

Q1 2023 Results

Hanover – May 10, 2023

Agenda

1 Group Highlights

2 Automotive

3 Tires

4 ContiTech

5 Cash Flow

6 2023 Outlook

Back-up and Fact Sheets 2022 – Q1 2023

1 | Group Highlights

Most Important KPIs for Q1 2023

	Q1 2022	Q1 2023
Sales	€9.3 bn	€10.3 bn
Adjusted EBIT ¹	€428 mn	€578 mn
Adjusted EBIT ¹ margin	4.6%	5.6%
PPA ²	-€39 mn	-€31 mn
Special effects	-€17 mn	-€20 mn
Restructuring	€8 mn	-€0 mn
Impairment	-€1 mn	-€0 mn
Other effects	-€24 mn	-€19 mn
NIAT ^{3,4}	€240 mn	€382 mn
Adjusted free cash flow ⁵	-€174 mn	-€949 mn
Gearing ratio ⁴	30.0%	39.4%
Equity ratio ⁴	36.9%	36.6%
Trailing ROCE ⁶	8.3%	4.4%
Net indebtedness	€4,117 mn	€5,539 mn

Executive Summary

- › Automotive price negotiations in progress; initiated improvement measures show first effects
- › Continued strong order intake in Automotive totaling €6.6 bn lifetime sales
- › Tires adjusted EBIT¹ margin above guidance corridor, but market dynamics are challenging
- › ContiTech actions to improve plant performance and a favorable mix in selective businesses are supporting margins
- › High inventories and receivables remain a burden on free cash flow
- › Continental and Aurora partner to realize commercially scalable autonomous trucking systems
- › ContiTech increasing industry focus: acquisition closure of Trelleborg's printing technology business
- › CEO Nikolai Setzer's contract extended, new board member for Automotive appointed

¹ Before amortization of intangibles from PPA, changes in the scope of consolidation and special effects.

² Amortization of intangibles from PPA.

³ Net income attributable to the shareholders of the parent.

⁴ The methodology used in the consolidated financial statements for the recognition of uncertain tax positions has been changed. The comparative period has been adjusted accordingly.

⁵ Free cash flow before acquisitions and divestments.

⁶ Calculated as reported EBIT for the last twelve months (LTM) divided by average operating assets for the LTM.

1 | Group Highlights

Autonomous Mobility: Exclusive Partnership with Aurora



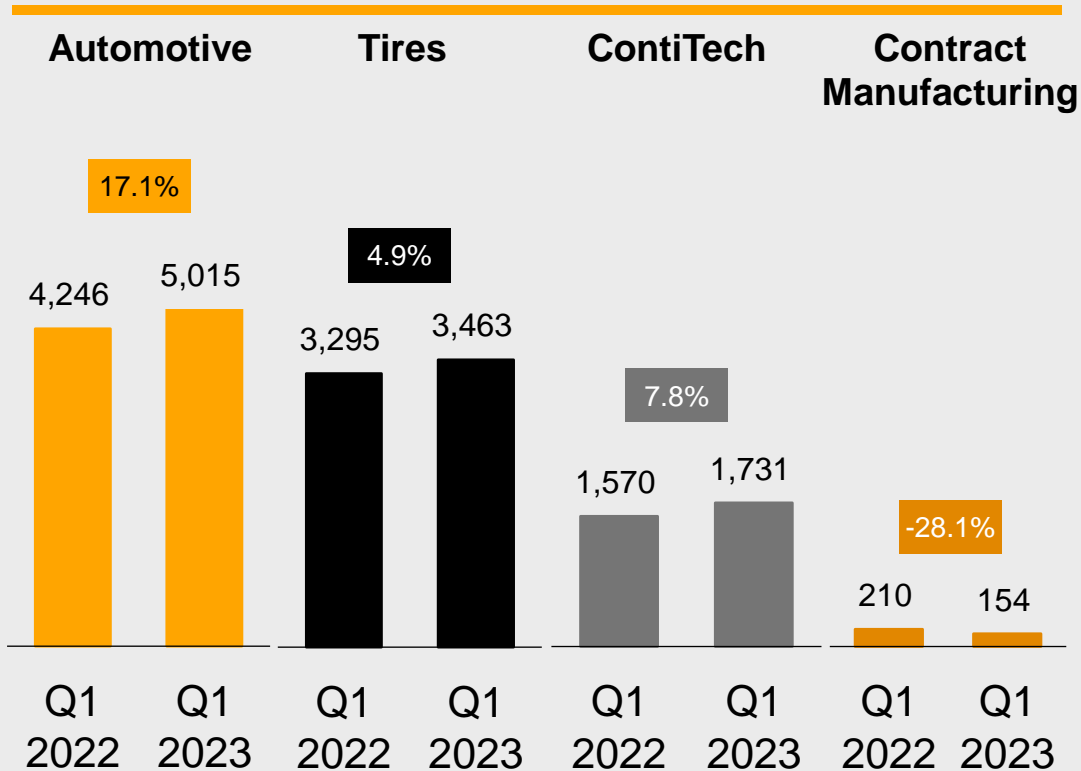
Key Points

- › First commercially scalable autonomous trucking solutions from 2027
- › Combines Continental's systems expertise with Aurora's industry-leading autonomous technology
- › Continental will deliver the entire hardware set as well as a new fallback system
- › Industry-first hardware-as-a-service business model
- › Total US addressable market ~700 billion USD

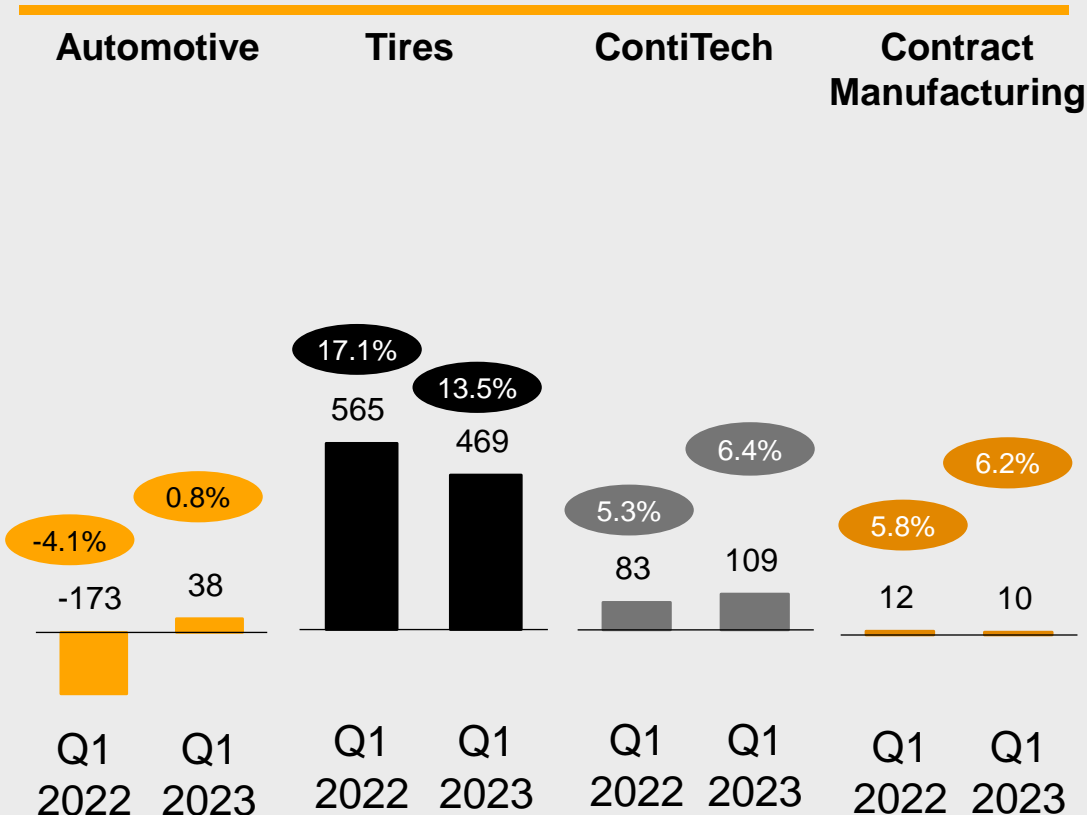
1 | Group Highlights

Q1 2023 – Sales and Adjusted EBIT

Sales (€ mn)



Adjusted EBIT¹ (€ mn)



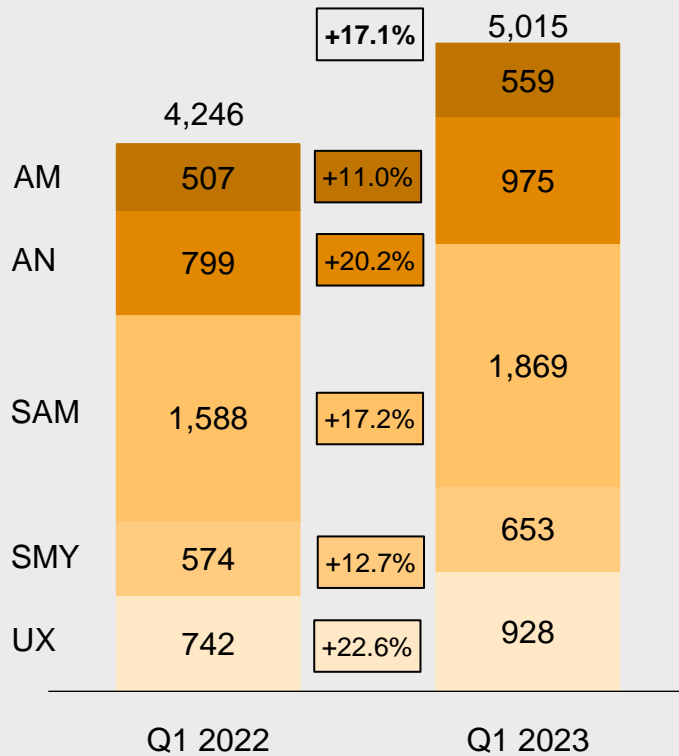
□ Organic growth² | ○ Adj. EBIT margin¹

¹ Before amortization of intangibles from PPA, changes in the scope of consolidation and special effects.
² Before changes in the scope of consolidation and exchange-rate effects.

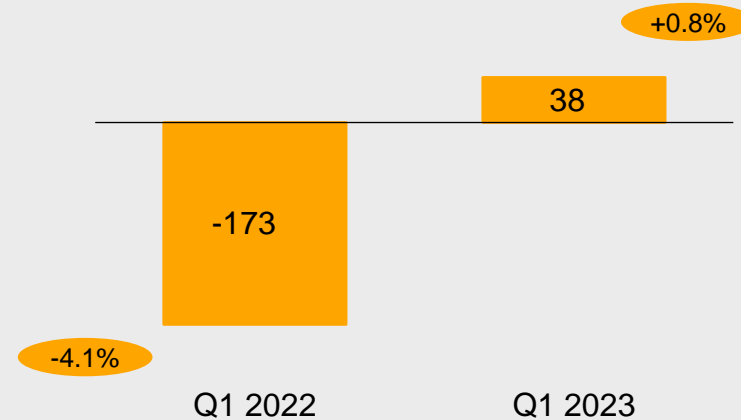
2 | Automotive

Q1 2023 – Sales and Adjusted EBIT

Sales^{1,2} (€ mn)



Adjusted EBIT³ (€ mn)



□ Organic growth⁴ | ○ Adj. EBIT margin³

Sales

- › Sales impact from FX: +1.0%
- › Organic growth driven by first new pricing agreements with customers and volume increases
- › Inflation effects were ~ €250 mn

Adjusted EBIT³

- › Concluded pricing agreements also support bottom line
- › Improvement measures such as net R&D efficiency and supply chain stabilization show first positive effects

¹ Without Software and Central Technologies.

² Due to consolidation effects, the sum of numbers shown in the columns does not match the total sum.

³ Before amortization of intangibles from PPA, changes in the scope of consolidation and special effects.

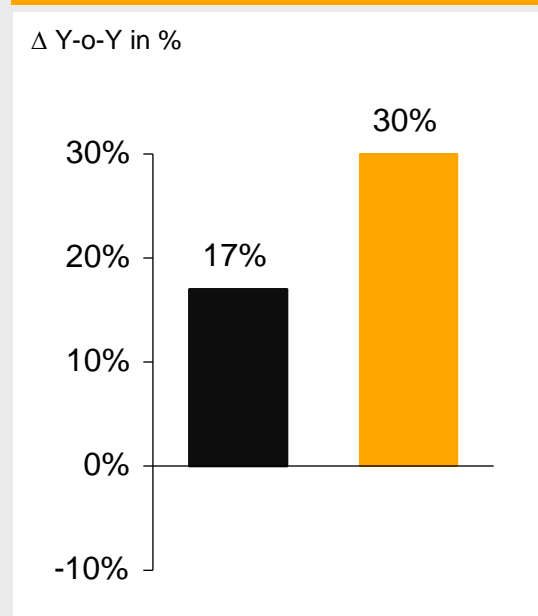
⁴ Before changes in the scope of consolidation and exchange-rate effects.

AM: Autonomous Mobility. AN: Architecture and Networking. SAM: Safety and Motion. SMY: Smart Mobility. UX: User Experience

2 | Automotive

Regional Production vs. Sales Growth in Q1 2023

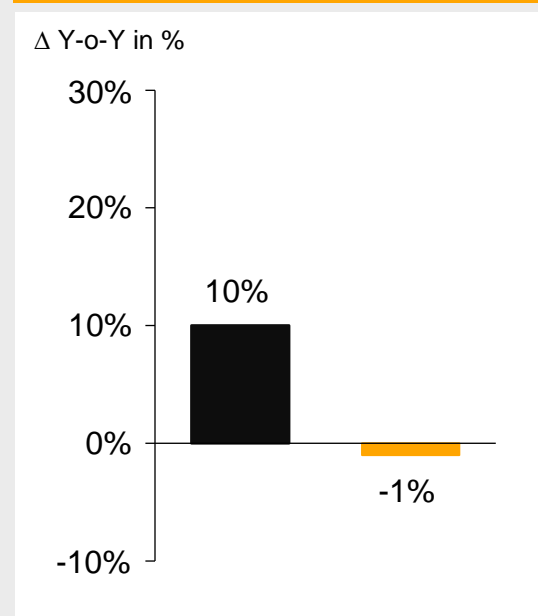
Europe¹



Europe: share of sales¹

Q1 2022	45%
Q1 2023	50%

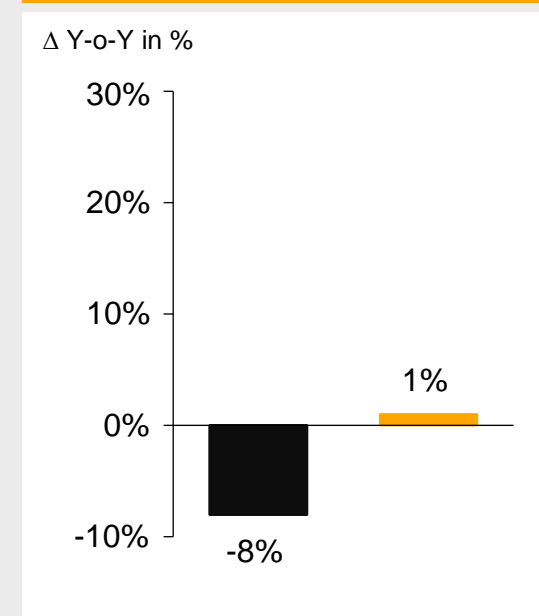
North America¹



North America: share of sales¹

Q1 2022	24%
Q1 2023	21%

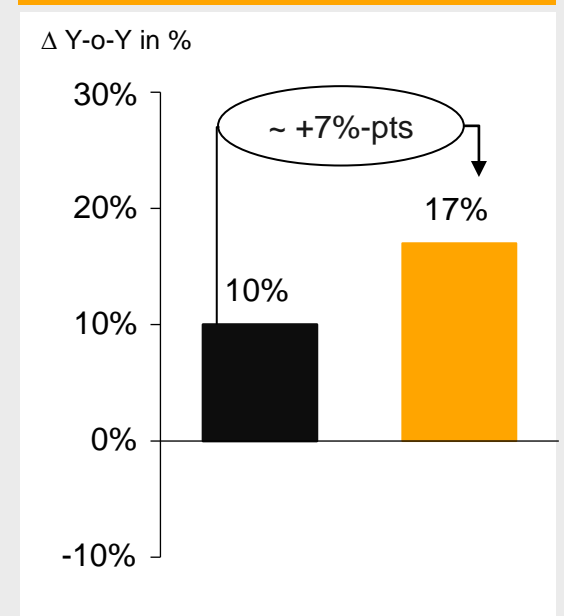
China¹



China: share of sales¹

Q1 2022	16%
Q1 2023	13%

Worldwide¹



- PC< production weighted by regional sales share
- Outperformance

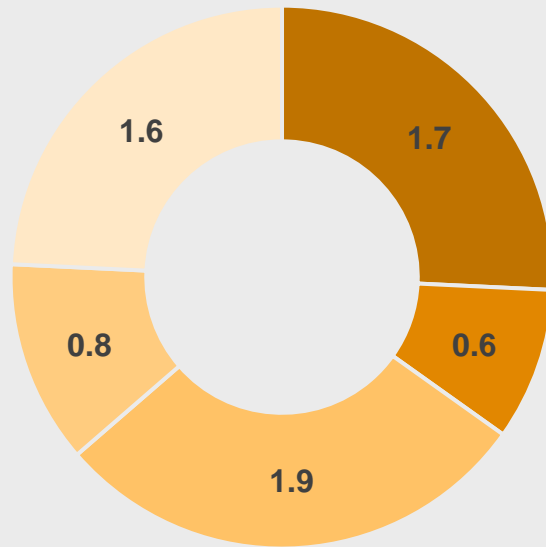
■ PC< production by region ■ Automotive sales

¹ Shown as change in organic sales Y-o-Y (adjusted for FX and consolidation effects).

2 | Automotive

Q1 2023 – Order Intake of €6.6 bn Lifetime Sales

Total Order Intake Q1 2023 (€ bn)



■ AM ■ AN ■ SAM ■ SMY ■ UX

Highlights

Autonomous Mobility €1.7 bn

- › Radar coverage that enables 360° holistic environmental perception



User Experience €1.6 bn

- › New major orders in Multi Display Solutions
- › First Augmented Reality Head-up Display awarded



Safety and Motion €1.9 bn

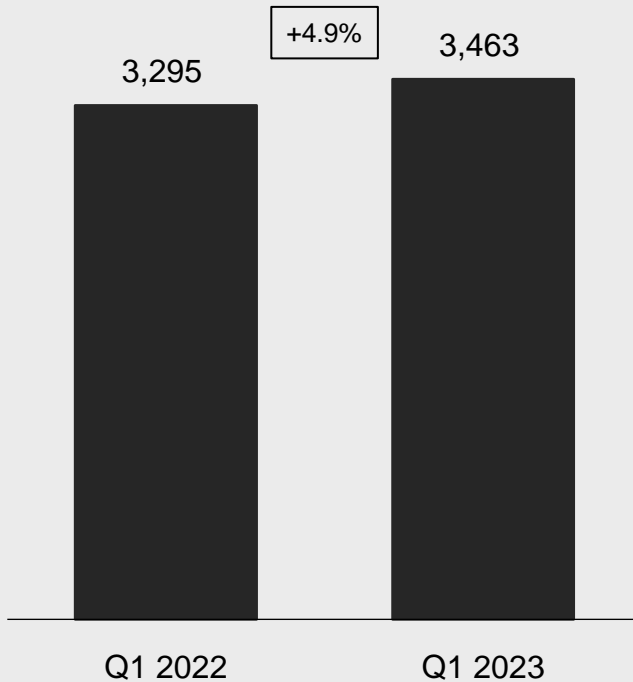
- › Awards for integrated safety, sensor as well as hydraulic brake systems
- › Orders for air supply systems



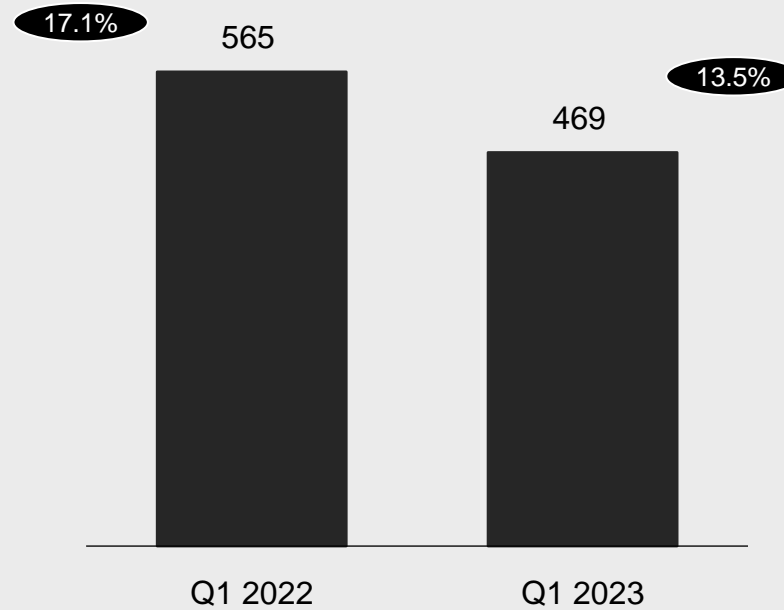
3 | Tires

Q1 2023 – Sales and Adjusted EBIT

Sales (€ mn)



Adjusted EBIT¹ (€ mn)



Sales

- > Impact from FX: +0.2%
- > Volumes: -8.6%: declining replacement volumes in all regions, OE volumes recovering
- > Price/mix: +13.5%; more than half attributable to mix

Adjusted EBIT¹

- > Increased inflation for labor, logistics and energy costs ~ €85 mn
- > Raw material prices are still a headwind in Q1
- > Price/mix more than offset inflation
- > 2022 figures significantly impacted by inventory valuation

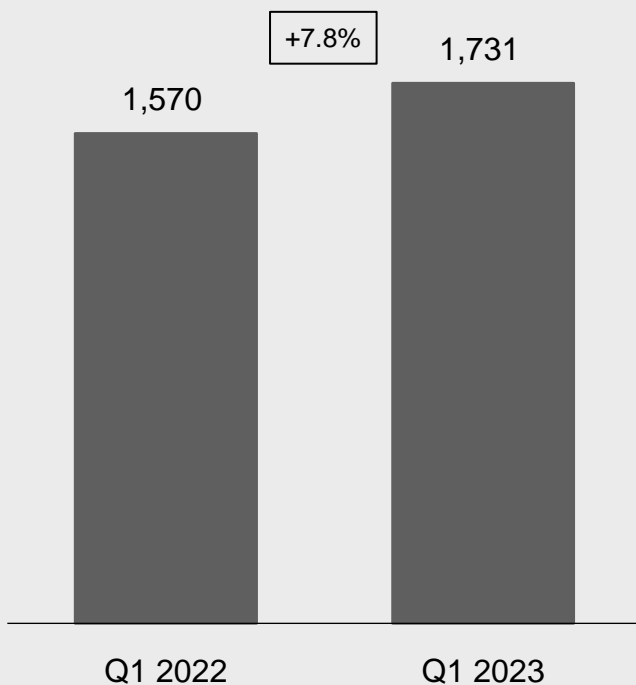
□ Organic growth² | ● Adj. EBIT margin¹

¹ Before amortization of intangibles from PPA, changes in the scope of consolidation and special effects.
² Before changes in the scope of consolidation and exchange-rate effects.

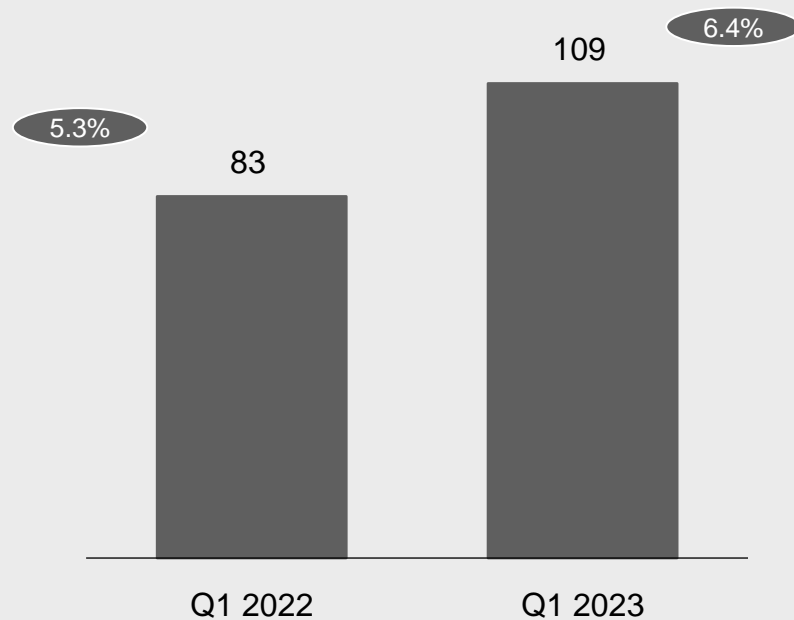
4 | ContiTech

Q1 2023 – Sales and Adjusted EBIT

Sales (€ mn)



Adjusted EBIT¹ (€ mn)



Sales

- › Impact from FX: +1.0%
- › Overall positive effects from sustainable 2022 price agreements
- › Positive volume development in the OE business; industry volumes slightly below prior year

Adjusted EBIT¹

- › Positively impacted by net gain of price over inflation (inflation for materials, labor, energy ~ €75 mn)
- › Improved plant performance contributes positively
- › Favorable mix impact in some industry business areas

□ Organic growth² | ● Adj. EBIT margin¹

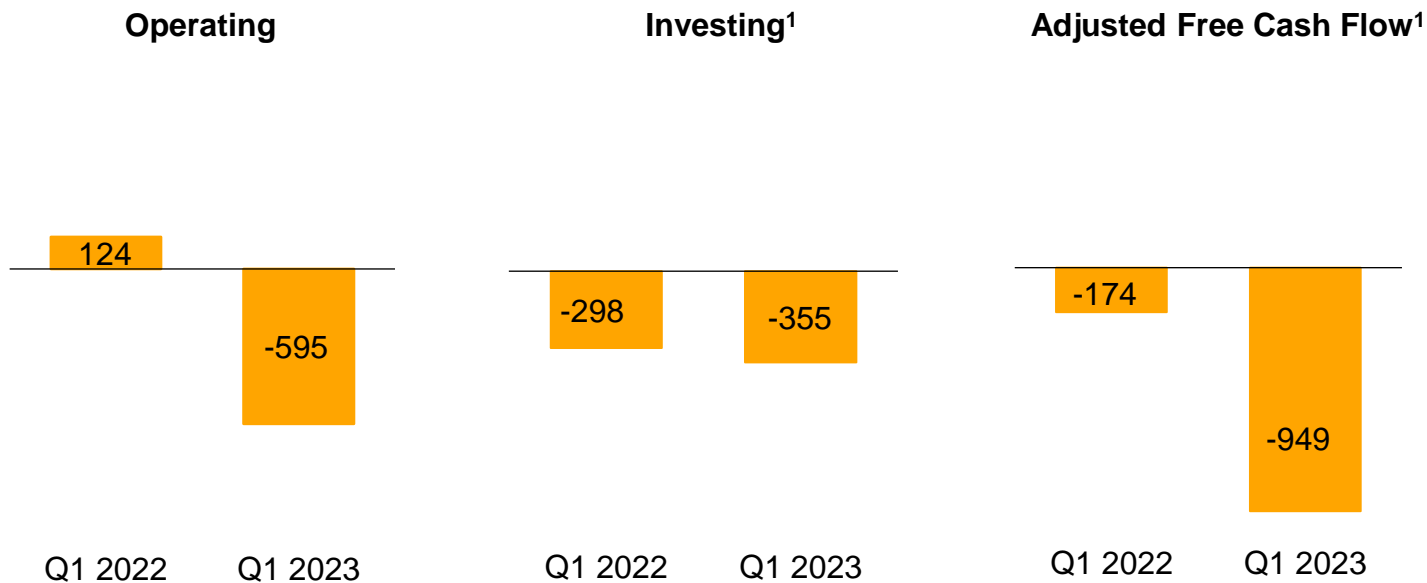
¹ Before amortization of intangibles from PPA, changes in the scope of consolidation and special effects.

² Before changes in the scope of consolidation and exchange-rate effects.

5 | Cash Flow

Adjusted Free Cash Flow Impacted by Higher Working Capital

Cash Flow Q1 2023 (€ mn)



Operating Cash Flow

- › High working capital due to elevated inventory levels to secure supply chains and high level of receivables led to a lower operating cash flow

Investing Cash Flow¹

- › Higher capital expenditure on property, plant and equipment, and software
- › Higher order intake in Automotive requires according investments; Tires further increases capacity

¹ Before acquisitions and divestments.

6 | 2023 Outlook – Main Markets

	Vehicle Production		Replacement Tires ¹		Industrial Production	
	Q1 2023	2023E	Q1 2023	2023E	Q1 2023	2023E
Passenger Cars & Light Trucks 						
Europe	+17%	+3% to +5%	-8%	-2% to +1%	Eurozone 	+0.8% -1% to +1%
North America 	+10%	+3% to +5%	-6%	-1% to +2%	USA 	+0.4% -2% to 0%
China 	-8%	0% to +2%	+5%	+14% to +16%	China 	+3.9% +4% to +6%
Worldwide 	+6%	+2% to +4%	-4%	+1% to +3%		
Commercial Vehicles 						
Europe	+6%	-2% to +2%	-14%	-1% to +2%		
North America 	+9%	-2% to +2%	-2%	-5% to -2%		

¹ Europe excluding Russia

Calculated against the corresponding period of prior year. E = Estimates.

Sources: S&P Global, Bloomberg, preliminary data and own estimates.

6 | 2023 Outlook Confirmed

2023E

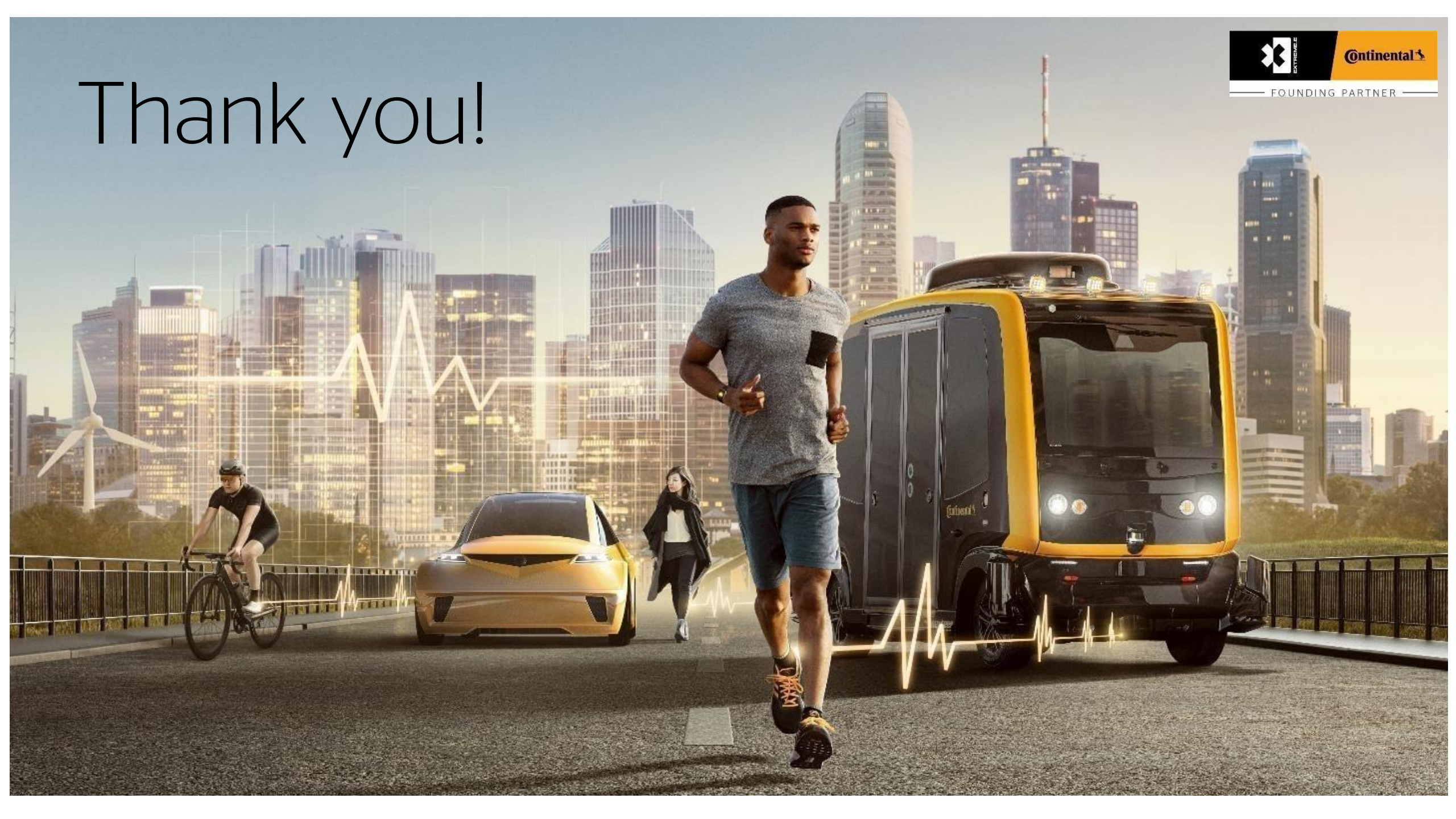
Continental Group consolidated sales	Around €42 bn – €45 bn
Adj. EBIT ¹ margin	Around 5.5% – 6.5%, incl. cost inflation (materials, labor, energy, logistics) headwind of ~ €1.7 bn
Automotive sales	Around €20.5 bn – €21.5 bn
Adj. EBIT ¹ margin	Around 2% – 3%, incl. cost inflation (materials, labor, logistics) headwind of ~ €1 bn
Tires sales	Around €14.5 bn – €15.5 bn
Adj. EBIT ¹ margin	Around 12% – 13%, incl. cost inflation (labor, energy, logistics) headwind of ~ €400 mn
ContiTech sales	Around €6.8 bn – €7.2 bn
Adj. EBIT ¹ margin	Around 6% – 7%, incl. cost inflation (materials, labor, energy) headwind of ~ €300 mn
Contract Manufacturing sales	Around €400 mn – €600 mn
Adj. EBIT ¹ margin	Around 0%
Adjusted free cash flow²	Around €0.8 bn – €1.2 bn
PPA amortization	Below - €150 mn
Special effects	Around - €150 mn
Financial result	Around - €350 mn ³
Tax rate	Around 27%
Capex before financial investments in % of sales	Around 6%

¹ Before amortization of intangibles from PPA, changes in the scope of consolidation and special effects.

² Free cash flow before acquisitions and divestments.

³ Before effects of currency translation, effects from changes in the fair value of derivative instruments, and other valuation effects.

Thank you!



Disclaimer

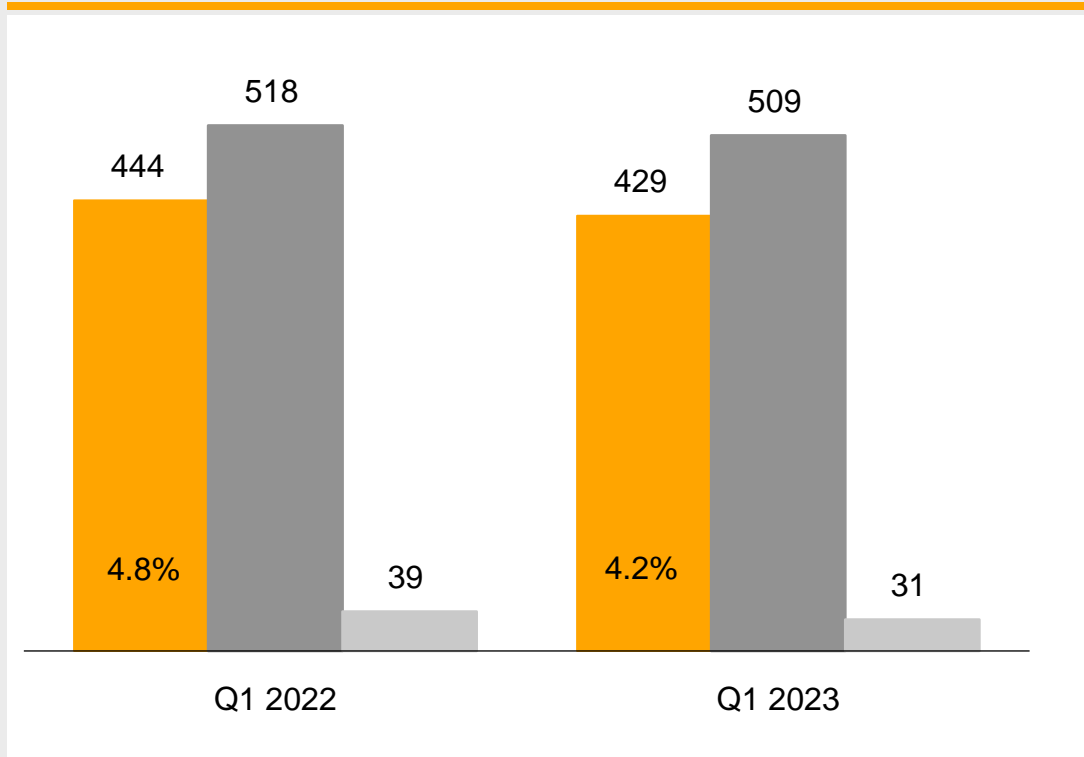
- › This presentation has been prepared by Continental Aktiengesellschaft solely in connection with the Analyst and Investor Call on May 10, 2023, and the subsequent analyst and investor meetings. It has not been independently verified. It does not constitute an offer, invitation or recommendation to purchase or subscribe for any shares or other securities issued by Continental AG or any subsidiary and neither shall any part of it form the basis of, or be relied upon in connection with, any contract or commitment concerning the purchase or sale of such shares or other securities whatsoever.
- › Neither Continental Aktiengesellschaft nor any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss that may arise from any use of this presentation or its contents or otherwise arising in connection with this presentation.
- › This presentation includes assumptions, estimates, forecasts and other forward-looking statements, including statements about our beliefs and expectations regarding future developments as well as their effect on the results of Continental. These statements are based on plans, estimates and projections as they are currently available to the management of Continental. Therefore, these statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. Furthermore, although the management is of the opinion that these statements, and their underlying beliefs and expectations, are realistic as of the date they are made, no guarantee can be given that the expected developments and effects will actually occur. Many factors may cause the actual development to be materially different from the expectations expressed here. Such factors include, for example and without limitation, changes in general economic and business conditions, fluctuations in currency exchange rates or interest rates, the introduction of competing products, the lack of acceptance for new products or services and changes in business strategy.
- › 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.
- › The methodology used in the consolidated financial statements for the recognition of uncertain tax positions has been changed. For more information, see Note 2 (General Information and Accounting Principles) of the notes to the consolidated financial statements in the 2022 annual report. The comparative period has been adjusted accordingly.

Back-up

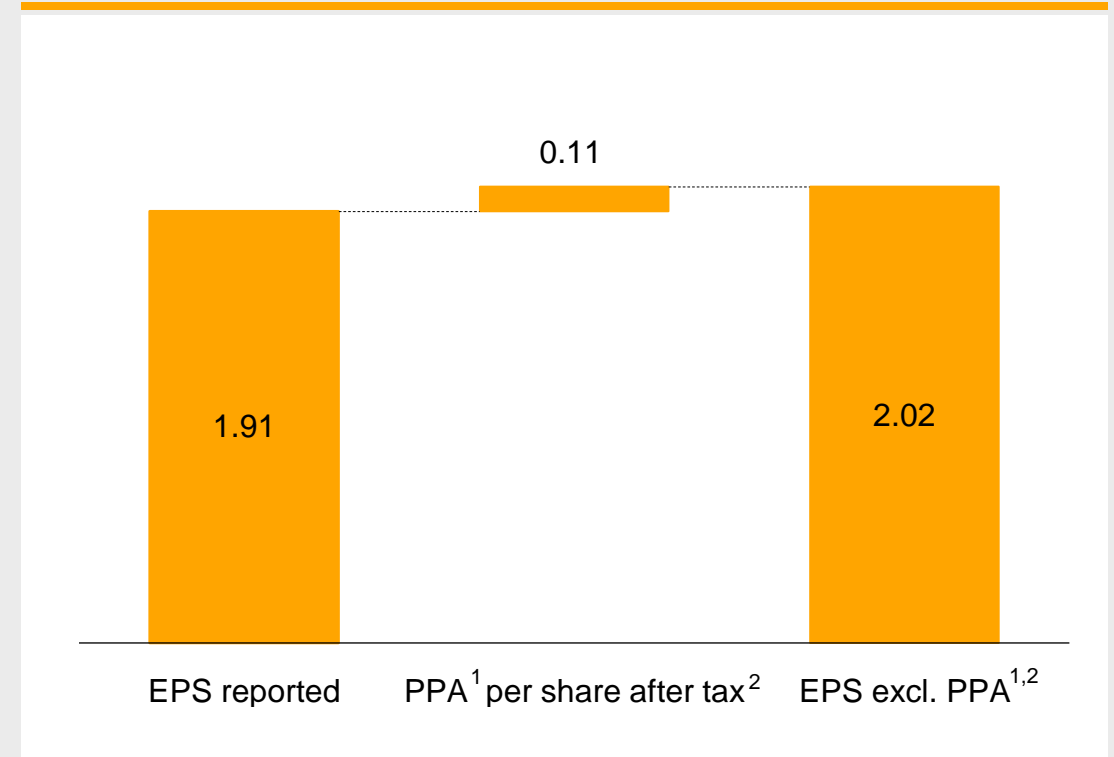
Back-up

Capex, Depreciation and Earnings per Share – Q1 2023

Capex, Depreciation and PPA¹ (€ mn)



EPS excl. PPA^{1,2} (€)



■ Capex (PPE & software), percentage of sales | ■ Depreciation, w/o PPA¹ | ■ PPA¹

¹ Amortization of intangibles from PPA.

² Assuming corporate tax rate of 28%.

Back-up

Relevant Bonds

Issuer	Continental AG	Conti-Gummi Finance B.V., Netherlands ¹	Conti-Gummi Finance B.V., Netherlands ¹	Continental AG	Continental AG	Continental AG
Issue	Senior Notes					
Principal amount	€500 mn	€750 mn	€625 mn	€600 mn	€750 mn	€625 mn
Offering price	99.804%	99.559%	99.589%	99.802%	98.791%	100.000%
Rating at issue date	Baa1 (Moody's) BBB+ (Fitch)	Baa2 (Moody's) BBB (Fitch)	Baa2 (Moody's) BBB (Fitch)	Baa1 (Moody's) BBB+ (Fitch)	Baa2 (Moody's) BBB (Fitch)	Baa2 (Moody's) BBB (Fitch)
Current rating (group)	BBB (S&P²), BBB (Fitch³), Baa2 (Moody's⁴)					
Coupon	0.000% p.a.	2.125% p.a.	1.125% p.a.	0.375% p.a.	2.500% p.a.	3.625% p.a.
Issue date	Sept. 12, 2019	May 27, 2020	June 25, 2020	Sept. 27, 2019	May 27, 2020	Nov. 30, 2022
Maturity	Sept. 12, 2023	Nov. 27, 2023	Sept. 25, 2024	June 27, 2025	Aug. 27, 2026	Nov. 30, 2027
Interest payment		Annual Nov. 27	Annual Sept. 25	Annual June 27	Annual Aug. 27	Annual Nov. 30
WKN	A2YPE5	A28XTQ	A28YEC	A2YPAE	A28XTR	A30VQ4
ISIN	XS2051667181	XS2178585423	XS2193657561	XS2056430874	XS2178586157	XS2558972415
Denomination	€1,000 with minimum tradable amount €1,000					

¹ Guaranteed by Continental AG.

² Contracted rating since May 19, 2000.

³ Contracted rating since November 7, 2013.

⁴ Contracted rating since January 1, 2019.

Fact Sheets

2022 – Q1 2023

Fact Sheets

Sales and Adjusted EBIT¹ by Quarter

Sales

Sales in Mill. EUR	2022					2023				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive	4,246.0	4,315.0	4,941.3	4,819.3	18,321.6	5,015.2				
Tires	3,295.2	3,381.0	3,626.0	3,703.0	14,005.2	3,462.5				
ContiTech	1,570.4	1,613.3	1,728.5	1,682.1	6,594.3	1,730.8				
Contract Manufacturing	209.9	179.0	147.4	129.3	665.6	154.3				
Other / Consolidation	-43.2	-44.2	-47.6	-42.8	-177.8	-56.7				
Group	9,278.3	9,444.1	10,395.6	10,290.9	39,408.9	10,306.1				

Changes Y-o-Y in %	2022					2023				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive	3.2	13.7	42.1	21.4	19.3	18.1				
Tires	20.1	17.1	21.8	15.7	18.6	5.1				
ContiTech	3.3	8.2	20.4	14.8	11.5	10.2				
Contract Manufacturing	-20.8	-20.5	-27.3	-34.3	-25.2	-26.5				
Group	8.2	13.0	29.3	17.0	16.7	11.1				

Adjusted EBIT¹

adj. EBIT ¹ in Mill. EUR	2022					2023				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive	-172.6					38.5				
Tires	565.0					468.6				
ContiTech	83.3					109.2				
Contract Manufacturing	12.1					9.5				
Other / Consolidation	-59.3					-47.5				
Group	428.4					578.3				

adj. EBIT ¹ margin in %	2022					2023				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive	-4.1					0.8				
Tires	17.1					13.5				
ContiTech	5.3					6.4				
Contract Manufacturing	5.8					6.2				
Group	4.6					5.6				

Changes Y-o-Y in %	2023				
	Q1	Q2	Q3	Q4	Year
Automotive	122.3				
Tires	-17.1				
ContiTech	31.1				
Contract Manufacturing	-21.6				
Group	35.0				

¹ Before amortization of intangibles from PPA, changes in the scope of consolidation and special effects.

Fact Sheets

EBITDA and EBIT by Quarter

EBITDA

EBITDA in Mill. EUR	2022					2023				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive	60.1	127.9	331.8	442.7	962.5	269.3				
Tires	765.2	671.7	629.0	578.8	2,644.7	659.9				
ContiTech	144.3	76.4	170.3	95.4	486.4	172.0				
Contract Manufacturing	21.2	12.6	3.2	7.7	44.7	16.4				
Other / Consolidation	-58.5	-40.0	-55.6	-18.2	-172.3	-47.4				
Group	932.3	848.6	1,078.7	1,106.4	3,966.0	1,070.1				

EBITDA margin in %	2022					2023				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive	1.4	3.0	6.7	9.2	5.3	5.4				
Tires	23.2	19.9	17.3	15.6	18.9	19.1				
ContiTech	9.2	4.7	9.9	5.7	7.4	9.9				
Contract Manufacturing	10.1	7.0	2.2	6.0	6.7	10.6				
Group	10.0	9.0	10.4	10.8	10.1	10.4				

Changes Y-o-Y in %	2022					2023				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive	-80.3	-13.6	211.8	309.9	44.3	348.2				
Tires	17.6	-7.1	5.2	4.4	4.7	-13.8				
ContiTech	-33.7	-57.1	17.1	-67.4	-41.7	19.2				
Contract Manufacturing	-72.7	-41.4	-95.9	-55.2	-77.0	-22.8				
Group	-23.2	-17.8	10.6	25.3	-3.4	14.8				

EBIT

EBIT in Mill. EUR	2022					2023				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive	-204.3	-509.9	-426.2	170.3	-970.1	15.6				
Tires	557.9	389.7	410.7	365.3	1,723.6	457.7				
ContiTech	69.3	-7.4	89.0	15.6	166.5	96.4				
Contract Manufacturing	11.7	3.6	-5.3	-0.5	9.5	9.5				
Other / Consolidation	-59.3	-40.6	-56.0	-18.8	-174.7	-48.1				
Group	375.3	-164.6	12.2	531.9	754.8	531.1				

EBIT margin in %	2022					2023				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive	-4.8	-11.8	-8.6	3.5	-5.3	0.3				
Tires	16.9	11.5	11.3	9.9	12.3	13.2				
ContiTech	4.4	-0.5	5.1	0.9	2.5	5.6				
Contract Manufacturing	5.6	2.0	-3.6	-0.4	1.4	6.1				
Group	4.0	-1.7	0.1	5.2	1.9	5.2				

Changes Y-o-Y in %	2022					2023				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive	-468.8	-394.1	-178.4	198.0	-159.0	107.6				
Tires	24.7	-25.1	3.9	8.2	1.4	-18.0				
ContiTech	-49.0	-107.5	32.4	-92.7	-67.7	39.1				
Contract Manufacturing	-81.5	280.0	-108.4	-108.6	-92.7	-19.4				
Group	-43.4	-134.8	-97.1	82.2	-59.1	41.5				

Fact Sheets

Reported and Adjusted Q1 2023 Results

Mill. EUR	Automotive		Tires		ContiTech		Contract Manufacturing		Cons. / Corr.		Group	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Sales	4,246.0	5,015.2	3,295.2	3,462.5	1,570.4	1,730.8	209.9	154.3	-43.2	-56.7	9,278.3	10,306.1
EBIT	-204.3	15.6	557.9	457.7	69.3	96.4	11.7	9.5	-59.3	-48.1	375.3	531.1
in % of sales	-4.8%	0.3%	16.9%	13.2%	4.4%	5.6%	5.6%	6.1%			4.0%	5.2%
Amortization of intangible assets from PPA	18.5	15.0	3.5	1.7	16.7	13.8					38.6	30.5
Total special effects	13.2	7.9	3.6	9.2	-0.5	1.9	0.4	0.0		0.6	16.8	19.6
Total consolidation effects					-2.2	-2.9					-2.2	-2.9
Total consolidation and special effects	13.2	7.9	3.6	9.2	-2.7	-1.1	0.4	0.0		0.6	14.6	16.7
Adjusted operating result (adj. EBIT)*	-172.6	38.5	565.0	468.6	83.3	109.2	12.1	9.5	-59.3	-47.5	428.4	578.3
in % of adjusted sales	-4.1%	0.8%	17.1%	13.5%	5.3%	6.4%	5.8%	6.2%			4.6%	5.6%

* Before amortization of intangibles from PPA, changes in the scope of consolidation and special effects.

References

Useful Links to Continental Websites

Investor Relations

[Investor Relations](#)

Reports and Investor Presentation (Fact Book)

[Investor Presentation \(Fact Book\)](#)

Latest Presentations

[Presentations](#)

Events

[Events](#)

Sustainability

[Sustainability](#)

2022 Integrated Sustainability Report

[2022 Integrated Sustainability Report](#)

Corporate Governance Principles

[Corporate Governance Principles](#)

Shares

[Shares](#)

Debt and Rating

[Debt and Rating](#)

Continental

Financial Calendar

2023

Annual Financial Press Conference	March 8, 2023
Annual Shareholders' Meeting	April 27, 2023
Q1 Quarterly Statement	May 10, 2023
Half-Year Financial Report	August 9, 2023
Nine-Month Quarterly Statement	November 8, 2023

2024

Annual Financial Press Conference	March 2024
Annual Shareholders' Meeting	April 26, 2024
Q1 Quarterly Statement	May 2024
Half-Year Financial Report	August 2024
Nine-Month Quarterly Statement	November 2024

Contact

Investor Relations

Vahrenwalder Str. 9
30165 Hanover
Germany

e-mail: ir@conti.de
fax: +49 511 938 1080
www.continental-ir.com

Anna-Maria Fischer
Head of Investor Relations (IR)

phone: +49 511 938 12203
e-mail: anna-maria.fischer@conti.de

Jana Maddison
*Assistant to the Head of IR,
Roadshow and Conference
Organization*

phone: +49 511 938 1163
e-mail: jana.maddison@conti.de

Rachel Arellano
Director - Investor Relations

phone: +49 511 938 10478
e-mail: rachel.arellano@continental.com

Andrea Kraft
Analysts and Institutional Investors

phone: +49 511 938 1880
e-mail: andrea.kraft@conti.de

Sabine Reese
*ASM, Capital Market Disclosure
Requirements, IR Website,
Sustainability*

phone: +49 511 938 1027
e-mail: sabine.reese@conti.de

Max Westmeyer
Analysts and Institutional Investors

phone: +49 511 938 13650
e-mail: max.2.westmeyer@conti.de



visit us
online