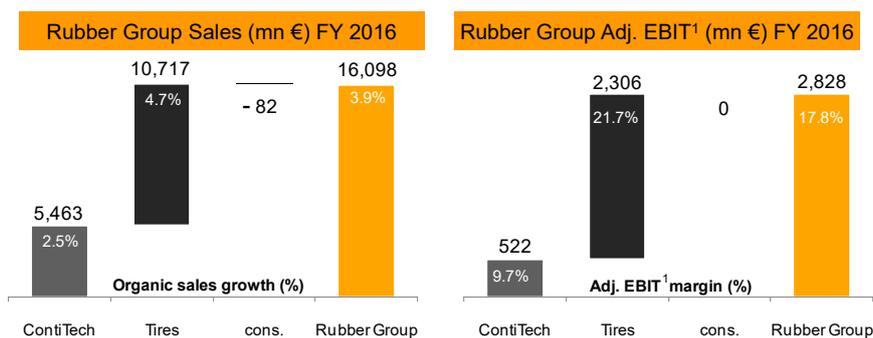
<sup>3</sup> Excluding impairment on financial investments.

<sup>4</sup> Impairment also includes necessary reversals of impairment losses.

129

## VIII. Rubber Group

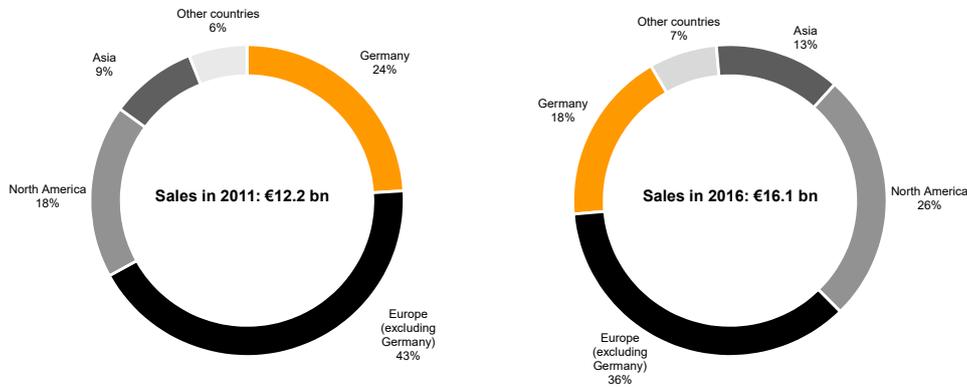
### Sales and Adjusted EBIT<sup>1</sup> by Division



<sup>1</sup> Before amortization of intangibles from PPA, consolidation and special effects.

130

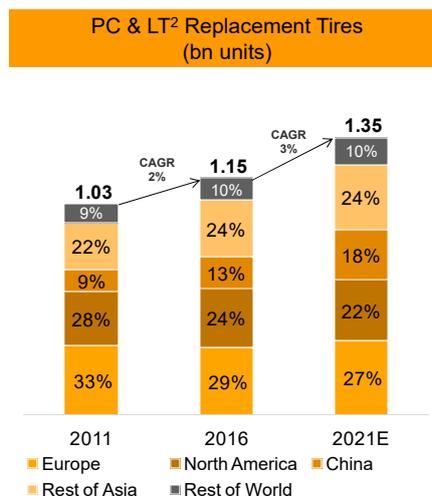
### VIII. Rubber Group Sales by Market



131

### VIII. Rubber Group Growth Opportunities – Replacement Tires Demand for PC&LT Tires

- › Global replacement tire market to grow with a CAGR of 3% from 2016 to 2021E<sup>1</sup>
- › Europe to stay the largest replacement tire market by volume; CAGR to accelerate to 2% from 2016 to 2021E after -1% from 2011 to 2016
- › North America expected to expand at a slightly lower pace of 1% from 2016 to 2021E (vs. 2% from 2011 to 2016)
- › China expected to show a CAGR of ~10% from 2016 to 2021E (vs. 7% from 2011 to 2016)

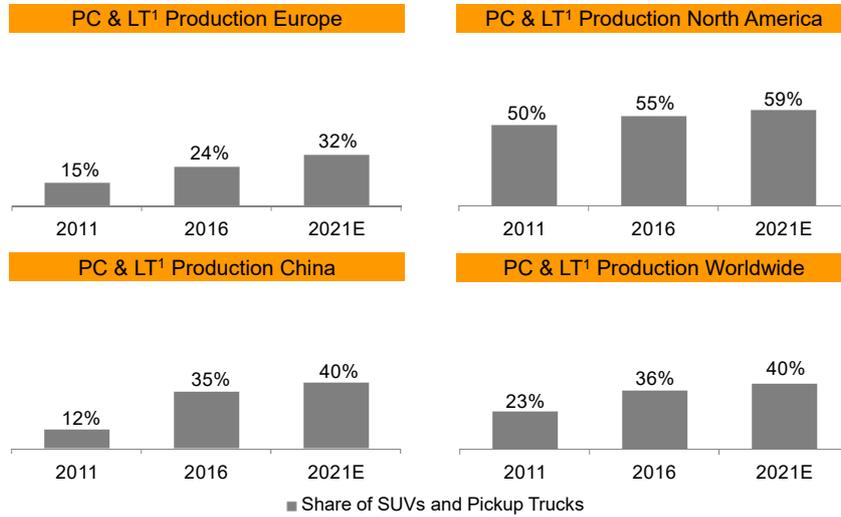


<sup>1</sup> According to LMC.  
<sup>2</sup> Passenger and light truck replacement tire market source: LMC (December 2016).

132

### VIII. Rubber Group

Growth Opportunities – Improving Tire Mix due to rising SUV & Pick-Up Share

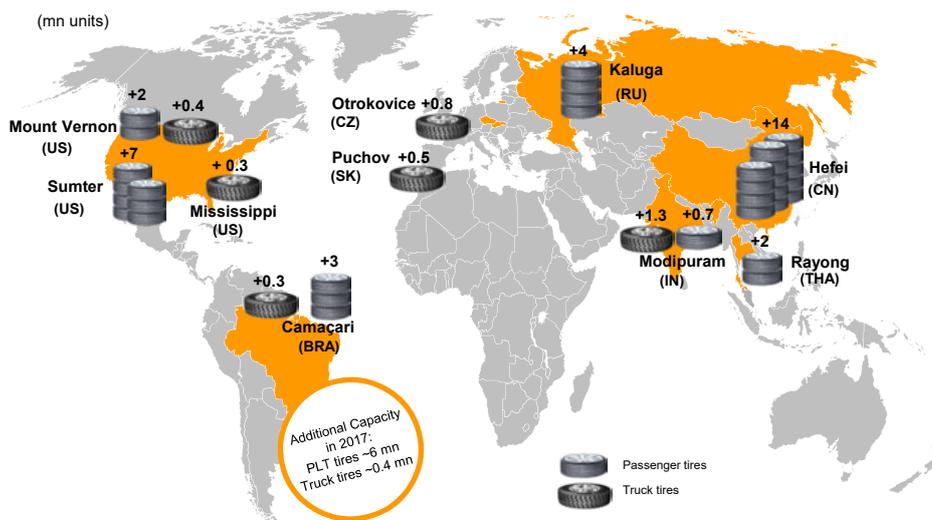


<sup>1</sup> Passenger car & light truck (<6t); source: IHS, January 2017.

### VIII. Rubber Group

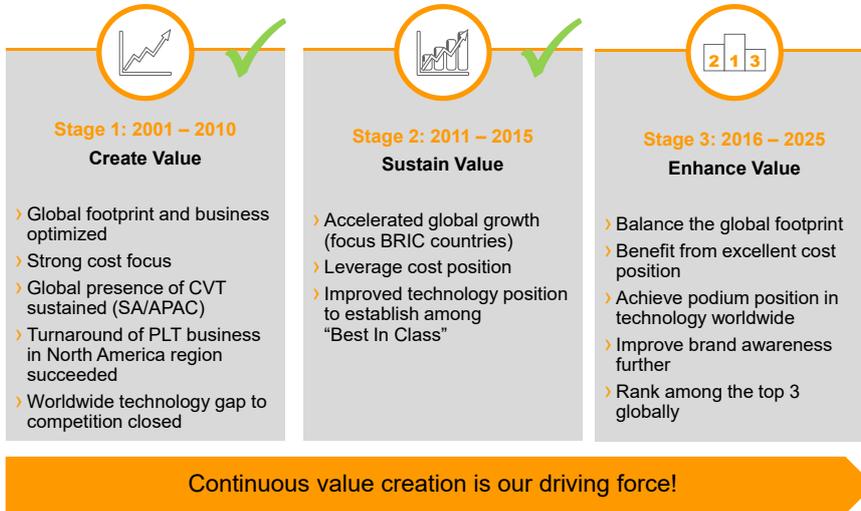
Additional Tire Production Capacity of around 37mn<sup>1</sup> Units by 2020/21

(mn units)

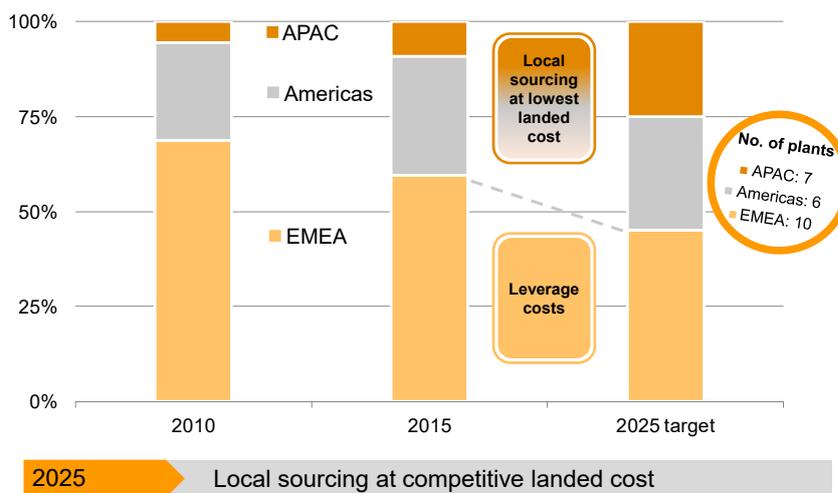


<sup>1</sup> Basis 2011.

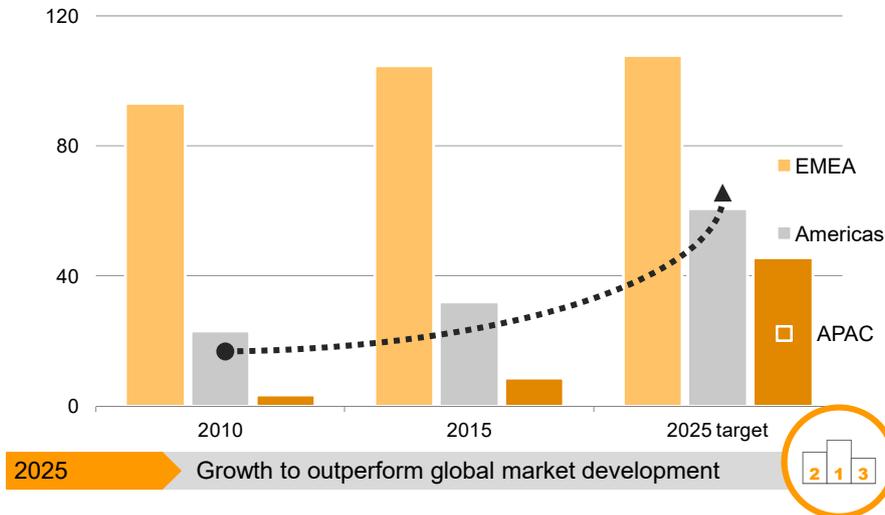
### VIII. Rubber Group Update on Strategy 2025



### VIII. Rubber Group Balanced Global Manufacturing Footprint

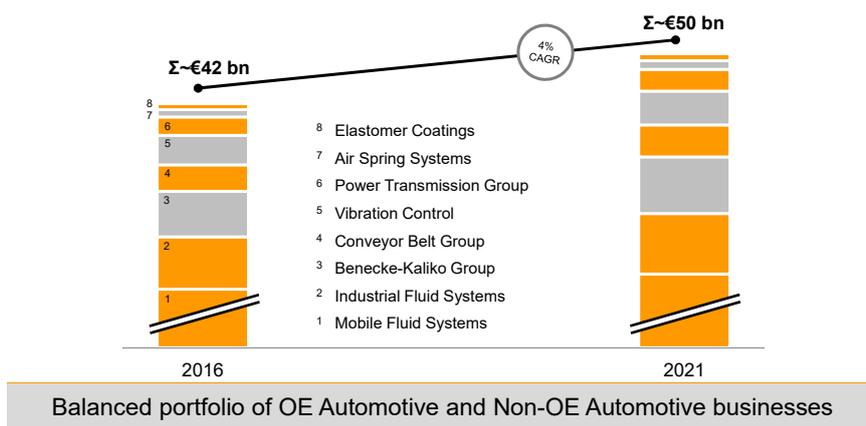


### VIII. Rubber Group Drive Global Growth (mn units)



137

### VIII. Rubber Group Relevant Market Offers and Growth Opportunities for ContiTech Products



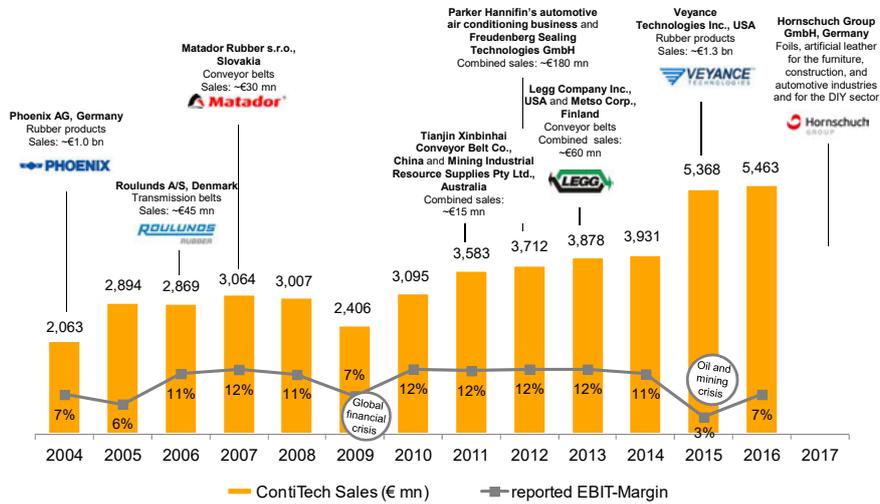
Source: Market data and Continental estimates.

<sup>1</sup> Since 2016, the Fluid Technology business unit has been organized as the Mobile Fluid Systems and Industrial Fluid Systems business units.

138

## VIII. Rubber Group

### Strong Track Record of Acquiring and Integrating Businesses



All sales of acquisitions shown are pro forma sales in the year of the acquisition.

139

## Topics

I.	Continental at a Glance	3
II.	Continental Strategy	15
III.	Automobile Megatrends	27
IV.	Sustainability at Continental	54
V.	Continental Corporation	71
VI.	Market Data	80
VII.	Automotive Group	92
VIII.	Rubber Group – Tires Division	141
IX.	Share and Bond Information	162
X.	Glossary	172

140

## VIII. Tires

### Business Units and Tire Brands

Passenger and Light Truck Tires Original Equipment	Passenger and Light Truck Tires Replacement EMEA	Passenger and Light Truck Tires Replacement The Americas	Passenger and Light Truck Tires Replacement APAC	Commercial Vehicle Tires				Two Wheel Tires	
				Truck Tires EMEA	Truck Tires The Americas	Truck Tires APAC	Commercial Specialty Tires		
Tires for:				Tires, services and solutions for customer segments:				Tires and tubes for:	
<ul style="list-style-type: none"> <li>Compact, medium-size and full-size cars</li> <li>4x4 and SUVs</li> <li>Vans, light trucks and recreational vehicles</li> </ul>				<ul style="list-style-type: none"> <li>Goods</li> <li>People</li> <li>Construction</li> </ul>				<ul style="list-style-type: none"> <li>Material handling</li> <li>Agriculture</li> <li>Earthmoving</li> </ul>	<ul style="list-style-type: none"> <li>Bicycles: Race, Mountainbike, City/Trekking</li> <li>Motorcycles: Scooters, Big bikes &gt;150cc, Bikes &lt;150cc</li> </ul>
Ext. mobility systems: <ul style="list-style-type: none"> <li>SSR</li> <li>Minispares</li> <li>Conti KomfortKit</li> <li>Conti MobilityKit</li> <li>ContiSeal</li> <li>ContiSilent</li> <li>NVH engineering services</li> </ul>				-- -- Segmentation into Premium, Quality and Budget. <sup>1</sup> Except North America, Colombia, Peru. <sup>2</sup> Only in Australia and Taiwan. <sup>3</sup> Trademark rights for Malaysia, Singapore and Brunei. <sup>4</sup> Only in Australia, China, Malaysia and Taiwan.				141	

## VIII. Tires

### Key Figures

(in mn €)	2014	2015	2016
Sales	9,784.4	10,408.8	10,717.4
EBITDA	2,280.8	2,604.3	2,828.7
in % of sales	23.3	25.0	26.4
EBIT	1,829.4	2,085.2	2,289.4
in % of sales	18.7	20.0	21.4
EBIT adjusted <sup>1</sup>		2,097.2	2,306.0
in % of sales <sup>1</sup>		20.1	21.7
Operating assets (average)	4,932.0	5,322.2	5,612.7
ROCE	37.1	39.2	40.8
R, D & E expenses	216.9	244.9	260.9
in % of sales	2.2	2.4	2.4
Capex <sup>2</sup>	724.3	658.2	882.1
in % of sales	7.4	6.3	8.2
Depreciation & amortization <sup>3</sup>	451.4	519.1	539.3
in % of sales	4.6	5.0	5.0
thereof impairment <sup>4</sup>	—	6.8	0.2

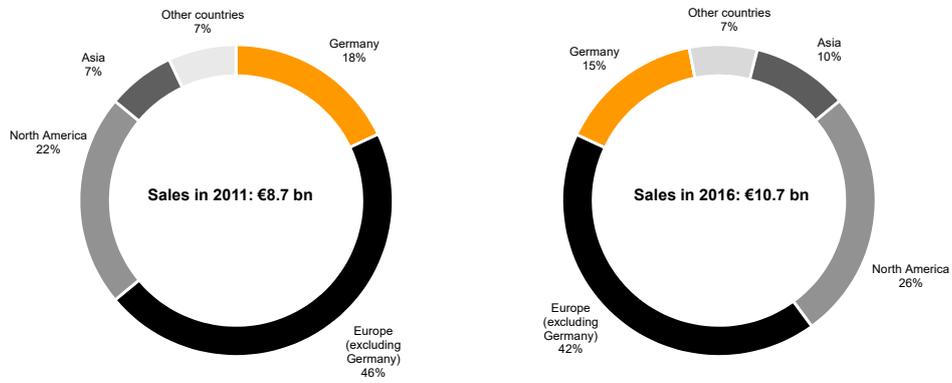
<sup>1</sup> EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.

<sup>2</sup> Capital expenditure on property, plant and equipment and software.

<sup>3</sup> Excluding impairment on financial investments.

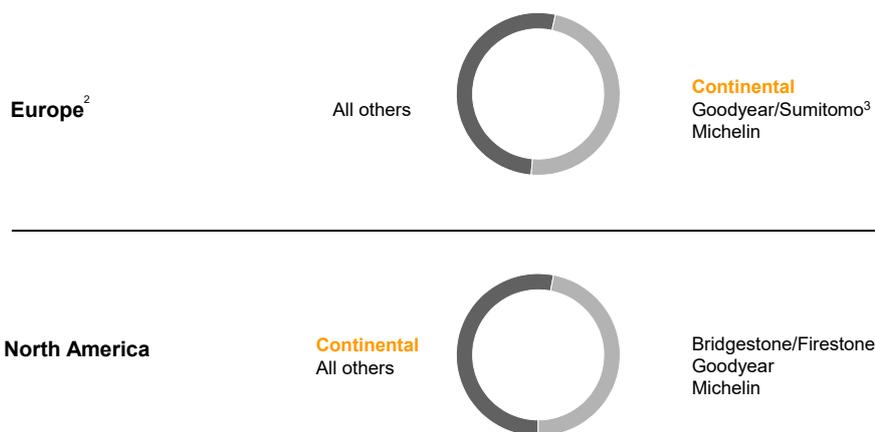
<sup>4</sup> Impairment also includes necessary reversals of impairment losses.

### VIII. Tires Sales by Market



143

### VIII. Passenger and Light Truck Tires Market Share for Passenger and Light Truck Tires<sup>1</sup> 2016



Source: Continental estimates.  
<sup>1</sup> Replacement.  
<sup>2</sup> Western and Central including Turkey.  
<sup>3</sup> Dissolving of alliance in October 2015.

■ Market share of all suppliers other than top 3

144

### VIII. Commercial Vehicle Tires

#### Market Share for Truck Tires<sup>1</sup> 2016

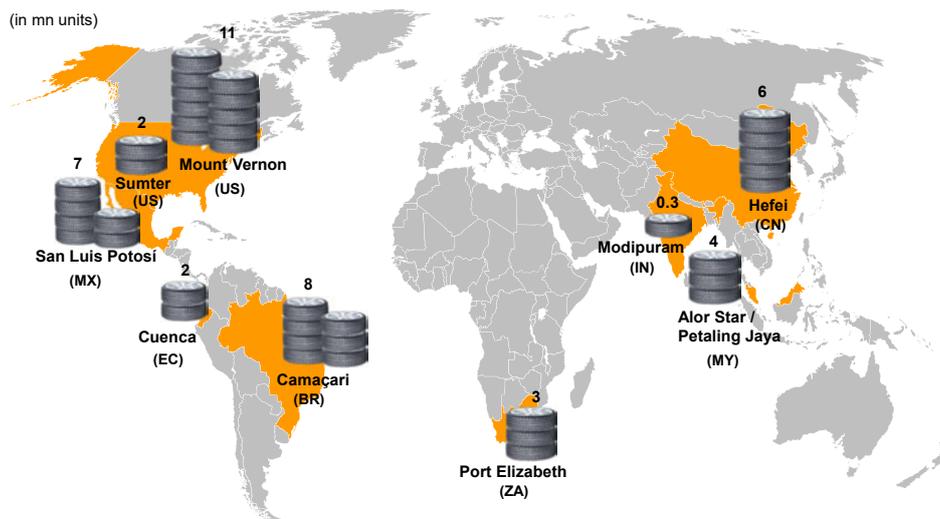


Source: Continental estimates.  
<sup>1</sup> Replacement.  
<sup>2</sup> Western and Central, incl. Turkey.  
<sup>3</sup> Dissolving of alliance in October 2015.

■ Market share of all suppliers other than top 3

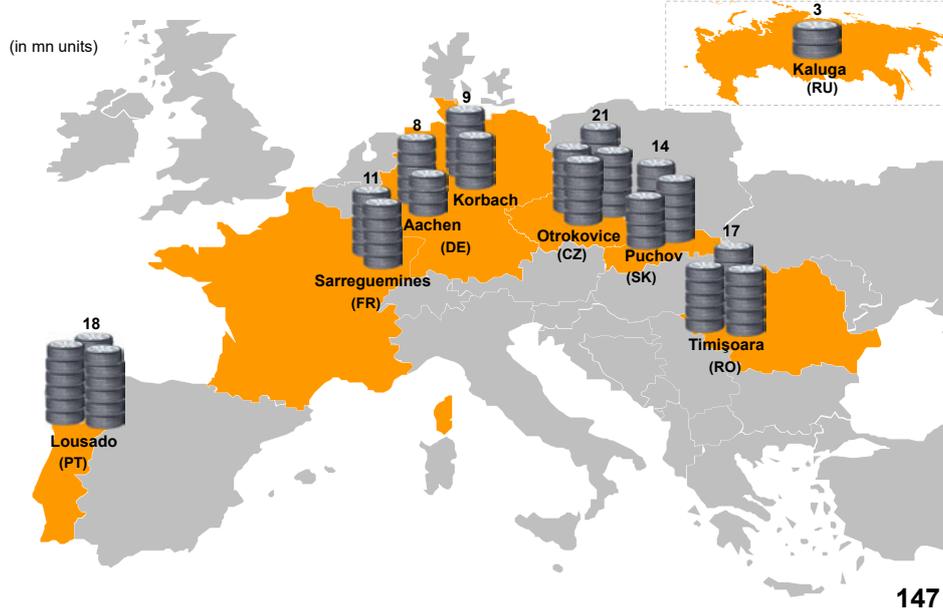
### VIII. Passenger and Light Truck Tires

#### Continental Worldwide PLT Production<sup>1</sup> 2016<sup>1</sup>

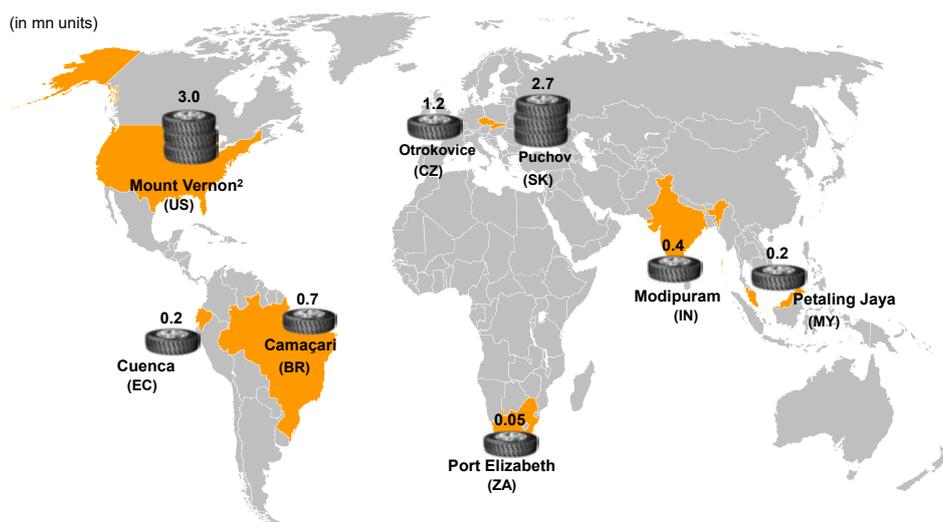


<sup>1</sup> Without Europe.

### VIII. Passenger and Light Truck Tires Continental European PLT Production 2016



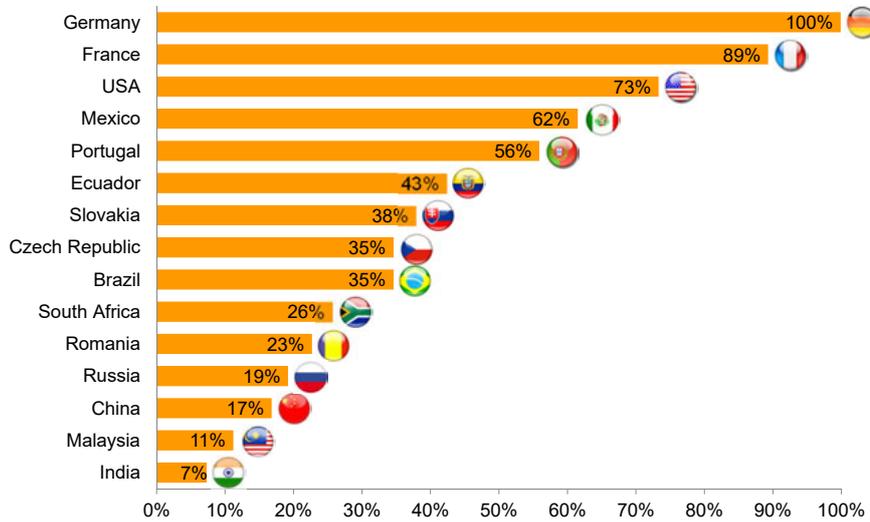
### VIII. Commercial Vehicle Tires Continental Worldwide Truck Tire Production<sup>1</sup> 2016



<sup>1</sup> Production of bias and radial tires.  
<sup>2</sup> Including deliveries to joint venture partners.

### VIII. Tires

#### Cost of Labor at Continental Manufacturing Sites<sup>1</sup>

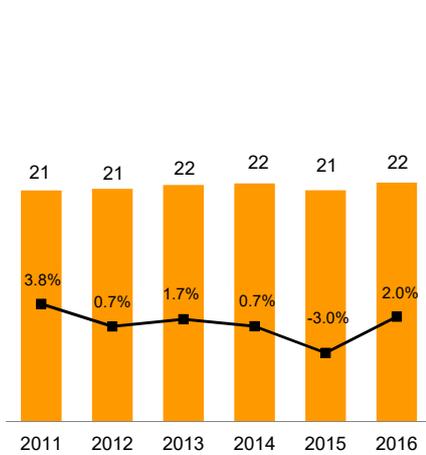


<sup>1</sup> Based on average currency exchange rates 2015.

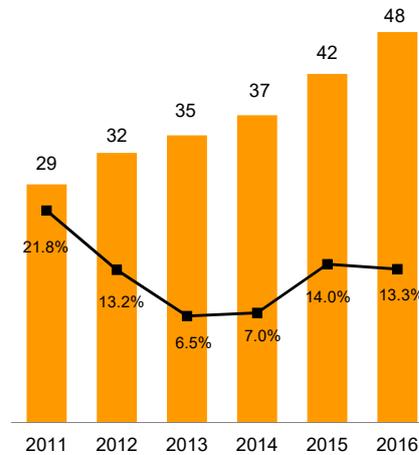
### VIII. Passenger and Light Truck Tires

#### Product Mix Improvement

**Winter tires worldwide<sup>1</sup>**  
(in mn units / increase year-over-year in %)



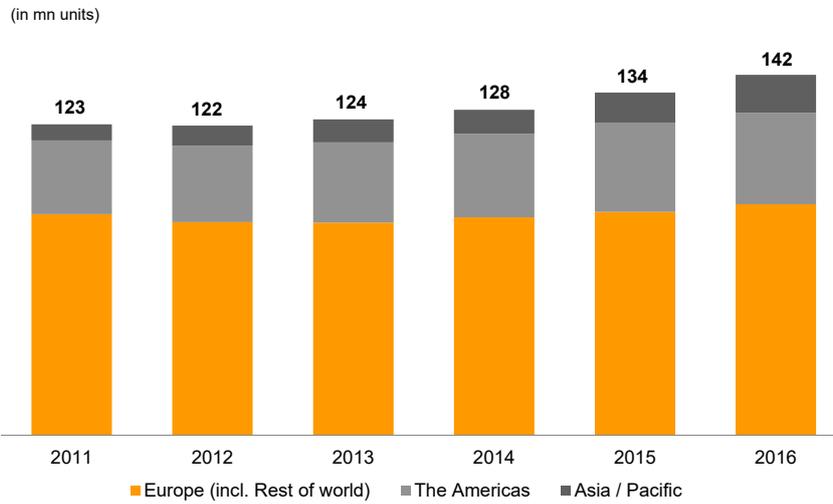
**High performance summer tires worldwide<sup>2</sup>**  
(in mn units / increase year-over-year in %)



<sup>1</sup> OE and replacement (excl. all-season tires).

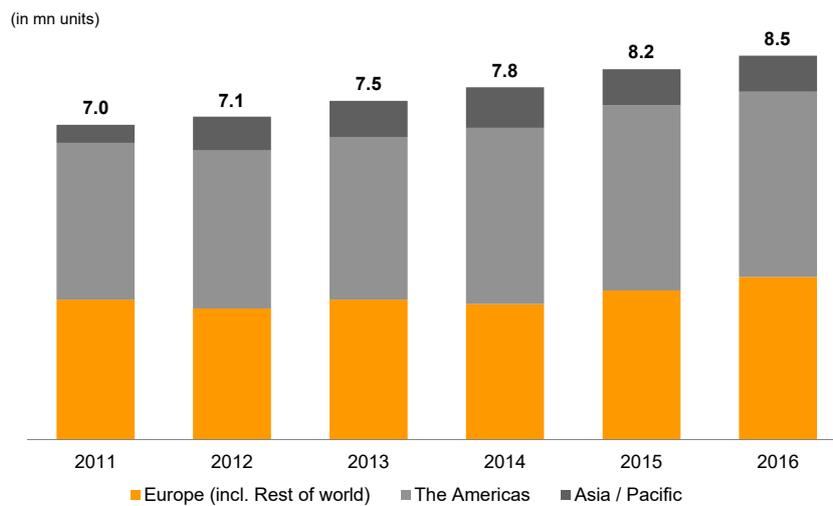
<sup>2</sup> All summer tires and all-season tires with rim sizes of at least 17 inches.

### VIII. Passenger and Light Truck Tires Unit Sales 2011 – 2016



151

### VIII. Commercial Vehicle Tires Unit Sales 2011 – 2016



152

## Topics

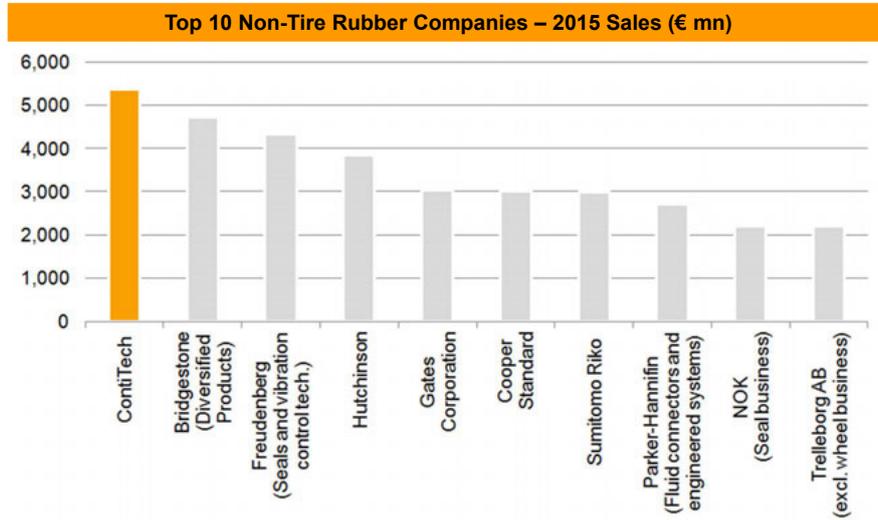
<b>I.</b>	<b>Continental at a Glance</b>	<b>3</b>
<b>II.</b>	<b>Continental Strategy</b>	<b>15</b>
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<b>VII.</b>	<b>Automotive Group</b>	<b>92</b>
<b>VIII.</b>	<b>Rubber Group – ContiTech Division</b>	<b>154</b>
<b>IX.</b>	<b>Share and Bond Information</b>	<b>162</b>
<b>X.</b>	<b>Glossary</b>	<b>172</b>

## VIII. ContiTech Business Units and Key Products

<b>Air Spring Systems</b>  <ul style="list-style-type: none"> <li>&gt; Air suspensions systems for bus, trucks rail vehicle</li> <li>&gt; Air actuators for pneumatics &amp; vibration isolation</li> <li>&gt; Compensators</li> </ul>	<b>Benecke-Kaliko Group</b>  <ul style="list-style-type: none"> <li>&gt; Technical and decorative surface materials for automotive interior trim</li> <li>&gt; Surface materials for decoration &amp; protection</li> </ul>	<b>Compounding Technology</b>  <ul style="list-style-type: none"> <li>&gt; Compounds</li> <li>&gt; Compound development</li> <li>&gt; Testing services</li> </ul>	<b>Conveyor Belt Group</b>  <ul style="list-style-type: none"> <li>&gt; Steel cord conveyor Belts</li> <li>&gt; Textile conveyor Belts</li> <li>&gt; Special conveyor Belts</li> <li>&gt; Conveyor belts components</li> <li>&gt; PVC light belts</li> <li>&gt; Service material</li> <li>&gt; Rubber tracks</li> </ul>	<b>Elastomer Coatings</b>  <ul style="list-style-type: none"> <li>&gt; Coated fabrics</li> <li>&gt; Printing blankets/ -forms</li> <li>&gt; Diaphragms /-materials</li> <li>&gt; Gasholder diaphragms</li> <li>&gt; Collapsible fuel tanks</li> <li>&gt; Collapsible tanks</li> <li>&gt; Concertina walls</li> </ul>
<b>Industrial Fluid Solutions</b>  <ul style="list-style-type: none"> <li>&gt; Industrial hoses</li> <li>&gt; Fittings</li> <li>&gt; Hoses for onshore &amp; offshore applications</li> </ul>	<b>Mobile Fluid Systems</b>  <ul style="list-style-type: none"> <li>Hoselines in vehicles:</li> <li>&gt; Exhaust &amp; fuel systems</li> <li>&gt; Powertrain</li> <li>&gt; Air conditioning</li> <li>&gt; Heating / cooling systems</li> <li>&gt; Steering and chassis</li> <li>&gt; Turbocharger</li> </ul>	<b>Power Transmission Group</b>  <ul style="list-style-type: none"> <li>&gt; V-belts</li> <li>&gt; Multiple V-ribbed belts</li> <li>&gt; Timing belts</li> <li>&gt; Flat belts</li> <li>&gt; Belt drive systems</li> </ul>	<b>Vibration Control</b>  <ul style="list-style-type: none"> <li>&gt; Rubber-to-metal bonded products</li> <li>&gt; Hydromounts</li> <li>&gt; Mount systems</li> <li>&gt; Precision molded parts</li> <li>&gt; Blow molded parts</li> <li>&gt; Plastic parts</li> </ul>	

### VIII. ContiTech

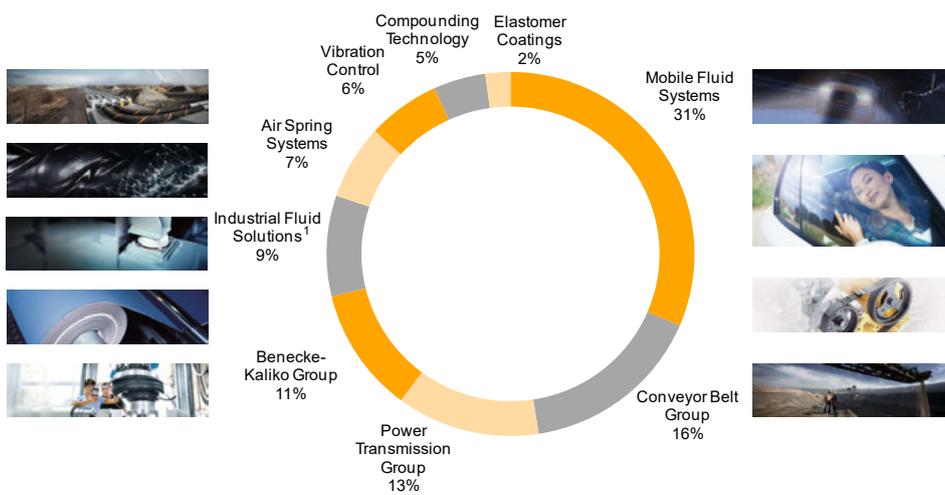
Forming a Global Player in Rubber and Plastics Technologies



155

### VIII. ContiTech

Share of Sales 2016

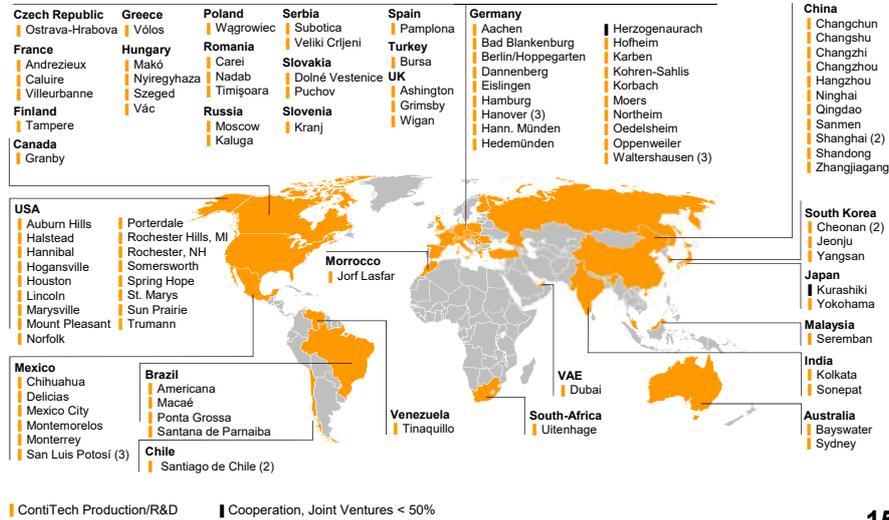


<sup>1</sup> Renamed from Industrial Fluid Systems in January 2017.

156

## VIII. ContiTech Locations Worldwide

108 sites for production and R&D in 30 countries. Divisional headquarters in Hanover, Germany.



157

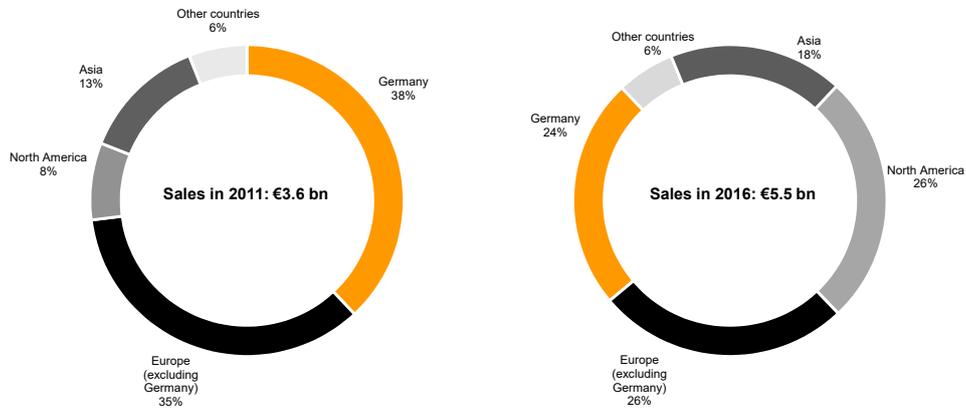
## VIII. ContiTech Key Figures

(in € millions)	2014	2015	2016
Sales	3,931.2	5,367.8	5,462.5
EBITDA	551.8	577.2	730.9
in % of sales	14.0	10.8	13.4
EBIT	433.3	170.6	399.2
in % of sales	11.0	3.2	7.3
EBIT adjusted <sup>1</sup>		388.0	522.4
in % of sales <sup>1</sup>		7.2	9.7
Operating assets (average)	1,407.2	3,234.4	2,948.7
ROCE	30.8	5.3	13.5
R, D & E expenses	85.3	107.5	119.7
in % of sales	2.2	2.0	2.2
Capex <sup>2</sup>	190.6	245.2	212.0
in % of sales	4.8	4.6	3.9
Depreciation & amortization <sup>3</sup>	118.5	406.6	331.7
in % of sales	3.0	7.6	6.1
thereof impairment <sup>4</sup>	—	86.1	37.0

<sup>1</sup> EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.  
<sup>2</sup> Capital expenditure on property, plant and equipment and software.  
<sup>3</sup> Excluding impairment on financial investments.  
<sup>4</sup> Impairment also includes necessary reversals of impairment losses.

158

### VIII. ContiTech Sales by Market



### VIII. ContiTech Product Overview

	Air spring systems/ air actuators	Collapsible containers/tanks	Concertina walls	Conveyor belts & service materials	Coupling elements	Diaphragms/diaphragm materials	Drive belts	Elastomer compounds/sheetings	Expansion Joints	Floor coverings	Gas holder diaphragms	Hoses/hose line systems	Industrial composite materials	Insulation materials	Printing blankets and plates	Rubber Track	Sealing elements/ moulded parts	Special conveyor belts	Vehicle interior soft trim	Vibration control technology
Aerospace Industry	X	X	X			X				X		X	X							
Agriculture	X	X		X		X	X	X				X				X	X	X	X	X
Automotive Industry	X			X		X	X	X				X		X			X	X	X	X
Comm. & Industry Vehicles/Buses	X	X	X			X	X	X				X		X		X	X	X	X	X
Compressors							X					X								X
Energy Industry		X		X	X	X	X	X	X		X	X		X				X		X
Food Industry	X						X	X				X	X				X			X
Mechanical & Plant Engineering	X	X		X	X	X	X	X	X		X	X		X			X	X		X
Mining Industry				X			X	X				X				X		X		
Occupational Safety							X						X	X			X			
Printing Industry	X						X	X				X			X					X
Rail Transport Technology	X	X	X	X		X	X	X		X		X	X							X
Shipbuilding and Ports	X			X	X		X	X	X			X	X	X				X		X

## Topics

<b>I.</b>	<b>Continental at a Glance</b>	<b>3</b>
<b>II.</b>	<b>Continental Strategy</b>	<b>15</b>
<b>III.</b>	<b>Automobile Megatrends</b>	<b>27</b>
<b>IV.</b>	<b>Sustainability at Continental</b>	<b>54</b>
<b>V.</b>	<b>Continental Corporation</b>	<b>71</b>
<b>VI.</b>	<b>Market Data</b>	<b>80</b>
<b>VII.</b>	<b>Automotive Group</b>	<b>92</b>
<b>VIII.</b>	<b>Rubber Group</b>	<b>129</b>
<b>IX.</b>	<b>Share and Bond Information</b>	<b>162</b>
<b>X.</b>	<b>Glossary</b>	<b>172</b>

161

## IX. Share and Bond Information

### Share Data / ADR Data

#### Share Data

Type of share	No-par value share
Bloomberg ticker	CON
Reuters ticker	CONG
German security identification number (WKN)	543 900
ISIN	DE0005439004
Shares outstanding as at December 31, 2016	200,005,983

#### ADR Data<sup>1</sup>

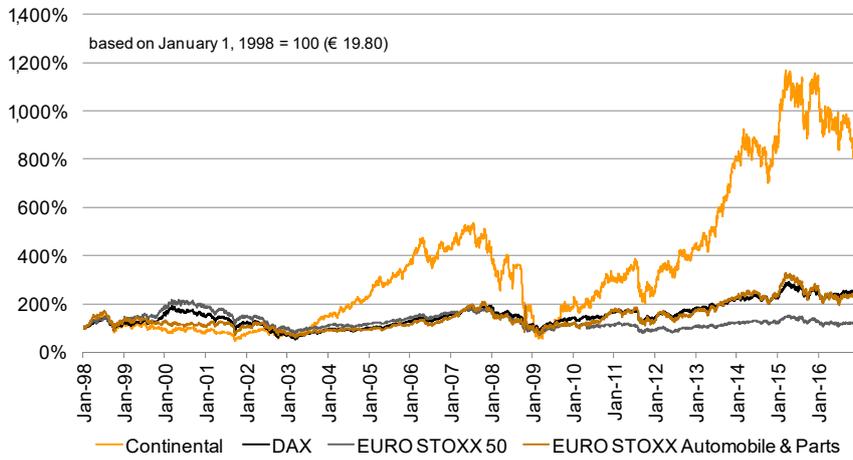
Ratio (ordinary share : ADR)	1:5
Bloomberg ticker	CTTAY
Reuters ticker	CTTAY.PK
ISIN	US2107712000
ADR level	Level 1
Exchange	OTC
Sponsor	Deutsche Bank Trust Company Americas

<sup>1</sup> As at January 2016.

162

### IX. Share and Bond Information

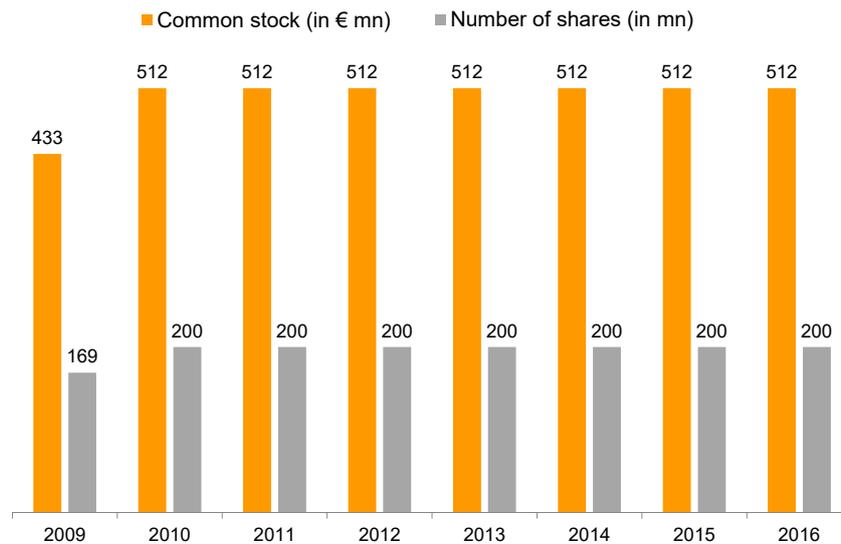
#### Share Price Development vs. Major Stock Indexes



Source: Bloomberg, January 2017.

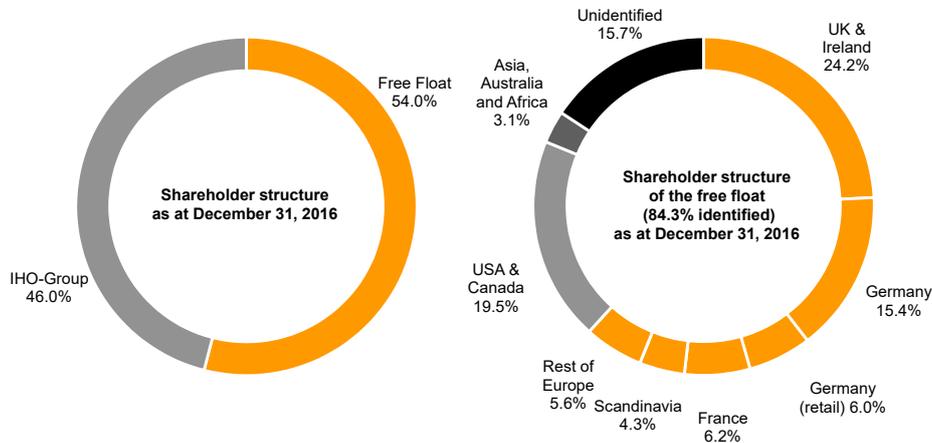
### IX. Share and Bond Information

#### Common Stock



## IX. Share and Bond Information

### Shareholder Structure



165

## IX. Share and Bond Information

### Bond Data

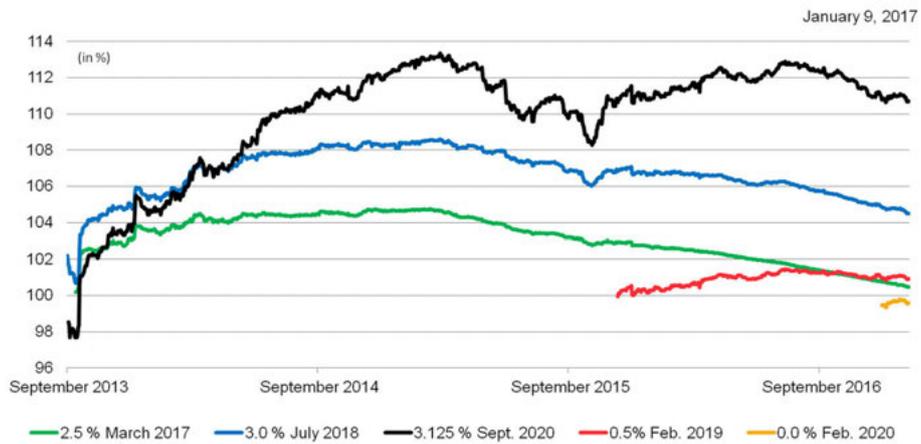
Issuer	Conti-Gummi Finance B.V., Netherlands <sup>1</sup>	Continental AG	Continental Rubber of America, Corp. <sup>1</sup>	Continental AG	Continental AG
<b>Issue</b>	Senior Notes	Senior Notes	Senior Notes	Senior Notes	Senior Notes
<b>Principal amount</b>	€750 mn	€750 mn	€500 mn	€600 mn	€750 mn
<b>Offering price</b>	99.595%	98.950%	99.739%	99.410%	99.228%
<b>Rating at issuance date</b>	Ba1 (Moody's <sup>4</sup> ) BB (S&P) BBB (Fitch <sup>2</sup> )	Ba2 (Moody's <sup>4</sup> ) BB (S&P) BB (Fitch <sup>2</sup> )	BBB (S&P) BBB (Fitch)	BBB+ (S&P) BBB+ (Fitch)	Ba1 (Moody's <sup>4</sup> ) BB (S&P) BBB (Fitch <sup>2</sup> )
<b>Current corporation and bond ratings<sup>3</sup></b>	<b>BBB+ (Fitch), BBB+ (S&amp;P), Baa1 (Moody's<sup>4</sup>)</b>				
<b>Coupon</b>	2.5% p.a.	3.0% p.a.	0.5% p.a.	0.0% p.a.	3.125% p.a.
<b>Issue date</b>	September 19, 2013	July 16, 2013	November 19, 2015	December 5, 2016	September 9, 2013
<b>Maturity</b>	<b>March 20, 2017</b>	<b>July 16, 2018</b>	<b>February 19, 2019</b>	<b>February 5, 2020</b>	<b>September 9, 2020</b>
<b>Interest payment</b>	Annual March 20	Semi annual January 16/July 16	Annual February 19, commencing on February 20, 2017	Not applicable	Annual September 9
<b>WKN</b>	A1VC6B	A1X24V	A1Z7C3	A2DARM	A1X3B7
<b>ISIN</b>	XS0972719412	XS0953199634	DE000A1Z7C39	XS1529561182	XS0969344083
<b>Denomination</b>	€1,000 with min. tradable amount €1,000	€1,000 with min. tradable amount €1,000	€1,000 with min. tradable amount €1,000	€1,000 with min. tradable amount €1,000	€1,000 with min. tradable amount €1,000

<sup>1</sup> Guaranteed by Continental AG  
<sup>2</sup> Non-contracted rating at date of issuance  
<sup>3</sup> Fitch since October 24, 2016; S&P since May 11, 2016; Moody's since June 30, 2015  
<sup>4</sup> Non-contracted rating since February 1, 2014

166

### IX. Share and Bond Information

#### Development of the Bonds

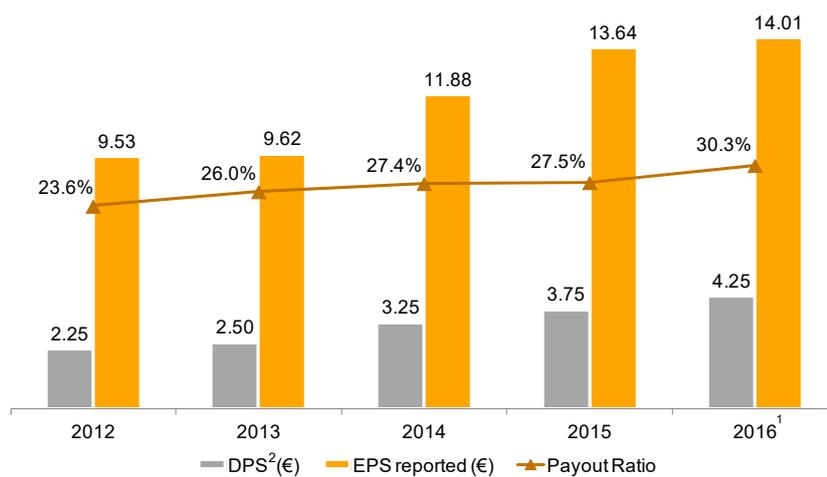


Source: Bloomberg, January 2017.

167

### IX. Share and Bond Information

#### EPS, Dividend and Payout Ratio

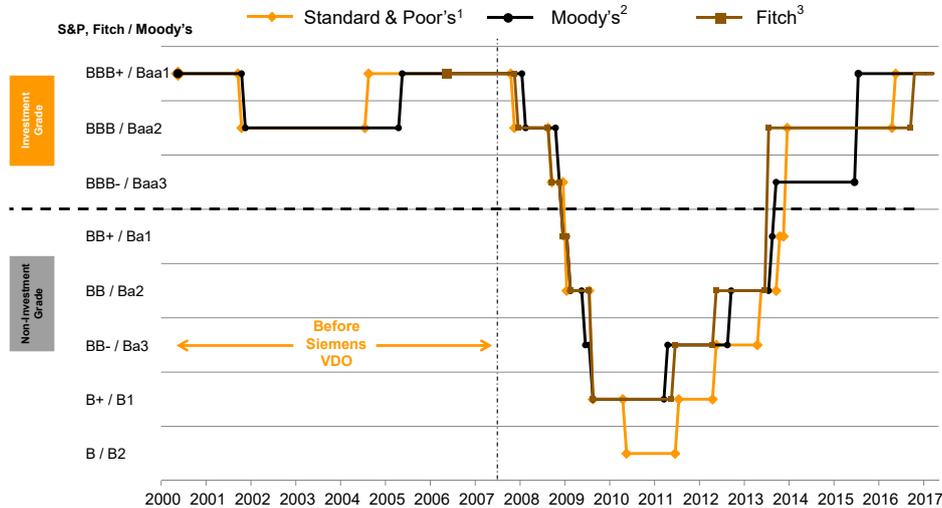


<sup>1</sup> Dividend subject to approval of the Annual Shareholders' Meeting (ASM) on April 28, 2017  
<sup>2</sup> Dividend paid for the respective fiscal year, payout in the subsequent year

168

## IX. Share and Bond Information

### Development of Continental's Credit Rating



<sup>1</sup> Contracted rating since May 19, 2000.  
<sup>2</sup> Non-contracted rating since February 1, 2014.  
<sup>3</sup> Contracted rating since November 7, 2013.

## IX. Share and Bond Information

### 10 Year Financial Overview

	2016	2015	2014	2013	2012 <sup>6</sup>	2011	2010	2009	2008	2007	
<b>Balance sheet</b>											
Non-current assets	€ millions	21,321.0	19,666.6	16,923.3	15,569.5	15,685.7	15,075.5	14,887.9	14,724.6	16,348.4	17,383.9
Current assets	€ millions	14,853.9	13,169.1	13,317.8	11,251.3	11,764.4	10,962.9	9,502.6	8,324.6	8,339.5	10,353.7
Total assets	€ millions	36,174.9	32,835.7	30,241.1	26,820.8	27,450.1	26,038.4	24,390.5	23,049.2	24,687.9	27,737.6
Shareholders' equity (excl. non-controlling interests)	€ millions	14,270.0	12,786.3	10,672.1	9,011.2	7,779.0	7,146.1	5,859.6	3,772.6	5,265.4	6,583.2
Non-controlling interests	€ millions	464.8	427.6	352.5	311.0	377.4	397.2	343.3	289.1	264.5	272.9
Total equity (incl. non-controlling)	€ millions	14,734.8	13,213.9	11,024.6	9,322.2	8,156.4	7,543.3	6,202.9	4,061.7	5,529.9	6,856.1
Equity ratio <sup>1</sup>	%	40.7	40.2	36.5	34.8	29.7	29.0	25.4	17.6	22.4	24.7
Capital expenditure <sup>2</sup>	€ millions	2,593.0	2,178.8	2,045.4	1,981.1	2,019.4	1,711.3	1,296.4	860.1	1,595.2	896.9
Net indebtedness	€ millions	2,797.8	3,541.9	2,823.5	4,289.3	5,319.9	6,772.1	7,317.0	8,895.5	10,483.5	10,856.4
Gearing ratio	%	19.0	26.8	25.6	46.0	65.2	89.8	118.0	219.0	189.6	158.3
<b>Income statements</b>											
Sales	€ millions	40,549.5	39,232.0	34,505.7	33,331.0	32,736.2	30,504.9	26,046.9	20,095.7	24,238.7	16,619.4
Share of foreign sales	%	79.3	78.6	76.6	76.2	75.4	73.7	72.8	71.0	68.5	69.2
Cost of sales <sup>3</sup>	%	73.4	74.1	74.9	76.6	78.3	79.0	77.8	80.0	80.4	75.8
Research and development expenses <sup>3</sup>	%	6.9	6.2	6.2	5.6	5.3	5.3	5.6	6.7	6.2	5.0
Selling expenses <sup>3</sup>	%	5.6	5.6	5.3	5.0	4.8	4.7	5.0	5.6	4.9	5.5
Administrative expenses <sup>3</sup>	%	2.5	2.4	2.2	2.1	2.0	2.1	2.5	3.0	3.2	2.7
EBITDA	€ millions	6,057.4	6,001.4	5,133.8	5,095.0	4,967.4	4,228.0	3,587.6	1,591.2	2,771.4	2,490.6
EBITDA <sup>3</sup>	%	14.9	15.3	14.9	15.3	15.2	13.9	13.8	7.9	11.4	15.0
Personnel expenses	€ millions	9,695.7	9,164.6	7,757.2	7,124.5	6,813.7	6,354.3	5,891.7	5,199.8	5,746.3	3,652.7
Depreciation and amortization <sup>4</sup>	€ millions	1,961.6	1,885.8	1,789.0	1,831.3	1,781.2	1,631.1	1,652.4	2,631.6	3,067.6	814.8
Net income attributable to the shareholders of the parent	€ millions	2,802.5	2,727.4	2,375.3	1,923.1	1,905.2	1,242.2	576.0	-1,649.2	-1,123.5	1,020.6
<b>Dividend and earnings per share</b>											
Dividend for the fiscal year	€ millions	850.0 <sup>5</sup>	750.0	650.0	500.0	450.0	300.0	—	—	—	323.4
Number of shares as at December 31	€ millions	200.0	200.0	200.0	200.0	200.0	200.0	169.0	169.0	161.7	
Net income (per share) attributable to the shareholders of the parent	€	14.01	13.64	11.88	9.62	9.53	6.21	2.88	-9.76	-6.84	6.79
<b>Employees</b>											
Annual average	thousands	216.0	204.7	186.0	175.4	169.0	159.7	142.7	133.4	148.4	93.9

<sup>1</sup> Including non-controlling interests.  
<sup>2</sup> Capital expenditure on property, plant and equipment, and software.  
<sup>3</sup> As a percentage of sales.  
<sup>4</sup> Excluding impairment on financial investments.  
<sup>5</sup> Subject to the approval of the Annual Shareholders' Meeting on April 28, 2017.  
<sup>6</sup> IAS 19 (revised 2011), Employee Benefits, has been applied since 2012.

## Topics

<b>I.</b>	<b>Continental at a Glance</b>	<b>3</b>
<b>II.</b>	<b>Continental Strategy</b>	<b>15</b>
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<b>VIII.</b>	<b>Rubber Group</b>	<b>129</b>
<b>IX.</b>	<b>Share and Bond Information</b>	<b>162</b>
<b>X.</b>	<b>Glossary</b>	<b>172</b>

171

## X. Glossary

### Financial Glossary

<b>ADR</b>	American Depositary Receipt
<b>Capex</b>	Capital expenditure on property, plant and equipment, and software
<b>EBIT</b>	Earnings Before Interest and Taxes
<b>EBITDA</b>	EBIT Before Depreciation and Amortization
<b>EBIT margin</b>	EBIT as a percentage of sales
<b>EBITDA margin</b>	EBITDA as a percentage of sales
<b>FCF</b>	The sum of cash flow arising from operating activities and cash flow arising from investing activities. Also referred to as cash flow before financing activities
<b>Gearing ratio</b>	Net indebtedness divided by equity. Also known as the debt to equity ratio
<b>ISIN</b>	International Securities Identification Number
<b>Net indebtedness</b>	The net amount of interest-bearing financial liabilities as recognized in the balance sheet, the positive fair values of the derivative instruments, cash and cash equivalents, as well as other interest-bearing investments
<b>NIAT</b>	Net Income Attributable to the shareholders of the parent
<b>OA</b>	The assets less liabilities as reported in the balance sheet, without recognizing the net indebtedness, sales of accounts receivable, deferred tax assets, income tax receivables and payables, as well as other financial assets and debts. Average operating assets are calculated as at the end of the quarterly periods and, according to our definition, correspond to the capital employed
<b>PPA</b>	Purchase Price Allocation
<b>R, D &amp; E expenses</b>	Research, Development and Engineering Expenses
<b>ROCE (average)</b>	Return On Capital Employed. We define ROCE as the ratio of EBIT to average operating assets for the fiscal year

172

## X. Glossary

### Product and Division Glossary

<b>ABS</b>	Anti-Lock Brake System	<b>LT</b>	Light Truck
<b>ACC</b>	Adaptive Cruise Control	<b>NVH</b>	Noise Vibration Harshness
<b>ADAS</b>	Advanced Driver Assistance Systems	<b>OCB</b>	Optimized Curve Break
<b>CAGR</b>	Compound Annual Growth Rate	<b>PC</b>	Passenger Car
<b>C&amp;S</b>	Chassis & Safety Division	<b>PLT</b>	Passenger and Light Truck Tires
<b>CT</b>	ContiTech Division	<b>PT</b>	Powertrain Division
<b>CV</b>	Commercial Vehicle	<b>RV</b>	Recreational Vehicle
<b>CVT</b>	Commercial Vehicle Tires	<b>SSR</b>	Self-Supporting Runflat Tires
<b>ECU</b>	Electronic Control Unit	<b>SUV</b>	Sport Utility Vehicle
<b>EBS</b>	Electronic Brake System	<b>TCS</b>	Traction Control System
<b>ESC</b>	Electronic Stability Control	<b>TPMS</b>	Tire Pressure Monitoring System
<b>HEV</b>	Hybrid Electric Vehicle		
<b>HMI</b>	Human Machine Interface		
<b>I</b>	Interior Division		

173

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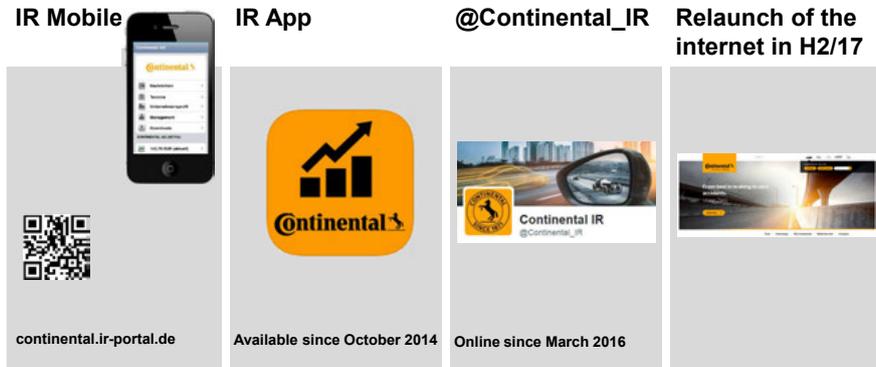
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174

## Investor Relations Online



175

## Financial Calendar

### 2017

Preliminary figures for the fiscal year 2016	January 9, 2017
Annual Financial Press Conference	March 2, 2017
Annual Shareholders' Meeting (incl. key data for Q1 2017)	April 28, 2017
Q1 Financial Report	May 9, 2017
Half Year Financial Report	August 3, 2017
Nine Month Financial Report	November 9, 2017

### 2018

Preliminary figures for the fiscal year 2017	January 2018
Annual Financial Press Conference	March 2018
Annual Shareholders' Meeting (incl. key data for Q1 2018)	April 27, 2018
Q1 Financial Report	May 2018
Half Year Financial Report	August 2018
Nine Month Financial Report	November 2018

176

**Continental Aktiengesellschaft**

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