



Fact Book

2016

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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

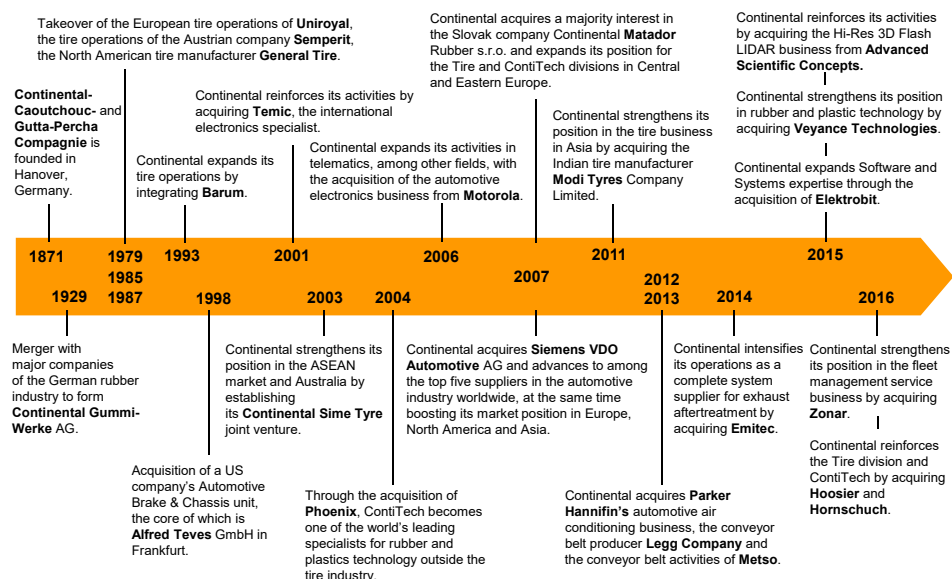
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I. Continental at a Glance

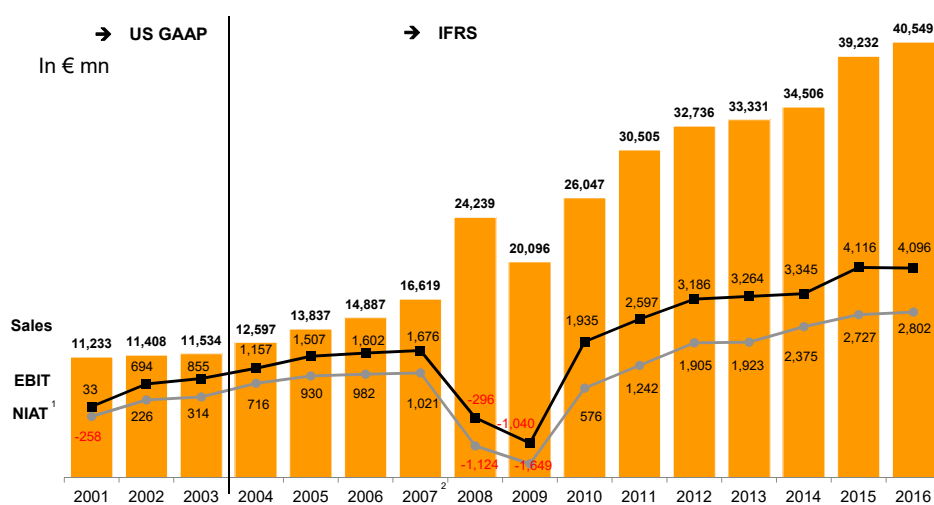
145 Years of Progress and Achievement



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I. Continental at a Glance

Continental Corporation – Sales, EBIT & Net Income (NIAT¹)



¹ Net income attributable to the shareholders of the parent, from 1998 until 2003 US GAAP / from 2004 onwards IFRS.

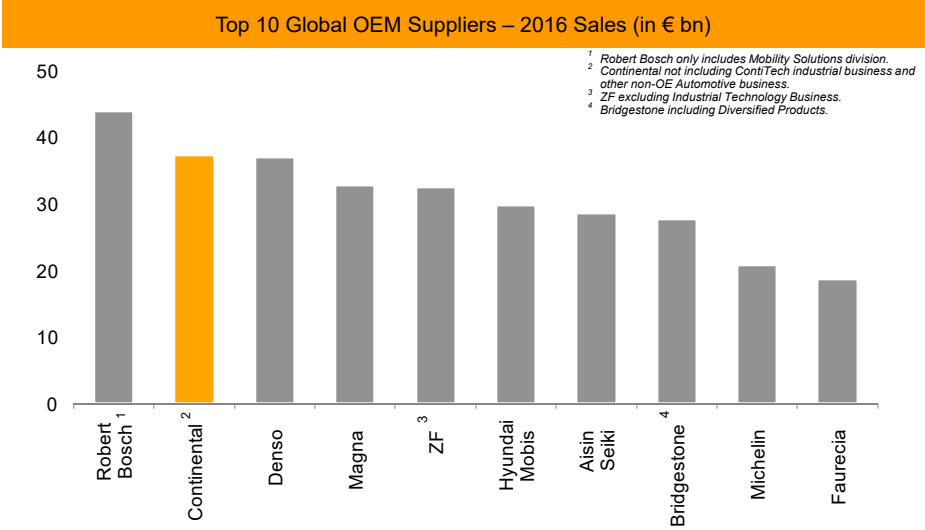
² Siemens VDO incorporated starting December 1, 2007.

IAS 19 (rev. 2011) applied starting 2013. The 2012 figures have been restated accordingly.

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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

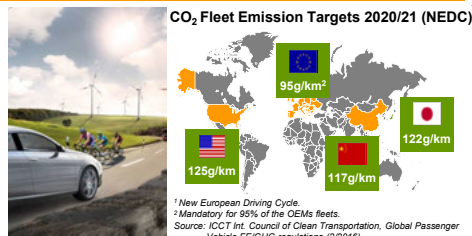
Executive Board

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

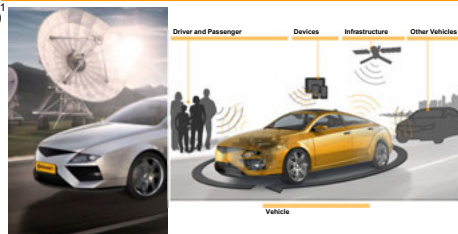
I. Continental at a Glance

Megatrends in the Automobile Industry

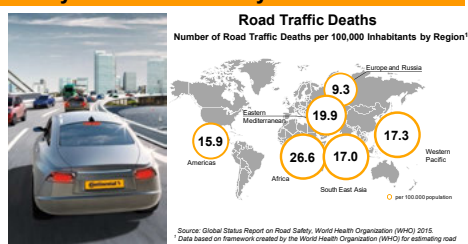
Environment – For Clean Power



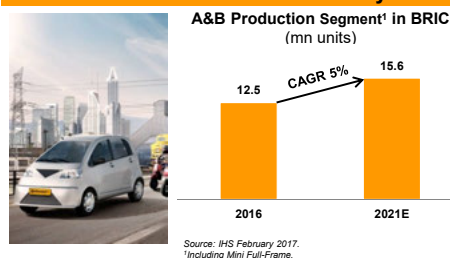
Information – For Intelligent Driving



Safety – For Safe Mobility



Affordable Cars – For Global Mobility



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I. Continental at a Glance

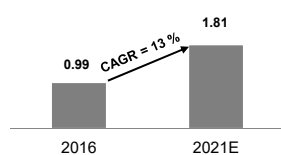
A Leading Global Supplier for Key Automotive Electronics Applications

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 ¹	€592 mn
Adj. EBIT margin	6.6%

ADAS² installation rate worldwide ²

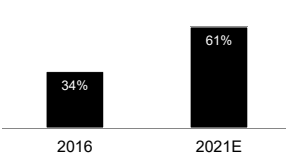


Powertrain

- › 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 ¹	€398 mn
Adj. EBIT margin	5.5%

Gasoline direct injection systems installation rate worldwide (%)

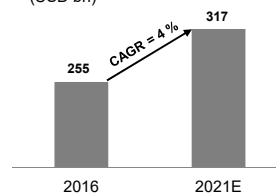


Interior

- › 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 ¹	€642 mn
Adj. EBIT margin	7.8%

Market for Automotive Electronics³ (USD bn)



¹ Before amortization of intangibles from PPA, consolidation and special effects.

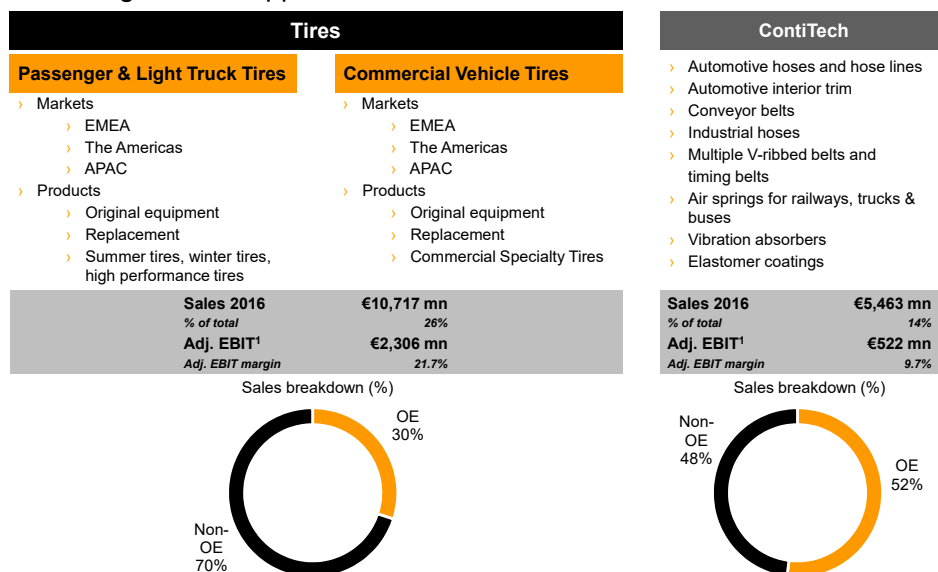
² ADAS: Advanced Driver Assistance System. Average amount of ADAS including sensing rear/surround view cameras but w/o parking assist functions based on ultrasonic.

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

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I. Continental at a Glance

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

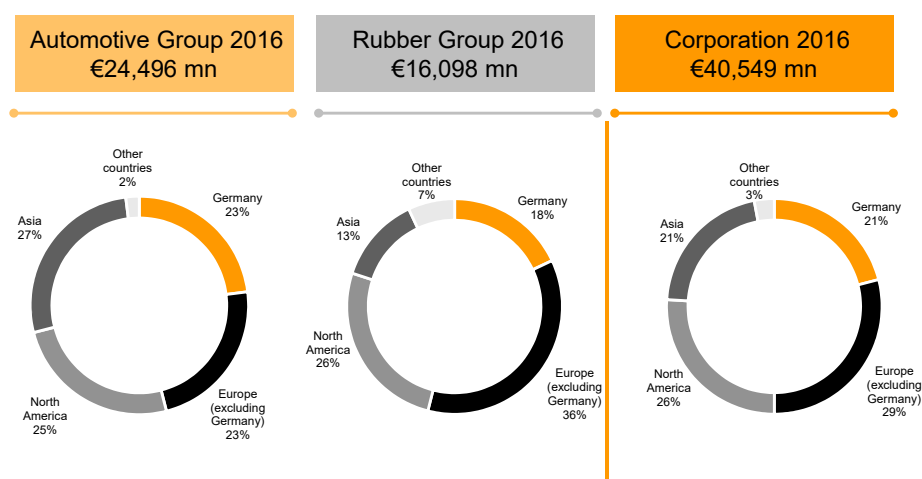


¹ Before amortization of intangibles from PPA, consolidation and special effects.

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I. Continental at a Glance

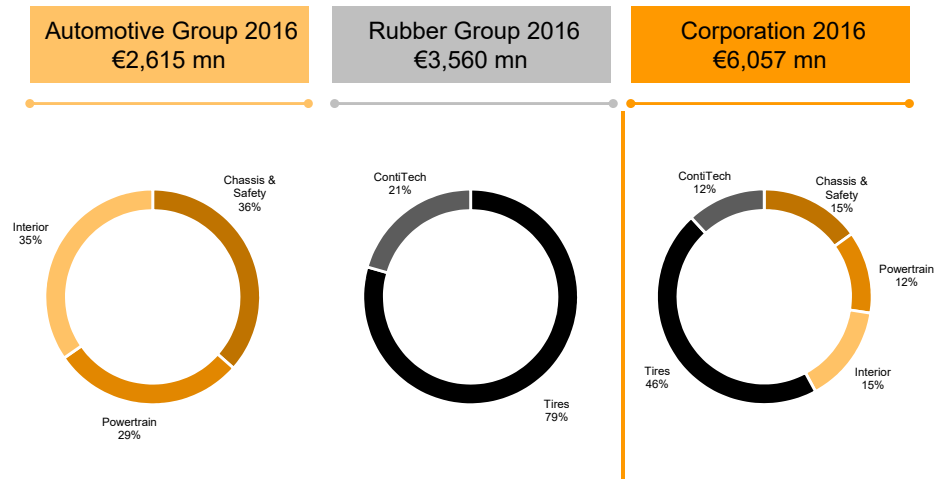
Sales by Market



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I. Continental at a Glance

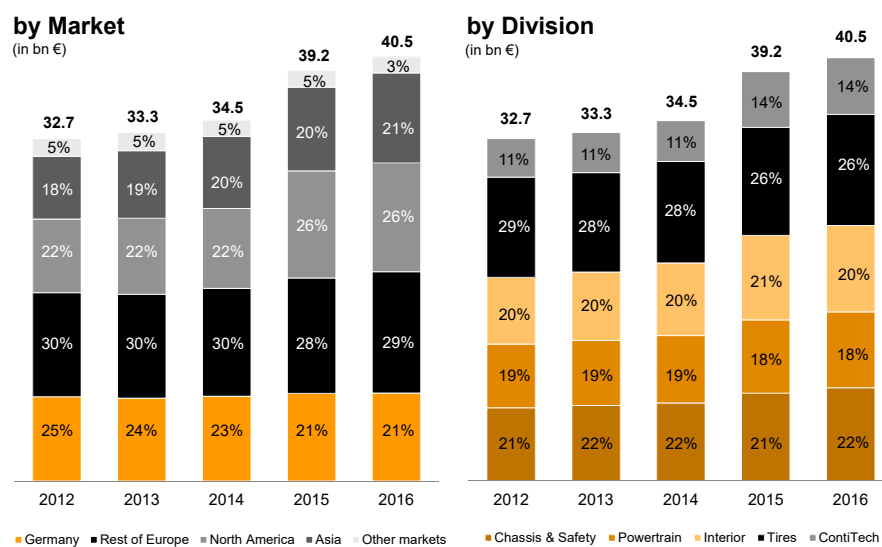
EBITDA by Group and Corporation



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I. Continental at a Glance

Consolidated Sales

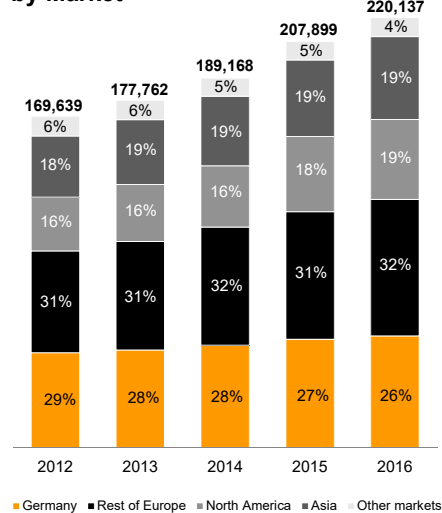


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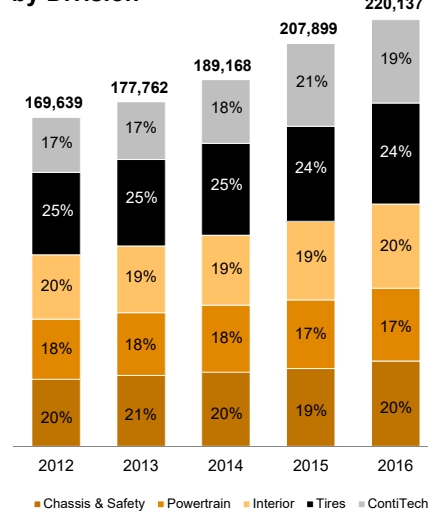
I. Continental at a Glance

Number of Employees

by Market



by Division



13

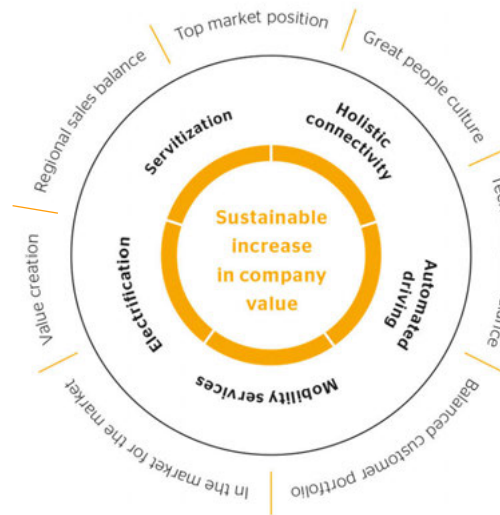
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II. Continental Strategy

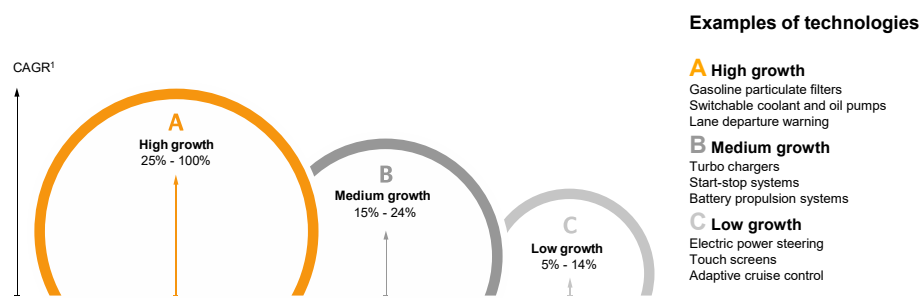
Corporate Strategy at a Glance



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II. Continental Strategy – Top Market Position

Top Position for the 20 Fastest Growing Automotive Technologies through 2020



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

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II. Continental Strategy – Great People Culture

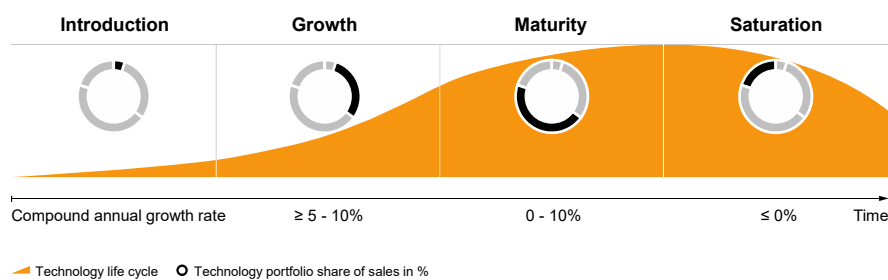
The Same Values Worldwide for a Shared Corporate Culture



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II. Continental Strategy – Technological Balance

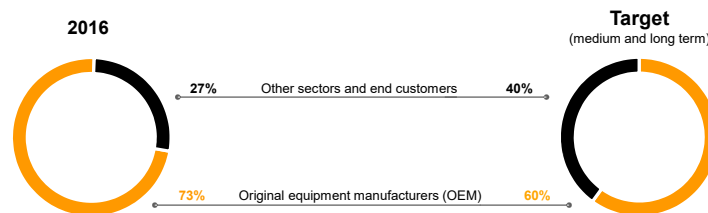
Technological Balance



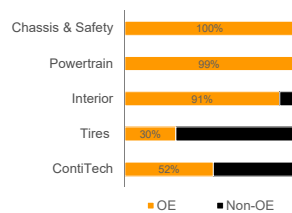
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II. Continental Strategy – Balanced Customer Portfolio

Sales OE Automotive/Non-OE Automotive



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

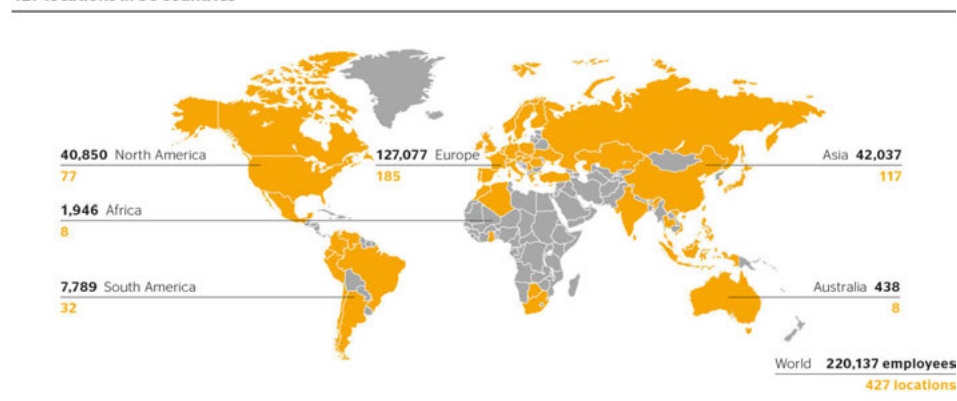


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II. Continental Strategy – In the Market for the Market

Continental Corporation Worldwide

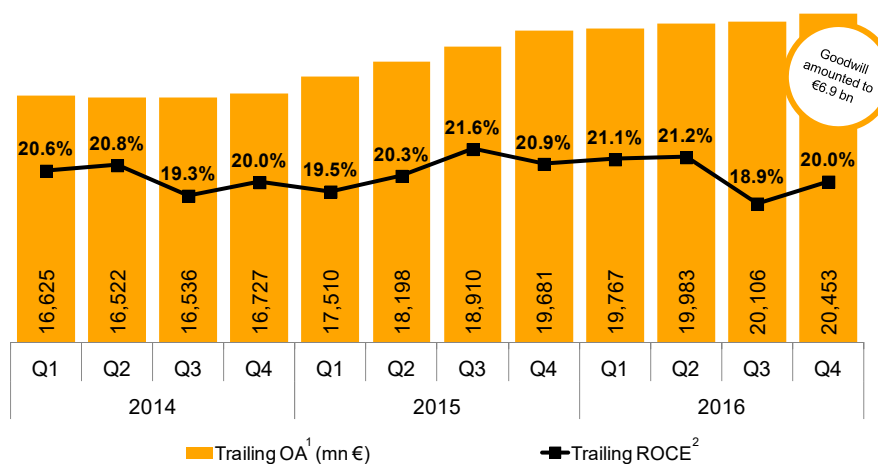
427 locations in 56 countries



20

II. Continental Strategy – Value Creation

Sustainable Value Creation



¹ Trailing operating assets are calculated as assets for the last twelve months (LTM)

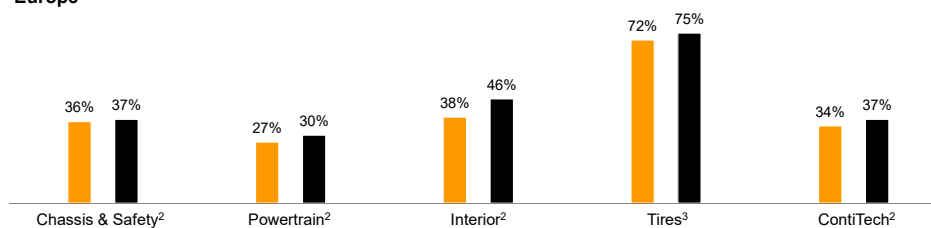
² Trailing ROCE is calculated as reported EBIT for the last twelve months (LTM) divided by trailing operating assets

21

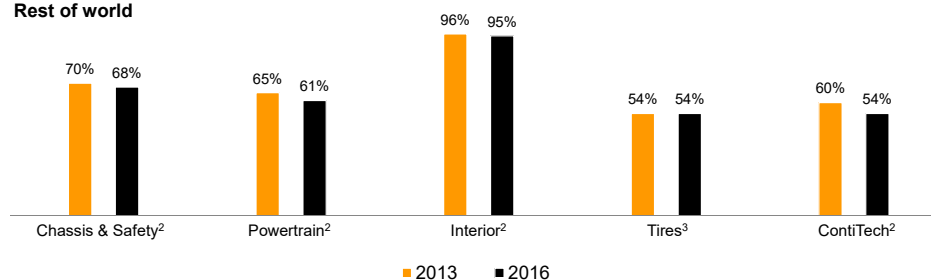
II. Continental Strategy – Value Creation

Cost Consciousness – Production in Best-Cost Countries¹

Europe



Rest of world



¹ All years restated based on new definition of best-cost countries.

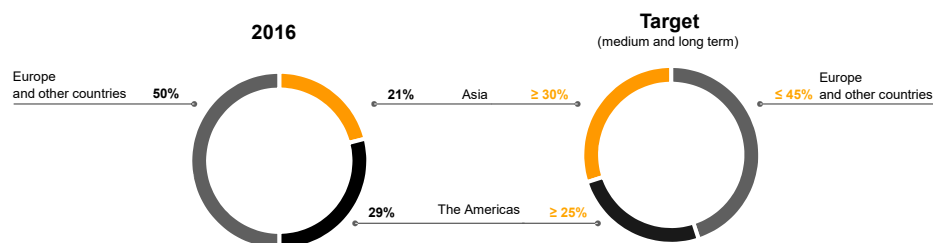
² Based on sales.

³ Based on units.

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II. Continental Strategy – Regional Sales Balance

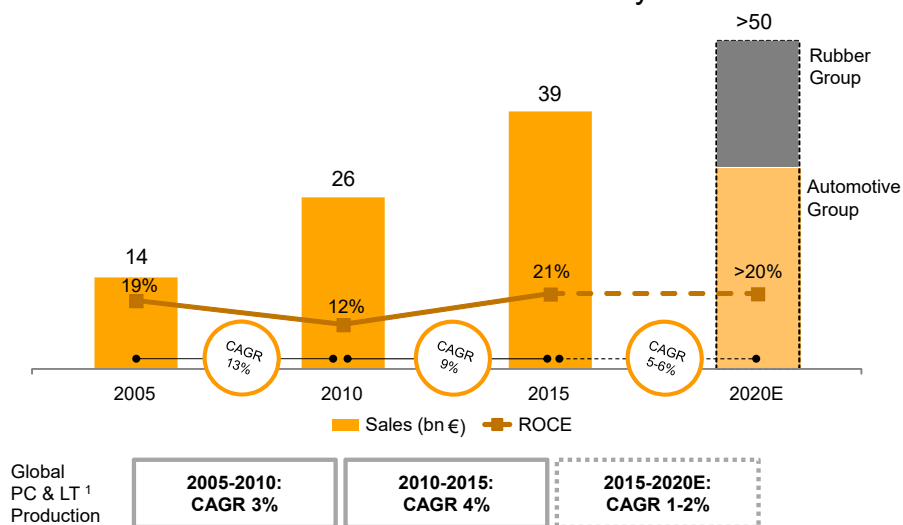
Balanced Distribution of Sales



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II. Continental Strategy – Outlook 2020

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

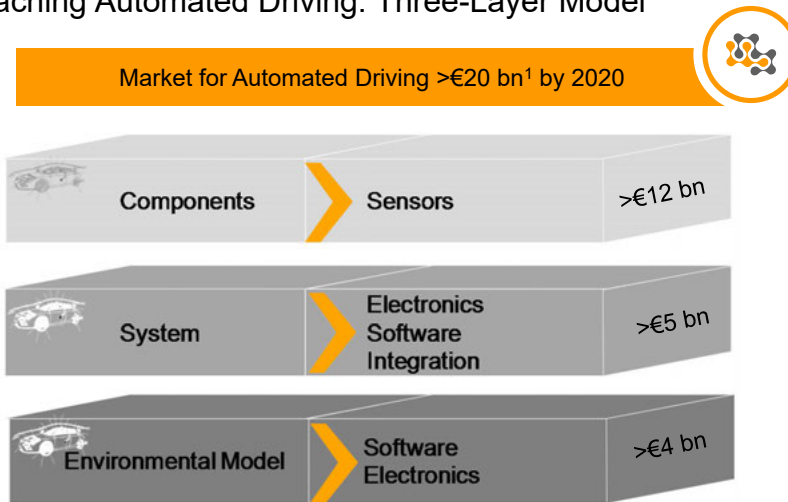


¹ Passenger car and light truck.

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II. Continental Strategy – Outlook 2020

Approaching Automated Driving: Three-Layer Model



¹ Source: Continental estimates.

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III. Automobile Megatrends

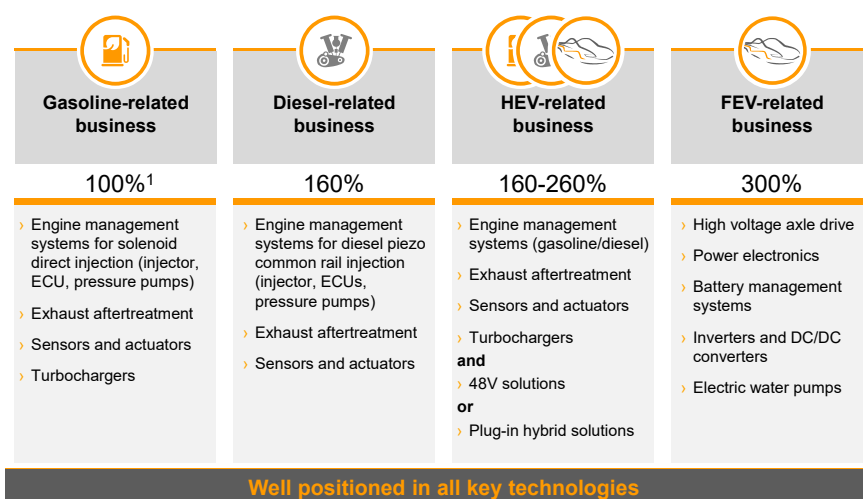
We Shape the Megatrends in the Automobile Industry



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III. Automobile Megatrend: Environment

Electrification – Relative Value of Continental's Content¹

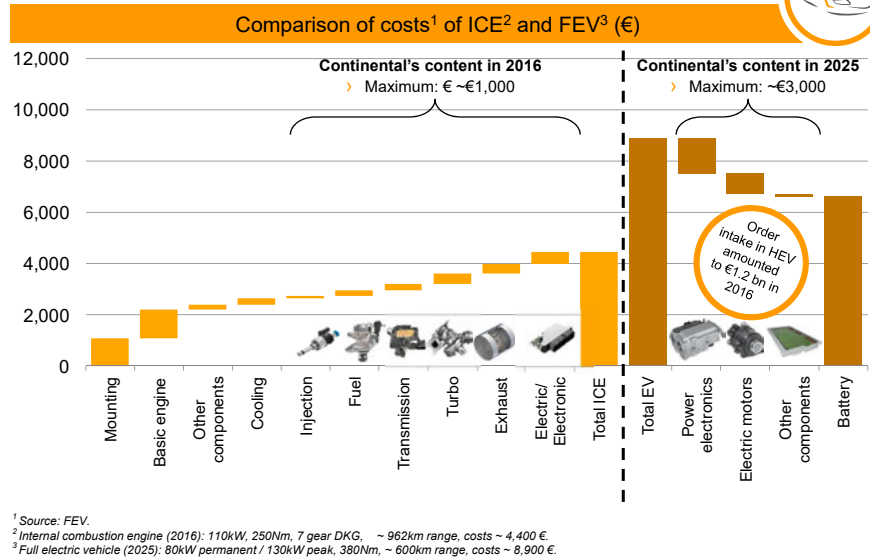


¹ Value of gasoline content per car is indexed at 100%; all other values are relative to the gasoline content.

28

III. Automobile Megatrend: Environment

Electrification Offers 3x More Content



29

III. Automobile Megatrend: Environment

Initiatives in EU, USA and Japan – Towards Lower CO₂ Emissions

EU ¹	USA ^{3,4}	Japan ⁸
EU vehicle CO ₂ emissions targets are enacted:	Enacted CAFE ⁷ regulation defines fuel economy standards for vehicles:	ECCJ ⁹ aims to improve fuel efficiency standards by 23.5% 2015 vs. 2004:
<ul style="list-style-type: none"> Average CO₂ emission target for new passenger car registrations: <ul style="list-style-type: none"> 130 g/km* (2015-2019) 95 g/km from 2020² onwards Average CO₂ emission target for new light commercial vehicle registrations: <ul style="list-style-type: none"> 175 g/km (2017-2019) 147 g/km from 2020 onwards Excess emissions premium for non compliance with fleet targets is defined 	<ul style="list-style-type: none"> For passenger cars and light trucks combined, CAFE⁷ targets to improve overall fleet average to: <ul style="list-style-type: none"> 35.5 mpg* by 2016 54.5 mpg by 2025 CAFE⁷ mandates annual fuel economy improvements For non compliance with CAFE⁷ targets penalties are defined 	<ul style="list-style-type: none"> For passenger cars, the aim is to increase average fuel efficiency to: <ul style="list-style-type: none"> 20.3 km/l by 2020 (JC08/WLTC) For light commercial vehicles (GVW <3.5t), the aim is to increase average fuel efficiency to: <ul style="list-style-type: none"> 17.9 km/l by 2020 (JC08/WLTC) For medium / heavy-duty vehicles (GVW>3.5t), the aim is to increase average fuel efficiency to (cycle: JE05): <ul style="list-style-type: none"> Trucks 7.09 km/l by 2015 Buses 6.30 km/l by 2015
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

¹ Regulations (EC) No. 443/2009 and (EU) No. 510/2011.

² 2020: 95% of fleet; 2021: 100% of fleet.

³ US Federal Register (May 7th, 2010): Light-Duty Vehicle Greenhouse "Gas Emission" Standards and Corporate Average Fuel Economy Standards; Final Rule.

⁴ 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.

⁵ NHTSA: National Highway Traffic Safety Administration.

⁶ EPA: Environmental Protection Agency.

⁷ CAFE: Corporate Average Fuel Economy.

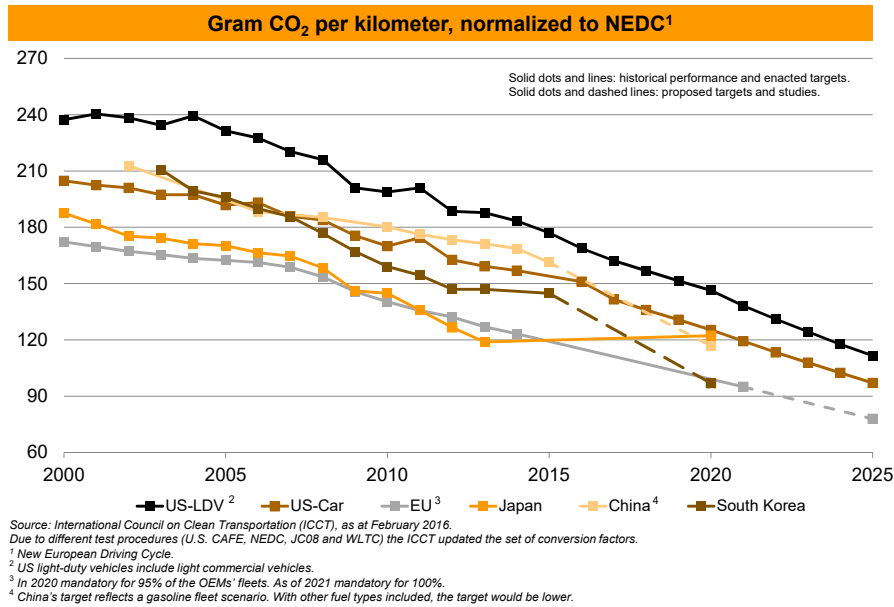
⁸ Refers to "Act on the Rational Use of Energy" of the Ministry of Economics, Trade and Industry (METI), Ministry of Land, Infrastructure, Transport and Tourism (MLIT).

⁹ ECCJ: Energy Conservation Center Japan.

30

III. Automobile Megatrend: Environment

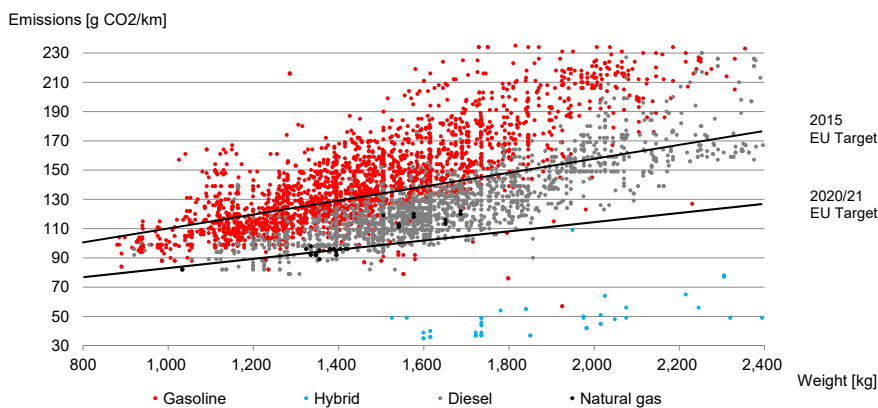
Initiatives for Cleaner Mobility in Various Markets



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.

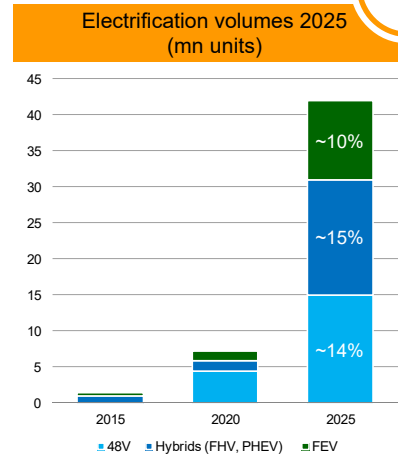
32

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

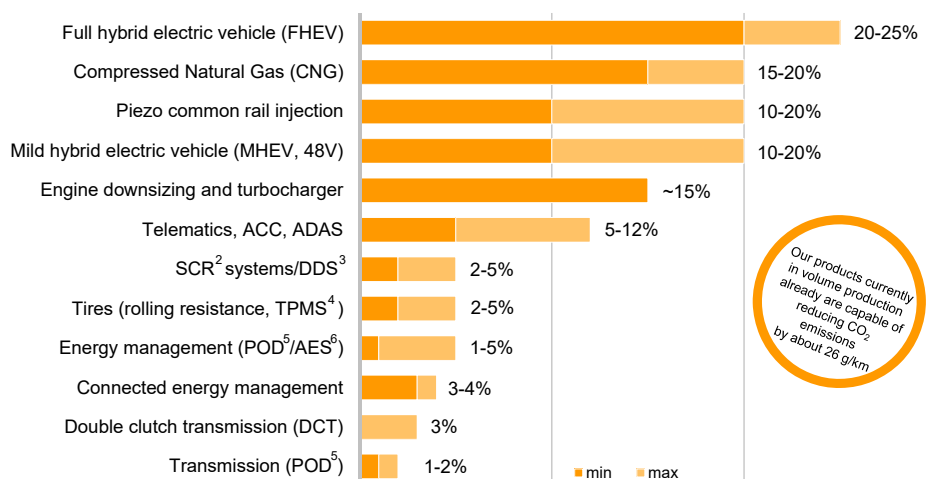


Continental estimates for 2025: 110 mn PC< build.

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III. Automobile Megatrend: Environment

Reduction of CO₂ Emissions¹: Solutions by Continental



¹ Saving potential compared with gasoline direct injection Euro 5 / NEDC.

² SCR = Selective Catalytic Reduction.

³ DDS = DEKA injector for diesel dosing into exhaust gas.

⁴ TPMS = Tire Pressure Monitoring System.

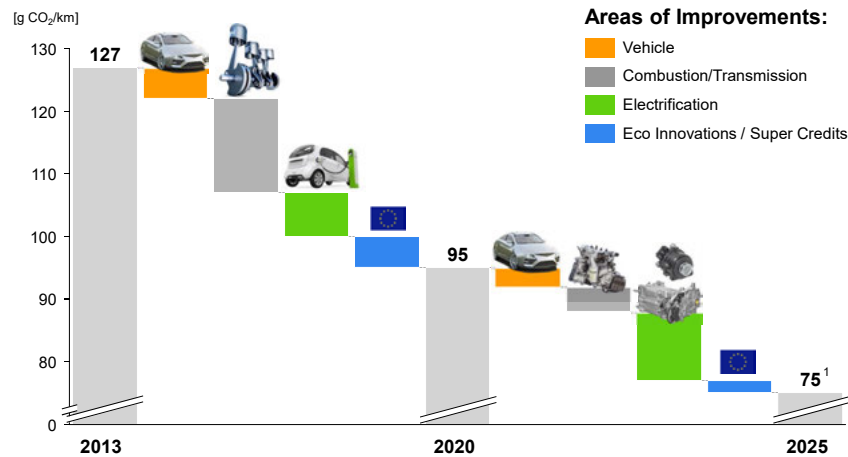
⁵ POD = Power-On-Demand.

⁶ AES = Advanced Energy Supply.

34

III. Automobile Megatrend: Environment

How to Reach the European CO₂ Target of 75g/km

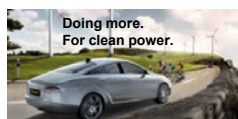


¹ Assumptions for CO₂ target in the EU by 2025.

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III. Automobile Megatrend: Information

Interior: Examples of Market-Specific Initiatives and Projects



Environment

- › Tire Pressure Monitoring System (TPMS)^{1,2,3,4,5,6}
- › Clean and efficient transport (eHorizon)⁷



Safety

- › Hands-free telephony⁸
- › Stolen vehicle tracking⁹
- › Rear detection system^{10,15}
- › Camera vision (ProViu)¹⁵



Information

- › Digital Tachograph (DTCO)¹¹
- › Electronic Logging Device (ELD)¹²
- › (Cooperate) Intelligent Transport Systems (C-ITS)^{7,13,14}

¹ Regulation (EC) No. 661/2009 for passenger vehicles.

² Federal Motor Vehicle Safety Standard No. 138 of NHTSA for passenger vehicles.

³ Source: Ministry of Land, Infrastructure, Transport and Tourism (MLIT) in Japan.

⁴ Korean Motor Vehicle Safety Standard (KMVSS) - MLTM Notification 2010-631.

⁵ House Bill for Commercial Vehicle Safety - H.R. 4348 29.06.2012 TPMS for motorcoaches.

⁶ DG CLIMA 2013 study on TPMS Cost / Benefit for commercial vehicles.

⁷ 2009/33/EC.

⁸ Several national laws and regulations in Asia/ Europe/ North America/ Africa.

⁹ CONTRAN 245/2007 - no final rule in place.

¹⁰ For single-unit trucks, FMVSS 111 - no final rule in place.

¹¹ EU Regulation 165 2014 / EU Regulation 799 2016.

¹² FMCSA 49 CFR Part 395, Subpart B December 2015.

¹³ Directive 2010/40/EU of the European Parliament and of the Council of July 2010.

¹⁴ C-ITS strategy COM(2016) 766.

¹⁵ 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.

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III. Automobile Megatrend: Information

Interior: Information Management – Inside the Vehicle and Beyond

With our holistic, intuitive and ergonomic human-machine interface, we capture commands and prioritize and present information.

Driver and Passengers

We add new features by providing a holistic connection to the outside world as well as value-added mobility services.

Devices

Infrastructure

Other Vehicles



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

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III. Automobile Megatrend: Information

Interior: Product Highlights for Intelligent Mobility

We inform you well



We connect



All at lower cost



Existing solutions:

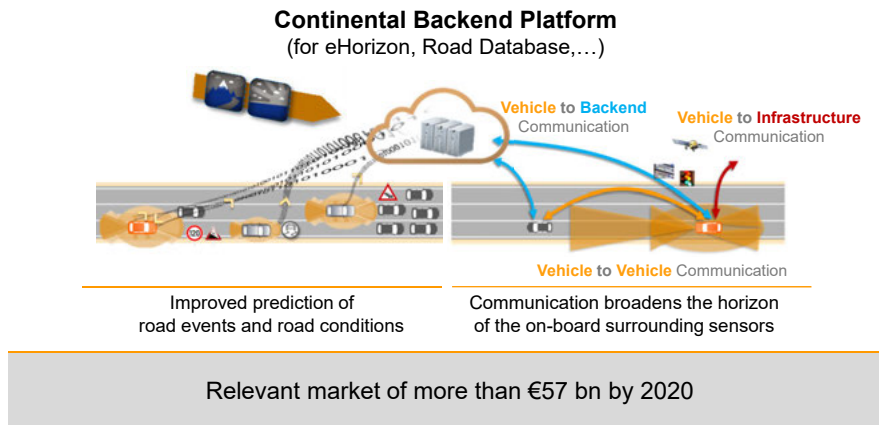
- › Full Digital Clusters
- › Head-up Displays
- › Multimedia and telematics platforms
- › Tachographs and fleet management systems
- › Tire Information System

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)

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III. Automobile Megatrend: Information Mobility Services



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

Category 1	Category 2	Category 3a	Category 3b	Category 4
Data for improved traffic safety	Data for cross brand service	Data for brand specific services	Data for component analysis and product improvement	Personal Data
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
Date for e.g. public traffic management institutions	Non-discriminatory data access to third parties ^{2,3}	OEM or Partner on OEMs behalf	OEM or Partner on OEMs behalf	Customer selected partner
Fire Department, Police, 911...	Product	Dealer, Subsidiary	Product	Customer
The customer ¹ 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.				

¹ The term customer is used uniformly and is to be interpreted broadly. Depending on the context, it comprises drivers, owners and users.

² Participation and technical adaption of the vehicle cannot be demanded of the OEM.

³ The guiding principles are to be observed when using the defined data interface Use of the interface incorporates rights and obligations.

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III. Automobile Megatrend: Safety

Market-Specific Initiatives – Towards Safer Mobility

EU	USA	Japan
<ul style="list-style-type: none"> Electronic stability control (ESC) <ul style="list-style-type: none"> mandatory as of Nov. 2011 for all new types of vehicles mandatory as of Nov. 2014 for all new vehicles¹ Tire pressure monitoring system (TPMS) <ul style="list-style-type: none"> mandatory as of Nov. 2012 for all new types of passenger cars mandatory as of Nov. 2015 for all new passenger cars² Advanced emergency braking system and lane departure warning <ul style="list-style-type: none"> mandatory as of Nov. 2013 for all new types of heavy commercial vehicles and buses mandatory as of Nov. 2015 for all new heavy commercial vehicles and buses³ Brake assist system <ul style="list-style-type: none"> mandatory as of Nov. 2009 for all new types of passenger cars mandatory as of Nov. 2011 for all new passenger cars³ Motorcycle anti-lock brake system (ABS) <ul style="list-style-type: none"> mandatory as of Jan. 2016 for all new types of vehicles mandatory as of Jan. 2017 for all new vehicles⁴ 	<ul style="list-style-type: none"> Electronic stability control (ESC) <ul style="list-style-type: none"> mandatory since 2011 for all new light vehicles⁵ Tire pressure monitoring system (TPMS) <ul style="list-style-type: none"> mandatory as of Sept. 2007 for all new light vehicles⁶ Rear Visibility <ul style="list-style-type: none"> 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 less¹² Electronic stability control (ESC) <ul style="list-style-type: none"> mandatory as of Jan. 2014 for all new types of light vehicles mandatory as of Jan. 2016 for all new light vehicles⁸ Tire pressure monitoring system (TPMS) <ul style="list-style-type: none"> mandatory as of Jan. 2016 for all new types of light vehicles⁹ 	<ul style="list-style-type: none"> Electronic stability control (ESC) <ul style="list-style-type: none"> mandatory as of Oct. 2012 for all new types of passenger cars mandatory as of Oct. 2014 for all new passenger cars⁹ Advanced emergency braking system and lane departure warning <ul style="list-style-type: none"> expected to be mandatory for all new heavy commercial vehicles and buses following the EU decision¹⁰
Other markets are following EU/USA on ESC and Motorcycle ABS regulation		
<ul style="list-style-type: none"> 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) Motorcycle anti-lock brake system (ABS): Brazil (01/2016: 10% of new motorcycles > 300ccm, ramping up until 01/2019: 100% of new motorcycles > 300ccm), India (04/2018 for new motorcycle types > 125ccm, 04/2019 for all new motorcycles > 125ccm, for motorcycles ≤ 125ccm same dates apply with requirement to have either ABS or a Combined Brake System) 		

¹ Regulation (EC) No. 661/2009: refers to all vehicles of category M and N.

² Commission Implementing Regulation for (EC) No. 661/2009: 347/2012 (Advanced Emergency Braking Systems); 351/2012 (Lane Departure Warning).

³ Regulation (EC) No. 78/2009: refers to passenger cars for maximum 6 passengers plus driver.

⁴ COM(2010) 542 from Oct. 2010: ABS mandatory for motorcycles with engine capacity of > 125 ccm. ABS & combined brake system (CBS) mandatory for engine capacity of > 125 ccm.

⁵ 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.

⁶ 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.

⁷ CONTRAN 312/2009.

⁸ 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.

⁹ Source: Ministry of Land, Infrastructure, Transport and Tourism (MLIT) in Japan.

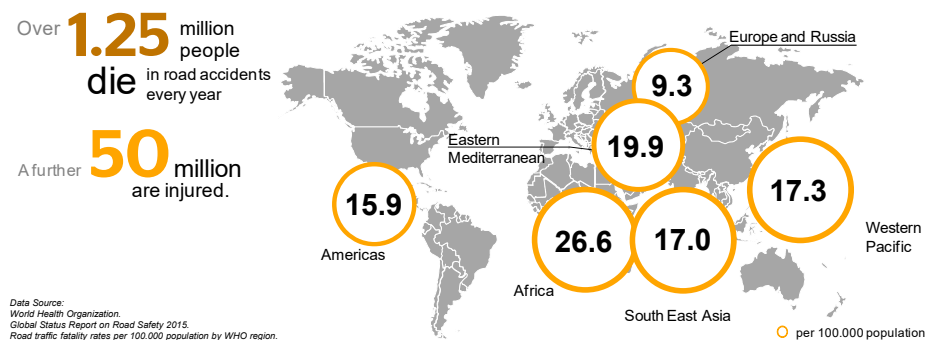
¹⁰ Japan expected to adopt EU regulation. Final decision on timing pending.

¹¹ G/TBT/N/KOR/286 and MLT/M Notification 2010-431 (Ministry of Land, Transport and Maritime Affairs).

¹² Federal Motor Vehicle Safety Standards; Rear Visibility; Final Rule, 49 CFR Part 571.

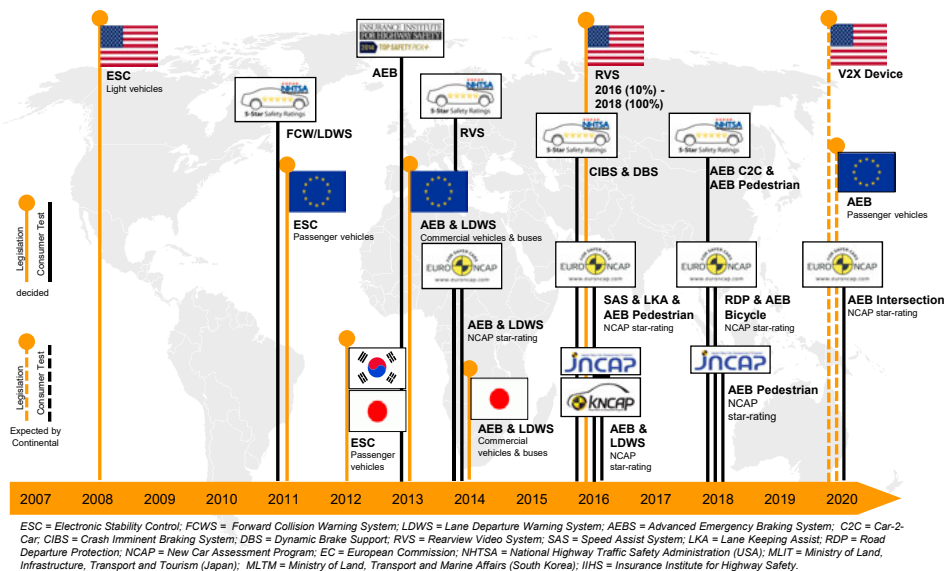
III. Automobile Megatrend: Safety

Road Traffic Deaths per 100,000 Inhabitants by Region¹



III. Automobile Megatrend: Safety

Global Development of Active Safety Regulations & Ratings



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III. Automobile Megatrend: Safety

Euro NCAP 5-Star Rating Requirements

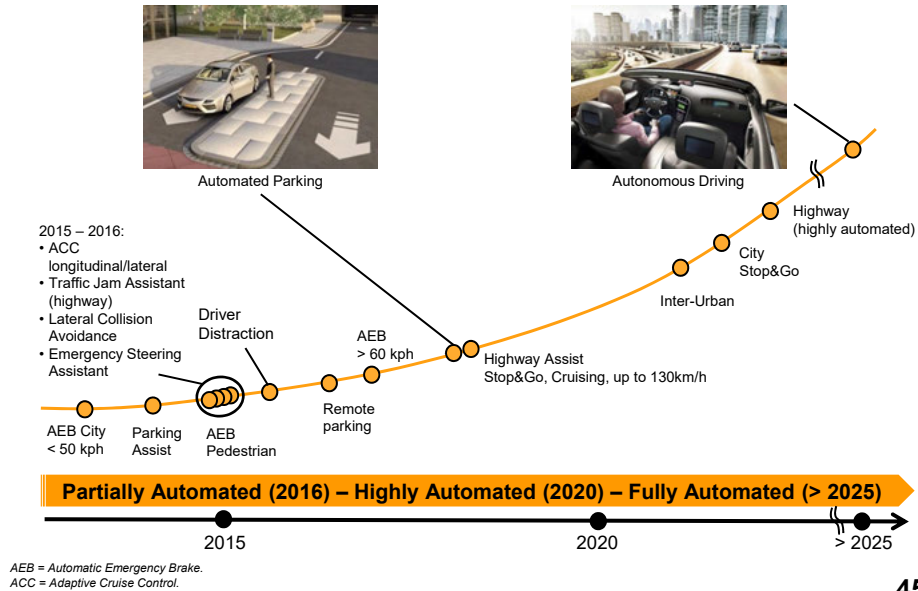


AEB: Autonomous Emergency Braking; NCAP: New Car Assessment Program; VRU: Vulnerable Road Users.
Source: NCAP, <http://www.euroncap.com>, as of January 26, 2016.

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III. Automobile Megatrend: Safety

History and Roadmap for Accident-Free Driving



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III. Automobile Megatrend: Safety

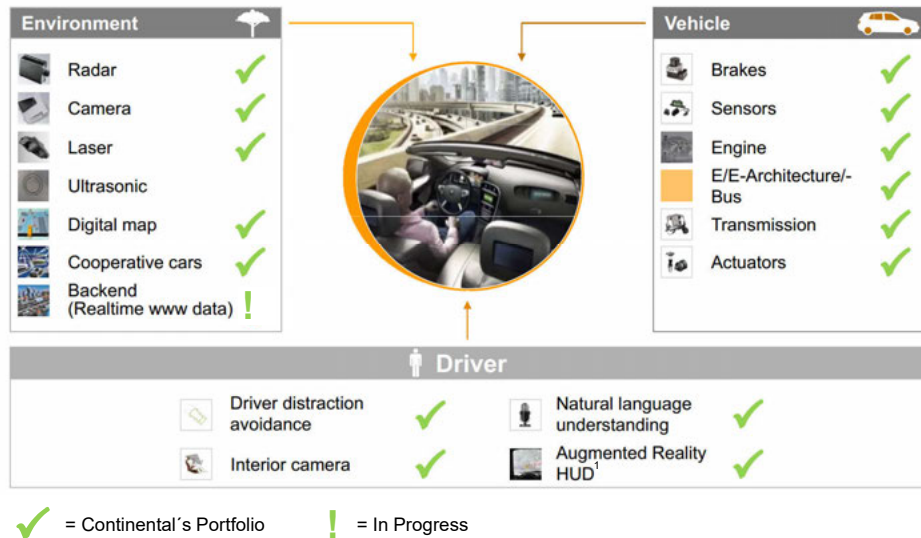
Future Automotive Trends



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III. Automobile Megatrend: Safety

From Basic to Complex Scenarios; from Single to Networked Systems



¹ Head-Up Display.

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III. Automobile Megatrend: Safety

Automated Driving: Function and Sensor Scenarios¹

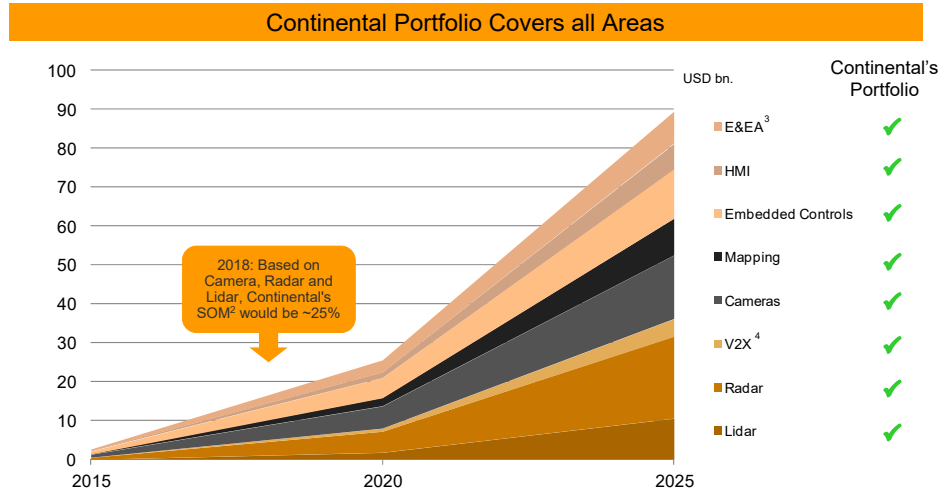
Partially automated L2	Conditional automated L3	Highly / Fully automated L4/5
<ul style="list-style-type: none"> › Autonomous Emergency Braking (incl. Intersections) › Lane Keeping Assist › Lane Change Assist › Adaptive Cruise Control (Anticipatory and Cooperative ACC) › Traffic Jam Assist › Back-up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

¹ Depending on customers and future regulatory requirements.

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III. Automobile Megatrend: Safety

World Market Forecast¹ for Driver Assistance Systems



¹ Goldman Sachs Report, Cars 2025: Vol. 3; Monetizing the rise of Autonomous Vehicles; September 17, 2015.

² Share Of Market.

³ Electrical & Electronic Architecture.

⁴ Vehicle to everything communication.

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III. Automobile Megatrend: Safety

Winter Tire Regulations¹



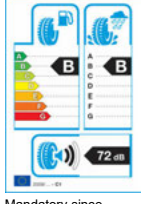
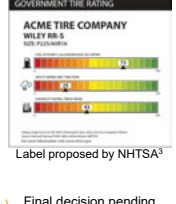


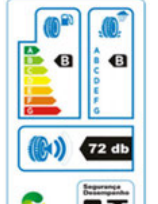
¹ Source: Continental AG and websites of country ministries, automobile associations and ETRMA (European Tyre and Rubber Manufacturers' Association).

² Mud + snow. The M+S marking is given by the manufacturer and is not linked to a performance definition.

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III. Automobile Megatrend: Safety and Environment

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

EU ¹	USA ²	Japan ³	South Korea ⁴	Brazil ⁵
 <ul style="list-style-type: none"> Mandatory since November 2012 Applies to all tires sold. Information to be shown: rolling resistance (fuel efficiency), wet grip (braking performance on wet roads) and noise performance (external rolling noise). Either directly on the tire by means of a label or in some other way Self-certification policy EU member states are responsible for market surveillance 	 <p>Label proposed by NHTSA³</p> <ul style="list-style-type: none"> Final decision pending The NHTSA Tire Fuel Efficiency Consumer Information Program proposes to inform consumers about the effect of tires on fuel efficiency, safety, and durability 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 	 <ul style="list-style-type: none"> Voluntary since 2010 Introduced by JATMA⁴ Applies to replacement summer tires for passenger cars; includes information on rolling resistance and wet grip performance 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) 	 <ul style="list-style-type: none"> Mandatory since November 2012 Introduced by MKE⁵ Applies to all tires sold in South Korea (OE and replacement) for passenger cars and light trucks; includes information on rolling resistance and wet grip performance 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 Registration of all products required 	 <ul style="list-style-type: none"> Available as of April 2015 Mandatory as of October 2016 Introduced by INMETRO⁶ (with certain exceptions). Includes information on rolling resistance, wet grip and noise performance Certification to be carried out by a product certification body accredited by INMETRO

¹ 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.

² Source: National Highway Traffic Safety Administration (NHTSA).

³ Source: Japan Automobile Tyre Manufacturers Association (JATMA).

⁴ Source: South Korean Ministry of Knowledge Economy (MKE).

⁵ Source: National Institute of Metrology, Quality and Technology (INMETRO).

III. Automobile Megatrend: Safety and Environment

Tire Labeling Initiatives in Gulf Countries and China

SASO ¹	GSO ²	China
 <ul style="list-style-type: none"> Mandatory since November 2015 (truck tires as of Nov 2016). Applies to all replacement tires. Information to be shown: rolling resistance (fuel efficiency) and wet grip (braking performance on wet roads). Directly on the tire by means of a label. Registration of all products required 	 <ul style="list-style-type: none"> Mandatory since January 2016 (light truck and truck tires as of Jan 2017). Applies to all replacement tires Information to be shown: rolling resistance (fuel efficiency) and wet grip (braking performance on wet roads). Directly on the tire by means of a label. Registration of all products required 	 <ul style="list-style-type: none"> Voluntary as of 2017 Introduced by CRIA³ Applies to all replacement tires for passenger cars Information to be shown: rolling resistance (fuel efficiency), wet grip (braking performance on wet roads) and noise performance (external rolling noise).

Source:

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

² Standardization Organization of the Gulf Cooperation Council Countries.

³ Chinese Rubber Industry Association (CRIA).

Topics

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IV. Sustainability at Continental

Our Policies and Guidelines



¹ "Environment", "Security, Safety" and "Health".

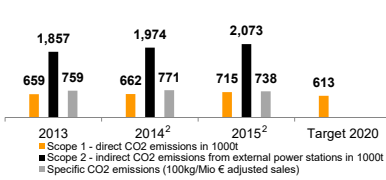
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IV. Environmental Responsibility

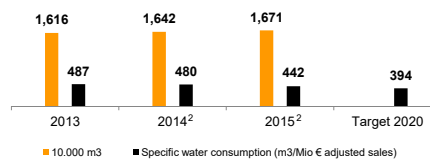
Corporate Environmental Key Performance Indicators



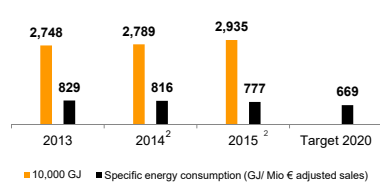
CO₂ Emissions¹



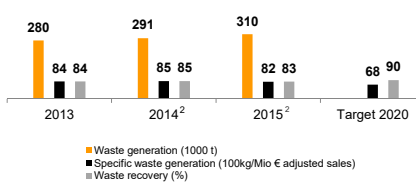
Water consumption¹



Energy consumption¹



Waste production¹



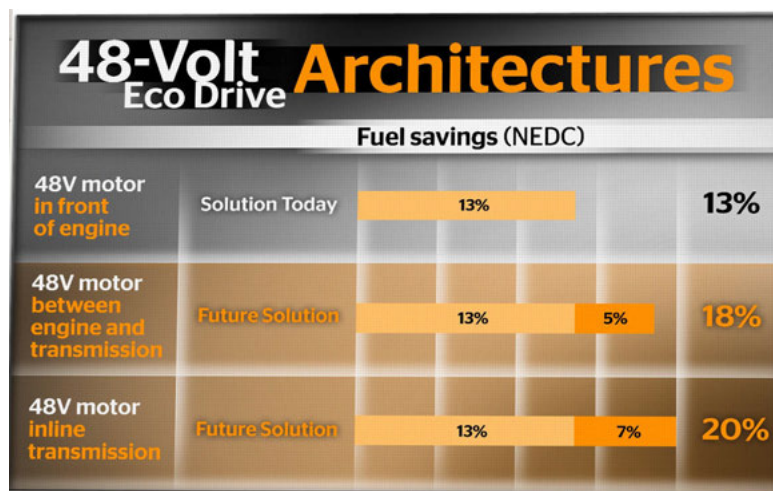
¹ Changes to previous figures are due to changes in the data collection.

² Reviewed by KPMG and verified with an ISAE 3000 certificate.

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IV. Environmental Responsibility

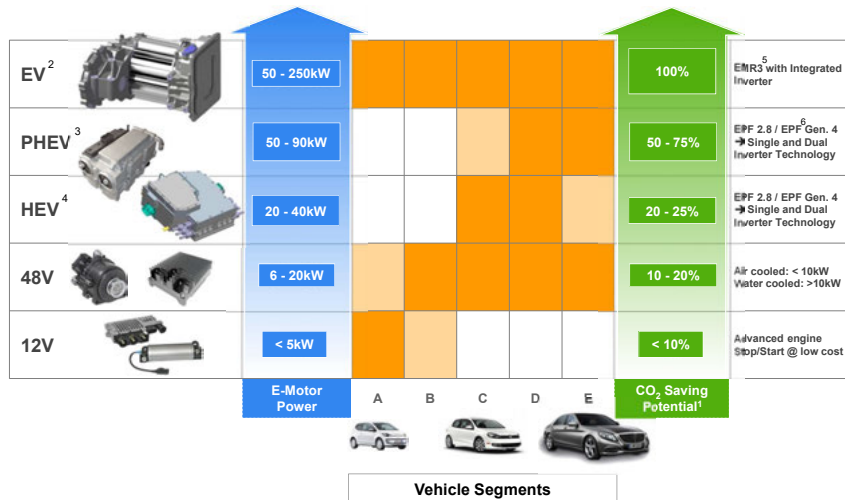
Emission Reduction – Electrification Tailored to Fit (48-Volt Eco Drive)



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IV. Environmental Responsibility

Emission Reduction – Electrification Tailored to Fit



¹ Saving Potential Tank-to-Wheel in New European Driving Cycle.

² Electric Vehicle.

³ Plug-in-Hybrid Electric Vehicle.

⁴ Hybrid Electric Vehicle.

⁵ Electric Machine Reducer.

⁶ Electronics Platform Fluid.

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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.

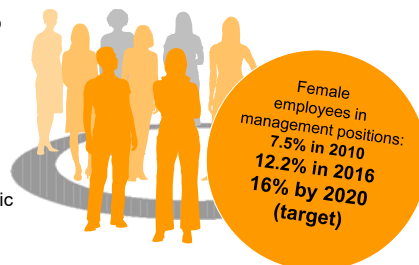
To promote diversity within the company, we focus on two key areas:

- › 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



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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 Baixada 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.



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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.



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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 (German Federal Government Commissioner for Migration, Refugees and Integration); www.luxemburger-deklaration.de; www.globalcompact.de; <http://www.wbcsd.org>; <http://www.erscharter.eu>; <http://www.wepinciples.org>.

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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

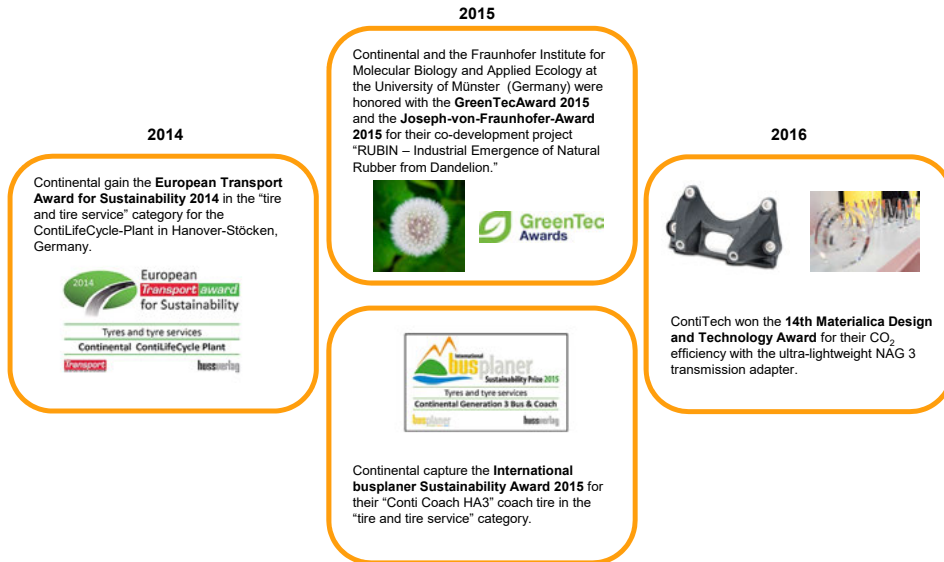
- › CDP rated Continental in the **climate** category with 'Score B', in the **water** category with 'Score D' and in the **supply chain** category with 'Score C'.
- › Oekom research rated Continental with 'Prime (C+)'.
www.oekom-research.com
- › Sustainalytics rated Continental with 76 points in the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



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IV. Social Responsibility

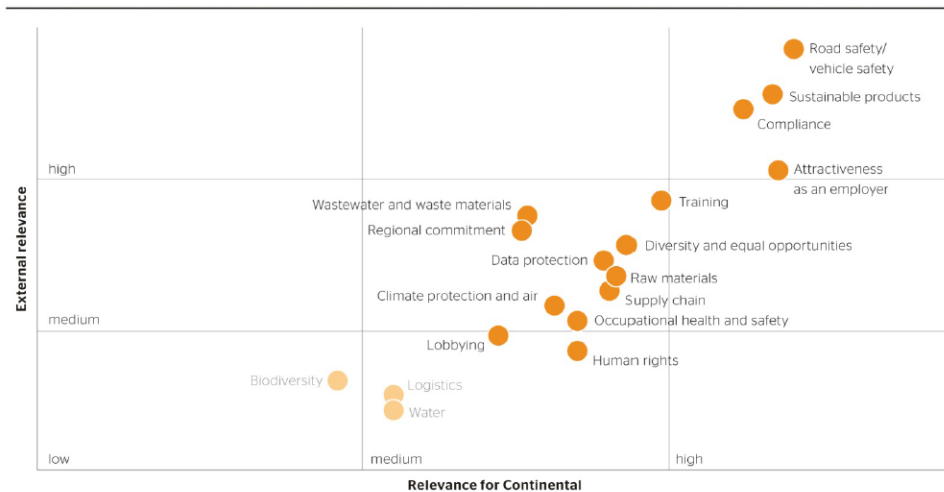
Special Awards in the Sustainability Category



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IV. Social Responsibility

Materiality Matrix



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IV. Social Responsibility

Tires – ContiLifeCycle for Commercial Vehicle Tires (1)



› Acknowledgements



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IV. Social Responsibility

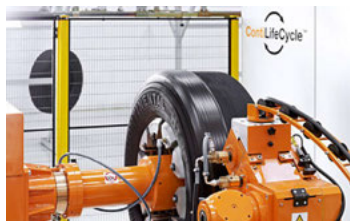
Tires – ContiLifeCycle for Commercial Vehicle Tires (2)



› 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

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IV. Social Responsibility

Tires – ContiLifeCycle for Commercial Vehicle Tires (3)

PLT⁴ CVT⁴

End-of-life tires in the European Union¹

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 material²

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.

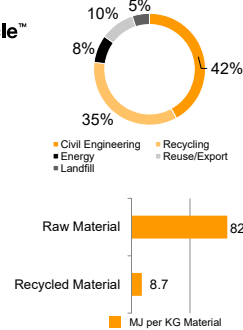
Rubber saving²

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.

CO₂ emissions³

By recycling 4,000 tons of used rubber in the recycling plant, an annual 8,000 tons of CO₂ emissions are saved. In order to achieve this CO₂ reduction by natural means, 625 hectares of pine forest (the size of 877 soccer fields) are needed.

ContiLifeCycle™



¹ Source: ETRMA, 2011.

² Source: Continental Reifen Deutschland.

³ Source: United States Environmental Protection Agency (EPA), September 2012.

⁴ PLT = Passenger and Light Truck Tires; CVT = Commercial Vehicle Tires.

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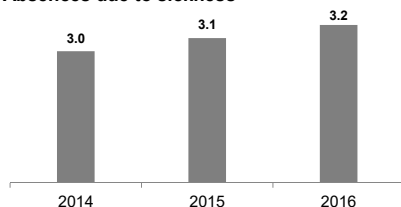
IV. Social Responsibility

Health and Occupational Safety

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

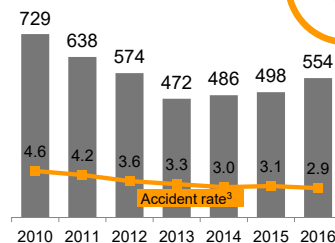
Standards are the foundation for safety at work, secure production plants and processes, and reflect our responsibility to our employees and to the environment.

Absences due to sickness¹



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

Hours lost due to accidents²



² Number of accident-related hours lost worldwide per million hours worked.

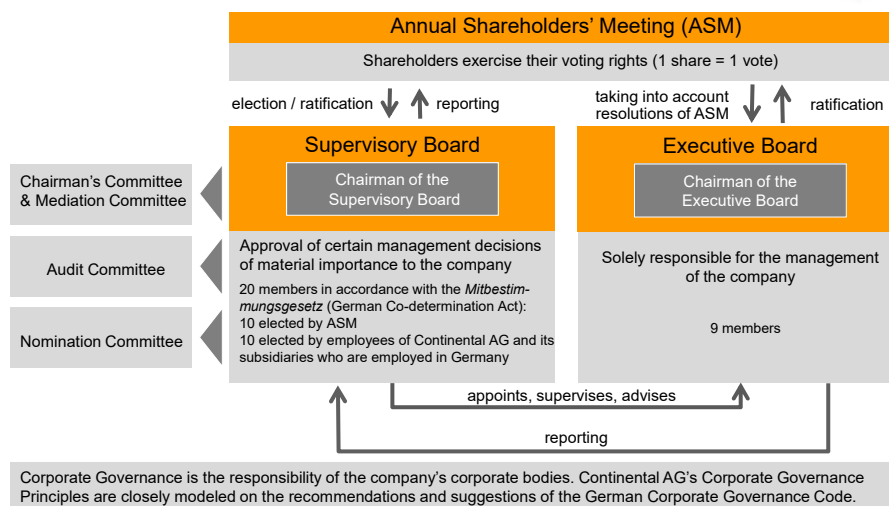
³ Number of work-related accidents worldwide with one or more days lost per million hours worked.

Accidents: - 24% since 2010

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IV. Corporate Governance

Two-Tier Board System – Corporate Bodies



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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 ¹		4,369.0	4,341.2
in % of sales ¹		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 ²	2,045.4	2,178.8	2,593.0
in % of sales	5.9	5.6	6.4
Depreciation & amortization ³	1,789.0	1,885.8	1,961.6
in % of sales	5.2	4.8	4.8
thereof impairment ⁴	178.9	93.6	58.6

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

² Capital expenditure on property, plant and equipment, and software.

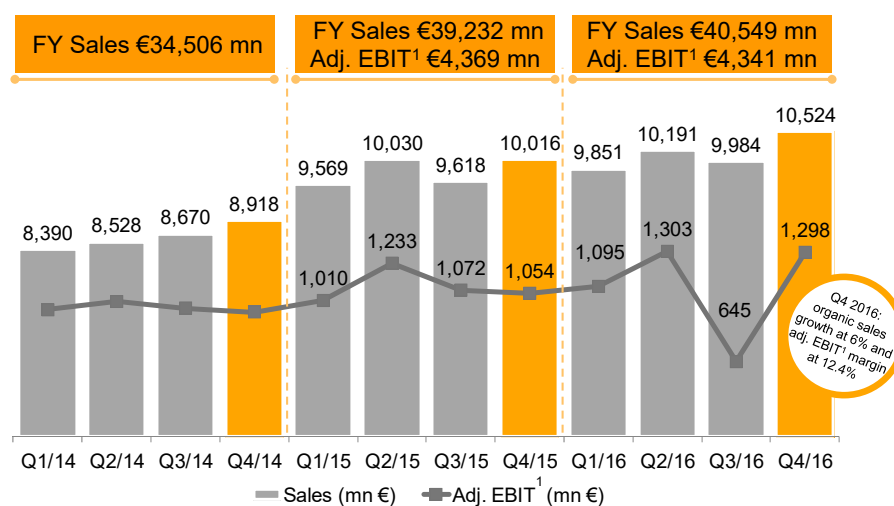
³ Excluding impairment on financial investments.

⁴ Impairment also includes necessary reversals of impairment losses.

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V. Continental Corporation

Sales and Adjusted EBIT¹ by Quarter



¹ Before amortization of intangibles from PPA, consolidation and special effects

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V. Continental Corporation

Key Historical Credit Metrics – IAS 19 (rev. 2011) applied⁶

(mn €) ¹	2011	2012	2013	2014	2015	2016
Statement of Cash Flows						
Adjusted EBITDA ²	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 ³	-556	564	-4	-207	-107	-210
Other ⁴	-256	-488	-30	175	210	250
Cash flow arising from operating activities	2,289	3,785	3,722	4,168	4,916	4,938
Cash flow arising from investing activities	-1,798	-2,132	-1,904	-2,153	-3,472	-3,167
- thereof capex in PPE and intangibles	-1,813	-2,081	-2,024	-2,110	-2,265	-2,708
Cash flow before financing activities	491	1,653	1,818	2,015	1,444	1,771
Statement of Financial Position						
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
Net indebtedness	6,772	5,320	4,289	2,824	3,542	2,798
Credit Ratios						
Net indebtedness / adjusted EBITDA ²	1.6x	1.1x	0.8x	0.5x	0.6x	0.5x
Net cash interest paid coverage (Ratio) ⁵	6.4x	8.4x	9.5x	33.7x	35.1x	54.8x

¹ Amounts shown may contain rounding differences

² Adjusted EBITDA starting 2011 as defined in syndicated loan but IAS 19 (rev. 2011) not applied in 2012

³ Includes changes in inventories, trade accounts receivable, trade accounts payable and discounted notes

⁴ 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

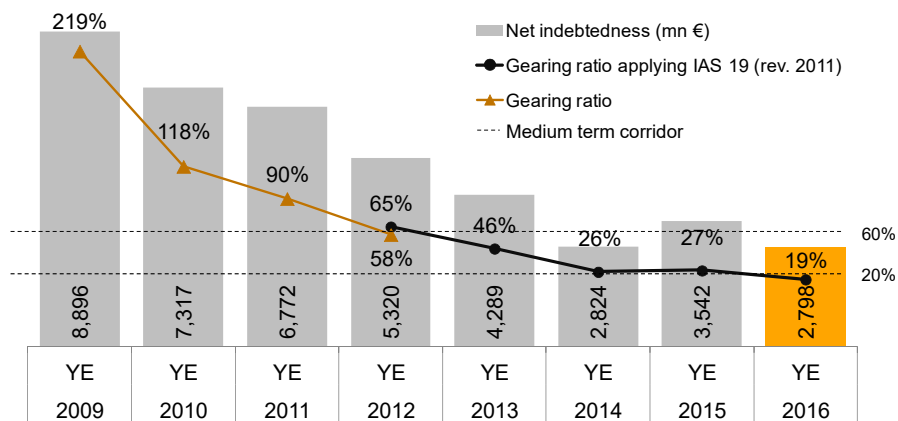
⁵ Adj. EBITDA to net cash interest paid

⁶ Since 2012

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V. Continental Corporation

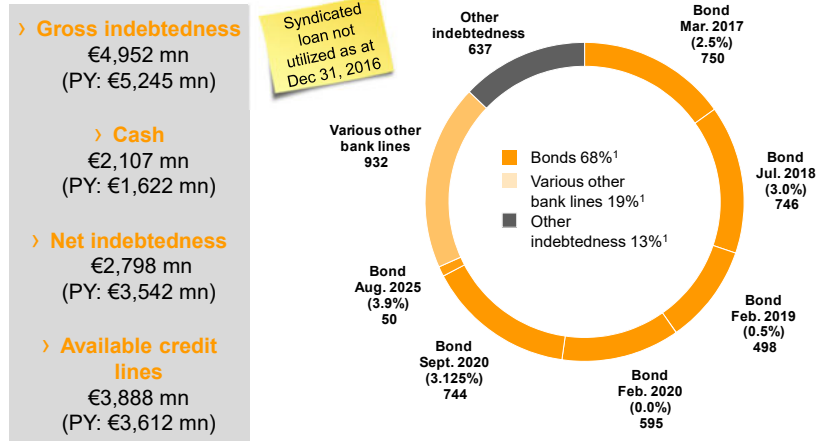
Net Indebtedness and Gearing Ratio



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V. Continental Corporation

Gross Indebtedness by Source at YE 2016 (mn €)



¹ Percentages are calculated as share of gross indebtedness

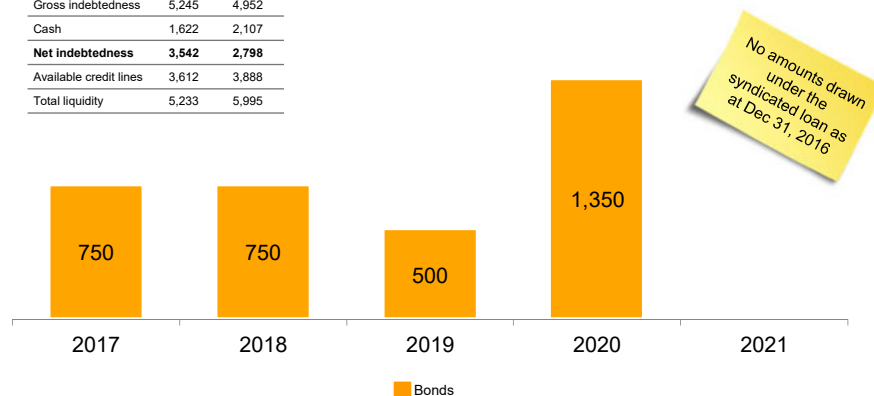
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V. Continental Corporation

Maturities for Bonds¹ (mn €)

As at December 31, 2016

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



¹ All amounts shown are nominal values

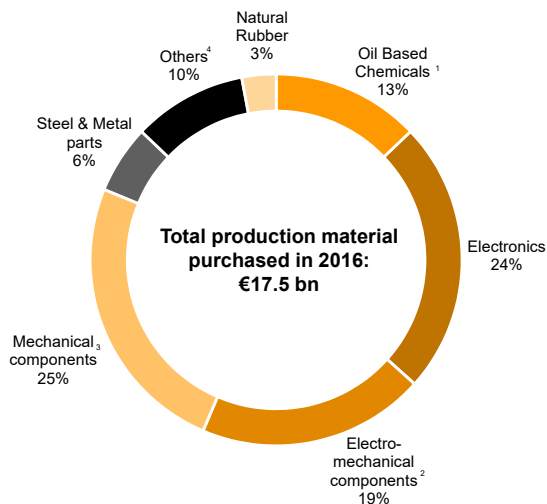
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V. Continental Corporation

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.



¹ E.g. synthetic rubber, carbon black.

² E.g. printed circuit boards, connectors, motors.

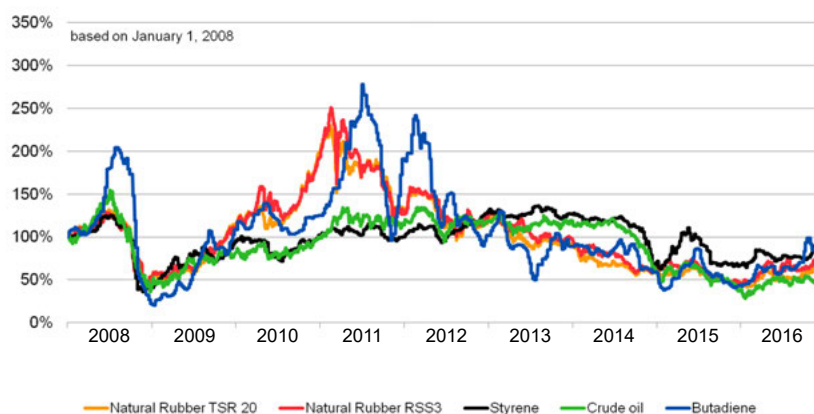
³ E.g. stamped parts, turn parts, castings.

⁴ E.g. textiles, plastics.

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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).

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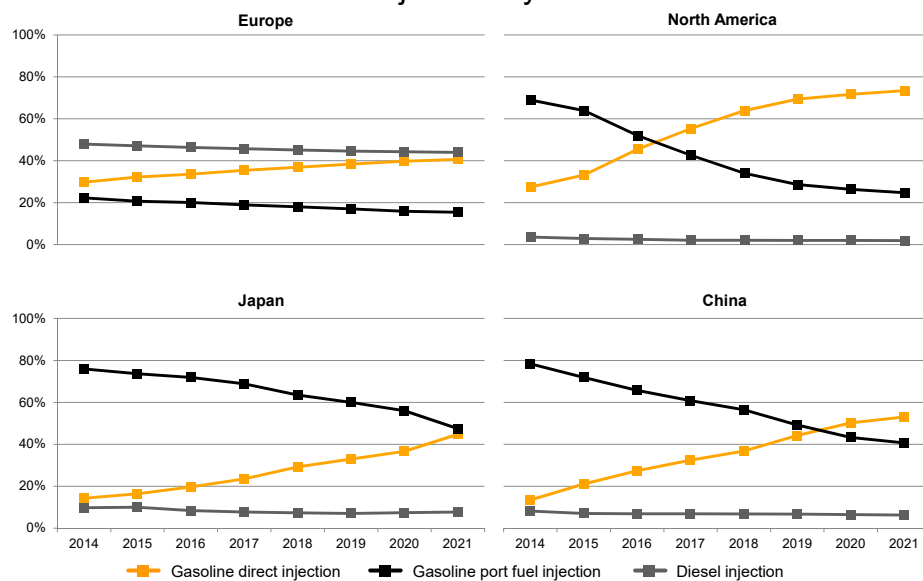
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VI. Market Data

Installation Rates of Fuel Injection Systems¹



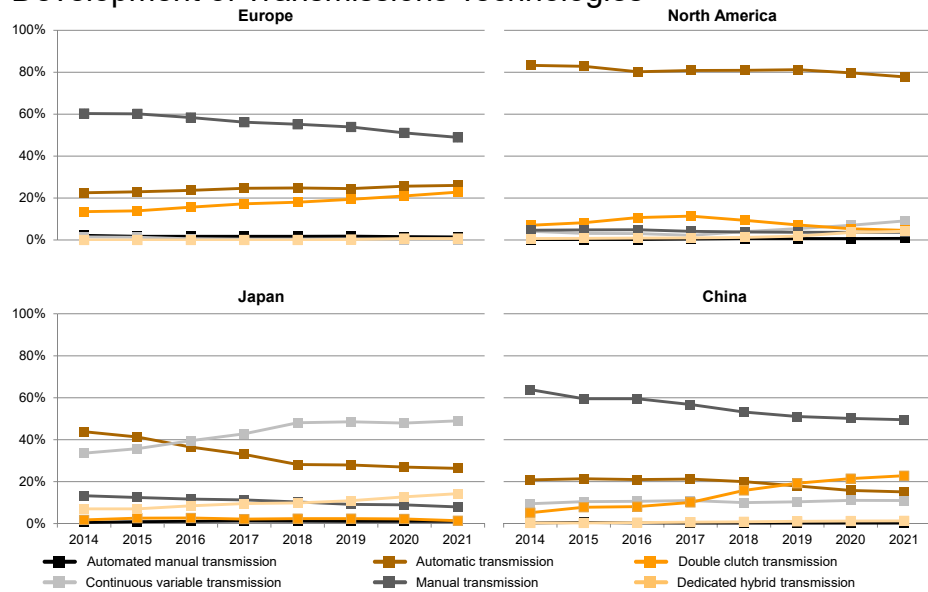
Source: Market Data and Continental estimates.

¹ Based on production of diesel and gasoline engines for passenger cars & light vehicles.

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VI. Market Data

Development of Transmissions Technologies¹



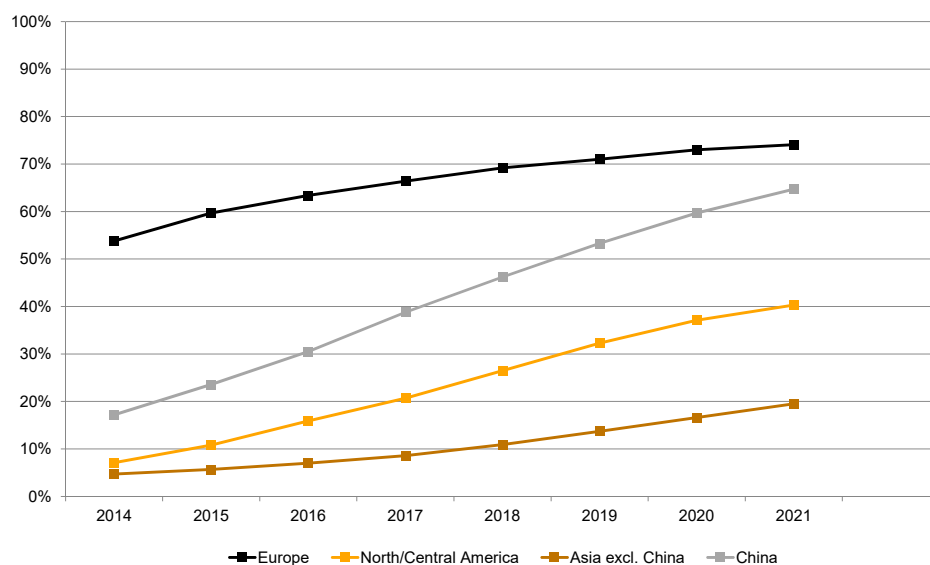
Source: Market Data and Continental estimates.

¹ Based on production of transmissions for passenger cars and light vehicles.

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VI. Market Data

Installation Rates of Turbochargers in Gasoline Engines

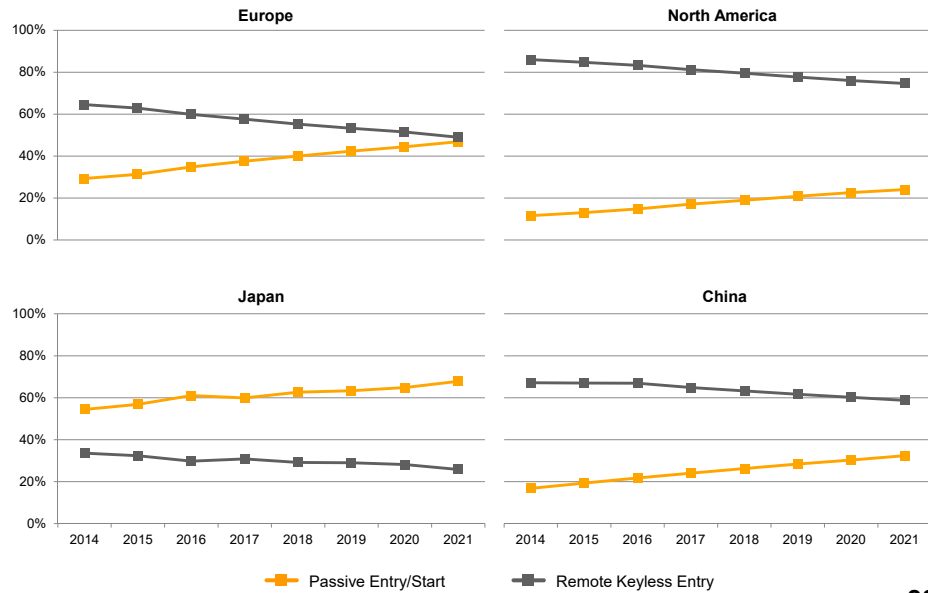


Source: IHS 01/2016.

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VI. Market Data

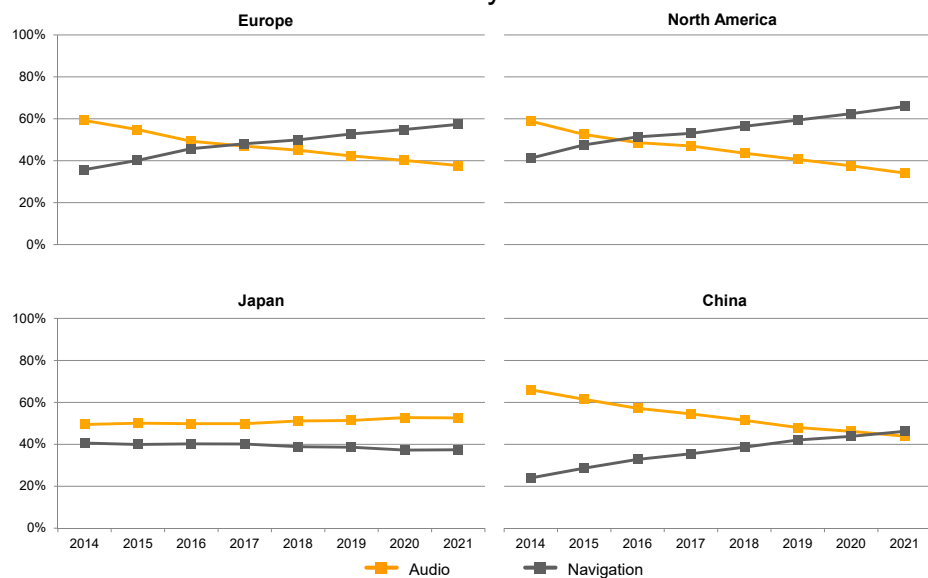
Installation Rates of Keyless Entry Systems



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VI. Market Data

Installation Rates of Multimedia Systems¹

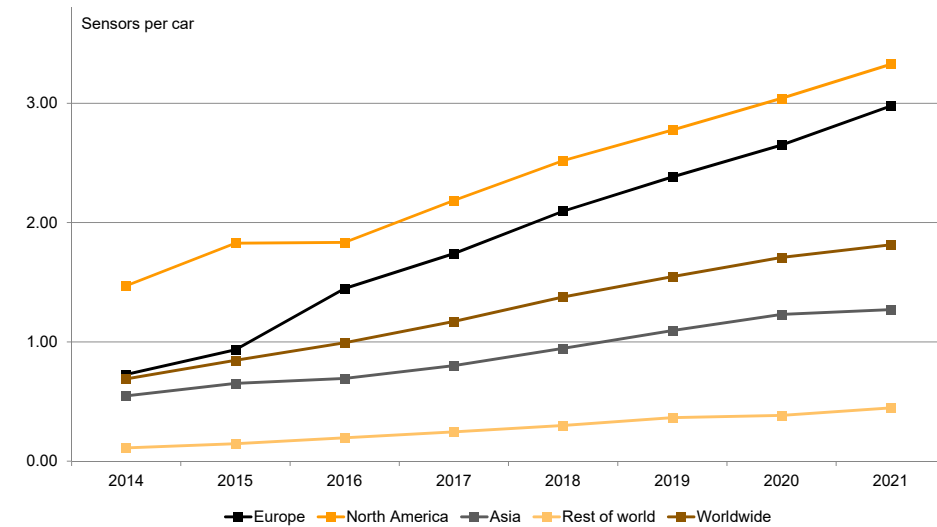


¹ "Audio" refers to stand-alone radios. "Navigation" only to embedded navigation in the car, not connected navigation where e.g. a smartphone delivers navigation calculation and the screen of the car is used as a display.

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VI. Market Data

Sensors per car of Advanced Driver Assistance Systems¹



Source: Market Data and Continental estimates.

¹ 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

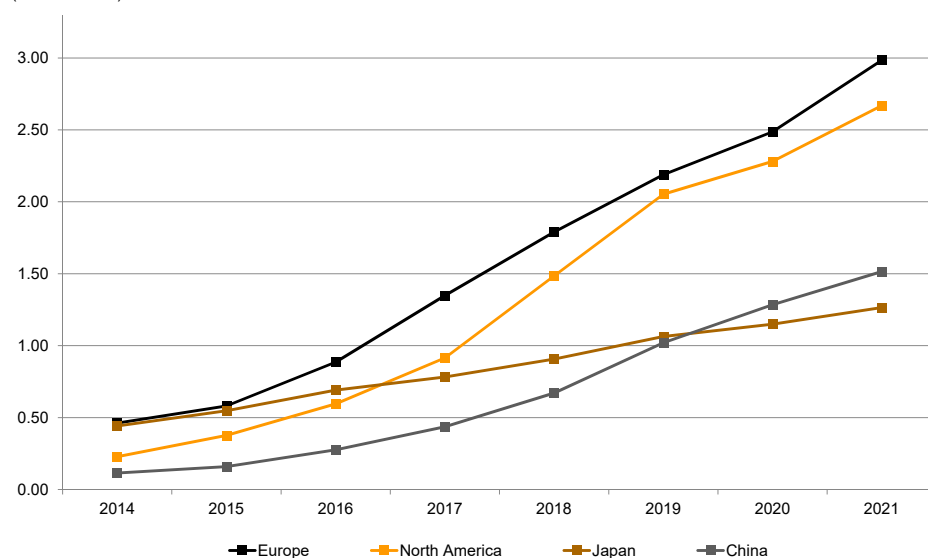
Average sensors per car: 0.99 $92.5mn \times 0.99 = 91.58mn$

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VI. Market Data

Rising Volumes of Head-Up Displays

(in million units)



Source: Market Data and Continental estimates.

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VI. Market Data

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

(in millions of units)	2014	2015	2016	2017
Europe¹	19.9	20.7	21.4	21.7
North America	17.0	17.5	17.8	17.4
South America	3.8	3.1	2.8	2.8
Asia²	45.8	47.1	49.5	50.9
Other markets	0.9	1.0	1.0	1.0
Total	87.4	89.4	92.5	93.9

Source: IHS and Continental estimates.

¹ West, Central and East incl. Russia and Turkey.

² Asia including Kazakhstan, Uzbekistan, Middle East and Oceania with Australia.

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VI. Market Data

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

(in thousand units)	2014	2015	2016	2017
Europe¹	569	609	625	613
North America	549	579	505	480
South America	184	104	80	81
Asia²	1,840	1,633	1,789	1,861
Other markets	0	0	0	0
Total	3,143	2,924	2,999	3,034

Source: IHS and Continental estimates.

¹ West, Central and East incl. Russia and Turkey.

² Asia including Kazakhstan, Uzbekistan, Middle East and Oceania with Australia.

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VI. Market Data

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

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

Source: LMC World Tyre Forecast Service and Continental estimates.

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VI. Market Data

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

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

Source: LMC World Tyre Forecast Service and Continental estimates.

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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 ¹		2,038.4	1,632.2
in % of sales ¹		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 ²	1,125.7	1,274.7	1,497.0
in % of sales	5.4	5.4	6.1
Depreciation & amortization ³	1,218.4	958.8	1,088.4
in % of sales	5.8	4.1	4.4
thereof impairment ⁴	178.9	0.7	21.4

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

² Capital expenditure on property, plant and equipment, and software.

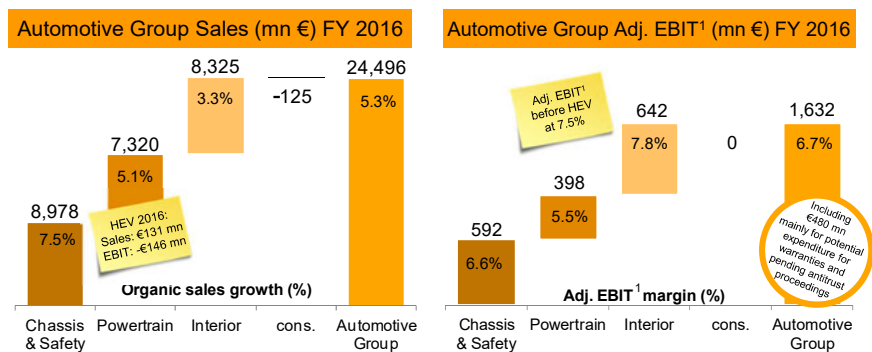
³ Excluding impairment on financial investments.

⁴ Impairment also includes necessary reversals of impairment losses.

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VII. Automotive Group

Sales and Adjusted EBIT¹ by Division

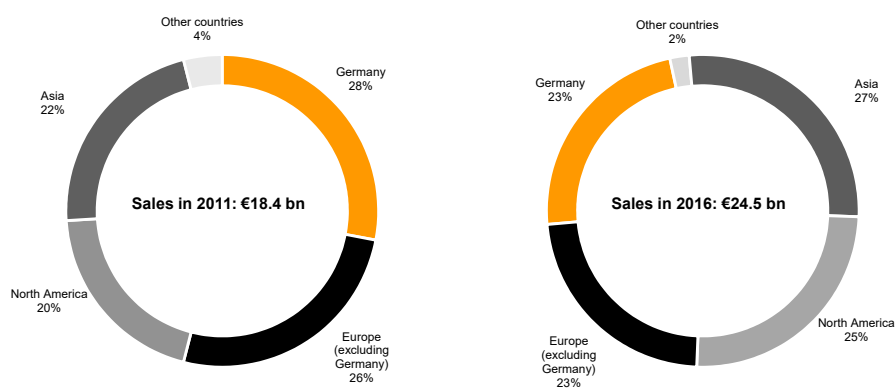


¹ Before amortization of intangibles from PPA, consolidation and special effects.

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VII. Automotive Group

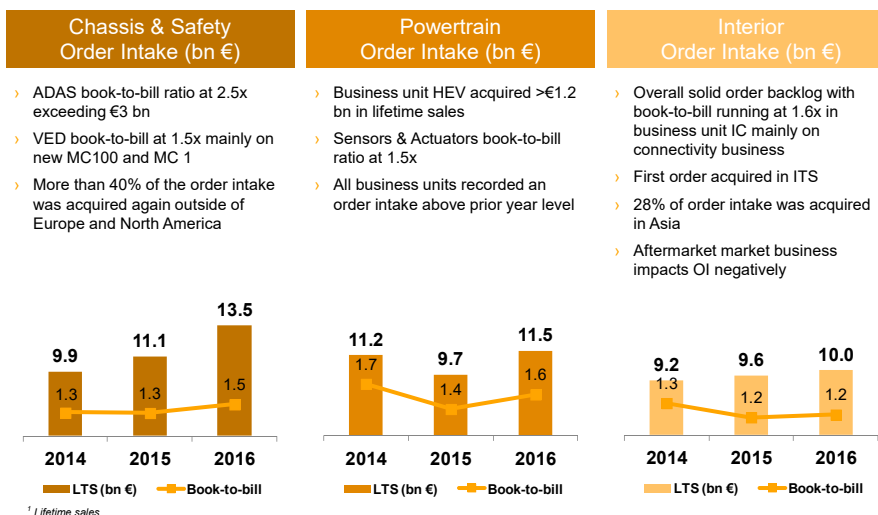
Sales by Market



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VII. Automotive Group

Order Intake (LTS¹) in the Automotive Group of >€35 bn in 2016

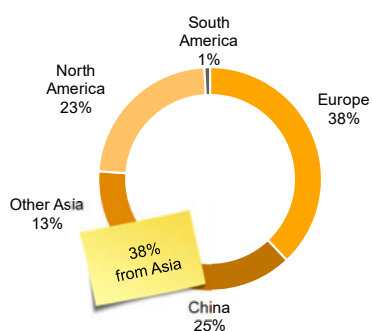


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VII. Automotive Group

Order Intake Well Balanced

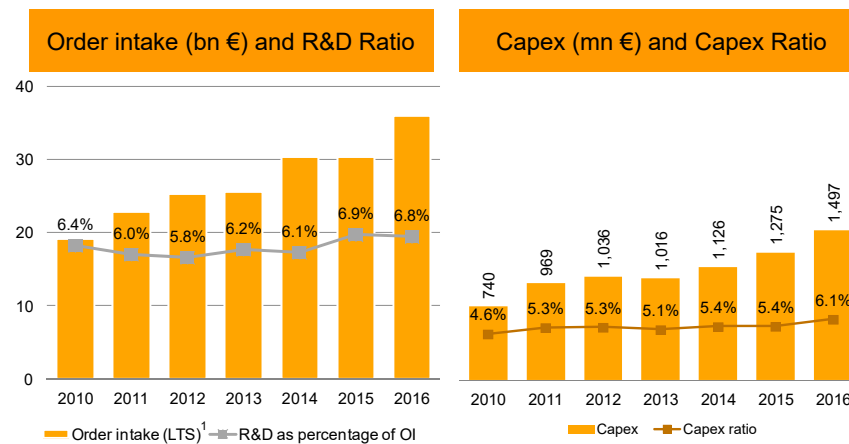
Order Intake in 2016 by Region



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VII. Automotive Group

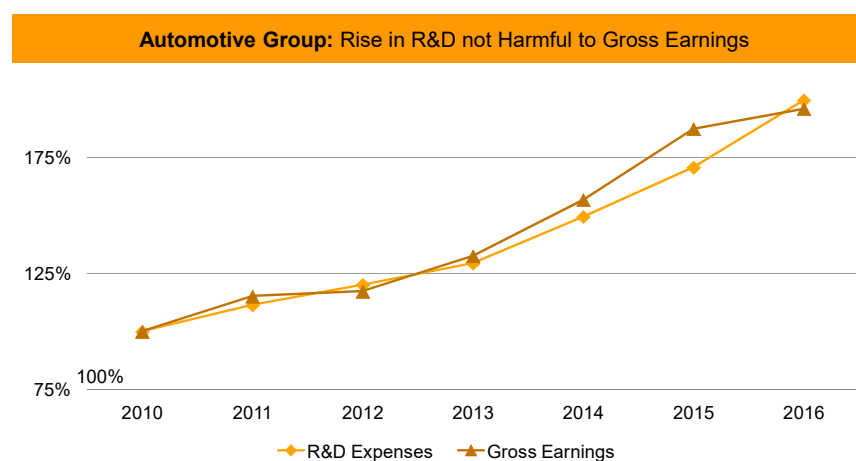
Strong Order Intake Causes Rise in R&D Expenses and Capex



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VII. Automotive Group

Successful Transformation to Electronics and Software

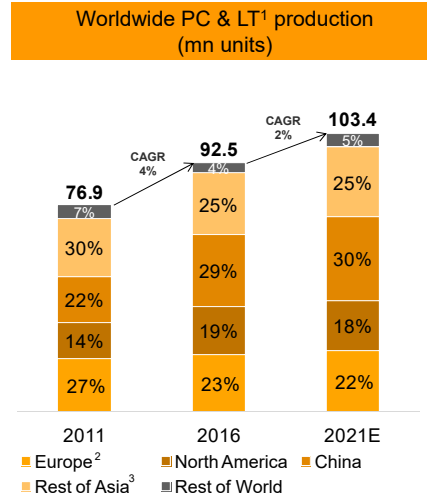


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VII. Automotive Group

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

- Worldwide PC< 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< 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



¹ Passenger car & light truck (<6t); Source: IHS, January 2017 and Continental estimates.

² West, Central and East incl. Russia and Turkey.

³ Asia including Kazakhstan, Uzbekistan, Middle East and Oceania with Australia.

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VII. Automotive Group

Opportunities and Challenges in the Medium Term

Digitalization	Electric Mobility	Shared Mobility
Conti's view/position: <ul style="list-style-type: none"> Market for automated driving is forecasted to exceed €20 bn by 2020 60% of our Automotive sales in 2016 are derived from sensors, electronics or software products Vision Zero accidents achievable 	Conti's view/position: <ul style="list-style-type: none"> FEV¹ sales to account for 10% of global car production by 2025 Costs for battery will predominantly drive demand for FEV² Conti so far invested more than €1 bn in electric mobility 	Conti's view/position: <ul style="list-style-type: none"> VCP² to decrease but more intense use will lead to a greater VCP² turn Shared mobility therefore should not lead to a decrease in miles travelled individually According to our own survey³, the vast majority of people still wants to own a car
All medium-term mobility scenarios still foresee tires on vehicles		

¹ FEV = Full Electric Vehicle.

² VCP = Vehicle Car Park.

³ Continental Mobility Study 2015.

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Topics

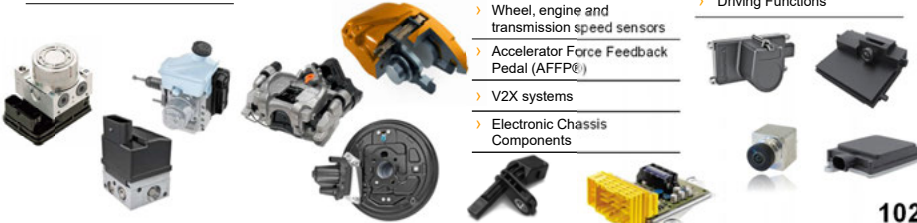
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VII. Chassis & Safety

Business Units and Key Products

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

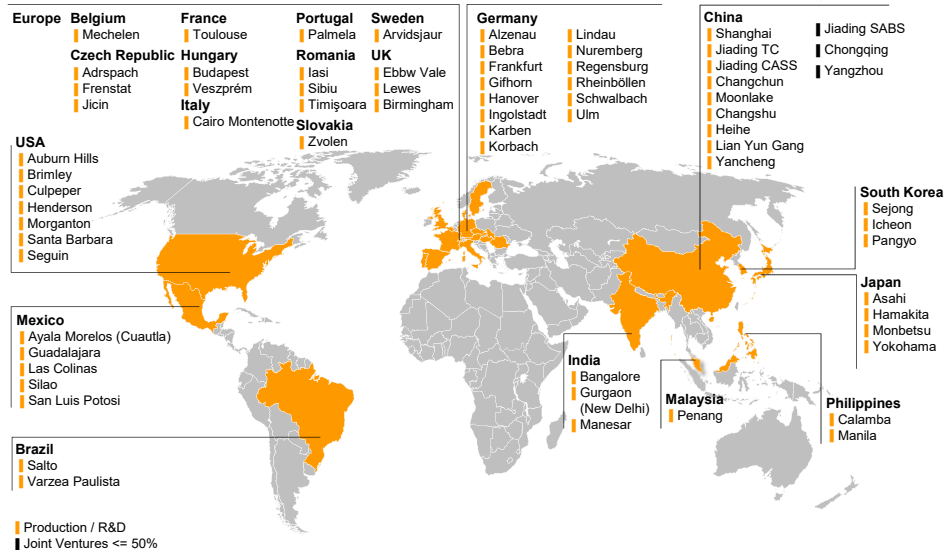


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VII. Chassis & Safety

Locations Worldwide

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



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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 ¹		815.0	591.7
in % of sales ¹		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 ²	411.6	470.3	523.7
in % of sales	5.5	5.6	5.8
Depreciation & amortization ³	337.9	346.0	373.8
in % of sales	4.5	4.1	4.2
thereof impairment ⁴	4.7	-0.1	1.5

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

² Capital expenditure on property, plant and equipment and software.

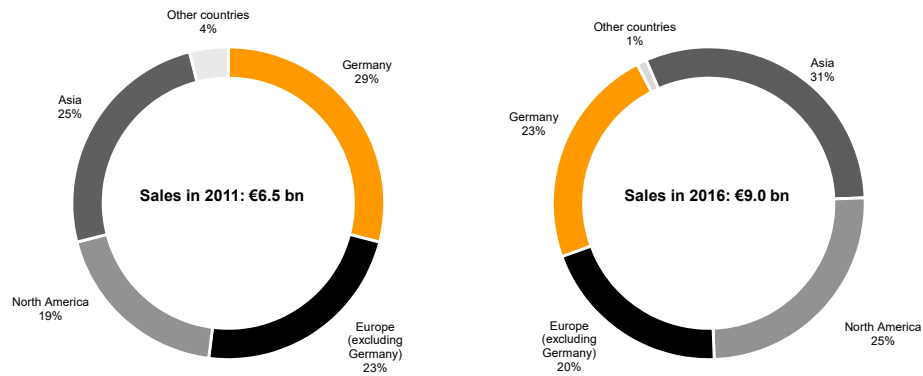
³ Excluding impairment on financial investments.

⁴ Impairment also includes necessary reversals of impairment losses.

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VII. Chassis & Safety

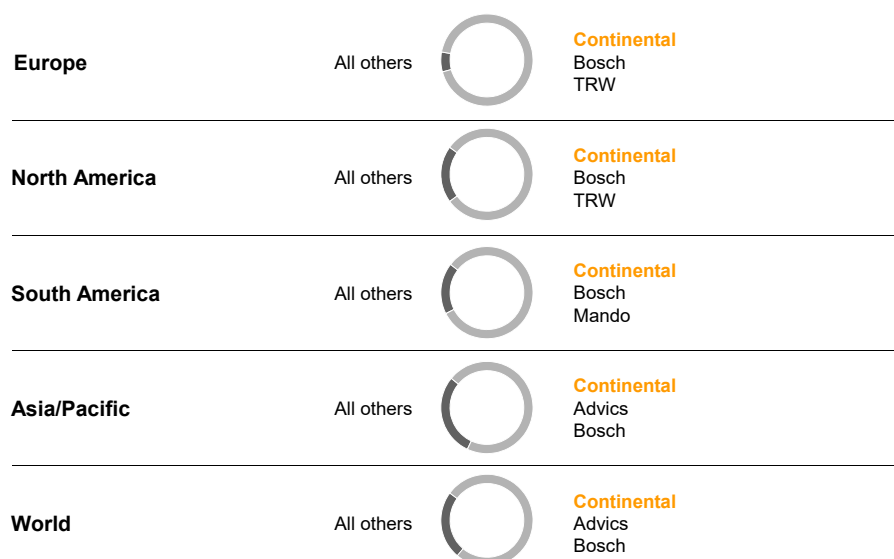
Sales by Market



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VII. Chassis & Safety

Market Position for Electronic Brake Systems 2016



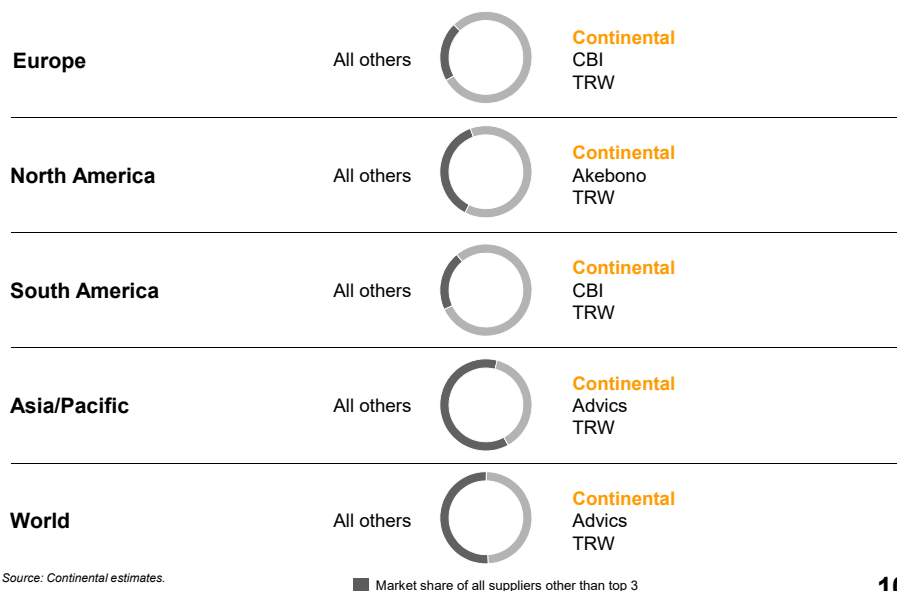
Source: Continental estimates.

■ Market share of all suppliers other than top 3

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VII. Chassis & Safety

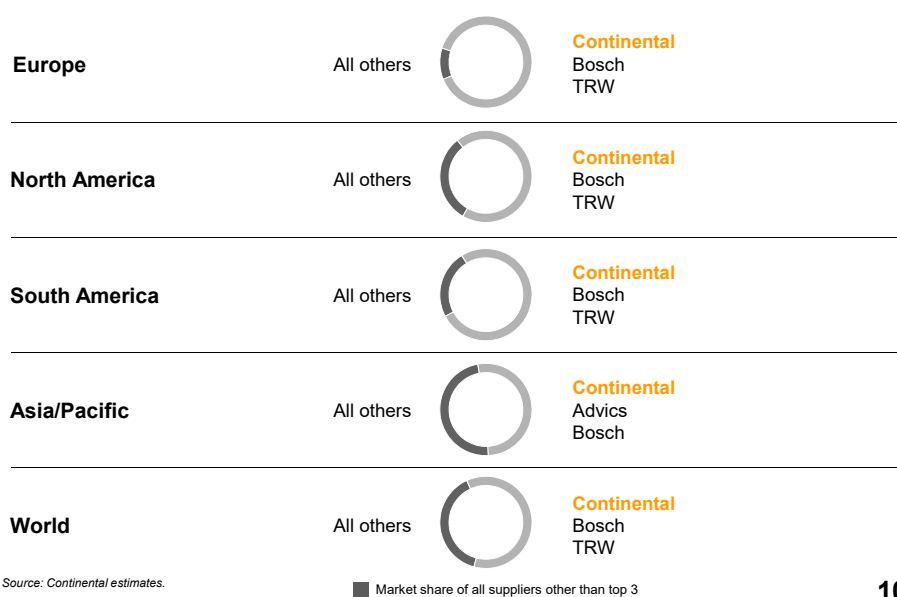
Market Position for Foundation Brake Systems 2016



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VII. Chassis & Safety

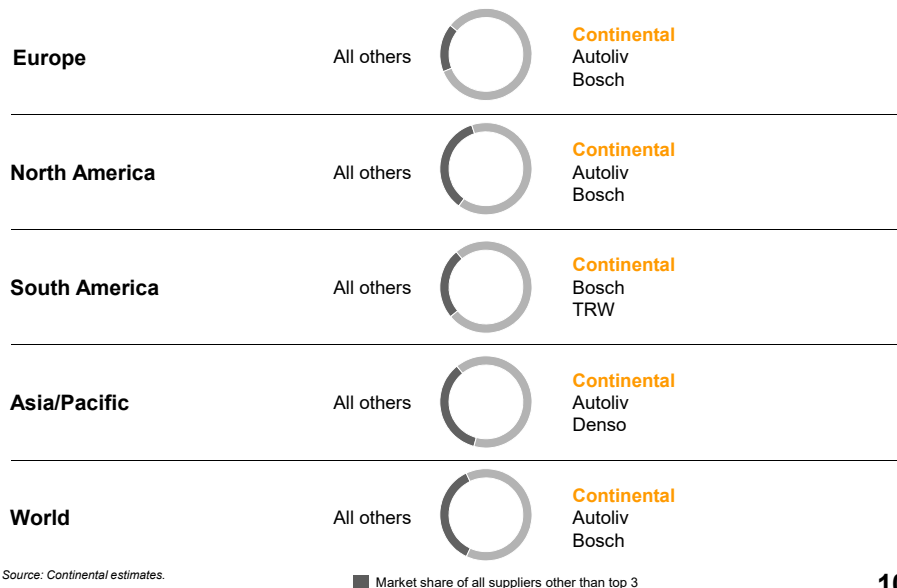
Market Position for Actuation 2016



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VII. Chassis & Safety

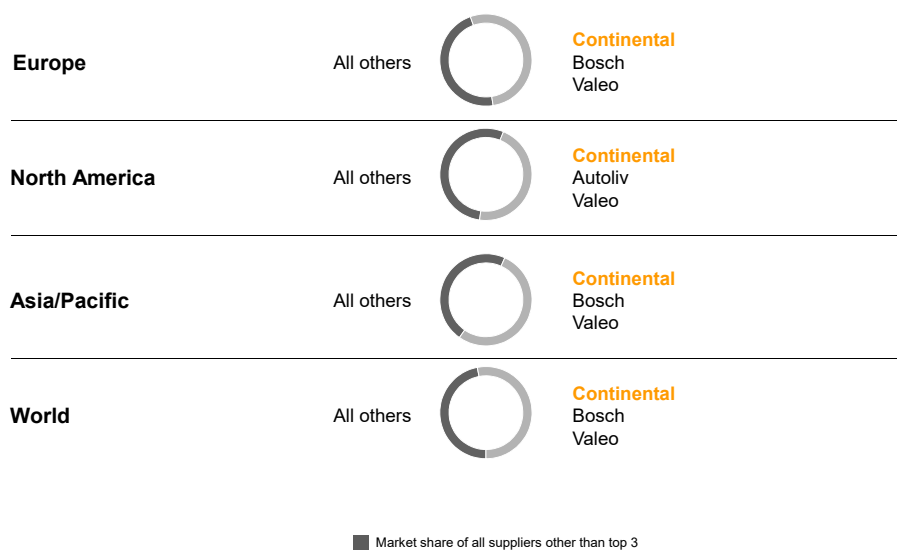
Market Position for Airbag Electronics 2016



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VII. Chassis & Safety

Market Position for Advanced Driver Assistance Systems 2016



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VII. Powertrain

Business Units and Key Products

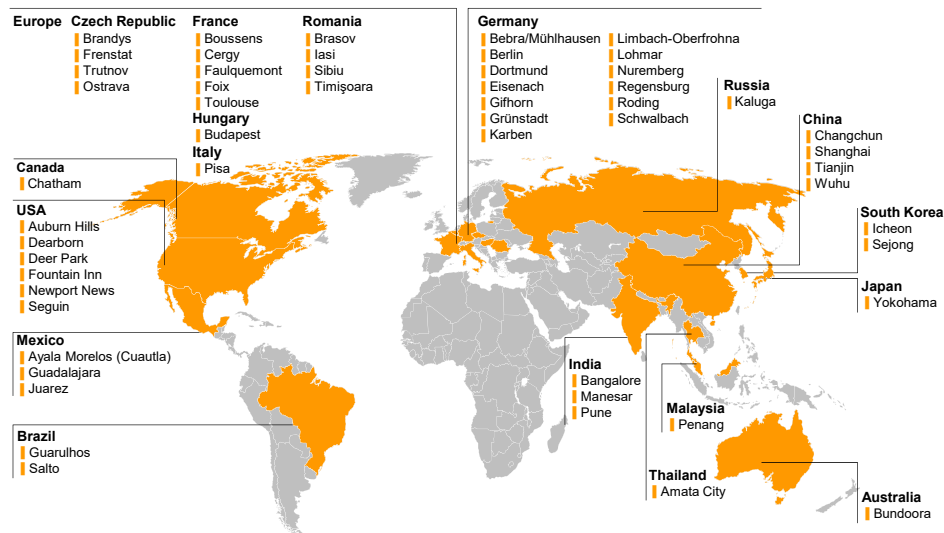
Engine Systems	Transmission	Hybrid Electric Vehicle	Sensors & Actuators	Fuel & Exhaust Management
<ul style="list-style-type: none"> Engine Management Systems and fuel components for Diesel Piezo Common Rail Injection System Gasoline Solenoid Direct Injection Gasoline Port Injection Liquefied Petroleum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

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VII. Powertrain

Locations Worldwide

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



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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 ¹		404.7	398.5
in % of sales ¹		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 ²	428.0	468.4	544.4
in % of sales	6.6	6.6	7.4
Depreciation & amortization ³	540.1	335.1	378.2
in % of sales	8.3	4.7	5.2
thereof impairment ⁴	168.4	0.5	8.3

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

² Capital expenditure on property, plant and equipment, and software.

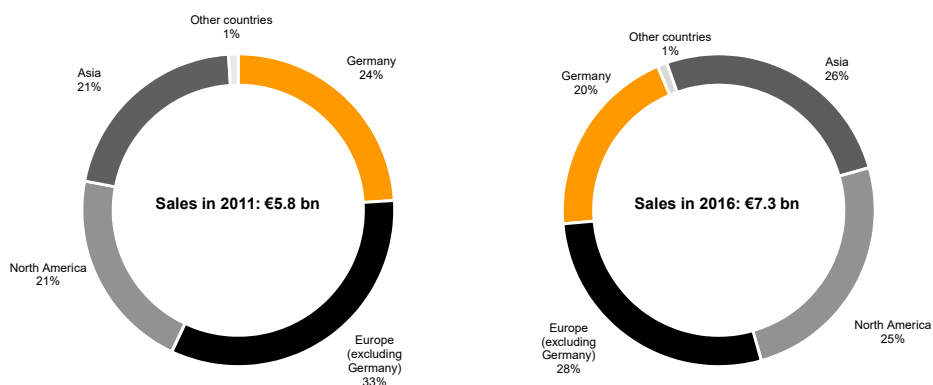
³ Excluding impairment on financial investments.

⁴ Impairment also includes necessary reversals of impairment losses.

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VII. Powertrain

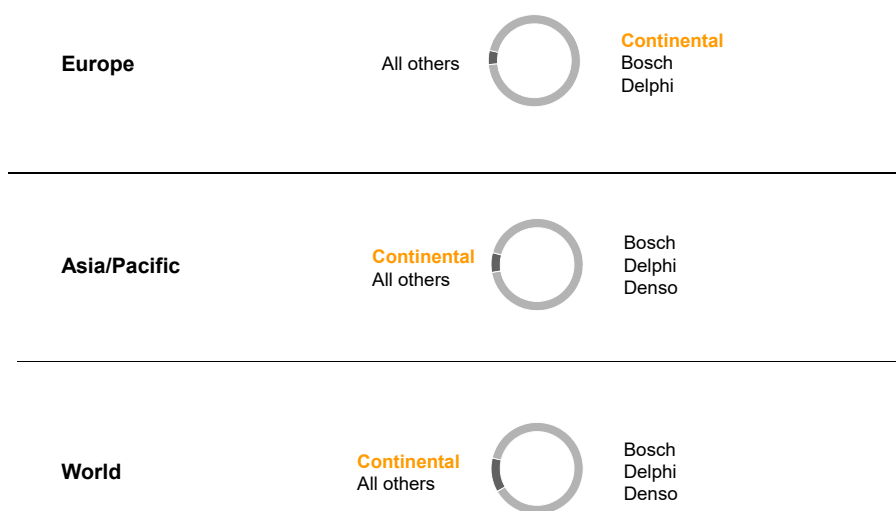
Sales by Market



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VII. Powertrain

Market Position for Diesel Injection Systems¹ 2016



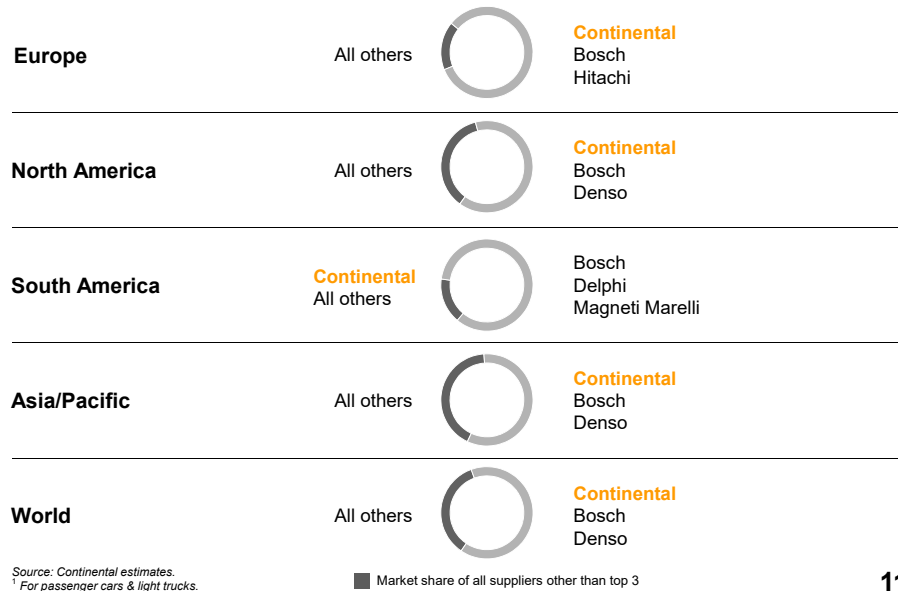
Source: Continental estimates.
¹ For passenger cars & light trucks.

■ Market share of all suppliers other than top 3

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VII. Powertrain

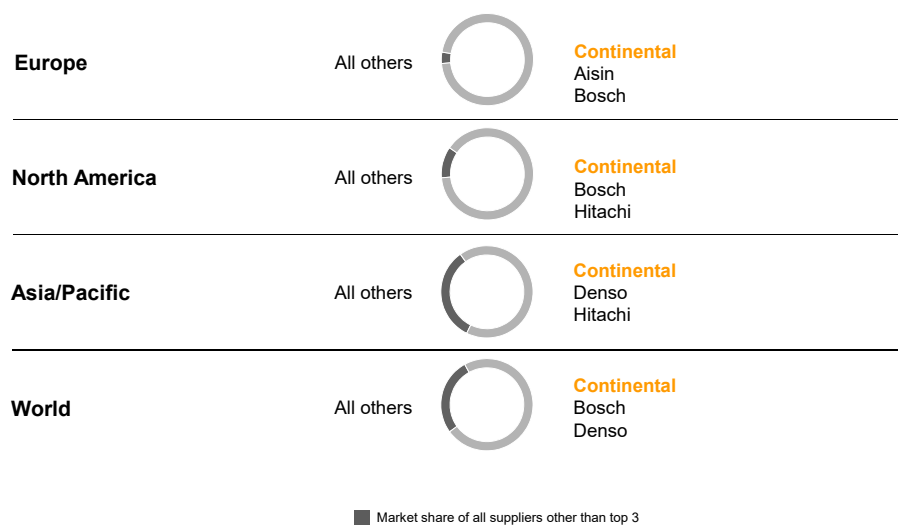
Market Position for Gasoline Injection Systems¹ 2016



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VII. Powertrain

Market Position for Transmission Control Units¹ 2016



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



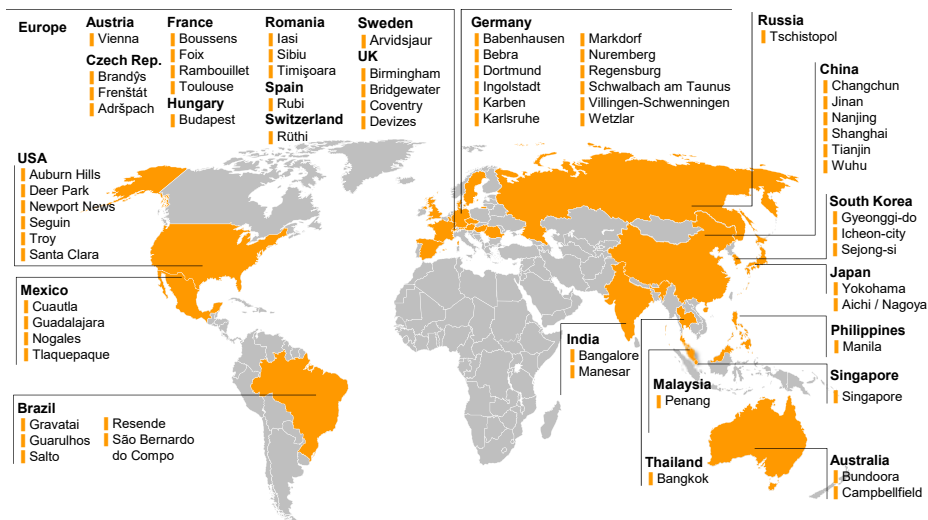


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VII. Interior

Locations Worldwide

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



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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 ¹		818.7	642.0
in % of sales ¹		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 ²	286.1	336.0	428.9
in % of sales	4.1	4.1	5.2
Depreciation & amortization ³	340.4	277.7	336.4
in % of sales	4.9	3.4	4.0
thereof impairment ⁴	5.8	0.3	11.6

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

² Capital expenditure on property, plant and equipment, and software.

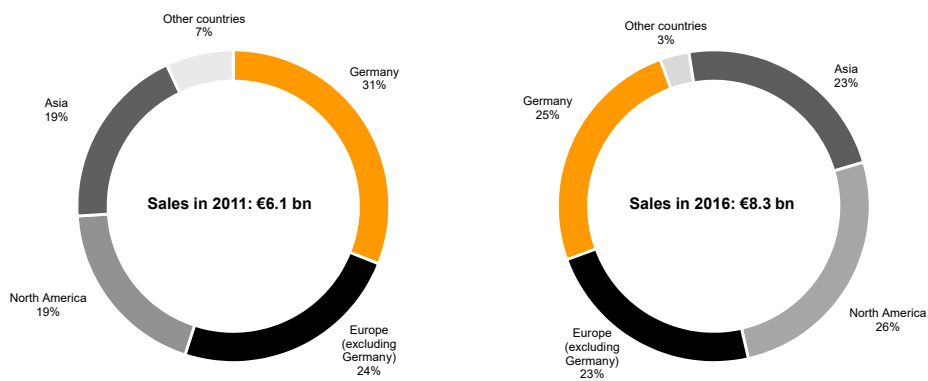
³ Excluding impairment on financial investments.

⁴ Impairment also includes necessary reversals of impairment losses.

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VII. Interior

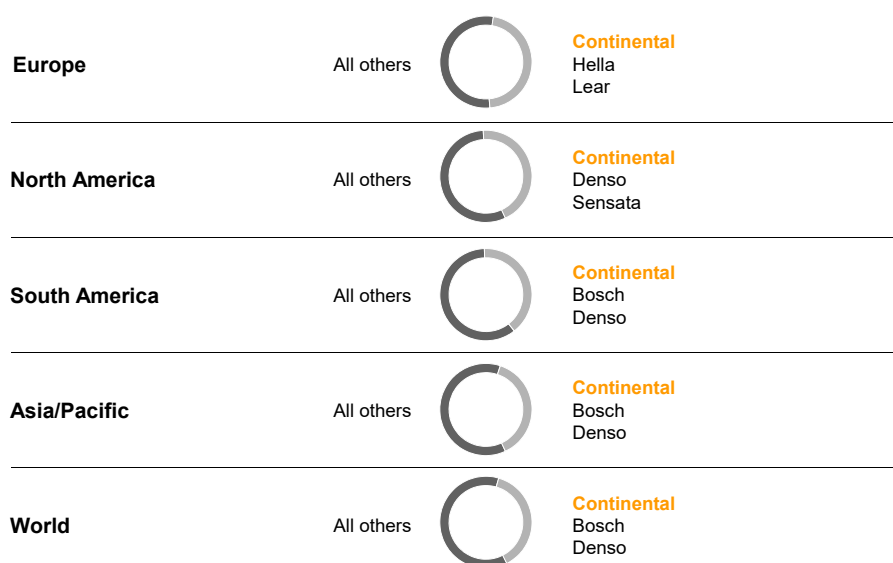
Sales by Market



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VII. Interior

Market Position for Body & Security 2016



Source: Continental estimates.

■ Market share of all suppliers other than top 3

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VII. Interior

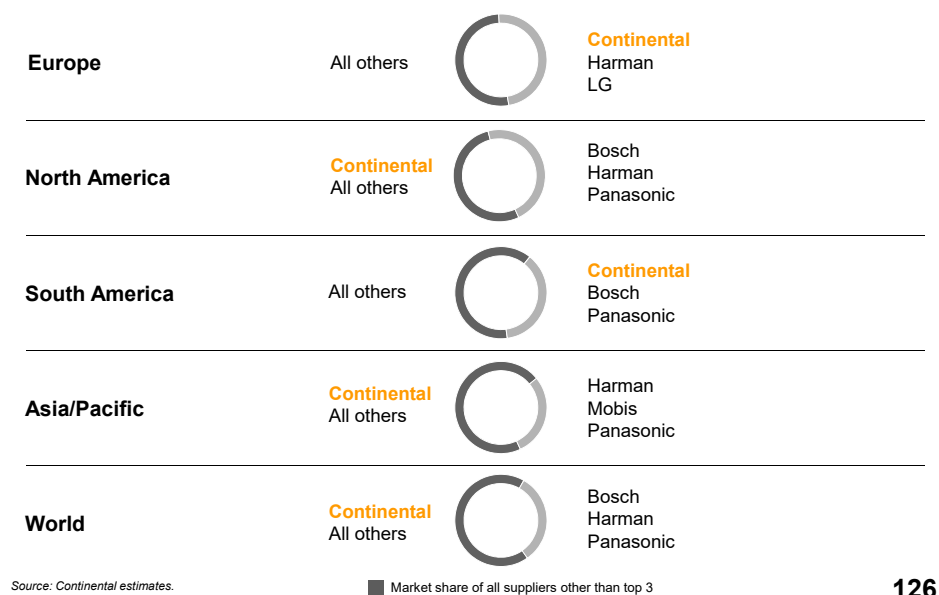
Market Position for Instrumentation & Driver HMI¹ 2016



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VII. Interior

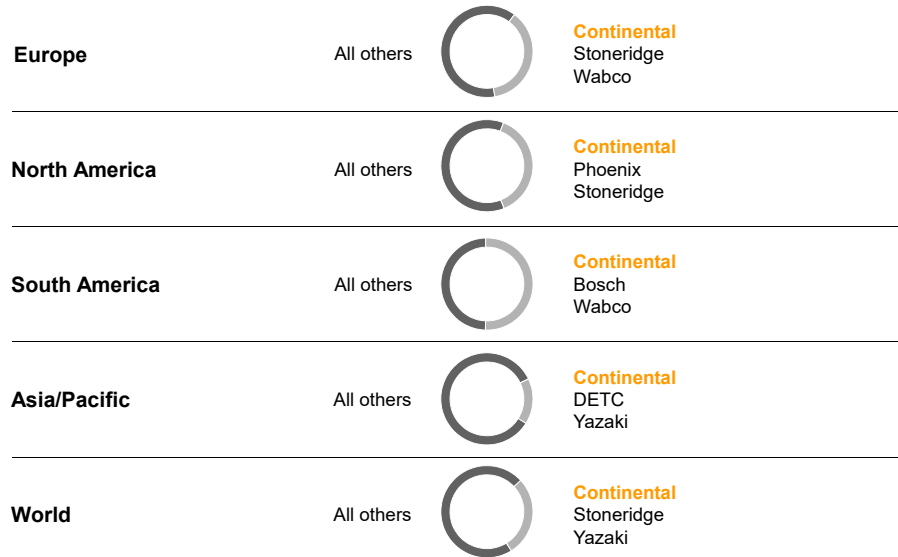
Market Position for Infotainment & Connectivity 2016



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VII. Interior

Market Position for Commercial Vehicles¹ 2016



Source: Continental estimates.

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

■ Market share of all suppliers other than top 3

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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 ¹		2,485.2	2,828.4
in % of sales ¹		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 ²	914.9	903.4	1,094.1
in % of sales	6.7	5.8	6.8
Depreciation & amortization ³	569.9	925.7	871.0
in % of sales	4.2	5.9	5.4
thereof impairment ⁴	—	92.9	37.2

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

² Capital expenditure on property, plant and equipment and software.

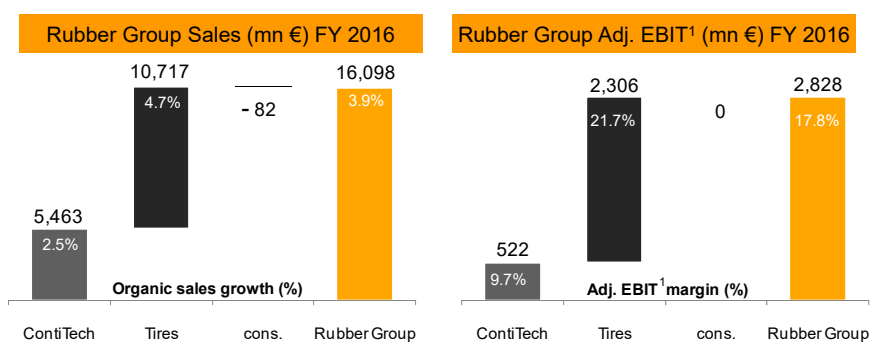
³ Excluding impairment on financial investments.

⁴ Impairment also includes necessary reversals of impairment losses.

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VIII. Rubber Group

Sales and Adjusted EBIT¹ by Division

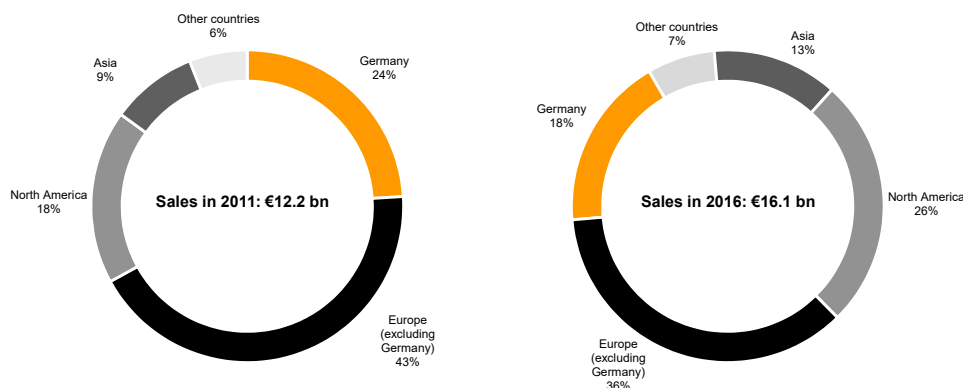


¹ Before amortization of intangibles from PPA, consolidation and special effects.

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VIII. Rubber Group

Sales by Market

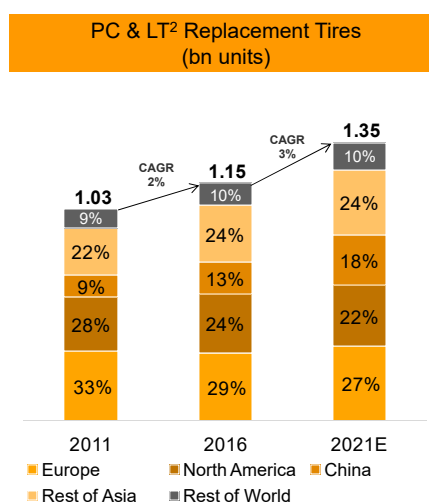


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VIII. Rubber Group

Growth Opportunities – Replacement Tires Demand for PC< Tires

- Global replacement tire market to grow with a CAGR of 3% from 2016 to 2021E¹
- 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)



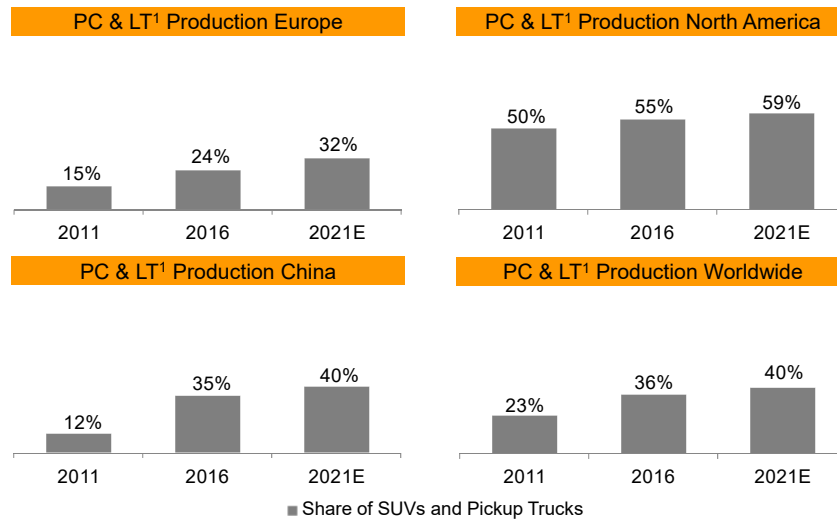
¹ According to LMC.

² Passenger and light truck replacement tire market source: LMC (December 2016).

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VIII. Rubber Group

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

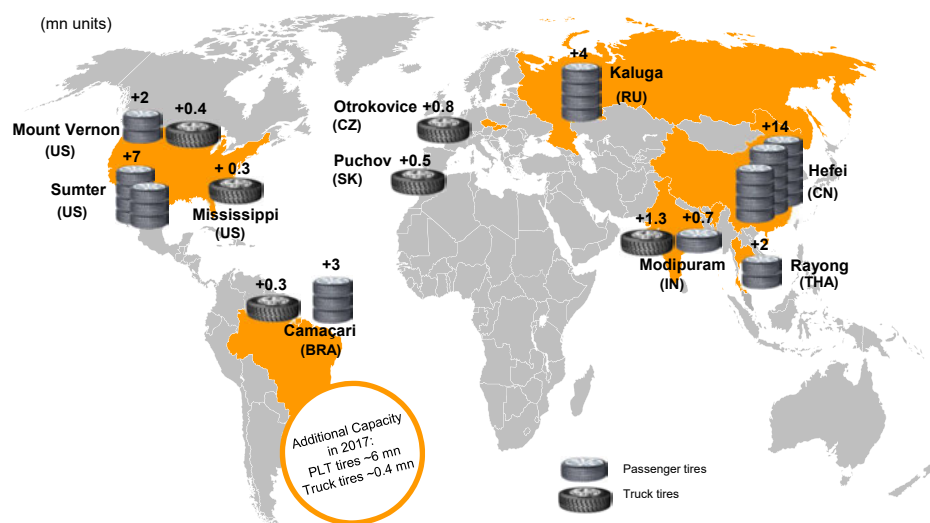


¹ Passenger car & light truck (<6t); source: IHS, January 2017.

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VIII. Rubber Group

Additional Tire Production Capacity of around 37mn¹ Units by 2020/21

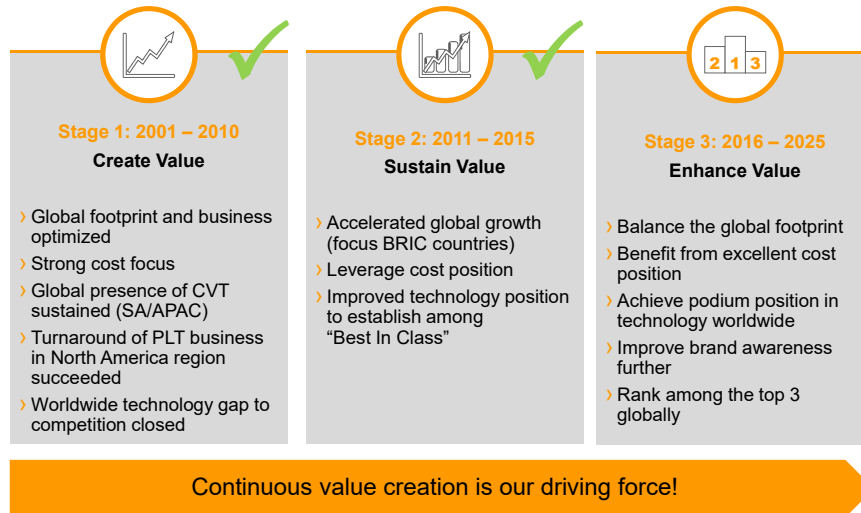


¹ Basis 2011.

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VIII. Rubber Group

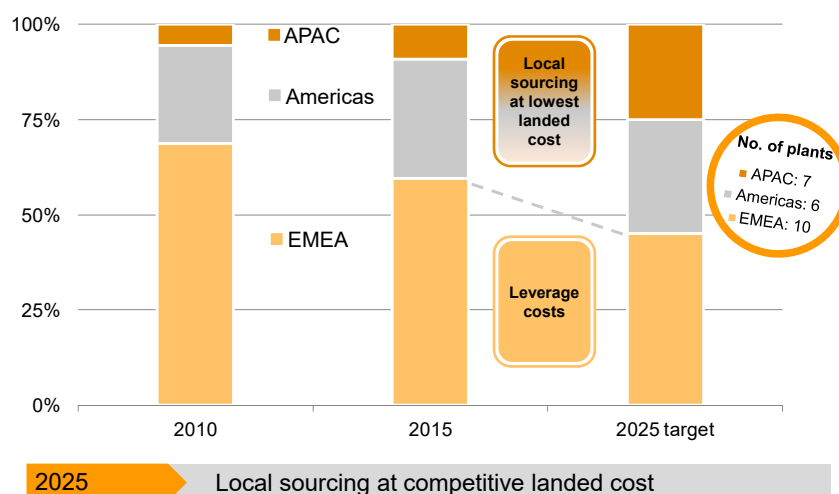
Update on Strategy 2025



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VIII. Rubber Group

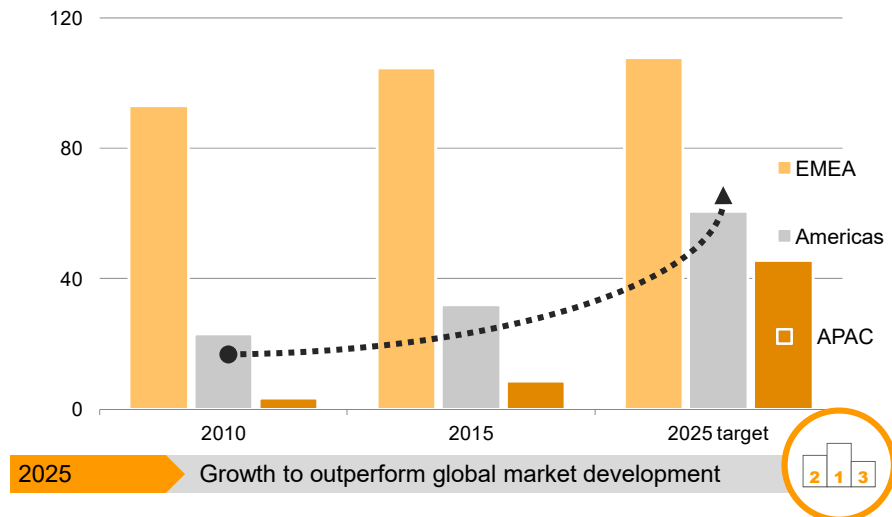
Balanced Global Manufacturing Footprint



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VIII. Rubber Group

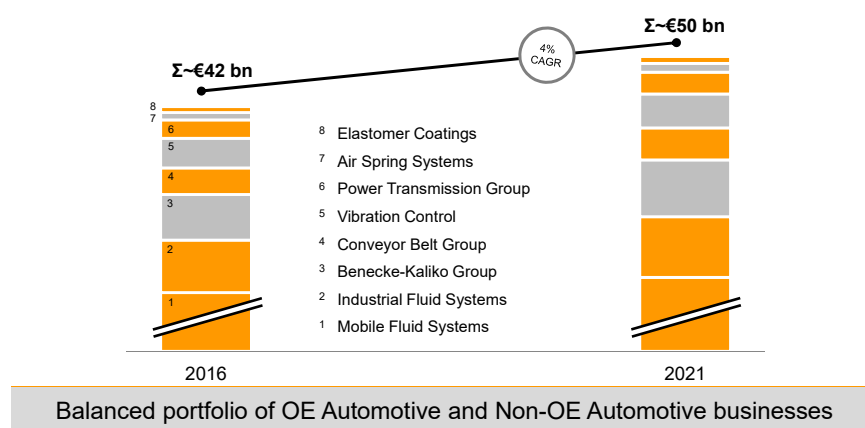
Drive Global Growth (mn units)



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VIII. Rubber Group

Relevant Market Offers and Growth Opportunities for ContiTech Products



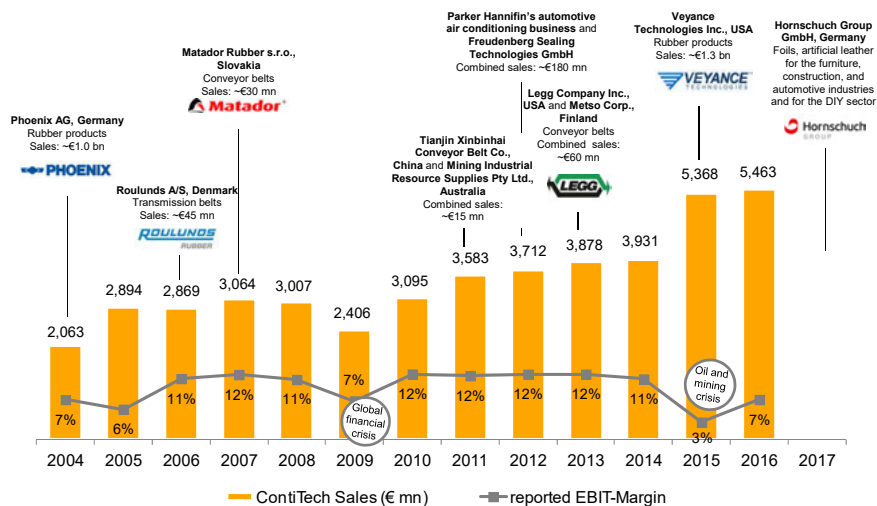
Source: Market data and Continental estimates.

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

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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.

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





































































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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, services and solutions for the applications:	Tires and tubes for:
<ul style="list-style-type: none"> Compact, medium-size and full-size cars 4x4 and SUVs Vans, light trucks and recreational vehicles 				<ul style="list-style-type: none"> Goods People Construction 			<ul style="list-style-type: none"> Material handling Agriculture Earthmoving 	<ul style="list-style-type: none"> Bicycles: Race, Mountainbike, City/Trekking Motorcycles: Scooters, Big bikes >150cc, Bikes <150cc
								
   				   			 	
   				   			 	
   				   			 	
   				   			 	
   				   			 	
   				   			 	
   				   			 	
   				   			 	
   				   			 	

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 ¹		2,097.2	2,306.0
in % of sales ¹		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 ²	724.3	658.2	882.1
in % of sales	7.4	6.3	8.2
Depreciation & amortization ³	451.4	519.1	539.3
in % of sales	4.6	5.0	5.0
thereof impairment ⁴	—	6.8	0.2

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

² Capital expenditure on property, plant and equipment and software.

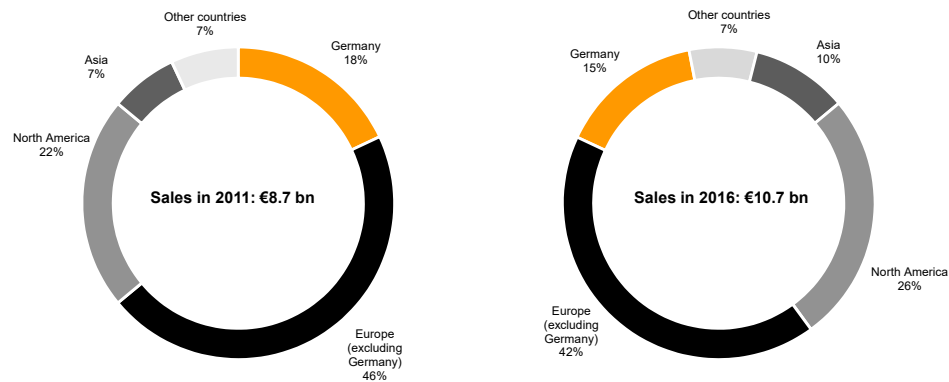
³ Only in Australia and Taiwan.

⁴ Excluding impairment on financial investments.

Impairment also includes necessary reversals of impairment losses.

VIII. Tires

Sales by Market



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VIII. Passenger and Light Truck Tires

Market Share for Passenger and Light Truck Tires¹ 2016



Source: Continental estimates.

¹ Replacement.

² Western and Central including Turkey.

³ Dissolving of alliance in October 2015.

■ Market share of all suppliers other than top 3

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VIII. Commercial Vehicle Tires

Market Share for Truck Tires¹ 2016



Source: Continental estimates.

¹ Replacement.

² Western and Central, incl. Turkey.

³ Dissolving of alliance in October 2015.

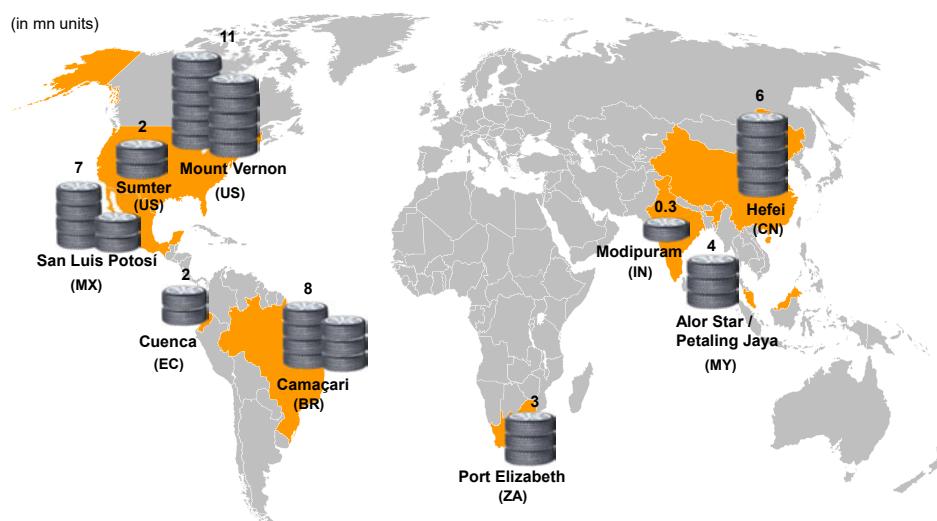
■ Market share of all suppliers other than top 3

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VIII. Passenger and Light Truck Tires

Continental Worldwide PLT Production 2016¹

(in mn units)

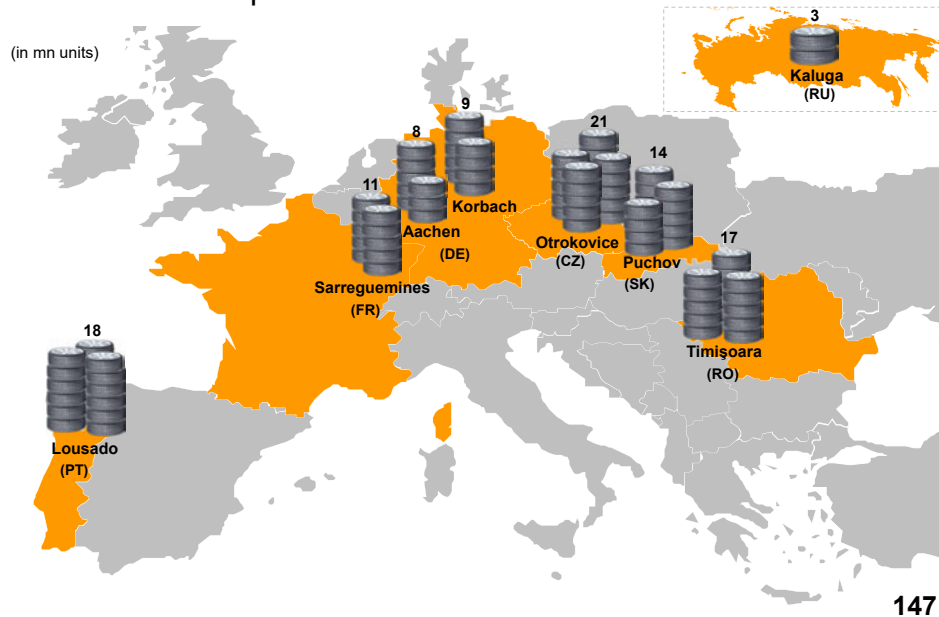


¹ Without Europe.

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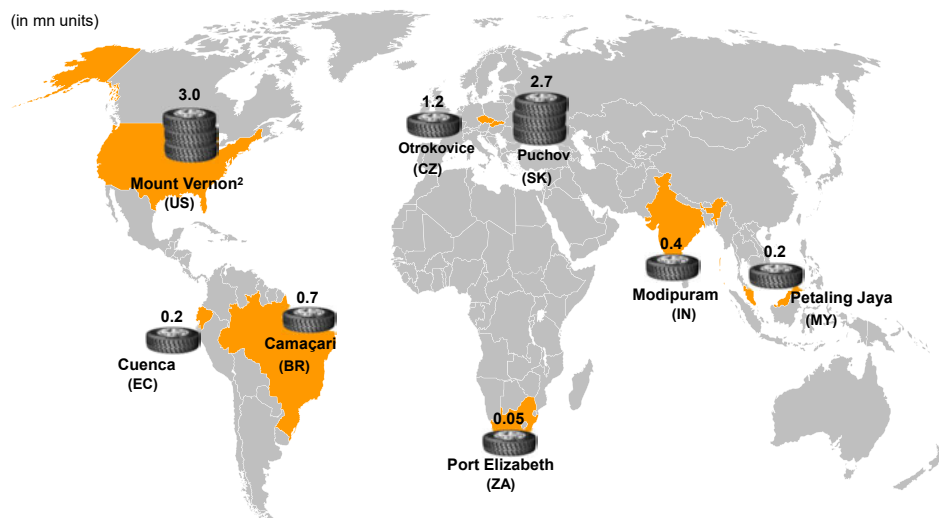
VIII. Passenger and Light Truck Tires

Continental European PLT Production 2016



VIII. Commercial Vehicle Tires

Continental Worldwide Truck Tire Production¹ 2016

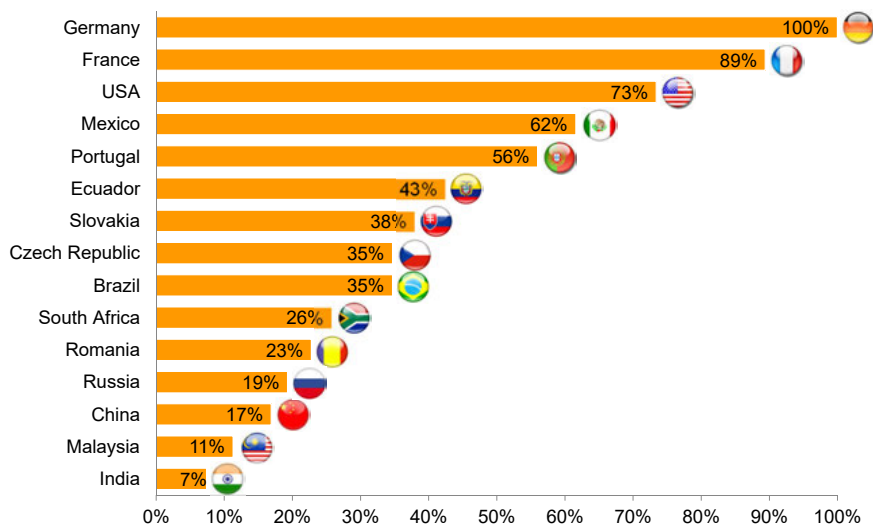


¹ Production of bias and radial tires.

² Including deliveries to joint venture partners.

VIII. Tires

Cost of Labor at Continental Manufacturing Sites¹

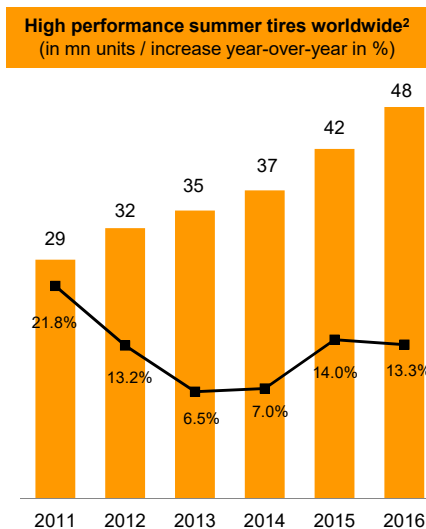
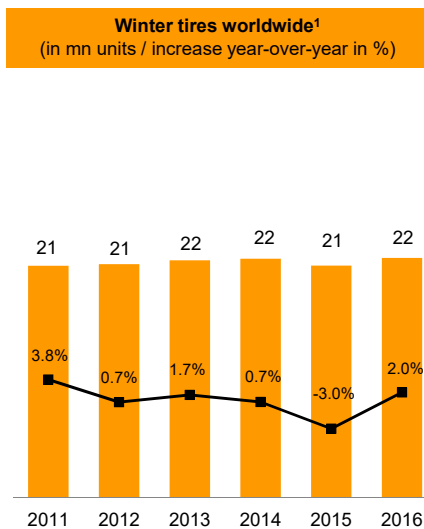


¹ Based on average currency exchange rates 2015.

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VIII. Passenger and Light Truck Tires

Product Mix Improvement



¹ OE and replacement (excl. all-season tires).

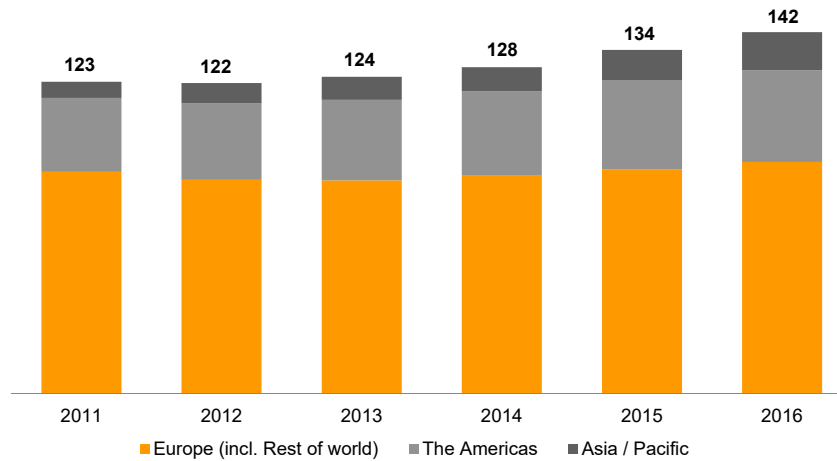
² All summer tires and all-season tires with rim sizes of at least 17 inches.

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VIII. Passenger and Light Truck Tires

Unit Sales 2011 – 2016

(in mn units)

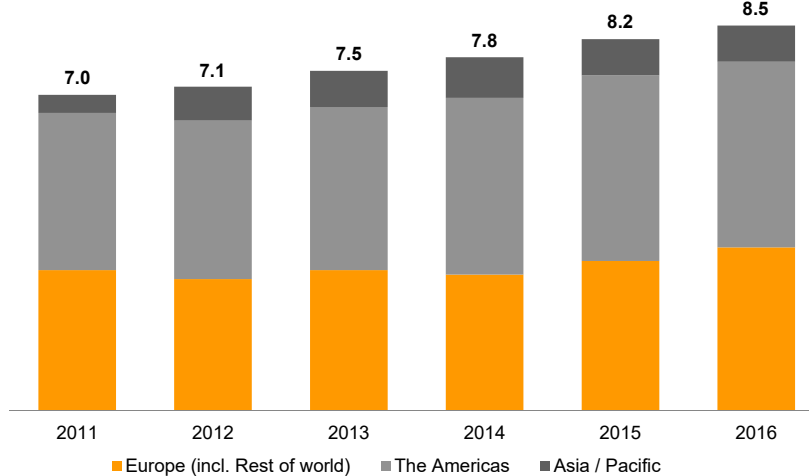


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VIII. Commercial Vehicle Tires

Unit Sales 2011 – 2016

(in mn units)



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VIII. ContiTech

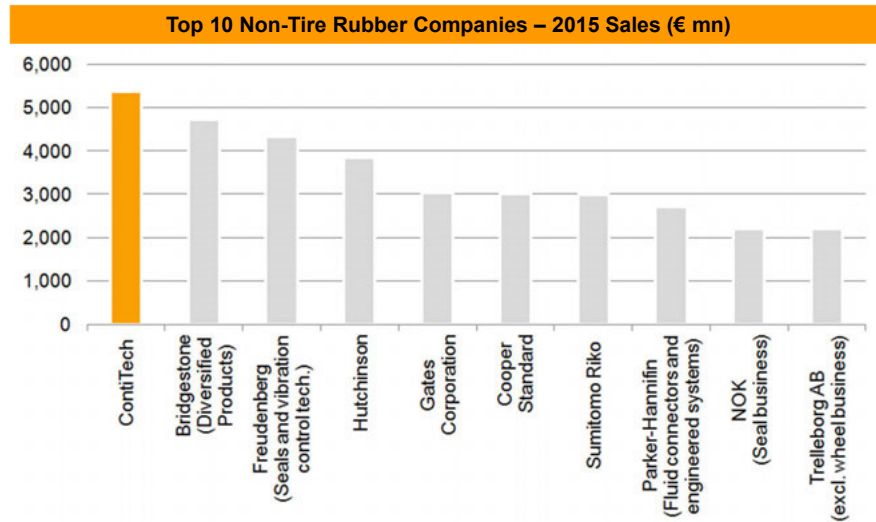
Business Units and Key Products

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

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VIII. ContiTech

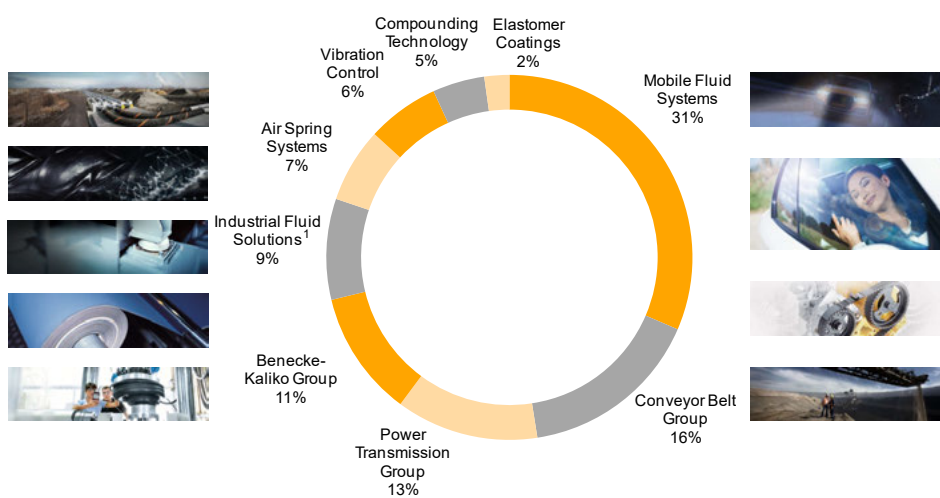
Forming a Global Player in Rubber and Plastics Technologies



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VIII. ContiTech

Share of Sales 2016

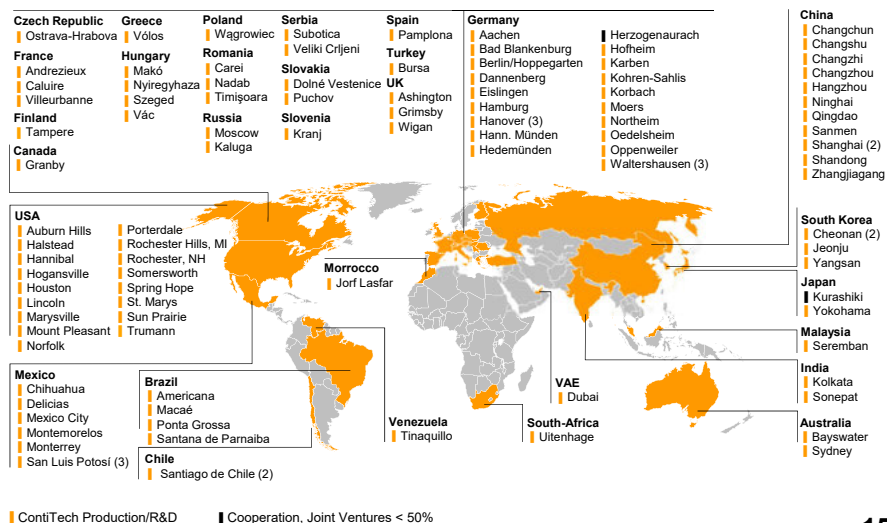


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VIII. ContiTech

Locations Worldwide

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



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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 ¹		388.0	522.4
in % of sales ¹		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 ²	190.6	245.2	212.0
in % of sales	4.8	4.6	3.9
Depreciation & amortization ³	118.5	406.6	331.7
in % of sales	3.0	7.6	6.1
thereof impairment ⁴	—	86.1	37.0

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

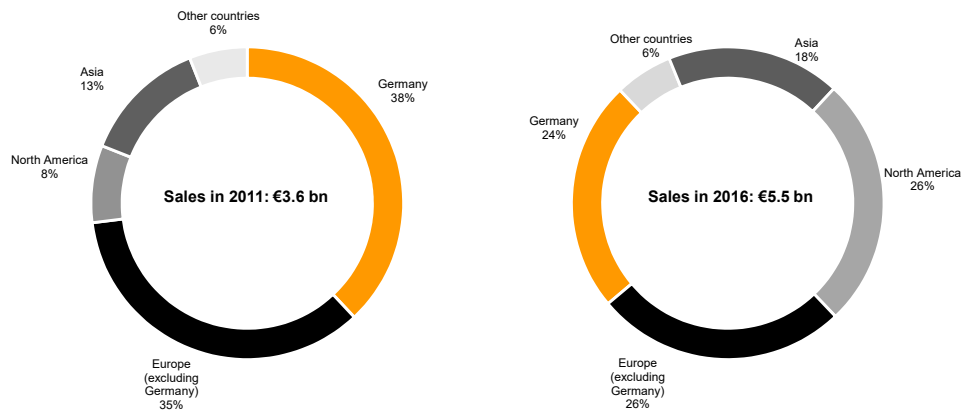
² Capital expenditure on property, plant and equipment and software.

³ Excluding impairment on financial investments.

⁴ Impairment also includes necessary reversals of impairment losses.

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VIII. ContiTech Sales by Market



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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

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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 Data¹

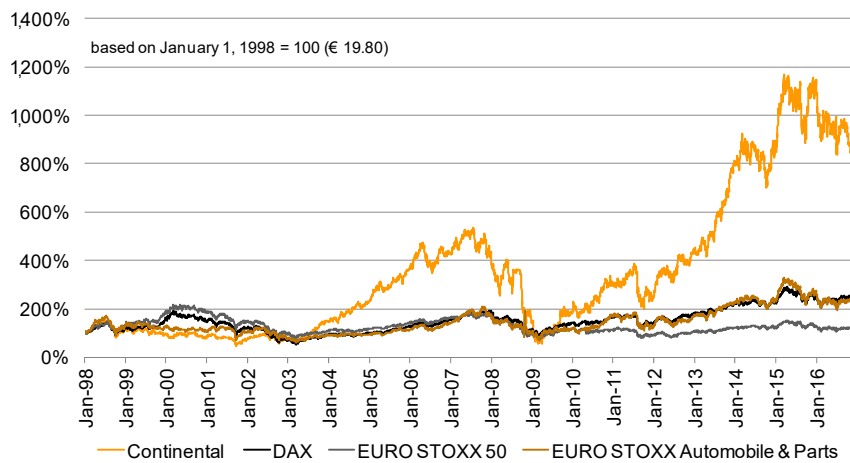
Ratio (ordinary share : ADR)	1:5
Bloomberg ticker	CTTAY
Reuters ticker	CTTAY.PK
ISIN	US2107712000
ADR level	Level 1
Exchange	OTC
Sponsor	Deutsche Bank Trust Company Americas

¹ As at January 2016.

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IX. Share and Bond Information

Share Price Development vs. Major Stock Indexes

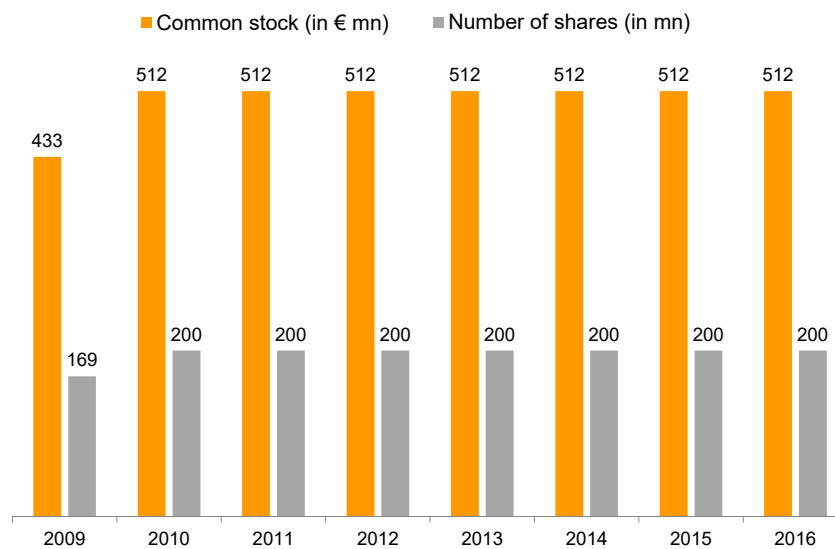


Source: Bloomberg, January 2017.

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IX. Share and Bond Information

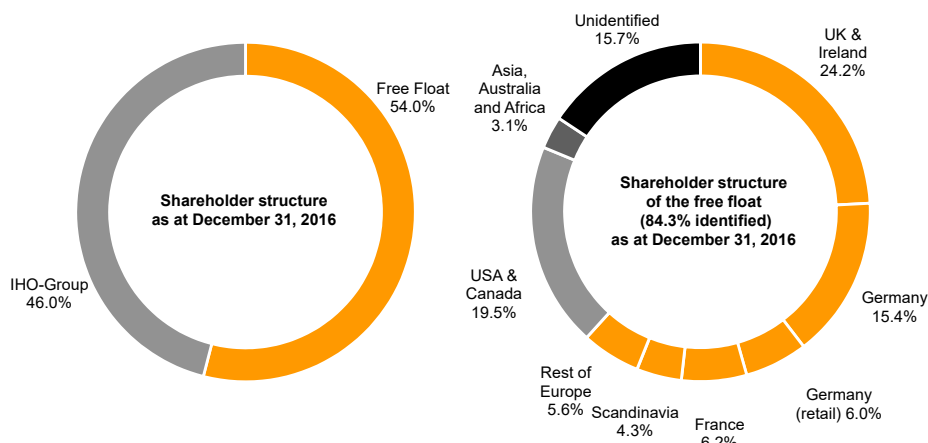
Common Stock



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IX. Share and Bond Information

Shareholder Structure



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IX. Share and Bond Information

Bond Data

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

¹ Guaranteed by Continental AG

² Non-contracted rating at date of issuance

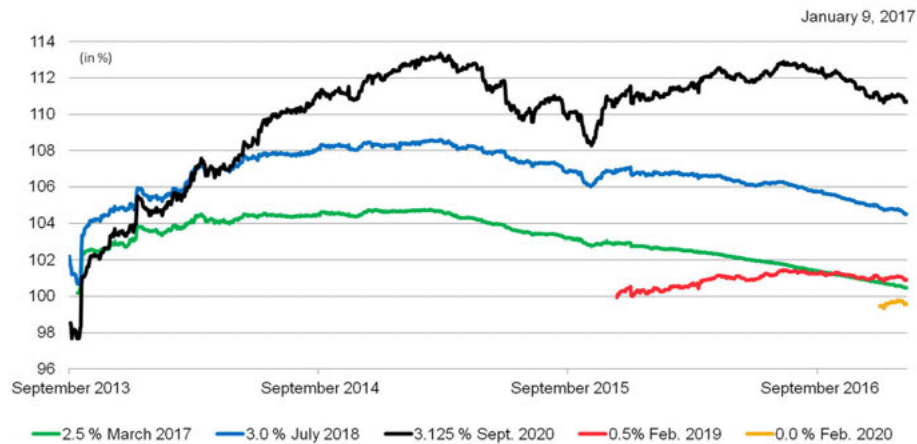
³ Fitch since October 24, 2016; S&P since May 11, 2016; Moody's since June 30, 2015

⁴ Non-contracted rating since February 1, 2014

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IX. Share and Bond Information

Development of the Bonds

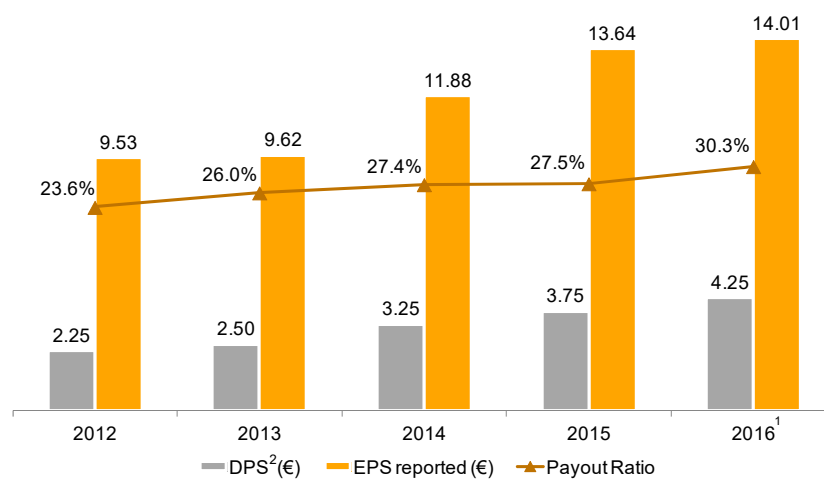


Source: Bloomberg, January 2017.

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IX. Share and Bond Information

EPS, Dividend and Payout Ratio



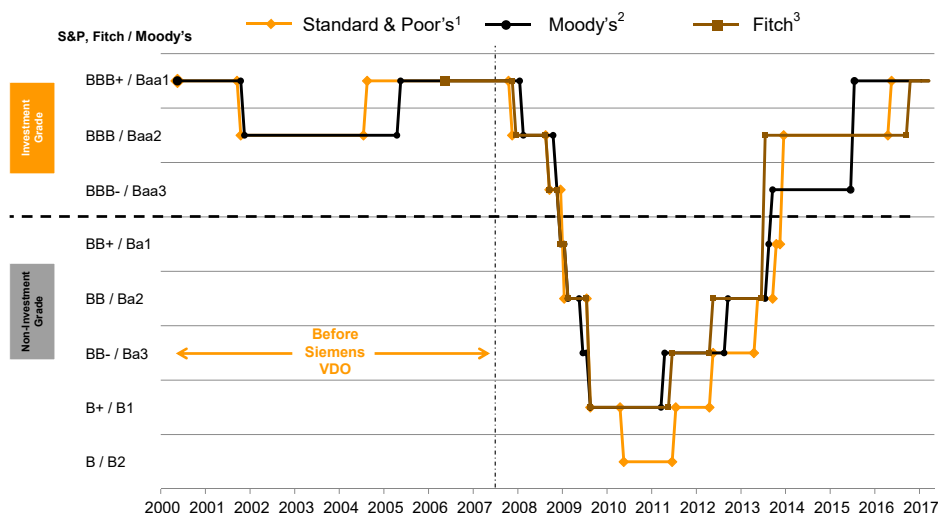
¹ Dividend subject to approval of the Annual Shareholders' Meeting (ASM) on April 28, 2017

² Dividend paid for the respective fiscal year, payout in the subsequent year

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IX. Share and Bond Information

Development of Continental's Credit Rating



¹ Contracted rating since May 19, 2000.

² Non-contracted rating since February 1, 2014.

³ Contracted rating since November 7, 2013.

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IX. Share and Bond Information

10 Year Financial Overview

		2016	2015	2014	2013	2012 ⁶	2011	2010	2009	2008	2007
Balance sheet											
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 ¹	%	40.7	40.2	36.5	34.8	29.7	29.0	25.4	17.6	22.4	24.7
Capital expenditure ²	€ 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
Income statements											
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 ³	%	73.4	74.1	74.9	76.6	78.3	79.0	77.8	80.0	80.4	75.8
Research and development expenses ³	%	6.9	6.2	6.2	5.6	5.3	5.3	5.6	6.7	6.2	5.0
Selling expenses ³	%	5.6	5.6	5.3	5.0	4.8	4.7	5.0	5.6	4.9	5.5
Administrative expenses ³	%	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 ³	%	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 ⁴	€ 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
Dividend and earnings per share											
Dividend for the fiscal year	€ millions	850.0 ⁵	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	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
Employees											
Annual average	thousands	216.0	204.7	186.0	175.4	169.0	159.7	142.7	133.4	148.4	93.9

¹ Including non-controlling interests.

² Capital expenditure on property, plant and equipment, and software.

³ As a percentage of sales.

⁴ Excluding impairment on financial investments.

⁵ Subject to the approval of the Annual Shareholders' Meeting on April 28, 2017.

⁶ IAS 19 (revised 2011), Employee Benefits, has been applied since 2012.

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X. Glossary

Financial Glossary

ADR	American Depositary Receipt
Capex	Capital expenditure on property, plant and equipment, and software
EBIT	Earnings Before Interest and Taxes
EBITDA	EBIT Before Depreciation and Amortization
EBIT margin	EBIT as a percentage of sales
EBITDA margin	EBITDA as a percentage of sales
FCF	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
Gearing ratio	Net indebtedness divided by equity. Also known as the debt to equity ratio
ISIN	International Securities Identification Number
Net indebtedness	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
NIAT	Net Income Attributable to the shareholders of the parent
OA	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
PPA	Purchase Price Allocation
R, D & E expenses	Research, Development and Engineering Expenses
ROCE (average)	Return On Capital Employed. We define ROCE as the ratio of EBIT to average operating assets for the fiscal year

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X. Glossary

Product and Division Glossary

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

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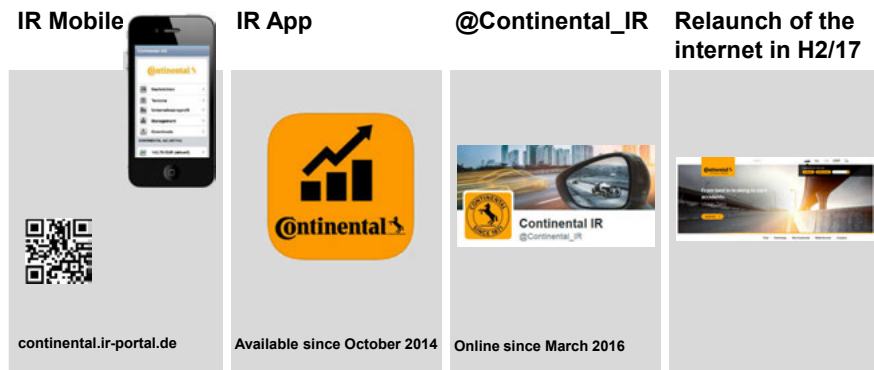
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Investor Relations Online



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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

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Continental Aktiengesellschaft

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